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Addis Ababa University

College of Business and Economics

Department of Public Administration and Development Management

**The Role of Private Organizations in Corporate Social Responsibility in
Ethiopia**

By Yonas Seifu

October, 2018

Addis Ababa, Ethiopia

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Ethiopia**

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A Thesis Submitted to the Department of Public Administration and Development
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the Degree of Masters in Public Management and Policy (MPMP)

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This is to certify that the thesis prepared by Yonas Seifu G/Tsadik entitled “The Role of Private organization in corporate social responsibility in Ethiopia”, which is submitted in partial fulfillment of the requirements for the Degree of Masters in Public Management and Policy (MPMP), compiles with the regulations of the University and meets the accepted standards with respect to originality and quality.

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Declaration

I, the undersigned, declare that this thesis is my original work and has not been presented for a degree in any other university and that all sources of materials used for the thesis have been dully acknowledged.

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Abstract

The purpose of this thesis is to explore and analyze the role of private sector in the concept of CSR from Ethiopian perspective to form a starting point for further research. The aim is also to identify how Private companies and organizations in Ethiopia understanding their role and part in accomplishment of corporate social responsibility, and to find out what the learning PLCs involvements are. The data for the study has been distributed and collected through a field study in Akaki Kaliti sub city PLCs, including personal interviews and discussions with a number of companies and organizations. The questionnaires and interviews were conducted through a field study in Akaki Kaliti sub city, for companies' executives and questionnaires for general managers, financial and HR managers too. Generally, the findings of this study show that CSR as idea is fresh in Ethiopia especially in the participation of private organization. The study employs both quantitative and qualitative methods to collect data from the sampled private organizations in the sub city are used, is applicable and descriptive statistical approach also is adopted for the study. In addition, the investigation is identifying the major findings of the research in the selected area, like extreme market oriented economic understanding, lack of awareness about social interest, integrating framework, less government role and absence of sustainable relationship. The investigator has been recommended some points: creating one legal entity or body, active government role, media usage, organizing networking system between Private Organization and surrounding people, experience sharing from developed country and creating different awareness creation programs as well.

Dedication

This thesis is dedicated to my beloved wife, Mebrate Kibru and our two children: my son Nebiyu and daughter Tinbite, for their tolerance because I had taken more family time, from the day beginning of the work till finished it. Mebri is very loyal wife, and she stands with me in academic affairs and other scarce of min.

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Acronyms

AACCSA:	Addis Ababa Chamber of Commerce and Sectorial Association.
AKKK:	Akaki Kality Kifle ketema(Sub city).
APRM:	African Peer Review Mechanism
CSI:	Corporate social investment
CSO:	Civil Society Organizations
CSR:	Corporate Social Responsibility.
CRR:	Country Review Report
EU:	European Union
FDRE:	Federal Democratic Republic of Ethiopia
FM:	Financial Managers
GDP:	Gross Domestic Product
GTP:	Growth and Transformation Plan
HRM:	Human Resource Mangers
IMF:	International Monitoring of Finance
IRDI:	Innovative Research and Development
ISO:	International Organization for Standardization
MDG:	Millennium Declaration Goal
MDE:	Millennium Development Goals
NGO:	Non-Governmental Organization
PASDEP:	Plan for Accelerated Sustainable Development Poverty Reduction Program.
POP:	Private Organization Participation
PRSP:	Poverty Reduction Strategy Paper
PLC:	Private Limited Company
SDPRP:	Sustainable Development Poverty Reduction Program.
UN:	United Nation
UNCED:	United Nations Conference on Environmental and Developmental.
WBCSD :	World Business Council for Sustainable Development

CHAPTER ONE:

INTRODUCTION

1.1 Background of the Study

Both developed and developing countries have great ambition to increase or enhance economic growth, equal distribution of property for citizen, political stability, human rights, and well-being life style of the citizen at large. However, the question is here, who is the most responsible body to address the above issues? Is it the only mandate of the government? Or could say, merely an issue or a burning agenda of NGOs? Or only the program of international and financial institutions, like World Bank or IMF and others? Off course, the public sector is mandated to address the needs of the society. However, the public sector may not have the capacity to meet the needs of the public. It is due to this inadequate capacity of the public sector that other stakeholders are invited to fill the gap. One of the key stakeholders, the private sector, is responsible to assist the public sector in addressing the essential needs of the society. Private sector entities are given greater access to land and infill sites and receive more support throughout the development process (Corrigan, 2005).

According to Emebet Melese, CSR disclosure is generally seen as an important tool for companies to manage their relationship with society, and its subsequent stakeholders in particular (Melese, 2009). Maimunah Ismail stated that the concept of CSR has not been new. It has been in academic debate since the 1950s. The definition of CSR has gone through different phases (Scchi, 2007; Lee, 2008). The classical view of CSR was limited to philanthropy and then shifted to emphasis on business-society relations particularly referring to the contribution that a corporation or firm provided for solving social problems. In the early twentieth century, social performance was tied up with market performance. The pioneer of this view, Oliver Sheldon (1923, cited in Bichta, 2003), encouraged management to take the initiative in raising both ethical standards and justice in society through the ethic of economizing, i.e. economize the use of resources under the name of efficient resource mobilization and usage. By doing so, business creates wealth in society and provides better standards of living (Report A. D., 2011).

The present-day CSR (also called corporate responsibility, corporate citizenship, responsible business and corporate social opportunity) is a concept whereby business organizations consider the interest of society by taking responsibility for the impact of their activities on customers, suppliers, employees, shareholders, communities and other stakeholders as well as their environment. This obligation shows that the organizations have to comply with legislation and voluntarily take initiatives to improve the well-being of their employees and their families as well as for the local community and society at large (Ismail, 2009).

Globally, the concept of CSR is sensitive in the eye of every government. According to the European Commission (2001, 2002, and 2006), CSR is “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis”. The main idea behind CSR is the triple bottom line principle that implies businesses should not only serve as economic, but also social and environmental ends. For some scholars, this view of the corporation stands in stark contrast with the neo-classical shareholder view that asserts a firm’s only responsibility is to do business and make a profit. For most business ethics scholars, however, CSR is in the interest of businesses, in particular when stakeholders such as employees, consumers, Civil Society Organizations (CSOs), and governments demand and value the respective efforts (Steurer, 2010).

Terence Corrigan stated that CSR in Africa had a unique angle to address social and environmental issues. And he said that corporate social responsibility (CSR) is a growing consideration for businesses. The Country Review Reports (CRRs) compiled through the African Peer Review Mechanism (APRM) provides a unique lens through which CSR application in Africa can be gauged. Increasingly, thinking on the subject is moving beyond philanthropy to demands for the systemic integration of social concerns into business planning. In Africa, despite advanced thinking on the subject, its application across most of the continent remains in its infancy – ad hoc and of limited effectiveness. The very terms of CSR in Africa are contested: legislated demands are frequently ignored, while debates rage about appropriate business obligations towards workers. Corporate social investment (CSI) is unevenly applied and attracted criticism for failing to address key problems (Corrigan T. , 2014).

According to African Development Report 2011, the private sectors have vital role regarding the development activities. It says that “Africa’s private sector is coming of age. Hamstrung by a crippling

environment and burdensome government policies for decades, it is now poised to assume its critical role as the engine of economic growth and poverty reduction on the continent”. (Report A. D., 2011). However, when come to CSR in Africa it needs more mobilization program in every angle at large.

The role of private sector in Ethiopia had not fully participated in CSR because of different factors. It is true that Ethiopia is one of the developing countries striving to develop private sector role in its development. Being under the challenge of poverty, governance gaps, and access to social services etc., there is desperate need for role of private firms in various sectors. Until 1991, the country was socialistic and private ownership of firms did not exist. A market oriented economy was declared in 1991, which brought the emergence of private companies in various sectors with the intention to reverse a decade of economic decline. When the economic reform was done, big private sector responsibility is attached to create jobs, improve production, raise export and reduce poverty which is the challenge to the nation (Bimir, 2015).

The poverty reduction strategy of Ethiopia stated that the Federal Democratic Republic of Ethiopia has realized the participation of private sector in poverty reduction. This realization led the country to encourage privatization of companies (Jiska, 2012); (Hansson, 2004). The FDRE in its first Growth and Transformation Plan (GTP), has not highlighted the role of private sector in the development of the country. However, the Growth and Transformation Plan (GTP) II of Ethiopia stated the role of private sector in attaining sustainable development in the country by enhancing productivity, reducing unemployment and creating competition among workers. Private sector also enhances the efficiency of service delivery through creating public-private partnership (TAK-IRDI, 2016). The past few decades have shown an increasing progress towards business role in social and environmental concerns. The involvement of private organization in social affairs is very necessary especially to alleviate local community problems. Such corporate social responsibility role became an important tool for corporate success and inclusive development. To that end, learning business organizations strive to erudite sustainability practices to meet the interests of stakeholders (Bimir, 2015).

In this research, the investigator wanted to explore why private organizations participate in corporate social responsibility in the scope of sustainable development. And also the researcher

motivated to demonstrate and explain the factors that affect their participation and how could they involve in corporate social responsibility. As a Logician the investigator has using deductive reasoning or applying a theory to a particular case in the Ethiopian context.

1.2 Statement of the Problem

The engagement of private organizations in corporate social responsibility is essential to address social problem at large. Many scholars have stated the importance of the participation of private sector in corporate social responsibility. According to Stephanie Tissot et al (2013) indicated the roles of and activities carried out by the private sector as part of its regular core business operations that affect development outcomes and economic growth through positive impacts such as job creation, provision of goods and services, and taxation, and negative impacts such as environmental degradation and poor labor practices.

Homa Mulisa also stated that the concept of CSR is not a kind of aid. Undertaking socially responsible initiatives is not necessarily an act of charity but a truly win-win situation where ethical and responsible corporations are very likely to maintain good will of their products and services and establish a sustainable business. Not only will the companies appeal to socially conscious consumers and employees, but they will also make a real difference in the world. Accordingly, one should keep in mind that in CSR, transparency and honesty about what one's business enterprise is doing are paramount to earning the public's trust (Mulisa, 2017).

In Ethiopia, there has been low understanding about the concept of corporate social responsibility in general. Mulisa stated that it is true that decisions made behind closed doors about social responsibility are very tricky since people will never know where donations are really going unless companies engage employees and consumers in giving back. And he added that in its nature, CSR is a topic which extends across several policy areas like corruption, ethics, environment, gender and labor issues where the government is supposed to act on it. Hence, the government need to take research based actions in enforcing CSR strategies in Ethiopia, since it has a pivotal role in ensuring sustainable economic growth while concurrently mitigating social and environmental impacts of business both in the country and around the world (Mulisa, 2017).

To what extent do private organizations in Ethiopia participate in corporate social responsibility activities? As implied the above discussion the role of private organization in terms of corporate

social responsibility was extremely narrowed and also most of previous researchers had focused only in the area of tax-revenue, reducing of unemployment and the contribution of national growth. Many private organizations in Akaki Kality were dominated by traditional thinking in the participation of corporate social responsibility instead of widely and holistic concept of CSR. Traditional assumption was one of the basic problems in the participation of private organization in corporate social responsibility in Addis Ababa Akaki Kality sub city. (Compact, 2011).

As a result, there are big gaps or problems regarding private organization role in corporate social responsibility overall. This makes a kind of great feeling in the mind of author to bring a solution in terms of corporate social responsibility participation in social affairs. Furthermore, the investigator of this research wants to go beyond the traditional understanding by addressing other social scarcity to fill the gaps.

In response to the above findings of research problem and gaps, the target of this research is, therefore, to focus a further study on the area of private organization participation in corporate social responsibility in Addis Ababa Akaki Kality sub-city and identify the magnitude to which the theory of sustainable development in specifically should be implemented in the sub city by addressing the problem of corporate social responsibility activities in this sub-city as a whole.

1.3 Research Questions

To address the aforementioned objectives, the research was framed the following research questions:

- A. To what extent do private organizations in Akaki Kality Sub-city participate in corporate social responsibility activities?
- B. What are the factors that affect the participation of private organizations in corporate social responsibility interventions?
- C. How can the participation of private organizations in corporate social responsibility activities be enhanced?

1.4 Research Objective.

1.4.1 General Objective of the research

The general objective of this research is to explore the role and the factors that affecting the participation of private organization of Ethiopia, regarding the activities of corporate social responsibility at Addis Ababa Akaki Kality sub city.

1.4.2 Specific Objective of the Study: The specific objectives are aimed at:

- ❖ To address the extent of private organizations in Akaki Kality sub-city participate in corporate social responsibility activities.
- ❖ To identify the main factors which affect the participation of private organization in corporate social responsibility involvement Akaki Kality sub-city.
- ❖ To analyze how the participation of private organizations in corporate social responsibility activities be enhanced in Akaki Kality sub-city.

1.5 Significance of the Study

Ethiopia is one of the poorest countries in this continent, and on the other hand the country has multi-advantages situations in terms of natural, and human resources may be equal to some other developed countries. However, how could overcome this widely and broadly economic chaos of event from the life of people is a crucial and timely question and it is also the message of the readers today. The investigator of this research is powerfully believed that the participation of private organization is one of a connotation to bring a sustainable development by encouraging economic growth of the country in particularly the local level at large. Therefore, studying of the participation private organization and implementation could have outstanding contribution to the advanced knowledge in the area of Addis Ababa and it's predominantly in Akaki Kality sub-city. In addition, because this sub-city is more industrial place than other sub city of Addis Ababa. And as an evidence of Akaki Kality sub -city trade & industries information almost 90% of industries in Addis Ababa are found in this sub city and also around 41% of the country manufacturing industries are living in this local area. How far is true that these numbers of manufacturing industries could involve in community development?

Another importance of this studying is that giving an emphasis about policy making on private organization involvement in corporate social responsibility in Addis Ababa Akaki Kality sub-city. If policy is properly formulated, then it brings process to implement in every part of sector, particularly private role affairs as a whole. Both government and private organizations should have their own policy making program and its implementations in terms of development participation. The idea of policy and significance could shape social, institutional, political, economic and other affairs. This research could give an investigations regarding private organizations role on the area of their participations and challenges based on the scope of the

study. The identifications of this investigation could contribute insights for policy makers in both private and government organizations. Moreover, the study can give a kind of instruments of creating new approach to enhance the participation of private organization in corporate social responsibility in Addis Ababa Akaki Kality sub-city.

The working carries out of the existing private organizations Practitioners and their stewardships will being aware of the significance of corporate social responsibility activities, so that the study could also give benefit for both local government and private organizations officials from the result of this research over-all. The factors which affect the participation and the role of private organization in CSR should be clearly investigated and identified by this study. Lastly, Practitioners would gain from this research many thoughts for daily action plan of their duties, implementation of policy and practice as well, in particularly on the area of developmental programs of the societies in the scope of corporate social responsibility. It has suggestion for local government Practitioners and would get information from this study especially on the concept of CSR.

1.6 Scope (delimitation) and limitation of the Study

1.6.1 Scope (Delimitation) of the Study.

In this study the specific area of the investigation has been pointed out in clearly thorough out the thesis. According to Kenyatta University explanation (2013) Delimitation requires the researcher to address how a study will be narrowed in scope and explain the things that investigator are not doing and why researcher has chosen not to do them (Dean, 2013). Accordingly, this thesis has narrowed in the scope as follows:

- ❖ The study was concentrated only to the private organization participation in corporate social responsibility in Addis Ababa Akaki Kality sub-city. Addis Ababa Akaki Kality sub-city was selected area for the study due to its highly living place of poor people than other kifle ketma at large. Moreover, it is the place where more of an industrial Zone than others Kifle Ketema in the city(almost in country level 41% of high scale industries were found in this sub-city and around 90% Addis Ababa higher PLC or industries are living in Akaki Kality).

- ❖ Different Private Organizations were fully invested their capital in this Kifle Ketma so that some Weredas could be selected. This area was the selected place of the study, because the number of high PLC (Private Limited Company) were there, in based on their tax paying status, current capital and the researcher should be focused on medium, large and biggest or largest PLC (PLC from the capital of 10,000,000 and above) on the other hand, highly vulnerable community were living in this Kifle Ketema, but how much that the community had benefited from the presence of the companies? On the other hand some companies were participating in CSR in the sub city, the communities were so benefited to some extent.
- ❖ The role of the local government of this kifile Ketema would be involved in the study because the government has a responsibility and accountability on the area of an activity of promoting of private organization and its impact in detail.
- ❖ This study has focused on the participation of private organization towards sustainable development in the practical life of Addis Ababa Kality Kifle Ketma community. The investigator did not want to include NGOs and Others, because they were not the part of the researcher Master's thesis title.
- ❖ The study had also more focused on development, to identify, explain and analyze the community social and economic status of Addis Ababa Akaki Kality sub-city. Therefore, the researcher could not invest extra time for other kifile Ktema, because of this research boundary.

1.6.2 Limitation

As an explanation of Kenyatta University (2013) that the Limitation study has required an identification of potential weaknesses of the study that may be beyond the capability of the researcher to intervene e.g., the nature of self-report, researcher instruments and the sample size (Dean, 2013). The Researcher had pointed out some points regarding limitation of the study as follows:

- In this investigation, the respondents who participated in the study were so busy with their organizational issues and could not have gotten an adequate and comfortable time to deliver in depth evidence in specifically subjective questions. It could be occurred lack of data clarity from the respondents.

- A study conducted over a certain interval of time is a snapshot dependent on conditions occurring during that time (Dean, 2013). In this research, time constraints regarding the respondents time like chief executive officials and directors were delaying of response and it could be one of the limitations of the researcher.
- Lack of Financial or available fund was a serious case when the study implemented in the selected organization.
- Therefore, in this study the researcher may explain how to deal with the limitations that should be aware of so as not to affect the outcome of the study (Marilyn Simon, 2011). In this research, first of all, the investigator has to be aware of the limitations, and ready to manipulate them by using a personal creativeness and exhaustively in searching ,to collect data on time and the investigator also would be arranged for each program of the research in properly especially on the area of data collection process in detail, before data analysis and interpretation.

1.7 Organization of the Thesis Report

This final paper was organized into five main chapters, and each chapter has been divided in different sub topics. The **first chapter:** dealt with background of the study, statement of the problem, research questions, research objectives, significance of the study, scope (delimitation) and limitation of the study, and organization of the thesis report. **Chapter two:** talks about the review of related literature which was more explaining of the idea of the role and participation of Private Organization in the scope of corporate social responsibility, with a theoretical validation of the study as well. **Chapter three:** has also dealing with research methodology and procedures, which was indicated the method that how to study in the research implementation, social science research technique and way of approach. **Chapter four:** was talking in terms of data collection and general explanation of the study area and also the issues of data display, describe, analyze and interpret of data in detail. The last part of this report was **Chapter five.** In this chapter the conclusion and recommendation of the study has been included: Private organization participation activities, factors that affect the POP in Akaki Kaliti sub city and how to enhance the participation of private organization in corporate social responsibility in Akaki Kaliti sub city.

CHAPTER TWO:

PRIVATE-ORGANIZATION PARTICIPATION IN CORPORATE SOCIAL RESPONSIBILITY: REVIEW OF RELATED LITERATURE.

