



ADDIS ABABA UNIVERSITY
School of Journalism and Communication

**A Comparative Study on the Practice of Corporate Social
Responsibility of Two Ethiopian Public Enterprises: Ethio
telecom and Commercial Bank of Ethiopia**

By

Fassil Tezera

**A Thesis Submitted to School of Journalism and communication of Addis
Ababa University in Partial Fulfillment of the Requirements for the master's
degree in journalism and Communication (Specialization in Strategic
Communication and Public Relations)**

Addis Ababa, Ethiopia

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Advisor: Mekuria Mekasha (Assistance Professor)

Addis Ababa, Ethiopia

January, 2021

Declaration

I, the undersigned, declare that this thesis is my original work and all the sources of materials used for the thesis have been accordingly acknowledged.

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This is to certify that the thesis prepared by Fasil Tezera, entitled “**A Comparative Study on the Practice of Corporate Social Responsibility of Two Ethiopian Public Enterprises: Ethio telecom and Commercial Bank of Ethiopia**” and submitted in partial fulfillment of the requirements for the Degree of Master of Arts in Journalism and Communication (Specialization in Strategic Communication and Public Relations) complies with the regulations of the University and notes the accepted standards with respect to originality and quality.

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Chair of Department or Graduate Program Coordinator

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Acronyms

CBE: Commercial Bank of Ethiopia

CSR: Corporate Social Responsibility

PEHAA: Public Enterprises Holding and Administration Agency

PR: Public Relations

TBL: Triple Bottom Line

UN: United Nations

Abstract

This study focused on a comparative study on the practice of corporate social responsibility (CSR) of two Ethiopian public Enterprises: The Case of Ethio telecom and Commercial Bank of Ethiopia. The main objective of the study is, therefore, to assess the corporate social responsibility practice in Ethiopian public Enterprises, specifically at Ethio telecom and Commercial Bank of Ethiopia (CBE). Kinds of CSR activities being implemented by these two organizations, understanding of public relation practitioners regarding CSR concepts in these two organizations, and their practice to integrate CSR to the core activities of their organizations are the specific objectives of the study. To this end, a mixed-method triangulation design was used to carry out this study in which quantitative and qualitative data were processed concurrently. A cross-sectional institution-based survey study design was employed to collect data from 62 respondents (31 from each organization). Besides, key informant interviews with CSR and Communication heads of the two organizations as well as heads and representatives of selective stakeholders were conducted. Relevant secondary documents were reviewed and synthesized on the report. The validity and reliability test are conducted using Cronbach's alpha and Pearson correlation test, respectively. The alpha coefficient for the Likert scale items is 0.719 which is good (greater than 0.7) while the Pearson correlation result showed that a Pearson correlation value greater than 0.5. And hence the Likert scale data are validity and reliability. The finding indicated that both Ethio telecom and Commercial Bank of Ethiopia are practicing the concepts of CSR as part of their public relations and strategic communication activities. However, as compared with Commercial Bank of Ethiopia, and in many parameters, the researcher founded that Ethio telecom used CSR more as part of its core activities to build and maintain its relationship with the society. It had been also engaged in variety of CSR initiatives. The research also recommended both organizations to incorporate inclusiveness and fairness issues into their CSR initiatives to address the marginalized parts of the society, including disabled people. Otherwise, these will have adverse effects on the image and reputation of the organizations. In addition to this, as both are operating throughout the country, they should also conduct CSR activities fairly in all regional governments. As the findings indicated, both companies had been focusing their CSR initiatives mainly in Addis and working together with the Federal government system. Moreover, the researcher recommended Ethio telecom to focus more on CSR projects than managing routine sponsorship and philanthropic related CSR activities. In this regard, the research finding indicated that CBE is found in a better position to engage in major social development activities which can create a sustainable and long-lasting corporate brand and reputation.

Key Words: Corporate Social Responsibility, Public Relations, Stakeholders, Ethio telecom, Commercial Bank of Ethiopia

CHAPTER ONE: INTRODUCTION

1.1. Background

Sometimes, organizations and people considered both Public Relations (hereafter PR) and Corporate Social Responsibility (hereafter CSR) are completely different concepts. They might be right if they take only the earliest functions and definitions of both disciplines. But through time, as the nature of organizations and society has been changing, the definitions and roles of PR and CSR are also evolved. Nowadays, both are similar in purpose and functions. As Daugherty describes, the public relations practice has evolved greatly from its early beginnings of press agency (only providing information to media people). However, the practice recently focuses on the development of a strong relationship, consensus building, and socially responsible behavior (Daugherty, 2001).

Cutlip and his colleagues have also defined PR as “The management function that establishes and maintains mutually beneficiary relationships between an organization and the publics on whom its success or failure depends.” (Cutlip et al. 1994). In this sense, creating mutual understanding and relationship needs dialog and communication. PR is a distinctive management function that helps to establish and maintain mutual lines of communication, understanding, acceptance, and cooperation between an organization and its publics (Edward, 1988). Therefore, as a management function, it requires basic aspects of management such as planning, organizing, directing, controlling activities, resources, and actions.

Gruning (2001) describes the role of public relations in an organization. It increases organizational effectiveness when it builds long-term relationships of trust and understanding with strategic publics of the organization- those that affect or affected by the organization as it identifies and pursues its mission. The same is true for CSR. It evolves different developments and definitions. CSR can be defined as how an organization pursues to align its core values and behavior with those of its various stakeholders, including employees, customers, suppliers, government, interest groups (such as environmental groups), and wider societal interests on whom the operations of the business may have an impact (Christine, 2009)

If we look at all the above definitions, the goal and objectives of PR and CSR, are almost the same. That is creating a relationship and mutual understanding between an organization and stakeholders

or the public in general. PR is concerned with bringing about the best adjustment of expectations between business and the public. Corporate social responsibility is one of the prime areas of PR activity (Edward, 1988).

Clark (2000) describes the relationship between PR and CSR as the two faces of the same coin. Both concepts work to improve the relationship between an organization and society. As a profession, one of the roles of PR practitioners is scanning the political, social, and economic environments of an organization, and building and maintaining mutual understanding and relationship with the society (environment). On the other hand, PR practitioners explore the political, social, and economic environment and monitor potential opportunities and treat to develop CSR programs and to communicate CSR information to the public and establish a relationship with the society. She added that both CSR activities and PR tactics strengthen the relationship between the organization and its publics (Clark, 2000).

Now adays, globalization, climate change, demographic movements and the ever evolving and demanding nature of society have been influencing the nature of organizations and their communication practice (Miller, 2012). Society and environment are the source of resource and marketplace for an organization. But getting social legitimacy is becoming a very important issue for an organization to operate and survive on the environment (society). Thus, organizations are expected to contribute a lot for the society and environment to get the social license (legitimacy). On the other hand, both society and an organization have mutual interest and relationship. Due to these factors the conventional Public relation functions of organizations transformed from providing informing (one way) to creating and maintaining of mutual understanding and relationship between an organization and its publics (two way). Thus, Corporate Social Responsibility is emerged as a new Public relations function (Cronelissen, 2014).

According to scholars the ultimate objectives of both PR and CSR are the same: creating and maintain mutual understanding and relationship between an organization and society. CSR is taken as one of the functions of PR as the former encompasses major components of the later tools and tactics such as scanning and monitoring of the environment, creating relationship as well as communicating of activities (CSR programs and achievements). However, the concepts of CSR among Ethiopian PR practitioners are not well understood. If at all, it has been mainly exercised to some extent by Multi-National Corporations (MNCs) and Non-Governmental Organizations

(Kassaye, 2016). Even though the concept has been exercised in multinational organizations to some extent, all types of CSR activities are not fully implementing. For example, Heineken Ethiopia, a brewery company, is doing some CSR initiatives. However, the company lacks to motivate and engage employees to be part of the company's CSR initiatives (Henok, 2019). Moreover, the role of public relations practitioners of a company in line with the implementation of CSR activities is not visible in his study.

Apart from NGOs and Multinational Companies, the practice of CSR in public and private businesses in Ethiopia is not well known. One of the main problems is the lack of national law and comprehensive policies on CSR that can govern and regulate all types of organizations in the country (Kasaye, 2018). In 2018, the government of Ethiopia through the Public Enterprises Holding and Administration Agency (PEHAA), ratified a directive on how public enterprises should manage Corporate Social Responsibilities (PEHAA Directive, 2018). The directive enforces all public enterprises to implement the concepts of CSR uniformly. The agency is mandated to supervise the governance and management of more than 22 public enterprises, including Ethio telecom and Commercial Bank of Ethiopia (CBE). The directive states that in parallel to achieve their main organizational goals, public enterprises shall manage CSR activities as one of their main duties and responsibilities. This helps public enterprises to build and maintain a strong relationship with society and to get assurance for their existence (Ibid, 2018). This denotes the notion of "license to operate" or social acceptance. Socially responsible companies are expected to integrate economic, social, and environmental concerns into their business strategies and their activities, going beyond compliance with the law. This will enable them to be more acceptable by society and minimize the challenges which they might face from the environment (Christine, 2009)

The directive argues that internationally, organizations that are known for their good CSR practices are considered as a symbol of reputable and responsive organizations that are implementing fair and equitable working systems. To this extent, the study will examine how CSR is managed in Ethiopian Public enterprises, specifically in Ethio telecom and Commercial Bank of Ethiopia (CBE) in comparison. At the same time, the research will also comparatively explore the perception and roles of Communication and Public relations practitioners working in these two public enterprises.

Ethio telecom is the sole telecom service provider in Ethiopia. The state-owned monopole telecom company is believed to be one of the oldest Ethiopian government institutions and passed through different organizational changes and challenges throughout its history. The service was believed to be commenced for the first time in Ethiopia by Empower Menelik II in 1890 at his palace in Addis Ababa (Ethio telecom, 2016/17). However, some arguing that the service was first launched at Ankober, Menillik's first palace before he moved it into Addis Ababa. Terefe Raswork, a retired senior manager of Ethio telecom and innovator of the first Amharic Teleprinter, is one of the advocates of this argument. Tefera, in his book, stated that the telephone service was first launched in 1883 at Ankober, Menillik's first palace (Terefe, 2019). However, whether it was at Ankober or Addis Ababa the service had been confined only in the palace and there was not any institution established to manage the service as a business. But later it was believed to be institutionalized for the first time when the first long line telephone cables were installed from Addis to Harrar alongside the first railway construction in 1894. And this marked the establishment of the company. Since then, the company has been restructured and renamed several times in different government systems of the country (Ethio telecom, 2019). Accordingly, on December 21, 2010, the former Ethiopian Telecommunication Corporation (ETC) was transformed to the newly born Ethio Telecom as per the council of ministers regulation No.197/2010 with the ambition of the Ethiopian government to transform the old aged telecom industry to new excellence and to support the steady growth of the country with state-of-the-art Information Communication Technology infrastructure and service (Ethio telecom website)

As per the company's midterm budget year performance report (Jan.2020), Ethio telecom has a total of over 45.6 million customers subscribed for voice, data, and internet services. It has more than 16,000 permanent and 19,000 non-permanent employees. In this first half budget year, the company has earned ETB 16.7 billion. During this period the company announced that over 151.5 Million birr is disbursed for CSR activities. The company has also 181 thousand partners who distribute its products and services, and created job and income opportunities for over 240 thousand citizens (Ibid)

The history of the Commercial Bank of Ethiopia (CBE) dates to the establishment of the State Bank of Ethiopia in 1942. But CBE was legally established as a share company in 1963. In 1974,

CBE merged with the privately-owned Addis Ababa Bank. Since then, it has been playing significant roles in the development of the country (CBE website)

CBE is the pioneer to introduce modern banking to the country. It has more than 1456 branches stretched across the country. CBE plays a catalytic role in the economic progress and development of the country. It has more than 34,879 permanent employees. It has a strong correspondent relationship with more than 50 renowned foreign banks and has a SWIFT bilateral arrangement with more than 700 other banks across the world. The Commercial Bank of Ethiopia (CBE) has earned a gross profit of 17.9 billion birr in the 2018/19 budget year (CBE website)

The Commercial Bank of Ethiopia (CBE) has won the 2019 Global Business Outlook Award for Best Commercial Bank in Africa. According to CBE's information posted on its website, the bank has been chosen as the best commercial bank for its continuous profitability, speedy expansion, a significant increase in the number of customers, ability to finance development projects, and fulfill its social responsibility. This global award is the first-ever award in the bank's history (Ibid).

Even though, both Ethio telecom and CBE are known in their PR and Communication activities for long time, there are still different criticisms among the society on the implementation of their CSR activities. Therefore, the researcher triggered to assess how both companies had been managing CSR as part of their core PR and communication activities.

1.2. Statement of the Problem

As compared to the other world, CSR practice in Africa in general and in Ethiopia, in particular, is a little bit new phenomenon. According to Helg (2007), since it is a newly emerging phenomenon, there seems to have a problem both in perception as well as in practice.

Being one of the least developed country, the concept of CSR is in its initial stages in Ethiopia, specifically, the application of CSR has not evolved from the confines of philanthropy to an issue encompassing social and economic implications (Minilik, 2018). Organizations in Ethiopia are striving for implementing interventions to ensure corporate social responsibilities mainly based on their will. However, there is no any policy frame work for CSR practice that will encourage organization to implement CSR activities consistently. Some of them implement CSR based on others request and some others have properly planned and budgeted CSR activities. And hence the implementation of CSR in Ethiopia is not uniform. According to Fentaye, lack of national law and

comprehensive policies on CSR that can govern and regulates all types of organizations is also another problem for the poor practical development level of CSR in Ethiopia (Fentaye, 2018).

The level of CSR practice in Ethiopia is not well known due to the lack of empirical studies. In fact, there are few studies indicated that recently the concepts of CSR are being exercised in some NGO's, private and multi-national business companies (Berhan, 2018). On the contrary, among public enterprises of Ethiopia, both Ethio telecom and CBE have long experience in managing of CSR issue as part of their PR and Communication activities. However, the practice and level of understanding about CSR in Ethiopian public enterprises, in general and particularly in Ethio telecom and CBE are not well studied.

