

BANKER'S PERCEPTION ON GREEN BANKING-AN EMPIRICAL STUDY ON ISLAMIC BANKS IN BANGLADESH

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Abstract:

The purpose of this paper is to identify the perceptions of bankers on various aspects of green banking including the concept green banking and banker, benefits of GB and its complexities in execution. Subsequently, their perceptions on the effective green banking strategies are tried to adhere. As bankers involved directly in the service delivery, it is worth-knowing the attitudes about them in particular banking stream. This is an empirical study based on a survey conducted on the bankers of Islamic banks in four old divisions in Bangladesh with structured questionnaires. Data purification and analysis is carried out through the software- SPSS version 16 and factor analysis method is used to get the most influential factor through Henry Garrett's ranking technique. The respective bankers perceived that a green banker is a socially responsible banker, while green banking is an environmental banking which helps protect environment although it has high adoption cost. Also green banking and Islamic banking are interlinked as Islam support natural resource savings, cleanliness, and social responsibility are also the motto of GB. Regarding the effective green banking strategies, banker seems that reducing paper saving is the appropriate strategy followed by the sponsoring tree plantations.

Keywords: *Green Banking, Islamic Banks, Bankers' Perception, Green Banking Strategy*

1. INTRODUCTION

Now-a-days, the green movement is not confined within merely a slogan or concept. It has been able to spread worldwide as green initiatives and included as an operational guideline in almost every discipline ranging from

science (green chemicals, green building) to business and economics (Green production and operation, green marketing, green business, green finance and investment etc.). The frequent catastrophe in diverse form, the dearth of renewable energy,

gradual erosion and contamination of existing natural resources compelled the policy makers enacting eco-friendly course of action. The same weave may also be found in governmental economic policies with the encouragement in green economy. Many different countries are working out for bringing their economy under a single umbrella of sustainable development framework complying with the United Nations Environment Programme (UNEP), International Union for Conservation of Nature (IUCN) and World Wide Fund for Nature (WWF) agencies. Thus, Green banking has emerged as a policy pertaining to the green economy program is the subset of broader sustainable development strategy.

A banker is an intermediary person between saving unit (suppliers) and scarce unit (demanders) of an economy who helps mitigate the financial needs of demanders considering all the potentiality of getting back money from them by accumulating scattered and unused money of clients. Banks possess various tangible (furniture, building, stationary's, computers or electrical goods, financial capital) and intangible (goodwill, sophisticated techniques, software's) assets that are only become lively with the vibrant presence of its conscious and efficient employees. Tangible assets can only help them to a certain extent. It is now becoming clearer that organizations require a much broader range of resources to be able to compete and succeed in the current competitive market. This is shown by an increasing number of organizations giving more emphasis to their intangible assets, which was mostly left idle, unexplored and non-managed (Vorbeck et al., 2001). An efficient banker is not only expert (human capital) about the present survival in the market but also

is a prudent and conscious citizen for the future existence and sustainability of the mankind.

Before convincing on marketing, popularity of liability management strategy in 1970, as an effective tool of managing supply side, banker's individualism (personal influencing power) was substituted by the systemic control of demander side (asset management strategy) of the economy (Peter S. Rose-2002). Now the proven reality is that the customer's satisfaction and preference of particular services are highly dependent upon the bankers, its marketing approach and ultimately the service quality (Masukujaman & Akter 2010). Thus, it is very important for banks-an enormous human attached organisation- to know about their perception and awareness on a particular banking stream for assessing their present strengths and weaknesses on it.