2.1 Chapter Overview

The participation of private-organization in corporate social responsibility has contributed to the growth and development of societies. However, the agenda of corporate social responsibility has different understanding, implementation and implications in both developed and least-developed countries. The participation of private organization plays an important role in widening the scope of sustainable development; however, their participation in a community's day to day life would be affected by different factors. Since the concept of corporate social responsibility is the core of this study, the literature review addresses instrumental theory, ethical theory, integrative theory and stakeholder theory. In general, the purpose of this chapter is to exhaustively review, analyze and identify the theoretical and empirical evidence and its understanding of private-organization participation and to address the research questions. The researcher has portrayed the reviewing of the theories, principles, concepts and backgrounds of the study by linking with the previous chapter.

2.2 Conceptual Understanding of CSR of Private Organizations.

There are various writers that argued about CSR from 1950's till today. According to Maimunah Ismail, the issue of corporate social responsibility (CSR) has been debated since the 1950s. Latest analyses by Secchi (2007) and Lee (2008) reported that the definition of CSR has been changing in meaning and practice. The classical view of CSR was narrowly limited to philanthropy and then shifted to the emphasis on business-society relations particularly referring to the contribution that a corporation or firm provided for solving social problems. In the early twentieth century, social performance was tied up with market performance. The pioneer of this view, Oliver Sheldon (1923, cited in Bichta, 2003), however, encouraged management to take the initiative in raising both ethical standards and justice in society through the ethic of economizing, i.e. economize the use of resources under the name of efficient resource mobilization and usage. By doing so, business creates wealth in society and provides better

standards of living (Ismail, 2009). All are the most arguable perspective but which ideology is more preferable for the sack of this study?

Maimunah Ismail has explained that the present-day CSR (also called corporate responsibility, corporate citizenship, responsible business and corporate social opportunity) is a concept whereby business organizations consider the interest of society by taking responsibility for the impact of their activities on customers, suppliers, employees, shareholders, communities and other stakeholders as well as their environment. This obligation shows that the organizations have to comply with legislation and voluntarily take initiatives to improve the well-being of their employees and their families as well as for the local community and society at large (Ismail, 2009). This concept can address the general objective this study which is primarily to achievement a first understanding of PO in corporate social responsibility from the contextualization of Ethiopia to indicate the specific issue of Akaki Kality sub city.

Moreover, Ismail has portrayed that CSR simply refers to strategies corporations or firms conduct their business in a way that is ethical and society friendly. CSR can involve a range of activities such as working in partnership with local communities, socially sensitive investment, developing relationships with employees, customers and their families, and involving in activities for environmental conservation and sustainability (Ismail, 2009).

On the other hand, CSR theories have not the same implication at all. For example, utilitarian theory has explained CSR on the scope of social costs functionalism, managerial theory has concentrated on the area of corporate social performance, social accountability, auditing, reporting, social responsibility for multinationals, whereas a relational theory is incorporating business and society stakeholder approach, corporate global citizenship, and social contract theory as well (Ismail, 2009). On the theoretical frame work of this study, four theories would be discussed in the above in number 2.3 in detail.

As introduced about the idea of Corporate Social Responsibility in chapter one, the theoretical review of sustainable development and other related CSR concepts are explained in this chapter thoroughly. CSR is a conceptual framework of operation, strategy, and human relations as well as a corporate culture movement with a focus on ethical standards. These standards are broad and

largely self- defined set of devotions, with some corporations. Walker argued that the concept of CSR is more of human relation and corporate aspect (Mele, 2004).And it is an excessive supported concept to achieve the general and specific objective this study on the area of giving understanding and elaborating the factors which were affected the participation of private organization in CSR in Akaki Kality sub city.

Furthermore, Walker has explained that by emphasizing environmental stewardship, some underscoring their human labor conditions, and others highlighting their business's contributions to achieving human flourishing in poor or marginalized communities. According to Walker, the World Business Council for Sustainable Development qualifies CSR as “the continuing commitment by business to contribute to economic development while improving the quality of life of the workforce and their families as well as of the community and society at large.” Many scholars simply consider CSR as a framework for conceptualizing the business and society interface. Its critics argue that CSR constitutes a legitimizing discursive domain that implies an inclination toward ethics and human standards, but in reality safeguards capitalist imperatives against critique and regulation. What is incontrovertible is that corporate social responsibility has become a prevailing mandate for multinational corporations and is transforming the role of business in global politics and social relations. . The writer argued that the CSR is a kind of mandate to implement for social and political affairs in different angles (Mele, 2004).So that what can be the role of Private organization in the concept of CSR in Akaki kality sub city?

A private sector engagement for development refers to instances when private sector actors go beyond traditional business practices to achieve sustainable development outcomes. Unlike private sector development, which focuses on supporting the private sector in developing countries, private sector engagements for development is about the active participation of the private sector in achieving development goals in areas including and beyond private sector development, such as health and education (Tissot, 2013). These authors argued that the concept of CSR has to implement beyond traditional trend or the idea of market-oriented economic approach. Profit maximization by itself is not bad but without social aspect it is nothing. The above Concepts of CSR could be connected from the major findings of the study is known as extreme market oriented economy as one of the unique challenge that was affected the

participation of private organization in terms of corporate social responsibility in Akaki Kality sub city.

The theories of corporate social responsibility in terms sustainability development tells for the private organization to push them to enter in CSR and its activities at large. According to, the Eu commission (2002), “CSR is a concept whereby companies integrate social and environment concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (Crowther, 2008). So that, the theories have implied that companies or organizations have had social and environment responsibility to involve in the case of relief and its activities.

The above four dimensions of CSR have vital intimacies with the major objective this thesis regarding to response the first question of this study, “ To what extent do private organization in Akaki Kality sub city participate in CSR activities?” in chapter one. To respond this research question the four dimensions could open a bridge for the investigation of findings to address the specific objective of this research.

2.2.1 Definition of Corporate Social Responsibility

Corporate social responsibility: regarding CSR, there is no universal accepted definition about it. The European Union development regional fund defined Corporate Social Responsibility as good corporate administration, managing in an ethical and sustainable way, and carrying out a set of voluntary commitments, in order to manage their impact in social, environmental and economic fields, and to obtain the maximum benefits for the whole society (Schulpen, 2014). This implied that the companies voluntarily include the social and environmental dimensions in their business operations and in their relationships with the stakeholders.

Okpara and Idowu described that CSR is the obligation of businessmen to pursue those policies, make those decisions, or follow those lines of action that are desirable in terms of the objectives and values of our society (Samuel, 2011). The World Business Council for Sustainable Development (WBCSD) also defined CSR as the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workers and their families as well as of the local community and society at large (WBCSD, 2012). Finally, Carroll defined social responsibility of business as encompassing the economic, legal, ethical, and discretionary expectations that society has of

organizations at a given point in time (Schulpen, 2014). Therefore, what is the intent of the above writers? Is CSR a mandatory or voluntary decision for private organization? Do private organizations have obligatory or legal responsibility to enter corporate social responsibility activity?

On the other side, some scholars or writers have started the concept of CSR from individual advantage to social aspect. CSR has been basically understood in the literature as a practice in the interest of individual or self-interest and the concept of social contract. This social contract implies some form of altruistic behavior-the converse of selfishness – whereas self-interest connotes selfishness. Self-interest is central to the Utilitarian perspective. Adam Smith's free-market economics is predicated on competing self-interest. The ideology of self-interest is more of advocating the priority of the individual in all angles. This idea put the interest of the individual above interest of the collective .The argumentation of Adam Smith is completely different from the speculation of others CSR advocators like Crowther, Aras, Walker, Thomas and so on (Tissot, 2013).

Both Crowther and Aras strongly argued that the central tent of social responsibility is the social contract between all the stakeholders to society, which is an essential requirement of civil society. This is alternatively described as citizenship but for either term it is important to remember that the social responsibility needs to extend beyond present members of society. Moreover, they concluded that Social responsibility also requires a responsibility towards the future members of society. And the above writers also (2008) stated that because of the uncertainty surrounding the nature of CSR activity it is difficult to define CSR and to be certain about any such activity. As a result, they developed three basic principles which together comprise all CSR activity. These principles include sustainability, accountability and transparency (Tissot, 2013). These three principles give a kind of direction how the private organizations could understand the concept before they go in the process of participation in corporate social responsibility. In general corporate social responsibility is an act of voluntary activities. "CSR is generally defined as the voluntary activities undertaken by a company to operate in an economically, socially and environmentally sustainable manner"(Canada, 2014).

2.2.2 Public policy regarding Corporate Social Responsibility

One of the least reached, yet strategically important issues in the emerging failed of corporate social responsibility (CSR) is the relationship between CSR and the public policy frameworks or governance context within which companies are operating-locally, nationally and globally .This interface is likely to come under growing security in the coming years, both by the supporters and critics of business, and by companies and public policy makers themselves (Jane, 2008). Enhancing Corporate Social Responsibility (CSR) has become an integral part of public policies for private sector development within the framework of international development cooperation. CSR is considered as a deliberate choice of enterprises to achieve the three dimensions of growth (people, profit and planet) and maintaining relations with various shareholders on the basis of transparency and dialogue (Netherlands, 2013).

Policy making is a great hope to reduce the challenges of societal developments on the area of private organization participation in corporate social responsibilities. Policy is not only the obligatory of the government but also it should be a familiar concept for private organization too. Thus includes all activities where companies take responsibility for the whole of their value chain and consider effects on social, ecological and economic parameters in dialogue with their stakeholders. This review focuses on CSR behavior that is explicitly induced, supported or facilitated by public sector policies (Netherlands, 2013).

The policy of CSR is not something or new for nations but there are common understands in globally. What is the need of policy in terms of CSR in both developed and developing countries? The international policy context for dominant contemporary visions of CSR has largely been set by three distinct debates: the great debate over the pros and cons of economic globalization; ongoing discussion of the significance and meaning of sustainable development as an overarching aspiration for all organs of society; and the global imperative to reduce and ultimately to eliminate poverty. Each can be linked to competing thematic priorities within CSR – and to some extent competing definitions too (Nadaf, 2014). According to the investigation of this research social interest policy was one of the factors that could be pointed out by the respondents and it was another finding among many of others, and it addressed the second specific objective of the research.

2.2.3 Challenges of CSR in the scope of sustainability development.

Of course, CSR challenges are multifarious in both first world and third world countries. According to Jan Jonker and Marco de Witte, the challenges of CSR have clearly explained that the main challenge is to use the capabilities and competences of the company to address social and environmental concerns while at the same time continuing to operate successfully in the traditional business sense. This often demands an innovative vision, one that goes beyond traditional management thinking. The process of changing the previous or traditional thinking and managing of the company is not easy, to overcome it –it needs more corporate working. Good intentions are, however, not enough. Rather this vision has to be embedded in the company's systems, structures, processes and culture, and in the everyday actions of employees. Corporate social responsibility and sustainable development should be implemented and accomplished in the way of the same track or developmental procedures. There is a danger that the current discourses on sustainability, with their focus on what is sustainable and how it should be measured, could lose their radical political edge (Florence, 2009).

Both Yasmin and Shamsuddin have stated (2014) that the concept of corporate social responsibility is now firmly rooted on the global business agenda. But in order to move from theory to concrete action, many obstacles need to be overcome. A key challenge facing business is the need for more reliable indicators of progress in the field of CSR, along with the dissemination of CSR strategies. Transparency and dialogue can help to make a business appear more trustworthy, and push up the standards of other organizations at the same time (Nadaf, 2014).

A lack of understanding, inadequately trained personnel, non availability of authentic data and specific information on the kinds of CSR activities, coverage, policy etc. further adds to the reach and effectiveness of CSR programs. According to both writers, there are key points which are more familiar in the process of CSR implementation and let see the following challenges/responses from participating organizations, namely: Lack of community participation in CSR activities, Need to build local capacities, Issues of transparency, Non-availability of well-organized non-governmental organizations, Visibility factor, Narrow perception towards CSR initiatives, Non-availability of clear CSR guidelines, and Lack of consensus on implementing CSR issues (Nadaf, 2014).

2.3 Theoretical Framework for Corporate Social Responsibility

From review of literature, there are four major theories regarding CSR: instrumental theory, integrative theory, ethical theory and stakeholder theory.

2.3.1 Instrumental theory

In this group of theories CSR is seen only as a strategic tool to achieve economic objectives and, ultimately, wealth creation. Representative of this approach is the well-known Friedman view that “the only one responsibility of business towards society is the maximization of profits to the shareholders within the legal framework and the ethical custom of the country”. Instrumental theories have a long tradition and have enjoyed a wide acceptance in business so far. As Windsor (2001) has pointed out recently, “a leitmotiv of wealth creation progressively dominates the managerial conception of responsibility”. Concern for profits does not exclude taking into account the interests of all who have a stake in the firm (stakeholders). It has been argued that in certain conditions the satisfaction of these interests can contribute to maximizing the shareholder value. An adequate level of investment in philanthropy and social activities is also acceptable for the sake of profits (Mele, 2004).

Both Garriga and Mele stated that there are three main groups of instrumental theories can be identified, depending on the economic objective Proposed. In the first group the objective is the maximization of shareholder value, measured by the share price. Frequently, this leads to a short-term profits orientation. The second group of theories focuses on the strategic goal of achieving competitive advantages, which would produce long-term profits. In both cases, CSR is only a question of enlightened self-interest (Keim, 1978) since CSRs are a mere instrument for profits. The third is related to cause-related marketing and is very close to the second.). Let us examine briefly the philosophy and some variants of these groups, for the next paragraph (Mele, 2004).

Maximizing the shareholder value:-A well-known approach is that which takes the straightforward contribution to maximizing the shareholder value as the supreme criterion to evaluate specific corporate social activity. Any investment in social demands that would produce an increase of the shareholder value should be made, acting without deception and fraud. In contrast, if the social demands only impose a cost on the company they should be rejected. Friedman (1970) is clear, giving an example about investment in the local community: “it will be in the long run interest of a corporation that is a major employer in a small community to

devote resources to providing amenities to that community or to improving its government. That makes it easier to attract desirable employees, it may reduce the wage bill or lessen losses from pilferage and sabotage or have other worthwhile effects. ” So, the socio-economic objectives are completely separate from the economic objectives. Currently, this approach usually takes the shareholder value maximization as the supreme reference for corporate decision-making (Mele, 2004).

Strategies for achieving competitive advantages: A second group of theories are focused on how to allocate resources in order to achieve long-term social objectives and create a competitive advantage. In this group three approaches can be included: (a) social investments in competitive context, (b) natural resource-based view of the firm and its dynamic capabilities and (c) strategies for the bottom of the economic pyramid (Mele, 2004).

Cause-related marketing: Cause-related marketing has been defined as “the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when customers engage in a revenue-providing exchanges that satisfy organizational and individual objectives” .Its goal then is to enhance company revenues and sales or customer relationship by building the brand through the acquisition of, and association with the ethical dimension or social responsibility dimension (Mele, 2004).

2.3.2 Ethical Theory

The second part is Ethical theory, one component of the change to a concern with social responsibility and accountability has been the recognition (or reinstatement) of the importance of ethics in organizational activity and behavior. And both Aras and Crowther have believed (2008) that ethics shows a corporation how to behave properly in their all business and operations. However, business ethics is characterized by a conflict of interests. What is the intent of private organization in terms of the participation of CSR? Business or Private organizations attempt to maximize profits as a primarily goal on one hand while the face issues of social responsibility and social service on the other (Mele, 2004).

As mentioned in chapter one, some important perspectives in this topic as follows: the second group of theories or approaches focuses on the ethical requirements that cement the relationship between business and society. They are based on principles that express the right thing to do or the necessity to achieve a

good society. According to the above writers there are four important sub-topics of ethical approaches, namely: normative stakeholder theory, universal rights, sustainable development, and the common good approach (Mele, 2004). However, the investigator of this study has been selected and classified the theories base on the scope of the study and intimacy of the theories with the participation of private organization in topic of corporate social responsibility.

The common good approach: This group of approaches, less consolidated than the stakeholder approach but with potential, holds the common good of society as the referential value for CSR. The common good is a classical concept rooted in Aristotelian tradition (Smith, 1999), in Medieval Scholastics (Kempshall, 1999), developed philosophically (Maritain, 1966) and assumed into Catholic social thought (Carey, 2001) as a key reference for business ethics (Mele, 2004).

In addition, this approach maintains that business, as with any other social group or individual in society, has to contribute to the common good, because it is a part of society. In this respect, it has been argued that business is a mediating institution (Fort, 1996, 1999). Business should be neither harmful to nor a parasite on society, but purely a positive contributor to the wellbeing of the society. Business contributes to the common good in different ways, such as creating wealth, providing goods and services in an efficient and fair way, at the same time respecting the dignity and the inalienable and fundamental rights of the individual. Furthermore, it contributes to social well-being and a harmonic way of living together in just, peaceful and friendly conditions, both in the present and in the future (Mele, 2004). What is the significance of the idea of common good approach for the sack of private organization participation towards corporate social responsibility? And it is very important to address the role of private organization in the scope of corporate responsibility in the study area of Akaki Kality sub city.

Lastly, the ethical theory is considerably related to this thesis suppose, because the theory can support the objective of the research as it mentioned in chapter one and the concept of ethics good way to address the extent of private organizations in Akaki Kality sub-city participate in corporate social responsibility activities. And to identify the main factors of the participation of Private Organization, ethical issues can touch the ideology of Private sector in their involvement. Therefore ,the theory has an implication to indicate the issue of how to analyze the POP be

exalted in the study area. The ethical issues are directly or indirectly referring the participation of Private organization based on common good approach and universal right in any developmental activities. This could support the objective of this research in primarily to achievement a first understanding of Private Organization participation in CSR from Ethiopian perspective and to indicate how to overcome the companies challenges in terms of involvement in Social affairs in Akaki Kaliti sub city.

2.3.3 Integrative Theories

The third part is integrative theories, in which the corporation is focused on the satisfaction of social demand. Of course, the focusing area of integrative theories is demonstrating the social burdens and by addressing POP. This group of theories looks at how business integrates social demands, arguing that business depends on society for its existence, continuity and growth. What is the relationship between social burden and private organization in participation of community development? Social demands are generally considered to be the way in which society interacts with business and gives it a certain legitimacy and prestige. As a consequence, corporate management should take into account social demands, and integrate them in such a way that the business operates in accordance with social values (Mele, 2004).

This group of theories looks at how business integrates social demands, arguing that business depends on society for its existence, continuity and growth. Social demands are generally considered to be the way in which society interacts with business and gives it a certain legitimacy and prestige. So, the content of business responsibility is limited to the space and time of each situation depending on Corporate Social Responsibility, the values of society at that moment, and comes through the company's functional roles. In other words, there is no specific action that management is responsible for performing throughout time and in each industry. Basically, the theories of this group are focused on the detection and scanning of, and response to, the social demands that achieve social legitimacy, greater social acceptance and prestige (Mele, 2004).

One of the first sub-topics of integrative theory is called issues of management, Social responsiveness, or responsiveness in the face of social issues, and processes to manage them within the organization was an approach which arose in the 70s. In this approach it is crucial to

consider the gap between what the organization's relevant publics expect its performance to be and the organization's actual performance. These gaps are usually located in the zone that Ackerman calls the "zone of discretion" (neither regulated nor illegal nor sanctioned) where the company receives some unclear signals from the environment. The firm should perceive the gap and choose a response in order to close it. Ackerman (1973), among other scholars, analyzed the relevant factors regarding the internal structures of organizations and integration mechanisms to manage social issues within the organization. The way a social objective is spread and integrated across the organization, he termed "process of institutionalization" (Mele, 2004).