Recently, the Ethiopia Public Enterprises Holding and Administration Agency (EPHAA) has endorsed and circulated a directive which urged all public enterprises to engage in CSR activities. This can be seen as a good move towards the implementation of CSR practices across all public enterprises uniformly. Nevertheless, there is no found any study on what kind of CSR activities have been implemented in any public enterprises following from the endorsement of the directive. The agency has never also conducted any assessment so far about the implementation of the directive. Moreover, PR and CSR professionals who have been working in any type of organization in Ethiopia and their relationship with CSR programs are remain largely unstudied. Therefore, among public enterprises, the researcher assessed what kinds of CSR activists being implemented in Ethio telecom and Commercial Bank of Ethiopia (CBE) and how they implemented CSR initiatives in line with the directive of the agency as well as kinds of literature, models, and theories of CSR. Besides the researcher assessed how much PR and CSR practitioners of the respective organizations understand some of the concepts of CSR issue.

1.3. Objective of the study

1.3.1 General Objective

The main objective of this study is to assess the corporate social responsibility practice in Ethiopian Public Enterprises, specifically at Ethio telecom and Commercial Bank of Ethiopia (CBE).

1.3.2 Specific Objectives

The study has the following specific objectives:

1. To assess types of CSR activities being implemented at Ethio telecom and Commercial Bank of Ethiopian
2. To examine how Public Relations and CSR practitioners of respective organizations understand CSR concepts.
3. To examine how CSR activities are integrated into the core communication activities of respective companies.
4. To explore the implementation of the CSR directive (No.004/2018) which was drafted and ratified by the Public Enterprises Holding and Administration Agency (PEHAA) in the target companies.

1.4. Research Questions

The study aims to answer the following research questions:

- What kinds of CSR activities being implemented at Ethio telecom and Commercial Bank of Ethiopia (CBE)?
- How Public Relations and CSR practitioners of respective organizations understand CSR concepts?
- How are CSR activities integrated into the core communication activities of respective companies?
- How do the respective companies implement the CSR directive (No.004/2011) which was drafted and ratified by Public Enterprises holding and Administration Agency?

1.5. Significance of the study

The finding of this study will serve both Ethio telecom and Commercial bank of Ethiopia (CBE) to review their CSR initiatives in line with the latest pieces of literature, CSR pyramid model, and theoretical Frameworks, especially to the Triple Bottom-line theory of CSR. Furthermore, it will be taken as a baseline for other Public Enterprises to implement and improve their CSR practices. Thirdly, the study helps the Ethiopian Public Enterprises Holding and Administration Agency to see the outcomes of its directive (No. 004/2018) in relation with CSR practices and to revise

and/strengthening its monitoring and supervisory role in all Public Enterprises towards the full implementation of CSR activities. And finally, the research will be useful to other researchers as reference material while conducting further studies on similar topics.

1.6. Scope of the Study

This research is limited to the practice of corporate social responsibility in Ethio telecom and Commercial Bank of Ethiopia as a comparative study. In terms of geography, the study is limited to their head office which is found in Addis. The study was also focused on staff who have roles and responsibilities on public relations and corporate social responsibility activities of the two organizations.

1.7. Limitations of the Study

Due to the lockdown in many organizations because of the COVID- 19 (Coronal virus) pandemic happened during the research time, the researcher was not able to incorporate many stakeholders and CSR beneficiaries of the two organizations.

Most of the time, the researcher used virtual data collection mechanisms to conduct key informant interviews. In addition to avoid paper contamination during COVID 19, the researcher designed online survey tool for PR and CSR practitioners of respective companies to fill the survey.

1.8. Organization of the thesis

The research paper is organized in to five chapters. The first chapter is the introductory part which consists background of the study, statement of the problem, research questions, objectives of the study, scope of the study, and significance of the study. The Second Chapter is about related literature reviews. The third chapter consists of research designs and methodology, population and sampling technique, types of data collected, methods of data collection, and data analysis. The fourth chapter focuses on the presentation, analysis, and interpretation of the data. The fifth chapter deals with conclusion and recommendation based on data collected and analyzed. Study tools that are used in the research and reference are annexed at the end.

CHAPTER TWO: LITERATURE REVIEW

2.1. Definition and Evolution of Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) has passed constantly through different evolutions and definitions for many decades. This has been happening due to the ever-growing nature of society and interest groups (activists) demand and expectation for new and better engagement and supports from organizations. The competitive environment, organizations desire for high operations performance, type of stakeholders and their interest, and government regulations enforce codes of operation are also other factors to redefine the concept frequently (Daugherty,2001). Hence, so far there is no agreed point to give a single definition for CSR.

Some argued that CSR in business had been emerging after the first world war. But most scholars are agreed that it had been more evolving after the II World War (Idowu & Schmidpeter, 2015). Initially, the term “Corporate Social Responsibility” had been mostly used in Economics, Business and Management fields and associated mainly about responsibility toward the needs and interest of owners or shareholders of business firms (Friedman 1962, 1970). As of 1950s, especially in the US and most capitalist countries, business firms were no longer owned by individual persons or their families. Firms were being owned by many shareholders and managed by employed professionals. Thus, the management and employees were expected to be “socially” responsible to the owners or shareholders (Camilleri, 2017).

According to Friedman (1970), maximizing profit was the sole aim of business. Since businessmen or executives are employees of the business firm, they were expected to be accountable and responsible to maintain the interest of shareholders (owners), Ultimately, it is known that the need and interest of shareholders from their firm is only to gain profit. This implies social issues (concerns for the society) are not the concern of shareholders or owners. Friedman also believed that social problems in accordance with organizations will be resolved within the free market system. Friedman further argued that, using corporate resources to solve non-business “social” problems is immoral. And those organizational leaders and management who are doing this are stealing the wealth of shareholders. If shareholders want to use their resources to solve or support social issues, let them to do by themselves privately out of their business (Friedman,1970)

Later the term, CSR, had been redefined and translated from ‘‘Shareholders’’ to ‘‘Stakeholders’’ concept and subsequently the ‘‘stakeholders’’ theory was developed (Marisol, 2014). According to this theory, Stakeholders include employees, customers, suppliers, stockholders, banks, environmentalists, government, and other groups who can help or hurt the organization (Freeman, 1984). From this perspective and definition an organization should responsible not only for its shareholders but also for all stakeholders. Freeman (1984) also defined stakeholder as any group or individual who can affect or is affected by the activity of an organization.

Following from the stakeholders approach, the term CSR redefined further by scholars to cover the wider concepts of ‘society’. Accordingly, Carroll (1979 & 1991), defined CSR a means of corporations to fulfil the expectations of society. This includes the economic, legal, ethical, and discretionary (philanthropic) expectations that society expected from organizations. This four-part definition of Carroll puts the economic and legal expectations of business in context by linking them to more socially oriented concerns such as ethical responsibilities and philanthropic responsibilities (Carroll 2017).

Based on his four- part definition, Carroll (1991) illustrated CSR model in the form of pyramid, which starts with economic responsibilities in the bottom, followed by legal responsibilities, ethical responsibilities, and the responsibility to be a good corporate citizen (philanthropic responsibility) on the apex. Accordingly, economic responsibilities are the foundation for others. According to this model, a business organization has responsibility to be profitable. Because it is the fundamental condition or requirement of existence. Moreover, a corporation must obey the laws, regulations, and standards of the environment that they operate and be ethical by being fair and avoiding harm. Corporation must be a good corporate citizen by contributing resource to the community and improving the quality of life (Carroll 1991).

The above definition given by Carroll is the most agreed and frequently used concept by many scholars until now. However, others are still argued that an organization’s legal obligations or governmental expectations, like paying taxes and dividends should not be considered as part of CSR. Rather these are mandatory obligations laid on any organization to operate in the environment. Therefore, Chapple & Moon (2005, P 416) further define CSR as: ‘‘the social

involvement, responsiveness, and accountability of businesses apart from their core profit activities and beyond the requirements of the law and what is otherwise required by government”

According to the green paper (European Commission, 2001) definition, CSR is the activities, programs, and interactions of organizations in line with social and environmental concerns alongside their core business objectives and the interaction with their stakeholders on a voluntary basis. This refers to the organizations' willingness to support the society and protect the environment as part of their core business activities. But it does not mean their legal obligation to protect the environment and contribute to development is overridden. The social obligation of organizations in CSR is quite different from the conventional legal obligation. Fulfilling social responsibility refers not only to fulfilling legal expectations, but also to going beyond compliance and investing 'more' into human capital, the environment, and the relations with stakeholders (European Commission, 2001)

The United Nations (UN) has also an initiative known as “Global Compact”. This initiative is believed to be the world’s largest corporate sustainability or Corporate Social Responsibility initiative. The aim of the initiative is “to call companies to align their strategies and operations with universal principles on human rights, labor, environment and anti-corruption, and take actions that advance societal goals” (UN website). According to UN, this initiative has two major missions. The first one is, it supports companies to do business responsibly by aligning their strategies and operations with ten principles which are derived from the above mentioned four universal principles. And second, to take strategic actions to advance broader societal goals, such as the UN Sustainable Development Goals, with an emphasis on collaboration and innovation (ibid). But later the UN Sustainable Development Goals (SDGs) which consists of 17 goals and adopted by world leaders in September 2015 UN annual summit is becoming more dominant and widely exercised initiative as compared with the Global Compact. In fact, the ten principles of the Global Compact initiative are also incorporated in the sustainable development goals. The ultimate objectives of the UN Sustainable Development Goals (SDGs) are to end all forms of poverty, fight inequalities, and tackle climate changes all over the world until 2030.

Back to the definition, CSR is also defined as a license for an organization granted from the society to operate in the environment. This license is also different from the conventional legal license

which it granted from the government agency to operate. Consequently, this social license is not granted based on its profit or dividends alone (the obligation to pay taxes and fulfilling other governmental requirements). Rather, it is an institutional legitimacy granted by the society based on its further commitment (Cornelissen, 2014)

Furthermore, others also defined CSR as the activity, program and initiatives taken by organizations to support other organizations and/or individuals in indifferent forms and activities including humanitarian, medical and social cases, environmental causes, cultural and heritage protection, philanthropic activities and event related initiatives (Camilleri, 2017). This definition encompasses some of the CSR activities managed by organizations with different naming. Nowadays the concept has been covering lots of organizational activities using different naming and initiatives such as Philanthropy, Corporate Citizenship, Employee relation or engagement, Corporate governance, Corporate Social responsibility, Corporate Social Performance, Corporate Sustainability, the Triple Bottom Line, Community Relation...etc. Recently, a new term: Creating Shared Value (CSV) is also used and involved into the debating of the definitions on CSR. CSV refers to companies generating economic value in a way that produces value for society (Carroll 2017).

The ultimate goal of each of these concepts is more or less the same; to broaden the social obligations of the firm more than its financial considerations (Parmar et al. 2010). People and organizations used all the above terms as synonyms for CSR and used interchangeably. For others, they represent similar but differ in expressions. Hence, a careful inspection of each is needed to understand the user's intent (Carroll, 2017).

There had been also other criticisms on the term "Corporate" instead of using "organization", "Business" or "company". Freeman (2010) argued that as compared to other types of organizations, corporations have large size and better success. And their shareholding pattern and nature can shoulder the responsibilities better than smaller business do. That means corporations have also greater resources to shoulder society's burden. But the argument based on the size and level of resource would lead to another criticism as if other type of organizations (eg. NGOs) can't able to manage CSR initiatives. In the context of the present study, indeed as defined in many

literatures, the word ‘‘corporate’’ in CSR incorporates all types of organizations and generalize all kinds of social responsibility activities undertaken in any organization.

The argument on the definition of the concept and its components may also continue in the future if the change in society and organizations will continue. However, it is more recommended to use the generic term, CSR, for this study as it can also incorporate other specific terminologies. Moreover, the term is now very familiar in many organizations and literatures.

2.2. CSR Practices in Ethiopia

Studies shows that the notion of CSR in Sub-Saharan African nations, including Ethiopia, is still in its infancy stage. In this part of the world, the application of CSR is viewed as corporate charity or philanthropic initiatives that aims just to solve socio-economic challenges temporarily rather than in a sustainable manner. These initiatives are usually promoted by non-governmental organizations which have a strong social and environmental impact on local communities. However, the role of other local private and public enterprises are not visible too much (Fentaye, 2018).

Next to Non- Governmental organizations, the notion of CSR in Ethiopia is practiced to some extent in Multi- national companies. For example, as Henok (2019) assessed the practice in Heineken brewery, the company is exercising to implement the economic, legal, ethical, and philanthropic dimensions of CSR. Besides, CSR is strategically used to create competitive advantage and meet the company’s economic responsibilities. However, the company lacks engagement and communication with its employees on CSR initiatives (Henok 2019). Berihun (2019) also finds out that, though the company took part in some philanthropic CSR activities, its CSR approach was short term and reactive instead of being proactive. Hence, he recommends that Heineken should modify and customize its global CSR strategy into local contexts to solve local problems. And the company needs to make improvement in its CSR initiatives to contribute and empower the community to address their environmental and social concerns.

Lack of scientific studies and reports are also another problem to understand the level and practices of CSR in Ethiopia (Matias, 2016). As far as the knowledge of the researcher, only few studies are conducted to access the practice of CSR in Ethiopia, including those mentioned in this sub chapter.

However, almost all of them are done on Non-governmental and multinational organizations. The level and understanding of researchers towards the concept of CSR as well as the methodologies used for the studies may also be inappropriate. On the other hand, the level of understanding, exposure and experience of organizations and their stakeholders towards the concept, expectations and practices of CSR matter also determine the quality of the research findings. The above-mentioned research (Henok,2019 & Berihun, 2019) which were conducted on Heineken Ethiopia brewery company can be good examples. The two studies came up with inconsistent findings on the same company's practice assessed at the same period. This may also indicate that there is lack of comprehensive study on CSR practice in Ethiopia.

