



# Corporate Social Responsibility Disclosure by Sudanese Listed Commercial Banks

Obeid Ahmed Obeid Abdelnour

Ahmed Bin Mohamed Military College, Qatar. \*Email: [nourobeid17@abmmc.edu.qa](mailto:nourobeid17@abmmc.edu.qa)

Received: 18 November 2020

Accepted: 19 January 2021

DOI: <https://doi.org/10.32479/irmm.11097>

## ABSTRACT

The purpose of this study is to investigate the extent of Corporate Social Responsibility (CSR) disclosure in the annual reports of Sudanese commercial banks listed on the Khartoum Stock Exchange (KSE). The paper uses content analysis method by reviewing 61 annual reports of 10 listed banks over a period of 7 years. Content analysis used to analyze the size and methods of CSR disclosure in published annual reports, beside the areas of social responsibility that are disclosed. The study found that all banks covered by the study disclosed information regarding CSR in their annual reports. In terms of disclosure methods, the results showed that the banks used all methods (financial, quantitative and descriptive) to disclose social responsibility information, considering that most of the information contained in the annual reports was in a descriptive form. The study revealed that most banks disclosed information related to human resources and product and consumer, then community involvement, followed by disclosure of environmental issues. This research paper provides new evidence for the literature in this area and may encourage comparative studies on CSR studies from different perspective.

**Keywords:** Corporate social responsibility, Sudan, Disclosure, Annual reports, Commercial banks  
**JEL Classification:** M140

## 1. INTRODUCTION

In 1924, Sheldon introduced the concept of “corporate social responsibility” (CSR) for the first time in the business environment. Since that time, awareness across the globe of the impact of businesses on society has increased significantly, and firms have come under greater pressure from society, governments and other stakeholders to behave responsibly (Habbash, 2016).

CSR is broadly defined as the potential means by which an organization can provide accounts or should account for its social and environmental impact on society through providing information, thus discharging its social accountability to wider groups of people (Gray et al., 1995a, and 1996). Thus, CSR generates and provides relatively more verbal as opposed to numerical, social and environmental information, it tends to be

described as accounting narratives or narrative disclosures (Cho et al., 2010; Jones and Shoemaker, 1994).

Over the last two decades, the concept of (CSR) has become more interesting for both researchers and academics. With increasing attention to this issue, corporations are under pressure to meet their social responsibilities to the society and environment they operate. These companies are no longer controlled by the goal of profit maximization. To ensure companies sustainability and development, they now operate to fulfil other objectives, including society welfare and prevention of environment they operate in.

Most of the empirical studies analyzing (CSR) have focused on the annual reports, which considered as the most important tool used by companies to communicate with their stakeholders (Guthrie and Parker, 1990; Patten, 1991; Abu-Baker and Naser, 2000; Ahmad and Sulaiman, 2004). Therefore, annual reports can be considered

as the most important source of company information and can a picture for disclosure practices.

As mentioned above, the issue of corporate social responsibility disclosure that relate to accounting and reporting have been the concern of academics and researchers, however, most of these studies conducted in developed countries such as (Zeghal and Ahmed, 1990; Adams et al., 1998; Adams and Kuasirikun, 2000; Gray, 2001; Day and Woodward, 2004; Freedman and Patten, 2004; Smith et al., 2005).

Some few studies have been conducted in developing countries (Middle East, Africa and Asia). For example, Al-Khater and Naser (2003), who conducted a study that focused on Qatar's stakeholders' view of Corporate Social Responsibility disclosure in annual reports. However, some studies have focused on the banking sector. For example, Menassa's (2010) study provides evidence of the widespread use of Corporate Social Responsibility Reporting by Lebanese banks. Aribi and Gao study (2012) focused on the banking sector, examining and determining the impact of Islam on the disclosure of social responsibility in financial institutions. While Gatati et al., (2013) studied disclosure of social responsibility information in the annual reports of commercial banks operating in Libya. In Sudan, very few published papers discussed the issue of CSR, for example Shibeika (2015) who studied the relationship between CSR practices and job satisfaction among banking sector employees, while Ahmed (2016) investigated the strategic importance of CSR in Sudan telecommunication company (Sudatel).

However, studying annual reports of organizations and identifying the size, quality and areas of social responsibility may give an indication on the extent of commitment of these organizations to their social responsibilities and explore the importance of these reports on their activities in the field of product and consumer, environmental, human resources and community involvement in which they work.

This study attempts to contribute to bridging the gap in accounting literature due to the limited number of studies conducted in this area in Sudan. It is one of the first studies that will deal with the current state social responsibility disclosure in Sudanese banks. By using the content analysis to analyze the annual reports of the selected banks for the study for a period 7 years.