According to Jones (1980, p. 65), "corporate behavior should not in most cases be judged by the decisions actually reached but by the process by which they are reached". Consequently, he emphasized the idea of process rather than principles as the appropriate approach to CSR issues. Jones draws an analogy with the political process assessing that the appropriate process of CSR should be a fair process where all interests have had the opportunity to be heard. So Jones has shifted the criterion to the inputs in the decision-making process rather than outcomes, and has focused more on the process of implementation of CSR activities than on the process of conceptualization (Mele, 2004).

The concept of "social responsiveness" was soon widened with the concept "Issues Management". The latter includes the former but emphasizes the process for making a corporate response to social issues. Issues management has been defined by Wartick and Rude as "the processes by which the corporation can identify, evaluate and respond to those social and political issues which may impact significantly upon it". They add that issues management attempts to minimize "surprises" which accompany social and political change by serving as an early warning system for potential environmental threats and opportunities. Further, it prompts more systematic and effective responses to particular issues by serving as a coordinating and integrating force within the corporation (Mele, 2004).

The second part of integrative theories or approach is the Principles of public responsibility. Some authors have tried to give an appropriate content and substance to help and guide the firm's responsibility by limiting the scope of the corporate responsibility. Preston and Post criticized a responsiveness approach and the purely process approach as insufficient. Instead, they proposed "the principle of public responsibility". They choose the term "public" rather

than “social”, to stress the importance of the public process, rather than personal-morality views or narrow interest groups defining the scope of responsibilities (Mele, 2004).

According to Preston and Post an appropriate guideline (2004) for a legitimate managerial behavior is found within the framework of relevant public policy. They added that “public policy includes not only the literal text of law and regulation but also the broad pattern of social direction reflected in public opinion, emerging issues, formal legal requirements and enforcement or implementation practices”. This is the essence of the principle of public responsibility. Moreover, Preston and Post analyzed the scope of managerial responsibility in terms of the “primary” and “secondary” involvement of the firm in its social environment. Primary involvement includes the essential economic task of the firm, such as locating and establishing its facilities, procuring suppliers, engaging employees, carrying out its production functions and marketing product. It also includes legal requirements. Secondary involvements come as consequence of the primary. They are, e.g., career and earning opportunities for some individuals, which come from the primary activity of selection and advancement of employees (Mele, 2004).

At the same time, these authors are in favor of business intervention in the public policy process especially with respect to areas in which specific public policy is not yet clearly established or it is in transition: “It is legitimate – and may be essential – that affected firms participate openly in the policy formation”. In practice, discovering the content of the principle of public responsibility is a complex and difficult task and requires substantial management attention. As Preston and Post recognized, “the content of public policy is not necessarily obvious or easy to discover, nor is it invariable over time”. According to this view, if business adhered to the standards of performance in law and the existing public policy process, then it would be judged acceptably responsive in terms of social expectations (Mele, 2004).

The third of part of integrating theories or approach is Stakeholder management. Instead of focusing on generic responsiveness, specific issues or on the public responsibility principle, the approach called “stakeholder management” is oriented towards “stakeholders” or people who affect or are affected by corporate policies and practices. Although the practice of stakeholder

management is long-established, its academic development started only at the end of 70s. In a seminal paper, Emshoff and Freeman (1978) presented two basic principles, which underpin stakeholder management. The first is that the central goal is to achieve maximum overall cooperation between the entire system of stakeholder groups and the objectives of the corporation. The second states (2004) that the most efficient strategies for managing stakeholder relations involve efforts, which simultaneously deal with issues affecting multiple stakeholders. Stakeholder management tries to integrate groups with a stake in the firm into managerial decision making (Mele, 2004).

The fourth part of integrating theories or approach is corporate social performance. A set of theories attempts to integrate some of the previous theories. The corporate social performance Corporate Social Responsibility (CSR) includes a search for social legitimacy, with processes for giving appropriate responses. Carroll (1979), generally considered to have introduced this model, suggested a model of “corporate performance” with three elements: a basic definition of social responsibility, a listing of issues in which social responsibility exists and a specification of the philosophy of response to social issues. Carroll considered (1979) that a definition of social responsibility, which fully addresses the entire range of obligations business has to society, must embody the economic, legal, ethical, and discretionary categories of business performance. He later incorporated his four-part categorization into a “Pyramid of Corporate Social Responsibilities” (Carroll, 1991). Recently, Schwartz and Carroll (2003) have proposed an alternative approach based on three core domains (economic, legal and ethical responsibilities) and a Venn model framework (Mele, 2004).

The Venn framework yields seven CSR categories resulting from the overlap of the three core domains. Wartich and Cochran (1985) extended the Carroll approach suggesting that corporate social involvement rests on the principles of social responsibility, the process of social responsiveness and the policy of issues management. A new development came with Wood (1991b) who presented a model of corporate social performance composed of principles of CSR, processes of corporate social responsiveness and outcomes of corporate behavior (Mele, 2004).

The fifth part of integrative theory is called normative stakeholder theory. In a more precise way,

Donaldson and Preston (1995, p. 67) held that the stakeholder theory has a normative core based on two major ideas (1) stakeholders are persons or groups with legitimate interests in procedural and/or substantive aspects of corporate activity (stakeholders are identified by their interests in the corporation, whether or not the corporation has any corresponding functional interest in them) and (2) the interests of all stakeholders are of intrinsic value or that is, each group of stakeholders merits consideration for its own sake and not merely because of its ability to further the interests of some other group, such as the shareowners (Mele, 2004).

When the researcher comes to the main purpose of this thesis that the integrative theory could have potential to address the objective of the research, it says “how to analyze the POP be exalted or enhanced?” By using integrative approach the POP in corporate social responsibility could be enhanced, it means the theory looks at how business integrates social demands, arguing that business depends on society for its existence, continuity and growth. Therefore, the third part of this objective is talking about how to upgrade or enhance the participation of private organization in corporate social responsibility at large.

2.3.4 Stakeholder Theories.

The last part of this review is stakeholder theories, Stakeholder theory is a managerial theory about business. It asserts that business can be understood as a set of relationships among groups which have a stake in the activities of that business. According to Freeman & Parmar stated (2010) that the Stakeholders are those individuals or groups that can affect or can be affected by the achievement of the firm’s core purpose. In addition, a business is successful insofar as it creates value for and satisfies key stakeholders continually over time. Managers may find it useful to divide stakeholders into two groups: those who are foundational to the firm’s activities (e.g. customers, suppliers, financiers, employees, and communities), and those secondary groups that can affect the firm’s objectives ..E.g. the government, the media, and interest groups (Freeman, 2010).

The issue of stakeholder is very necessary for this study. According to Crowther and Aras there are two ideologies have explained (2008) from two scholars: Hetherington and Dahl. The perspectives of these scholars are presented here in respectively: there is no reason to think that

shareholders are willing to tolerate an amount of corporate non-profit activity which appreciably reduces either dividends or the market performance of the stock. On the other hand...every large corporation should be thought of as a social enterprise; that is an entity whose existence and decisions can be justified insofar as they serve public or social purpose (Mele, 2004). Therefore, the investigator of this study has more concentrated on the idea of the second point in the perspective of social need or CSR.

Both Crowther and Aras have explained (2008) that the meanings of stakeholder and its implication, there are several definitions about stakeholder and its ideology as well. The most common ones are: those groups without whose support the organization would cease to exist. And also any group or individual who can affect or it's affected by the achievement of the organization. Therefore, the above definition of stakeholder indicated that a lot of people can be a stakeholder to an organization. The most common groups who we consider to be stakeholders include: managers, employees, customers, investors, shareholders, and suppliers. And there are some generic groups who are often include: government, society at large and the local community (Mele, 2004).

Furthermore, Crowther and Aras have portrayed that the argument for stakeholder theory is based upon the assertion that maximizing wealth for shareholders fails to maximize wealth for the society and all its members and that only a concern with managing all stakeholder interests achieves this. Moreover, the stakeholder theory states that all stakeholders must be considered in the decision making process of the organization. The theory states that there are three reasons why this should happen: it is the morally and ethically correct way to behave; doing so actually also benefits the stakeholders and it reflects what actually happens in an organization (Mele, 2004).

On the contrary, accordingly others stakeholder theory or approach also has different perspective regarding on the term responsibility. Nasrullah and Rahim have explained (2014) that from that point of view CSR so far historically can be referred to as a sequence of three approaches, each having a different perspective in terms of definition and boundary of responsibility. They are the shareholder approach, the stakeholder approach, and the societal approach. Let be explained the

first and second approach to support the above topic. The shareholder approach is regarded as the classical view on CSR as pioneered by Milton Friedman. For Friedman, CSR is interpreted as a means of increasing or maximizing the profits of the company where the shareholders are the focal point in pursuit of profit maximization. Social responsibility activities are not the main concern for companies; they are concerned with CSR only to the extent that it contributes to the aim and goal of the business. This view in fact is intended for the protection of the shareholders or the stockholders' economic interests. This is not consistent in full with the objects and purposes of the concept of CSR as recently construed where stakeholders' interests are a significant concern (Nasrullah, 2014).

On the second part, the stakeholder approach has been discussed by Freeman in another aspect. According to the stakeholder approach propounded first by Freeman in 1984, the business organizations are not only responsible and accountable to their shareholders, but also take into consideration the legitimate interests of the stakeholders that can affect or is affected by the operational activities, as well as the achievement of organizational objectives. This approach never means that the companies ignore business profits and wealth creation initiatives. Rather it strikes a balance between business profit and stakeholder interests as companies have immense influence on the lives of stakeholders (Nasrullah, 2014).

The stakeholder theory has another angle to consider the objective of this research in the activity of private organization towards social or community affairs. As explained in this chapter, there are two groups of stakeholders such as: those who are foundational to the firm's activities (e.g. customers, suppliers, financiers, employees, and communities), and those secondary groups that can affect the firm's objectives (e.g. the government, the media, and interest groups). Therefore, the stakeholder theory is identifying the communities as a fundamental group, so that the objective of this thesis says, "how to analyze the POP be exalted or enhanced?". By implementing stakeholder approach, the private organization has to a mandate to include the surrounding community in the eye of the stakeholder theory concept.

2.4 Empirical Review

2.4.1 Introduction

The theoretic or scholastic approach of the scholars discussed in the previous topics and sub topics, elaborated each issues of the participation of private organization towards corporate social responsibility. It is also discussed and explained the responsibility of concerned bodies in the activities on the area of corporate social responsibility from prominent theories of the scholars. Participation of Private organizations has lack or distresses and its relationship of the activities in CSR. To address the factors that may affect as a negative role in the process of social responsibility in the life of private organization or private sector in social developmental affairs.

Nevertheless private organization participation is one of a great mechanism to bring radical change of social and economic transformation in the community, and this tools is theoretically debated to be effective in enlightening private organization participation in corporate social affairs, and the theoretical evidence can be enhanced the activity POP in their day to day challenges. In this section reviews an empirical evidence of literature in terms of Private organization participation in global aspect, in Africa, in Ethiopia, in Addis Ababa and to discuss the Challenges of POP in the local area of the place of the study. And, in general the review of this section will also support in finding the main points or factors that contribute to the participation of private organization achievement or failure of Addis Ababa Akaki Kaliti sub-city on the area of corporate social responsibility affairs.

2.4.2 Private organization participation in Corporate Social responsibility in Global Perspective.

Corporate social responsibility (CSR) is a prominent 21st century business ideology that heightens expectations of companies regarding social and environmental standards. The results of CSR compliance are generally viewed as a good thing by most companies. The main question arise before studied about CSR is, Why do businesses exist? The answer may be to earn profit. But if we go deeper and try to get real reasons, we come to the conclusion that in a company a group of people get together so that they are able to accomplish something collectively that they could not get separately and they contribute to the society. Challenges lie in allocating time and resources necessary to develop a CSR approach that meets governmental and social standards

and achieves compliance with informal CSR guidelines related to social and environmental responsibility (Sharma, 2013).

One of the biggest features addressed by CSR is its intent to cause companies to recognize responsibilities to stakeholders outside of shareholders. This includes customers, communities, employees and suppliers. While proponents of CSR point out the long-term benefits of taking care of these core relationships, shareholders are often deterred at the notion that companies will invest in anything that does not create immediately obvious financial gain. With CSR, detecting measurable bottom line benefits is a challenge as social and environmental programs are hard to account for with regard to financial gain (Sharma, 2013).

Private organization development, engagement and implement should be a corporate for mutual benefit, in organization, environment and community at all. Herciu Michaela explained that the ISO 26000 represents guidance on corporate social responsibility and it is, at the present time, one of the most important documents on CSR in the world. Without being mandatory or regulated, ISO 26000 is focused on seven core subjects that have to be approached synergistic – governance, human right, labor, environment, business practices, consumer, and community – in order to achieve its goal (Mihaela, 2016). This is indicated that the private organization has to be involved in the goal of ISO 26000 by any means.

Besides, the private organization should have participated in the activities, program and accomplishment of corporate social responsibility on the area of social challenges or community scarcity at large. It is true, because organizations or companies have international common understanding of agreement in the process of corporate social responsibility to enter particularly in social development. According to Thomas Carothers and Saskia Brechenmacher, there are four key principles—accountability, transparency, participation, and inclusion— have in recent years become nearly universal features of the policy statements and programs of international development organizations. Yet this apparently widespread new consensus is deceptive: behind the ringing declarations lie fundamental fissures over the value and application of these concepts. Understanding and addressing these divisions is crucial to ensuring that the four principles become fully embedded in international development work(Brechenmacher, 2014).

2.4.3 Overview of Private Organizations participations in corporate social responsibility in Africa

The participation of private organization in corporate social responsibility is one of the significant agenda to enhance the life status of the economical level of the society at large. At a time when globalization is integrating the world economy and contributing to growth in many least developed countries, Africans are being marginalized. The continent's share of world trade has declined from 3.5% in the 1970s to 1.5% today. Developmental issue is the basic and crucial agenda to reduce the challenges of economic growth in the least developed countries, especially in Africa. The Millennium Development Goals (MDGs), developed over the course of the 1990s were unanimously ratified by all United Nations member countries in September, 2000 as part of the Millennium Declaration. And they provide a set of internationally accepted and quantifiable standards to measure progress in world development, by the year 2015. One of the first declarations of Millennium eradicates extreme poverty and hunger by halving the population living on less than \$1 dollar a day and suffering from hunger (Madavo, 2005).

Therefore, to address the above goal, the African governments should promote the participation of non-governmental bodies, particularly should promote the participation of private organization. So that in this paper the investigator has to be emphasized the issues of corporate social responsibility by encouraging private organization to participate societal challenges, and to aware them with in clarify it in the idea of corporate social responsibility and it is the empowerment to achieve the vision, mission, and goals countries developmental agenda.

2.4.4 Private Organizations Participation in Corporate social responsibility in Ethiopia.

CSR driver explores how people internalize the CSR concept. What are the true drivers for the CSR journey of the organization? Kassaye portrayed that our dynamics are often well ingrained in our fears and dreams and most times we are the last people to be aware of why as well as how they work. To evolve we need to understand the reasons for our choice of meanings .According to CSR in Africa: Internet Research study, people are co-creator of the reality they seek to change and until they know the conscious as well as unconscious drivers of these choices they will be prisoners of their habitual meaning making (Deyassa, 2016).

Moreover, Kassaye Dayassa has explained that in his research project it is found that poverty eradication and sustainable development through CSR will not be attained in Ethiopia by certain actors alone. All actors should have the CSR concept and enhance their concentration to the potential contribution of the international and national sector and have their CSR policy and strategies. Because currently the concept of CSR is used as shorthand for businesses ‘contribution to sustainable development and a number of core development issues are already central to the international CSR agenda in different countries. (Deyassa, 2016).

In addition what can be learnt from Ethiopia is that, it is important to be aware of differences in sympathetic and usage of CSR definitions and concepts among stakeholders. What is regarded as a philanthropic motive in Ethiopian companies and organizations is typically a business motive. Businesses in Ethiopia cannot function if employees are affected by different problems or if infrastructure is unavailable and therefore philanthropic motives and business motives are closely interconnected in Ethiopia (Deyassa, 2016).

The proper CSR agenda is very much in accordance with the CSR practices in the Western countries even if adapted to the socio economic desires in the Ethiopian society. Secondly, some of the respondents in the field study made clear the existence of some informal CSR activities that are closely linked to cultural Ethiopian traits found in national companies and organizations of Ethiopia. Despite the fact that the concept of CSR is new in Ethiopia its functioning has already started in multinational companies and NGOs formally and a very few in national companies informally (Deyassa, 2016).

It is true that as other developing country, the government of Ethiopia has promoting the private organization to participate in the issues poverty reduction at large. The Government of the Federal Democratic Republic of Ethiopia (FDRE) has prioritized private-sector growth as a means of alleviating chronic poverty and bringing about economic growth—in line with international development thinking and economic good practices. The same themes are fully supported by the comprehensive growth strategy of the Ethiopian Government. The Government is committed to developing a market-oriented economy. To that end, it has awarded an increasingly central role in economic development to the private sector. This is made explicit in Ethiopia’s Sustainable Development and Poverty Reduction Program (SDPRP) and the

Government's policy on Industrial Development (Commerce, 2005). Does market –oriented Economy policy only bring economic change of the society?

The FDRE, therefore, considers its main role to be enacting legislation to promote a free-market economy by removing the obstacles that could hinder the growth of the private organization. The key planks of the strategy are the strengthening of market mechanisms and the creation of an enabling environment, including capacity building, investment promotion and reduction of disincentives. To achieve an orderly private-sector growth, a range of institutional infrastructure, including statistical and regulatory infrastructure, need to be put in place. This is being achieved through cooperation and consultation with the private sector, particularly through one of their organizations, the Addis Ababa Chamber of Commerce and Sartorial Associations, AACCSA. The initial point of this participation of development is strengthening and upgrading of market mechanisms and its approach. sector (Commerce, 2005).

Therefore, the government of Ethiopia defines POP based on the concept of the growth of private sector only in the area of market-oriented economy. However, the concept is more of very known approach and it is nearest to a traditional definition of private organization participation in development to reduction of poverty by creating job opportunity, paying taxation for the government and the participation of somehow in the national growth interference as well. (Ethiopia, 2016).But the intent of this study is above the traditional one, and has to be giving a new ideology that the Private Organization should understand the concept of Corporate Social responsibility in the scope of sustainable development.

2.4.5 The Participation of Private Organization in the context of Addis Ababa.

As an investigator it is better to explain the nature of the city in terms of urban challenges before define the Participation of private Organization in corporate social responsibility in the city,. Addis Ababa is urbanizing and growing at a rapid pace. The city faces potential shocks and stresses that could hinder it from achieving its development goals. These include urban flooding, fire, earthquakes, rapid urbanization, water scarcity, unemployment, and social vulnerability. In February 2015, Addis Ababa invited a team of specialists from the World Bank Group to implement the City Strength Diagnostic in close collaboration with local officials, technical staff, and stakeholders. The writing of enhancing urban resilience is not address specifically the issue

of private organization participation in corporate social responsibility to reduce the challenges of the city in general (Group W. B., 2015).

The unprecedented urban growth that Addis Ababa will face over the coming decades could create the agglomeration of people and economies that can catapult the city towards its long-term goals, but if not well managed, it could also exacerbate existing shocks and stresses related to natural hazards, access to basic services, congestion, economic opportunity, and individual well-being. The provision of infrastructure, which underpins urban economic productivity and service delivery, is significantly lagging despite the major investments being made by the city (Group W. B., 2015).