The success of any programme depends largely on the participants who steer the course of actions necessary for implementation and operation of the programme Dhar, S. N., et.al. (2008). Psychologists Locke et.al., (1981), mentioned that the natural human inclination to set and strive for goals is useful only if the individual understands the particular goal, perceives it to be good and accepts it. Similarly, Landy & Becker (1987) found that, a person is motivated to work better for a programme when he or she is aware of what is important and the circumstances in which he or she works. This awareness about their works and its surroundings is as knowledge which is the subset of the banks' greater knowledge management system. In this way with greater knowledge employees can handle their customers and can well perform their duties (Arshad M., et.al.-2011). It is also the manager's responsibility to ensure

that branch staff is professional, well-trained and knowledgeable about the range of services provided by the bank (Moutinho, et. al., 1997). Having proper knowledge of the work they in enhancing the employee morale and the morale are deemed as one of the success factors in comparison with competitors. According to Bowen et al., (2000) on the relationship between bank employees and customers that employee morale is strongly related to customer satisfaction; that is, when bank customers perceive front-line employees are happy with their work, bank customers are more likely to be satisfied with the service they receive. Thereby, with greater customer satisfaction lead in the market as efficient bank. So, here lies the justification of the present study to find out bankers view regarding green banking.

2. LITERATURE REVIEW

2.1 UNDERSTANDING GREEN BANKING AND BANKER

Green banking is a stream of banking in which environmentalism is adopted as the operational base of banking activities like a conscious being (though the registered banking organization is regarded as artificial being) in a society. It persuades customers taking green projects and encourages the projects through lending along with putting in practice of conservation activities-using solar or renewable energy-within the bank premises. A study defines green banking as operational improvements, technology and changing client habits in the banking business as well as promotion of environment-friendly practices and reduction of the carbon footprint from banking activities. Green banking avoids as much paperwork as possible and rely on online/electronic transactions for processing so that we

get green credit cards and green mortgages. Less paperwork means less cutting of trees (Singh and Singh, 2012). Green banking is also called ethical banking or a sustainable banking which is controlled by the same authorities, but with an additional agenda toward taking care of the earth's environment (Jha and Bhome, 2013). According to Singh and Singh (2012) "Less paperwork means less cutting of trees. It also creates awareness to business people about environmental and social responsibility to enable them doing an environmental friendly business practice." In line with M. S. D, (2011),

"..... Green banks adopt and implement environmental standards for lending, which are really a proactive idea that would enable eco-friendly business practices which would benefit our future generations."

2.2 STATUS OF GREEN BANKING IN BANGLADESH

Green banking activities in Bangladesh started in 2011 (Bangladesh Bank, 2011) showing the commitment towards the global initiatives. "Bangladesh Bank is the first central bank in the world which has taken real initiatives, according to a definite agenda in its vision and mission to play a specific role in green banking" (Bangladesh Bank, 2012). As a part of indicative initiatives, it issued circular on 'Policy Guidelines for Green Banking' where road map is rolled out in 3 phases which are completed by December 31, 2013. The green banking initiatives in Bangladesh include both the in-house and, other than in-house activities where the first one indicates the conservation of

energy and prevention of wastage of paper, energy, etc. within the banking premises while the later one is related to the green financing and making aware of customers and stakeholders about environmental concern (Masukujjaman, M., & Serena, A., 2013). The Bangladesh bank authority considered the major activities that include; Green banking policy, Green Banking unit, Allotment of fund in green banking, Funds for green financing, Mobile banking, Online banking, Internet banking, Green banking budget, Environmental risk rating, Effluent Treatment Plant (ETP), and ETP related project etc. under the green banking.

2.3 CONNECTION BETWEEN SHARIAH BASED AND GREEN BANKING

Today, with the increasing awareness of the dangers facing our planet compel people showing great interest in green ideas which has long been part of the religion, as per history of mankind, as a main adherent of environmental protection. Islam, for the living in harmony with nature, achieving sustainable development, enriching life on earth, and making best use of available resources, stresses hugely on the necessity and significance of environmental protection. In the Quran it is declared that Men are the superior living being, Asraful Makhluqat, (Surah Bani Israil, 17:70, Surah al-Baqarah, 2:29 & Surah Jathiyah, 45:13) in the planet and has been endowed with a sense of moral insight (Surah ash-Shams, 91:7 - 8). So, their relation to the earth is seen as that of custodian (Surah Hud, 11:61) (Mutahhari M. Ayatullah, 2014). The message of Islam is that the relationship between the Allah and men is as important as the care of environment and natural resources. In the Quran, verses 11 to 14 of Al-Fajr emphasize the need to

care for the environment and the forms of life that Allah has created on this earth that includes proper usage of natural resources. To be more specific, Islam advocates about the environmental protection and proper preservation. The concept of protection narrower and shallow compared to the prevention. Preservation includes both the protection of environment from damage and pollution and allowing it to flourish (Muhammad, 2013).