The purpose of this study is to investigate the extent to which the Sudanese banks are compiled with the disclosure of social responsibility information in their published annual reports through the following:

- To measure the size of corporate social disclosure in published annual reports
- To identify the methods of corporate social information that is disclosed in the published annual reports
- To identify the areas of social responsibility that are disclosed in published annual reports.

Therefore, the study objectives can be stated in the following main research question:

To what extent do Sudanese commercial banks registered on the Khartoum Stock Exchange (KSE) committed to disclose the social responsibility information in their published annual reports?

To answer the above question, the following questions were addressed:

- What is the extent of disclosing social responsibility information in the annual reports?
- What methods of information related to social responsibility that are disclosed in the annual reports?
- What areas of social responsibility information that are disclosed in the annual reports?

To answer the above questions, the content analysis method was used to analyze the data compiled from 61 annual reports of 10 banks listed on Khartoum Stock Exchange for a period of 7 years from 2013 to 2019.

However, the study used the model used by (Branco and Rodrigues, 2006; Gatati et al., 2013 and Zubek, 2018) -in answering the above questions- who studied disclosure of social responsibility information in the annual reports.

## 2. LITERATURE REVIEW

Menassa (2010) study provides evidence of the widespread use of CSRR by Lebanese banks. Presenting the key finding that these banks attribute a greater importance to human resource and product and customer disclosures, than to environmental disclosure, which in terms of its availability and extent, remains weak.

Farook et al. (2011) tested and developed a theoretical model of the determinants of social disclosure in Islamic banks. The study compared and analyzed the annual reports of 47 Islamic banks operating in 14 countries. This study found that the volume of disclosure of social responsibility (CSR) varies widely among the Islamic banks surveyed. Regression test results showed that, one of the most important determinants of social disclosure in Islamic banks is the influence of public opinion, Shari'ah Supervisory Board (SSB) and corporate governance. The level of political freedom in a country, beside the ratio of deposits to total assets in banks, may be determinants that affect the level of social disclosure in Islamic banks.

Farook et al. (2011) results were in line with Aribi and Gao (2010) examined the influence of Islam on corporate social responsibility and corporate social responsibility disclosure (CSR) in Islamic financial institutions (IFIs) with a focus on an analysis of narrative reporting. It analyzed the annual report of 42 financial institutions operating in the Arabian Gulf, 21 of them Islamic and the other non-Islamic. This study provides evidence of Islamic influence on the CSR of IFIs. It finds that the largest part of CSR produced by the IFIs is the disclosure of reports of the *Shari'a* Supervisory Board. IFIs also disclose other Islamic information (e.g. "*Zakah*" and charity donation, and free interest loan) and report on their compliance with Islam along with information of philanthropy, employees and community.

Djadikerta and Trireksani (2012) attempted to measure the extent of corporate social and environmental disclosure CSED made by Indonesian listed companies in the Indonesia Stock Exchange (IDX) on their corporate web sites, and to investigate the relationship between the company's environmental sensitivity and the extent of the corporate social and environmental web site disclosure. The sample consisted of both sensitive and non-sensitive companies. Content analysis was used to analyze the data. The results of this study suggest that the extent of CSED made by Indonesian listed companies on their corporate web sites is low and the nature of disclosure is mostly descriptive, without any specific time frame. The most disclosed information is "community," followed by "human resources." It is found that there is no significant difference between the extent of CSED in both sensitive and non-sensitive industries.

Gatati et al. (2013) aimed to study the extent to which banks operating in Libya are complied with disclosing social responsibility information in the light of their published annual reports. The study used content analysis to analyze 33 reports issued by six commercial banks in Libya over 6 years. The results of the study indicated that all banks disclosed social responsibility information in different parts of their annual reports during the years of study. Most of the areas of corporate social responsibility disclosure were covered in the in the study, including, environmental issues, human resources, community involvement and product and consumer.

AlNaimi et al. (2012), examined disclosure of social responsibility for Qatari companies listed on the Qatar Stock Exchange (QSE). The study used the content analysis to analyze the annual reports of 25 companies listed on QSE for the year 2007. The study found that most of the companies disclosed information related to human resources and product development, followed by community involvement and no disclosure regarding environmental issues.