The participation of private organization in corporate social responsibility is serious issue to bring rapid change in the city, because the city is not only the capital city of Ethiopia but Africa. As the largest city in Ethiopia and one of the fastest growing cities in Africa, Addis Ababa plays an important role in promoting the well-being of the country and economic prosperity in the region. For Addis Ababa, efforts to promote greater resilience must be closely aligned with the city's vision to be a safe and livable city, ensure the national goal of becoming a middle-income country by 2025, and become Africa's diplomatic capital (Group W. B., 2015).

Therefore, what is a clear participation of private sector in corporate social responsibility in the city? And in what area the POP is implemented in Addis Ababa? What are some of the factors contributing to the results of POP in Addis Ababa, the capital of Ethiopia? Policies at higher levels of government definitely produced an overall climate conducive to micro-privatization and recognized the need to develop micro-enterprises, but it is not clear what role the micro-enterprises are to play in solid waste management. New opportunities were created by formalization and taken up by communities and micro-enterprises. Coverage and waste collected both increased(Dijk, 2014).

The initiation and institutionalization of the formalization process was not without problems. The public sector overstressed the autonomy of micro-enterprises. The fate of the micro-enterprises is largely determined by the reforms undertaken at local government level. The rapid changes in policies at the local level made waste-collecting micro-enterprises lose confidence and more dependent on the public sector. The study shows the continued power of the state and its agents

in shaping developments in this domain. However, both writers could not touch the role of private organization in development to enhance organization economic growth and corporate working with the surrounding people as well (Dijk, 2014).

A. Active Participants of PLCs in Addis and other part.

The Ethiopian government has a mandate to give awareness about CSR for the future to exalt the concept of sustainable development in the target of community development and poverty reduction as well. As the information of secondary data, two prominent PLC s were presented in this part and based on their contribution in terms of corporate social responsibility, the author has picked up as an important figure accordingly their sources of document: one from domestic (DH Geda) and one from foreign investor (Midroc PLC), and both Private Organization have played an important role regarding developmental activities , and it might be in the name of rehabilitation especially in the time of starvation, people conflict and other natural disasters as well (Commerce, 2005). Does the above information give a direct participation of PO in market based developmental growth? Or is it talking about the concept of corporate social responsibility?

Table.1. 2.5..The Participation of Corporate social responsibility in MIDROC Ethiopia & DH Geda PLC

N/o	Name of the PLCs	Amount of money or Kinds			Years of the time of contribution
		CSR participation regarding relief& rehabilitation	CSR participation in various developmental activities	Total In cash and Estimation of kind	From the year 2006-2010 E.C
1	Midroc PLC	3,000,000	4,030,000	7,030,000	From the year 2006-2010 E.C

2	DH Geda PLC	400,000,000	292,324,003	692,324,003	From the year 2006-2010 E.C
Total Amount for both PLCs				699,354,003	

Source: DH GEDA and Midroc Organizations website.

1. DH GEDA: DH Geda Trade and Industry is one of the fastest growing PLC in Ethiopia. And it is involved in the production and marketing of paints, blankets, wheat flour, acrylic yam, and galvanized sheets (Group, 2018). On the other hand the Organization has an inclination in the participation of corporate social responsibility, the following table could indicate the general implication how this PLC showed developmental activities in parallel way.
2. MidrocPLC: MIDROC Ethiopia Investment Group is a member of the MIDROC Group Companies owned by the prominent global businessman, Sheikh Mohammed Hussein Ali Al-Amoudi. These Group Companies are operating in Africa, Europe, the Middle East, and the United States of America. MIDROC Technology Group, Office of the Chief Executive Officer, was established on 26th June 2000 to provide standardized, effective, efficient and modern management services for the multi- sectorial companies under the leadership of the CEO (Group, 2018). The well-known business tycoon, H.E. Sheik Mohammed Hussein Ali AL-Amoudi and his family have established the MIDROC Investment Group in Ethiopia, consisting of over 74 companies. According to the mission of Midroc, business companies as a legal entity must serve the community in which they operate just like any other citizen of the Nation (Group, 2018). The following table could give some insights to understand how this foreign PLC participated in corporate social responsibility.

2.4.6 Corporate Social responsibility and Traditional Concept of POP in Local area.

The private sector understanding of participation in corporate social responsibility is very pre-matured stage or weak perception, and it is talking about only a market oriented promotion of private organization from the last 20 years even till today. In a market-oriented economy, private sector plays a vital role to poverty reduction through various channels. It can reduce income poverty by enhancing productivity, reducing unemployment, and creating competition among workers so that drives up wages. Private

enterprises can also help to keep prices of essential goods and services down and increasing the real effective incomes of poor people by producing essential goods and services in large-scale production. On top of this, private sector growth can provide a government a large source of tax revenues, which in turn supports increased public investment. The involvement of the private sector in youth employment strategies is also critical as the private sector has the resources, expertise and capacity to generate wealth and the capacity needed to create employment opportunities beyond else (TAK-IRDI, 2016).

A. Exiting and Promoting local POP activities in corporate social responsibility In Akaki Kality Sub -city.

According to Gebre Yntiso explanation about (2008) the social problem of Akaki Kality sub-city that the statistics (from the Health Bureau, CGAA) on the distribution of healthcare facilities by sub-city supports the argument that the resettlement program reduced access to health services. For example, in 2007 there were 30 hospitals⁵ and 450 clinics in Addis Ababa. Akaki-Kality had the lowest number of hospitals and clinics. There are only 30 healthcare institutions (hospitals, health centers, clinics, and health posts combined) in this particular sub-city (which hosts most of the re- locates) compared with 81 in Kirkos and 78 in Arada – the two major sub-cities. Healthcare center's operated by government organizations and NGOs provide affordable services. Unfortunately, Akaki-Kality, unlike Arada and Kirkos sub-cities, lacks government-run hospitals and clinics and NGO-operated health institutions (Yntiso, 2008). But in the area there are multifarious Private organizations before 10 years till today. However, the societal challenges are unlimited, why?

The above information has indicating that the private organization participation in Akaki kality sub-city had low and could not fully participated in development in the last 10 years. But Private organization has a social responsibility to bring holistic change in the life of the surrounding community; by its fully participation of development or CSR instead of traditional way of thinking or market-oriented economy. In Ethiopia context, market – oriented economy is only concentrated on profit maximization approach. But, accordingly corporate social responsibility theory or model, every organization including Akaki Kality sub-city private organizations have to be involved in the community well-fare issues like social problems, environmental protection, educational affairs, opening of new employment, and other issues in the local area. According to the recent information Akaki Kality sub city Administration construction office, community development participation office, the investigator had included the secondary data as follows:

Table.2.2.4.6. The contribution of Private organization in Akaki Kality sub city, in 2009 E.C.

N/o	Private organization participation in Akaki Kality sub city based on their level in 2009 E.C	Amount of contribution		% in type	
		In Cash (in birr)	In kind (estimation-birr)	%CSR in cash	%CSR in kind
1.	Medium PLC	402,550,00	Building police station, road & other materials support (estimated 122,000,00)	70%	30%
2.	Large PLC	434,981,00	Community police station building, road and other materials(estimated 636,000,00)	31.6%	68.4%
3.	Largest/ Biggest P.L.C	829,050,00		100%	0%
	Total contribution of P.L.C	1,666,581,00	758,000,00	54.52%	45.48%
	Total contribution of both cash & kind	2,424,581,00			

Source: Akaki Kality sub city Administration Construction Office: community development participation office.

As the information of secondary data, from the above table (table .2.5. 2.) , 43medium, large and largest manufacturing industry have participated in corporate social responsibility in 2009 E.C, and also the local government appreciated, awarded and encouraged them by giving certificate. Furthermore, it was a good trend to promote this kind of program and acknowledgement for the future at large.

2.4.7 Conceptual Model for analyzing POP in Akaki Kality sub-city.

The previous sections of the review of theory and empirical review have been exposed a kind of conceptual model factors so that the following points will show the overall and precise concepts that are related to the theoretical perspective. Based on the theoretical aspect of the scholars, the investigator of this study modifies the model and defines each point by inter-relationship of the ideas and perspectives of the scholars in the literature review.

i. **Beyond Market- oriented Economy:** It refers to the participation of Private Organization in corporate social responsibility should be based on social responsibility in the scope of sustainable development instead of traditional aspect of profit maximization.

ii. **Social Interest Policy:** This is indicating that the policy making process has to be carrying the interest of social affairs or community based performance, and it means the policy makers, Practitioners and concerned body of the private organization would be promoting the social need in the scope of stakeholder's concept.

iii. **Integrating frame work:** This concept is more of advocating the mutual benefits of private organization and the surrounding people, in the integrating aspect for both POP and community should be conjoined mode.

iv. **The role of the government:** as a neutral body the government has played an important role by balancing, facilitating and promoting market-oriented economy and corporate social responsibility as a neutral actor, and it needs a mixed approach for the advantage of community and private organization.

v. **Sustainable relationship:** It shows the relationship between private organization and the community in the area of corporate social responsibility to upgrade the mutual benefits in a sustainable relationship.

CHAPTER THREE:

RESEARCH METHODOLOGY AND PROCEDURE

Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically. It is necessary for the researcher to know not only the research methods/techniques but also the methodology (Kothari, 2004). And the researcher of this study had been using the research methodology by the following approach.

3.1 The Research Approach:

Therefore, in this study the research methodology and choice of this thesis was clearly concentrated on the mixed approach. And of course, the investigator had been decided that to provide an explanation of what type of data should be required to answer the research questions or test of the information, and how the data will be collected and analyzed throughout the study. As a result, in this study both qualitative and quantitative research types could be applicable by using of a mixed-method (concurrent) framework.

3.1.1 Mixed Methods:

Throughout this research the mixed methods of research approach is a preferred one, to use both research types, namely: qualitative and quantitative research types. The investigator of this research had been selected the mixed approach to search the data in single or collaboration way of investigation. In general, mixed methods research represents researcher that involves collecting, analyzing, and interpreting quantitative and qualitative data in a single study or in a series of studies that investigate the same underlying phenomenon (Kothari, 2004).

Quantitative and qualitative techniques provide a tradeoff between breadth and depth, and between generalize ability and targeting to specific (sometimes very limited) populations (Fetterman, 1989). Let be elaborated both techniques for the sack of readers to understand the investigator intent that how Quantitative research – research that relies primarily on the collection of quantitative data. It means that; Note that pure quantitative research will follow all of the paradigm characteristics of quantitative research (Teddlie, 2003). In this study qualitative

part prepared for executives of PLCs in the method of open questions or interview questionnaires and quantitative part prepared by using closed (likert scale) questionnaires for general (directors), financial and human resources managers of PLCs. Therefore, the researcher of this thesis had to be using both the above methods to shape the data in systematical way on the area of data collection, analyzing and interpretation as well.

3.2 Population

The population for this study was including both industry and respondent's population. The industry population was 517 industries (Medium, large and largest industries) in Akaki kality sub city. The selection requirement was accordingly their capital (from 10,000,000 and above). Based on this population, the sample industries were 83 companies. Furthermore, the respondents of population were 2068 higher officials (from Medium PLC 744, from Large PLC 1024 and from Largest PLC 300) in Akaki Kality sub city, and the respondents sample was 335.

3.3 Sample Size and Sampling Technique

3.3.1 Sample Size:

The sample size of the investigator of the study was taken from the total number of population of PLC, researcher should have taken sample size and the focusing area more specific based on the sample. A sample can be defined as a group of relatively smaller number of people selected from a population for investigation purpose (Alvi, 2016). The Sample size of this study from total population had taken 335 by using stratified random sampling. Therefore, the researcher had taken these 83 selected Medium, Large and biggest industries PLCs, so that the investigator invested the time exhaustively in the private organizations in the area of Akaki Kality Sub-city.

3.3.2 Sampling Technique

With the purpose of acquire representative data, the researcher used probability sampling: stratified random sampling. And to know the sample and the researcher split the population into three strata based on their capital (Medium, large and biggest or largest PLC). The main reason to use this technique was the nature of different level of PLC capital. Besides, to select the position of the respondent's purposive sampling or convenience could be applicable in detail. Purposive sampling: - is one type of non-probability sampling technique that conforms to certain criteria (Alvi, 2016). In other words, it occurs when the researcher selects sample of members or

respondents position (Chief executives, directors or general managers, HR managers and financial managers). The investigator had selected the respondent in purposely, because, all employees of the PLC have no knowledge about the participation of corporate social responsibility in detail and all employees couldn't have an access to involve in decision. And the statuses of the selected respondents were showing the power and participation of decision making process, on the area of corporate social responsibility. In this case, the investigator had been using both stratified and purposive sampling, because of the nature of the study area and status of the respondents.

3.4 Data Sources and types

In this study, data source were coming from written and oral (interview). And both Primary and secondary data would be applicable from the private organization officials like chief executives, directors(general Manager) ,HR managers, Financial Managers and also officials of Federal, Addis Ababa Trade and industries office and local government for the purpose of secondary data.

Primary Data: The primary data that would be collected by the researchers are:-

A. Interview: The interview part was made through prepare questions, which would be conducted with private organization chief executive officials in 83 PLC of the selected area. The researcher had used purposive sampling for the interview in particularly chief executives. In this study 11 questions were developed for each respondent in purposely and assumed to interview for 35 chief executives. And 32(91.4%) respondents were responded and the rests were not willing to give time for interview. Semi-structured interview was analyzed using descriptive analysis techniques. The investigator used the face-to-face, telephone and email methods for the chief officials. Accordingly, the semi-structured interview was analyzed and interpreted using the qualitative research design. In order to show the private organization involvement of corporate social responsibility and the top- leaders would give quality data in Akaki Kality sub-city. Besides, data was interpreted in terms of the current performance of their efforts in corporate social responsibility in the selected sub-city.

Besides, in this study the interview could be carried out through face-to-face personal interview, telephone and email, it means the researcher of this thesis was acted as an interviewer may be

preparing the semi-structured mode of interview. Off course, to prepare the face-to-face personal interview and the researcher used the methodology of the interview would design semi-structured interview. The semi-structured interview could be distributed for 83 chief executive officials of the private organization in Akaki Kality sub-city area.

B. Questionnaires: The questionnaires at most effort tried to translate research objectives into specific questions. The researcher could prepare questionnaires' for 83 private organizations top managements: directors (general managers), HR managers and financial managers and expected their response on time. The investigator distributed 300 questionnaires for 83 PLC officials and 280 respondents' were returned the response whereas 10 respondents were not. The respondents could answer by using their privacy and the investigator should be kept the respondents' right to provide the information correctly. The questionnaires could be prepared and constructed in a likert-type of scale consists of collecting a number of statements should be based on the research question to achieve the objective of the research.

3.5 Data Collection Procedure

The primary data could be collected through conducting interview with the chief executive officials of private organizations with Semi-structured interview, by using face-to-face interview, telephone, and email in the selected private organization. And also the questionnaires collected from directors (general managers), HR managers and financial managers in Akaki kality sub city PLC. While secondary data would be collected from both published and unpublished materials of the organizations such as brusher's, manual, magazine, any related documents from the federal government, the Addis Ababa city and local government too. Moreover, other published instruments from the federal government and Addis Ababa city trade industries department/offices collected.

3.6 Data Collection Instruments

One of the instruments to collect data was prepared interview. And questionnaires of interview would be administered on 83 companies regarding based on interview as a primary data in private organizations Akaki Kality sub city. The semi-structured interview or questionnaires were developed and administered by investigator through the combination three instruments: face-to-face personal interview, by telephone and e-mail. Before go through enough scale administration of the data collection, the researcher could assess to make a comfortable zone in

the selected private organization officials. The semi-structured interview were distributed for 35 respondents of the chief executive officials in private organization accordingly their position and in the process of primary data collection. Based on the combination instruments, the investigator collected the data from 32 (91.43%) chief executive officials by daily follow up. It could be tested by triangulating or mixed approach description in both likert-type and description as well.

And the questionnaires could be developed and distributed for 83 private organizations directors (general Managers), HR managers and financial managers in Akaki Kality sub-city areas. In each private organization three respondents would fulfill the part of the questionnaires. The questionnaires would be tested by likert scale –type of measurement by the mode of concurrent style of the mixed approach, and then it tested again by chi-square. Both interview (qualitative) and questionnaires' (quantitative) could be developed based on the research questions of this study in Chapter one. After, the researcher would be developed, and distributed the interview and questioners for the selected bodies, and then the investigator collected the data according to the schedule of this research study.

The other data collection could be applicable in the process of secondary data collection. In line with this, secondary data has to be gathered from:

- Literatures and previous studies in the area and practice of other countries,
- Studies, Reports, newsletters and Journals of Private Organization from each organization, especially medium, large and largest scale Manufacturing industries in Akaki Kality sub-city.
- The researcher used any other related Journals and Articles like from internet and other sources.

Finally, the questionnaire developed and tested in likert-Scale or method and tested it in chi square, it was the simplest way to describe opinion was to indicate percentage responses for each individual statement. By using likert method the investigator should taste the data by analyzing this type of analysis and had indicated that the first step in constructing a likert-type scale consists of collecting a number of statements on the matter of topic. On the area of interview of data collection, through Semi-structured interview, data would be collected from private organizations medium, large and largest companies (manufactures industries) officials and interpreted in concurrent way..

3.7 Reliability and Reality (Validity)

Robertson said (2017) that the Reliability of a scale is the ability of the scale to produce the same results when administered on different occasions. For example, if you weigh yourself on a scale and step back on it 10 minutes later, you should get the same reading (Robertson, 2017). Doing so, in this study the reliability (reality) and validity are more of the quality of the instruments of data and how they could be tested or measured in the standardized test. The validity of this study should be ensured that the same marks would be achieved with continual management of the similar investigation to the respondents. In this study the reliability of the substances would be tested on the chi square (inferential statistical Analysis) and it was one of the best methodology or measurement to identify the reality and truthfulness of this research data.

Moreover, the wording of the questions may be loaded in some way to unduly favor one response over another (Kothari, 2004). To test and verify the reliability of the questioners of this research was more of it needed the accuracy of sample size methods by developing the stratified random sampling and convenience method of throughout this study. Beside, in this study the validation of research data should have accuracy and truth of the investigation processing, analyzing, and interpreting the data collection clarify in general. Therefore, the researcher of this research has to aware, emphasis and rehearses on a valid of sample size and its analyzing of the study and it could be a representative of universe or population, by tested and approved the investigation of the research by using chi square instrument.

3.8 Data Analysis and Interpretation

Data analysis is the process of bringing order, structure and meaning to the mass of collected data. It is a messy, ambiguous, time-consuming, creative, and fascinating process (Rossman, 1990). To analysis the data, both quantitative and qualitative or mixed approach could be implemented in this research by using the flow thought of the study as whole. It was implemented by using concurrent method throughout chapter four.

A. Quantitative Data Analysis and interpretation:-

In this part, the quantitative analysis was implemented throughout this study. The 280 questionnaires could be developed, completed and analyzed as the researcher pointed out in the topic of research question. And 83 private organizations had been selected and from each of them one director (general manager), one HR manager and one financial manager were responded or

returned questionnaires, by using the likert-method. It means the quantitative data collected, therefore, analyzed using one of the approaches to Likert type data analysis. As other type of data analyses the researcher did not give the research question for very advanced statistical analysis however the utilization of normal statistical tools could be applicable and it gave more clarification for reader in the process of quantitative data in this research. Simple statistical tools or descriptive statistics such as table, frequency, percentage, and others could be fully implemented in this study. The extent, factors, and enhancement of private organization participation in corporate social responsibility is the major focusing area of the study at large.