Allah hasn't only commanded to preserve the nature, but also declared rewards for that. Prophet Muhammad (S.A.W), in a hadith in Musnad Ahmad mentioned that mankind would be rewarded for efforts in improving greenery; making it incumbent on every Muslim to contribute towards such efforts (Bukhari). In terms of the relationship between mankind and the environment, the teachings of Islam basically promote preservation of natural resources and the need to respect all living things. Imam Bukhari on renewable source of reward states-"If a Muslim plants a tree or sows seeds, and then a bird, or a person or an animal eats from it, it is regarded as a charitable gift (sadaqah) for him." Failure to do so would be detrimental, as stated in verse 41 of Al-Rum where severe destruction of the land and sea would come upon those who mistreat the environment (Nor Azaruddin, 2012).

It is therefore the responsibility of everyone to practice themselves and to help others in achieving environmental sustainability. Banking industry as the lifeblood of any economic development and facet of economic disorder has the greater obligation towards the society at large as far as the greening an economy is concerned. Similarly, the Islamic banks must be part of the endeavor. However, the role of Islamic banks extends beyond being a component of a financial system, but as

part of a total value-based social system that is driven by the principle of public interest or Maslahah. This system seeks to enhance the general welfare of society. Environmental protection and sustainability should be part of the Islamic finance agenda to ensure the fulfillment and establishments of the spirit of Islamic tenets (Muhammad, 2013).

3. RESEARCH METHODOLOGY

3.1 Sample, Data Collection and Scope of the Study

This is an empirical study based on survey method conducted on all the Islamic banks covering four major old divisions (Dhaka, Chittagong, Rajshahi, Khulna) in Bangladesh. The data were collected from a sample of 67 respondents from 31 branches of seven Islamic banks in Bangladesh. A simple judgmental sampling technique has been undertaken so as to find the concerned officers in each branch with the green-banking service delivery.

For conducting such survey, a face-to-face interview method using a well structured questionnaire was used. In making a concrete questionnaire, different research article in the related field has been studied thoroughly. The questionnaire is comprised of probable

green perceptions of the employees and the level of the strength of their opinions for which Garret table rating scale has been used. It ranks qualitative data in a higher priority entitling 1 to lowest priority entitling 'n' in a table having a separate column for establishing the rank. These tables contained a blank column where the importance ranks are put by the respondents where 1 signifies the most emphasized point whereas the bigger number signifies the least. Three point Likert scale was used to collect data on the agreement or disagreement of some perception where 'D' signified for disagree, 'N' for neutral, and 'A' for agree.

3.2 Research methods:

3.2.1 Henry Garrett's Ranking Technique:

To find the most significant factor concerning green banking, green banker, green banking adoption complexities, green banking benefits and policy strategies, Garret's ranking technique has been employed. It is calculated as percentage score and the scale value is obtained by employing Scale Conversion Table given by Henry Garrett. The percentage Score is calculated as,

$$\text{Percentage Score} = \frac{100(R_{ij} - 0.5)}{N_j}, \text{ where}$$

R_{ij} is rank given for i^{th} item j^{th} individual

N_j is number of items ranked by i^{th} individual.

The percentage score for each rank from 1 to 'n' are calculated. The percentage score thus obtained for all the ranks is converted into scale values using Scale Conversion Table given by Henry Garrett. The scale values for first rank to n^{th} rank are different according to the number of items in each table.

The score value is calculated for each factor by multiplying the number of respondents (f) with respective scale values (x). The total scores are found by adding the score values (fx) of each rank for every item in the tables. The mean score is then calculated to know

the order of preference given by the respondents for those items.

