SWISS BUSINESS SCHOOL

SBS Journal of Applied Business Research

September 2018
Volume 6

Table of Contents

Contact

For papers submission and other inquiries please contact:

Cassandra Budlong, M.A.
Editor-in-Chief
SBS Journal of Applied Business Research (SBS-JABR)
Email: editor@sbs.edu
JABR Website: http://jabr.sbs.edu

SBS-JABR Volumes

Submissions are now being accepted for the 2019 issue.
Submission deadline is 31 May 2019

SBS Swiss Business School
Flughafenstrasse, 3
8302 Kloten-Zurich
Switzerland
www.sbs.edu
+41 44 880 00 88

Editoral Board

Introduction to the SBS Journal of Applied Business Research

At SBS Swiss Business School we believe that managerial success in the 21st Century will be related to the ability to put business knowledge into practice in a way that can be understood and shared by all the stakeholders of the organization.

In order to support this idea and contribute to excellence in management skills, SBS Swiss Business School has developed the *SBS Journal of Applied Business Research* (*SBS-JABR*).

The *SBS-JABR* contributes to the creation of state-of-the-art academic and professional knowledge under a fully international dimension.

Additionally, the *SBS Journal* is based on a peer-to-peer revision process according to traditional academic practices.

As a first priority the *SBS Journal* welcomes high quality papers originating from universities and colleges offering D.B.A. Programs. Articles can be written by professors, lecturers, D.B.A. students, executives, policy makers and administrators in the private and public sectors, strategists, management consultants and others interested in the field of first class management and postgraduate education.

The *SBS Journal of Applied Business Research* publishes original research works that deal with any of the specialties relating to the field of Business Management.

The Editorial Board has the final responsibility in accepting works, subject to the reviews of two anonymous evaluators with knowledge and interest in the topics submitted to review. All submissions will be reviewed independently by two anonymous evaluators. The reviews will be of blind nature in both senses (peer review double blind). In other words, the work will be done in such a way that reviewers and authors won't know each other's identity at the time of reviewing.

The Reviewers Committee is formed by professionals belonging to European, American, African and Asian universities and business schools of well-known prestige in their areas of knowledge.

All original articles should be sent to the Editor-in-Chief, Cassandra Budlong, at editor@sbs.edu

Articles should be unpublished and should not be in process or be approved for publication by any other magazine or journal.

All work must abide by the following technical specifications found at www.jabr.sbs.edu/guidines.pdf

For further information on editorial policies or the preparation of manuscripts, you should contact the Editor-in-Chief.

Aims and Goals

The primary goal of the *SBS Journal of Applied Business Research* is to highlight those business practices based on action and applied research that sustain business excellence. It is a referenced, multi-disciplinary journal targeting academics, business managers, CEOs and Doctor of Business Administration (D.B.A.) candidates and graduates.

The purpose of the *SBS Journal* is to create a new formal channel of communication between universities, business schools and management practitioners such as policy makers, government agencies, academic and research institutions and persons concerned with the complex role of business.

It also aims to promote academic discussion and strategic analysis for practitioners on managing global competition in products and services for all sectors on a worldwide basis.

Publication in the *SBS Journal* of high quality empirical and research applied papers that advance knowledge and its application in a complex global world helps to expand business systems thinking and business modeling issues.

Finally, the *SBS Journal* offers an international dimension by accepting papers from any corner of the globe. It develops and increases a network of contributors from many different universities and business schools on all continents, thus fostering the interrelationship of structures and processes in a global arena.

The *SBS Journal* will cover areas for applied research papers and case studies in the fields of General Business, Human Resources, Marketing and Sales Management, Finance, and International Business.

Readership

Academics, researchers and students, especially graduate students in Doctor of Business Administration (D.B.A.) and similar programs; executives, policy makers and administrators in private and public sectors, strategists, management consultants and others interested in the filed of first class management of postgraduate education.

International Academic Databases

To be recognized as an authoritative, high quality source of information, a journal must be widely available. Indexing and abstracting services facilitate the broadest dissemination of information by pointing researchers to articles that are relevant to the field.

Once a journal is launched and has a track record of timely publication and solid content, it is appropriate to contact indexing and abstracting services for consideration (Sparc, 2012). The *SBS-JABR* is actually in the process of indexation at IDEAS RePEc and ECON PAPERS databases.

IDEAS REPEC

IDEAS RePEc is the largest bibliographical database dedicated to Economics and freely available on the Internet. Over 1,200,000 items of research can be browsed or searched, and over 1,000,000 can be downloaded in full text.

This site is part of a large volunteer effort to enhance the free dissemination of research in Economics, which includes bibliographic metadata from over 1,400 participating archives, including all the major publishers and research outlets.

IDEAS is just one of several services that use RePEc data. To see the popularity of some of these services, browse the statistics at LogEc. Authors are invited to register with RePEc and create an online profile. Then anyone finding that author's research there can find the latest contact details for that author, as well as a listing of the author's other research. Authors registered with RePEc also receive a monthly mailing about the popularity of their work, their ranking and newly found citations.

ECON PAPERS

EconPapers use the RePEc bibliographic and author data, providing access to the largest collection of online economics working papers and journal articles. The majority of the full text files are freely available, but some (typically journal articles) require that one, or one's organization, subscribe to the service providing the full text file.

ISSN SBS-JABR:

2235-7742 (print)
2235-7750 (online)

Employee Fraud in the Banking Sector of Ghana

by

Ekow Nyarko Dadzie-Dennis, D.B.A., Livingstone Caesar, Ph.D., Kyeame Ghansah, M.Sc. and Jonathan Tetteh Korletey, M. A.

Abstract

Employee fraud has been identified as a threat in the banking sector. This study, therefore, aims to identify the factors that drive employee fraud and determine their relationships. It also identifies the types of bank fraud committed by employees. The study employs a quantitative approach to investigate the phenomenon. Data was collected using questionnaires administered to 250 employees of 20 selected banks, across the ten regional capitals of Ghana. The data collected were analyzed using descriptive statistics and multivariate regression analysis. The findings of the study provide that bank fraud is prevalent in the Ghanaian banking sector and it is considered as an act that is committed by both managerial and non-managerial staff with factors such as capability, opportunity and internal controls being the main drivers. These, notwithstanding, the study implies that it is also important to note that there are other factors that have not been studied in this article that may also contribute to employee fraud.

Keywords:

Fraud; Employee fraud; Banking; Bank of Ghana; Internal control; Bank fraud; Corporate culture

Introduction

In spite of the fact that the banking industry is a controlled and regulated industry, employee fraud has assumed a different dimension in this industry and has continued to cost banks. The impact of employee fraud on the operations of banks in Ghana, and indeed the economy at large, is of interest to researchers and industry practitioners. Employee fraud has been identified as a threat in the banking sector (Nwankwo, 1991; Oseni, 2006). Fraud, in general, is defined by Anyanwu (1993) as an act of deception deliberately practiced to gain unlawful or unfair advantage over others. The International Standard on Auditing (ISA) defines employee fraud as an intentional act committed by one or more individuals in an organization, or third parties involving the use of deception, to obtain an unjust or illegal advantage. Most fraudulent activities, that occur in banks, are perpetrated by employees of banks. Bank fraud may include manipulation, falsification or alteration of documents, intentional misapplication of accounting policies and records, involving recording transactions without substance.

In recent times, the occurrence of employee fraud in the banking industry of Ghana has assumed an alarming proportion. According to Samociuk, Iyer and Doody (2010) “there is not a single financial organization that is immune to employee fraud, and that the typical organization loses 5-7 percent of its annual revenues to fraud” (p. 3). Though some acts of employee fraud were recorded decades ago, the current trend is worrying, since, employee fraud in any institution reduces the operating assets of that institution and increases the operating liability. It generates reputational setbacks, which in most cases result in the loss of existing and potential customers.

This development is of great concern to the stakeholders in the banking sector. According to Awuge, Obeyaa, Ampiah, Urbanus and Asiniembisa (2013), employee fraud has diverse socio-economic effects which include bank failure leading to merger and acquisition, loss of job, loss of shareholder wealth and investment, capital erosion, loss of income, loss of employment, reputational risk, suicide, death, divorce, or imprisonment. These show that employee fraud poses serious threats to the banking industry and the society at large. Therefore, there is a need to investigate the phenomenon to the factors that drive employee fraud in the banking sector.

Literature Review

Fraud can be classified into three primary groups; fraud that has been exposed and is publicly known, fraud that has been discovered by an organization but not made public, and fraud that has not been detected (Silverstone & Davia, 2005). However, it has been asserted that about only 20 percent of fraud is exposed. The reasons given indicate that most fraud is discovered accidentally; independent auditors do not proactively audit to detect fraud; entities without internal control staff cannot audit to detect fraud proactively; most internal auditors do not have adequate training or experience to detect fraud proactively; and most internal controls are inadequate to prevent fraud (Silverstone & Davia, 2005; Wells, 2004).

However, Elliot and Willingham (1980) categorized fraud into management fraud and employee fraud. Management fraud is committed by managerial employees and consists of, but is not limited to, financial statement fraud, misrepresentation of material facts, misappropriation of assets, concealment of material facts, illegal acts, bribery, corruption, and conflict of interest. Pedneault, Silverstone, Rudewicz, and Sheetz (2012) added that, management fraud involves the manipulation of earnings reported in the financial statements prepared for shareholders and creditors. This type of fraud affects stock prices, management bonuses, availability, and terms of debt financing.

On the other hand, employee fraud is committed by non-managerial employees and consists of, but is not limited to, embezzlement, breach of fiduciary duties, and theft of trade secrets or intellectual property (Elliot & Willingham, 1980). Additional items like pilferage, petty theft, false overtime claims, sick leave abuse, and use of company assets for their own benefit can also be viewed as fraud on the part of the employee, without forgetting bribery and corruption.

Employee fraud is mainly characterized by several activities including cash theft from bank tills, forgeries of customers' signatures with the intention of withdrawing monies from their accounts, opening and operating fictitious accounts, and illegal transfer of funds to other accounts, claiming of overtime for hours not worked, fund diversion, and computer fraud via compromising log-in credentials of an e-banking user (Akinyomi, 2012; Kingsley, 2012; Tchankova, 2002). While management have access to tangible assets and the accounting systems that record and track the activities of their employees, employees also use the same systems to conceal their identities and theft.

Finally, in addition to management and employee fraud, there is also customer fraud, such as false claim applications, fraudulent claims and the submission of false financial information to banks for loan applications.

Theoretical Perspective

The Drivers of Bank Fraud

From the perspective of the triangular fraud theory, for fraud in an organization to be successful, three things must exist, namely, opportunity, pressure and rationalization (Wells, 2005), but in extending this theory using the fraud diamond theory, Wolfe and Hermanson (2004) were of the view that, when the person committing the fraud is not with the right capability, then the fraud will not be possible.

Pressure from Employees and Bank Fraud

Pressure relates to the motivation that leads to unethical behavior. Pressure can result from various circumstances, but it often involves a non-shareable financial need. According to Albrecht, Albrecht and Albrecht (2006) about 95 percent of all cases of fraud have been influenced by financial pressure. Pressure to commit fraud may be as a result of employment stress, external factors, personal factors, social pressure (maintaining status) and inability to attain or achieve goals. Hillison, Pacini and Sinason (1999) found that numerous employee situations are consistent with actual or perceived pressure. For example; Greed or preoccupation with being successful, living beyond one's means, high personal debts, high medical bills, poor credit or inability to obtain credit, unexpected financial needs, personal financial losses, expensive habits such as the use of drugs, alcohol or gambling, illicit sexual relationships, work related pressure such as low pay, failure to receive a promotion, unfair treatment, lack of respect or dissatisfaction with one's job, boredom, the challenge to see if you can beat the system without getting caught, and spouse or family related imposed pressures (Hillson et al., 1999). The researcher is of the view that, when there are high levels of pressure on employees of banks, the likelihood of bank fraud is high. Based on the above review, the researcher hypothesizes that;

H1a: Pressure on employees is positively related to employee fraud in the banking sector of Ghana

Opportunity for Employees and Bank Fraud

Opportunity is the first important factor motivating fraud. Opportunities to commit fraud represent gaps, deficiencies, weaknesses and loopholes in the internal control systems of a business that an employee can utilize to commit fraud (Wilson, 2004). Hillison et al. (1999) found that opportunities to commit fraud can arise when an employee acquires absolute trust in an organization where the internal controls are weak or non-existent. The employee will then perceive that an opportunity exists to commit fraud, conceal it and avoid detection. Lister (2007) saw opportunity as the "fuel that keeps the fire going" and according to him even if a person has a motive, he or she cannot commit fraud when the opportunity is not created. He therefore gave some examples of opportunities that contribute to fraud such as high turnover of management in key roles, lack of segregation of duties, complex transactions, complex organizational structures, weak board of directors, lack of circumvention of control to prevent/detect fraudulent behaviour, failure to discipline fraud perpetrators and weak culture within the working environment (the ways of doing things within organization).

Deloitte (2005) postulated that culture is a good barometer for measuring an organization's susceptibility to fraud and error. According to an article by Deloitte, understanding an organization's culture is fundamental to designing effective fraud controls since there is a strong correlation between an organization's ethics and culture and its vulnerability to fraud. As result when an organization has a weak culture, it creates the opportunity for an individual to commit fraud. For example, the absence of controls, ineffective controls, or the ability of management to override controls— provide an opportunity for a fraud to be perpetrated. The researcher thus hypothesizes that;

H1b: Opportunities for employees is positively related to employee fraud in the banking sector of Ghana.

Rationalization of Other Activities of Employees and Bank Fraud

The concept of rationalization suggests that those who commit fraud must formulate some type of morally acceptable reasons before engaging in unethical behaviour. For example, "I had to steal to provide for my family" (Cressey, 1986). According to Hooper and Pornelli (2010), people who engage in fraud possess some kind of mind-set that allows them to justify or excuse their fraudulent behaviour or action. It must be noted that, the propensity to commit fraud depends on people's ethical values as well as on their personal circumstance. Ethical behaviour is motivated by a person's character and external factors, which include job insecurity. This justification for the act of fraud often leads to fraud in the business. Justification of the acts of fraud can also emanate from the actions of superiors who engage in fraud. Junior employees in banks will therefore engage in fraud with the rationalization that other employees are doing it; the earnings of the bank are adequate to cover the losses caused; or the employees are angry at the bank(Hollinger & Clark, 1983).

According to Pfeffer (1995) it is stated in the AU Section 316, paragraph 7 that:

> Those involved are able to rationalize committing a fraudulent act. Some individuals possess an attitude, character, or set of ethical values that allow them to knowingly and intentionally commit a dishonest act. However, even otherwise honest individuals can commit fraud in an environment that imposes sufficient pressure on them. The greater the incentive or

pressure, the more likely an individual will be able to rationalize the acceptability of committing fraud. (p.12)

In the International Standard on Auditing (ISA) 240, audit team members are required to discuss the susceptibility of the entity's financial statements to material misstatement due to fraud and urged them to consider both internal and external factors affecting the entity that might create pressures for management and others to commit fraud, as well as provide the opportunity for fraud to be committed (Kassam & Higson, 2012).

This is therefore an indication that the working environment of an organization enables employees /management to rationalize committing fraud. Therefore;

H1c: Rationalization of activities by others is positively related to employee fraud in the banking sector of Ghana.

Capability of Employees and Bank Fraud

Wolfe and Hermanson (2004) believed many fraudulent acts would not have occurred without the right person with the right capabilities implementing the details of the fraud. According to Wolfe and Hermanson (2004), although perceived pressure might coexist with an opportunity and a rationalization, it is unlikely for fraud to take place unless the fourth element (i.e., capability) is also present. In other words, the potential perpetrator must have the skills and ability to commit fraud. Wolfe and Hermanson (2004) maintain that opportunity opens the doorway to fraud, and incentive (i.e. pressure) and rationalization lead a person toward the door. However, capability enables the person to recognize the open doorway as an opportunity and to take advantage of it by walking through repeatedly. An individual's continuous involvement in fraud produces his or her habit which then leads to capability due to the fact that, that person is also engaging in the fraudulent act. They also suggested four observable traits for committing fraud; (1) Authoritative position or function within the organization, (2) capacity to understand and exploit accounting systems and internal control weaknesses, (3) confidence that she/he will not be detected or if caught she/he will get out of it easily, and (4) capability to deal with the stress created within an otherwise good person when she/he commits bad acts. Hence;

H1d: The capability of an employee is positively related to employee fraud in the banking sector of Ghana.

Poor Corporate Culture and Bank Fraud

Corporate culture is defined as the behaviour learned over time in the different phase of an organization's life. In the early stages of an organization, corporate culture and behaviour is learnt from the founder and the leaders of the organization (Hofstede, Garigaldi de Hilal, Malvezzi, Tanure & Vinken, 2010). In the second phase of developing corporate culture, fraud and corrupt practices may be institutionalized through the development of norms when a critical incident takes place (Ashforth & Anand, 2003). Bank fraud if unchecked, will make it a normal institutional practice, especially if the heads are involved. Researchers such as (Manz, Anand, Joshi & Manz, 2005; Schein, 1990) are of the view that, poor corporate culture impacts on bank fraud. It should therefore be understood from the literature that the culture of an organization can breed issues of fraud and corruption in an organization through the process of institutionalization. If an organization tolerates corrupt and fraudulent practices, it becomes a routine activity and part of the structure of the organization which influences the ideals, behaviour and activities of the workers. The study therefore hypothesizes that;

H2: Poor corporate culture is positively related to employee fraud in the banking sector of Ghana.

Inefficient Internal Controls and Bank Fraud

Internal controls refer to the systems put in place by managements of organizations to provide the platform for the achievement of organizational objectives. According to Ayagre, Appiah-Gyamerah and Nartey (2014) internal controls are not outcome oriented, but rather process oriented to ensure compliance of applicable laws and regulations, reliability of financial reporting and effectiveness and efficiency of an organization's operation. It implies that internal controls (ICs) are the backbone of any risk management focus and dynamic organization. However, some researchers have argued that no matter how robust ICs may be, it is in itself not a panacea to employee fraud and often deteriorates over time. The belief is that an efficient internal control system can be sustained and thus prevent employee fraud. Five primary factors that contribute to internal control illusions are organizational size changes, technology improvements, process changes, failure of physical safeguards, and employee failure to perform (Atwood & Elliott-Sinnock, 2012).

Internal control is made up of five key components. These are control environment, risk assessment, control activities, information and communication, as well as monitoring of control. The control environments indicate the total contribution by the boards and management of banks in achieving the needed discipline as well as the appropriate structure that will guarantee right internal control with respect to banks' operations.