Habbash (2016), aimed to discover the corporate social responsibility (CSR) disclosure practices and the potential influence of corporate governance, in terms of ownership structure and corporate characteristics in Saudi Arabia. This study examined 267 annual reports of Saudi Arabian non-financial listed firms during 2007-2011 using manual content and multiple regression analyses. The study found that the CSR disclosure average is 24%, higher than 14.61 and 16% found by Al-Janadi et al. (2013) and Macarulla and Talalweh (2012) for two Saudi Arabian samples during 2006-2007 and 2008, respectively. The analysis also showed that government and family ownership, firm size and firm age are positive determinants of CSR disclosure.

Zubek (2018), examined the extent of (CSR) on human resources (HR) in the annual reports of Qatar listed companies and the effect of company's activity type of HR disclosure. The study used the content analysis as a method of analysis by observing 135 reports of 31 Qatari listed companies and other statistical tests. The study did not find evidence relating to the disclosure of consultation with employees, employment of disabled people and value added by employees. Regarding disclosure methods, the results showed that the companies used all the methods (financial, quantitative

and descriptive to disclose HR. Statistically, the results found a significant difference between the mean HR disclosure from one industry sector to another.

Adel et al. (2019), examined the quality of corporate social responsibility (CSR) disclosure in 350 European companies in 16 countries. The paper also examines the impact of corporate governance structure and other firm-specific characteristics on the quality of CSR disclosure in these companies. The data of CSR reporting are manually collected from the firms' reports and Tobit regression analysis is used to test the hypotheses. The results reveal that directors' ownership, the presence of a CSR committee and firm size are positively affect the quality of CSR reporting. Further testing of the independent variables on each CSR sub-category is made. The CSR sub-categories used are, namely, community involvement, employees, environment, social product and service quality, supply chain sustainability and business ethics. The presence of a sustainability committee inside the company is the only factor that shows a strong positive effect on the disclosure of every CSR sub-category and the CSR inclusive index.

In Sudan, very few studies conducted in the area of corporate social responsibility (CSR). However, Shibeika (2015) investigated the relationship between internal CSR practices and job satisfaction among banking sector employees by taking a sample of 375 employees. The study used factor analysis and regression to analyze the data. The study found that internal CSR positively influenced job satisfaction of employees. Specifically, there are positive relationship between (training and career development, health and safety, social work environment, employees' right, employees' welfare and workplace diversity) and job satisfaction.

Ahmed (2016) investigated the strategic importance of CSR in Sudan telecommunication company (Sudatel). The paper has sought to understand whether the concept of CSR programs is featured in the company's culture and strategic plans or whether the management is committed to CSR programs, considering that telecommunication companies in Sudan are fast growing area in business. Qualitative case study methodology is used to collect and analyze the data. However, the results indicated that the CSR concept is part of the company's strategic plan and given high commitment from the higher management.

### 3. RESEARCH METHODOLOGY

#### 3.1. Annual Report

Most CSR studies have focused on one corporate document, namely the Corporate Annual Report (CAR) as the sampling unit (Unerman, 2000), for two main reasons. Firstly, because the CAR is a "systematically produced" statutory and, at least partially, standardized document that is known in advance, it should exist for each year studied and consequently allow year-to-year comparison (Gray et al., 1995a and Unerman, 2000). Furthermore, the document is the most widely distributed of all public documents and, therefore, the most accessible to researchers (Unerman, 2000 and Campbell, 2000). Secondly, the CAR is viewed by researchers as an important document that is used by the organization to construct its own social imagery (Gray et al.,

1995a). Macintosh (1990, p. 168) explained that the annual report represents a “permanent expression of those social issues which top management regard as important and wish to communicate to shareholders and the public, and so are a record of the entity’s historical social consciousness.” However, the present study has considered the annual reports of selected banks as a focus for CSR as it is considered as a primary source of information for users and it is a good tool of communications between the company and its stakeholders. Furthermore, it represents an organization’s best efforts to respond to its stakeholders. Finally, it provides huge information and regulatory data, which can be used as a useful indicator of corporate priorities (Epstein and Freedman, 1994).

Based on the above reasons, this study uses (CAR) of selected Sudanese commercial banks as a sampling unit.

### 3.2. Content Analysis

In order to achieve the objectives of the study and for the purpose of developing a theoretical framework, the researcher conducted an inductive study of the most important previous studies in this area of research. This helps to develop a model that can be used to analyze the content of the annual reports of the banks selected for the study.

Content analysis has been employed in this study, since it is acknowledged as a research technique for making replicable and valid inferences from data according to their content (Krippendorff, 1980, p. 2). Additionally, the technique has been readily applied in corporate social disclosure-based research (Gray et al., 1995a; Bontis and Richardson, 2000; Goh and Lim, 2004; Gao et al., 2005, AlNaimi et al., 2012 for a review).