3.2.2 Factor

Analysis

Data purification and analysis was carried out through SPSS version 16. Factor analysis was performed to identify the major issues of perceptions as well as specifying the most influential factors. Factor analysis is a multivariate method used for data reduction purposes. The basic idea of this technique is to represent a set of variables of a smaller number of variables. The method is mainly designed for interval data, although it can also be used for ordinal data (e.g. scores assigned to Likert scales). The variables used in factor analysis should be linearly related to each other. Obviously the variables must also be at least moderately correlated to each other; otherwise the number of factors will be almost the same as the number of original variables.

Consider the observable random variable **X** with p components has mean μ and covariance matrix Σ . The factor model postulates that **X** is linearly dependent upon the few unobservable random variables F_1, F_2, \dots, F_m , called common factors and p additional sources of variation $\epsilon_1, \epsilon_2, \dots, \epsilon_m$, called specific factors. The generalized factor analysis model is

$$\begin{aligned}
 X_1 - \mu_1 &= l_{11}F_1 + l_{12}F_2 + \dots + l_{1m}F_m + \epsilon_1 \\
 X_2 - \mu_2 &= l_{21}F_1 + l_{22}F_2 + \dots + l_{2m}F_m + \epsilon_2
 \end{aligned}$$

$$\begin{aligned}
 X_p - \mu_p &= l_{p1}F_1 + l_{p2}F_2 + \dots + l_{pm}F_m + \epsilon_p
 \end{aligned}$$

This equation system can be expressed as $\mathbf{X} - \boldsymbol{\mu} = \mathbf{L}\mathbf{F} + \boldsymbol{\epsilon}$. Here the coefficient l_{ij} is the loading of i^{th} variable on j^{th} factor. Thus **L** indicates the matrix of factor loadings. The i^{th} specific factor ϵ_i is associated only with the i^{th} response X_i . The p deviations $X_1 - \mu_1, X_2 - \mu_2, \dots, X_p - \mu_p$ are expressed in terms of the (p + m) random variables F_1, F_2, \dots, F_m and $\epsilon_1, \epsilon_2, \dots, \epsilon_m$ which are unobservable (Johnson and Wichern, 1982).

4. EMPIRICAL STUDY

4.1 Perceptions on Green banking and bankers

According to the table 1, it has been observed that the bankers of Islamic Shariah based banks in Bangladesh mostly believe green banking to be environmental banking as the term 'green' goes mostly with the environment. Secondly, and thirdly, green banking is marked to be socially responsible banking and ethical banking. But, it is interesting to note that green banking is defined as Shariah based banking and sustainable banking in a very cheap manner. The possible reason could be the bankers seldom know the ideologies of Islam about the green concerns and mostly they couldn't understand the correlation between the environment and sustainability.

Table 1.

Perceived understanding of green banking

Perceived definition of green banking		1	2	3	4	5	Total	Total Garrett Score	Mean Score	Rank
Ethical banking	f	11	9	21	18	8	67	3309	49.39	3
	fx	825	540	1050	702	192				
Socially responsible banking	f	18	20	16	13	0	67	3857	57.57	2
	fx	1350	1200	800	507	0				
Sustainable banking	f	4	9	11	20	23	67	2722	40.63	5
	fx	300	540	550	780	552				
Environmental banking	f	20	22	13	7	5	67	3863	57.66	1
	fx	1500	1320	650	273	120				
Shariah based banking	f	16	5	8	13	25	67	3007	44.88	4
	fx	1200	300	400	507	600				
Garret Table value		75	60	50	39	24				

Note: x = Scale value; f = Number of bankers or respondents; fx = Score

A green banker is introduced as an environmentally conscious banker in a larger priority which acted in accordance with a previous opinion on the definition of green banking. However, as depicted in the table 2, the rank of the green banker as an honest banker is fourth. Some respondents also commented on that there is no

connection between honesty and going green. However, the controversy did not rise up. Though the respondents viewed that green banker as a usual banker, the rank value signifies that a green banker is not merely a usual banker; s/he is something more than that.