Compare to the above two types of organizations (NGOs and Multi-national companies), the level of CSR practice in Ethiopian Public Enterprises and other local private business companies is not well understood. One of the main problems for the poor practice of CSR initiatives in Ethiopia is lack of national law and comprehensive policies on CSR that can govern and regulate all types of organizations in the country (Henok, 2019). In fact, some of the concepts of CSR are reflected to some extent on the national constitution, environmental policy, labor law, trade, and investment policies of the country. But all these documents describe the concept in generic form and the main priorities of existing proclamation, regulation, and policies regarding the responsibilities of organizations in Ethiopia are investment, output (Service or Product), employment creation, healthcare, education, income and exports. For the Ethiopian government, responsible business is in the first place that contributes to the growth and survival (Fentaye 2018). However, currently, only those expectations are not enough to meet the need and interest of the society.

Nowadays, the consciousness and demand of the society in Ethiopia is growing faster than ever before. The local communities are also reflecting their opinions towards organizations' social responsibilities in different forms. For example, during the chaos which occurred in most parts of the country in 2017/18, especially in Oromia and Amhara regions, lots of organizations were facing serious problems from the local communities. Companies and their properties were burned, destroyed or looted. Just to mention some of the companies which were facing serious criticisms and problems by the time were, most flower farms which are found around East Shoa Zone, Dangote Cement factory, MIDROC Lege Dembie gold mining...etc. Some of the blames reflected from the local communities, specially through the social media, for the mistreatment of employees,

misuses of natural resources, polluting of the environment, and unable to create enough job opportunities for the local communities.

Following such incidents, companies have been taking some measures to accommodate the demand of the local communities. Both the Federal and regional governments have also been taking some measures on companies, in parallel with their law-and-order enforcements, duties and responsibilities. One of the initiatives taken by the government was imposing and urging organizations to take some corrective measures to build and maintain mutual understanding and relationship with their surrounding local communities. For example, most cement factories which are found in Oromia were extracting raw materials either directly by themselves or through outsourced companies. But after the chaos, the government was urging companies to engage the local communities more in their value chain systems. Subsequently, companies have been creating good opportunists of local communities. Especially youth groups organized in small and medium enterprises have been enjoying a lot in different value chain systems such as supplying of valuable raw materials as well as managing packaging and loading activities. Some companies have been also taking additional CSR initiatives to support the local communities in philanthropic activities such as construction of access roads, health care centers, schools, drilling wells for clean water services.

This could be a good initiative by both the government and organizations to calm down the recent tensions. However, lack of comprehensive laws and policies on CSR is still a problem in Ethiopia. Minilik (2018) assessed what policy makers in Ethiopia should do with regards to formulation and overall understanding of CSR policies and regulations. His findings showed that first, there is still a gap on the role of the policy making sector, absence of consensus on what CSR constitutes, and the dilemma on whether CSR laws to be mandatory or voluntary.

In the late 2018, the Federal Democratic Republic of Ethiopia (FDRE) Public Enterprises Holding and Administration Agency (PEHAA) has enacted a directive (No. 004/2018) on how public enterprises should manage Corporate Social Responsibilities. This could be a big initiative taken by the government. But this directive cannot govern all type of organizations. The Public Enterprises Holding and Administration Agency is established in accordance with Article 32 (15) of the definition of Powers and Duties of the Executive Organs of the FDRE Proclamation

No.1097/2018 and in accordance with Regulation No. 445/2018. One of the main duties and responsibilities of the agency is to supervise the governance and management of Public Enterprises. It also aims at developing modern corporate governance and corporate finance system that make Public Enterprises effective, competitive, and profitable and assure its implementation (PEHAA website).

Accordingly, the agency has been supervising, about 22 Ethiopian government owned corporations, including mega companies such as Ethio telecom, Ethiopian Airlines Group, Ethiopian Shipping lines and logistics enterprise, Ethiopian Insurance Corporation, Ethiopian Construction Works corporation, Commercial Bank of Ethiopia, Metal and Engineering Corporation, Ethiopian Sugar Corporation...etc. The directive aims to enable Ethiopian public enterprises to implement internationally acceptable CSR practices and principles as well as to standardize the CSR guidelines across all public enterprises (PEHAA, 2018). According to article three of the directives, Public enterprises are expected to take CSR initiatives to support Social, Economic and Environmental concerns. They are also expected to align their CSR initiatives with the Sustainable Development Goals (SDGs) which are endorsed by the UN assembly in 2015.

Therefore, the purpose of this study is to assess how Ethio telecom and Commercial Bank of Ethiopia (CBE) have been managing CSR initiatives in accordance with the directive as well as the principle, theoretical frameworks and models of CSR. The assessment also incorporates how public relation and CSR practitioners of respective companies understand and manage CSR concepts and activities.

2.3. Theoretical Frameworks

2.3.1 Stakeholders Theory

Stakeholders theory is the most widely used theory by scholars to understand and define the concept of CSR. The notion of stakeholders in organizational management is first developed by Freeman. According to him (1984), stakeholders are individuals or groups who have stake or role and that can affect or be affected by the organization's operational activities. Hence, they can be customers, employees, investors, government officials, the local community, suppliers, environmentalists, media, competitors, consumer advocates, unions, trade associations, and

members of special interest groups. Carroll (2017) also defined stakeholders as individuals or groups with which business relations who have a stake, or vested interest, in the firm.

Clarkson (1995) divides stakeholder into two types: Primary stakeholder and Secondary stakeholder. Primary stakeholders are those stakeholders whose role and involvement will highly impacting the organization's overall activities. Without the involvement of them the company may not be functional. Shareholders, customers, employees, managers, governments, suppliers, and creditors are categorized in this type of stakeholder. While the secondary stakeholders, though they can affect or affected by the company, but they are not directly involved in company's operation. Competitors, medias, local society, and non-governmental organizations (NGOs) can be categories in this type of stakeholder (Clarkson,1995). Carroll (2017) also categorized stakeholders as internal and external. Internal stakeholders are employees and management members. And external stakeholders, which include government, consumers, the natural environment, and community members.

Stakeholders' theory deals about the relationship between an organization and its stakeholders. According to Freeman (1984) & Freeman et al (2010), this theory mainly focuses to solve the following three interconnected problems in the interaction and relationship between an organization and its stakeholders:

- The problem of Value Creation and Trade: It is about how customers, suppliers, employees, financiers, communities, and managers interact jointly to create and trade value.
- The Problem of Ethics in an organization: Focuses on how an organization treats its stakeholders.
- The Problem of Managerial Mindset: Deals about how managers should think about to solve the above two problems: management to create better value and, to connect business and ethics.

Stakeholder theory promotes the treatment of stakeholders with fairness, honesty, and even generosity. This can also influence the attitudes and behavior of stakeholders towards an organization and creates synergy to achieve common goals and objectives. But it is hard to see the distinctive boundaries of CSR and Stakeholder theory. Thus, first better to understand them from their common boundaries. Both are striven to create relationship between an organization and the

society. Both stress the importance of incorporating societal interests into business operations (Freeman et al. 2010).

However, the two concepts differ in that stakeholder theory postulates the key responsibilities of the organization in the creation of relationship on the general business functions (Business Oriented) i.e., creating value and trade. However, CSR prioritizes one aspect of business – its orientation toward the society at large, i.e., its social orientation – over the other business responsibilities. Though they have common features on crating relationship, but they differ on the mechanism of the creation and the type of constitutes that they represent. Stakeholder theory deals about the relationship of an organization with its stakeholders, including shareholders or owners, competitors, media, supplier, financiers, and vendors, who can impact or impacted by an organization’s activity. And it is more of “business” relationship than social and environmental concerns. However, CSR advocates primely on the interest and concerns of the wider society (environment) in the relation with an organization.

Organizations are always embedded in society. And both should live together in harmony. But this depends on the relationship they exercise for each other’s (Freeman et al. 2010). Society, specifically the local community, grants an organization the right to operate (to get valuable resources including raw materials, land to build facilities and people as employees). In return the local community benefited from organizations in the form of economic and social contributions such as tax, employment opportunity, resource supply.

Companies have a real impact on communities by fulfilling facilities and services such as supplying clean water, building road and health care services. In reverse, living in harmony in a welcoming community helps a company to create value for its other stakeholders. Companies are also expected to be good citizens, as any individual person. They should not expose the community to unreasonable hazards in the form of pollution, toxic waste, and so on. It should keep whatever commitments it makes to the community and operate in a transparent manner as far as possible (Freeman et al. 2010).

2.3.2 CSR Pyramid model

Next to Stakeholder theory, CSR Pyramid Model is one of the most applicable models used by many scholars to study the components of CSR. This model is first developed by Carroll in 1991.

Prior to the illustration of this model, the definition of CSR in organizations had focused on two main components: i.e. economic and legal responsibilities. Later, Carroll added two extra components and defined CSR as the corporation has not only economic and legal obligations, but ethical and discretionary (philanthropic) responsibilities (Carroll, 1979).

Later, Carroll illustrated the four level components of CSR in the form of Pyramid (Carroll 1991). The main idea of Carroll's Pyramid is to apply CSR activities and initiatives in the form of hierarchy (Brin 2019 & Nassif 2019). As profit is the base for any corporation to survive, Carroll illustrated economic responsibility as the foundation of the pyramid (the base) followed by legal, ethical and philanthropic (discretionary) responsibilities, respectively upward. From bottom to top, the sequence of the specific responsibilities, illustrated their fundamental importance to the society (Idowu, 2015).

Carroll's four-level pyramid model can be described as follows:

2.3.2.1 Economic Responsibilities

It is the obligation of any business organization to maximize profit. It is also the basic motive and purpose for the establishment of any business organization. From CSR perspective as well, it is the basic way to survive and benefit society in long-term. All other business responsibilities (legal, ethical and Philanthropic) are predicated upon the economic responsibility of the firm, because without it the others become less feasible (Carroll, 1991)

2.3.2.2 Legal Responsibilities

This is the responsibility to obey the prescribed laws and other regulations. Any organization is expected to comply with the laws and regulations ratified by any level of government administration (Federal, Regional or Local governments) as the ground rules to operate. Legal responsibilities are considered as "codified ethics" that govern organization to operate in the sense of fair and permissible manner.

2.3.2.3 Ethical Responsibilities

This is the responsibility of any business organization to act morally and ethically. According to Carroll (1979), ethical responsibilities encompass those activities and practices that are expected

or prohibited by societal members even though they are not enacted and prescribed in the form of laws and regulations.

2.3.2.4 Philanthropic Responsibilities

Philanthropy includes those initiative and activities in response to society’s expectation that businesses to be good corporate citizens. This includes actively engaging in charitable activities or programs to support human welfare or goodwill. Examples of philanthropy include business contributions to financial or material resources or services or executive time, such as contributions to the arts, education, or the community. Philanthropy is more discretionary or voluntary on the part of businesses even though there is always the societal expectation that businesses provide it. According to Carroll (1991), philanthropy is highly desired and valued but less important than the other three categories of social responsibility.



Carroll’s pyramid of CSR. Source: Carroll (2016)

Figure 1: Carroll’s CSR pyramid model

Most scholars argue that Carroll’s CSR Pyramid model is the most applicable model in any business organization. However, some criticized this model for it may not be appropriate in to two aspects. First, they argue that the model gives priority more for the responsibility of business organization on doing business legally, ethically and philanthropically. But business organizations

might ignore many other external factors, especially social and environmental factors that organizations should take care. Thus, they suggested that incorporating social and environmental concerns should be given priority than before applying Carrol's CSR strategy. They also believe that these factors may change the priority and hierarchy of companies' responsibilities (Brin 2019 & Nassif 2019)

The other criticism is on the order and ranking of the four components of the pyramid itself. According to Najeb, (2017) (as cited in Čavalić, Admir, 2018) there are cultural differences on the ordering of the four categories of CSR hierarchy. Thus, the orders shall be rearranged as economic, philanthropic, legal and ethical. Others also criticized on the low emphasis given to philanthropic responsibilities. But Carroll (1991) argued that without having enough economic resource a business organization cannot expend resources in terms of philanthropic activities. Even though it is the most widely used model today, the debating on CSR pyramid, may also continue in the future, since there has not any consensus so far.

2.3.4 Triple Bottom line (TBL)

The Triple Bottom Line (TBL) is another most recommended theory to study the practice of CSR in an organization. This theory was first introduced in 1987 in Brundtland Commission. But It was officially named by John Elkington in 1994. This theory also known as 3Ps or 3BL (3 Bottom lines) as it consists of three pillars of CSR: Profit, People, and Planate. Based on these pillars, a business organization can be economically, socially, and environmentally responsible to the society (Elkington, 1998, Książak & Fischbach, 2018, Brin, 2019).

According to Elkington (1998) sustainability is a base for an organization to survive for long term and this can be achieved based on the successful implementation of the above three pillars. The concept has broken the "traditional" measurement of organization performance only from its profit perspective. Thus, it suggested that an organization's performance shall be measured based on two additional parameters or scales known as bottom lines. Sometimes, these bottom lines are also considered as a manifestation of the Balanced Scored Card (BSC) for an organization to measure its operational results from three different and interdependent perspectives (The Economist). Thus, this theory advocates that companies are able to understand the level of their

economic, social and environmental responsibilities when they can measure their impact using these parameters.

According to Elkington (1998), Książak (2018), and Brin (2019) the three bottom lines can be described as follows:

- **Profit: This is about the** economic sustainability of an organization. This bottom-line assess the positive and negative impact an organization has on the local, national and international economy. From the positive side, this includes creating employment, generating innovation, paying taxes, wealth creation and any other economic impact an organization has.
- **People:** Also known as social sustainability. This refers to the positive and negative impact an organization has on its main stakeholders and the society at large. This includes employees, families, customers, suppliers, communities, and any other person influencing or being affected by the organization. It is about the relationship with society.
- **Planet:** Also known as environmental sustainability. It encompasses the positive and negative impact an organization has on the environment. This includes the use and conservation of natural resources.

For the purpose of this study, the researcher chose and adapted the concepts of the Triple Bottom Line theory. As compare to TBL, the other theories and models, have significant limitations and drawbacks. For example, stakeholder theory lacks to incorporate the environment and society which are the basics to the existence and operations of an organization. People or societies are not incorporated in the definition of stakeholder. However, the society and the environment in general are those actors who can highly impact or impacted in the relationship with an organization.