Ahmad, Bosua and Scheepers (2014), in their study on managing bank fraud, outlined some strategies for preventing and detecting fraudulent transactions in financial institutions. These strategies include a management control system, financial control strategy, personal control strategy, accounting control strategy, credit control strategy, cost control strategy, administrative control strategy, process control strategy, and a budgetary control system. The Basel Committee (1998) asserts that, weak internal controls by banks make the bank susceptible to both internal and external fraud. The systems theory makes a meaningful contribution by saying that, there is the need for banks to focus on their internal system since failure in one component of the bank's system will lead to the failure of the whole system. Some researchers stress that, the internal controls of banks include correction of deficiencies, IT monitoring activities, as well as oversight and control mechanisms which are put in place by management of banks to prevent fraud. The bank is open to fraud when its internal controls are compromised by either top management or employees. Ayagre et al. (2014) opined that it is important for management to periodically review the internal controls of the bank. This is because effective internal control is able to protect the entity against any external attacks and any internally unauthorized activity (Amudo & Inanga, 2009; Humphreys, 2008; Smeets, Poon & Bodensjo, 2006). Based on the above review, the researcher hypothesizes that;

H3: Ineffective internal controls are positively related to employee fraud in the banking sector of Ghana

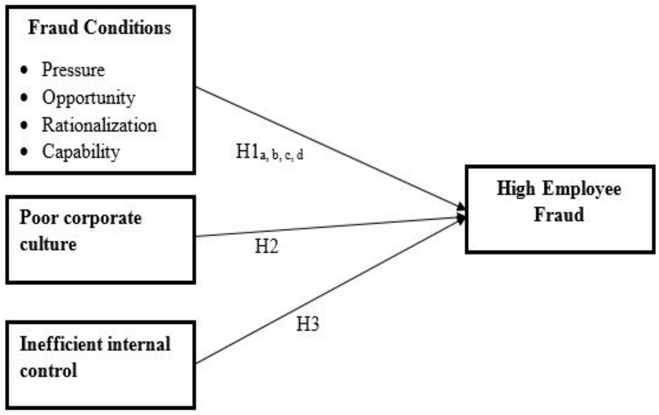

Figure 1. A conceptual model of bank fraud

Methodology

Sample and Data Collection

The study sample consisted of employees of selected banks in the regional capital. We focused specifically on the main head offices of banks in all the regions. Out of the 35 commercial banks currently licensed by Bank of Ghana, we randomly selected 20 samples from all the head offices. We sent introductory letters to all the Managing Directors of the banks to introduce the study and to seek permission to encourage staff to participate. A total of 20 banks agreed to take part in the study. Using a list of all the banks' employees, we randomly selected 250 bank officers to take part in the study. We collected the questionnaire a day after giving it to them since they were briefed on the purpose of the study and also because permission was sought from the right authority. We received a response rate of 224 representing 74.67% (this included those who agreed to take part in the study and those who completed their questionnaires). To determine whether there were differences in samples of those who agreed to take part in the study and those who did not take part in the study, we took 20 of the sample for those who were not part and compared their demographic backgrounds for possible differences. We found out that, there were no significant differences in the two groups in terms of their age, gender, years of working in banks, and position. This makes our selected and usable sample right for the study.

Regarding the bank employee characteristics, a higher percentage of respondents who participated in the survey were males (58%). Other characteristics were as follow:

Age - (18-30 years= 19.2%, 31-40 years=50.9%, 41-50 years=18.3%, 51-60 years= 9.8% and 61 and above years= 1.8%)

Educational level - (diploma= 6.3%, de-

gree=32.1%, post-graduate=61.6%)

Position in bank - (legal service officer=8%, recovery assistance officer= 8.9%, HR and administrative officer= 8.9%, auditors= 5.4%, bank support= 4.5%, research officer= 4.5% and risk officer= 4.5%),

Working experience - (1-5 years= 8.5%, 6-10 years= 41.5%, 11-15years= 35.3%, 16-20 years= 12.1%, 21-25 years= 1.3% and 26 years and above= 1.3%).

Measurement Development and Validation

The study's research questions, objectives and hypotheses informed the development of the items for the questionnaire. The questionnaire crafted for this study was a self-reporting structured questionnaire utilizing mutually exclusive and exhaustive responses, which facilitated numerical coding of data. The entire instrument was subdivided into five (5) sections; A, B, C, D and E. Section 'A' consisted of questions measuring the factors that drive bank employees to commit fraud. The questionnaire items developed were sub-grouped under the following factors; Pressure, Rationalization, Capability and Opportunity. Section 'B' measured respondents' perception of the influence corporate culture has on employee fraud in the banking sector. Section 'C' consisted of eleven (11) items developed to measure the extent to which bank staff perceived that internal control mechanisms/components such as; Control environment, risk assessment, control activities and monitoring helped in checking employee fraud in the bank. Section 'D' of the survey instrument measured the incidence of fraud (i.e. if bank staff knew anyone who had committed fraud against their bank), the types of fraud (i.e. type of bank fraud the person committed) and the acts respondents perceived to constitute as bank fraud which was measured on a 5-point scale of 1=Strongly disagree to 5-Strongly agree. Section 'E' of the questionnaire was used to collect the socio-demographic information of the respondents.

We conducted 20 initial in-depth interviews with bank employees to ensure face validity of the measures. With the interviews, respondents were asked to indicate the relevance of the items used in measuring each section of the construct. To address content validity in this study, a thorough review of the extant literature was made to select the bank fraud factors identified in previous studies. We further examined the validity of the study using the recommendations of Atuahene-Gima and Li (2002). First, we conducted an Exploratory Factor Analysis to assess the factor loadings and to ensure that the first factors did not account for majority of the variance in the dependent variable. The 103 Likert scale items developed to measure factors that drive bank fraud, corporate culture and internal control were subjected to principal components analysis (PCA) using the SPSS (v20) software programme. Prior to performing the PCA, the suitability of data for factor analysis was assessed. The Kaiser-Mayer-Okline obtained value of 0.7, which is above the suggested minimum value of 0.6 (Kaiser, 1974; Pallant, 2011) indicated that the sample size of the study was adequate and suitable for the factor analysis. The Bartlett's Test of Sphericity was also statistically significant (p=0.000) supporting the factorability of the correlation matrix and the appropriateness of the factor analysis method. A close inspection of the correlation matrix indicated that many of the coefficients exceeded 0.3 which shows that the items correlate quite well. Before the creation of composite scores, the reliabilities of the constructs were computed. Cronbach's coefficient alpha determines reliability based on internal consistency and provides a good estimate of scale reliability (Pallant, 2011).

Analysis and Results

In this study, standard multiple regression was used to assess the impact of pressure, rationalization, capability, opportunity, corporate culture and internal control in predicting bank employee fraud.

Descriptive Statistics of Factors that Drive Employee Fraud

The analysis of the results on which acts the respondents considered to be fraudulent in the banking sector indicates that unauthorized withdrawal from customers' accounts is the most common type of fraudulent act. This recorded the highest mean value of 4.58. Kick-backs, expense account fraud and property fraud also constituted the three most common fraudulent acts committed (each recording a mean greater than 4.44).

Table 1. *Descriptive Statistics of Fraud Committed by Bank Staff*

1=Strongly disagree		5=Strongly agree
Employee Fraud	**Mean (Standard Deviation)**	**Corresponding scale category**
Unauthorized withdrawal from customers account	4.58 (.678)	Agree
Kick-back	4.46 (.655)	Agree
Expense account fraud	4.46 (.590)	Agree
Property fraud	4.45 (.845)	Agree
Cash suppression	4.36 (.714)	Agree
False benefit claims	4.35 (.730)	Agree
Cheque suppression	4.34 (.805)	Agree
Theft of cash	4.32 (.827)	Agree
Padding	4.29 (1.140)	Agree
Embezzlement	4.19 (1.039)	Agree
Appropriation of loan repayments of clients	4.19 (1.293)	Agree

From the results of the study, it is indicated that 94.6 percent of the respondents affirmed that they knew someone who committed bank fraud. However, the common frauds committed by bank employees as identified by the respondents include unauthorized withdrawal from customers' account (20.1 percent), false benefits claims (19.6 percent), cash suppression (11.6 percent), cheque suppression (9.8 percent), cash theft (9.4 percent) and property fraud (8.9 percent), as seen in the Table 2.

Table 2. *Prevalence of Bank Fraud Committed in the Ghanaian Banking Sector*

Variable	Frequency	Percentage
Know someone who committed bank fraud		
Yes	212	94.6
No	12	5.4
Type of fraud committed		
Unauthorized withdrawal from customers account	45	20.1
False benefits claims	44	19.6
Cash suppression	26	11.6
Cheque suppression	22	9.8
Cash theft	21	9.4
Property theft/fraud	20	8.9
Manipulation of ATM	11	4.9
Appropriation of loan repayment of clients	10	4.5
Kick-backs	8	3.6
Expense account fraud	8	3.6
Palding	7	3.1
Fake certificates	2	.9

In establishing the set of factors that significantly drive employee fraud in the banking sector, the results, as indicated in Table 3, show that undue pressure emanating from family, organization and or community prospects; antipathy of superiors, intimidation and job frustration; perceived differential and unequal treatment; as well as social work and environmental distress can drive bank staff to commit fraud.

On rationalization of fraud, the results of the study showed that there is a consensus among the respondents to show that rationalization is based on the justification of employee's criminal act.

However, it was observed that opportunity to commit fraud as well as employees' capability to commit fraud also drives employees to commit fraud. Overall, it can be seen that all four factors presented in the model were found to be the drivers that instigate bank employees to commit fraud.

Table 3. *Descriptive Statistics of Factors that Drive Employee Fraud*

1=Strongly disagree		5=Strongly agree
Factors	**Mean (Standard Deviation)**	**Corresponding scale category**
Pressure		
Undue family, organization and or community prospects	4.40 (.798)	Agree
Antipathy of superiors, intimidation and job frustration	4.39 (.744)	Agree
Perceived differential and inequality treatment	4.25 (.988)	Agree
Social, work and environmental distress	4.21 (.985)	Agree
Work related pressures such as unfair treatment and non-promotion	3.42 (1.347)	Agree
Rationalization		
Fraud is justified by employee‘s criminal or questionable historical background	4.50 (.852)	Agree
Fraud is justified by an employee‘s inconsistent behaviour	4.25 (.887)	Agree
Fraud is justified by a strong desire to beat the system	4.24 (.962)	Agree
Fraud is justified by being underpaid	4.20 (.863)	Agree
Fraud justified by poorly recommended employee with poor financial status	4.14 (.777)	Agree
Capability		
Job or work overlap	4.38 (.838)	Agree
Persuasive ability	4.34 (.919)	Agree
Exercising an excessive power	4.32 (.870)	Agree
Opportunity		
Less supervision	4.63 (.527)	Agree
Frequent operation in unfavourable climate	4.60 (.688)	Agree
Lack of general and precise personnel policy	4.50 (.621)	Agree
Improper record of commendation on personnel dishonest act	4.47 (.831)	Agree
Dishonest or overlapping duty by dominant management	4.44 (.773)	Agree
Lack of supervision and attention paid to details	4.42 (.944)	Agree
Complex organizational structure	4.42 (.678)	Agree
Lack of executive disclosures and examinations	4.36 (.867)	Agree
Continuous problems with various regulatory agencies	4.23 (1.007)	Agree
Inadequate training programs	4.20 (.857)	Agree

Not only do pressure, rationalization, capability, and opportunity seem to be the four factors that drive employee fraud in banks, the respondents also agreed that when a bank's corporate culture fosters team work and promotes respect for staff at all levels, the phenomenon of bank fraud can the prevented (see Table 4).

Table 4. *Descriptive Statistics of Corporate Culture Impact on Fraud Prevention*

1=Strongly disagree		5=Strongly agree
Items	**Mean (Standard Deviation)**	**Corresponding scale category**
The bank values the idea of workers at every level	4.69 (.535)	Agree
Supervisors delegate responsibility	4.54 (.745)	Agree
People I work with constructively confront problems	4.54 (.682)	Agree
The bank fosters team work	4.47 (.739)	Agree
Ignorance of core values leads to trouble	4.46 (.590)	Agree
Existence of clear mission that gives meaning and direction to work	4.44 (.719)	Agree
Everyone takes part in discussion at meetings	4.43 (.686)	Agree
The bank motives staff to put out their best	4.39 (.667)	Agree
The bank treats people in a consistent and fair manner	4.38 (.743)	Agree
The bank respects its workers	4.38 (.730)	Agree

In Table 5, descriptive statistics of internal control is presented to indicate the extent at which internal control measures such as control environment, risk assessment, control activities and motivation relate to employee fraud. From the analysis of the results, the respondents agree with the fact that control environment, risk assessment, control activities, and monitoring are essential tools in implementing internal control to prevent employee fraud.

Table 5. *Descriptive Statistics of Internal Control Measures*

1=Strongly disagree		5=Strongly agree
Items	**Mean (Standard Deviation)**	**Corresponding scale category**
Control Environment		
Board of governors independent of management	4.73 (.529)	Agree
Appropriate measures are taken to correct misfeasance	4.57 (.834)	Agree
Bank has an objective, independent and active audit committee	4.56 (.589)	Agree
Management acts with great integrity	4.54 (.641)	Agree
Ethical values upheld in all management decisions	4.51 (.670)	Agree
Management committed to operation systems	4.45 (.661)	Agree
Risk Assessment		
Management has criteria for ascertaining fraud-related risks to the bank	4.62 (.705)	Agree
Management has defined appropriate objectives for the bank	4.49 (.676)	Agree
Control Activities		
Corrective action is taken to address weakness	4.51 (.635)	Agree
Bank has a well-developed chart for accounting	4.41 (.676)	Agree
Staff are trained to implement the accounting and financial management system	4.40 (.726)	Agree
Monitoring		
On-going independent process checks and evaluations of control activities	4.44 (.773)	Agree

Multivariate Multiple Regression of Drivers of Fraud

From the literature reviewed it was anticipated that all the factors/predictors of the study would positively be related to fraud. This was however not the case, as shown in Table 6, opportunity (-0.232) turned out to be negatively related to fraud committal. The co-efficient for internal control, which was the factor with the highest B coefficient was 0.427. This means that for every unit increase in internal control, a 0.43 unit increase in fraud is predicted, holding all other variables constant. Using an alpha of 0.05; the coefficient for Internal Control (0.427), is significantly different from 0 because its p-value is 0.000, which is smaller than 0.05.

Table 6. *Simultaneous Multiple Regression Analysis Summary for Factors that Drive Bank Fraud*

Variable	B	*SEB*	Beta	*T*	Sig.
Pressure	0.012	0.046	0.020	.266	0.790
Rationalization	0.001	0.048	0.002	.023	0.982
Capability	0.085	0.043	0.159	1.984	0.049*
Opportunity	-0.232	0.108	-0.216	-2.153	0.032*
Corporate Culture	0.086	0.102	0.073	0.844	0.399
Internal Control	0.427	0.094	0.347	4.570	0.000***
Constant	2.650	.408		6.489	.000

Note; $R2 = .363$; $F\,(6, 223) = 5.497$
$*p < 0.05$, $***p < 0.001$

The standard multiple regression model containing the six independent variables (pressure, rationalization, capability, opportunity, corporate culture and internal control) was statistically significant, $F\,(6, 223) = 5.497$, $p = 0.000$, indicating that the factors put together significantly predict bank fraud.

The first set of hypothesis ($H1_a$, $H1_b$, $H1_c$, $H1_d$) of the study predicted a significant positive relationship between drivers of employee fraud (opportunity, capacity, rationalization and pressure) and employee fraud in the banking sector of Ghana. The results of the regression analysis however revealed that only capability and opportunity significantly related to employee fraud. Pressure and rationalization were not significantly related to employee fraud in the banking sector. The first set of hypothesis is therefore partially supported.

The second hypothesis of the study predicted a positive relationship between corporate culture and employee fraud in the banking sector of Ghana. The results of the multiple regression analysis revealed that a non-significant relationship exists between corporate culture and fraud. A unit change in corporate culture did not result in a unit change in fraud as seen from the B coefficient (0.09) of capability in Table 1. The second hypothesis of the study is therefore not supported.

This third hypothesis of the study predicted a significant relationship between internal controls of banks and employee fraud in the banking sector of Ghana. The results of the multiple regression analysis revealed that a significant relationship between internal controls and fraud exists. This implies that internal controls of banks are a criterion variable to consider when the issue of bank fraud comes to mind. A unit change in internal control (as measured by scores of the internal control scale) leads to a 0.43 change in fraud (as measured by scores of the fraud scale).

Discussions and Conclusion

The article attempts to study the factors that impact on bank employee fraud in Ghana. Based on this objective, the study the researchers hypothesized that the drivers of employee fraud (opportunity, capacity, rationalization and pressure) are positively related to employee fraud in the banking sector of Ghana; ineffective corporate culture is positively related to employee fraud in the banking sector of Ghana; ineffective internal controls is positively related to employee fraud in the banking sector of Ghana. The findings of this study indicate that bank fraud is prevalent in the Ghanaian banking sector and it is considered as an act that is committed by both managerial and non-managerial staff with factors such as capability, opportunity and internal controls being the main drivers.

Being consistent with the findings of Elliot and Willingham (1980), the findings of this study revealed that fraud is a prevalent phenomenon in the Ghanaian banking sector and is committed by bank staff in both managerial and non-managerial positions, though it is more prevalent among non-managerial staff. The types of bank fraud committed were mostly insider ones, which according to Beck, Demirgüç-Kunt and Levine (2006) is prevalent, difficult to detect and requires great effort and resources to minimize or to discover and prevent. The respondents perceived that kick-backs, expense account fraud, property fraud, false benefit claims, theft of cash, and padding, all constitute insider fraud. Just like one finds in Cressey's (1986) fraud triangle and Wolfe and Hermanson's (2004) fraud diamond model, factors such as pressure, rationalization, capability and opportunity were agreed upon by respondents to have a great potential of leading bank staff to commit fraud.

While extant literature shows that the corporate culture of the banking institutions within which employees work could either promote good or inappropriate behaviour such as fraud, the findings of this study further revealed that when banks' corporate culture fosters team work and promotes respect for staff at all levels, the phenomenon of bank fraud can the prevented. This is because corporate culture was found to have a significant relationship with employee fraud in the banking sector (a finding which provided support to the third a priori hypothesis and leads to the conclusion that corporate culture's role in combating employee fraud should be considered by management in their quest to curb the phenomenon). This means that when banks have poor corporate culture, employee fraud could be high.