Table 2

Perceived identity of green banker

Perceived identity of green banker		1	2	3	4	5	Total	Total Garrett Score	Mean Score	Rank
Environmentally conscious banker	f	23	20	10	9	5	67	3896	58.15	1
	fx	1725	1200	500	351	120				
Socially responsible banker	f	13	26	22	5	1	67	3854	57.52	2
	fx	975	156	110	195	24				

			0	0						
Honest banker	f	5	12	8	26	16	67	2893	43.18	4
	fx	375	720	400	1014	384				
Efficient banker	f	20	9	19	13	6	67	3641	54.34	3
	fx	1500	540	950	507	144				
Usual banker	f	3	5	8	14	37	67	2359	35.21	5
	fx	225	300	400	546	888				
Garret Table value		75	60	50	39	24				

Note: x = Scale value; f = Number of bankers or respondents; fx = Score

4.2 PERCEIVED BENEFITS AND COMPLEXITIES OF GREEN BANKING ADAPTION:

Green banking protects environment, which is what the sample bankers mostly agreed upon, i.e., the common idea about green banking among the bankers is limited within the environmental consciousness (table 3). The Second benefit appeared is the reduction of resource wastage. Going green initiatives contains several social activities which cover corporate social responsibilities. But, they just went through the idea of plantation of trees

and reduction of deforestation through raising the paper saving concerns. Being green of course reduces the stationery cost, though it came in the 5th rank of benefit priority. As green banking reduces cost, favorably it raises operating profits. But, lastly, the findings show that though online banking raises the banking service productivity by enhancing paperless banking in a great extent and is one of the major benefits of green initiatives, it got the minimum level of importance by the respondents illustrating fuzzy overall knowledge on it.

Table 3.

Benefits of green banking

Benefits of green banking		1	2	3	4	5	6	7	Total	Total Garret Score	Mean Score	Rank
Reduce resource wastage	f	13	17	4	10	2	5	16	67	3453	51.54	2
	fx	1014	1105	228	500	84	170	352				
Attracts customers	f	3	9	10	17	14	8	6	67	3231	48.22	5
	fx	234	585	570	850	588	272	132				
Covers CSR	f	15	3	9	3	12	20	5	67	3322	49.58	3
	fx	1170	195	513	150	504	680	110				
Protects environment	f	15	17	7	10	10	3	5	67	3806	56.81	1
	fx	1170	1105	399	500	420	102	110				
Accelerat	f	7	3	17	12	11	5	12	67	3206	47.8	6

es service delivery	fx	546	195	969	600	462	170	264			5	
Reduces stationery cost	f	4	9	17	8	7	13	9	67	3200	47.76	7
	fx	312	585	969	400	294	442	198				
Raises profit	f	11	10	4	6	15	13	8	67	3284	49.01	4
	fx	858	650	228	300	630	442	176				
Garret Table value		78	65	57	50	42	34	22				

Note: x = Scale value; f = Number of bankers or respondents; fx = Score

As per the table 4, it contains the rank of probable complexities that may occur while bringing by the green initiatives. High adoption cost seems to be the major complexity, according to the analysis. As an example, a solar plant may reduce the electricity bill in a large amount, but, the purchase and installation cost will create a large outflow. Hampering Privacy is a threat for customers who prefer online banking, though the security system is controlled very strictly. Account balances or deposit card pins may be hacked. This threat has gained the

second rank in the complexity study by the respondents, followed by the value of banks in the stock market may fall down while focusing on complexities of green initiatives by banks. Exceptionally, a major portion of the respondents disagrees with the possibilities of switching prime borrowers due to the adoption of green initiative. Some bankers feel that prime customers will not let them go, since green banking sets bar in the form of revised policies rather they will be same adjusting themselves.

Table 4

Complexities in adopting green banking initiatives

Green initiatives adoption complexities		1	2	3	4	Total	Total Garret Score	Mean Score	Rank
High adoption costs	f	26	10	12	19	67	3487	52.04	1
	fx	1898	560	516	513				
Switch of prime borrowers	f	8	18	27	14	67	3131	46.73	4
	fx	584	1008	1161	378				
Privacy hamper	f	17	25	5	20	67	3396	50.69	2
	fx	1241	1400	215	540				
Decreasing market value	f	16	14	22	15	67	3303	49.30	3
	fx	1168	784	946	405				
Garret Table value		73	56	43	27				