Therefore, based on this area that the overall intention of this thesis was to explore, identify and describe the situation and status of Private organization (Medium, large & largest or Biggest manufacturing industries) in Addis Ababa Akaki Kality sub-city. Lastly, the extent to which the factor under consideration was available in the participation of private organization was, therefore, measured by assimilation and incorporating the responses of all the respondents under each Likert-element.

- ✓ The organizations were selected by using stratified random sampling, and 280 Private Organization officials such as general managers or directors, HR managers, and financial managers selected from 83 sampled organization.
- ✓ Throughout the study a Likert item methods could be measured on an ordinal level using a 5 point scale method.

B. Qualitative (interview) Data Analysis and interpretation.

Qualitative data analysis is a search for general statements about relationships among categories of data." (Rossman, 1990).First of all, the data collected from the respondents about the subjective or interview part of the data from 83organizations respondents. As the researcher explained in chapter one, the design of the study was deductive Approach and therefore, the investigator used based on the following steps:

- ✓ The researcher had using the research questions to group the data and then look for similarities and differences. Especially the second question of this research is called “the issues of factors” that affecting the participation of the private organization could be

addressed and the third question of this research was regarding “enhancement” also could be analyzed in the qualitative data analysis topic.

- ✓ The Semi-structured interview response of the investigation was another vital part to analyses the data in this thesis. In the interview of the questions would address the research problem and also shaped on the conceptual and theoretical models of the investigator and it should be based on the study frame work.

C. The secondary Data Analysis and Interpretation.

Secondary data analysis is analysis of data that was collected by someone else for another primary purpose (Johnston, 2018). In the secondary data analysis and interpretation of this study, the data would be collected from the selected areas of Addis Ababa Akaki Kaliti sub-city, federal office of trade & industries ministers and Addis Ababa city investment office too. Therefore, to analyze and interpret the data so the investigator had been using a kind of converging or merging analysis of the Qualitative and quantitative data investigations and from secondary sources would follow in triangulating way of the research questions of this study and it could be properly solved. Furthermore, the secondary data analysis played an important role to justify the primary data of this study in the sequence of empirical or practical exercise of the primary data of both interview and questionnaires which was distributed for the private organization chief executive officials, directors and middle managers of the selected place.

D. Mix (concurrent) Approach Analysis and its interpretation:

The mixed approach (synchronized of qualitative, quantitative and secondary data) should be applicable on the process of data collection, giving code and display would properly conjugate to the outcome from the numerical analysis. In this part, the investigator invested the time from the quantitative data analysis by comparing, integrating and interpreting with the investigation or information’s of the qualitative analysis. In order to, clarify the data in properly both qualitative and quantitative approach was dominantly applicable by using mixed approach as well. First of all ,the researcher analyzed and interpreted the response of 280 respondents and then analyzed and interpreted the response of 32 respondents simultaneously .

The research problem from chapter 1 could be addressed in the process of giving answers based on connecting or integrating of both qualitative and quantitative investigations with scientifically and systematically. Moreover, structure, fashions and interrelations of outcomes were analyzed

and elaborated in point of research questions, the theoretical and practical literature that was pointed out in chapter two. The simultaneous or concurrent mixed triangulation of consequences applied, at this approach and the linking to the higher figure of awareness in Private organization participation in corporate social responsibility the areas were used to identify the implication for extent, factors and enhancement which was the ultimate purpose of this thesis in general.

3.9 Ethical Consideration

Researchers are professionals hence, research ethics as a branch of applied ethics has well established rules and guidelines their conduct (Stephen Ifedha, 2016). First of all, asking the permission of respondents for both questionnaires and interview is one of the basic issues on the parameter of ethical consideration. Therefore, the investigator of this study could ask the permission for each respondent before go through in the study. The investigator has been giving also more emphasis the confidentiality of respondents as well. To this case, during the course of data collection through questionnaire and semi-structured interviews, highest attention would be made to keep every respondent response by giving each participant a kind of code or symbol in secret. From the day beginning of data distribute, collection and from the information in detail, the researcher had kept the names of the respondents by giving nicknames in both interview and questionnaires was one of the intent of the researcher in this study.

In this study, to describe ethical issues that how the researcher could ensure the protection, dignity, rights and safety of all research participants or respondents. There were some ethical issues which were portrayed, in this study such as writing plagiarism, the issues of respondents idea (keeping of respondents idea), and personal dignity. The investigator had an ethical obligation which was typically associated with morality, and dealing with issues of right and wrong. Furthermore, as a social science researcher keeping of honesty was mandatory and also all respondents of this research had rights to protect them from any harmful things at large.

CHAPTER FOUR:

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter focused on the results of the study. After collecting data from the respondents, the data was edited, classified, coded and tabulated. The results were organized according to the objectives of the study and presented using tables, pie chart, graph, percentage, figures and chi square .The data analysis was based on the research objectives and questionnaire. Both quantitative and qualitative data were analyzed, interpreted and presented under the subtopics.

4.2 Description of the study area

The study was conducted in Akaki Kality Sub City, one of the ten sub cities of Addis Ababa City Administration, located in the southern part of the city bordering Oromia Regional State. Akaki Kality Sub City an area of 118.08 sq km with a total population of 195,273, of which 95,558 are male and 99,715 are female. The population density of the Sub City is 1,653.7 per square meter. The sub city has 11 Woredas and hosts 90% of industries in Addis Ababa City Administration and 41% of industries in the country.

According to the official registration of Akaki Kality sub city Trade and Industry office; there are 517 PLC in eleven Woredas. These industries are classified into three groups: Medium manufacturing industries, large manufacturing industries and Largest /biggest manufacturing industries. Medium level manufacturing industries have a capital of 10 million to 50 million, large manufacturing industries' capital ranges from 51 million to 100 million and the largest industries have more than 101 million capital.

Table.3. 4.2. Private Organization and its targeted population

N /o	Level of PLC, based on their Capital	Target of the Population and its total number of 83 Private Organization				Population
		Chief Executive s	Directors /General Managers	HR Manager s	Financial Managers	

1.	Medium Manufacturing Industry	186	186	186	186	744
2.	Large Manufacturing Industry	256	256	256	256	1,024
3.	Biggest/Largest Manufacturing	75	75	75	75	300
	Total	517	517	517	517	2,068

Source: Akaki Kality Sub city Trade and Industry and classified by author, 2018

According to, Table 3.4.2.: there are 517 PLC in Akaki Kality sub city out of which 83 PLCs were selected for the research. These selected private limited companies employed 2068 staff. The research focused on four types of employees: the chief executive officers, general managers, human resource managers and finance managers.

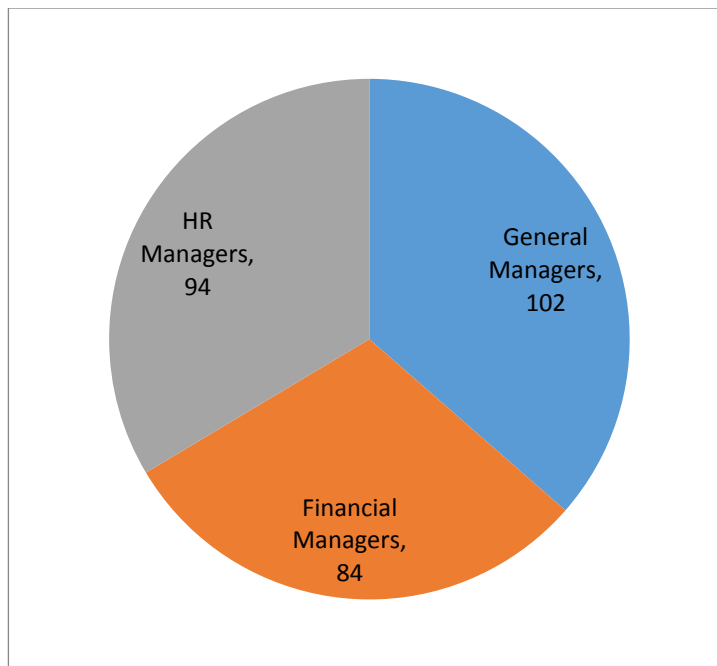


Figure of Pie Chart 4.2.6. Current position of the respondents.

Sources: developed by the Author (by using SPSS), 2018.

As indicated in the above pie chart 2.4.2, 36% of the respondents were general managers, 34% of the respondents were human resource managers and 30% of the respondents were financial managers.

.This finding implies that the general managers are responsible to link the private companies in Akaki Kality Sub City with the surrounding communities and make decision to engage in corporate social responsibility.

4.3 Description of the Data /General-information of respondents

The investigator did not use a very advanced statistical analysis and interpretation throughout this research. But, somehow the selected system of analyses are applicable from two types of statistical analysis namely: descriptive statistical analysis and inferential statistical analysis. Descriptive is presented based on the characteristic of sample. And also from inferential statistical analysis some points are applied like mean, media, mode and standard deviation as an extra clarification.

4.3.1 Analysis of response.

The researcher has prepared and distributed 335 questioners in both quantitative and qualitative part. Since, the investigator is used mixed approach method, so both methods are applicable, therefore 280 questioners returned from quantitative and 32 for qualitative. The total numbers of returned questions are 312.

4.3.2 Level of education

Table 4.3.2.1.Level of respondents.

Respondents level of education					
Level of education		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	diploma and TEVET	96	34.3	34.3	34.3
	first degree	161	57.5	57.5	91.8
	second degree and	23	8.2	8.2	100.0

	above				
	Total	280	100.0	100.0	

Source: developed by the author (using SPSS), 2018

Table 4.3.8 shows the educational level of the respondents. Nearly 34.3% of the respondents had at least attained a diploma or TEVET, 57.5% of first degree, 8.2% of the respondents had master's degree and above. However, none of the respondents had secondary level of education. This indicated that the majority of the leaders of private organizations had good formal education. However, having formal education does not imply that the top leaders of the companies were well informed about corporate social responsibility at community level and citizen stewardship.

Table 5.4.3.3. Respondents' years of the experience

Respondents Years of experience					
Year of experience respondents in private organization		Frequency	Percent	Valid percent	Cumulative Percent
Valid	5 years and below	80	28.6	28.6	28.6
	6-10	96	34.3	34.3	62.9
	11-15	70	25.0	25.0	87.9
	16-20	25	8.9	8.9	96.8
	21 years and above	9	3.2	3.2	100.0
	Total	280	100.0	100.0	

Source: Developed by the author (by using SPSS), 2018

According to Table 4.3.9, the majority of respondents were 34.3% had worked for the companies from 6-10 years, 28.6% of the respondents had less than five years of experience in the companies. 8.9% of the respondents had 16-20 years of experience in the organizations, 25.0% of respondents had worked for 11-15 years in the companies and only 3.2% of respondents had above 21 years of work experience in their respective companies. From this study, majority of the respondents were between the years of 6-10 years. From findings, most private organizations had been existence for 6-10 years. It be conclude that majority of the respondents 34.3% who fell in the bracket of years between 6- 10 were medium experienced who are developing their careers and were more conversant with their work.

Therefore, year of experience about the respondents could show that the majority numbers of respondents were from the category of 6-10 years. And most of them were practicing organizational activities in the sub city; however they were so passive in the participation of private organization in the area. It implied that most top managers had knowledge about the surrounding community life style because they have there for some years. However, they showed little attention to act in the area of corporate social responsibility in the community.

4.3.3 Distribution of current positions

Table 6.4.3.4. Current position of the respondents

Current position of the respondents					
Current position		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	general manager	102	36.4	36.4	36.4
	FM	84	30.0	30.0	66.4
	HRM	94	33.6	33.6	100.0
	Total	280	100.0	100.0	

Source: developed by the author (by using SPSS), 2018.

Table 4.3.10. Shows the finding which reveals that majority of private organizations 36.4% were general manager, followed by 30% were financial manager and 33.6% were HR managers. The position of PLC s leaders can determine the decision making performance of the leader, therefore the participation of companies in CSR issues sometimes depended on the manager’s position so in the study area 102 managers had good chance to enhance the participation of Private Organization in CSR.

4.3.4 Level of organization

Table. 7.4.3.5. Level the organization based on their capital

Level organization					
Level organization		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Medium (10 million-50 million) PLC	101	36.1	36.1	36.1
	Large (51 million-100 million) PLC	128	45.7	45.7	81.8
	Biggest(largest) (101 million & above)	50	17.9	17.9	99.6
	5	1	.4	.4	100.0
	Total	280	100.0	100.0	

Sources: Developed by the author (by using SPSS),2018

According to the analysis of table 4.3.10., majority of respondents were 45.7% from large plc. 36.1% from medium PLC and 17.9% from biggest or largest plc.it concluded that the most respondent of private organizations were from large PLC. This implied that most of the companies operating in the Akaki Kality Sub City were large private limited companies. The degree of participation was not based on the capital of the PLC, however the tendency of PLC

determine the involvement of developmental activities. When it compared to the secondary data information large PLCs contributed 434,981 Ethiopian Birr in 2009 E.C. next to largest manufacturing industries in Akaki Kaliti sub city. However, the majority numbers of PLC existed in the sub city than medium and largest PLC. Therefore, large PLC could not fully participate in corporate social responsibility in the study area. Therefore, it needs more mobilization working in regarding CSR in the performance of PLCs in the study area.

4.4 Participation of Private Organization in corporate social responsibility activities in Akaki Kaliti sub-city.

Under this topic the investigator had presented the analytical and interpretation part of the data based on the researcher conceptual model sub topics: such as beyond market –oriented economy or traditional trend of participation (creating job opportunity, government tax and involvement of national growth), social interest policy, integrating framework, the role of the government and sustainable relationship. Under each topic of the above conceptual model, there are five questions and the analytical discussion based on its question as well. Both quantitative and qualitative data had been discussed here by using concurrent approach. The following table presented the responses to the five questions:-

Table 8.4.4.7 Beyond market –Oriented Economy

Market oriented- economy/free market competition is the first and the basic concept in your organization.		Frequency	percent	Valid percent	Cumulative percent
Market-oriented economy	strongly disagree	2	7	7	7
	disagree	5	1.8	1.8	2.5
	undecided	16	5.7	5.7	8.2
	agree	124	44.3	44.3	52.5

	strongly agree	133	47.5	47.5	100.0
	Total	280	100.0	100.0	
Participation of private organization	strongly disagree	116	41.4	41.4	41.4
	disagree	106	37.9	37.9	79.3
	undecided	22	7.9	7.9	87.1
	agree	20	7.1	7.1	94.3
	strongly agree	16	5.7	5.7	100.0
	Total	280	100.0	100.0	
Organization, directors have good understanding	strongly disagree	125	44.6	44.6	44.6
	disagree	115	41.1	41.1	85.7
	undecided	20	7.1	7.1	92.9
	agree	12	4.3	4.3	97.1
	strongly agree	8	2.9	2.9	100.0
	Total	280	100.0	100.0	
Creating new jobs for unemployment	strongly disagree	8	2.9	2.9	2.9
	disagree	12	4.3	4.3	7.1

	undecided	20	7.1	7.1	14.3
	agree	118	42.1	42.1	56.4
	strongly agree	122	43.6	43.6	100.0
	Total	280	100.0	100.0	
	strongly disagree	123	43.9	43.9	43.9
Concept of corporate social responsibility	disagree	104	37.1	37.1	81.1
	undecided	23	8.2	8.2	89.3
	agree	16	5.7	5.7	95.0
	strongly agree	14	5.0	5.0	100.0
	Total	280	100.0	100.0	

Source: Developed by the author (by using SPSS), 2018.

Descriptive part of statistics could be summarized the above table from the data 280, among this data the respondent who said strongly disagree in the question of market oriented economy were (7%), this implies that less respondent said market oriented economy was not affected the participation of private organization on corporate social responsibility .1.8% of respondents were disagree on the market oriented economy , 5.7% of the respondents said that undecided ,44.3% of the respondents respond agree,47.5% of the respondents respond strongly agree on market-oriented economy. From the findings of analysis, it concluded that the majority of respondents were extreme market-oriented economy attitude was affected the participation of private organization in corporate social responsibility.

Similarly, the investigator had interviewed 32 chief executives or top leaders of PLC based on the above question. And almost all respondents responded as it expressed on the above; they had said that private sectors had a traditional attitude towards the participation of corporate social responsibility. They believed that the so called “Charity approach” was familiar in every PLCs investors instead of fully participation of corporate social responsibility in the scope of corporate social responsibility. Even though, they had admitted that there was no a permanent participation in corporate social responsibility in Akaki Kality sub city. Furthermore, the participation tendency of PLCs was very narrowed and occasional or seldom still in the name of “charity” it appeared like at the time disaster, starvation, community conflict, fire accidents and other seldom economic problem of the community. This was one of the factors that investigated by the author, to achieve the objective this research paper.

From the descriptive analysis among 280 data the respondent who respond strongly disagree 41.4%, 37.9% of the respondent respond disagree, 7.9% of respondent respond undecided, and 7.1% of respondents respond agree ,and 5.7 %of respondents respond strongly agree. From this result, investigator concluded that the most respondents said that the participation of private organization did not strong and in this case, it affected the participation of private organization in corporate social responsibility, while, the fewer respondents said that the participation of private organization was not affected the participation of private organization in corporate social responsibility. The other respondents were abstained. The interview part of the investigation had also showed that top leaders believed that the participation of private organization was not strong because there was a selfishness attitude towards profit based economy theory and it could affect them in the participation of community development at large. The above findings indicated that it was another factor to address the objective this research.

From the above output 44.6%of respondents respond strongly disagree, 41.1% of respondents respond disagree 7.1% of respondents respond undecided, 4.3%of respondents respond agree, and 2.9% of respondent respond strongly agree. From this it concluded that the majority of respondent said that the organization directors had no good understanding of CSR, so that it affected the participation of PO in corporate social responsibility. And the other respondents said that the organization directors had understanding of CSR and it could not affect the participation of PO in corporate social responsibility. When the investigator come to the interview part, many

of top leaders believed that both profit and developmental activities could not go in parallel. And it implied that most of chief executives had weak understanding in terms of corporate social responsibilities. This is one of the research objectives to identify the findings by responding to the second research question in accordance with chapter one.

As of the above table 4.5:- 2.9%, 4.3%, 7.1%, 42.1%, and 43.6%, of respondents responded strongly disagree, disagree, undecided, agree, and strongly agree with respectively. From this result the investigator concluded that the majority of respondents said that creating new jobs for unemployment was enough activities to reduce poverty. And fewer respondents said that creating new jobs for unemployment was not enough activities to reduce poverty. And the others abstained. Therefore, the investigator concluded that the majority private organization had understood that creating new jobs for unemployment was the best way to minimize poverty in the surrounding area. Similarly, the investigator had also asked some questions for top leaders (chief executives) about creating jobs and traditional trend of this speculation. Many chief executives said that private sectors had a trend for long time about creating job, paying government tax and supporting of national growth of the country. The researcher had concluded that creating new job for unemployment was not enough to reduce poverty in the area. It needed attitudinal transformation from traditional trend to corporate social holistic responsibility, to address the holistic aspect of social problem in the sub city. And it should be one of the objectives of this research to respond to the second question of the study.