Using this method, we can analyze data and information in an organized and predefined manner to measure the size, type, and areas of corporate social disclosure in annual corporate reports of banks. This method is concerned with the type, method and size of the information contained in the annual reports.

In line with the majority of studies, the published annual reports have been used as an essential source of disclosure of CSR information.

### 3.3. Steps and Stages of Implementing Content Analysis

There are many basic stages in which the content analysis process must undergo. This study has relied heavily on the mechanism developed by Hackston and Milne (1996) which is based on the mechanism proposed by Gray et al. (1995a). These stages are:

#### 3.4. Phase 1: Categories of Disclosure and Determinants of CSR

At this stage, the definition of CSR is defined and the categories to which the data contained in the source (annual report) will be supported by the existence of comprehensive decision rules for each category (i.e., what belongs to a particular category should be limited, and cannot subordinate to another category). This means that what falls within these categories and rules will be social disclosure. In this regard, the mechanism developed by Hackston

and Milne (1996) is used to measure the volume of disclosure of social responsibility. It is a list of specific categories of disclosure as well as the rules of decision for disclosure of CSR as well as a data collection model.

Some argue that care should be taken to enrich content analysis data by attempting to demonstrate the quality and quantity of disclosure of social responsibility (see for example, Guthrie and Mathews, 1985). For this purpose, this study identified specific categories of disclosure as follows:

- CSR dimensions and employee information: information on retirement - employee consultations - recruitment of special needs - added values by employees - health and safety information for employees - training information - equal opportunity between workers - others
- Methods of disclosure: financial disclosure, quantitative disclosure, descriptive disclosure
- The volume of disclosure: percentage of the page.

#### 3.5. Phase 2: Identification of Content Analysis Units

This phase requires decisions on content analysis units. These decisions:

- Specify the data source or the sampling unit
- Determine the unit of measurement.

These decisions are important issues in the analysis of content because of the significant impact on the size of disclosure (Gray et al., 1995a).

#### 3.6. Specifying the Source of Data

The study relied on the published annual reports as the most widely used means by which organizations disclose CSR information. It is the most widely used source of information and the most reliable on the organization’s activities (Gray et al., 1995a).

#### 3.7. Determining the Unit of Measurement

The use of content analysis in measuring the size of disclosure of social responsibility is based on the idea that the item allocated a greater area of disclosure indicates the attention of the organization to this item. It can be used to measure the size of disclosure of social responsibility based on the number of words, sentences, paragraphs, lines, or the proportion of the page. In this study, the researcher relied on the proportion of the page to measure the volume of disclosure according to the mechanism developed by Hackston and Milne (1996). This involved using an A4 plastic sheet divided into twenty-five rows (the same length) and four columns (the same width) to form a grid with 100 rectangles of the same size representing 1% of the total size of the page. Then begin to count the number of rectangles that covered social disclosure, depending on the nature or type of disclosure (financial disclosure, quantitative disclosure, descriptive disclosure) and items of disclosure used by Gray et al. (1995) with some modifications (information about the employees - information on the retirement - information on the advice of the workers - information on the recruitment of people with special needs - information about the values added by the workers - information about the health and safety of the employees - information about the training - information

on the equal opportunity between workers). Once we obtained the percentage of the total page, we calculate the total social disclosure. This method can be used to measure all methods of disclosure such as drawings, tables, graphs and so on. However, this method does not take into account the difference in font size, column size, and page size from one report to another.

### 3.8. Population and Study Sample

The total numbers of banks listed on Khartoum Stock Exchange (KSE) was 23 banks on December 31, 2019. Annual reports for the period 2013-2019 were used for the study. The sampling criteria were: annual reports must be available at the KSE, the bank web site or collectable through communication; and the bank must have been listed for the entire period of the study 2013-2019. Banks that did not meet this criteria were excluded, and this accounted for seven banks listed after 2013, one bank that were listed in 2013 and five banks whose listed annual reports were incomplete -just financial statements and primary information about the banks- for the purpose of the study. Therefore, the total number of banks covered by the study was 10 banks. It is noted that the researcher contacted the department of statistics and department of research and development in bank of Sudan (The Central Bank) to collect some bank's annual reports. Table 1 shows the banks under study with their codes in KSE.

## 4. FINDINGS AND DISCUSSION

### 4.1. What is the Size of Disclosure of Corporate Social Responsibility Information in the Annual Reports of Sudanese Banks?

This part of the study analyzes and discusses the efforts by Sudanese commercial banks in the area of disclosure of social responsibility using information in published annual reports. To achieve this goal, 61 annual reports of a number of commercial banks operating in Sudan were obtained. The reports span over a period of 7 years (2013-2019). The following are the most important results that have been reached.