Note: x = Scale value; f = Number of bankers or respondents; fx = Score

4.3 Factors influencing the connection between green banking and Islamic banking:

Table 5

Frequency Table

Representative perceptions on green banking	Disagree	Neutral	Agree
Green banking promotes social (benefits) responsibility supported by Islam.	0 (0%)	6 (8.96%)	61 (91.04%)
Green banking advocates cleanliness is termed as part of (Iman) faith in Islam.	2 (2.98%)	15 (22.4%)	50 (74.62%)
Green banking reduces resource wastage is consistent with the Islamic rules.	3 (4.47%)	8 (11.94%)	56 (83.58%)
Green banking is supported by Islamic Shariah Law.	11 (16.41%)	18 (26.86%)	38 (56.71%)
Green banking upholds Islamic ethics in business	1 (1.49%)	20 (29.2%)	46 (68.65%)

The variance explanation may signify the most influential or important component.

Table 6

Total Explained Variances

Compo nents	Initial Eigen values			Extraction Sums of Squared Loadings		
	Eigen Value	Percentage of Variance	Cumulativ e Percentag e	Eigen Value	Percentag e of Variance	Cumulativ e Percentag e
1	1.500	29.993	29.993	1.500	29.993	29.993
2	1.379	27.588	57.581	1.379	27.588	57.581
3	1.083	21.652	79.233	1.083	21.652	79.233
4	.670	13.396	92.630			
5	.369	7.370	100.000			

The above table (6) lists the Eigen values associated with each of 5 components before extraction, after extraction. Eigen values associated with each factor represent the variance explained by the particular component.

These results also reveal the individual and cumulative percentage of variance explained by different components. For instance, individually component 1, 2, 3 explain 29.993%, 27.588% and 21.652% of total variance respectively.

But, in a combined way first three components explain 79.233% of total variance. From these results it is clear that the first three factors explain the relatively large amount of variance, whereas subsequent factors explain only a small amount of variability. Thus,

these three factors with Eigen values greater than 1 has been extracted in the columns labeled 'Extraction Sums of Squared Loadings' except the discarded factors which have Eigen values less than 1.

Table 7

Factor Loadings

	Factor		
	1	2	3
Green banking promotes social (benefits) responsibility supported by Islamic values.	.481	-.282	.774
Green banking advocates cleanliness is termed as part of (Iman) faith in Islam.	-.025	.855	.070
Green banking reduces resource wastage is consistent with the Islam.	.882	.110	.079
Green banking is supported by Islamic Shariah Law.	-.486	.474	.635
Green banking upholds Islamic ethics in business	.503	.577	-.261

The above table (7) shows the loadings of the 5 variables on the 3 factors extracted. The higher the absolute value of the loading, the more the factor contributes to the variable. For factor 1, 'green banking reduces resource wastage is consistent with the Islam has highest loading (0.882). Similarly, 'Green banking advocates cleanliness is termed as part of (Iman) faith in Islam' gains the highest loading (0.885) in case of factor 2 and 'Green banking promotes social (benefits) responsibility supported by Islamic values' takes the maximum loading (0.774) for factor 3. On the basis of this information, it is difficult to name each of the factor exactly, but considering the high value of loadings it is possible to interpret that factor 1 is considered as a factor of movement with green banking,

factor 2 as a satisfactory factor and agreement factor.

4.4 Perceived strategies for green banking implementations:

The depicted table-8 put the most focus, on the paper consumption reduction strategy. Usages of both sides of the paper, online transaction processing, reuse of the papers, etc. are the probable ways of reducing the consumption of paper. Less use of paper will lead to reduction of deforestation as well as the minimization of the stationery cost. Sponsoring tree plantation programs came in 2nd position in perceptual ranking as it is a common initiative of banks. Recycle of wastes, though does not contribute in large, can save the environment from being contaminated.

Power consumption is an important fact of going green. In case of using the power source a proper control and limitation should be maintained. Careless use of power, lack of ethics and accountability, etc. can raise the cost which can be brought into a minimum if tried. Development of green

products and services is a common focus on banking industry now. But, the trend for spending in 'going green' and awareness creating acknowledgement publicities is too low and bankers do not consider it an effective green banking activity so much.