The study findings are consistent with that of Ewa and Udoayang (2012) who found that internal control design influences staff attitude towards fraud in Nigerian banks such that a strong internal control mechanism is a deterrence to staff fraud while a weak or ineffective one exposes the system to fraud and creates opportunity for staff to commit fraud. This, therefore implies that Ghanaian banks with ineffective internal control will witness high employee fraud. From the findings it was revealed that when the board of governors' activities and meetings are independent, appropriate measures are taken to correct misfeasance and when banks have an objective, independent and active audit committee, the incidence of fraud is checked.

Implications of the Study

This study on employee fraud in the banking sector contributes to the literature on risk management. The relationship between drivers of fraud and employee fraud has been explored to determine their relationships and impacts in the banking sector. Considering the fact that this study has shown that factors such as capability, opportunity, corporate culture and internal controls are drivers of fraud, it is also important to note that there are other factors that have not been studied in this article that may also contribute to employee fraud.

Therefore, in order to ensure that fraud is minimized in the banking sector, it is right to indicate that management should look beyond internal and external factors without compromising on enforcing the existing policy guidelines and internal control measures instituted to deal with fraud. Managers should also periodically rotate staff as this will serve as a check on what each staff member does. If managers allow poor corporate and ineffective internal control to exist, it will encourage high employee fraud.

Occasionally employees should be educated and reminded through their staff meetings on the consequences of committing fraud. Simultaneously, management should also ensure better working conditions of service (adequate remuneration) are provided for staff, especially for those at non-managerial levels. Whistleblowing should therefore be an act that is encouraged by managers for both bank staff and customers alike who repose much trust and confidence in each other to exercise some caution as the trust could provide the needed opportunity to commit fraud.

For future research, replication of the study is encouraged. Beyond mere replication however, the results of the study are encouraging for use by practitioners. Also it is recommended that future studies adopt a longitudinal design, unlike the cross-sectional one which was employed in the present study. A longitudinal design would permit inferences regarding causation.

The Authors

Ekow Nyarko Dadzie-Dennis, D.B.A.
Nobel International Business School
endd103@yahoo.com

Livingstone Caesar, Ph.D.
Assistant Professor of Management
and Organisational Behaviour
Nobel International Business School
caesar@nibs.edu.gh

Kyeame Ghansah, M.Sc.
Senior. Research Fellow
Nobel International Business School
kghansah@nibs.edu.gh

Jonathan Tetteh Korletey M.A.
Research Fellow
Nobel International Business School
jtkorletey@nibs.edu.gh

References

Ahmad, A., Bosua, R., & Scheepers, R. (2014). Protecting organizational competitive advantage: A knowledge leakage perspective. *Computers & Security*, *42*, 27-39.

Akinyomi, O. J. (2012). Examination of fraud in the Nigerian banking sector and its prevention. *Asian Journal of Management Research*, *3*(1), 182-194.

Albrecht, W. S., Albrecht, C. C., & Albrecht, C. O. (2006). *Fraud Examination.* New York, NY: Thomson.

Amudo, A., & Inanga, E. L. (2009). Evaluation of internal control systems: A case study from Uganda. *International Research Journal of Finance and Economics*, *27*(1), 124-144.

Anyanwu, J. C. (1993). *Monetary economics: Theory, policy, and institutions*. Onitsha, Nigeria: Hybrid Publishers.

Ashforth, B. E., & Anand, V. (2003). The normalization of corruption in organizations. *Research in Organizational Behavior*, *25*, 1-52.

Atuahene-Gima, K., & Li, H. (2002). When does trust matter? Antecedents and contingent effects of supervisee trust on performance in selling new products in China and the United States. *Journal of Marketing*, *66*(3), 61-81.

Atwood, C. C. P., & Elliott-Sinnock, J. (2012). *U.S. Patent No. 8,225,395*. Washington, DC: U.S. Patent and Trademark Office.

Awuge, J., Obeyaa Anarfi, N., Ampiah Asane, V., Urbanus Ndago, J., & Asiniembisa Adochim, D. (2013). *An Assessment of Fraud and Its Management in a Rural Banking Industry* (Doctoral dissertation). Christian Service University College. Kumasi, Ghana. Retrieved from http://ir.csuc.edu.gh:8080/xmlui/handle/123456789/209

Ayagre, P., Appiah-Gyamerah, I., & Nartey, J. (2014). The effectiveness of internal control systems of banks. The case of Ghanaian banks. *International Journal of Accounting and Financial Reporting*, *4*(2), 377.

Beck, T., Demirgüç-Kunt, A., & Levine, R. (2006). Bank supervision and corruption in lending. *Journal of Monetary Economics*, *53*(8), 2131-2163.

Bank for International Settlements (BIS) (1998). *International convergence of capital measurement and capital standards*.(Publication No. bcbsc111). Basel Committee on Banking Supervision. Retrieved from: www.bis.org

Cressey, D. R. (1986). Why managers commit fraud. *Australian & New Zealand Journal of Criminology*, *19*(4), 195-209.

Deloitte. (2005). Technology Media and Telecommunication Trends: Predictions, 2005: A focus on the media sector. Paul Lee (Ed), Deloitte Touche Tohmatsu Consulting, United-States, The Netherlands, Hong-Kong. Retrieved from https://industrias-decontenido.files.wordpress.com/2010/08/deloitte-tendencias-medios-ww-2005.pdf on 27/08/2017.

Elliott, R. K., & Willingham, J. J. (1980). *Management fraud; Detection and deterrence*. New York, NY: Petrocelli Books.

Ewa, E. U., & Udoayang, J. O. (2012). The impact of internal control design on banks ability to investigate staff fraud, and life style and fraud detection in Nigeria. *International Journal of Research in Economics & Social Sciences*, *2*(2), 32-43.

Humphreys, E. (2008). Information security management standards: Compliance, governance and risk management. *Information Security Technical Report*, *13*(4), 247-255.

Hillison, W., Pacini, C., & Sinason, D. (1999). The internal auditor as fraud-buster. *Managerial Auditing Journal*, *14*(7), 351-363.

Hofstede, G., Garibaldi de Hilal, A. V., Malvezzi, S., Tanure, B., & Vinken, H. (2010). Comparing regional cultures within a country: Lessons from Brazil. *Journal of Cross-Cultural Psychology*, *41*(3), 336-352.

Hollinger, R. C., & Clark, J. P. (1983). Deterrence in the workplace: Perceived certainty, perceived severity, and employee theft. *Social Forces*, *62*(2), 398-418.

Hooper, M. J. & Pornelli, C. M. (2010) *Deterring and detecting financial fraud: A platform for action*. Retrieved from: http://www.thecaq.org/docs/reports-and-publications/deterring-and-detecting financial-reporting-fraud-a-platform-for-action.pdf?

Kaiser, H. F. (1974). An index of factorial simplicity. *Psychometrika*, *39*(1), 31-36.

Kassem, R., & Higson, A. (2012). The new fraud triangle model. *Journal of Emerging Trends In Economics and management Sciences(-JETEMS), 3*(3), 191-195.

Kingsley, E. (2012, January). Predictive asset management. In *SPE Intelligent Energy International 2012*, 2, 783-790. Society of Petroleum Engineers. Texas, USA: Richardson.

Lister, L. M. (2007). A practical approach to fraud risk: Comprehensive risk assessments can enable auditors to focus antifraud efforts on areas where their organization is most vulnerable. *Internal auditor*, *64*(6), 61-66.

Manz, C. C., Anand, V., Joshi, M., & Manz, K. P. (2008). Emerging paradoxes in executive leadership: A theoretical interpretation of the tensions between corruption and virtuous values. *The Leadership Quarterly*, *19*(3), 385-392.

Nwankwo, G. O. (1991). *Bank management: Principles and practice.* Lagos, Nigeria: Malthouse Press Limited. Google Scholar.

Oseni, E. (2006). Across the counter frauds in the banking industry and evaluation of some of the available controls. *The Nigerian Accountant, January/March*.

Pallant, J. (2011). SPSS Survival manual: *A step-by-step guide to data analysis using SPSS version 18.*(4th ed.). Maidenhead, Berkshire, UK: Open University Press.

Pfeffer, J. (1995). Producing sustainable competitive advantage through the effective management of people. *Academy of Management Executive, 9* (1), 55-69.

Pedneault, S., Silverstone, H., Rudewicz, F., & Sheetz, M. (2012). *Forensic accounting and fraud investigation for non-experts*. Hoboken, NJ: John Wiley & Sons.

Samociuk, M., Iyer, N., & Doody, H. (2010). S*hort guide fraud risk: Fraud corruption resistance and detection*. Farnham, UK: Routledge

Schein, E. H. (1990). Organizational culture: What it is and how to change it. In Y. Doz, P. Evans & A. Laurent (Eds.) *Human Resource Management in International Firms* (pp. 56-82). London: Palgrave Macmillan.

Silverstone, H., & Davia, H. R. (2005). *Fraud 101: Techniques and strategies for detection*. Hoboken, NJ: John Wiley & Sons.

Smeets, B. J. M., Poon, K. F., & Bodensjo, M. (2006). *U.S. Patent No. 7,058,806*. Washington, DC: U.S. Patent and Trademark Office.

Tchankova, L. (2002). Risk identification–basic stage in risk management. *Environmental Management and Health*, *13*(3), 290-297.

Wells, J. T. (2004). New approaches to fraud deterrence. *Journal of Accountancy*, *197*(2), 72.

Wells, J. T. (2005). *Principles of fraud examination*. New Jersey: John Wily & Sons.

Wilson, D. (2005). *Fraud and technology crimes: Findings from the 2002/03 British Crime Survey and the 2003 Offending, Crime and Justice Survey.* London: Home Office.

Wolfe, D. T., & Hermanson, D. R. (2004). The fraud diamond: Considering the four elements of fraud. *The CPA Journal*, *74*(12), 38.

Impact of Green Human Resource Management on Employee Behaviour

by

Ali Halawi, Ph.D. and Wael Zaraket, D.B.A.

Abstract

An organization's role is gaining more importance than ever before due to the challenges facing the stakeholders to whom such organizations appeal. When the power structure of the community is highly respected and the approach of the organization becomes more stakeholder-centered, the negative externalities and societal challenges can be lessened. Such negative externalities and societal challenges are abundant in Lebanon, which requires assessing the Green responsibility of Lebanese private companies in preparing their employees to combat these challenges and in appealing to the stakeholders. This study argued that Lebanese private companies can acquire an edge when adopting high Green responsible human resources management, especially in the presence of hyper competition which characterizes many industries. Green responsibility of Lebanese private companies is perceived within the human resource frame via its influence on retaining the employees and creating a noble cause for them. This study attempted to explore the stance of Lebanese companies regarding Green human resources responsibility, seeking to provide simplified general reflections of Green HRM on employee work behavior through taking a model of two Lebanese companies representing diverse industries (A university and a bank).

Keywords:

Green HRM, Behavior, Performance

Introduction

Nowadays, there is a great deal of increase in the adoption of environmental social management systems by the corporate sector, making it quite important to identify with the human resources management practices.

Today, there is a need for a proactive approach to environmental management across the world (Gonzalez-Benito, 2006).

Much interest has been paid to environmentalism globally, whether arising from specific agreements to combat climate change ie. Kyoto, 1997; Bali, 2007; Copenhagen, 2009, or from poverty and unemployment resulting from high-profile industrial reforms.

The debate associated with how Green management principles can be implemented effectively in the organization lead us to examine the integration of the largely separate literatures of Environmental Management (EM) and Human Resources Management (HRM) practices. Over the years, researchers agree that HRM practices have the power and ability to improve and sustain organizational behavior.

This paper aims to shed light on the literature in the area, map the province of the field, identify some gaps, and suggest some potential fruitful future researches. The study also addresses the existing literature based on employee work behaviors and organizational behaviors, specifically on Organizational Citizenship Behavior (OCB) theory due to certain study limitations that reveal the role that Green HRM processes play in people-management systems.

Background and Literature

Green Human Resources Management

A universal grant has emerged around the need for environmental management during the past two decades. The corporate sector has increased the adoption of Green management systems where these types of initiatives became an important factor in forward thinking businesses around the world.

Moreover, a much recent interest is paid to environmentalism globally, arising from specific treaties to combat climate change (Kyoto, 1997; Bali, 2007).

Additionally, the need for pro-active Environmental Management increased worldwide and began to spread internationally. In response, scholars from management systems, including human resources, marketing, and many others, have been analyzing how managerial practices in these areas can contribute to the environment.

Focusing on the human resources phase, Coro Strandberg (2009) states that human resource managers are well positioned to play an instrumental role in helping their organization achieve its goals of becoming an environmentally responsible firm – one which reduces its negative and enhances its positive impacts on the environment.

Human resource professionals can be authoritative in realizing the objective of being socially responsible, especially if their organizations perceive successful corporate social responsibility and environmental management as a key driver of their organizational performance. Regarding this issue, firms who seek to manage their employee relationships in an environmentally responsible way must follow a strict guiding strategy to achieve this goal. There is a scarcity of information for the HR managers who see the importance of embedding their firm's EM values throughout the organization, and who wish to assist the executive team in integrating EM into the company's DNA.

Truly, understanding employee engagement is not simply the mandate of HR. The HR's command to communicate and implement ideas, policies, cultural, and behavioral change in organizations makes it central to fulfiling an organization's objectives to "integrate Environmental Management in all that we do."

HR participates in the development of processes and systems; however, employee engagement is significantly a shared responsibility. The more the HR practitioners understand their power with respect to EM, the greater their ability to pass these insights along to their business partners towards the organization's objectives in integrating EM throughout their operations and business model.

Moreover, researchers agreed that employees must be inspired, empowered, and environmentally aware in order to carry out green management initiatives.

Regarding the environmental responsibility issue, green is the most beautiful color in the world and it is the color of nature. A walk into nature can ultimately bring us happiness and prosperity. But cruel misuse of natural resources has brought us to a point where our existence on the planet is threatened with global warming and many other problems.

Corporate Social Responsibility (CSR) is the equitable integration of social and environmental consideration into business decisions and operations. Going green is becoming an essential part of this equation, and it is relatively easy to manage.

Managing CSR has always been about building trust. This means engaging customers and stakeholders in a shared purpose. The dimensions of the framework of corporate social responsibility include the management and development of its work force, hygiene and safety in the work area, and the management of the environment and natural resources. Since humans value the quality of the air they breathe, the water they drink, and the social and human world they leave to their children, going green is emerging as a top CSR priority.

Green HRM aims to help an organization carry out its agenda for environmental management to enable it to reduce its carbon footprint and earn human smiles.

Recently, the deteriorating global environment and human values, and the continued emergence of the green movement, had formed a powerful force which demanded enterprises change their environmental management concepts and establish a green management system. This system includes green production, green technology, and green human resources management.

HRM activities can create "GREEN values" from the perspective of eco-sociological harmony, mainly on the view of "Psychology harmony" that can lead to organizational citizenship behavior. This, however, is a careful behavior that is not part of an employee's formal job requirements, but that nevertheless promotes the effective functioning of the organization.

Corporations adopting "green/social" HR practices can experience significant impact on the engagement, commitment, morale, and quality of work life and the retention of human capital in the organization since green HRM is emerging as an important thrust area for management which can have an enormous impact on people's issues in an organization.

Green, Go Green and Green Management

Green

The term "green" or "greening" has different meanings in the context of managing people at work/human resource management (HRM).

1) Preservation of the Natural Environment: This refers to all the things in the world which are neither caused nor controlled by human beings, and they include land, forests, plants, animals, and other natural phenomena which are referred to as the natural environment.

2) Conservation of the Natural Environment: Care should be taken in using the natural environment so it can last as long as possible. It should be used at its minimum level to enable future generations to utilize it.

3) Avoidance or Minimization of Environmental Pollution: This can be achieved by putting a stop to contaminating water, air, and the atmosphere through unpleasant and poisonous substances and wastes.

4) Generation of Gardens and Natural Looking Places: This entails creating parks and places which have plants, trees, and grasses.

Go Green

What does GO GREEN mean? "Going Green" means supporting and maintaining the conservation of earth's natural resources as well as supporting the preservation of your personal resources, i.e. your family, friends, businesses, lifestyles, communities, and your legacy!

"GO GREEN" business means turning unnecessary expenses into notable profits. Its main concept supports rendering better services to your customers. Also, it is more beneficial to your employees in addition to ensuring a greater profitability and sustainability of your business. Across the globe, we are moving from an industrial-based financial system to a talent-based economy.

However, a renewed focus on growth provides unique opportunities for businesses to become green by looking at ways to create new environmental DNA while producing operational savings by reducing their carbon footprint.

Green Management

Gonzalez-Benito (2006) opined that there is a crucial need for an enthusiastic approach towards environmental management across the world. In the late 80s and early 90s, the success of a firm was strongly dependent on promotion of economic value. However, today's organizations have to consider the reduction of ecological footprints and give importance to social and environmental factors along with economic and financial factors. This is to enable the organization to be successful in the corporate sector thereby enabling attainment of profit by the shareholders (Duggal & Sroufe, 1998).

There is an improved adoption of environmental management systems by the corporate sector and this resulted in the emergence of a new strategy called "Green Management." Therefore, Green Management was defined by Lee (2009) as a strategy which is adapted by an organization in order to organize the environmental management strategies for protecting and measuring environmental aspects.

Green Management guidelines became a chief factor in forward-thinking businesses worldwide. Corporate green management endorses a high level of technical and management skilled employees. This is because the company will develop innovation-focused environmental initiatives and programs that have significant managerial implications.

The green movement for protection of the environment has pushed businesses and industries to adopt environment friendly practices and products which are referred to as “Green management.” Green HR is a part of green management philosophy, policies, and practices followed by a firm for environmental management. It includes all activities that focus on helping an organization carry out its strategy for environment management to enable it to reduce its carbon footprint and earn carbon credits.

Green HRM is one of the most important parts of green management systems with a primary mission of taking “green” tools to enhance economic, social, and ecological benefits in order to achieve harmony between the employee and the environment.

Green Human Resources Management

Green HRM involves undertaking environment-friendly HR initiatives to promote sustainable practices and increase employee commitments and corporate sustainability. It involves lowering costs and increasing employee engagement and retention which, in turn, help organizations to reduce employee carbon footprints. This includes practices like electronic filing, car-sharing, job sharing, recycling, virtual interviews, and telecommuting. Efficiency created by Green HRM can lower operational costs and enables industry professionals to realize their corporate social responsibilities in a better manner.