From the table above 43.9%, 37.1%, 8.2%, 5.7% and 5.0% of the respondents responded strongly disagree, disagree, undecided, agree, and strongly agree with respectively. From this result, investigator concluded that most respondents said that the concept of corporate social responsibility was known and familiar. And fewer respondents said that the concept of corporate social responsibility was not known and familiar. And the others were abstained. Therefore, majority private organizations somehow had knowledge about CSR however there were lacks of implementation of CSR in the activities of corporate social responsibility.

On the other hand, the author got some points from interviewed and from 32 respondents 20 were admitted that they had lack of awareness in regarding corporate social responsibility. Therefore, the investigator concluded that some chief executive in Akaki Kality sub city had

good understanding about CSR, but with weak performance. For example, one of chief executive pointed out some pints as follows: “a Selfishness attitude towards profit maximization in private sector was familiar, or there was unlimited concentration on profit maximization attitude. Private sectors had a traditional tendency about corporate social responsibility as an assumption of “Charity” instead of fully participation.” This top leader had also explained that this charity was appeared in the time of disasters, starvation, conflict, fire accidents and other occasional or seldom social affairs.

Generally, both findings indicated that extreme-market oriented theory was affected the participation of private organization in corporate social responsibility. Based on the research objective from chapter one and the author tried to response the research questions that the challenge of extreme-market oriented economy attitude could be created as one of a factor that affecting the participation of private organization in corporate social responsibility in Akaki Kality sub city. According to the evidence of secondary data, there were 517 private organizations in the sub city from the last three years till now. However, in 2009 E.C among many of them only 43 (8.32%) manufacturing industries participated in corporate social responsibility activities with the collaboration of Akaki Kality sub city Administration Construction and social department.

Therefore, the investigator had also wanted to link the above market oriented issues with empirical evidence of this study. According to TAK-Innovative Research and Development Institution (TAK-IRDI), “In a market-oriented economy, private sector plays a vital role to poverty reduction through various channels.” However, this reality or previous investigation had no place in Akaki Kality sub city regarding POP in corporate social responsibility. And also TAK-IRDI institution added that it can reduce income poverty by enhancing productivity, reducing unemployment, and creating competition among workers so that drives up wages. How far was true? Private enterprises can also help to keep prices of essential goods and services down and increasing the real effective incomes of poor people by producing essential goods and services in large-scale production (TAK-IRDI, 2016). And when the investigator compared to this thought with the study area and it was so far from the reality of the poor people in Akaki Kality sub city.

Lastly, the author wanted to connect this finding with the integrative theory, and it says, “The process for making a corporate response to a social issue.” And also this theory added that the principle of social responsibility stresses ‘public or community process’ not personal morality or profit based view (Melese, 2009). In this case an extreme market oriented activity was highly dominated the participation of private organization in corporate social responsibility in Akaki Kality sub city. On the other hand the concept of corporate social responsibility was almost unknown or intentionally rejected by foreign and domestic private organization in this sub city.

Table 9.4.14. Integrating Frame work

Integrating frame work					
		frequency	percent	valid percent	Cumulative percent
Trend of integrating	strongly disagree	106	37.9	37.9	37.9
	disagree	109	38.9	38.9	76.8
	undecided	39	13.9	13.9	90.7
	agree	19	6.8	6.8	97.5
	strongly agree	7	2.5	2.5	100.0
	Total	280	100.0	100.0	
Social demands and business program	strongly disagree	81	28.9	28.9	28.9
	disagree	97	34.6	34.6	63.6
	undecided	83	29.6	29.6	93.2

	agree	11	3.9	3.9	97.1
	strongly agree	8	2.9	2.9	100.0
	Total	280	100.0	100.0	
Organization management	strongly disagree	26	9.3	9.3	9.3
	disagree	45	16.1	16.1	25.4
	undecided	139	49.6	49.6	75.0
	agree	48	17.1	17.1	92.1
	strongly agree	22	7.9	7.9	100.0
	Total	280	100.0	100.0	
Social value	strongly disagree	6	2.1	2.1	2.1
	disagree	17	6.1	6.1	8.2
	undecided	122	43.6	43.6	51.8
	agree	79	28.2	28.2	80.0
	strongly agree	56	20.0	20.0	100.0
	Total	280	100.0	100.0	
Future integrating	strongly disagree	56	20.0	20.0	20.0
	disagree	82	29.3	29.3	49.3
	undecided	107	38.2	38.2	87.5

agree	18	6.4	6.4	93.9
strongly agree	17	6.1	6.1	100.0
Total	280	100.0	100.0	

Source: developed by the author(by using SPSS), 2018

The first question of this framework was talking about integrating framework of private organization with the local community. And it Said, “In the company, you have a trend of integrating between the organization and the surrounding people.” From the figure there 280 total respondents had given response based on five questions. From the total number of respondents: 106 (37.9%) of the respondents said strongly disagree, 109 (38.9%) were said disagree, 39(13.9%) said undecided, 19 (6.8%) said agree, and 7 (2.5%) said strongly agree. According to the above table, almost 76.8 % of the respondents gave the answer of strongly disagree and disagree and which meant that many companies had no trend of integrating with the local community in Akaki Kality sub city. The rest respondents had responded by using neutral or undecided, agree and strong agree which was nearest to 23 .2%. Therefore, the investigator had concluded that the majority number of respondents indicated that companies in Akaki Kality sub city had no deep knowledge about the theory or concepts of integrating and its implementation as well.

In the contras, tope leaders (chief executives) said that there was an absence of an active and dynamic concerned body to elevate the concept of integrating activities between private sector and local community in this sub city. Therefore, the investigator had concluded that lack of deep knowledge and concerned body could be eliminated by the local government. The author argued that this finding was another factor that attacked the involvement of PO in corporate social responsibility in Akaki Kality sub city. The findings of the above showed, the author intended to response the specific objective this research according to chapter one.

The second question of this framework was social demands and business program. And it Said, “The social demands and the business program of the organizations are integrating each other, in this organization.” From the above table and there were 280 respondents, among these 81 (28.9%) respondents were responded strongly disagree, 97 (34.6%) said disagree, 83 (29.6%) said undecided, 11

(3.9%) said agree and 8(2.9%) said strongly agree. The above analysis indicated that the social demands and business programs were not integrating each other in the private organization at Akaki Kality sub city. It implied that many private organizations had no knowledge or inclination about the theory of integrating framework in the scope of corporate social responsibility in general for the sack of collaborating CSR and activities of development in developing countries (Nations, 2007). Therefore, it needed more effort to reduce this knowledge scarcity from the concerned body to keep a mutual benefit of Private organization and social demands. Similarly, chief executives believed that there was an inadequate corporate, integrate and collaboration performance in the relationship between private organization and local community. Besides, an inadequate integrate was a great factor that could eliminate the participation of private organization in corporate social responsibility in Akaki Kality sub city. Therefore, identification of the above finding could link with the objective of this research as it mentioned in chapter one.

The third question under the frame work of integrating was the idea of organization management. And it said, “The organization management has focused to coordinate the social need of the surrounding people by implementing developmental activities.” From the above table, there were 280 respondents and among these 26 (9.3%) respondents said strongly disagree, 45 (16.1%) said disagree, 139 (49.6%) undecided, 48 (17.1) said agree and 22 (7.9%) said strongly agree. According to the above analytical information and it had indicated that the majority of the respondents had said undecided part of the likert scale. It meant that almost 50 % of respondents had chosen the neutral. It implied that most respondents who were in the position of administrative affairs had good tendency to coordinate in the social need of the surrounding people need, however it was not showed in practical. And the rest respondents were almost equal percent of the neutral responses. The investigator had concluded that implementation of developmental activities were not fully known and experienced in practical way for those who were in the position of management in private organization in the participation of corporate social responsibility at Akaki Kality sub city.

As the investigator interviewed the chief executives based on the above questions and they had strongly agreed that their organizational management focused only on the area of profit maximization target of the organization. This was also indicated that the integration issue was

not familiar in Akaki Kality private sector. And it was also the factor that address the objective this research in general.

The forth question under the framework of integrating was the point of Social value. And it Said, “Social value has an implication to support the process of integration in your organization and local people at least in principle.” From the above table 280 respondents had responded. And among these 6 (2.1%) respondents said strongly disagree, 17 (6.1%) said disagree, 122 (43.6%) said undecided, 79 (28.2%) said agree and 56 (20%) said strongly agree. According to the explanation of the above analysis the majority of respondents had responded undecided and it implied that 43.6 % of respondents could not say in boldly agree or disagree even though they wanted to stand in the position of between. And the least respondents or 6.1% said strongly agree, which implied these respondents could not accept the issue of social value at least in principle. And 48.2 % of respondents were from agree and strongly agree, therefore the investigator concluded that the implication of social value could not clearly understand by private organization officials in this sub city.

The investigator had also interviewed the above questions for chief executive of private organization in Akaki Kality sub city. They believed that social value had an implication to support the integration; however when they came to their organization, they couldn't say anything. So it indicated that without implementation, no need of integration. Therefore, the absence of integration framework in Akaki Kality sub city was another obstacle or factor that could attack the participation of private organization in corporate social responsibility. The objective of this research was identifying and indicating the findings to response the research question as the author stated it in chapter one.

The fifth question of this frame work was future aspect of Private organization in terms of integrating. And it Said, “Your organization has a tendency to create integrating framework for the future in Akaki Kality sub city.” From the above table 280 respondents gave responses and among these 56 (20%) said strongly dis agree, 82 (29.3%) said disagree, 107 (38.2%) said undecided, 18 (6.4%) said agree and 17(6.1%) said strongly agree. According to the above description the highest number of the respondents was 38.2% on the undecided part. And the least response was 6.1 % on the strongly agree. Therefore, based on the analytical implication, the researcher had concluded that most of private organizations officials could not decide to

make good integrating frame work for the future. It meant that integrating framework was one of the great factors that affecting the participation of private organization in corporate social responsibility at Akaki Kality sub city.

On the other hand the researcher had interviewed 32 chief executives, and among them 17 respondents said that because of the absence of the previous trend of integrating, companies had no a plane to create integrating framework for future. It implied that integrating and collaborating concepts of program should not practice in the relationship between private organizations and the surrounding community in the sub city.

Generally, both findings of quantitative and qualitative data were indicating that the absence of integrating framework was a serious factor that attacks the participation of private organization in corporate social responsibility in Akaki Kality sub city. For instance, one chief executive Said, “Absence of active and cleaver concerned body was a great challenge to develop the participation” Therefore, he concluded that this body could stand for both PO and the surrounding community to elevate the concept of integrating activities in this sub city. And also some interviewers believed that Companies’ owners had lack knowledge about social corporate social responsibility and its implementations at large. And they had also said that there were weak promotion in the social affairs program of local government in terms of CSR and its responsibility too. Lastly, others concluded that there were Passive and weak clarity about the investment policy and coordination activities in the agenda of community development.

Therefore, the absence of active and cleaver concerned body, lack of integrating and collaborating frame work, lack knowledge about social corporate social responsibility were real factor that affecting the involvement of private organization in corporate social responsibility in the sub city at large. As the author mentioned in chapter one, the major objective of this research was identifying and explaining the factors that affect the participation of PO in corporate social responsibility based on the findings of the investigation in general. And the second question of this research said, “What are the factors that affect the participation of private organizations in corporate social responsibility interventions?” Therefore, the interference or interventions of the participation were clearly indicated on the above, so that it was the way to achieve the research object accordingly chapter one. Furthermore, as the author explained in chapter two, there were few PLCs involved in social affairs and from 517 PLCs only 43 PLCs participated in corporate

social responsibility. This indicated that the above factors were seriously and thoughtfully need concentration to reduce the challenges of private organization in corporate social responsibility in this sub city.

Furthermore, the theory of integrating group supported the above findings that basically the theories of this group are focused on the detection and scanning of, and response to, the social demands that achieve social legitimacy, greater social acceptance and prestige (Mele, 2004). Therefore, awareness creation, social legitimacy and social policy were mandatory to reduce these challenges in Akaki Kality sub city in general. An empirical evidence of this topic pointed out by author was the report of Brown and Asheman. They had said that in particular we are interested in the contributions of social capital and participation in designing and implementing sustainable improvements through inter-organizational initiatives (Asheman, 2016). However, in Akaki Kality the inter-organizational or integrating framework among organization, community and local government was so weak. Therefore, how could enhance this shortage of events? By creating an integrating frame work between people and organization in the sub city. Both literature and empirical reviews indicated that the disremembering of social affairs was one of the root causes to affect the participation of private organization in corporate social responsibility.

4.5 Factors affecting POP in corporate social responsibility activities in Akaki Kality sub-city

Under this topic the researcher had presented two significant factors based on the conceptual framework of the literature review, these factors were: social interest policy making and the role of the government regarding the participation of private organization in corporate social responsibility. Similarly the previous topic, concurrent approach of interpretation was presented and with quantitative and qualitative part.

Table. 10.4.15. The issue of Social interest policy in Private Organization

Social interest				
	frequency	percent	Valid percent	Cumulative percent

Organization policy	strongly disagree	132	47.1	47.1	47.1
	disagree	115	41.1	41.1	88.2
	undecided	11	3.9	3.9	92.1
	agree	16	5.7	5.7	97.9
	strongly agree	6	2.1	2.1	100.0
	Total	280	100.0	100.0	
Private organization have responsibility	strongly disagree	4	1.4	1.4	1.4
	disagree	9	3.2	3.2	4.6
	undecided	70	25.0	25.0	29.6
	agree	106	37.9	37.9	67.5
	strongly agree	91	32.5	32.5	100.0
	Total	280	100.0	100.0	
Understand the community scarcity	strongly disagree	100	35.7	35.7	35.7
	disagree	89	31.8	31.8	67.5
	undecided	66	23.6	23.6	91.1
	agree	22	7.9	7.9	98.9
	strongly agree	3	1.1	1.1	100.0
	Total	280	100.0	100.0	
Social interest and	strongly disagree	19	6.8	6.8	6.8
	disagree	28	10.0	10.0	16.8

profit based	undecided	55	19.6	19.6	36.4
	agree	85	30.4	30.4	66.8
	strongly agree	93	33.2	33.2	100.0
	Total	280	100.0	100.0	
Activities of policy makers	strongly disagree	92	32.9	32.9	32.9
	disagree	87	31.1	31.1	63.9
	undecided	51	18.2	18.2	82.1
	agree	33	11.8	11.8	93.9
	strongly agree	17	6.1	6.1	100.0
	Total	280	100.0	100.0	

Source: developed by author (by using SPSS),2018

The first part was from the above table: - 47.1%, 41.1%, 3.9%, 5.7%, and 2.1% of the respondents responded strongly disagree, disagree, neutral, agree, and strongly agree with respectively. It meant that under the title or framework of social interest policy: from 280 respondents 132 (47.1% respondents said strongly disagree and 115 (41.1) respondents said disagree. This figure had indicated that the issue of social interest policy was unknown or not concern for the majority of PLC in Akaki Kality sub city. On the other hand some respondents responded on the other side, like 11(3.9%) respondents said undecided, 16 (5.7%) respondents said agree and 6(2.1.%) respondents said strongly agree. This feedback also had implied that the minority group of PLC in Akaki Kality sub city somehow were practicing, involving and raising the issue of social interest policy in the organization. Based on the statistical information, the investigator concluded that social interest policy issue was so weak in the life of P.L.C. therefore it needed more awareness creation and other program to upgrade the issue for the future.

Moreover, as the interviewed of the investigator, many of chief executives had explained that social interest policy was not stated in their manual or any written documents of the companies.

This was showing that the private organizations had no even a tendency to state the issue of social interest policy in their program. This was of one of the factor that affected the involvement of private organization in corporate social responsibility in Akaki Kality sub city. The author stated the above findings to achieve the objective this research.

The second questions of social interest issue for the respondents was-private organizations have responsibilities to state social interest program in their policy making program. From 280 respondents 4(1.4%) respondents said strongly disagree, 9 (3.2%) respondents said disagree, 70 (25%) said undecided, 106 (37.9) respondents said agree and 91 (32.5%) and 91 (32.5) said strongly agree. These data implied that the majority officials of private organization in Akaki Kality sub city believed that all companies had responsibilities to include social interest program in the organization program. Therefore, highest number of the respondents had good burden to address the social interest issues in this sub city. Similarly, the response of the interviewee was addressed the above question. For instance, one chief executive said that the government should redefine the investment policy by adding and concentrating the social problem and exploring the social interest and monitoring its policy implementation. The issue of policy was another factor that rose by respondents and accepted by the author to address the objective this study from chapter one.

The third question for the respondents was talking about the idea of community scarcity. And it said, “Your organization could understand the community scarcity regarding social challenges in this sub-city.” From 280 respondents, 100 (35.7) respondents said strongly disagree, 89 (31.8%) said disagree, 66 (23.6%) said undecided, 22(7.9%) said agree and 3 (1.1%) said strongly agree. According to the response of the respondents, almost above high percent of PLC could not understand the community scarcity especially the social challenges. Therefore, it needed more work in the area to create good awareness regarding corporate social responsibility at large. In the interviewed part, the researcher had also gotten a similar response from the chief executives of the companies. They had accepted a weak side of their understanding about the awareness of community scarcity on the area of social challenges. According the data analysis of mixed approach, the respondents had given a clear window in terms of CSR and its implication. It indicated that identified of this factor was one of the objective the research, to response the

research question based on chapter one. The issue of community development is a great part to enhance the growth of the country. Communities are dynamic and respond to changes in population, political leadership, the economy, and environmental factors. (Council, 2001).

The fourth question for the respondents was the issue of balanced activities of PLC. And, it said “Social interest and profit based economy could not balance in your organization in practically.” From 280 respondents 19(6.8%) said strongly disagree, 28 (10%) said disagree, 55 (19.6%) said undecided, 85 (30.4%) said agree and 93 (33.2%) said strongly agree. Based on the response of the respondents the researcher concluded that almost 63.6% of the respondents answered that social interest issues and profit maximization program of the private organization were not showed a balanced approach in the daily activity of companies. It implied that private organizations in Akaki Kality sub city could not make a balance or show fair approach. Almost many of them were giving or emphasizing only the profit maximization intent, by neglecting the social responsibility. Extreme profit maximization intent was one of a another great factor that affected the PPO in corporate social responsibility throughout this study.

The researcher interviewed the above question for chief executives and they responded about the issue of keeping a balance in terms of social interest and profit based program. And they said that private organizations were so interested to give a priority for profit maximization only. They had portrayed that Private organizations were created for the sack of business manipulation than other social affairs. Both data analyses were indicated that many PLCs had imbalanced understanding and implementing in terms of social affairs and profit maximization at large. Therefore, the misunderstanding of social interest policy was one of the factors that could affect the participation of private organization in corporate social responsibility.

The author of this research strongly argued that without the inclusive of social affairs, private organization could not achieve their business target throughout the country. For example, the conflict of Oromiya and Amhara regions showed us many distractions, interruptions and disturbance in the country. And many youth people were against largest private companies, why? Was it only political issue? I don't think so, but it was the case of unfair treatment in terms of economic and social affairs. The author believed that extreme market oriented economy was one

the factor that aggravated the youth people. It could create an imbalance social status in the relationship between investors and community. people need their own property in natural. Property is the most fundamental and complex of social facts, and the most important of human interests; it is, therefore, the hardest to understand, the most delicate to meddle with, and the easiest to dogmatize about.(Shaffer, 2009).