Table 2 showed results regarding the average size of social responsibility disclosure in Sudanese commercial banks. All banks under study disclosed information regarding corporate social responsibilities in their annual reports during the years of the study. The amount of CSR was measured in terms of the amount of space devoted to CSR in the annual reports of Sudanese banks. This study has used page as a measurement for the quantity of CSR disclosed (Gray et al., 1995 and Hackston and Milne, 1996).

**Table 1: Names of banks cover by the study**

Bank name	Code
Export Development Bank	EDBA
National Bank of Sudan	SNB
Bank of Khartoum	KHBA
Sudanese French Bank	SFB
Saudi-Sudanese Bank	SSB
Faisal Islamic Bank	FIBS
Sudanese Islamic Bank	SIB
Tadamon Islamic Bank	TAIB
Al Baraka Bank	BRKA
Financial Investments Bank	FIB

Specifically, it has used the proportion of pages devoted to social disclosure over the total pages of the annual report.

As shown in the Table 2, there was a gradual increase in the average size of disclosure for all banks over the first 4 years of the study. It increased slightly from 1.59 pages in 2013 to its highest level in 2016 (2 pages), which indicates the increased importance and the commitment of banks to disclose social responsibility information. However, this increase did not continue for a long time, and started to decrease until the level of disclosure reached its lowest level in 2019 when it reached 1.6 pages.

As indicated by the data in Table 2, the highest level of disclosure was in 2016 (3.2 pages), while the lowest level of disclosure was (0.61 pages) in 2019. This result showed that there is a great inconsistency among the performances of the sampled banks with regard to the social responsibility disclosure. The low level of disclosure during the last two years of the study may be due to the deterioration of economic conditions and political instability in Sudan which had a negative impact on the performance of banks.

### 4.2. What Methods of Information Related to Social Responsibility that is Disclosed in the Annual Reports of Sudanese Commercial Banks?

It seems clearly that the Sudanese commercial banks under study disclosed social responsibility information in their annual reports using all methods of social disclosure (financial, quantitative and descriptive) as indicated by the data contained in (Table 3). However, there are some differences in the levels of use of each method.

### 4.3. Financial Disclosure

The average size of financial disclosure was 0.50 pages, and it is considered the lowest among other social disclosure methods, and perhaps this was due to the difficulty of measuring social costs and benefits financially.

As shown in (Table 3), the average size of financial disclosure was converging from year to year, as it reached in 2013, (0.47 pages), and continued to rise slightly until it reached (0.55 pages) in 2016, then began to decline gradually until it reached (0.45 pages in 2019). Apparently, the year 2016 was the highest in the level of financial disclosure among other years of the study.

### 4.4. Quantitative Disclosure

The average volume of quantitative disclosure was 0.53 pages and it represents the graphs and statistical tables that were included in the annual reports of Sudanese commercial banks. The average size volume of disclosure of social responsibility reached its lowest level in 2013 (0.50 pages), but continued to rise gradually during the first years of the study until the year 2016, when it reached (0.58 pages), however, this is considered the highest level during the years of the study. Clearly, this indicates the increasing interest from commercial banks to disclose social responsibly information. The average volume of social responsibility disclosure decreased in last three years of the study and it reaches (0.51 pages) in the year 2019.

#### 4.5. Descriptive Disclosure

The average size of descriptive disclosure was 0.86 pages, however, it is considered as the largest among other disclosure methods. Moreover, this result indicated that commercial banks in Sudan rely heavily on descriptive disclosure in most of their annual reports because these reports often include descriptive expression of social responsibility information.

In general, it seems that the banks under study have used different methods to disclose social responsibility information in their annual reports, some of which were in the form financial disclosure and others in the form of quantitative and descriptive disclosure, but the important method used came in the form of descriptive disclosure.

#### 4.6. What are the Areas of Social Responsibility that are Disclosed in the Annual Reports of Sudanese Commercial Banks?

Table 4 showed the average volume of disclosure according to the areas of social responsibility that have been disclosed by Sudanese banks under study.

It seems clearly that there is a discrepancy in the average volume of disclosure between the areas of social responsibility. However, the highest average volume of disclosure was in the area of human resources, followed by product and consumer, then community involvement and finally the area of environmental protection.

#### 4.7. Environmental Protection

Table 4 showed that the average volume of disclosure on social responsibility in the area of environmental protection was 0.14 pages, which clearly indicates decrease in the contribution of

Sudanese banks towards environmental issues compared to other areas of social responsibility, however, the average volume of disclosure in 2016 was (0.26 pages) which is considered as the highest throughout the years of the study.