Green HRM includes all the activities, practices, and policies that are involved in development, implementation, and on-going maintenance of a system that is aimed at turning employees of an organization green. It is the side of HRM that aims to achieve environmental goals of the organization and finally to make a significant contribution to environmental sustainability.

Many companies are taking a greener approach inside their organization. They are considering two essential elements: environmentally friendly HR practices and the preservation of knowledge capital. In addition, they are experiencing a positive and congenial effect on the patterns of employee relations in the organization. This also has a positive influence on the mindset of employees as they feel that apart from their functional contribution on the job, they have an important responsibility in preserving the environment.

Why Green HRM?

Consequently, the environmentally destructive nature of organizational activities and outcomes (Shrivastava, 1994) has contributed to the current environmental issues globally.

According to Rugman and Verbeke (1998), environmental issues are some of the most complex and significant managerial challenges of the twenty-first century. They include climate change, resources depletion and reduction of biodiversity, and ecosystem integrity. Organizations are responsible for the environmental degradation (Alshuwaikhat & Abubakar, 2008; Haden, Oyler & Humphreys, 2009). Governments and organizations are using natural resources lavishly for the production of various goods and services needed by people who want to enhance their living standards.

Fortunately, some governments, some organizations, and some individuals, including environmentalists and nature lovers, are currently and increasingly paying serious attention to preserve (to protect) and conserve (to save) the environment and minimize environmental pollution. Resultantly, an increased attention was created among governors, owners of the organizations, managerial employees, customers, and scholars in regards to environmental sustainability.

The Detailed HR Role

There are many differences based on the views of HR managers’ roles and their approach towards EM concerns. These can be classified into four different types that HR managers may take up in EM, with each revealing their own possible origins and future directions.

A key role for HR environmental executives is to guide line managers in terms of gaining full staff co-operation towards implementing environmental policies (Wehrmeyer & Parker, 1996). Thus, this means that HR needs to "seek out allies, nurture supporters and create networks of problem-solvers willing to act to change the status quo"(Hart, 1996, p.187).

Many HR staff and work organizations are recognizing the HR factors involved in environmental management (Daily & Huang, 2001), and are embracing the EM aspects of HRM. For example, the use of cable and wireless technology shows how they are attempting to achieve changes in EM through implementing their environmental programs worldwide (including their group safety function) (Beatson & Macklin, 1996). In Britain, EM optimizes desk space by encouraging staff to work from home (if feasible), by changing business travel through introducing online "live meetings" (to save travel between offices), and by running a car-sharing scheme (Clarke, 2006, p. 42).

The Importance of Green HRM

Green HR actions help companies find substitute ways to decrease costs without losing their talent in green economy. Organizations have tremendous growth opportunities by going green and creating a new environmental DNA which can bring in great operational savings by reducing their carbon footprint.

As part of compensation management, companies can offer green rewards to employees such as a nature-friendly workplace and lifestyle benefits. Hence, this may include carbon credit offsets, free bicycles and pollution-free vehicles for commuting to and from the workplace in order to engage people in the green agenda.

Furthermore, talented employees are looking for self-actualization in their jobs in order to stay devoted to their companies. Green HR can help in the creation of this by following green values and practices. Other green activities can include the minimum use of paper and printed materials in recruitment, performance appraisals, and learning and development. In addition, green business can include increased recycling, reusable grocery and lunch bags, and prohibiting the use of bottled water and plastic and styrofoam cups in the workplace. Work stations can have fluorescent light bulbs and other energy saving and green devices.

Companies can inspire their employees to change their travel and transportation habits by limiting official car trips, using metro and public transport for business travel, carpooling, providing interest-free loans to buy hybrid cars, and cycling or walking to work. Business meetings and conferences can be conducted through the Internet in order to minimize business travel. Similarly, by following flexi-working, employees can be offered opportunities to "Tele work" or work from home. The Internet and intranet today allow companies to communicate with employees through emails thereby reducing the need of printing and of paper.

Wellness programs for employees, their family members, and the general public can be organized to highlight physical fitness, proper nutrition, and healthy life-style. Organizations can discharge their social responsibility by including environment management in their mission statement as an important green objective. Companies should organize cleanliness and waste management drives in the workplace and surrounding society to create awareness about green issues.

Having an understanding as to why green is mentioned above indicates the importance of green HRM. Therefore, greening is essential for the following reasons:

1) To avoid or minimize global warming.

2) To avoid or minimize natural disasters.

3) To avoid or minimize health diseases owing to pollution.

4) To avoid or minimize harm to animals and other natural creatures.

5) To ensure balance in relationships between life and environment.

6) To ensure survival of humans and business organizations.

Thus, the above are general reasons for greening. As far as a particular organization is concerned, a phenomenon known as corporate social responsibility (CSR) exists. CSR is defined as the extent to which an organization will strive to improve the overall welfare of the society. It is an obligation to the general society. According to Certo and Certo (2008), CSR is the managerial obligation to take action that protects and improves both the welfare of society as a whole and the interests of the organization. Four specific reasons are given below for CSR:

1) The organization's natural resources include materials, people, and water from its surroundings and the environment. Hence, it has to show indebtedness to give something to protect and improve the environment.

2) The organization causes pollution in its surrounding environment (air, sand, noise). The polluted environment will endanger the organizational members in the future, and it will also threaten their survival. Hence, it needs to be stopped, or at least minimized by various CSR activities.

3) The citizens and the government will demand organizations conserve resources for future generations, to protect and improve prevailing conditions of the environment where all citizens live.

4) Through CSR activities, an organization can improve its image as a good corporate citizen which causes increased organizational appreciation; and consequently, customers and employees will become loyal. Also the organization will be able to attract more suitably qualified applicants for its job vacancies.

Green HRM becomes a necessity in order to provide environmentally friendly products and operations to manage corporate environmental programs successfully, and to overcome implementation challenges of corporate environmental programs (Milliman & Clair, 1996).

Organizations which are able to line up HRM practices with objectives of environmental management can be successful in the corporate environmental management journey (Jabbour, 2011). A study conducted by Jabbour and Santos (2010) verified that the most evolved characteristics of environmental management of the ISO 14001 certified Brazilian companies tend to be associated with almost all of the functional and competitive dimensions of human resource management.

Green HR strategies help companies find substitute alternatives to cut cost. It refers to the contribution of people management policies and activities towards this broader agenda. It is an important issue for HR because it is also very important for all employees, as well as customers and other stakeholders. It is also one in which HR can have a big impact without causing much expenditure. Additionally, good environmental management can improve sales and reduce costs by providing funding for green benefits to keep staff engaged.

Many practice groups were launched recently in numerous organizations in order to counsel employers on "green" awareness in the workplace. The aim of these groups is to implement best practices that will improve the work environment through reducing, reusing, and recycling certain materials. Additionally, the practice group also advises employers on educating their workers about how their behaviors in the office and at home affect the environment. And these companies are offering a strategic communications platform to their clients and prospects as a solution for driving greater green awareness within their own organizations.

Companies needed to adapt to changing lifestyles and changing workforces. Companies that adopted this program found that a substantial number of their employees made significant changes in their daily behavior, including increased recycling, decreased printing, elimination or reduction in the use of bottled water, plastic and styrofoam cups, using reusable grocery and lunch bags, switching to compact fluorescent light bulbs and other energy saving and green products, and changing transportation habits.

Hence, some important impacts of Green HRM are:

• Gaining perception, reputation and good will.

• Cost effectiveness.

• Smarter performance translated into cheaper products.

• Better power utility.

• Economically useful, hence direct impact on profit and it enhances the return on investments.

Green Human Resource Requirements

Green human resource requirements need to be identified in order to achieve organizational environmental goals or greening. What are the green human resource requirements for greening or corporate environmental management? Basically, there are four categories of green human resource requirements, i.e. green competencies, green attitude, green behaviours, and green results.

Employees are required to possess a sufficient amount of knowledge and skills on greening. However, without this knowledge and skills (competencies), it is not possible for the employee to become a green employee (Bhattacharya & Sen, 2004; Busck, 2005; Callenbach, Capra, Goldman, Lutz & Marburg, 1993; Collier & Esteban, 2007; Daily & Huang, 2001; Garavan, Carbery, O'Malley & O'Donnell, 2010; Gupta & Sharma, 1996; Madsen & Ulhoi, 1996; Ramus, 2002; Rothenberg, 2003; Sudin, 2011).

An active role of human resource management is required in developing cleaner technologies. Based on the environmental strategy of an organization, HRM has to provide the competencies needed for the continuous improvement of the organizational environmental performance (Jabbour, Santos & Nagano, 2008).

As environmental sustainability requires behavior change by employees (Harris & Tregidga 2012), all members of an organization at all levels are required to exhibit a positive behavioral change. A critical green human resource requirement is regarded as green behavior (Bissing-Olson, Iyer, Fielding & Zacher, 2013; Daily et al., 2009; Jackson, Currie, Graham & Robb, 201). The one-dimension of this behaviour is known as green organizational citizenship behavior which is defined as the extent to which the employee engages in positive actions aimed at helping the organization as a whole to achieve greening.

These actions are not a part of formal job requirements. They primarily represent voluntary green actions. However, examples of such actions are:

- Use both sides of the paper when writing or printing or photo-copying (this will reduce electricity and save trees).
- Use natural water rather than refrigerated water for drinking (this will reduce electricity consumption).
- Use natural light when working (this will reduce electricity).
- Work with a minimum number of bulbs turned on.
- Come to work by walking or bus/train (this will reduce fuel consumption and air pollution).
- Shut down computers when not working, instead of hibernating them (this will reduce electricity and air pollution).
- Put plants in the working cubicles to absorb pollution.
- Buy organic food for parties.
- Report to a relevant officer regarding damages and possible harm to the environment whenever noticed.
- Re-use many items at the office such as jugs, cans, bottles, bags, rather than throwing them away.

Green official behavior is the dimension of green behavior that describes the extent to which the employee is engaged in official duties assigned by the managers with regard to greening. This engagement is not a voluntary one and it is an official requirement to be met by the employee. Such duties may include specific procedures to be followed by the employee to reduce wastage and remove wastes.

Green results can be defined as the extent to which the employee has produced green outcomes. Green results have the following two dimensions:

- Green Innovations: New environmental initiatives, new solutions for waste reduction, pollution reduction (Callenbach et al., 1993; Govindarajulu & Daily, 2004; Ramus & Steger, 2000; Ramus, 2001; Ramus, 2002).
- Green Outcomes: Number of hours of working with natural light or minimum number of electricity bulbs, amount of reduction of electricity consumption, amount of reduction of existing level of inputs wastage, and degree of achievement of specific environmental performance targets (Berry

& Rondinelli, 1998; Daily et al., 2009; King & Lenox, 2001; Kitazawa & Sarkis, 2000; Melnyk & Fineout-Overholt, 2003; Rothenberg & Jan, 2003; Russo & Fouts, 1997).

Considering the above mentioned green human resource requirements, a "green" employee performance concept has been newly introduced. This, therefore, is defined as the extent to which an employee is engaged in his/her behavior and produced results in respect to greening during a particular period of time. Green competencies and green attitude are viewed as green employee inputs of green behaviour. Also, green results are viewed as employee green performance of job, which contributes to green organizational performance meeting the CSR to a significant extent.

How to Make HRM Functions Green?

In order to make sure that the organization gets the right employee green inputs and right employee green performance of job, it is indispensable that HRM functions are adapted or modified to be green. Traditionally, there are 18 functions of HRM including job design, job analysis, human resource planning, recruitment, selection, hiring, induction, performance evaluation, training and development, career management, pay management, incentives management, welfare management, management of employee movements, discipline management, health and safety management, grievance management and labor relations.

Making a HRM function green involves inclusion of policies, procedures, and practices that ensure right employee green inputs and right employee green performance of job.

Job Analysis

• To include environmental dimension as a duty in job description.

• To include green competencies as a special component in job specification.

Recruitment

• To include environmental criteria in the recruitment messages.

• To communicate the employer's concern about greening through recruitment efforts.

Selection

• To select applicants who are sufficiently aware of greening to fill job vacancies.

• To select applicants who have been engaging in greening as consumers in their private life domain

Induction

• To make new employees familiar with greening efforts of the organization.

• To develop induction programs showing green citizenship behavior of current employees

Training

• To impart the right knowledge and skills about greening (the four green roles) to each employee through a training program, exclusively designed for greening.

• To conduct training needs analyses in order to identify green training needs of employees.

Performance Evaluation

• To evaluate employee's job performance according to green-related criteria.

• To include a separate component for progress on greening in the performance feedback interview.

Rewards Management

• To give financial incentives to employees for their good green performance of job and non-financial rewards such as praise and recognition to employees for their greening.

The HR Department can make Green/EM (Environmental Management) job descriptions for employees. It is obvious that higher-level executives have to take greater responsibility for green initiatives. In addition, green goals should be included in managerial job descriptions. In its strategic plan for developing the competency model for talent, an organization can include environmental consciousness as one of the core competencies required of employees.

Green job candidates, who comprise a large section of talented and knowledgeable manpower, use green criteria when applying for jobs. As a result, companies having green practices can attract good talent. Preference in selection should be given to candidates who are ‘Green aware’, which becomes a part of the HR acquisition policy. Employers displaying a strong green brand are more likely to attract talent than those who do not have a green philosophy.

Recruitment

While recruiting, companies need to follow these tasks:

• Green/EM (Environmental Management) job descriptions for employees.

• Green goals included in managerial job descriptions.

• Graduate perceptions of EM practices (use of green criteria).

• Green job candidates use green criteria when applying for jobs.

• Recruitment of employees who are ‘Green aware’ becomes part of the interview schedule.

• Green employer branding (green employer of choice).

Attracting high-quality staff is a key HR challenge in the war of talent. Creating and sustaining a pro-environment organization also requires employees who are willing to engage in EM activities.

Performance Management (PM) and Performance Appraisal (PA)

However, the tasks a company needs to follow when going through PM and PA include:

• Green performance standards and indicators in PMA in all department levels.

• Roles of managers in achieving green outcomes included in appraisals (e.g. familiarisation, encouraging EM learning).

• Managers should set green targets, goals, and responsibilities.

• Management appraisals assess the number of green incidents, use of environment responsibility, and successful communication of environmental policy.

• Communication of green schemes to all via procedures/auditing at all levels in PMA scheme and establishing firm-wide dialogue on green matters.

• Penalties for non-compliance on targets in EM.

Performance management systems should include ‘green’ targets in the key performance areas (KPA). Green targets and goals should be established for managers in accomplishing Green results, and that should be included in appraisals. Green performance appraisal (PA) covers topics such as environmental incidents, environmental responsibilities, and the communication with environmental policies.

Green HRM Effects on Organizational Citizenship Behavior

What is Organizational Citizenship Behavior?

Organizational citizenship behavior (OCB) refers to anything that employees choose to do, spontaneously and of their own accord, which often lies outside their specified contractual obligations.

OCB may not always be directly and formally recognized or rewarded by the company, through salary increments or promotions for example, but of course OCB would be reflected in terms of favorable supervisor and co-worker ratings, or better performance appraisals. Through this way, it can facilitate future reward gain indirectly. Finally, and critically, OCB must “promote the effective functioning of the organization”(Organ, 1988, p. 4).

Currently, OCB is seen as synonymous with the concept of contextual performance, which is defined as “performance that supports the social and psychological environment in which task performance takes place” (Organ, 1997, p. 95). While this reflects the flexible nature of workers’ roles in the modern workplace, and acknowledges the fact that employees do get recognized and rewarded for engaging in OCB (Van Scotter, Motowidlo & Cross, 2000; Werner, 1994), the colloquial understanding of OCB as going “the extra mile” or “above and beyond” to help others at work is an idea that many are familiar with. Thus, these ideas will continue to be a popular way of conceptualizing OCB.

The Effect of OCB on Employee Performance

Firstly, workers who engage in OCB tend to receive better performance ratings by their managers (Podsakoff, Whiting, Podsakoff & Blume, 2009). This could be attributed to the fact that employees who engage in OCB are simply liked more and perceived more favorably (this has become known as the "halo effect"). On the other hand, it may be due to more work-related reasons such as the manager's belief that OCB plays a significant role in the organization's overall success, or the perception of OCB as a form of employee commitment due to its voluntary nature (Organ, Podsakoff & MacKenzie, 2006).

Regardless of the reason, the second effect is that a better performance rating is linked to gaining rewards (Podsakoff et al., 2009) – such as pay increments, bonuses, promotions or work-related benefits. Thirdly, since these employees have better performance ratings and receive greater rewards, when the company is downsizing e.g. during an economic recession, these employees will have a lower chance of being made redundant (Organ et al., 2006).

How do OCB Effects Translate to Organizational-Level Outcomes?

OCB is linked to lower rates of employee turnover and absenteeism. However, based on the organizational level, increased productivity, efficiency, and customer satisfaction, as well as reduced costs, have also been observed (Podsakoff et al., 2009). A study on OCB in grocery stores/ supermarkets reported that "OCB explained approximately 20% of the variance in store profitability" (Ehrhart, 2004, p. 64).

OCB enhances productivity (helping new co-workers; helping colleagues meet deadlines) and it frees up resources (autonomous, cooperative employees give managers more time to clear their work; helpful behavior facilitates cohesiveness as part of group maintenance behavior).

Moreover, OCB attracts and retains good employees (through creating and maintaining a friendly, supportive working environment and a sense of belonging) and creates social capital (better communication and stronger networks facilitate accurate information transfer and improve efficiency). (Organ et al, 2006).

Purpose and Scope

The environmentally destructive nature of organizational activities and outcomes (Shrivastava, 1994) has affected the current environmental issues globally. According to Rugman and Verbeke (1998), environmental issues are some of the most complex and significant managerial challenges of the twenty-first century. It includes climate change, resources depletion, and ecosystem integrity. Rapid destruction of natural resources is becoming a serious issue today.

Consequently, organizations are responsible for the environmental degradation (Alshuwaikhat & Abubakar, 2008; Haden et al., 2009). Natural resources are being used lavishly for the production of various goods and services needed by people who want to enhance their standard of living.

It seems that some people in certain parts of the world are too greedy and never get satisfied. Their needs are unlimited. Hence, this has a significant effect on the ability of future generations to meet their own needs, at least their essential needs. It was generally observed that people are directly affected by the inhalation of poisonous air and by drinking contaminated water. Natural disasters such as acid rain, red rain, tsunamis, flooding, hurricanes, and droughts are occurring all over the world and their magnitude and frequency seems to increase.