The CSR pyramid model is focuses mainly on the level and hierarchy of organizational responsibilities in the relationship with the society. It advocates organizations to be more responsible for the economy (Profit maximization) and less responsible for legal and ethical issues as well as their voluntary participation on philanthropic activities. On the other hand, this model may not be applicable to any kind of organization whose primary motive is not profit (like NGOs)

The TBL covers the positive and negative impacts of an organization to all types of its stakeholders, society at large and environment. It also gives equal emphasis for the three types of responsibilities: Economic, social and environmental. There is no hierarchical order in these components, even though economic responsibility is considered as the base. But, as far as the knowledge of the researcher is concerned, economic responsibility, especially profit shall not be the basic criterion to implement CSR in an organization. There are also organizations which are not established for the purpose of profit earning or maximization. NGOs and public service institutions can be good examples whose main purpose is not maximizing profit for their stakeholders. But these kinds of organizations can also be socially and environmentally responsible on their operation and the relation with the society. They can be also economically responsible in the utilization of their resources even if they are not created for profit purpose. Secondly, they can be economically responsible to others in their shared value creation process. Thus, taking into consideration that profit is not as such a mandatory to implement CSR in any organization, the TBL conceptual theory is more preferred for this research to access the practice of CSR in Ethio telecom and Commercial Bank of Ethiopia.

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

Corporate Social Responsibility (CSR) is part of Public relations and strategic communication practice that is important for organizations to create and build mutual understanding and relationship with society. It is therefore critical to Ethiopian Public Enterprises in general and Specifically to Ethio telecom and Commercial Bank of Ethiopia to analyze and understand their CSR practice under the definitions, models, and theoretical frameworks given by scholars of the field. A methodology, according to Van (1990) is a philosophical framework and the essential assumption of a research. Cresswell and Clark (2007) also view a methodology as a framework that relates to the entire research process. Having this in mind, under this methodology part, the detailed description of the study design, the techniques used for sampling, data sources and methods of data analysis are provided. Therefore, this chapter deals with the research design and methodology, study site and data collection procedure.

3.2 The Study Area

The study was conducted at Ethio telecom and Commercial Bank of Ethiopia (CBE). As public enterprises, both Ethio telecom and CBE have obligations to report their activities to the Public Enterprises Holding and Administration Agency (PEHAA). One of the missions of the agency given by the government of Ethiopia is to supervise the governance and management of Public Enterprises. Besides, it also supervises the implementation of CSR initiatives in all public enterprises.

3.3 Research Design

Ranganathan and Aggarwal (2018) defined research study design as a framework, or the set of methods and procedures used to collect and analyze data on variables specified in a particular research problem. Khotari and Gaurav (2014) also defined a study design as a blueprint for the collection, measurement, and analysis of data.

The research type that the study is a descriptive cross-sectional institution-based survey that used structured questionnaire through face to communication, experts survey, in-depth interview with Communication or PR and CSR heads of respective organizations as well as concerned people and organizations who have better ideas on the CSR activities of both CBE and Ethio telecom. Secondary document sources were also reviewed. A mixed method research design is used to

carry out this study in which the quantitative and qualitative data was collected concurrently. The overall purpose and central premise of mixed methods are that the use of quantitative and qualitative approaches in combination provide a better understanding of research problems and complex phenomena than either approach alone (Creswell, 2009). It also generates rich data and enables the researcher to have a deeper insight on the status of the study area and shows what really exists related to the situation under study. In addition, Mixed methods designs provide researchers, across research disciplines, with a rigorous approach to answering research questions (Heli, 2011). The researcher prefers to use the mixed research method since it is an approach that helps to have more in-depth information, practice, and knowledge of the problem as well as provide rich data sets. It also assists to increase the reliability and credibility of findings through the triangulation of the different evidence results.

3.4 Study unit

A study unit is a subset of the target population from which the sample is selected. It is broader than the concept sample frame. It may be appropriate to say that sample frame is an operationalized form of study population (Hu S, 2014). The main study units were all Communication, Public Relation and CSR practitioners who are working in Ethio telecom and Commercial Bank of Ethiopia. Concerned department from Public Enterprises Holding and Administration Agency which has a role to supervise the implementation of CSR in public enterprises is also included.

3.5 Sample Size for quantitative survey

There were about 73 Communication, and public relations practitioners working in the two organizations (38 at Ethio telecom and 35 at Commercial Bank of Ethiopia). From these a total of 62 PR and Communication practitioners in the two organizations were selected purposively for the study which considers experts who have direct relation with CSR, communication, and public relations. These make the sampling percentage of 81.5% at Ethio telecom and 88.5% at Commercial Bank of Ethiopia. The selection criteria for the practitioners include but are not limited to experience and knowledge on the field (CSR, Communication, and public relations), years of experience, and gender. The total sample size is allocated based on the total number of CSR, communication, and public relations practitioners in each organization.

3.6 Methods of Data Collection

The required data from each organization was collected efficiently through different methods. These are:

i) Survey with PR and CSR Practitioners

The data collection was done through a structured questionnaire to collect the required data from 62 (31 from each organizations) public relations and CSR practitioners. The researcher developed a structured questionnaire mainly emphasizing Corporate Social Responsibility (CSR) initiatives, challenges and, good practice that the practitioners engaged. In addition, the questionnaire was also captured the kinds of their organization practice on CSR activities, their understanding on CSR concepts as well as their organization's effort to align CSR with strategic objectives.

ii) Key informant interviews

According to Krishna Kumar (1989), key informant interviews are qualitative in-depth interviews with people who have information or engagement with the subject matter or study area. The purpose of key informant interviews is to collect first-hand information from concerned people. And their knowledge and understanding, can provide insight on the nature of problems and give recommendations for solutions. Accordingly, the researcher used semi-structured questions to conduct, key informant interviews with key informants. This technique was used to obtain institutional data and triangulate findings from other data sources as well. The purpose of key informant interviews was to collect information in relation to CSR activities, achievements, challenges, and future plan from concerned PR and CSR heads of respective organizations as well as from concerned stakeholders of respective organizations and their CSR practices.

iii) Document review

Secondary sources provide second-hand information and help to describes, interprets, or synthesizes primary sources (Kothari, 2013). To complement the data collected from primary sources, secondary data were collected from different sources. This refers to the process of using any kind of published and unpublished document such as performance reports and magazines. Information uploaded on websites and official social media pages of respective companies as well as documentary and Media programs produced by the respective companies were also revied.

3.7 Steps for data collection

After developing the structured questionnaire and interviews it was pilot tested with few respondents to improve the tools. Pilot survey is a strategy used to test the questionnaire using a smaller sample compared to the planned sample size (Thomas, S. J., 2004). Clarity of questions, Completeness, appropriateness of alternatives in each question, time to manage the survey are some of the issues tested using the pilot. This helped the researcher to improve the tool by taking the lesson from pilot test.

The next step was the identification of respondents/sample frame for the survey in collaboration with communication or CSR heads of each organization by considering their role and responsibilities in public relation, CSR, experience, gender, etc. And then based on the identified respondents/sample frame, the structured questionnaires were distributed to selected respondents to be administered by themselves with a brief orientation about the research such as objective of the research, confidentiality, benefit of the research, etc. The data collector was there to clear out any questions in relation to the survey. The data collector was checked the data quality visually such as completeness, consistency, etc. While for the interview the main researcher was manage the data collection and conducted each interview. Based on the willingness of respondents, the research used audio recording facilities at the time of the interview. In the end, the data entered into Statistical Package for the Social Sciences (SPSS) for data cleaning and analysis.

3.8 Data Analysis

Data Analysis is the process of systematically applying statistical and/or logical techniques to describe and illustrate, condense, recap, and evaluate collected data (Shamoo and Resnik, 2003). Accordingly, the researcher first encoded data collected using the quantitative survey to SPSS (Statistical Package for Social Scientists) version 20.0 software for statistical analysis. And then the qualitative data which includes verbal and narrative responses from structured interviews was transcribed using Micro Soft word and appropriate quotation of study participants were captured along with their position and the specific organization he or she worked. The data analysis covers all of the four study objectives that was stated on chapter one. The validity and reliability test are conducted using Cronbach's alpha and Pearson correlation test respectively.

The researcher used descriptive and thematic analysis techniques to analyze, and interpreted data collected using questioner survey, interviews and document reviews as follows:

Descriptive statistics for quantitative data: Descriptive statistics are the techniques employed to analyse data collected from a sample. This helped the researcher to describe the sample units where the unit of analysis is organizational base with respect to the desired characters so as to draw some important conclusions. The researcher used percentages, tables, graphs, and charts as descriptive statistics and data presentation tools that helped to extract the required information.

Thematic analysis for qualitative data: The researcher used thematic analysis techniques to analyze qualitative data items collected and the findings used to strengthen the interpretation of the quantitative findings. The thematic analysis was including verbal and narrative responses from structured interviews and document analysis and framed based on the objectives of the study.

3.9 Ethical Considerations

According to Lynne (2014), Ethical Consideration is as one of the most important parts of the research. It helps to enhance the purpose of research which includes the dissemination of knowledge, reporting or saying the truth and finally the need to counteract errors. Research participants should not be subjected to harm in any ways whatsoever. Respect for the dignity of research participants should be prioritized. Accordingly, the researcher follows the key ethical considerations while conducting the research. Full consents were obtained from the participants prior to the study. Support letter for the study was obtained from Addis Ababa University School of Journalism and Communication. The response of respondents was anonymous and data collectors inform respondents that they have full right to discontinue or refuse to participate in the study. Informed consent (Oral) was also obtained from respondents. Respondents were also informed that the information obtained from them will not be disclosed to the third person /body. For confidentially purpose names and other personal and sensitive information were not collected and used in the study.

CHAPTER FOUR : FINDINGS AND DISCUSSION

4.1. Data Analysis

This chapter deals with the presentation, interpretation, and analysis of the data used for the study. The data were gathered through survey questionnaires and interviews with Commercial bank of Ethiopia staff and management, Ethio telecom staff, and management. In addition, interviews were also conducted with key stakeholders of the two organizations.

Out of 64 collected questionnaires, 2 (3%) questionnaires were unusable for the study which makes the total qualified respondents of 62 (31 each). This was due to incompleteness and a large number of missing values of the questioners. The first section of this chapter presents the descriptive demographic statistics results of the study. This is followed by the discussion of the kinds of CSR activities implemented in the respective companies, understanding of PR and communication practitioners towards CSR concepts, how CSR activities are integrated with corporate strategies and implementation of the CSR directive along with the results obtained through the qualitative key informant interview and document reviews.

4.2. Demographic characteristics of respondents

Since the study is a comparative study, an equal proportion of samples were taken from each organization (31 each). When we see the Gender mix, the majority of them are male (84% for the case of CBE and 81% for the case of Ethio telecom). This is mainly due to the low number of female workers in the PR and Communication departments of each organization. The study also considered the education mix of respondents where 37% of them are Bachelor degree holders (16%-CBE and 58% -Ethio telecom) while the remaining 67% were master's degree holders (58%-CBE and 42% -Ethio telecom). The other demographic variable is Age where the majority of the respondents are in the age arrange of 31-35 (37%) and 36-40 (29%). The study also considers all job levels under PR and Communication department of each organization which ranges from Other non-managerial /staff positions (50%) to Managerial (23%). When we see the comparison across the two organizations, more Other non-managerial /staff positions were interviewed at Ethio telecom and CBE, respectively.

		Organization				Total	
		CBE		Ethio telecom		#	%
		#	%	#	%		
Gender	Female	5	16%	6	19%	11	18%
	Male	26	84%	25	81%	51	82%
	Total	31	100%	31	100%	62	100%
Educational Level	Bachelor's degree	5	16%	18	58%	23	37%
	Master's Degree	26	84%	13	42%	39	63%
	Total	31	100%	31	100%	62	100%
Age	18-25	0	0%	1	3%	1	2%
	26-30	5	16%	4	13%	9	15%
	31-35	10	32%	13	42%	23	37%
	36-40	12	39%	6	19%	18	29%
	41-45	2	6%	0	0%	2	3%
	Above 46	2	6%	7	23%	9	15%
	Total	31	100%	31	100%	62	100%
Job Level	Expert	14	45%	1	3%	15	24%
	Managerial	4	13%	10	32%	14	23%
	Other non-managerial /staff positions	12	39%	19	61%	31	50%
	Supervisor	1	3%	1	3%	2	3%
	Total	31	100%	31	100%	62	100%

Source: Survey result, 2020

Table 1: Demographic characteristics of respondents

4.3. Comparison of the two companies

As it is shown in the table below, the two organizations are relatively comparable in terms of numbers of employees managing CSR activities, coverage, budget for CSR activities, ownership and forms of organizations. And hence the researcher's comparison of the two companies CSR practices is valid though there might be some co-founding factors for the difference which will not affect the CSR and PR activities.

	CBE	Ethio telecom
Total staff (as of July 2020)	33,100	16,500
No. of PR and Communication staff	35	38
Revenue (as of July 2020)	ETB 17.9 Billion	ETB 47.7 Billion
Budget for CSR (In 2020)	ETB 950 million	ETB 1.15 Billion
Total customers	38.5 million	46.2 million
Type of service provided	Financial Services: Credit/loan & saving	Telecom services -Voice, Data, Internet & Value- Added
Coverage	National	National
Ownership	Government	Government
Forms of organization	Public Enterprise	Public Enterprise

Table 2: Comparison of the two companies

4.4. Kinds of CSR activities implemented in the two companies.

As part of their Public relations role, organizations should build and maintain mutual understanding and relation with the society in various CSR activities. Thus, organizations take different initiatives to support environmental and social concerns of the society and so as to build their good will and image. Accordingly, the researcher assessed the kinds of CSR activities implemented in Ethio telecom and CBE to build and maintain mutual understanding and relationship with the society and environment.

4.4.1 Involvement in environmental concerns

Socially responsible entities assume responsibility for ecological ramifications of their activities, strive to eliminate pollutions and emissions of harmful substances, and attempt to increase the efficiency of using natural resources; thus, alleviating their ecological footprints. Still, there are quite a large number of organizations involved in environmental concerns though they are not high contributors to environmental pollutions.

