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Exploring the Link between Environmental Sustainability and Corporate Perception in Designated Nigerian Deposit Money Institutions

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Abstract
The study investigated the correlation between environmental sustainability and corporate reputation in selected Nigerian Deposit Money Banks in Abia state. It aimed to examine the effects of adopting clean technology on customer loyalty and the impact of social responsibility initiatives on customer trust. The sample size of 384 respondents was determined using the Cochran formula, and both convenience and snowballing sampling methods were utilized. Among the 384 questionnaires distributed, 299 were returned and analyzed. Pearson Product Moment Correlation was employed to test the hypotheses. The results demonstrated that the banks' utilization of clean technology, such as solar-powered ATMs and eco-friendly appliances, had a positive influence on their reputation.
Keywords: Sustainability, Environmental sustainability, Clean Technology, Corporate Reputation, Corporate Social Responsibility.
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1. Introduction

Globally, sustainability is getting an increasing attention in both academic and business fields, and how business organisations respond to the issue of sustainability will profoundly affect their competitiveness and survival (Lubin and Esty, 2010; Agu, 2021; Agu et al., 2022). Rising concern for environmental and social issues commits business to require responsibility and adopt sustainable development principles into strategic management (Jančiauskaitė, et al., 2019; Agu et al., 2021).

There is no doubt that the sustainability challenge facing mankind is pervasive and palpable. From country to continent, individual to government and firm to industry there is increasing recognition and acceptance of the sustainability risks confronting mankind (Udensi & Okwara, 2022).

Before the 1990s, the term "sustainability" primarily referred to a company's ability to gradually increase its profit bottom-line. However, over time, the concept evolved to encompass three interconnected aspects of business operations: economic, social, and environmental considerations (Adams, et al., 2012).

With mounting concerns for environmental and social challenges, businesses are increasingly being compelled to assume responsibility and integrate sustainable development principles into their strategic management approaches (Jančiauskaitė, et. al., 2019). Environmental sustainability refers to the responsible use and preservation of natural resources to meet current needs without compromising the ability of future generations to meet their own needs (World Commission on Environment and Development, 1987). It encompasses practices that minimize harm to ecosystems, reduce pollution, and promote biodiversity conservation (United Nations, 2021). Achieving environmental sustainability requires a balance between social, economic, and ecological factors, and ensuring that human activities do not exceed the planet's capacity to regenerate and support life (Rockström et al., 2009). Environmental sustainability enhances brand reputation and customer loyalty. Companies committed to eco-friendly practices attract environmentally conscious consumers, who increasingly make purchase decisions based on a company's sustainability efforts (Cone Communications, 2017).

Firms adopting sustainable practices reduce waste, energy consumption, and water usage, leading to lower operational costs. It can reduce regulatory risks because stricter environmental regulations necessitate compliance, and non-compliance can result in fines and legal issues (PwC, 2020)

Environmental sustainability has become a critical concern for organizations worldwide, as society recognizes the importance of addressing environmental challenges. In the context of designated Nigerian Deposit Money Institutions (DMIs), understanding the relationship between environmental sustainability and corporate perception is of utmost importance. The way these institutions integrate sustainable practices into their operations can significantly influence stakeholders' perception of their corporate image and reputation (Ajayi, 2019). This study aims to explore the link between environmental sustainability and corporate perception in designated Nigerian DMIs, providing insights into the impact of sustainable practices on stakeholders' perceptions.

2. Methodology

To investigate the link between environmental sustainability and corporate perception, a mixed-methods research approach was employed. This approach combines quantitative surveys and qualitative interviews to gain comprehensive insights into the study.

For the quantitative phase, survey method was used, questionnaire was distributed to a representative sample of stakeholders, including customers, employees, and investors. The survey questionnaire was designed based on existing literature on environmental sustainability and corporate perception, including scales and items validated in previous studies (Bansal & Clelland, 2004; Manika et al., 2019). Data collected was analyzed using statistical techniques such as correlation analysis and regression analysis which examined the relationship between sustainable practices and stakeholders' perceptions.

In the qualitative phase, semi-structured interviews were conducted with key stakeholders, including senior executives, industry experts, and representatives from regulatory bodies. These interviews provided in-depth insights into stakeholders' perspectives on environmental sustainability and its impact on corporate perception. Thematic analysis was applied to identify common themes and patterns across the interview data (Braun & Clarke, 2006).

Results:

The analysis of the collected data provided valuable insights into the link between environmental sustainability and corporate perception in designated Nigerian DMIs. The quantitative analysis revealed statistical associations between sustainable practices and stakeholders' perceptions, identifying specific sustainability initiatives that significantly influence corporate perception to include scholarship schemes, supporting sporting activities eg, inter-house sports, reliance on clean technology, etc. The qualitative analysis showed rich insights into stakeholders' perspectives, uncovering underlying motivations and mechanisms that shape the observed relationship which is to increase patronage.

3. Discussion:

By embracing clean technology, these institutions demonstrate a proactive commitment to reducing their environmental impact and mitigating climate change—a step that aligns with the expectations of various stakeholders, including environmentally conscious customers, regulatory bodies, and advocacy groups (Agu et al., 2022; Agu et al., 2022b). This is in line with Freeman's Stakeholder Theory (Freeman, 1984), which recognizes that satisfying societal and environmental expectations is essential for building trust and maintaining a positive corporate image.

The establishment of scholarship schemes contributes to human capital development in Nigeria, aligning with Freeman's notion of stakeholders as individuals or groups who are affected by or can affect an organization. Through education and skill development, deposit money banks empower future generations, fostering a more skilled and capable workforce, which benefits not only the institutions themselves but also the society at large. This proactive engagement with the education sector resonates with Stakeholder Theory's emphasis on societal well-being.

Supporting sporting activities, such as inter-house sports, reflects a commitment to employee well-being and community engagement, in line with the Stakeholder Theory's emphasis on employee and community stakeholders. Engaging in such activities promotes a positive workplace culture, enhances employee morale, and strengthens ties with the local community. These actions go beyond financial considerations and underscore the institutions' commitment to the holistic welfare of their stakeholders.

Incorporating clean technology, scholarship schemes, and support for sporting activities into their corporate strategies, these Nigerian monetary institutions effectively manage their relationships with various stakeholders, fostering positive corporate perceptions. This alignment with Stakeholder Theory not only enhances their reputations but also positions them as responsible corporate citizens contributing to environmental sustainability, human capital development, and community well-being.

4. Conclusion:

By incorporating clean technology, scholarship programs, and backing for sports initiatives into their corporate strategies, Nigerian monetary institutions effectively cultivate favorable relationships with a diverse range of stakeholders. This alignment with Stakeholder Theory not only burnishes their corporate image but also casts them as responsible corporate citizens actively contributing to environmental sustainability, human capital advancement, and community well-being. The adoption of clean technology signifies their proactive stance in curtailing environmental impact and combating climate change, meeting the expectations of multiple stakeholders, including eco-conscious customers, regulatory bodies, and advocacy groups. These actions transcend mere financial considerations, emphasizing the institutions' commitment to the comprehensive well-being of their stakeholders.

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