Climate change is a major issue and this is of increasing concern to governments, the general public, and business organizations today (Boiral & Paille, 2012). Global warming is invading the ecosystem. A natural balance for the survival of the planet is recommended by ecologists who study the pattern and balance of relationships among plants, animals, people, and their environment. Fortunately, some governments, some organizations, and some individuals including environmentalists and nature lovers, are currently and increasingly paying serious attention to preserve and conserve the environment, and to minimize environmental pollution.

Subsequently, an increased attention emerged among governors, owners of organizations, managerial employees (human resources managers) customers, and scholars regarding environmental sustainability. Hence, green or greening is for our survival and development. It is possible not only to make organizations green, but to also make each individual/employee green.

The main objective of this study was to show how, after the thorough analysis of the balanced score card, Green Human Resources practices could be a value enhancer for Lebanese companies rather than being an incurred cost.

Another objective of this study, after combining the implementation of GHRM programs, is to manage the effects of these types of programs and practices on employee work behaviors, particularly employee citizenship behaviors due to certain limitations.

Research Questions

RQ1: How does environmentally responsible Human Resources Management affect employee work behaviors?

RQ2: What are the green human resource requirements?

RQ3: How to make HRM functions Green?

RQ4: What is the stand of green at utilizing the five possible results developed by the BSC?

RQ5: To what extent are these activities considered appealing and influential to employees work behaviors, students, and all the stakeholders?

However, the main question whose answer requires employing the Balanced Scorecard with its four components as an assessment tool is "To what extent are Lebanese companies considered socially and environmentally responsible in their HRM practices based on the four components of the Balanced Scorecard?"

Limitations

The assessment of Green HRM influence on employee work behaviors at the university and the bank was conducted by utilizing document analysis of publicly available data. Hence, the study was considered qualitative. Despite trying to be objective as much as possible via using the balance scorecard tool, quantitative studies can be more objective in their assessment.

To have a more representative generalization of the results of the study, future studies can attempt to assess Green HRM in other private universities and companies since the time constraints impeded the efforts of the researcher in choosing a wider sample of companies.

This shows that this topic needs to be explored in more depth in future studies. This is because it is a topic that can augment the awareness and proper implementation of green responsibility in human resources practices. Thus, this makes a significant contribution to the literature body since the topic of green responsibility of HRM in Lebanese companies is limited and it only constitutes western based research and data. Upcoming research should attempt to widen the sample of Lebanese private universities and organizations so that the results would be more representative.

Methodology and Design

Methodology doesn't explain only methods, but it also states several processes that must be followed in the study of a certain case or research. In order to study the case of Green HRM and its impact on employee work behaviors, a higher emphasis on the qualitative research has been considered regarding the methodology. A qualitative research allows the subjects being studied to give more affluent answers to questions asked by the researcher, and provides more important insights which might have been missed by another method of data collection (Maxwell, 2004). This is especially based on the fact that a lot of the interviews were conducted with Human Resources Managers.

Since the idea of Green HRM is inserted into the model of strategic thinking and into the process of business strategy formulation, Balanced Scorecard (BSC) perfectly fits to assess Green and Social HRM practices in a certain organization and the extent to which it plays an important role in the formulation of its strategy.

Through the Balanced Scorecard, the researcher will try to discover the position of Lebanese private companies regarding Green HRM, to unveil the need for implementing social and environmental human resources activities after discovering the underlying reasons. And finally to give recommendations based on a qualitative approach emphasis on observations.

The cornerstone of the methodology is the Balanced Scorecard. The BSC is a business practice designed to align corporate strategy and operating processes that are well-known to firms around the world, and it also provides a solid and familiar foundation upon which to overlay an integrated model of Green and Social HRM.

The BSC comprises four components whose analysis requires an observation and primary data collection in addition to the data obtained through the literature review. The analysis of the collected data will further help to ascertain the two institutions with respect to Green HRM responsibility. The four components or perspectives of the BSC are the financial perspective, the customer perspective, the process perspective, and the learning and development perspective.

Analyzing these four perspectives will contribute to revealing the status quo of Green HRM in the Lebanese private companies and the necessary steps to enhance their present position. For the sake of simplicity and due to some research limitations, the university and the bank will be taken as a case study to show the Lebanese private companies' stance regarding Green HRM.

The observation and the data collected will be about the environmentally responsible activities undertaken by the two companies. These activities or steps are curricular and extracurricular activities, banking or other than banking services, in addition to recent consultancy activities.

On the other hand, to be able to quantitatively measure the effect of Green HRM practices on employee work behaviors, the authors conducted a survey on a large sample of Lebanese employees and HR professionals of different profiles.

After going through the Literature Review, the researchers have consolidated the findings of major studies and articles, and have analyzed the situation of Green HRM and its effects on employee work behaviors accordingly.

The main contribution of this study is providing an answer to the research questions and supporting the findings by realistic figures that describe the relation of green practices to the change in employee work behaviors.

Data Analysis and Findings

Based on our study about Green HR activities and how it affects employees' behaviors, interviews of a semi-structured type have been conducted with the human resources managers of two companies in various sectors (a bank and a university).

The researchers will analyze the data related to each of the above mentioned companies and fit it into one of the four dimensions.

This study was meant to analyze the effect of green and social human resources function on employee work behaviors and especially employee commitment in Lebanon private companies in two interrelated sectors/industries: Education and Banking.

The main contribution of this study over others, made on the same topic, is that a statistical survey will show the opinion of the Lebanese employees, HR professionals, and students about these types of human resources practices and how much they influence their organizational behavior.

Results

The Brundtland Commission defined "sustainable development" as a "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (WCED, 1987, p. 43). Also, it asserted that sustainable development at the societal level requires simultaneous realization of an economic, ecological, and social dimension of sustainability (WCED, 1987).

Sustainability is becoming a key focus for more organizations. Going beyond environmental sustainability, the concept includes all types of social and environmental impacts that show why employers must develop a new way of doing business. In addition to focusing on financial profits, sustainable companies must also consider social and environmental impacts when making business decisions. The HR function has a critical role to play in Corporate Social and Environmental Sustainability which is outlining the business case for sustainability.

The green work-life interaction to Green HRM has shown that it can be effective to go beyond "Greening employees" and to consider the whole human being including their private life and consumer behavior. Such a concept builds on the serious recognition of environmental issues in a company's management. The greening encouragement of employees as human beings can only be successful if environmental aspects are considered in all core business processes.

More organizations now realize the value of sustainability which is presented in integrating green practices as a base which human resources has on their competitiveness, reputation, and ability to attract and retain strong talent. Mindful of their economic, societal, and environmental impacts, sustainable organizations now seek input from a broad and diverse set of stakeholders—both internal and external—in shaping their business strategies and operations.

The HR function has a critical role to play. Utilizing the HR skills in organizational process, change management and culture stewardship, HRM can help create and implement sustainable business strategy throughout the organization. This may require that new HR competencies be developed. Not only must HR become competent at using Green HRM tools to embed the sustainability strategy and mission in the company, it must also learn to shape the system itself so that its impacts on employees, communities, and other stakeholders align with the sustainability vision of the company.

Discussion

The Lebanese private universities can acquire a competitive advantage to face the high rivalry in the field of education and have a more enhanced image as perceived by the stakeholders. This leads to respecting the power structure of the community and acquiring a sense of affiliation to this community, and accordingly more acceptance.

Consequently, students become better prepared to have an active role in their communities by being more socially responsible, which contributes to achieving the sought sustainability. This, therefore, does not undermine the importance of this concept in motivating employees by creating a more noble cause for their work leading to better performance and higher productivity. Hence, the university can work properly within the political and human resource frames as mentioned by Bolman and Deal (2008).

For the banking sector on the other hand, and according to the results and analysis of the balanced scorecard where the studied bank weighted high in the financial component, the bank is gradually increasing their attention to green concerns. The Recycle and Re-use to Prevent Nature's Abuse Program is one of the practices that show the green vision of the bank where they not only plant one tree for each ton of paper given to recycling, but they are also currently working on a comprehensive gradual transition project towards a green economy to become effectively environment friendly.

Conclusion and Recommendation

The results of this study revealed a need to conduct more research on Green and HR practices in Lebanon, in addition to establishing advocacy groups and holding awareness campaigns to teach on this key issue. Civil society, business associations, universities, media, think tanks and others need to get involved in the awareness process and in the building of coalitions, to enhance environmental culture and strengthen Human Resources practices.

Moreover, there is a need to initiate national and regional forums on Green HR, in addition to establishing a regional coalition of different sectors and stakeholders to spread best Green HR practices.

Furthermore, there is also a need to initiate indicators for evaluating Green HR practices, and creating awards and incentives for distinguished universities in this field.

Furthermore, the universities are encouraged to raise awareness on the importance of green responsibility and consequently help in lobbying to provide incentives for the companies to pursue these types of practices, such as offering tax exemptions on green funds and promoting legislation regulating corporations' activities.

In fact, the adoption of the following recommendations helps to enhance the position of the university regarding Green Human Resources responsibility to subsequently reap all the aforementioned benefits.

The university is encouraged to take the following recommendations from the researchers into account if it is keen to improve its Green Human Resources responsibility stance. Not only the university under study can leverage these recommendations, but also all the Lebanese private universities. The recommendations are listed below:

1) Creation of a committee on environmental and sustainability awareness. This committee has to be multidisciplinary and have activities in different departments. In addition, it has to have a say regarding the integration of the environmental, ethical, and sustainability concepts into the curriculum after reviewing the content of all the courses.

2) There should be a part-time position as a consultant for planning and construction projects to guarantee that they are being constructed according to environmentally friendly concepts.

3) In addition to the environmental and sustainability committee, a comprehensive interdisciplinary approach across all the levels and domains of the university – undergraduate, graduate and professional students, faculty, staff, and administrators – should be prevailing. The objective is to develop a structured curriculum that addresses environmental and sustainability issues, workshops, and interdisciplinary courses to benefit from the synergy that cross-functional teams might contribute to.

4) Enhance the corporate governance at the university via increasing financial transparency, which is one of the requirements of NEASC (New England Association of Schools and Colleges). This has to be accompanied by increasing the expenditure on green activities which is endowed with the task of helping the students in their curricular and extracurricular activities.

5) The university should put more emphasis on having a paperless environment by increasing the use of software that enhances the virtual interaction between the instructor and the students, which is the Blackboard.

6) Doing the exams using Blackboard should be given the priority. To be able to do so for classes of multiple sections, the big exam halls at the university should be equipped with computers as the computers in the computer center alone are not sufficient. The university should leverage as well the Connect option which is available on the McGraw Hill website, and which contributes to having a paperless environment.

The partnership between McGraw Hill and Blackboard would facilitate this.

7) The anti-smoking policy should be more rigorously implemented at the university by penalizing students who smoke in any spot other than the smoking areas.

8) Creating a center for entrepreneurship to help students from all majors to start their businesses is recommended. Such businesses should be based on environmentally responsible creative ideas. Once this center determines that the entrepreneurs are environmental entrepreneurs, these students can be paired with people who are specialized in actualizing businesses. Accordingly, funding for such projects would be much easier.

On the other hand of recommendations, there is the need for the bank to go greener since the social phase of human resources practices is high. Hence, it is recommended that the bank should apply the following:

1) They should have the available resources to implement and maintain a “Green Policy”.

2) Create and implement a dedicated “Green Officer” or green go-to person.

3) Address a necessary time available to assess and formulate a green charter, educate employees, and ensure implementation thereof.

4) The bank can try to establish a Green Supply Chain. Where possible, suppliers are encouraged to change their business-as-usual approach to be more sustainable and be part of the green movement. This could also possibly reduce the costs of their services in the future.

Like most organizations in today’s economic climate, the bank’s resources are already stretched to the maximum where they can reach the pinnacle of going GREEN.

The Authors

Ali Halawi. Ph.D.

Assistant Professor
Department of Business Management
Lebanese International University, Lebanon
Mouseitbeh, Beruit
P.O.Box 146404 Beirut 1100-2130 Lebanon
Tel: +961 1 706881 Ext: 12609
Mob: +9613690197
ali.halawi@liu.edu.lb

Wael Zaraket, D.B.A.

Assistant Professor
Faculty of Business & Economics
American University of Science & Technology
Ashrafieh, Alfred Naccach Avenue
P.O. Box: 16-6452 Beirut 1100-2130, Lebanon
Tel: +961 1 218716 Ext: 233
Mob: +96170624996
wzaraket@aust.edu.lb

References

Alshuwaikhat, H. M., & Abubakar, I. (2008). An integrated approach to achieving campus sustainability: Assessment of the current campus environmental management practices. *Journal of Cleaner Production, 16,* 1777-1785.

Beatson, J., & Macklin, S. (1996). A global challenge: Environmental management in cable & wireless. In W. Wehrmeyer (Ed.), *Greening people: Human resources and environmental management* (p. 377 -382). Sheffield, UK: Greenleaf Publishing.

Berry, M.A., & Rondinelli, D.A. (1998) Proactive corporate environmental management: A new industrial revolution. *The Academy of Management Executive, 12,* 38-50.

Bhattacharya, C. B., & Sankar, S. (2004). Doing better at doing good: When, why and how consumers respond to corporate social initiatives. *California Management Review, 47*, 9-25

Bissing-Olson, M. J., Iyer, A., Fielding, K.S., & Zacher, H. (2013). Relationships between daily affect and pro-environmental behavior at work: The moderating role of pro-environmental attitude. *Journal of Organizational Behavior, 34,* 156-175.

Boiral, O., & Paillé, P. (2012). Organizational citizenship behaviour for the environment: Measurement and validation. *Journal of Business Ethics, 109*(4), 431-445.

Bolman, L.G., & Deal, T.E. (2008). *Reframing organizations: Artistry, choice, and leadership.* (4th ed). San Francisco, CA: Jossey-Bass.

Busck, J. (2005). Underwater three-dimensional optical imaging with a gated viewing laser radar. *Optical Engineering, 44*(11), 116001.

Callenbach, E., Capra, F., Goldman, L., Lutz, R., & Marburg, S. (1993). *Eco-Management: The Elmwood guide to ecological auditing and sustainable business.* San Francisco, CA: Berrett-Koehler

Certo, S.C., & Certo, S. T. (2008) *Modern management.* USA:Pearson Education

Clarke, E. (2006). Power brokers. *People Management*, *May*, 40-42.

Collier, J., & Esteban, R. (2007). Corporate social responsibility and employee commitment. *Business Ethics: A European Review, 16*(1), 19-33.

Daily, B.F., & Huang, S. C.(2001). Achieving sustainability through attention to human resource factors in environmental management. *International Journal of Operations & Production Management, 21*(12), 1539-1552.

Daily, G.C., Polasky, S., Goldstein, J., Kareiva, P.M., Mooney, H.A., Pejchar, L.,… Shallenberger, R. (2009). Ecosystem services in decision making: time to deliver. *Frontiers in Ecology and the Environment, 7*(1), 21-28.

Duggal, S., & Sroufe, L. A. (1998). Recovered memory of childhood sexual trauma: A documented case from a longitudinal study. *Journal of Traumatic Stress, 11*(2), 301-321.

Ehrhart, M. G. (2004). Leadership and procedural justice climate as antecedents of unit level organizational citizenship behavior. *Personnel Psychology, 57*(1), 61–94.

Garavan, T. N., Carbery, R., O'Malley, G., & O'Donnell, D. (2010). Understanding participation in e-learning in organizations: A large-scale empirical study of employees'. *International Journal of Training and Development, 14*(3), 155–168.

González-Benito, J. (2006). Environmental pro-activity and business performance: An empirical analysis Omega. *The International Journal of Management Science, 33,* 1-15.

Govindarajulu, N., & Daily, B.F. (2004) Motivating employees for environmental improvement. *Industrial Management & Data Systems, 104,* 364-372.

Gupta, S.K., & Sharma, A. K. (1996). Development of an integrated security shell interceptor for PC`s. Proceedings of the ReTCA`96, March 8-9, CET, Bhatinda, pp: 68-81.

Haden, S.S. P., Oyler, J.D., & Humphreys, J.H. (2009). Historical, practical, and theoretical perspectives on green management: An exploratory analysis. *Management Decision, 47*(7), 1041-1055. doi: 10.1108/00251740910978287.

Harris, C., & Tregidga, H. (2012). HR managers and environmental sustainability: Strategic leaders or passive observers? *The International Journal of Human Resource Management, 23* (2), 236 – 254.

Hart, T. (1996). The role for the personnel practitioner in facilitating environmental responsibility in work organisations. In W. Wehrmeyer, (Ed.) *Greening people: Human resources and environmental management* (pp.185-198). Sheffield, UK: Greenleaf.

Jabbour, C. J.C. (2011). How green are HRM practices, organizational culture, learning and teamwork? *A Brazilian study. Industrial and Commercial Training, 43*(2), 98-105.

Jabbour, C. J. C., Santos, F. C. A., & Nagano, M. S. (2008). Environmental management system and human resource practices: Is there a link between them in four Brazilian companies? *Journal of Cleaner Production, 16*(17), 1922–1925.

Jackson, J., Currie, K., Graham, C., & Robb, Y. (2011). The effectiveness of interventions to reduce undernutrtion and promote eating in older adults with dementia: A systematic review. *JBI Library of Systematic Reviews: 9*(37), 1509–1550. doi: 10.11124/jbisrir-2011-119

King, A., & Lenox, M. (2001). Lean and green: Exploring the spillovers from lean production to environmental performance. *Production and Operations Management, 10*(3): 1–13.

Kitazawa, S., & Sarkis, J. (2000). The relationship between ISO 14001 and continuous source reduction programs. *International Journal of Operations and Production Management, 20*(2), 225-248.

Lee, K.H. (2009). Why and how to adopt green management into business organizations?: The case study of Korean SMEs in manufacturing industry. *Management Decision, 47* (7), 1101-1121. https://doi.org/10.1108/00251740910978322

Madsen, H., & Ulhøi, J. (1996) Environmental management in Danish manufacturing companies: Attitudes and actions. *Business Strategy and the Environment, 5*, 22-29.

Maxwell, J. (2004). Re-emergent scientism, postmodernism, and dialogue across differences. *Qualitative Inquiry 10*(1), 35–41.

Melnyk, B.M., & Fineout-Overholt, E.(2003). *EBP Beliefs Scale.* Gilbert, AZ: ARCC llc Publishing.