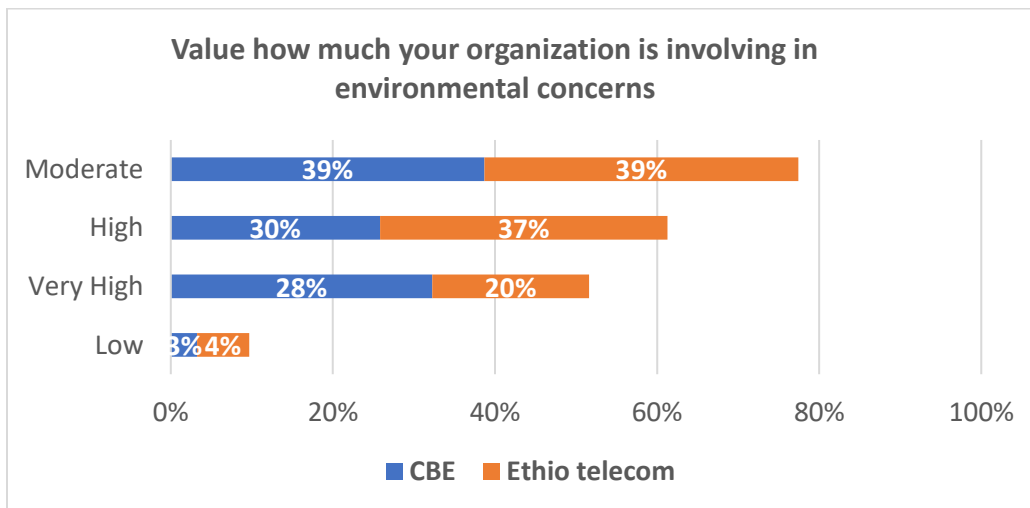
Ethiopia is implementing different environmental protection activities as the country’s forest coverage has declined drastically to a low of just 4 percent in the 2000s from 35 percent a century earlier (United Nations estimates). One of the recent movements among all organizations in the country is the event that the country planted over 353 million trees in 12 hours with an ambitious move to counter the effects of deforestation and climate change.

With this regard, the study assessed the employee’s opinion on the value how much their organization is involving in environmental concerns. Accordingly, 39% (each) of CBE and Ethio

telecom staff rate their organization initiatives moderate followed by 30% - CBE and 37% of the Ethio telecom staff rate it as High. 28% of CBE and 20% of Ethio telecom staff also rate as Very high. It is only 3% and 4% of CBE and Ethio telecom staff rated low, respectively. Relatively there is no significant difference in response among the two organizations involved in environmental concerns.

Key informants of the two organizations are also reflected on how much their respective organizations have engaged in green initiative projects. According to the CSR department director of Ethio telecom:

The company has been engaged in various environmental protection activities. Especially, as of the Ethiopian millennium celebration, the company has been conducting tree plantation campaigns every year. In the summer of 2019, the company had been planting about 11 million seedlings all over the country. Over 51 million birr had been allocated only for this green initiative project. For the Sheger beautification project only, the company had donated ETB 100 million birr. In addition, its labor union had also contributed 80 million birr. Almost all employees of the company have been contributing two birr from their monthly salary for tree plantation programs. So that green initiative is one of the company's CSR objectives.



Source: Survey result, 2020

Figure 1: Involvement in environmental concerns

As part of its green technology program, Ethio telecom has used solar energy sources for more than 1,537 sites located in various parts of the country. In the last six months of the 2019/20 budget year, the company had generated about 20 Mega Watts of electric power from solar energy and used it for its transmission sites (Ethio telecom, 2020)

The head of Advertisements and Promotion section of CBE also stated the bank's involvement in environmental concerns as follows:

CBE has been participating in tree plantation campaigns every year. We have been contributing a minimum of two birrs from our monthly salary for green initiatives. In July 2020, CBE has planned over one million seedlings all over the country. We have also donated 100 million birr in 2019 for the Sheger beautification project. We committed to donating the same amount for five consecutive years. hat means we promised to donate 5 Million birr in total for Prime Minister Abiy Ahmed's green initiative project in Addis Ababa.

According to CBE's annul report (2019), apart from financial contributions, up to six thousand employees of the bank had been participating directly on three plantation campaigns in every year. Moreover, the bank has an ambition to reduce its paper consumption by 50 % until 2025 by implementing a full-fledged electronics transaction system across all branches in the country (Commercial bank of Ethiopia 2019)

Even though both Ethio telecom and CBE have not been directly impacting the environment, their efforts to support environmental concerns are highly appreciated by the Ethiopian Environment Authority. However, according to the key informant from the Authority, both companies are expected to do a lot more to align their green initiative programs with the laws and regulations of the country. He further added that both organizations should implement their green imitative projects based on environmental assessment plans:

Donating money for green initiative projects or planting enormous amounts of seedlings every year alone may not be enough for an organization to be environmentally responsible or friendly organization. As per the Environment policy of the country, the operation of an organization shall be evaluated as per its environmental impact. Some organizations have a direct and major impact on the environment. Some have a little or indirect impact. According to the policy, any organization shall conduct its own environmental impact assessment. And based

on the findings, the organization shall have its own environmental protection management plan. However, both Ethio telecom and CBE have never conducted any assessment so far. On the other hand, the authority is also failed to take necessary corrective measures on those organizations which are not respecting the essence of this policy. In fact, as compared with other manufacturing, mining, or construction companies, the impact of Ethio telecom and CBE on the environment might be insignificant. However, as far as they are operating in the environment, they must compensate or contribute to the environment as part of their CSR initiatives. They have been also using the resource from the environment. For example, the fuel they have been using for their vehicles and power generators has an impact on environmental pollution. As they have been using paper, they are also cutting off more trees. Look at Ethio telecom how much it uses wooden poles throughout the country. Do we think it compensates for this? I do not think.

4.4.2 Involvement of the two companies on supporting social concerns.

Corporate Social Responsibility (CSR) is currently a topic of increasing interest in all areas in Ethiopia such as business, economics, and academia in general. Different social concerns such as supporting elders, destitute women, and children's, supporting communities who are affected due to different catastrophic and manmade phenomena such as displacement are some of the concerns where different organizations provide support. The research tried to assess the feeling of employees on their organizations' support for social concerns. Accordingly, 68% and 45% of the CBE and Ethio telecom respondents rated as high for their organization support on social concerns respectively while 10% of CBE and 42% of Ethio telecom rated as very high. 19% and 13% of CBE and Ethio telecom respondents rated as moderate, respectively. It is only 3% of CBE respondents rated it as low. A relatively better number of Ethio telecom respondents (87%) rated high and very high than CBE (77%).

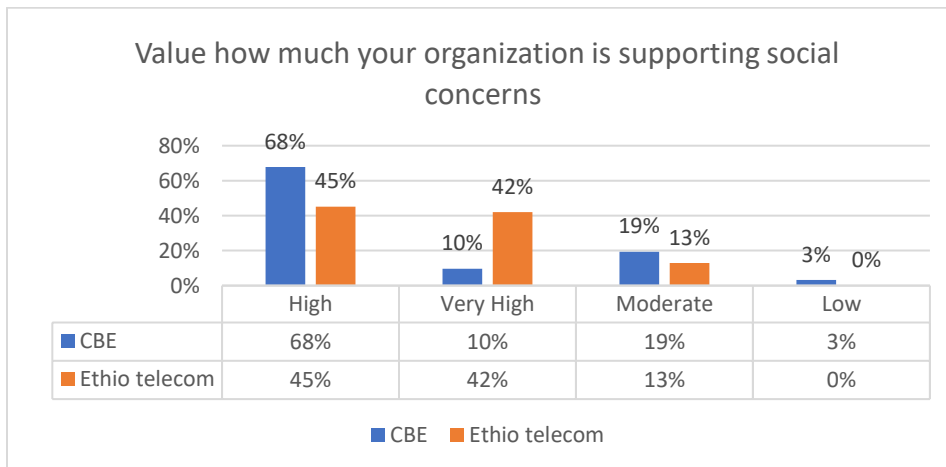
According to CBE's Advertisement and Promotion Manager, the bank's major CSR activities to support social concerns were focused on sustainable development projects like the building of schools and health centers in regional states.

In the 2018/19 budget year, the bank has started the construction of health centers in seven regional states. The construction of two health centers has already been completed and

handover to the respective regional health bureaus. In the 2019/20 budget year, a memorandum of understanding was signed with the Ministry of Education to build nine high schools in all regional states, Addis Ababa, and Drie Dawa city administrations. Apart from building schools and health centers, the bank has budgeted about ETB 20 million for sponsorship and philanthropic activities.

On the contrary, Ethio telecom’s social contribution mainly focused on charitable activities for different humanitarian activities. According to the CSR director of Ethio telecom, the company had planned to undertake grand CSR projects like building schools, health care centers, clean water services for communities in different parts of the country. But the researcher observed that nothing was constructed in the 2019/20 budget year. According to the company’s annual performance report of the same budget year, Ethio telecom had contributed over 1.15 billion birr for different CSR activities (Ethio telecom, 2020). Out of this, the majority of the expense was for philanthropic activities. This shows that the company’s social support for the communities is more tended to sponsorship and philanthropic activities than projects which can contribute a lot to the sustainable development activity of the country.

According to Carol (1991), philanthropic responsibility may create a good image for a company for the time being. But it will not be sustained for a long time. Thus, contributions to sustainable development activities are more important than short time philanthropic activities to create a long-lasting relationship with the community.



Source: Survey result, 2020

Figure 2 : Involvement of the two companies on supporting social concern.

The Social welfare development director from the Ministry of Labor and Social Affairs also criticized the fairness and equity of resource allocation of the two companies to support social concerns in the country:

Among other public enterprises, Ethio telecom and CBE are the most known companies to support social concerns in Ethiopia. However, as they are operating in all parts of the country, their CSR initiatives on social concerns are not considering all regions in fair and equitable manners. Mostly, they have been focusing mainly on Addis Ababa and the Federal government systems. This is because there is no law or regulation which obliged public enterprises to manage CSR activities in fair and equitable manners in all parts of the country. In Ethiopia, companies are taking CSR initiatives by willingness rather than as a legal obligation.

The president of the Federations of Ethiopian National Associations of Persons with Disabilities has also reflected the same idea. According to him, even if both companies are doing some good CSR practices, they are lacking inclusiveness in their CSR practices. He also added that none of them are contributing as much as they are expected to solve the social problems of disabled peoples. According to him, the two companies are also doing their business sometimes in irresponsible manners against the rights of disabled people:

The two giant business companies of the country are neglecting the concerns of disabled people in doing their business. For example, CBE cannot recruit a blind person for any managerial position. Because a blind person is not able to sign on cheques. Even a blind person who is running his/her own company cannot sign on CBE's cheques electronically. This includes our managers who are running the Ethiopian blind people association. We had informed CBE to revise its policy. But nothing has changed so far. The same is true in Ethio telecom, some of its services are not considered those people who have hearing problems. Moreover, the company is irresponsibly digging walkways and roads to install cables and poles. Sometimes manholes are left unsealed for days. Due to these reasons, so many blind people were injured. Some of the facilities and offices used by both companies are not accessible for disabled peoples. CSR does not mean only doing some

philanthropic activities. These companies shall consider inclusiveness, responsibility and fairness into their organizational operation.

The finance Sector director of the Public Enterprises Agency also advises both companies first to access the attitude and opinions of the society as well as the socio-political environment of the country before implementing their CSR initiatives. According to him both Ethio telecom and CBE were sometimes blamed for their CSR activities. He described how a single CSR incident in CBE had been devastating the image of the bank:

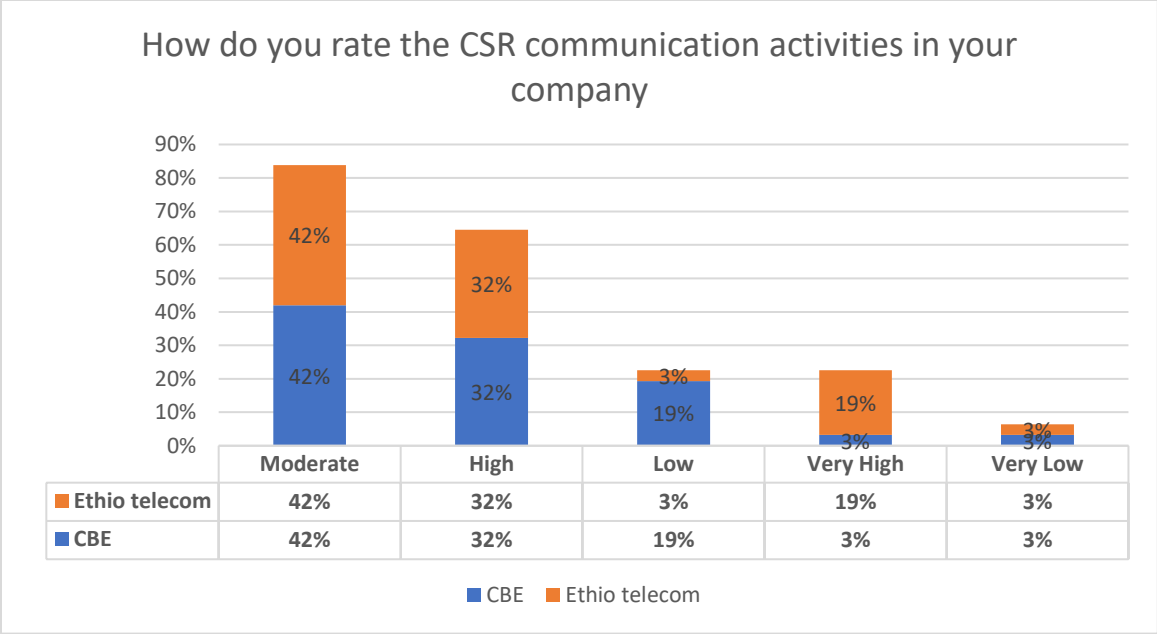
As of 2017, there had been a lot of internal conflicts and displacements in the country. In early 2018 the Amhara regional state was organizing a fundraising campaign to rehabilitate the displaced people in its region. Following this campaign, different companies were committed to donating money for the rehabilitation campaign. Accordingly, Ethio telecom had donated the entire amount directly to the National Disaster and Prevention Agency. But CBE was allocating its donation directly for regional states based on the number of displaced people in each region. Immediately, so many people, especially activists and politicians from the Amhara region were reacting to the decision of the bank as it lacks fairness. The regional government itself were highly criticizing the bank's decision. Following this incident, there had been lots of blackmailing campaigns on CBE by the time. Lots of customers in the Amhara region were withdrawn their deposits and canceled their CBE accounts. So far, its image in the Amhara region is not good at all. I am sure it will lose lots of customers in the region if the Amhara Bank will be established in the future. On the contrary, Ethio telecom was appreciated by so many people since it donated the money directly to the Federal government for the same purpose. Probably, CBE could be right. But it would be good if the bank were assessing the attitude and opinions of the different parts of society.