It was also found that the Sudanese commercial banks did not disclose information related to the area of environmental protection in adequate way in their annual reports. This indicates banks' lack of participation in environmental issues. This lack of participation refers to; firstly, lack of familiarity with environmental issues, secondly, the absence of laws and legislations that obliges banks to adhere to the environmental issues, and thirdly, the lack of communication between banks and organization related to environment.

#### 4.8. Product and Consumer

Table 4 showed that all commercial banks under study have disclosed information in the area of product and consumer. The average size of disclosure was 0.51 pages, it is noticed that the size of disclosure did not result in significant differences during the years of the study, where it was (0.52 pages) in the year 2013, then the level of disclosure of social responsibility gradually increased during the following years, so that it recorded the highest increase (0.55 pages) in the year 2016. However, during the last three years of the study, the level of disclosure decreased, reaching the lowest level of disclosure (0.44 pages).

#### 4.9. Human Resources Area

All commercial banks disclosed information related to the area of human resources, and the average size of disclosure on social responsibility in the area of human resource was 1.20 pages, and this indicates high volume of contribution of commercial

**Table 2: Average size of social responsibility disclosure**

Year	2013	2014	2015	2016	2017	2018	2019
Number of banks	n=10						
Number of banks disclosed social responsibility information	8	8	10	10	9	10	6
Average size of social responsibility disclosure	1.59	1.67	1.88	2.0	1.80	1.75	1.60
The highest level of disclosure	2.80	2.85	3.15	3.20	3.00	2.60	2.50
The minimum level of disclosure	0.90	0.70	0.99	0.97	1.20	0.70	0.61
Range	1.90	2.15	2.16	2.23	1.80	1.90	1.89

**Table 3: Average size of disclosure (according to corporate social responsibility disclosure methods)**

Disclosure methods	Years of the study							Average size of disclosure
	2013	2014	2015	2016	2017	2018	2019	
Financial disclosure	0.47	0.49	0.53	0.55	0.50	0.48	0.45	0.50
Quantitative disclosure	0.50	0.52	0.55	0.58	0.54	0.52	0.51	0.53
Descriptive disclosure	0.78	0.81	0.92	0.93	0.90	0.84	0.82	0.86
Average size of disclosure	1.75	1.82	2.00	2.06	1.94	1.84	1.78	1.89

**Table 4: Average size of disclosure (according to areas of corporate social responsibility)**

Areas of corporate social responsibility	Years of the study							Average size of disclosure
	2013	2014	2015	2016	2017	2018	2019	
Environment protection	0.09	0.12	0.24	0.26	0.10	0.08	0.09	0.14
Community involvement	0.22	0.25	0.27	0.29	0.23	0.19	0.17	0.24
Product and consumer	0.52	0.55	0.57	0.55	0.49	0.45	0.44	0.51
Human resources	0.99	1.05	1.20	1.25	1.28	1.30	1.34	1.20
Average size of disclosure	1.82	1.97	2.28	2.35	2.10	2.02	2.04	2.08

banks towards their employees compared to other areas of social responsibility. Overall, it can be seen from the (Table 4) that the level of disclosure increased gradually throughout the years of the study, as the average volume of disclosure in 2013 was (0.99 pages) and then escalated until it reached (1.34 pages) in the year 2019. It seems that there is interest among surveyed banks to improve the social and financial level of employees. This may refer to the fact that the human capital represents an important element production and its great role in increasing the profitability of banks.

## 5. CONCLUSION

This paper has examined the incidence of CSR disclosure practices of selected Sudanese commercial banks listed on Khartoum Stock Exchange throughout the period 2013-2019. It was found that, all banks covered by the study disclosed information regarding CSR in their annual reports (measured in terms of number of commercial banks disclosing CSR information or of the amount of space devoted to CSR in the annual reports) was low among Sudanese bank, when compared with studies conducted in developed countries. This result is supported by other studies performed in emerging economy country contexts Gatati et al. (2013) Libya, AlNaimi et al. (2013) Qatar, and Savage (1994) South Africa.

The results provide further evidence that the sampled banks used all methods of social responsibility disclosure in their annual reports (financial, quantitative and descriptive) with a focus on using the descriptive method. It was clear that most of the information contained in the annual reports was in a descriptive form (approximately 46%) of average volume of information related to social responsibility. The use of the financial method of social responsibility disclosure was the lowest (26%) of the average volume of information disclosed. However, this is in line with some of previous findings that confirmed the trends of the companies to use the descriptive method of disclosing social responsibility in their annual reports (Pratten and Mashat, 2009 and Zubek, 2018).