Milliman, J. & Clair, J. (1996). Best environmental HRM practices in the USA. In W. Wehrmeyer, (Ed.), *Greening people – Human resources and environmental management* (pp. 49-73). Sheffield, UK: Greenleaf Publishing.

Moon, H.C., Rugman, A.M., & Verbeke, A. (1998). A generalized double diamond approach to the global competitiveness of Korea and Singapore. *International Business Review, 7*, 135-150.

Podsakoff, N.P., Whiting, S.W., Podsakoff, P. M., & Blume, B. D. (2009). Individual- and organizational-level consequences of organizational citizenship behaviours: A metaanalysis. *Journal of Applied Psychology, 94* (1), 22-141.

Organ, D. W. (1988). *Issues in organization and management series. Organizational citizenship behavior: The good soldier syndrome.* Lexington, MA: Lexington Books/D. C. Heath and Com.

Organ, D. W. (1997). Organizational citizenship behavior: It's construct clean-up time. *Human Performance, 10*(2), 85-97. doi: 10.1207/ s15327043hup1002_2

Organ, D. W., Podsakoff, P. M., & MacKenzie, S. B. (2006). *Organizational citizenship behavior: Its nature, antecedents, and consequences.* Thousand Oaks, CA, USA: Sage Publications, Inc.

Ramus, F. (2002). Language discrimination by newborns: Teasing apart phonotactic, rhythmic, and intonational cues. *Annual Review of Language Acquisition, 2*, 1-13. DOI:10.1075/arla.205ram

Ramus, C. A. (2001). Organisational support for employees: Encouraging creative ideas for environmental sustainability. *California Management Review, 43*, 85–105.

Ramus, C. A., & Steger, U. (2000). The roles of supervisory support behaviors and environmental policy in employee "ecoinitiatives" at leading-edge European companies. *Academy of Management Journal, 43*(4), 605-626.

Rothenberg, M.E., & Jan, Y.N. (2003). The hippo hypothesis. *Nature 425*(6957): 469--470.

Rugman, A. & Verbeke, A. (1998) Corporate strategy and international environmental policy. *Journal of International Business Studies, 29*(4), 819 - 833.

Russo, M.V., & Fouts, P.A. (1997) A resource-based perspective on corporate environmental performance and profitability. *Academy of Management Journal, 40,* 534-559.

Shrivastava, P. (1994). Technological and organizational roots of industrial crises: Lessons from Exxon Valdez and Bhopal. *Technological Forecasting and Social Change 45,* 237-253.

Strandberg, C. (2009). *Using corporate social responsibility to attract, motivate and retain human resources: Two case studies D.* (Master's Thesis, Industrial Marketing) Lulea University of Technology Sweden. Retrieved from http://www.epubl.Luth.se/1402 1552/2009/007/index.html.

Sudin, O. (2011). Janitors of knowledge: Constructing knowledge in the everyday life of Wikipedia editors. *Journal of Documentation, 67*(5), 840-862.

Van Scotter, J., Motowidlo, S. J., & Cross, T. C. (2000). Effects of task performance and contextual performance on systemic rewards. *Journal of Applied Psychology, 85*(4), 526-535.

WCED.(1987). *Our common future.* World Commission on Environment and Development. Oxford: Oxford University Press,

Wehrmeyer, W., & Parker, K. T. (1996). Identification and relevance of environmental corporate cultures as part of a coherent environmental policy. In W. Wehrmeyer (Ed.), *Greening people – Human Resources and Environmental Management(*pp. 163 -185*).* Sheffield, UK: Greenleaf Publishing.

Werner, E.E. (1994). Overcoming the odds. *Journal of Developmental and Behavioral Pediatrics, 2,*131–136.

Do Demographic Characteristics of Individuals Associate with their Job Stress Levels? Perspectives from the University of Cape Coast, Ghana.

By

Daisy Ofosuhene, Ph.D. and Rosemond Boohene, Ph.D.

Abstract

This study aims to examine the association between individual demographic characteristics with their job stress levels. The study utilized descriptive research design and employed the quantitative approach. The target population comprised employees of the University of Cape Coast, Ghana. Using the convenient sampling approach, 223 employees were selected for the study and data collection was done through a survey questionnaire. The Pearson Chi-Square test was used to test for the association between the study variables. The findings suggested that sex and marital status of respondents have significant association with their job stress levels. However, the study did not find any significant association between levels of job stress and respondents' age and levels of education.

Introduction

The work environment, over the past few years, has been characterized by various levels of stress. Organisations are faced with internal and external pressures, both of which can cause stress. Stress is an integral part of an organisation's life and is required up to a point to drive the achievement of organisational goals (Sapara & Neeti, 2013). Job stress occurs when employees attempt to cope with their responsibilities, duties and other forms of pressures related with their jobs, but encounter difficulties, apprehensions and uncertainties to manage them. Stress emanates as a result of the imbalance between job requirement and the employees' ability to cope (Singh & Dubey, 2011)

According to the Transactional theory of stress, not all individuals who are subjected to particular stressors experience or react to them in the same way. Whether or not certain stressors affect individuals will depend on their physiological, psychological and social disposition. Empirical studies have revealed that individual demographic characteristics can determine the way they respond to job stress (Cope, 2003; Hunnur & Bagali, 2014; Tandon, Muhaur, & Gupta, 2014). As determined by Lazarus (2000) responses to stimuli will not have the same stressful implications for all individuals. Certain demographic characteristics such as age, sex, level of education and experiences, can lead to variations in stressful reactions.

Objective of the Study

The study set out to examine the association between individual demographic characteristics and their job stress levels.

Research Questions

1. What is the association between age and job stress level?
2. What is the association between sex and job stress levels?
3. What is the association between marital status and job stress levels?
4. What is the association between level of education and job stress?

Literature Review

Age

Age has consistently been observed as a significant factor of job stress. A number of academic studies have examined the link between age as a demographic variable and job stress. In a literature review on the correlation between demographic variables with job stress and coping strategies of pre-school educators, Okeke, Adu, Drake and Duku (2014) identified a significant correlation between age and job stress. They found that employees between the ages of 40-50 have higher levels of job stress as compared to those with less than 40 years and more than 50 years. This finding was confirmed by Affum-Osei, Agyekum, Addo and Asante (2014). Their study revealed that 60.3 percent of staff between the ages of 40 and 50 years experienced higher levels of job stress.

In examining the influence of demographic variables on stress among police personnel in Bangalore with a sample of 225, Hunnur and Bagali (2014) established that staff between the ages of 41-50 experienced more job stress than those between the ages of 20-30 and 51-60. Moreover, Tandon et al.(2014) found that the mean score of 30-40 years and 41-50 years was higher in terms of job stress experiences than the ages of 51-60. Griffiths, Knight and Mahudin (2009) reporting on the association between aging, work-related stress and health confirmed that older workers between the ages of 51-60 have lower levels of job stress because they may have left jobs they considered stressful or they may have greater control over their work lives, and may be better supported, more experienced and adaptable to the work environment.

However, Aftab and Khatoon (2013) observed that younger staff members between the ages of 22-32 reported having higher levels of job stress compared to older staff members. They concluded that this was due to lack of experience and great anxiety on the part of younger staff members as they begin their career. Aftab and Khatoon's findings supported the findings of Vokic and Bogdanic (2005). Vokic and Bogdanic conducted a survey in Croatia to investigate the individual differences and job stress with a sample population of 900. Their findings revealed that employees who were less than 30 years old experienced the highest levels of job stress. The major explanation they gave to their finding was that, older employees have often reached a stage where career development is not a major concern to them so the job characteristics that pose as stressors to younger employees are not stressors to older employees who are grounded in their career.

Sex

It has been confirmed that sex differences play an important role in the manner in which individuals would express themselves as far as workplace stress is concerned (Bashir, Khan, Rehman, Qureshi, & Khan, 2013). Munir and Mehmood (2013) suggest that women's participation in the labour force has increased over the last two decades and it has become critical for organisations to understand the sex differences that exist with regards to workplace stress for business success. While Vanagas and Bihari-Axelsson (2013), believe that men exhibit higher levels of job stress than their women counterparts, studies on sex differences have consistently reported that women generally have high levels of job stress. Griffiths et al. (2009) postulate that the differences in job stress among men and women may be as a result of hormonal changes in women as they approach menopause. They emphasized that women who are going through the menopausal changeover more often report stressful experiences.

Bickford (2005) suggests that predominately women are reported to be negatively affected by workplace stress more than men because of the principal role played by women in the provision of family care. It is well established that the total workload of women who are employed full-time is higher than their male counterpart, particularly where they have family responsibilities. Cohen and Janicki-Deverts (2009) contend that women suffer prejudice and discrimination in organisations, especially those who occupy senior positions both as a result of organisational policies and from their colleagues at work, this makes them susceptible to workplace stress.

Cope (2003) reports that men are four times more likely to die of stress- related illness, five times more likely to die of alcohol-related diseases and have an average life expectancy of eight years shorter than women. However, a report by the American Institute of Stress (2011) indicates that women have higher levels of stress than men. According to Vanagas and Bihari-Axelsson (2013), this may be as a result of different cultural expectations of men and women, with women being more likely to admit negative feelings and lack of confidence. In analyzing gender differences in stress among university teachers in Gomal University, Pakistan, with a study population of 250, Bashir et al. (2013) used an independent sample t-test to identify such differences. They found significant differences between men and women with respect to job stress.

Marital Status

According to Bickford (2005) marital status has no significant influence on job stress. Additionally, Abirami (2012) reports that being married is not a stress causing factor as it is established that married people tend to get social as well as family support and this makes them both happy and successful in their professions and career lives. However, empirical studies have revealed a significant association between job stress and marital status (Nagina, 2009; Nagaraju & Nandini, 2013; Osmany & Khan, 2013). Garima and Kiran (2014) claim that married people are more stressed than their unmarried group. Their impact analysis on 180 employees in the police department in Lucknow revealed that married people are required to make a lot of social adjustments in addition to their job responsibilities and this causes more stress and anxiety to them which negatively affects their mental health and development.

In a similar study, Nagra and Arora (2013) reported a higher mean score for married people in terms of levels of job stress than their unmarried counterparts. This finding indicates that married employees are more stressed than unmarried employees. They suggested that this result may be due to the dual responsibilities of job and family since married workers have to devote extra time and effort to take care of their family, children, spouses, in-laws and other domestic routines, together with their organisational roles. Consequently, married employees are not able to socialize and build peer relations and thus face conflict both at work and home, which increase their stress levels.

However, in examining the influence of sex, marital status and tenure of service on job stress of health workers in Nigeria, Olatunji and Mokuolu (2014) found that unmarried people were the most affected with respect to job stress. The researchers explained that unmarried people lack social support and other social network resources, which make them unhappy and vulnerable to stress. The study also identified that of all the sub-groups, divorced and widowed employees were the most stressed, followed by the separated. They suggested that the loss associated with losing a loved one in death or divorce was a bad experience, hence culminating into stressful experiences in addition to other social and work demands.

Level of Education

The level of education of employees has usually been linked with their job stress levels. Cope (2003) observes a positive association between the level of education and income also has psychological and physical effects on stress. When employees are well-educated and adequately trained, they become well-equipped to handle technical responsibilities associated with their tasks and this gives them maximum control. As suggested by the Job-Demand-Control Theory, employees who have adequate control over their jobs exhibit less stressful experiences. Aftab and Khatoon (2013) also establish that employees with lower levels of educational qualifications report higher levels of occupational stress than employees with higher levels of education. They explained that this may be due to the fact that employees with lower levels of education mostly have challenges in understanding the organisational policies and roles and have difficulties in performing certain job tasks which pose as stressors to them.

However, in a descriptive study with a sample population of 130 employees in Iran, Rahmani, Khodaei, Mahmodkhani, Moslemi, and Gharagozlou (2013) employed a Cooper's standard questionnaire for stress in the work environment to examine the relationship between stress and demographic variables. It was discovered that the level of education had a positive association with job stress. This finding presupposes that as the level of education of employees increases, job stress also increases. Kula (2011), however, suggests that these findings are not consistent with the common findings that the higher one's educational attainment, the lower the stress levels. Rahmani et al. (2013) opine that this may be as a result of the complex roles and expectations assigned to those employees with higher educational qualifications, such as managerial roles which usually encompass a high degree of thinking and problem solving throughout the entire organisation.

Research Method

The study adopted a descriptive design to determine the association between individual demographic characteristics and job stress levels. The target population comprised staff at the College of Distance Education, University of Cape Coast, Ghana. A sample size of 223 was drawn from the target population, using the convenient sampling approach. However, 171 questionnaires were returned, representing an 80% response rate. Data was collected through a survey with the use of a questionnaire. The questionnaire mainly contained job stress inventory items. The job stress inventory had 20 items with a 6-point interval.

The Job Stress Inventory (JSI) was adopted to measure the stress levels of respondents. The interval of the scores was 0 to 120. While the minimum stress score was 18, the maximum was 82. The stress levels of the respondents were categorized into low, moderate, high, very high and danger using 0 – 40, 41 – 60, 61 – 80, 81 – 100 and 101 – 120 respectively based on the JSI criteria.

The scores are interpreted such that the higher the score, the greater the perceived level of stressors. A Cronbach's Alpha reliability coefficient of 0.816 was yielded from the reliability test. The main statistical methods used in the study were descriptive statistics and Pearson Chi-Square analytical techniques.

Analysis of Demographic Characteristics of Respondents

Table 1. *Age Distribution of Respondents*

Age	Frequency	Percent
21 – 30	49	8.6
31 – 40	78	45.6
41 - 50	33	19.3
51 - 60	11	6.5
Total	171	100

Source: Survey data, (2018)

Table 2. *Sex Distribution of Respondents*

Sex	Frequency	Percent
Male	95	55.6
Female	76	44.4
Total	**171**	**100.0**

Source: Survey data, (2018)

Table 3. *Marital Status Respondents*

Marital status	Frequency	Percent
Married	106	62.0
Single	60	35.1
Separated	5	2.9
Total	**171**	**100.0**

Source: Survey data, (2018)

Table 4. *Level of Education of Respondents*

Education Level	Frequency	Percent
Secondary	21	12.3
Diploma	9	5.3
1st Degree	14	43.3
Masters	51	29.8
PhD	5	2..9
Technical	11	6.4
Total	**171**	**100**

Source: Survey data, (2018)

Using the Job Stress Inventory criteria, the levels of job stress of respondents were determined. Table 5 illustrates the job stress levels of respondents.

Table 5. *Job Stress Levels of Respondents*

Job Stress level	Frequency	Percent
Low	27	15.8
Moderate	104	60.8
High	39	22.8
Very high	1	0.6
Total	**171**	**100.0**

Source: Survey data, (2018)

Analysis of Demographic Characteristics and Job Stress Levels

The study analysed the stress levels of the sub-groups in the samples. The discussion was structured around age, sex, marital status and level of education. As part of the analyses of job stress levels and demographic characteristics of respondents, the study explored the stress levels of the different age categories in the sample. The findings in Table 6 show that half of the 78 respondents with moderate stress level were in the 31 – 40 age category. Also worthy of note is that 40.7 percent of the lowly stressed respondents were in the 20 – 30 age category, and 11 percent each were in the 41 -50 and 51 - 60 age groups. A Pearson Chi-Square test was employed to determine the association between age groups and job stress levels at 5% alpha level. The test was however, not significant (χ^2 = 7.465, p-value = 0.28). The rest of the details on job stress levels among the different age groups are presented in Table 6. For ease of analysis, the highly stressed and very highly stressed were merged into highly stressed.

Table 6. *Job Stress Levels and Age Groups*

Age groups	Level of Job stress				Percent		
	Low	Moderate	High	Total	% of low	% of moderate	% of high
20 – 30	11	28	10	49	40.7	26.9	5.8
31 – 40	10	52	16	78	37.0	50.0	40.0
41 – 50	3	18	12	33	11.1	17.3	30.0
51 – 60	3	6	2	11	11.1	5.8	5.5
Total	**27**	**104**	**40**	**171**	**100.0**	**100.0**	**100.0**

Source: Survey data, (2018)

Okeke et al. (2014) had found a significant relationship between age and job stress and identified a higher job stress levels for the age bracket of 40-50 years. The findings of Affum-Osei et al. (2014) also confirm this. The results of this study failed to confirm these findings. It was also inconsistent with the findings of Hunnur and Begali (2014) who found that people within the ages of 41-50 are mostly found to have high job stress levels. However, the findings were consistent with that of Tandon et al. (2014) and Griffiths et al. (2009), who discovered that job stress levels were low with the ages of 20-30 and 51-60 years.

Table 7. *Job Stress Levels of Males and Females*

Sex	Level of stress				Percent		
	Low	Moderate	High	Total	% of low	% of moderate	% of high
Male	11	66	18	95	40.7	63.5	45.0
Female	16	38	22	76	59.3	36.5	55.0
Total	**27**	**104**	**40**	**171**	**100.0**	**100.0**	**100.0**

Source: Survey data, (2018)

As depicted in Table 7, 55.0 percent out of the 40 highly stressed respondents were females, the rest (45.0%) were males. It also became evident that 59.3 percent of the 27 lowly stressed respondents were females. This suggests that the females were either lowly stressed or highly stressed while the majority (63.5%) of the moderately stressed respondents were males. A Pearson's chi-square was computed to determine the significance of the association between sex and job stress level. At 5% alpha level the association between sex and job stress levels was significant (χ^2 = 6.838, p-value = 0.033). The effect size of the association was tested using the Crammer's V statistic. A Crammer's V coefficient of 0.196 with a p-value of 0.033 indicates a weak significant association between sex and job stress levels. This finding is similar to that of Bickford (2005), whose findings suggested that women are predominantly reported to be more negatively affected by workplace stress than men because of the principal role played by women in the provision of family care in addition to workplace responsibilities.

The result is also consistent with a report by the American Institute of Stress (2011)which suggests that females are reported to have higher job stress levels than males. Cohen and Janicki-Deverts

(2009) explain that women suffer prejudice and discrimination in organisations, especially those who occupy senior positions as a result of organisational policies and their colleagues, which make them vulnerable to workplace stress. However, the finding was inconsistent with Vanagas and Bihiri-Axelson (2013) who found that males in Africa exhibit higher job stress levels than females because males predominantly occupy high positions in organisations which come along with greater responsibilities, decision making and problem solving.

The next issue examined was job stress levels of the different categories of marital status. Findings from the study showed that out of the 27 whose job stress level was low 63.0 percent of them were married, the rest (37.0%) were single. Among the 104 moderately stressed respondents, 58.7 percent of them were married while 70 percent of the highly stressed respondents were also married (Table 8). These distributions reflect the marital status of the respondents, about 62 percent of them were married.