Therefore, the researcher observed that even if both companies were doing a lot to support the society and environment, they should be fair, inclusive, and more responsive in their actions.

4.4.3 Rating CSR communication activities implemented by the two organizations.

Engaging only in social development and environmental protection activities may not be enough for an organization to be CSR oriented. Thus, scholars advise organizations to communicate their CSR initiatives timely and intensively for the public and to take it as part of their CSR activity (Cornelissen, 2014). According to the Triple bottom-line (TBL) theory, CSR communication (reporting) is one of the fundamental activity of organizations to communicate CSR initiatives for stakeholders. By doing so, organizations will get support from the society for their CSR initiatives (Daugherty, 2001).

To implement CSR activities organizations used different communication and public relation strategies. The research assessed the efforts made by the two organizations on CSR communication activities. This is also to access how much stakeholders understood the CSR initiatives taken by respective companies. Accordingly, there is not any significant difference for the rating of moderate and high where 42% and 32% of the respondents rated moderate and high, respectively. However, 19% of CBE respondents rated the CSR activities low while for Ethio telecom respondents it is only 3%. There is also a significant difference among those who rated very high where 19% of Ethio telecom respondents and only 3% of CBE respondents rated the activity as very high. When we add high and very high responses together, 52% of the Ethio telecom respondents replied as high and very high while for CBE it is only 35%. When we see low and very low response, 23% of CBE employees responded low and very low while for Ethio telecom respondents it is only 6% of them rated as low and very low. This shows that Ethio telecom take CSR communication as part of its initiatives than CBE.



Source: Survey result, 2020

Figure 3: Rating CSR communication activities implemented by the two organizations

The researcher has reviewed the communication channels of the two companies. During the lockdown during the Covid-19 pandemic (From April 2020 -June 2020), Ethio telecom on its official Facebook page (<https://www.facebook.com/ethiotelecom>) had been posted more than ten different CSR initiatives taken by the company. However, CBE had been posted only one issue. During the same time, Ethio telecom had been also publicized more than 30 CSR related news on its intranet portal as part of its internal communication activity. Whereas, CBE had been communicating only two issues for its internal public through an intranet portal. This shows how much Ethio telecom’s communication division is more actively working on CSR communication activities than CBE’s counterpart. According to the CSR director of Ethio telecom:

The more we communicate employees’ engagement in CSR activities will encourage them also to be ambassadors of the company. This ultimately has positive impact on their productivity. The more we communicate our CSR initiatives to the external public is also a plus on our goodwill and image. That is why the company is structured the CSR department under the Communication Division.

The Public Relation director of the National Bank of Ethiopia also reflected on CBE’s communication department to improve its CSR communication:

Due to the limitation of resources, organizations may not be able to engage in all kinds of social or environmental concerns. But their activities which have done in some part of the country shall be communicated to the other parts. But most of the time, the communication part of CSR is missed in many organizations. For example, CBE has different communication tools including weekly Television and Radio programs. However, it gives only a little or no coverage at all for CSR activities.

4.4.4 Employees to engage in CSR activities.

Organizations should also encourage their staff to engage in any CSR activity in their communities. This will increase the mental satisfaction of employees and the good image building of their company. As employees are the prominent internal stakeholders, organizations must pay more attention to their internal CSR-related activities. Besides, CSR activities directly influence employees, and they reciprocate with positive behavior. Studies also revealed that employees' understanding of CSR affects their behaviors because pertinent CSR initiatives enlighten employees about organizational fairness and thus enhance their levels of performance (Farid, T. & Iqbal, S., 2019).

The study assessed how much respective organizations encourages employees to engage in any CSR activity, such as employees' financial contribution to humanitarian activities or Participating in environmental conservation activities. According to the finding, 35% of Ethio telecom respondents and 42% of CBE of respondents, rated moderate for their engagement in CSR activities while 35% and 23% of Ethio telecom and CBE respondents rated as high, respectively. It is only 10% and 16% Ethio telecom and CBE respondents replied as low. In general, there is a high response to the rating of High and Very High (54%) in Ethio telecom than CBE (26%). This shows that Ethio telecom used to encourage employees more to engage in CSR activities.

According to Ethio telecom CSR Director:

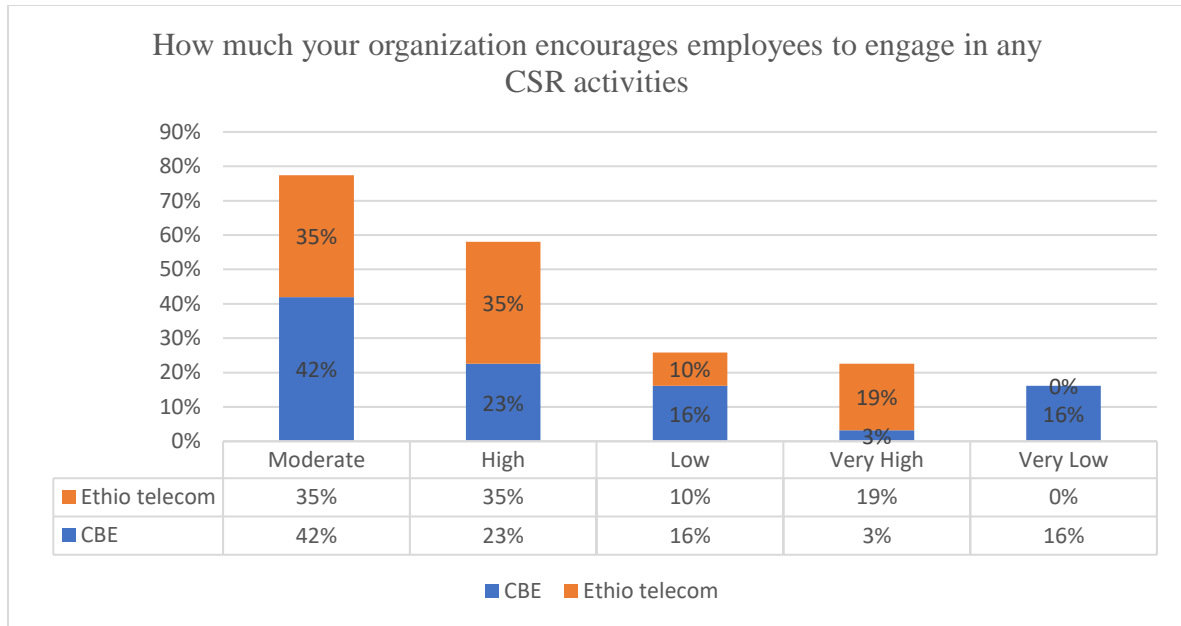
Employees have been engaging voluntarily in different CSR activities as a group and as individuals in their working areas. There are different social committees organized by staff themselves that mobilize resources to support local communities. Every working unity within the company has also incorporating employees' voluntary engagement in CSR activities as part of its annual working plan.

Currently, employees are voluntarily participating from blood donation up to contributing financial and material supports for people in need. During the summer of 2019, over 11 million tree seedlings were planted by employees. Every staff has been contributing money to support social and environmental concerns from their monthly salary. Accordingly, everyone has been contributing two birr for tree plantation, one birr for Ethiopian Red Cross Society, and one birr to support people living with HIV/AIDS. Our employees all over the company, have also strengthened their commitment to support society. Especially as the COVID-19 Corona Virus pandemic has been affecting the lives of many citizens, employees of the company were donating lots of money and materials for people in need of help.

This also further verified by the founder of Mekedonian Humanitarian association as follows:

Even though the total number of visitors is declined during the Covid-19 pandemic, visitor groups from Ethio telecom different working departments, and branch office in Addis are dramatically increased. So far, we have been receiving at least one visitor group from Ethio telecom every week during this time. They are donating lots of valuable items that are very useful during this challenging time. We wish other organizations to do the same.

The Social welfare development director of the Ministry of Labor and Social Affairs also appreciated the voluntary participation of Ethio telecom employees to support social concerns in their localities. As part of its mission, the Public Enterprises Holding and Administration Agency has been following the CSR implementations of each enterprise. Accordingly, the finance Sector director of the Agency is also appreciated how Ethio telecom motivated its employees to participate in CSR activities voluntarily. According to his assessment, CBE lacks to motivate employees to engage more in CSR activities voluntarily as compare with Ethio telecom



Source: Survey result, 2020

Figure 4: How much organizations encourage Employees to engage in any CSR activities

4.4.5 Staff feeling on their company Socially responsibility

Companies are expected to be socially responsible for the well-being of their employees. The outcome of Corporates Social responsibility can be measure from an internal community perspective based on the CSR activities implemented for the society and environment in general and their employees. Understanding the employees’ feelings on their organization’s social responsibility and commitment to make the workplace is safe for all employees is one of the variables used to understand CSR activities. Accordingly, a good number of Ethio telecom respondents (42%) are rated their organization’s CSR commitment to make the workplace is safe for all employees compared with 23% for CBE. While 58% of CBE staff rated it moderate compared with 39% of Ethio telecom. In general, Ethio telecom is better in socially responsible and committed initiatives to make the workplace is safe for employees where 55% of them rated as high and very high compared with 33% for CBE.

The president of the Federations of Ethiopian National Associations of Persons with Disabilities gave his recommendation as follows:

Both companies should take affirmative action during the recruitment and promotion process to encourage disabled persons. Furthermore, both companies should address the concerns of disabled employees and customers in connection with facility and accessibility issues of working tools, offices, and buildings.

However, the social Welfare development director of the Ministry of Labor and Social Affairs reflected his appreciation in this way:

The two companies can be taken as role models for other institutions in their treatment of employees. These include creating of a conducive working environment for employees, providing free health care service, insurance coverages as well as providing other benefits and compensations.

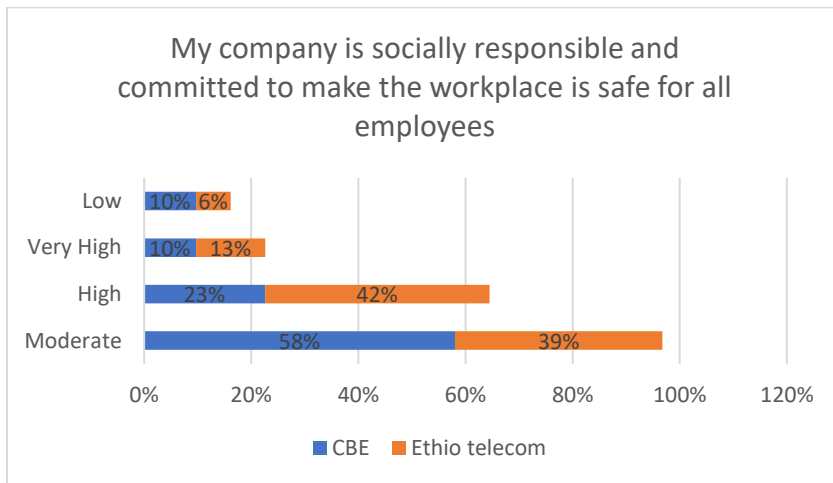


Figure6: Staff feeling on their company Socially responsibility and commitment to make the workplace is safe for all employees.

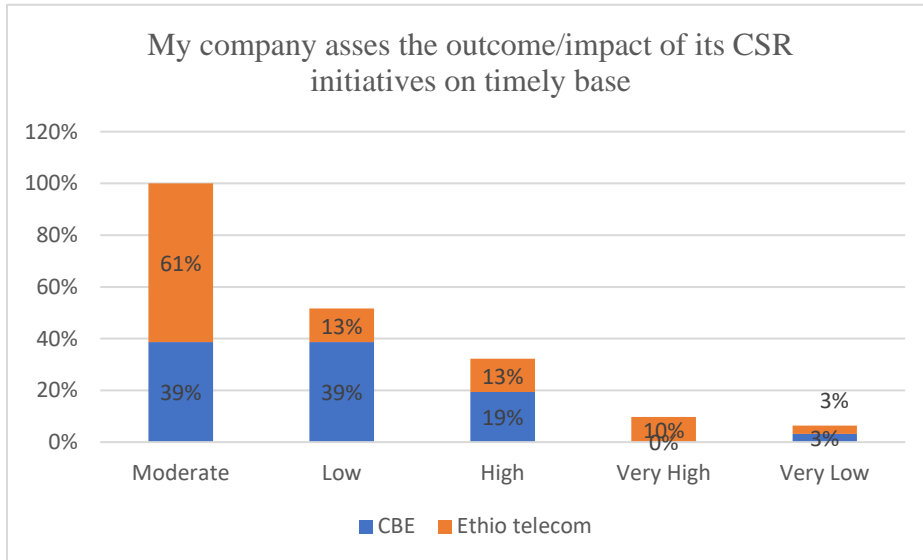
4.4.6 Initiatives to measure outcome/impact of CSR initiatives on timely base.

As part of strategic communication, CSR is a planned and measurable activity. Planning and measuring outcomes of CSR activities help companies to make better decisions to identify which the social or environmental issues to be prioritized, improve the efficiency of their initiatives, and understand the level of their relationship with society. Due to the increased awareness and attention of the public, media, academic, and regulatory bodies, the measurement and reporting of CSR practice of organizations becomes important these days. There are also initiatives by the

government to provide incentives such as tax reduction based on the disclosure of CSR activities. For this measuring and reporting CSR activities is also important.