The fifth question was focused on the idea of CSR understanding towards policy makers, practitioners and managers. And it said, “Policy makers, practitioner’s and managers of your organization could be included the social issues in their activities.” From 280 respondents, 92 (32.9%) respondents said strongly disagree, 87 (31.1%) said disagree, 51 (18.2%) said undecided, 33 (11.8%) said disagree, 51 (18.2%) said neutral, 33 (11.8%) said agree and 17 (6.1%) respondents said strongly agree. It implied that most professionals like policy makers, practitioner’s and others were not intending to include social interest issue by using their skill (knowledge) and decision making opportunity too. Similarly, the result of interviewed was indicated that many professional couldn’t include the social issues by using their effort in the organization; because of the dominant attitude of the extremely economic-oriented theory of the investors. This was also affecting the participation of PO in corporate social responsibility.

In general, the interviewed part of this investigation concluded that the government had to make and redefined the investment policy in the national level, regional level, and particularly in local level. And many of them were said that explaining the issues of social interest policy should be included in the policy of investment and organization program too. Other top leaders believed that the private sectors should open a kind of CSR department in their companies so that this department could be a representative organ of social interest as an advocator. Therefore, the above factors were still created a power to affect the participation of private organization in corporate social responsibility in Akaki Kality sub city.

Social interest policy was dominated by extreme market oriented economy and it referred to instrumental theory. Instrumental theories believed that CSR is seen only as a strategic tool to achieve economic objectives and, ultimately, wealth creation. Representative of this approach is the well-known Friedman view that “the only one responsibility of business towards society is the maximization of profits to the shareholders within the legal framework and the ethical

custom of the country’’(Melese, 2009). Of course, the instrumental theory supported the ideology of extreme market oriented economy in the activities of PO in AK sub city. However, other theories like sustainable, integrative, and ethical and stakeholder concepts were strongly discouraged this theory. Furthermore, the empirical evidence write Ambachew stated that investment is an act of current spending for expected future return. And he also said that it expands the productive capacity of a nation and plays a crucial role in the economic growth and development process (Mekonnen, 2010).

Table 11.4.16. the role of the government in terms of POP in Akaki Kality Sub city.

The role the government					
		frequency	percent	valid percent	Cumulative percent
Promotion of the government	strongly disagree	8	2.9	2.9	2.9
	disagree	65	23.2	23.2	26.1
	undecided	99	35.4	35.4	61.4
	agree	94	33.6	33.6	95.0
	strongly agree	14	5.0	5.0	100.0
	Total	280	100.0	100.0	
Government and social need	strongly disagree	23	8.2	8.2	8.2
	disagree	32	11.4	11.4	19.6
	undecided	105	37.5	37.5	57.1
	agree	68	24.3	24.3	81.4

	strongly agree	52	18.6	18.6	100.0
	Total	280	100.0	100.0	
Local government participation	strongly disagree	9	3.2	3.2	3.2
	disagree	24	8.6	8.6	11.8
	undecided	58	20.7	20.7	32.5
	agree	85	30.4	30.4	62.9
	strongly agree	104	37.1	37.1	100.0
	Total	280	100.0	100.0	
Local government facilitated	strongly disagree	4	1.4	1.4	1.4
	disagree	14	5.0	5.0	6.4
	undecided	27	9.6	9.6	16.1
	agree	105	37.5	37.5	53.6
	strongly agree	130	46.4	46.4	100.0
	Total	280	100.0	100.0	
Government training and others of	strongly disagree	7	2.5	2.5	2.5
	disagree	31	11.1	11.1	13.6
	undecided	29	10.4	10.4	23.9
	agree	115	41.1	41.1	65.0

	strongly agree	98	35.0	35.0	100.0
	Total	280	100.0	100.0	

Sources: Developed by the author (by using SPSS), 2018

The first question was the role of the government in terms of the promotion of participation. And, it said, “One of the roles of the government in Akaki Kality sub city was promotion of private organization participation in corporate social responsibility.” From the table: 280 respondents responses, and among these 8 (2.9%) respondents said strongly disagree, 65 (23.2%) said disagree, 99 (35.4%) said undecided, 94 (33.6) said agree, and lastly 14 (5%) of the respondents said strongly agreed. According to the above description 35.4% of the respondents said undecided, on the other hand 5% of the respondents said strongly agree. Therefore, it implied that promotion of the government about the participation of private organization towards corporate social responsibility was whether officially unknown or hidden for most private organization officials. So, the investigator concluded that one of the roles of the government was promoting the private organization to involve in the local community development; however it was so weak or unknown in the Akaki Kality sub city. Both government and private sectors have to build a dual relationship to enhance the social development at large. Just as importantly, as the delivery of social services becomes increasingly dependent on communications networks, it is natural and appropriate that government and private-sector organizations collaborate to ensure that needed ICT infrastructures are in place and available to businesses and individual citizens alike (Lucent, 2012).

On the other hand the investigator had interviewed the chief executives based on the above question; from 32 top leaders 19 leaders believed that the government should play an important role to encourage the private organizations to initiate them for the involvement of developmental activities. In this case there was weak promotion in Akaki Kality sub city. Therefore, the role of the government was one of the factors that affected the participation of private organization in corporate social responsibility in Akaki kality sub city. One of executive director said that government had an access to upgrade the participation of PO in R&D in the sub city by re-arranging or re-examining the market oriented policy and it could best way to invite and focus

the concept of corporate social responsibility. The above factors indicated the objective this research to response the third question of the study.

The second question was talking about government and social need regarding the policy making process. And it said, “The government should make policy about POP in corporate social responsibility, in the case of social need.” Based on this question the respondents had given responses by using likert scale. From the table 4.8, 280 respondents responded and among these 23 (8.2%) respondents said strongly disagree, 32 (11.4%) said disagree, 105 (37.5%) said undecided, 68 (24.3%) said agree and 52 (18.6%) strongly agree. According to the above display the highest number of respondents said undecided, whereas the least percent is 23% said strongly disagree. This indicated that many higher officials of private organizations could not give clear answer and instead of that they said undecided, it showed officials wanted to stand between agree and disagree. Therefore, the investigator had concluded that policy making regarding social need case was a vital role for the government to enhance the participation of PO in corporate social responsibility.

Moreover, the interviewed part of the investigation had also indicated that the role of the government had a significant place to overcome the challenges of the social problems of the surrounding community. And many top leaders concluded that Policy making and re-examining the previous investment policy was another assignment for the government in the national and local level. The chief executives had also added that creating policy agenda, Policy making, formulation and implementation and monitoring were great responsibilities of the government in particularly the study area. The author identified the above findings to response the third question of this research from chapter one.

The third question was addressing the issue of local government participation. And it said, “The local government has to play an important role to enhance the participation of private organization in the area of corporate social responsibility.” From the above table: 9 (3.2%) respondents said strongly disagree, 24 (8.6%) said disagree, 58 (20.7%) said undecided, 85 (30.4%) agree, 104 (37.1%) said strongly agree. As explained on the above table, the majority respondents said strongly agree (37.1%), while the least respondents were 3.2%. The implication of the above data was clearly showing that the local government had a mandate to enhance the

participation of private organization in corporate social responsibility. Therefore, the investigator had concluded that the Private organization officials were clearly understood that the role of the local government could promote them to participate in corporate social responsibility. The researcher had interviewed some chief executives about the role of the local government. And top leaders had said that the government (especially the local government) should be made a promotion mechanism to enhance the participation of private organization in corporate social responsibility by showing encouragement, acknowledgment, giving certificate (awards) and daily follow up as well.

The fourth question was indicating more of the facilitation role of the local government. And it said, “The local government has facilitated to upgrade the collaboration developmental relationship between Akaki Kality sub city companies and local communities as well.” From the table of 4.8, 280 respondents had been responded and among these 4 (1.4%) respondents said strongly disagree, 14 (5%) said disagree, 27 (9.6%) said undecided, 105 (37.5%) said agree, and lastly 130 (46.4%) said strongly agree. According to the above displaying of the table, the majority respondents had said that strongly agree (46.4%), while the least number of the respondents were founded from the category of strongly disagree (1.4%). The researcher had concluded that the private organizations officials had good tendency to participate in corporate social responsibility if the local government facilitated in the relationship between private organization and the surrounding people. Similarly, the researcher interviewed chief executives based on the above questions. The top leaders said the government had a mandate to encourage, facilitate, coordinate and appreciate about the participation of private organization acting as neutral actor. Therefore, they argued that the government had weak role in AK sub city regarding the involvement of private organization.

The fifth question was more of talking about the tools which could be provided by the local government. And it said, “The government has prepared the training, meetings, and group discussion for private organization that how could understand CSR and sustainable development in AkakiKality sub city area.” From the table display 280 respondents involved in this question, among these 7 (2.5%) respondents said strongly disagree, 31(11.1%) said disagree, 29 (10.4%) said undecided, 115 (41.1%) said agree and lastly 98 (35%) respondents said strongly agree.

According to the response of the respondents, the majority respondents said agree (41.1%); while the minority group of respondents said strongly disagree (2.5%). It implied that many respondents of PO higher officials accepted the role of the government in terms of awareness creation like providing training, vocational program, meeting and any panel discussion as well. Therefore, the investigator concluded that the role of the government was a great factor that affected the participation of private organization in corporate social responsibility.

Furthermore, the investigator had interviewed 32 chief executives of companies based on the above question. And they had said that the government had a mandate, responsible and stewardship to invite private organization in the issue of corporate social responsibility in a permanent way. To achieve this stewardship the local government could practices the following points: like creating particular program in terms of corporate social responsibility, facilitate good atmosphere for the mutual relationship between the surrounding community and private organization.

In general, the activity of government was somehow referred to political theory, and according this group of ideology that focus on interactions and connections between business and society and on the power and position of business and its inherent responsibility. Besides, they include both political considerations and political analysis in the CSR debate (Melese, 2009). Therefore, this group argued that interaction and connection between PO and community had great value to reduce the challenges of the participation of private organization in corporate social responsibility in Akaki Kality sub city. Moreover, the empirical evidence of Sennoga stated about Ethiopian economic affairs that Real GDP growth slowed to 8.0% in 2015/16 from 10.4% last year and is projected to remain stable at 8.1% in 2016/17 and 2017/18. Public protests disrupted the nation in 2016 in the Oromia and Amhara regions, with the protestors citing concerns about political and economic marginalization (Edword Batte Sennoga, 2017).

The above writers also portrayed that the authorities declared a six-month state of emergency in October 2016, enacting a variety of measures to restore peace. And also these scholars concluded that Ethiopia's national development plans place emphasis on promoting export-led industrialization with a focus on light manufacturing. However, the contribution of the industrial sector to GDP, employment and exports remains low (Edword Batte Sennoga, 2017). Therefore,

the government should be made well –organized mechanism to enhance GDP and local government performance regarding social economy in particularly at Akaki Kality sub city.

4.6 Enhancing POP in corporate social responsibility activities in Akaki Kality sub-city

The last question of this research could discuss in detail based of the researcher question. And it said, “How the participation of private organizations in corporate social responsibility activities could be enhanced?” Under this topic the investigator had discussed in the responses of the respondents based on the conceptual framework of sustainable relationship in the scope of sustainable development.

Table.12.4.17. Sustainable relationship between Private organization and local community.

Sustainable relationship					
		frequency	percent	valid percent	Cumulative percent
Private organization and community development	strongly disagree	82	29.3	29.3	29.3
	disagree	66	23.6	23.6	52.9
	undecided	88	31.4	31.4	84.3
	agree	25	8.9	8.9	93.2
	strongly agree	19	6.8	6.8	100.0
	Total	280	100.0	100.0	
Sustainable development	strongly disagree	6	2.1	2.1	2.1
	disagree	9	3.2	3.2	5.4
	Undecided	42	15.0	15.0	20.4

	agree	105	37.5	37.5	57.9
	strongly agree	118	42.1	42.1	100.0
	Total	280	100.0	100.0	
Private organization sustained in mutual benefits	strongly disagree	23	8.2	8.2	8.2
	disagree	33	11.8	11.8	20.0
	Undecided	100	35.7	35.7	55.7
	agree	69	24.6	24.6	80.4
	strongly agree	55	19.6	19.6	100.0
	Total	280	100.0	100.0	
Code of conduct to promote CSR	strongly disagree	126	45.0	45.0	45.0
	disagree	104	37.1	37.1	82.1
	Undecided	33	11.8	11.8	93.9
	agree	13	4.6	4.6	98.6
	strongly agree	4	1.4	1.4	100.0
	Total	280	100.0	100.0	
Overcome and social challenges	strongly disagree	24	8.6	8.6	8.6
	disagree	55	19.6	19.6	28.2
	Undecided	130	46.4	46.4	74.6

	agree	57	20.4	20.4	95.0
	strongly agree	14	5.0	5.0	100.0
	Total	280	100.0	100.0	

Sources: Developed by the author (by using SPSS), 2018

The last frame work of the study was a sustainable relationship. It had five questions which provided for the respondents. The first question was explaining the sustainable relationship between the performance of Private organizations and community development. And it said, “In your company, the relationship of private organization and community development should be sustained forever.” From the above table 280 respondents were participated in this question, and among these 82 (29.3%) respondents said strongly disagree, 66 (23.6%) said disagree, 88 (31.4%) said undecided, 25 (8.9%) said agree and 19 (6.8%) strongly agree. According to the above elaboration the highest numbers of respondents had said that undecided, whereas the least number of the respondents said strongly agree. It implied that the private organization officials could not give a clear response and instead of that they stand between agree and disagree. Therefore, the investigator had concluded that the sustainable relationship between private organization and surrounding people had no place in the mind of officials in Akaki Kaliity sub city.

The interviewed result was presented based on the above question as follows; The Chief executives of companies said that the government had a responsibility to create one legal body (entity) which was taking an obligation to make a permanent relationship between the private organizations and the surrounding people. This legal entity could be organized from three organs, such as from community, government and companies. This was one of the methods to sustain the relationship for a long time.

The second question was identified in the issue of sustainable development in the private organization and community at Akaki Kality sub city. And it said, “Sustainable development is a significant to enhance the relationship of private organization and community.” From above table, 280 respondents had given their response accordingly: such as 6 (2.1. %), 9(3.2%), 42 (15%), 105 (37.5%), and 118 (42.1%). The response of the respondents were strongly disagree,

disagree, undecided, agree and strongly disagree with respectively. According to the demonstrated of the table, the majority of the respondents said strongly agree (42.1%) whereas the least number of respondents said strongly disagree (3.2%). And it implied that the companies' officials had strongly understood about the great significant of sustainable development. Therefore, the investigator had concluded that the sustainable development issue had a vital implication for the sustainable relationship between private organization and surrounding community.

Similarly, the chief executives interviewed and had also portrayed that sustainable development could give a guaranty to address social problems, however the government did not act as it had a power to manipulate a harmony, corporate, and suitable program to enhance and develop a sustainable relationship between the local community and private sector in the area. Therefore, the investigator had stated that sustainable development should be applied if the concerned body (government) should facilitates the networking program between private organization and community.

The third question was showed about Private organization that how to sustain the relationship between companies and community in mutual benefits. And it said, "The private organization profits maximize and CSR could be sustained in mutual benefits." Based on this question 280 respondents were participated: among these 23 (8.2%) respondents said strongly agree, 33(11.8%) said disagree, 100 (35.7%) said undecided, 69 (24.6%) said agree, 55(19.6%) of respondents said strongly agree. According to the displayed table, the majority numbers of respondents had said undecided; while the least number of the respondents had said disagree. It implied that the highest number of PO officials wanted to stand as neutral respondents. Therefore, the researcher concluded that many companies of tope leaders had no tendency to keep a sustainable relationship between private organizations and the surrounding communities in Akaki Kality sub city. Furthermore, it could be one of the factors that affected the participation of private organization in corporate social responsibility in the area. Similarly, the interviewed result had also indicated that the ideology of mutual benefits should give stress and consideration by investors and local government. They had also explained that both profit maximization and social responsibility should be made in parallel way or balanced treatment.

The fourth question was talking about the case of Code of conduct to promote CSR in private organization. And it says, “your company has to be stated the core value or code of conduct to promote CSR in regarding the issues of sustainable relationship between private organization and local community at large.” From 280 respondents: 126 (45%) of respondents said strongly disagree, 104 (37.1%) said disagree, 33 (11.8%) said undecided, 13 (4.6%) said agree and lastly 4(1.4%) of respondents said strongly agree. According to the above table explanations, the majority numbers of respondents said strongly disagree, while the least number of respondents said strongly agree. It indicated that many respondents of higher officials did not want to state a written document (code of conduct) which was talking about the issue of corporate social responsibilities in their work places. Therefore, the investigator had concluded that private organizations didn’t want to involve abundantly and submissively in the activities of corporate social responsibility in Akaki Kality sub city. This was also another factor to affect the participation of private organization in developmental activities in the sub city. And it needed more concentration from the concerned bodies to enhance the participation of private organization in corporate social responsibility at large.

Besides, the interviewed result was implied that many chief executives admitted and accepted the absence of code of conduct in their organization as a written document. In chapter one the third question of this study was, “How can the participation of private organizations in corporate social responsibility activities be enhanced?” Therefore, to response this question the findings indicated that by writing code of conduct in the private organization offices and implementing it, enhanced the POP in corporate social responsibility in Akaki Kality sub city. As the author mentioned the objective of part of this research in chapter one, the findings could play a significant role to achieve the general and specific objective of the research.

The fifth question was indicating that how overcomes and addresses the social challenges in the study area. And it says, “In your company, CSR and sustainable development are very crucial points to address and overcome the social challenges of the surrounding people.” From the information of table 4.9, 280 respondents were participated in this question, among these 24 (8.6%) respondents said strongly disagree, 55(19.6%) said disagree, 130 (46.4%) said undecided, 57 (20.4%) said agree, and lastly 14(5%) respondents said strongly agree. According to the above table, the majority numbers of respondents had said that undecided while the least number

of respondents said strongly agree. It implied that most of private organization officials had lack of tendency to reduce the social challenges in this sub city, why? Because the respondents were standing in a dilemma position or neutral (abstain) based on their understanding. Therefore, the investigator had concluded that private organizations had difficulties to enter social affairs or higher officials did not want to overcome the social problem by showing voluntarily and boldly participation of corporate social responsibility in Akaki Kaliti sub city.

Moreover, the interviews of chief executives had stated in a similar way of expression, and they believed that Social problems, challenges and difficulties could be reduced with full commitment of private organizations at large. So that the researcher had summarized the idea from quantitative and qualitative analytical result, lack of sustainable relationship between companies and communities could affect the participation of private organization in corporate social responsibility in Akaki Kaliti sub city. The author identified the above findings to response the third research question of this study. And, it could be linked with the objective the research. Private organization has a mandate to engage in different social affairs in various way. Private entities' investment in the recipient countries has a huge potential for enhancing their development, as it is directly linked to job creation, transfer of technology and know-how, hiring of local producers and suppliers or improvement of local infrastructure (Union, 2013).

In general, the author of this research summarized the interviewed part of top leaders as follows: They believed that the government should be made a responsible body (legal entity) which could be taking a mandate to make a permanent relationship between the private organizations and the surrounding people. As the author asked the top leaders this legal entity organized from three organs, such as from community, government and companies.