Table 8. *Stress Levels Among Categories of Marital Status*

Marital status	Level of stress				Percent		
	Low	Moderate	High	Total	% of low	% of moderate	% of high
Married	17	61	28	106	63.0	58.7	70.0
Single	10	39	21	60	37.0	37.5	27.5
Separated	-	4	1	5	-	2.5	2.5
Total	**27**	**104**	**40**	**171**	**100.0**	**100.0**	**100.0**

Source: Survey data, (2018)

From the distribution on Table 8, those who were found to have high levels of job stress were the married people (70%), as against a percentage of 27.5 who were unmarried. This suggests that married people at the College are found to be more stressed than their unmarried counterparts as those married are expected to perform dual roles involving organisational and domestic responsibilities. This finding confirms that of Nagra and Arora (2013), who reported a higher mean score for married people in terms of levels of job stress. They explained that their findings may be due to the dual responsibilities of job and family since married workers have to devote extra time and effort to take care of their families, children, spouses, in-laws and other domestic routines, in addition to job responsibilities. Consequently, married employees are not able to socialize and build peer relations and thus face conflicts at both work and home, which increase their job stress levels.

This finding complements the results of Garima and Kiran (2014), whose finding suggests that married people are required to make a lot of social adjustments in addition to their job responsibilities and this causes more stress and anxiety to them which negatively affects their health and development. However, the finding of this study did not support the results of Abirami (2012), and Olatunji and Mokuolu (2014). Abirami observed that being married is not a stress-causing factor as it is established that married people tend to get social as well as family support and this makes them both happy and successful in their professions and career lives and thus less stressed. Further, Olatunji and Mokuolu (2014) found that unmarried people were the most affected with respect to job stress as they lack social support and other social network resources, which make them unhappy and vulnerable to stress.

The level of education of employees has been linked with their job stress levels. The Job-Demand-Control Theory postulates that, people with higher education exhibit low stressful conditions because the theory believes that people with higher levels of education have greater control over their jobs. To ascertain this assertion, this study explored the relationship between job stress levels and levels of respondents' education. Evidence from Table 9 shows that 51.9 percent of lowly stressed respondents were 1st Degree holders. It also became evident that none of the lowly stressed respondents was a Ph.D. or a diploma holder. Apart from these peculiar cases, the preponderance of the rest of the distributions did not suggest any significant association between job stress level and the educational level of respondents ($\chi^2 = 11.425$, p-value = .325). The rest of the distributions of educational level by job stress level are captured in Table 9.

Table 9. *Distribution of Job Stress Levels and Educational Level*

Educational level	Level of stress				Percent		
	Low	Moderate	High	Total	% of low	% of moderate	% of high
Secondary	5	12	4	21	18.5	11.5	10.0
Diploma	-	7	2	9	-	6.7	5.0
1st Degree	14	41	19	74	51.9	31.5	47.5
Masters	4	34	13	51	14.8	32.7	32.5
Ph.D.	-	4	1	5	-	3.8	2.5
Technical	4	6	1	11	14.8	5.8	2.5
Total	**27**	**104**	**40**	**171**	**100.0**	**100.0**	**100.0**

Source: Survey data, (2018)

The findings on the association between job stress level and educational level as presented in Table 9, did not confirm those of Kula (2011), Rahmani et al. (2013), and Aftab and Khatoon (2013). Aftab and Khatoon established that people with low levels of education are normally associated with high levels of job stress. Kula (2011) on the other hand discovered that people with higher education are the most stressed in an organisation and this finding was confirmed by Rahmani et al. (2013. They explained that people with higher educational levels normally occupy managerial roles in organisations, which usually encompass a high degree of responsibility, thinking through the entire organisation and problem solving. The inconsistencies in the findings can be explained as the respondents with higher degrees sampled were academics who did not hold any managerial positions.

Conclusion

Most empirical studies have found significant association between job stress levels and the demographic characteristics of individuals. Notwithstanding, this study only found significant association between job stress levels and sex and marital status of respondents. The study did not find any significant association between job stress levels and age and educational levels of respondents, thus the Transactional Theory of stress was not confirmed in this study. Moreover, females were found to have higher job stress levels than males. Finally, married people were more stressed than those who were not married.

The Authors

Daisy Ofosuhene, Ph.D.
Lecturer
Department of Business Studies
College of Distance Education
University of Cape Coast
Cape Coast, Ghana.
Email: dofosuhene@ucc.edu.gh
Tel: +233202121999

Rosemond Boohene, Ph.D.
Associate Professor
University of Cape Coast
School of Business
Centre for Entrepreneurship
and
Small Enterprise
Development
Email: rboohene@ucc.edu.gh
Tel: +233207105865

References

Abirami, V. (2012). Levels of stress among college teachers with reference to Coimbatore district. *Researchers World, 3* (2), 93-104.

Affum-Osei, E., Agyekum, B., Addo, Y.V.J., & Asante, E.A. (2014). Occupational stress and job performance in small and medium scale enterprises. *International Journal of Economics, Commerce and Management*, *2* (11), 1-17.

Aftab, M., & Khatoon, T. (2013). Demographic differences and occupational stress of secondary school teachers. *European Scientific Journal*, *8* (5), 159-175.

American Institute of Stress (2011). *Effects of Stress.* Retrieved from: http://www.stress.org

Bashir, S., Khan, S., Rehman, R., Qureshi, M.I., & Khan, W. (2013). Impact of demographic variables on perceived sources of occupational stress among Gomal University teaching staff. *Research Journal in Organisational Psychology & Educational Studies, 2* (6), 340-347.

Bickford, M. (2005). Stress in the workplace: A general overview of the causes, the effects and the solutions. *Canadian Mental Health Association, Newfoundland and Labrador Division*. Retrieved from https://myfreedom2017.com

Cohen, S., & Janicki-Deverts, D. (2009). Who's stress? Distributions of psychological stress in the United States in probability samples from 1983, 2006 and 2009. *Journal of Applied Social Psychology*, *42* (6), 1320-1334.

Cope, C. (2003). *Occupational stress, strain and coping in a professional accounting organisation.* (Master's Thesis), University of South Africa, South Africa.

Garima, M., & Kiran, U.V. (2014). Impact of marital status on mental health on working women. *Journal of Medical Science and Clinical Research, 2* (10), 2594-2605.

Griffiths, A., Knight, A., & Mahudin, D.N.M. (2009). *Aging, work-related stress and health: Reviewing the evidence.* A report for Age Concern and Help and Aged, and TAEN- The Age and Employment Network. Institute of Work, Health & Organisations, University of Nottingham.

Hunnur, R. R., & Bagali, M.M. (2014). A study on relationship between occupational stress index dimensions and demographic variables of police sub inspectors and asst. sub inspectors in police department. *International Journal of Business and Administration Research Review, 1* (3), 161-175.

Kula, S. (2011). *Occupational stress and work-related wellbeing of Turkish National Police Members.* (Doctoral Dissertation), University of Central Florida, Orlando, Florida, USA.

Lazarus, R.S. (2000). Cognitive-motivational relational theory of emotion. In Y.L. Hanin (Ed.) *Emotions in Sports,* pp. 39-63.

Munir, M.M., & Mehmood, Z. (2013). Empirical analysis of relationship between occupational stress and organisational burnout: Evidence from higher educational institutions in Pakistan. *International Journal of Humanities and Social Sciences*, *3* (9), 180-190.

Nagaraju, B., & Nandini H.P. (2013). A factor of marital status highly influencing on stress of women employees; A case study at insurance sector. *International Journal of Business and Management Invention*, *2* (10), 39-46.

Nagina, P. (2009). Investigating occupational stress among married and unmarried working women in Hyderabad city. *Bahria Journal of Professional Psychology*, *5,* 21-37.

Nagra, V., & Arora, S. (2013). Occupational stress and health among teacher educators. *International Journal of Advanced Research in Management and Social Sciences, 2* (8), 1-12.

Okeke, C.I.O., Adu, E. O., Drake, M.L., & Duku, N.S. (2014). Correlating demographic variables with occupational stress and coping strategies of pre-school educators: A literature review. *Journal of Psychology*, *5* (2), 143-154.

Olatunji, S.O., & Mokuolu, B.O. (2014). The influence of sex, marital status and tenure of service on job stress and job satisfaction of health workers in Nigerian Federal Health Institution. *An International Multidisciplinary Journal*, *8*(1), 126-133.

Osmany, M., & Khan, W. (2013). Organizational stress in working women. *Indian Psychology Review*, *61,* 2-6.

Rahmani, A., Khodaei, R., Mahmodkhani, S., Moslemi, M., & Gharagozlou, F.,...Vatani, J.(2013). Investigation of occupational stress and its relationship with the demographic characteristics in Ilam, Iran. *Electronic Physician, 5* (1), 611-615.5

Sapara, J., & Neeti, S. (2013). Analysis of stress management: Exploring its effects on organisational commitment and managing it. *International Journal of Business and Management Research, 3* (1), 15-25.

Singh, P.A., & Dubey, K.A. (2011). Role of stress and locus of control in job satisfaction among middle managers. *Journal of Organisational Behaviour*, *10* (1), 42-55.

Tandon, J.K., Muhaur, C., & Gupta, A. (2014). Effect of age and gender on occupational stress. A study on teaching fraternity. *International Journal of Engineering Technology, Management and Applied Sciences, 2* (2), 41-46.

Vanagas, G., & Bihari-Alexlsson, S. (2013). Do gender differences have influence on psychological stress, quality of life and work demand? (Cross-Sectional Study). *European Journal of General Medicine*, *1* (4), 36-41.

Vanagas, G., Bihari-Alexlsson, S., & Vanagiene, V. (2004). Do age, gender and marital status influence job strain development for general practitioner? *European Journal of General Medicine*, *40* (10), 1014 – 1018.

Vokic, N.P., & Bogdanic, A. (2005). *Individual differences and occupational stress perceived: A Croatian survey.* (Working Paper series. Paper. No. 07-05). University of Zagreb, Croatia.

Banking the Unbanked in Ghana

By

Naomi Kwetey, D.B.A., Livingstone Caesar, Ph.D., Daniel Appiah, M.Phil. and Collins Cobblah, M.B.A.

Abstract

Financial inclusion is considered an emerging priority for many economies across the globe today because of its potential to speed up economic growth. Banking the unbanked in Ghana is a research endeavour seeking to provide wider access to financial products and services to the estimated 70 percent unbanked population in the country. For the purpose of this study, the research combined both qualitative and quantitative methodologies. The mixed-methods approach was used in order to present a descriptive account and an in-depth investigation of the factors accounting for people's decision to bank. Data was collected by the use of questionnaires administered to unbanked participants as well as face-to-face interviews with selected individuals. The findings of the study revealed that social factors and firm factors both had significant and positive effects in predicting an individual's intention to bank. On the contrary, however, personal factors were not found to be significant in predicting banking propensity. The study proposed three key strategic recommendations.

Keywords:
Banking; unbanked; Financial inclusion; Financial access; Financial literacy

Introduction

The issue of banking the unbanked has dominated global debates as a means to poverty reduction. In many developing countries, the population of the unbanked far exceeds the banked as compared to the developed world where the ratio of the unbanked to the banked is rather lower as compared to the developing world. Ghana's banking system has developed systematically over the years following the introduction of a series of new legislations during the past two decades by the central bank – Bank of Ghana. These reforms by the Bank of Ghana were intended to make it easier for banks to engage with their customers, and expand their products and services to promote economic growth. Following this development, competition within the industry has since increased, accompanied by growth in the financial market as well as innovation and technological advances to make banking more convenient to customers and attractive to the unbanked.

However, despite these positive developments within the financial sector, Ghana's economy is characterized by the influx of many financial institutions including banking and non-banking institutions across the country, the unbanked population reached over 70 percent in 2014 (Bank of Ghana, 2014). This represents a large untapped area for banks. This makes it very essential for the banking industry to come out with innovative approaches to tap into these market segments so as to mobilize the huge pool of funds to propel economic growth. Given the indication that access to banking and formal financial services in Ghana is still underdeveloped, there is a need for research to come up with new strategies to bring the unbanked into the banking system which is the focus of the present research.

In spite the fact that some studies have been conducted in other countries by Oluba (2010) and Al-Hawari, Hartley and Ward (2005) to assert that banking the unbanked cannot be achieved among banks in Africa if they continue with the same strategies that shut out a potential customer base. This assertion has received agreement from some scholars like Srinivasan and Meyer (1986) and Koku (2015) who reveal that in developing economies, accessibility to financial services is often limited and therefore, the provision of wider access to such services can positively impact the financial industry in general.

The Pew Health Group (2011) defines an unbanked individual as “a person who does not have a traditional bank account and uses alternative financial services” (p. 2). Anderson-Porisch (2006) also explains the unbanked as an “umbrella” term describing a diverse group of individuals who remain outside the banking mainstream; meaning that they do not have a checking or savings account. These two definitions imply that being unbanked is a situation where an individual does not have any form of banking relationship with a bank or a similar financial institution in any capacity and as such the individual relies on cash transactions to meet their financial needs.

This research, therefore, seeks to investigate the factors that account for the high unbanked population in Ghana. The study takes into consideration cultural, economic, legal, educational and technological factors that may have contributed to restraining people from having a formal banking relationship.

Methods and Participants

This research adopts a mixed method approach. This approach is deemed necessary in order to enrich findings, increase the credibility of the findings, increase the depth and the breadth of the study and test a theory or a model (Hanson, Creswell, Clark, Petska & Creswell, 2005). This method involves the researcher basing his claims on pragmatic grounds (Creswell, 2013). Creswell (2013) further suggests that employing the mixed method approach may help neutralize the biases and limitations encountered in the two methods.

The use of mixed methods allows researchers to employ a diversity of approaches to answer research questions that cannot be addressed using only one method (Doyle, Brady & Byrne, 2009). The choice of a mixed design is to ensure an in-depth, exploratory investigation of the factors accounting for the high unbanked population in Ghana. Therefore, the mixed methods approach will allow for the use of both qualitative and quantitative techniques of data collection, analysis and inference for the purpose of gaining a breadth and depth of understanding of why the unbanked population is still high despite the phenomenal growth in the number of financial institutions in the country. Using the mixed method will ensure that the qualitative research provides a rich and thorough exploration of the nature of the problem being investigated. While the quantitative research will provide the researcher with strong scientific support for making inferences as well as serving as a research tool in testing the hypothesis that will result from the qualitative study

Research Design

With focus on initial interviews conducted and subsequent administration of questions based on themes of the research, the sequential exploratory research design was adopted, following the example of Ivankova, Creswell and Stick (2006). This approach begins with a qualitative data collection and analysis, followed by a quantitative data collection and analysis. Finally, there is an interpretation of the entire analysis. This approach is suitable for this study because an area like banking the unbanked is an under-researched area in a context like Ghana. Hence, the qualitative phase is to confirm the model developed from the literature before testing it on a large scale in the quantitative phase.

Research Approach

The current study is divided into three phases: the conceptual phase, the qualitative phase, and the quantitative phase. The conceptual phase involves the development of the conceptual model for the study based on an extensive review of the literature. The qualitative phase follows, which will be used to confirm and improve the conceptual model, if necessary. At this stage, in-depth interviews will be conducted on people of banking age but who have no bank accounts in the Volta Region of Ghana to find out the factors which account for the decision not to bank. The interview will also attempt to find out some of the factors which promote financial inclusion. The unbanked population was selected as the unit of analysis because they are in the best position to furnish us with information relevant to the research questions (Gephart, 2004). The interviews also seek to investigate the role of personal, social and firm-level factors in promoting the plan to bank the unbanked. This data thus collected will be coded and thematically analysed. The emerging themes will then be compared to the initial model to confirm and amend where necessary. The subsequent quantitative phase tests the confirmed or improved model on a larger scale among a sample of more than 200 respondents

Population and Sample

According to Rubin and Babbie (2001), the target population is the theoretically specified aggregation of study elements. The target population of the study will comprise all citizens and businesses in Ghana who make a living and yet do not have a bank account. The researcher envisaged difficulties in selecting probability samples from the populations chosen. Therefore, convenient sampling was employed in this study for the qualitative research. A convenient sample is one chosen by the researcher because it is available to him (Bryman & Bell, 2011). Bryman and Bell further suggest that convenient sampling is very commonly used and very prominent in the field of business and management research. Also the researcher used purposive sampling for the quantitative research. The sample was taken from the Greater Accra Region of Ghana to represent the urban population and the Ketu South and Akatsi District in the Volta Region to represent the rural population.

The sample also included twenty- three (23) respondents who have bank accounts to enable the researcher to understand what informed their decision to bank and what their current perception about banking is. The main reason why these regions were chosen was that Accra, as the capital city of Ghana, is more populated, with all the banks in Ghana having presence in most of the communities in the city as compared to the other regions in Ghana. Also, the Ketu South and Akatsi districts were chosen because of the significant economic activities that take place in those two districts to represent the views of the rural population of the study. The selection of these locations thus ensured the solicitation of divergent views about why people remained unbanked from both the urban and rural perspectives.

A total of three hundred and fifty (350) questionnaires were distributed and all were returned except four (4). This represented a response rate of 98.86 percent. The 346 questionnaires were analyzed with the use of the Statistical Package for the Social Sciences (SPSS). The researcher ensured that the data was cleaned to make sure there are no missing variables which is likely to affect the output of the entire research work. The bio-data of the respondents were also analyzed to understand the characteristics of the sample respondents used in the study.

Methods of Data Collection

With the qualitative research method, a face-to-face interview was conducted. Both open-ended and close-ended questions were asked. The main aim of the exploratory interview was to understand why they earned an income and yet did not utilize a bank account even though there were financial institutions around them.

Measure Development and Assessment

Items measuring the factors associated with decision to bank was factor-analyzed to determine their underlying dimensions.

Table 1. *Measures*

Variables alpha	No. of Items	Mean	SD	α
Personal Factors	4	4.03	0.53	0.732
Social factors	4	4.13	0.41	0.798
Firm factors	8	1.89	0.88	0.945
Banking decision/ propensity	3	2.50	0.73	0.743

Items with significant cross-loadings were eliminated. Based on factor interpretability, an eigenvalue greater than one, a factor solution accounting for 75% of the total variance was judged best. The factors were interpreted as: (1) personal factors, (2) social factors, (3) firm factors, and (4) decision to bank. Appendix A shows these constructs with their rotated factor loadings.