The results of the study showed that there is a variation in the average size of disclosure of social responsibility in selected banks for the study, when they report on their activities for each area of social responsibility in the annual reports, as the relative importance varies greatly from one area to another. These results are consistent with most of previous studies that confirmed that human resources received more attention and allocate more spaces in annual reports compared to other fields (Abu-Baker and Naser, 2000 and Pratten and Mashat, 2009). With regard to the areas of product and consumer and community involvement, it is ranked secondly and thirdly respectively.

This result is consistent with (Aribi and Gao, 2012) who ranked product and consumer firstly, followed by human resources disclosure in selected banks operating in Arabian Gulf.

However, this result is not in line with (Branco and Rodrigues, 2006).

The study showed a low level of disclosure of social responsibility in the area of environmental protection, and this may be due to the different nature of banks from other business organization activities. This result is in line with the results of Menassa (2010), who found environmental disclosure, which in terms of its availability and extent, was weak.

It is observed that Sudanese banks selected for the study do not have a sound accounting system that allows separating the overlap between economic and social activities, as well as including social activities in the financial statements of banks. Finally, although Sudanese banks have a significant contributions to programs, activities and projects that aimed at community service, but they do not disclose these information in details and sometimes considered as donations.

## REFERENCES

- Abu-Baker, N., Naser, K. (2000), Empirical evidence on corporate social disclosure practices in Jordan. *International Journal of Commerce and Management*, 10(3), 18-34.
- Adams, C.A., Hill, W.Y., Roberts, C. (1998), Corporate social reporting practices in Western Europe: Legitimizing corporate behavior. *British Accounting Review*, 30(1), 1-21.
- Adams, C.A., Kuasirikun, N. (2000), A comparative analysis of corporate reporting on ethical issues by UK and German chemical and pharmaceutical companies. *The European Accounting Review*, 9(1), 53-79.
- Adel, C., Hussain, M.M., Mohamed, E.K.A., Basuony, M.A.K. (2019), Is corporate governance relevant to the quality of corporate social responsibility disclosure in large European companies. *International Journal of Accounting and Information Management*, 27(2), 301-332.
- Ahmad, N.N., Sulaiman, M. (2004), Environmental disclosures in Malaysian annual reports: A legitimacy theory perspective. *International Journal of Commerce and Management*, 14(1), 44-58.
- Ahmed, Z.A. (2016), Evaluation of CSR performance of Sudanese telecommunication companies: A case study. *Management Studies*, 4(2), 80-92.
- Al-Janadi, Y., Abdul Rahman, R., Omar, H.N. (2013), Corporate governance mechanisms and voluntary disclosure in Saudi Arabia. *Research Journal of Finance and Accounting*, 4(4), 2013.
- Al-Khater, K., Naser, N. (2003), Users' perceptions of corporate social responsibility and accountability: Evidence from an emerging economy. *Managerial Auditing Journal*, 18(7), 538-548.
- AlNaimi, H.A., Hossain, M., Momin, M.A. (2012), Corporate social responsibility reporting in Qatar: A descriptive analysis. *Social Responsibility Journal*, 8(4), 511-526.
- Aribi, Z.A., Gao, S.S. (2012), Narrative disclosure of corporate social responsibility in Islamic financial institutions. *Managerial Auditing Journal*, 27(2), 199-222.
- Bontis, N., Richardson, S. (2000), Intellectual capital and business performance in Malaysian industries. *Journal of Intellectual Capital*, 1(1), 85-100.
- Branco, L.L., Rodrigues, C.M. (2006), Corporate social responsibility and resources-based perspectives. *Journal of Business Ethics*, 69(2), 111-132.
- Campbell, D.J. (2000), Legitimacy theory or managerial reality construction? Corporate social disclosure in Marks and Spencer plc corporate reports 1969-1997. *Accounting Forum*, 24(1), 80-100.
- Cho, C.H., Roberts, R.W., Patten, D.M. (2010), The language of US corporate environmental disclosure. *Accounting, Organizations and*