Furthermore, they also added that the local government had to be made common or mutual framework to sustain the relationship between community and companies in Akaki Kaliti sub city. The investigator had also explained the theory of literature and empirical review to link the above findings with the objective this research. The ethical theory could give an emphasis for the above investigation, it said, "This is group of theories or approaches focus on the ethical requirements that cement the relationship between business and society." And they are based on principles that express the right thing to do or the necessity to achieve a good society (Mele, 2004).

The previous writing had also explaining that corporate social responsibility (CSR) promotes a vision of business accountability to a wide range of stakeholders, besides shareholders and investors. And Key areas of concern are environmental protection and the wellbeing of employees, the community and civil society in general, both now and in the future(Melese, 2009). Therefore, both literature review and empirical evidences supported that the concept of the relationship between Private organization and the community were the spinal cord of the participation of private organization in corporate social responsibility in Akaki Kality sub city.

4.7 Summary of findings

The findings indicated that the participation of private organizations in addressing the social needs of the communities in which they operate were weak and full of challenges. The investors seemed to have low attention to respond to social needs of the community in which they operate. Factors were working a significant role to affect Private companies in the participation of developmental activities, in Akaki Kality sub city. Factors were examined along extreme market oriented economy, absence of social interest policy, integrating framework, the role of government, and disappearance of sustainable relationship with private organization and the surrounding community at Akaki Kality sub city.

Extreme market oriented ideology could have a power to dominate the participation of private sector in the area of corporate social responsibility activities. Of course, the private sectors should have a mandate to make a balance the market oriented economy and corporate social responsibility. From the investigation of this research, selfishness attitudes towards profit maximization in private sector, or unlimited concentration of profit maximization attitude influenced the stewardship of private organization in the study area. On the other hand, some private sectors had a traditional tendency and approach about corporate social responsibility, that is, doing “Charity” instead of full participation. This charity expresses in occasional, especially in the time of disasters, starvation, conflict, fire accidents and other occasional or seldom economic problems of the societies.

The absence of social interest policy in the program of private organization was another obstacle in the area of developmental involvement. Therefore, the respondents believed that the

investment policy intent should include the social responsibility to be sustained a well-being relationship between the private sectors and the surrounding people in the scope of sustainable development. And it was not only the social interest policy issues but also integrating framework was best method to enhance the collaboration working atmosphere of the private organization in Akaki Kality sub city. According to the result of the investigation, there was a very weak integrating trend in this sub city. To elevate or up lift of the passive relationship between private organization and community, sustainable relationship should be irreplaceable contact for the destiny of economic and social development of the community and profit maximization program of the private sector.

All the above factors or findings could not solve in a positive manner if the concerned body forget social accountability and responsibility. This concerned body would have power, skill of coordination, guidance, promotion and policy making and re-examining of investment policy in the study area that could be done by representative, called government

CHAPTER FIVE:

CONCLUSION AND RECOMMENDATION

5.1 Introduction

The main objective of this research was to explore and identify the role and factors that affect the participation of private organization in Akaki Kality sub city, regarding the activities of corporate social responsibility by indicating vital factors based on conceptual model, such as beyond market oriented economy, social interest policy, integrating framework, sustainable relationship and the role of the government. First of all, to address the objective of the investigation, the researcher had exhaustively invested the time to shape the investigation approach, started from the scope and theoretical lenses namely: instrumental theory, ethical theory, integrative theory and stakeholder theory. So that, based on these frameworks, the research had clearly invested on the challenges, problems, weak and very traditional attitudes regarding the participation of private organization in corporate social responsibility in level of local program of the government, and addressed in general aspect in chapter 2. And the analytical interpretation had been made on the theoretical and conceptual model of this research. The three research questions of this investigation were presented as follows, as its pointed in chapter one.

5.2 Conclusion

The investigation explored that the participation of private organizations in Corporate social responsibility interventions in Akaki Kality sub city was sporadic, weak and not self-initiated. Those organizations engaged in corporate social responsibility activities followed more of a welfare approach rather than development approach. A very limited participation of Private Organizations in corporate social responsibility activities in the communities is attributed to factors such as an extreme focus on maximization of profit, thinking that their role mandate is to pay taxes to the government, inadequate promotion by local government to encourage the private companies to engage in development activities, low understandings about CSR by private Companies in Akaki Kality sub city.

5.2.1 Participation of Private organization

The research explored the participation of private organizations in development activities in the study area and identified the following major findings.

The participation of private organizations in corporate social responsibility in Akaki Kality sub city was dominated by extreme market oriented ideology. Many of the private companies (47.5%) had a strong orientation on market oriented economy and existed to maximize their profits. They engaged less in corporate social responsibility. These companies have not yet developed integrating framework for integrating business and addressing social needs of the surrounding communities.

Those private companies that had participation in corporate social responsibility followed the traditional or “charity” approach rather than continuous CSR approach. The private companies engaged in CSR activities when the local government demanded their participation. Private organizations were occupied with the traditional thought of contributing to the development of the society by paying tax to the government, creating job opportunities and thus reducing unemployment. This thought kept the private organizations in passive role in terms of engagement in corporate social responsibility activities in the study area. They did not include budget for social activities in their annual planning which indicates that no attention was given to CSR.

5.2.2 Factors of Affecting POP

Most respondents believed that Weak promotion of local government to engage private organizations in CSR activities was stated as one of the factors that influenced the participation of private organizations in corporate social responsibility in Akaki Kality sub city. The local government has not engaged aggressively and fully in organizing events to encourage, acknowledge, award and follow-up closely the efforts of private companies’ engagement in development activities. But, in the interviewed part some companies managers explained that there was some preliminary or initial trend about local government appreciation in regarding the contribution of PLCs in the sub city.

Policy was mentioned as another factor for PLCs engagement in corporate social responsibility. The Ethiopian government put in place good policies that encourage private companies to invest in order to promote the growth of the country. However, the government has not developed comprehensive guidelines that encourage or enforce private organizations' participation in addressing the social needs of the communities residing in their operation areas. Similarly, only 7.8% of the private companies included participation in corporate social responsibility in their organizational policy whereas many of the private companies did not mention their engagement in CRS as one of their organization's responsibility.

5.2.3 How to enhance the participation of private organizations

Many of the private organizations (52.9%) in Akaki Kality Sub City did not believe in the sustainable relationship between private companies and the community. Sustained relationship between the two parties could be initiated and strengthened if a liaison office is established in the government office to encourage private companies' participation in corporate social responsibility. Consequently, the investigator had concluded that the sustainable relationship between private organization and surrounding people had no place in the mind of many PLCs officials in Akaki Kality sub city. The finding also indicated that there should be a strong relationship between the private organizations and the local communities that serves as a spring board for engagement in mutual benefits. The respondents stressed the significance of having an entity that works on bridging the gap between the private companies and communities and forged best ways of engaging in projects that are mutually beneficial.

The research identified that the private companies in Akaki Kality Sub City had core values. Some of these core values implied about the importance of addressing the social needs of the surrounding communities. If the private companies try to live up to their stated core values, their engagement in corporate social responsibility would be enhanced. Therefore, many respondents understood that private organizations didn't want to involve abundantly and submissively in the activities of corporate social responsibility, by explaining core values in their office in Akaki Kality sub city

Some of the private companies (44.2%) in Akaki Kality Sub City agreed with the notion of mutual benefits where private companies make business and maximize their profits and at the same time address the pertinent needs of the communities in their operation areas. Keeping mutual benefits from both sides are the best method to address the need of business companies and community welfares issues in Akaki Kality sub city at large.

5.3 Recommendation

The researcher recommended the following major points or recommendations based on the findings of the research:

The private companies in the Akaki Kality Sub City need awareness on corporate social responsibility so that they would understand the benefits of engagement in corporate social responsibility. Profit maximization philosophy alone would not lead them to harvest sustainable profit. Therefore, awareness creation activities and experience sharing events should be conducted to help them understand the real essence and significance of corporate social responsibility. Furthermore, one of the tools to promote CSR was creating Curriculum for higher educational institute. Therefore, to spread the concept of CSR for all part of the community, and government has to use the principal institutions by using like universities, colleges, youth centers, elementary and primary school and so on.

Besides, the government should put in place policy that encourage or enforce the participation of private companies in corporate social responsibility. The investigator recommended that the government investment policy was somehow one of an assignment for the government to re-shape, and re-examine in terms of corporate social responsibility, to touch socio economic challenges of the country at large. Off course, the issue of policy making is not only the mandate of government but also the part of private organization in their policy formulation program. Companies should have responsibilities to include the social interest affairs in their business agenda.

In addition, the government and private organizations should establish a liaison office that closely works with private companies on implementation of corporate social responsibility. As the government is the duty bearer, it should mobilize the private organizations to address the

social needs of the communities in which they work. These private companies can alleviate the burdens of the government. Hence, the government should strongly promote the engagement of private companies in corporate social responsibility. Lastly, I recommend extra research exploring the participation of private organization in CSR practices within the domestic and foreign companies in Ethiopia.

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Appendix A. Questionnaires Guide for likert- scale

Addis Ababa University

College of Business and Economics

Department of Public Administration and Development and Management

Master's Program in Public Management and Policy

Research Title: “The Role of Private Organization in corporate social responsibility in Ethiopia”.

Questionnaire to be filled by private organization for Directors/General Managers, Human Resource managers and financial managers who are familiar with and participated in corporate social responsibility in Addis Ababa Akaki Kality Sub-city .

Introduction:

Be grateful! For your readiness, to participate in this study as a respondent. This questionnaire is used to collect data for the Master's research entitled “The Role of Private organization incorporate social responsibility in Ethiopia”. To tell the truth, your knowledge, experiences and opinions will very important and it increases investigation as an input to this thesis. I would confirm you that the information you offer will be used only for the sack of academic research purpose and privacy or confidentiality of the respondent will be keep up throughout the research process. Thank you for your cooperation.

1. Your level of education

Diploma and TEVET

First Degree

Second Degree and above

2. Year of Experience in the private organization in general

5 years and below

6 to 10 years

11 to 15 years

16 to 20 years

21 years and above

3. Your current position _____

4. Main Function of your organization

- Manufacturing Industries for export
- Manufacturing for Import substitution
- Other (Please specify) _____

5. Ownership case of the organization

- The organization owned by domestic investors
- The organization owned by foreign investor
- The organization owned/ run by both

5. Level of the organization

- Biggest/largest P.L.C
- Large P.L.C
- Medium P.L.C

For the following questions, please put (X) mark in the box corresponding to your preferred response

Using the scale below

5: Strongly Agree 4: Agree 3: Undecided 2: Disagree 1: Strongly Disagree

I. Questions for directors and middle managers in the private organization in Akaki Kality Sub-city

7. Beyond market-oriented Economy in Private Organization

N/o	Questions	Scales				
		5	4	3	2	1
1.	Market oriented- economy/free market competition is the first and the basic					
2.	The participation of private organization in Corporate social responsibility in your company is very strong.					
3.	In this organization, directors have good understanding about corporate social responsibility.					
4.	Creating new jobs for unemployment is enough activities to reduce poverty in					

	AkakiKality sub-city.					
5.	The concept of Corporate social responsibility is not known and familiar in your organization till today.					

8. Social Interest Policy:

n/o	Questions	Scales				
		5	4	3	2	1
1.	In your organization the policy of social interest is clearly stated.					
2.	Private organizations have responsibilities to state social interest program in their policy making.					
3.	Your organization could understand the community scarcity regarding social challenges in this sub-city.					
4.	Social interest and profit based economy could not balance in your organization in practically.					
5.	Policy makers, practitioners, and managers of your organization could be included the social issues in their activities.					

9. Integrating frame work:

n/o	Questions	Scales				
		5	4	3	2	1
1	In the company, you have a trend of integrating between the organization& the surrounding people.					
2	The social demands and the business program of the organizations are integrating each other, in this organization.					
3	The organization management has focused to coordinate the social need of the					

	surrounding people by implementing developmental activities.					
4	Social value has an implication to support the process of integration in your organization and local people at least in principle.					
5	Your organization has a tendency to create integrating frame work for the future in Akaki Kality sub-city.					

10. The role of the government:-

n/o	Questions	Scales				
		5	4	3	2	1
1.	One of the roles of the government in Akaki K. sub-city is promotion of Private Organization Participation in Relief & Development.					
2.	The government should make policy about POP in corporate social responsibility, in the case of Social need.					
3.	The local government has to play an important role to enhance the participation of Private Organization in the area.					
4.	The local government has facilitated to upgrade the collaboration developmental relationship between Akaki kality sub-city companies and local communities as well.					
5.	The government has prepared the training, meetings, and group discussion for Private organization that how could understand POs in the concept of CSR and sustainable development in Akaki Kality sub-city.					

11. Sustainable relationship

n/o	Questions	Scales				
		5	4	3	2	1
1.	In your company, the relationship of private organization and community					

	development should be sustained forever.					
2.	Sustainability development is a significant to enhance the relationship of Private Org & community					
3.	The private organization profits maximize and CSR could be sustained in mutual benefits.					
4.	Your company has to be stated the core value or code of conduct to promote CSR in regarding the issues of sustainable relationship between private organization and local community at large.					
5.	In your company, relief and sustainable development are very crucial points to address and overcome the social challenges.					

Thank you for your time and contribution

Appendix B. Interview Guide for Key semi-structured Interviews

Interview Guide for Vital Semi-structured Interviews

Addis Ababa University

College of Business and Economics

Department of Public Administration and Development Management

Master's Program in Public Management and Policy

Research Title: “The Role of private organization in corporate social responsibility in Ethiopia: “extent, affect and enhance”

This Semi-Structured interview prepared for **chief executive officials** who are working in the selected private organization at Akaki kality sub-city.

Interview Date: _____ Time: _____

Location: _____ Organization: _____

Qualification of the interviewee: _____ Year of experience: _____

Current Position: _____ Interviewer: _____

Introduction:

Be grateful! For your readiness to participate in this study as a respondent. This interview is used to collect data for the Master's research entitled “Factors Affecting the participation of Private organization in corporate social responsibility. To tell the truth, your knowledge, experiences and opinions will very important and it increases investigation as an input to this thesis. I would confirm you that the information you offer will be used only for the sack of academic research purpose and privacy or confidentiality of the respondent will be keep up throughout the research process. Thank you for your cooperation.

1. Beyond market-oriented Economy in Private Organization

1.1.To what degree do private organizations in Akaki Kality Sub-city participate in corporate social responsibility activities in general?

1.2.Do you think that your organization has a unique participation in relief in the sub-city regarding school uniform for poor children, educational materials (exercise book, pen, pencil and others)? Or any developmental activities like health development, any infrastructure? _____

2. Integrating frame work:

2.1. What are the factors that affect the participation of private organizations in corporate social responsibility interventions? What are the integrating points b/n companies and community? In terms of challenges or any difficulties?

2.2. What is the challenge to discourage about the enhancement of the relationship between your company and the local community, in terms of integrating?

3. Social Interest Policy:

3.1. How can the participation of private organizations in corporate social responsibility activities be upgraded in your organization? Regarding government policy or private sector policy?

3.2. Do you think that a Social interest policy could reduce the challenges of the participation of private organization in Akaki Kality sub-city? In terms of policy makers? Practitioners and managers?

4. The role of the government:

4.1. What should be the specific role of the government to reduce challenges of participation of private organization in corporate social responsibility?

4.2. Do you think that the government should make policy in terms of social interest? How?

5. Sustainable relationship:

5.1. How can be sustained the relationship between your organization and the surrounding community? _____

5.2. Could you think that a sustainable development concept has a power to continue the relationship between companies and local communities? If yes, explain the reason how? _____

6. Do factors affect the participation of private organization in corporate social responsibility in Akakai Kality sub city? If you say yes or agree, explain it? If you say no or disagree, explain it?

Thank you for your time and contribution

Appendix C. How Chi Square Tests were calculated

Inferential statistics

Inferential statistics is statistical method deals with making inference or conclusion about population based on data obtained from a limited number of observations that come from the population. The most appropriate method is chi-square test.

Chi-square test of association

Pearson Chi-Square statistic involves the squared difference between the observed and the expected frequencies.

Table 4.7.20. Chi-square test of association between dependent and independent variables.

Pearson Chi-Square Tests		
		factors that affect private organization in corporate social responsibility
Overcome social challenges	Chi-square	126.722
	df	4
	Sig.	.000 [*]
Code of conduct	Chi-square	141.624
	df	4
	Sig.	.000 ^{*,b}
Organization and community development	Chi-square	190.746
	df	4
	Sig.	.000 [*]

Government training	Chi-square	207.617
	df	4
	Sig.	.000 ^{*,b}
Local government facilitated	Chi-square	129.361
	df	4
	Sig.	.000 ^{*,b}
Local government participation	Chi-square	209.003
	df	4
	Sig.	.000 [*]
Policy of the government	Chi-square	208.966
	df	4
	Sig.	.000 [*]
Promotion of the government	Chi-square	174.911
	df	4
	Sig.	.000 ^{*,b}
Government and social need	Chi-square	208.189
	df	4
	Sig.	.000 [*]
Future integrating	Chi-square	146.576
	df	4

	Sig.	.000 [*]
Social values	Chi-square	171.407
	df	4
	Sig.	.000 ^{*,b}
Social demands and business program	Chi-square	195.345
	df	4
	Sig.	.000 ^{*,b}
Trend of integrating	Chi-square	138.083
	df	4
	Sig.	.000 ^{*,b}
Social interest and profit	Chi-square	188.666
	df	4
	Sig.	.000 [*]
Understanding of community scarcity	Chi-square	151.853
	df	4
	Sig.	.000 ^{*,b}
Private organization responsibility	Chi-square	192.466
	df	4
	Sig.	.000 ^{*,b}
Csr is not familiar in	Chi-square	146.539

your organization till today	df	4
	Sig.	.000*
Creating new job for unemployment	Chi-square	153.638
	df	4
	Sig.	.000 ^{*,b}
level organization	Chi-square	141.229
	df	3
	Sig.	.000 ^{*,b,c}
Ownership case the organization	Chi-square	12.459
	df	2
	Sig.	.002 ^{*,b}
Main function of your organization	Chi-square	194.892
	df	2
	Sig.	.000*
current position	Chi-square	152.287
	df	2
	Sig.	.000*
Level of education	Chi-square	201.935
	df	2
	Sig.	.000*

Results are based on nonempty rows and columns in each innermost suitable.

*. The Chi-square statistic is significant at the .05 level.

b. More than 20% of cells in this sub table have expected cell counts less than 5. Chi-square results may be invalid.

c. The minimum expected cell count in this sub table is less than one. Chi-square results may be invalid.

From table above significance value for the variables level of education has less than alpha level of significance ($\tilde{\alpha} < 0.05$). Therefore it conclude that there was a significant association between participation of private organization in corporate social responsibility and level of education.

So level education has significant effect on participation of private organization in corporate social responsibility.

Similarly, current position has less than alpha level of education. Concluded that there was a significant association between participation of private organization in corporate social responsibility and current position. So current position has effect on participation of private organization in corporate social responsibility.

In Similarly way the significance value for the variables Main function of your organization, Ownership case the organization, level organization, creating new job for unemployment, CSR is not familiar in your organization till today, Private organization responsibility, Understanding of community scarcity, Social interest and profit, Trend of integrating ,Social demands and business program Social values, Future integrating, Government and social need ,Promotion of the government Policy of the government, Local government participation, Local government facilitated, Government training Organization and community development, Code of conduct, Overcome social challenges have less than alpha level of significance ($\tilde{\alpha} < 0.05$). Concluded that the variables above were significant association with participation of private organization in corporate social responsibility.