Table 8

Strategies to be focused in green banking

Green banking strategies		1	2	3	4	5	6	Total	Total Garrett Score	Mean Score	Rank
Reduce paper consumption	f	22	19	6	11	6	3	67	4006	59.79	1
	fx	1694	1197	324	506	216	69				
Reduce power consumption	f	5	6	13	23	14	6	67	3192	47.64	4
	fx	385	378	702	1058	504	138				
Recycle wastes properly	f	5	14	20	13	6	9	67	3368	50.27	3
	fx	385	882	1080	598	216	207				
Sponsor tree plantation	f	23	4	5	8	9	18	67	3399	50.73	2
	fx	1771	252	270	368	324	414				
Spend in green publicity	f	4	17	9	12	6	19	67	3070	45.82	6
	fx	308	1071	486	552	216	437				
Launch green products & services	f	7	7	18	6	21	8	67	3168	47.28	5
	fx	539	441	972	276	756	184				
Garret value	Table	77	63	54	46	36	23				

Note: x = Scale value; f = Number of bankers or respondents; fx = Score

5. Limitations of the study and suggestion for future research:

The limitation of the study is related to the time and scope. As green banking is a latest concept worldwide, especially in Bangladesh and the scopes of the study could appear in the surface level. The study has been conducted only on officers of different

banks under the Dhaka metropolitan City. The more comprehensive result could be found, if it could be extended to the whole country or even to division level. Moreover, the endeavor was limited to only on the Islamic banks in Bangladesh. So, these findings should not be generalized entirely for other forms of banks working other than Islamic banks. Furthermore, the interview was taken on the bank's

senior officers only those who are somewhat involved in the green banking activities. In some minor cases they showed avoidance of giving response as they thought it is a disclosure of banks' information and/or it could be detrimental for the bank or themselves. Therefore, the result could be further enriched with a greater sample size.

The concept of this study can further be extended by conducting the same study on conventional banks or prominent commercial banks, private banks, public banks, domestic banks or even on foreign banks in Bangladesh. Similarly, the study can be replicated as an inter-regional or international level as a particular case or comparative basis. Besides, the present study tried to give insights of the bankers who are directly involved in greening activities and their authority confined within the branch. The study could have been widened by changing the stakeholders like bank policy makers on green banking, customers, agencies involved in green movement, etc. Additionally, the study may also grab a new track by bringing to the field of new green product development, studying impacts, in-house or other than in-house (green finance, green awareness etc.) perspective, green performance of banks and so forth.

6. Conclusion

The people of Bangladesh have a good sensitivity towards Islamic values and ideals leading enough to be loyal with Islamic Shariah-based banks. On the other hand, going green in banking is relatively a rising, but equally worthy concept in the context of the contemporary world. Therefore, a combination of Islamic and green ideas

in Bangladesh would certainly be handy ways of preventing natural degradations. From the study, it is found that green banking has been defined by bankers with most importance as environmental banking eyeing on environmental issues at first, while a green banker is coined as a socially responsible banker which broaden the scope beyond the environmentalism up to the ethics. In case of green banking adoption, high adoption cost is found to be the major perceived complexity. But, it is strictly disagreed that the customers may switch if green banking is opted out in loan policy.

Regarding the benefits of green banking are that it protects the environment, helps to reduce resource wastage, and it also covers the corporate social responsibility area. These indicate that this banking, ensure benefit in general along with corporate benefits. Furthermore, the factor loadings bring out three major components which represent the factors which relate green banking to the Islamic Shariah based banking. It is found from respondents that three factors best explains the relations of green banking with Islamic banking are GB reduces resource wastage is consistent with the Islam, it advocates cleanliness is also termed as part of (Iman) faith in Islam and it promotes social (benefits) responsibility supported by Islamic values. Finally, to ascertain green banking benefits banks must undertake some strategies suggested by the respondents are, firstly, to reduce the consumption of paper internally, then sponsoring tree plantation program and thirdly, managing wastages properly.

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