- Society, 35(4), 431-443.
- Day, R., Woodward, T. (2004), Disclosure of information about employees in the directors' report of UK published financial statements: Substantive or symbolic? *Accounting Forum*, 28(1), 43-59.
- Djajadikerta, H.G., Trireksani, T. (2012), Corporate social and environmental disclosure by Indonesian listed companies on their corporate web sites. *Journal of Applied Accounting Research*, 13(1), 21-36.
- Epstein, M., Freedman, M. (1994), Social disclosure and the individual investor. *Accounting, Auditing and Accountability Journal*, 7(4), 94-110.
- Farook, S., Hassan, M.K., Lanis, R. (2011), Determinants of corporate social responsibility disclosure: The case of Islamic banks. *Journal of Islamic Accounting and Business Research*, 2(2), 114-141.
- Freedman, M., Patten, D.M. (2004), Evidence on the pernicious effect of financial report environmental disclosure. *Accounting Forum*, 28(1), 27-41.
- Gao, S.S., Heravi, S., Xiao, J.Z. (2005), Determinants of corporate social and environmental reporting in Hong Kong: A research note. *Accounting Forum*, 29, 233-242.
- Gatati, N., Zubek, F.F., AlMashat, A. (2013), Disclosure of social responsibility information in the annual reports of Libyan commercial banks. *Journal of Economic and Political Sciences, Faculty of Economics and Commerce*, 2, 37.
- Goh, P.C., Lim, K.P. (2004), Disclosing intellectual capital in company annual reports evidence from Malaysia. *Journal of Intellectual Capital*, 5(3), 500-510.
- Gray, R. (2001), Thirty years of social accounting, reporting and auditing what (if anything) have we learnt? *Business Ethics: A European Review*, 10(1), 9-15.
- Gray, R., Kouhy, R., Lavers, S. (1995a), Corporate social and environmental reporting a review of the literature and a longitudinal study of UK disclosure. *Accounting, Auditing and Accountability Journal*, 8(2), 46-77.
- Gray, R., Owen, D., Adams, C. (1996), *Accounting and Accountability*. London: Prentice Hall Inc.
- Guthrie, J., Mathews, M. (1985), Corporate social reporting in Australia. *Research in Corporate Social Performance and Policy*, 7, 251-271.
- Guthrie, J., Parker, L.D. (1990), Corporate social disclosure practice: A comparative international analysis. *Advances in Public Interest Accounting*, 3, 159-175.
- Habbash, M. (2016), Corporate governance and corporate social responsibility disclosure: Evidence from Saudi Arabia. *Social Responsibility Journal*, 12(4), 740-754.
- Hackston, D., Milne, M.J. (1996), Some determinants of social and environmental disclosures in New Zealand companies. *Accounting, Auditing and Accountability Journal*, 9(1), 77-108.
- Jones, M.J., Shoemaker, P.A. (1994), Accounting narratives: A review of empirical studies of content and readability. *Journal of Accounting Literature*, 13, 142-184.
- Krippendorff, K. (1980), *Content Analysis: An Introduction to its Methodology*. New York: Sage Publications.
- Macarulla, F., Talalweh, M. (2012), Voluntary corporate social responsibility disclosure: A case study of Saudi Arabia. *Jordan Journal of Business Administration*, 8(4), 815-830.
- Macintosh, N.B. (1990), Annual reports in an ideological role: A critical theory analysis. In: Cooper, D., Hopper, T., editors. *Critical Accounts: Reorientating Accounting Research*. London: Macmillan. p153-72.
- Menassa, E. (2010), Corporate social responsibility: An exploratory study of the quality and extent of social disclosures by Lebanese commercial banks. *Journal of Applied Accounting Research*, 11(1), 4-23.
- Patten, D.M. (1991), Exposure, legitimacy, and social disclosure. *Journal of Accounting and Public Policy*, 10, 297-308.
- Pratten, J., Mashat, A.A. (2009), Corporate social disclosure in Libya. *Social Responsibility Journal*, 5(3), 311-327.
- Savage, A.A. (1994), Corporate social disclosure practices in South Africa. In: *Social and Environmental Accounting, Centre for Social and Environmental Accounting Research*. Dundee: University of Dundee.
- Shibeika, M.A. (2015), The impact of internal corporate social responsibility on job satisfaction within the banking sector in Sudan. *Khartoum University Journal of Management Studies*, 9(1), 65-87.
- Smith, J.V.D., Adhikari, A., Tondkar, R.H. (2005), Exploring differences in social disclosures internationally: A stakeholder perspective. *Journal of Accounting and Public Policy*, 24, 123-151.
- Unerman, J. (2000), Methodological issues-reflections on qualifications in corporate social reporting content analysis. *Accounting, Auditing and Accountability Journal*, 13(5), 667-681.
- Zeghal, D., Ahmed, S.A. (1990), Comparison of social responsibility information disclosure media used by Canadian firms. *Accounting, Auditing and Accountability Journal*, 3(1), 38-53.
- Zubek, F.F. (2018), Human resources disclosure: Practices and influences by Qatar listed companies. *International Journal of Economics, Commerce and Management*, 6(3), 3452.