According to the Triple Bottom Line (TBL) theory of CSR, organizations are recommended to measure and report their CSR performance in three perspectives: Profit (Economic), People (Society), and Planate (Environment). The Ethiopian Public Enterprises Holding and Administration Agency has also incorporated the above three parameters in its CSR directive circulated for all enterprises (Directive 004/2018)

Cognizing this fact, the study assesses the outcome/impact measurement of CSR initiatives taken by the two organizations on a timely basis. The study showed that the majority of the respondents (63% of Ethio telecom and 39% of CBE) rated moderate for their organization’s initiative to assess the outcome/impact of its CSR initiatives on a timely basis while 13% of Ethio telecom and 39% of CBE respondents rated the initiative as low. In comparison, Ethio telecom is in a better position in assessing the outcome/impact of its CSR initiatives on a timely base than CBE. Only a few (3%) of each organization's employees rated as low.



Source: Survey result, 2020

Figure7: Initiatives to measure outcome/impact of its CSR initiatives on timely base.

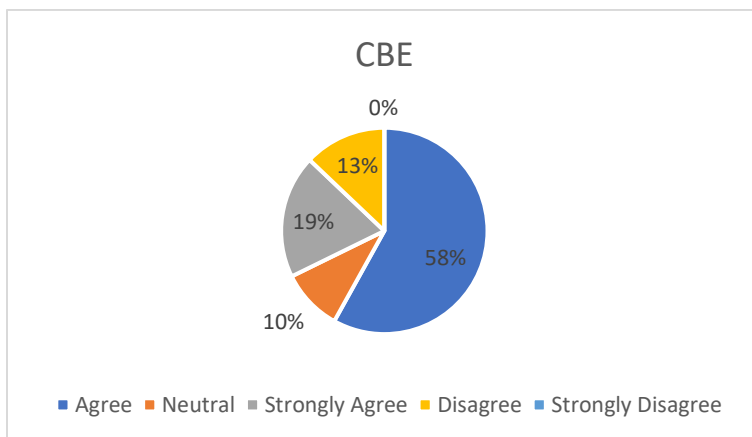
According to the information taken from the CSR director of Ethio telecom and the Advertisement and promotion manager of CBE, both companies have never conducted a specific assessment to measure the outcomes of their respective CSR initiatives. But relatively Ethio telecom has

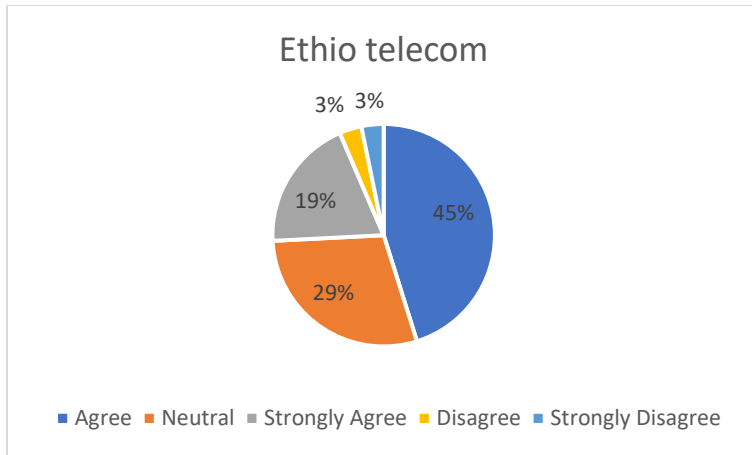
incorporated very few CSR issues in its annual customer satisfaction survey. However, the survey has been conducting mainly to access the satisfaction of its customers on its services provisioning and network qualities.

4.4.7 Availability of clear and defined Corporate Social Responsibility strategy and policy

Availability of clear and defined Corporate Social Responsibility (CSR) strategy, policy, directive, or procedure document is important for employees to meet what is expected from them and to ensure corporate social responsibilities of their organizations. The study asked respondents if there is well defined corporate social responsibility (CSR) policy, strategy, directive, or procedure in their company.

Accordingly, more than half of the respondents (58% of CBE and 45% of Ethio telecom) agreed that their respective organizations have well defined CSR strategy, policy, or procedure. While 19% of each organization's respondents strongly agree. It is only a few of the respondents (13% of Ethio telecom and 6 % of CBE) disagreed and strongly disagreed. Relatively CBE employees are more familiar than Ethio telecom's employees with the strategy, policy, or procedure of their respective company. Therefore, Ethio telecom shall create awareness about its CSR strategy, policy, or procedure for concerned employees. So that they will manage CSR initiatives based on clear information and direction.





Source: Survey result, 2020

Figure 8: Availability of clear and defined Corporate Social Responsibility (CSR) strategy, policy, directive, or procedure.

4.5. Employees understanding towards CSR Concepts.

CSR is one of the emerging Public relations and strategic communication function. Due to this reason, there are lots of misunderstandings among PR and communication practitioners on the concepts of CSR (Cornelissen, 2014).

As referred on different kinds of literature, the wider concepts, and advantages of CSR in an organization are not well understood even by PR practitioners whose roles are directly related to it. For some, CSR means only about donation, sponsorship, and philanthropic activities. But nowadays, CSR in any business organization can be defined in a variety of objectives and activities. According to Carroll (2017), CSR has four dimensions: Economical, Legal, ethical and Philanthropical. However, as compare with other dimensions, philanthropy, sponsoring of events and donation activities the has little impact on the building and maintain of relationship between an organization and its publics.

Thus, assessing the understanding of Public relation and communication practitioners who are managing CSR activities are very important to understand how much they are familiar with the concepts as well as managing their duties based on scientific knowledge and skills. It has also direct impact on the practice of CSR in their organizations And hence this section deals with employees' understanding towards CSR concepts.

4.5.1 What makes a company responsible in your opinion?

CSR in any organization can be defined in a variety of objectives and activities. The followings are just some of the reasons for organizations to involve in CSR activities: (1) Getting involved in social concerns/issues, (2) Being environmentally friendly, (3) Offering good quality product/services, (4) Treating stakeholders with respect, and (5) Following legal requirements. Thus, the researcher aims to access how much the PR and Communication practitioners of both Ethio telecom and CBE understand the above-mentioned parts of CSR activities are equally important.

Accordingly, only 42% and 36% of CBE and Ethio telecom respondents respectively mentioned all the five reasons as part of CSR activities followed by 4% (CBE) and 19% (Ethio telecom) mentioned four reasons. Three reasons were mentioned by 13% of CBE and 19% of Ethio telecom respondents while two reasons were mentioned by 29% of CBE and 16% of Ethio telecom respondents. Relatively CBE respondents are recognized that all the above-mentioned activities as part of CSR.

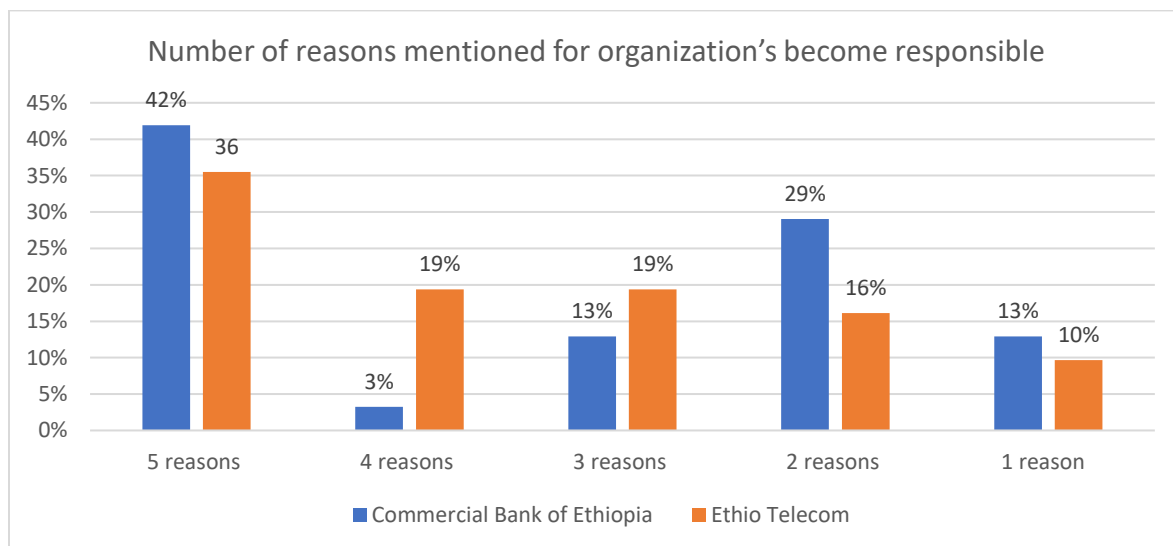
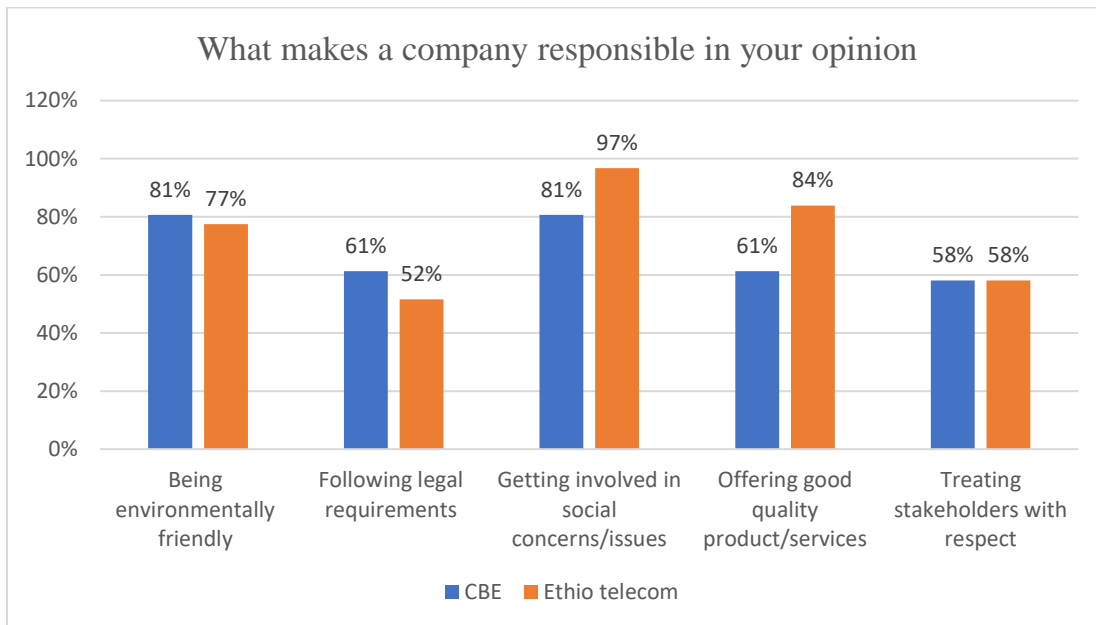


Figure 9: Number of reasons mentioned for organization's become responsible.

Note: Key reason for organizations to involve on CSR activities: (1) Getting involved in social concerns/issues, (2) Being environmentally friendly, (3) Offering good quality product/services, (4) Treating stakeholders with respect, and (5) Following legal requirements.

When we see the most frequently mentioned reasons, 97% of Ethio telecom and 81% of CBE respondents identify getting involved in social concerns/issues as the main activity of CSR followed by being environmentally friendly (77% of Ethio telecom and 81% of CBE respondents) and Offering good quality product/services (84% of Ethio telecom and 61% of CBE respondents).

Other variables such as treating stakeholders with respect (58% of Ethio telecom and 58% of CBE respondents) and following legal requirements (52% of Ethio telecom and 61% of CBE respondents) were also mentioned. As it is clearly shown in the chart below Ethio telecom respondents identified more variables than CBE. This finding indicated also that the understanding of practitioners on ethical and legal components of CSR in organizations is relatively low.



*Multiple response is possible

Source: Survey result, 2020

Figure 10: What makes a company responsible in your opinion.

According to the Ethiopian Communication Authority Director, the two companies shall emphasize on their ethical and legal responsibilities while providing services for the public:

There are lots of ethical issues that customers have been complaining about the services being given by the two companies. Some of the issues are related to customer handling problems. There are also issues related to fraud problems. We always heard the news about stealing money from banks with the support of internal staff. We have

been hearing reports also about how Ethio telecom has been bleeding from telecom fraud activities. Telecom Fraudsters are working with the support of some bad people who are working inside the company. Thus, both companies shall review their ethical responsibilities. Moreover, Ethio telecom should also consider its legal responsibilities. So far it has been a government monopole company. But Sometimes the company has been violating some legal issues settled by the regulatory agency. This will be very challenging for Ethio telecom when the liberalization and privatization of the sector will be realized. Because it will be a must for every operator to respect the regulations. The customers are also demanding a lot in this regard.

The finance sector director of Public Enterprise Holding and Administration Agency is also reflecting the same opinion. But the PR expert from the National Bank of Ethiopia stressed more on the Economic responsibilities of the two companies. He articulated the two companies how they have been working to sustain their economic responsibilities. According to him:

The two companies are not only providing services. But they are also the backbone of the national economy. For the last couple of years, they have been financing megaprojects of the country. For example, CBE is the main finance source of different mega projects including the Great Ethiopian Renaissance Dam Project. The local finance for the Addis Ababa light railway project was covered by Ethio telecom. The government urged the two companies to generate more revenue and to enable the other sectors as well. Therefore, Economic responsibility should be their priority.

4.5.2 Employees Understanding on the Definition CSR

Measuring the understanding of Public relations and communication practitioners on CSR definitions is important to know how much they have been managing their tasks based on modern practices, theories, and definitions. The study adopted the CSR definition assessment questions developed by Hamidu and Haron (2015). On Hamidu and Haron on a review on definitions, core characteristics and theoretical perspectives, the best definition for CSR is given as “The social, environmental and economic involvement, responsiveness, and accountability of an organization to achieve its core business objectives and goals”

Accordingly, the researcher assessed how many respondents identified the above given definition correctly. Thus, majority of respondents (71% of CBE and 87% of Ethio telecom) have chosen the above definition correctly. While 13% of CBE and 6% of Ethio telecom defined as "It is about human connections and the art of mastering human connections at a deep level in an organization". It is very few of them defined CSR differently such as "It is only company's sponsorship and philanthropic activities to support other organizations and individuals" and "It is the part of a marketing and communications strategy that crafts an organization's message(s) to its diverse publics". Therefore, there is a high level of understanding in both organizations about the concept of CSR (79%) among PR and Communication professionals.