Social Factors

The social factors that influence people's decision emphasized on the fact that people are social creatures, therefore social factors can influence how decisions are made. Meghana, Thorsten and Mohammad (2012) assert that individuals often make financial decisions based in part on their primary influence groups such as friends, family members, work colleagues, religion and cultural norms. Accordingly, a person's financial decisions can be influenced by the experiences of people around them. We adopted a 4-item scale, developed specifically to measure the social factors that influence the decision to bank.

Personal Factors

The personal factors focused on the characteristics that consistently influence the way individuals respond to situations. According to Mikulincer and Shaver (2015), the differences in characteristic patterns of thinking, feeling and behaving forms an individual's distinctive character. We adopted a 4-item scale, developed specifically to measure the personal factors that influence the decision to bank.

Firm Factors

The firm factors focused on consumers' perspective of an organization and how it impacts on individuals' decision to use its services. Assessing individuals' perceptions of service delivery by organizations improves understanding of factors that can motivate people to adopt a product or service. Furthermore, understanding the expectations of potential consumers of a product or service can inform strategies to attract non-users (Solo & Manroth, 2006). We adopted an 8-item scale, developed specifically to measure the firm factors that influence the decision to bank.

Decision to Bank

We adopted a 3-item scale, developed specifically to measure people's decision to bank. Respondents were asked to indicate the circumstances under which they are likely to make a decision to bank on a five-point Likert scale of 1 in indicating not likely and 5, indicating very likely. Some of the items were, "How likely are you to have a bank account in the next 6 months – 1 year", "How likely are you to use a bank account if the product and service offered meet your needs".

Analysis and Results

The hypotheses were investigated using multiple regression. The maximum variance inflation factor (VIF) associated with the main constructs under study in the regression analysis was 1.66, which is well below the 10 cut-off recommended by Neter, Wasserman and Kutner(1983) indicating little influence of multicollinearity on the results. Table 2 shows the results of the regression analysis.

The control variable (gender) was entered in Model 1. Both the control variable and the main predictors or independent variables were entered in Model 2. From the results, gender significantly and positively impacted banking propensity in both Model 1 ($\beta = 0.28$, $p < 0.001$) and Model 2 ($\beta = 0.15$, $p < 0.001$) lending support to hypothesis 4. This means that females are more likely to patronize banking services than their male counterparts. This is diametrically opposed to what Ogenyiejye (2007) found in a study on gender – based decision to bank in Nigeria. The study explored gender differences in consumption of banking services and revealed that males were more likely to consume banking products than their female counterparts for the reason that men were more confident and willing to take more risks in managing their funds, including the use of formal financial institutions. On the other hand, the study revealed women were rather security - oriented in money handling and the fear of engaging with financial institutions was high.

In Model 2 social factors had significant positive effect on banking propensity ($\beta = 0.08$, $p < 0.05$). Similarly, firm factors significantly and positively predicted intention to bank ($\beta = 0.70$, $p < 0.001$), contrary, personal factors ($\beta = -0.09$, $p < 0.05$) which significantly and negatively predicted banking propensity. Thus while hypothesis 1 and 2 were supported, hypothesis 3 was not supported.

The results further reveal that firm factors were the biggest predictor of banking propensity compared to social and personal factors. In addition, both the control and independent variables ($R^2 = 0.60$) accounted for 60 percent variations in banking propensity, out of which the main independent variables contributed 52 percent (Change in $R^2 = 0.52$). Both models were also jointly significant at 0.1 percent level of significance as shown in Table 2.

Variables	Banking propensity	
	Model 1 (β)	Model 2 (β)
Gender	0.28 (5.34)**	0.15 (4.34)**
Social factors		0.088 (2.07)
Personal factors		-0.09 (-1.98)*
Firm factors		0.70 (16.47)***
R^2	0.08	0.60
Adjusted R^2	0.07	0.59
Change R^2		0.52***
F-test	25.54***	128.05***

Table 2. *Linear Regression Analysis*

Note: $^{*}p < 0.05$, $^{**}p < 0.01$

Findings

The findings of this study provide empirical insight into the factors that would potentially influence a person's decision to bank.

In the study, it was revealed that the social factors which could influence a person's decision to bank include high interest rate, security for funds, bank tenure, and bank reputation. According to Meghana et al.(2013) since people are social creatures, they can be influenced to make financial decisions based on their primary influential groups such as friends, family members, work colleagues, religion and cultural norms. From the current study, the social factors contribute 63.05% to individuals' decision to bank. Also, from the interviews conducted, one of the paramount issues which came out strongly as being the major reason for people being unbanked, was the fear of being unable to access the funds. The respondents indicated that they are unwilling to use banking services because of the fear that in an emergency or bank closure, they might be unable to access their funds.

Again, the respondents said trust is very crucial when it comes to patronizing the services of financial institutions and by this reasoning, the longer the institution had been in existence, the better it influences their decision to bank with such a financial institution. Going by this claim, well-established financial institutions with existing track records may influence the decision of the unbanked to bank, if such institutions are able to make their products and services accessible to them. Under economic factors, the income status of the unbanked is found to influence the establishment of account relationships with banks. The survey shows that the unbanked consider that their income is only enough to meet their daily needs, with no excess to bank. The respondents have the opinion that the patronage of banking products and services is the preserve of those who earn more than they can spend.

The study further shows that majority of the unbanked population still consider that owning a bank account is a privilege for the educated working class. This finding is due to the extensive documentation needed to be completed before establishing an account, and subsequently, the requirements of filling out forms to deposit or withdraw funds. This accounts for the low interest of uneducated individuals in utilizing banking services. This, therefore, requires banks to adopt various strategies in helping the less educated to become more comfortable in using bank products and services. Thorough education on banking products is an important strategy. The banks should avoid the use of complicated terminology to properly communicate to potential customers in simplified language for easy understanding.

The outcome of the quantitative survey on firm factors also indicated that proximity to a bank strongly influences the decision to bank, where closeness of the financial institution to the individual's home is found to have a greater propensity to influence their decision to bank with that bank. This recorded the highest mean of 2.31. In this study, it is of a great concern to note that the inability of respondents to access loan facilities contributed strongly to their decision to patronize banks and their services. For some of these unbanked individuals, when they need short-term loans to meet emergencies, they find informal sources of credit or turn to high-cost formal-sector lenders such as small-loan companies where interest rates are generally quite high. This is because large banks might not, in most cases, be able to provide traditional loans to financially hard-pressed individuals, as in the case of most unbanked people, due to the short-term high-cost associated with disbursing and monitoring such loans. This outcome was reaffirmed by the quantitative survey results, indicating that if product offerings by banks closely match or appeal to the needs of individuals, it would influence their decision to bank. This finding, recorded a mean value of 2.29 on a scale of 5, indicating that close to half of the respondents agreed with this assertion. To help meet this need, banks can offer deposit-secured loans to customers who are unable to pass standard credit-risk assessments. For example, financial institutions can issue deposit-secured loans to customers or make loans against the balances that customers have accumulated in their savings account.

As regards social factors, it emerged that all the factors tested had a positive influence on one's decision to bank. These include high interest rates, security for funds, bank tenure, and bank reputation. Explaining this, Meghana et al. (2013) said that since people are social creatures, they can be influenced to make financial decisions based on their primary influential groups such as friends, family members, work colleagues, religion and cultural norms. For instance, the reputation of a bank, which is found to be one of the social factors that significantly affects the decision to bank, shows that individuals who want to bank tend to critically take into consideration how long the bank has proven to be reputable throughout its period of existence. As such, the drive towards banking the unbanked needs to be championed by well-established banks that have been in existence for several years with a solid track record of performance. This suggests that if major banks in the country could make the effort of establishing branches and agencies across the country, patronage of banking services would improve, as well as help in the quest to bank the unbanked. This finding is important because some of the unbanked individuals expressed that they have some fears that their funds are not safe in their personal possession and they think that if they had banking facilities at their disposal, they would use it as a mean of safeguarding their hard earned funds. For such respondents, access to financial institutions was their major challenge; re-emphasizing the need for expanding banking services across the country.

Furthermore, from the interview, it was revealed that the long standing assumptions indicating that "banking is the preserve of the rich", "people are uncomfortable in banking halls" and "banking is for the educated and the working class" were some of the socio/cultural issues found to be keeping individuals from utilizing formal banking services. In terms of legal factors, regulatory requirements also accounted for the high unbanked population in Ghana; as some reasons cited by respondents in the survey had a direct link to this. For instance, in Ghana, while granting loans without adequate collateral is an infringement of Bank of Ghana's regulatory requirement, a number of the respondents expressed their desire for banks to offer them loans without collateral.

Overall, the findings of the study show that the factors that contribute to the high unbanked population in Ghana are related to personal, firm-oriented, social, cultural, economic, legal, educational and technological factors. In all these, three factors are highly recognized (social, firm, and personal factors). The study shows that social factors have a significant positive effect on banking propensity ($\beta = 0.08$, $p < 0.05$). Most interesting is that while firm factors significantly and positively predicted intention to bank ($\beta = 0.70$, $p < 0.001$) at 0.1 percent level of significance, personal factors ($\beta = -0.09$, $p < 0.05$) had a significant and negative prediction of banking propensity. Nonetheless, the results reveal that firm factors are the greatest predictors of banking propensity compared to social and personal factors.

More so, gender in this study had a significant positive effect on banking propensity; indicating that females were more likely to patronize banking services than their male counterparts. This finding diametrically opposes what Ogenyiejye (2007) found in a study conducted in Nigeria, which showed that males were more likely to consume banking products than their female counterparts for the reason that men are more confident and willing to take more risks in managing their funds, using formal financial institutions. Unlike the findings of this study, Ogenyiejye's (2007) study revealed that women are rather security-oriented in money handling and the fear of engaging with financial institutions was high. Finally it emerged that respondents expected a simplification in the banking process that could eliminate certain bureaucratic procedures, which make transactions cumbersome and stressful. Therefore, the adoption of technology to simplify manual processes to bring about speed and efficiency is expected to influence their decision to bank.

Implications of the Study

This study provides important insights and implications for institutions, regulators, policymakers, and managers in the banking sector. The findings imply that there is a need for a strong collaboration between financial institutions, financial technology (FinTech), and mobile network operators (MNOs) to reach a broader base of the unbanked in Ghana. The growing interest in mobile money, sets the trend for even more radical transformation of the Ghanaian banking system, with both banks, FinTech and MNO firms bridging their strengths and weaknesses to provide a win-win opportunity. Whilst banks can provide funding and access to financial products and services, the FinTechs and MNOs can offer the most innovative and efficient solutions for better financial service delivery; thus, providing a far broader opportunity to re-engineer the infrastructure and banking processes within the Ghanaian banking industry. The motivation for advocating for a stronger collaboration is influenced by the Bank of Ghana's recent guidelines, which allowed Telcos, after acquiring their license as mobile money operators, to go to banks for partnerships.

Additionally, the results from the study show that in communities where banking facilities are not available, people are more comfortable keeping their funds at home under their pillows, thereby increasing the rate of the unbanked. There is, therefore the need to adopt the agency banking model in order to improve outreach and financial access to the unbanked. Rolling out an agency banking model would enable banks to partner with institutions such as retail shopping centres, fuel retail stations, pharmacies, supermarkets and post offices to deliver this service. They will act as third party agents to provide cash-in-cash-out transactions and other services in compliance with laid down guidelines to create a wider reach for the many unbanked individuals. This will help resolve the issues of customers having to travel long distances to access financial services. The deployment of a agency banking would offer a number of banking services, including cash deposits and withdrawals, funds transfers, bill payments, payment of benefits and salaries, and the collection of account and loan applications. Also, transactions can be carried out in real time, driven by technology via mobile phones, point of sale (POS) systems, telephone banking or internet banking, and must be reflected immediately on the bank's side in the core banking system.

Thirdly, there must be a focus on financial education through financial literacy programs. It emerged from the study that due to the lack of financial literacy, some of the unbanked have developed various myths and perceptions about banks and their services; resulting in their mistrust and unwillingness to engage their services and products. In line with this, it is strongly proposed that a curriculum be developed by banks to be used as a model to provide financial education to the unbanked population. These strategies advocated above are not only likely to better meet the needs of the many unbanked people in Ghana, but are also likely to build mutual trust between the unbanked and financial institutions, which is considered key in promoting financial inclusion. Additionally, financial institutions stand to benefit from better returns through enhanced deposit mobilization while improving economic growth.

Again, findings from the survey and literature review revealed that cost has a significant negative effect on the decision to bank, as it can impact the perceived ease of use and perceived usefulness of banking services if it takes so much to patronize banking services. This therefore emphasizes the need for increased collaboration between banks and Telcos in the provision of mobile and agency banking services to rural communities. This will effectively reduce the cost of providing banking services because partnerships would mean shared cost of operation between banks and Telcos, which will ultimately reduce the costs incurred by users.

The study concludes that while economic factors exert substantial influence on the propensity to engage in banking, firm factors exert the greatest influence in a unbanked individual's decisions to engage in banking. This would require banks to shift their focus from using product development and service quality as their primary means of attracting new customers, to strategies that will address the unbanked population.

The Authors

Naomi Kwetey, D.B.A.
Nobel International Business School
nkwetey@ecobank.com

Livingstone Caesar, Ph.D.
Assistant Professor of Management and Organisational Behaviour
Nobel International Business School
caesar@nibs.edu.gh

Daniel Appiah, M.Phil.
Senior Research Fellow
Nobel International Business School
daniel@nibs.edu.gh

Collins Cobblah, M.B.A.
Research Fellow
Nobel International Business School
ccobblah@nibs.edu.gh

Nobel International Business School (NIBS)
Arko Close
Off Nelson Mandela Avenue
Near Gulf House
South Legon
Ghana

References

Al-Hawari, M., Hartley, N., & Ward, T. (2005). Measuring banks' automated service quality: A confirmatory factor analysis approach. *Marketing Bulletin,16*(1), 1. Retrieved from < http://marketing bulletin.massey.ac.nz/V16/MB_V16_A1_AlHawari.pdf >

Anderson-Porisch, S. (2006). *Being unbanked – What is it? What are the implications.* University of Minnesota Extension Services. Retrieved from https://extension.umn.edu/spending-and-saving/being-unbanked-what-does-it-mean

Bank of Ghana, Ghana Association of Bankers (2014, July 16). *Keynote Address by Dr. H. A Kofi Wampah, Governor, Bank of Ghana*. Fourteenth Annual Working Luncheon: La Palm Royal Beach Hotel, Accra.

Bryman, A., & Bell, E. (2011). B*usiness research methods.* (3rd ed.). New York: Oxford University Press

Creswell, J. W. (2013). *Steps in conducting a scholarly mixed methods study.* Retrieved from http://digitalcommons.unl.edu/dber-speakers/48

Doyle, L., Brady, A. M., & Byrne, G. (2009). An overview of mixed methods research. *Journal of Research in Nursing, 14*(2), 175-185.

Gephart, R. P. (2004). Qualitative research. *Academy of Management Journal, 47*(4), 454-462.

Hanson, W. E., Creswell, J. W., Clark, V. L. P., Petska, K. S., & Creswell, J. D. (2005). Mixed methods research designs in counseling psychology. *Journal of Counseling Psychology, 52(*2), 224.

Ivankova, N. V., Creswell, J. W., & Stick, S. L. (2006). Using mixed-methods sequential explanatory design: From theory to practice. *Field Methods*, *18*(1), 3-20.

Koku, P. S. (2015). Financial exclusion of the poor: A literature review. *International Journal of Bank Marketing, 33*(5), 654 – 668.

Meghana, A., Thorsten, B., & Mohammad, H. (2013). *Finance and poverty: Evidence from India.* (CEPR Discussion paper; No. DP9497). New Delhi: National Institute of Public Finance and Policy.

Mikulincer, M., & Shaver, P. R. (2012). An attachment perspective on psychopathology. *World Psychiatry*, *11*(1), 11-15.

Neter, J., Wasserman, W., & Kutner, M. (1983). Simultaneous inferences and other topics in regression analysis-1. *Applied Linear Regression Models*, 150-153.

Ogenyiejye, E. O. (2007): Gender-based retail bank choice in Nigeria. *Journal of Retail Marketing Management Research. 1*(1), 20-31.

Oluba, M (2010, April). *Thoughts on financial exclusion in Nigeria*. Retrieved from <http://www.businessdayonline.com/index.php?option=com_content&view=article&id=9987:thoughts-on-financial-exclusion-in-nigeria&catid=96:columnists&Itemid=350>

Pew Health Group (2011, October). *Slipping behind: Low-income Los Angeles households drift further from the financial mainstream.* Retrieved from www.pewtrusts.org/safebanking

Rubin, A., & Babbie, E. R. (2001). *Research method for social work.* Pacific Grove, CA: Wadsworth.

Solo, T. M., & Manroth, A. (2006) *Access to financial services in Colombia: The unbanked in Bogota.* (Policy Research Working Paper No. 3834). Washington, D.C.: World Bank. Retrieved from https://openknowledge.worldbank.org/handle/10986/8784

Srinivasan, R., & Lohith, C. P. (2017). Main study—Data reduction and confirmatory factor analysis. In *Strategic Marketing and Innovation for Indian MSMEs* (pp. 51-58). Singapore: Springer

Appendix A

Factor analysis results

Construct Measures and Loadings

Scale and Items	Factor loadings
Firm Factors[b]	
1. Digitization of banks-mobile banking, cards, internet banking, telephone banking.	.936
2. How close the bank is to my work	.925
3.The opening hours of the bank	.888
4. The banking hall is decorated exclusively – very expensive decor	.923
5. How close the bank is to my home	.836
6. A standard looking banking hall, just like how your living room would look like	.837
7. Benefits enjoyed by customers of the bank	.812
8. Product offerings closely match or appeal to your needs	.786
Social Factors[b]	
1.A bank that gives high interest on savings	.914
2. Fear of money being stolen when funds are with you	.577
3. The bank has been in existence over a long time. 20 years and above	.739
4. Reputation of the bank. Your money is safe with them	.898
Propensity/Decision to Bank[b]	
1.How likely are you to have a bank account in the next 6 months – 1 year	.931
2. How likely are you to use a bank account if the product and service offered meet your needs.	.854
3. How likely are you to use a bank account if your friends and family save with the bank?	.758
Personal Factors[b]	
1. Bank accounts are for high income earners	.857
2. Bank accounts are for highly educated persons	.832
3. You believe the bank is trust worthy	.722
4. The bank that gives high interest on savings	.585

SBS

SWISS BUSINESS SCHOOL

www.sbs.edu