Options	CBE		Ethio telecom		Total	
	#	%	#	%	#	%
It is the social, environmental, and economic involvement, responsiveness, and accountability of an organization to achieve its core business objectives and goals	22	71%	27	87%	49	79%
It is about human connections and the art of mastering human connections at a deep level in an organization	4	13%	2	6%	6	10%
It is only company's sponsorship and philanthropic activities to support other organizations and individuals	2	6.5%	2	6%	4	6%
It is the part of a marketing and communications strategy that crafts an organization's message(s) to its diverse publics	2	6.5%	0	0%	2	3%
It is the responsibility of a business organization to its shareholders (owners)	1	3%	0	0%	1	2%
	31	100%	31	100%	62	100%

Source: Survey result, 2020

Table 3: Understanding of employees on CSR definition.

4.5.3 Factors for companies to involve in CSR.

There are different main imperatives that companies need to pursue while practicing CSR activities. Some of the most factors for companies to engage in CSR activities are to: (1) improve their image, (2) attract customers, (3) to help society and the environment, (4) attract and motivate employees, (5) to increase income.

Accordingly, the study examined how much the PR and Communication practitioners of the two companies understood all the above-mentioned factors are as some of the objectives of CSR. Therefore, the finding indicated that 23% of Ethio telecom respondents identified all the above

mentioned all the five factors compared with 17% of CBE respondents. 26% of Ethio telecom and 21% of CBE respondents identified three factors while 26% of Ethio telecom and 3% of CBE respondents selected two factors.

When we see the most frequently mentioned factors for companies to get involved in CSR activities, 84% of CBE and 77% of Ethio telecom respondent identified to improve the image of their company as the main factor for the involvement of CSR while 77% of CBE and 77% of Ethio telecom respondents replied to help society and the environment as the main reason. Others (45% of CBE and 55% of Ethio telecom respondents) identified to attract customers' attention. Some respondents identify attracting and motivating employees as a reason for the involvement of the company in CSR. The research finding also indicated that the understanding of practitioners on the impacts of CSR on their respective companies' revenue (income) and its role to attract and motivate employees is relatively low.

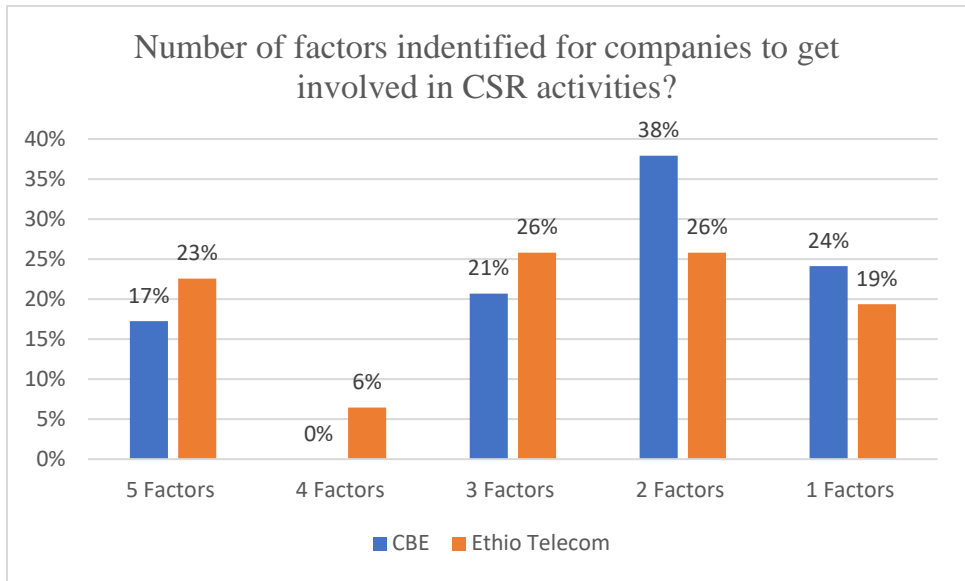
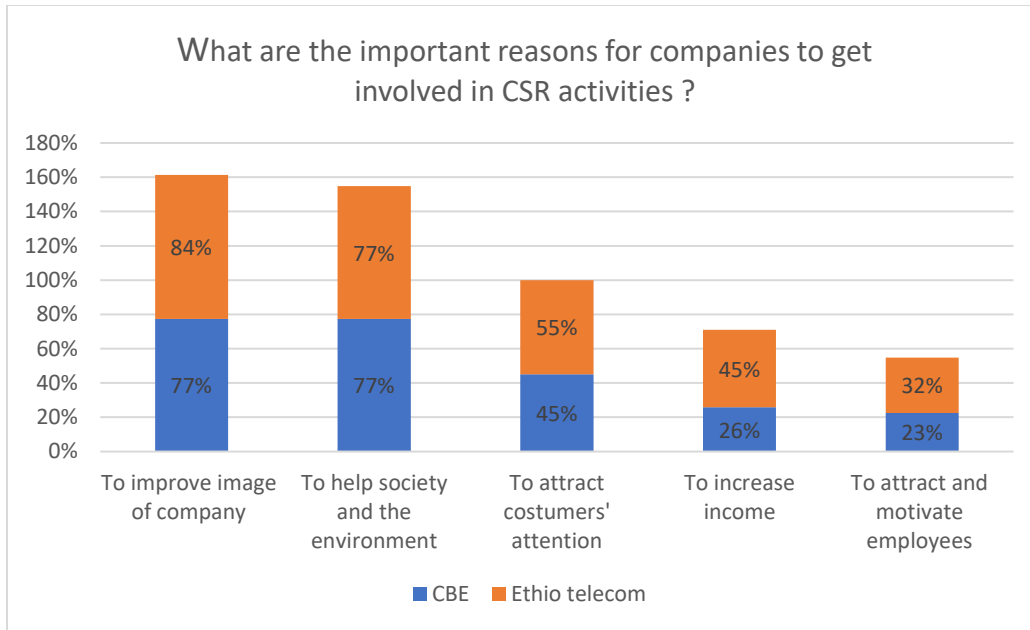


Figure 11: Number of factors identified for companies to get involved in CSR activities.

Factors: (1) improve their image, (2) attract customers, (3) to help society and the environment (4) attract, and motivate employees, (5) to increase income.



Source: Survey result, 2020

Figure 52: Factors for companies to involve in CSR

4.6. How CSR activities are integrated with Organizational strategies

An organizational strategic plan is the main foundation of strategic Communication and public relation activities. As part of strategic communication, any CSR initiative or activity shall be driven from the strategy of the company. Companies may have also specific strategies, policies, procedures, or guidelines dedicated to managing the day-to-day CSR activities.

Under this section five possible opinions were listed by the researcher to assess how much their respective companies have integrated CSR with organizational strategies. Accordingly, respondents were requested to rate each of them based on Likert system. But The first step was checking the reliability of the Likert scale using Cronbach's alpha. According to Abraham, J., & Barker, K. (2014), Cronbach's alpha is a measure of internal consistency, that is, how closely related a set of items are as a group. It is considered as a measure of scale reliability. Reliability coefficient of 0.70 or higher is considered as “acceptable” in most social science research situations. Accordingly, the alpha coefficient for the five Likert scale items is 0.719, suggesting that the items have relatively high internal consistency and reliability. The validity test is conducted using Pearson correlation test. A Pearson correlation coefficient whose magnitude are between 0.5 and 0.7 indicate variables which can be considered moderately correlated. According

to the Pearson correlation result, all the five Likert scale variables have Pearson correlation value greater than 0.5 (0.548, 0.6, 0.589, 0.635 and 0.537).

Accordingly, the findings indicated that 64% of CBE and 81% of Ethio telecom respondents were rated as strongly agree and agree with the idea that their respective companies incorporated CSR issues in to their main corporate strategic plans. This showed that Ethio telecom gives more attention to CSR to incorporate it into its core strategic plan. The same holds for the incorporation of CSR activities on the core activity list of their respective companies where 52% of CBE and 68% of Ethio telecom respondents strongly agree and agree. When we see the incorporation of CSR activities at all divisions, departments, Districts/regions, or branches, it is only 22% of CBE and 42% of Ethio telecom respondents strongly agree and agree. This shows that managing CSR issues at lower working levels and branches of the two organizations are very low.

Do you agree on the following ideas ?	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
	CBE	Et	CBE	Et	CBE	Et	CBE	Et	CBE	Et
My company has incorporated CSR in its main Corporate strategic plan	19%	26%	45%	55%	19%	16%	16%	3%	0%	0%
CSR activities are integrated to the core activities of my company	13%	26%	39%	42%	29%	26%	19%	6%	0%	0%
In my company, all divisions, departments, Districts/regions or branches are incorporated CSR initiatives into their annual plan	3%	10%	19%	32%	26%	55%	52%	3%	0%	0%
In my company, CSR activities are regularly reported in the quarter, half year and annual performance reports	6%	39%	42%	45%	19%	16%	29%	0%	3%	0%
There is specific strategy/ policy or directive or procedure to manage CSR initiatives in my company	16%	16%	55%	42%	13%	42%	13%	0%	3%	0%

Source: Survey result, 2020

Table 4: How CSR activities are integrated with strategies

When we see reporting of CSR activities for the stakeholders, 48% of CBE and 84% of Ethio telecom respondents strongly agree and agree that CSR activities are regularly reported in the quarter, half-year, and annual performance reports. In this regard, Ethio telecom was communicating its CSR initiatives for the public better than CBE did. However, the availability of specific strategy, policy, directive, or procedure to manage CSR initiatives is better at CBE than Ethio telecom where 71% of CBE and 58% of Ethio telecom respondents strongly agree and agree on the availability.

According to Ethio telecom's three years strategic plan (Ethio telecom Strategic plan 2019-2021), CSR is identified as one of its pillars to build and maintain a good relationship with society and to

create a renowned corporate brand and identity. Thus, this strategic objective is cascaded for all working units across the company. As part of its strategic plan, employees are encouraged to participate in any CSR activity to support communities and the environment. The researcher has also reviewed the plan and performance reports of the company submitted to stakeholders, like Ethiopian Public Enterprises Holding and Administration Agency as well as the press releases dispatched for media outlets in the 2019/20 budget year. Accordingly, the researcher observed that CSR plans and performance reports are always mentioned clearly on these types of company reports. However, unlike CBE, Ethio telecom has not specific written CSR policy or procedure on how to manage initiatives. According to the interview with the CSR director of the company, their CSR policy is under process to be validated by the higher management body.

On the contrary, the issues of CSR are not clearly indicated on CBE's corporate strategic plan. Districts and branch offices are not planning to manage CSR initiatives in parallel with their core business objectives. That means CSR is managed mainly from the corporate (Head office) level. But like Ethio telecom, all plans and reports submitted to Public Enterprise Holding and Administration Agency described CSR performances. And sometimes CBE also publicized its CSR activities on different media platforms.

4.7. Implementation of the CSR directive

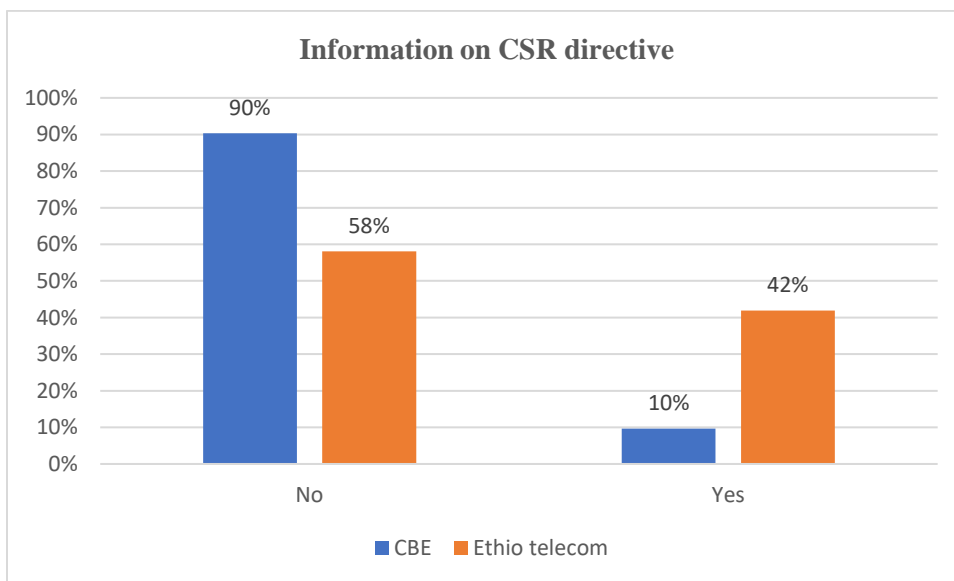
The Ethiopian Public Enterprise Holding and Administration Agency has endorsed a directive on how public enterprises shall manage CSR activities. The Agency has circulated this directive to all also public Enterprises. Cognizing this directive, the study assessed the respondent's knowledge of this directive and how their respective companies have been managing CSR in line with the directive. Accordingly, the majority of them (90% of CBE and 58% of Ethio telecom respondents) did not know at all about the endorsement of the directive. However, Ethio telecom respondents are in a better position to know the directives. 42% of Ethio telecom respondents know the directive compared to 10% of CBE of the respondent.

According to the Advertisement and Promotion Director of CBE, the bank has written CSR procedures and guidelines to manage initiatives. The procedures described in the directive circulated by the agency is not different from their existing CSR guideline. The CSR director of Ethio telecom was also reflected the same:

Even if we are in the process of validating our own CSR policy and procedure, the CSR directive enacted by the agency is the same as our usual and unwritten working process. It never changed our long-time working procedure. That means our company is already ahead of this directive. We also report our CSR plans and performance reports to the agency and board of directors as the way we always doing in line with our process.

According to the finance sector director of Public Enterprises Holding and Administration Agency, the directive may not affect the existing CSR procedures of Ethio telecom and CBE as they are moving forward in a good track. But it will have a huge impact to enforce other public enterprises to manage CSR activities in parallel with their core business objectives:

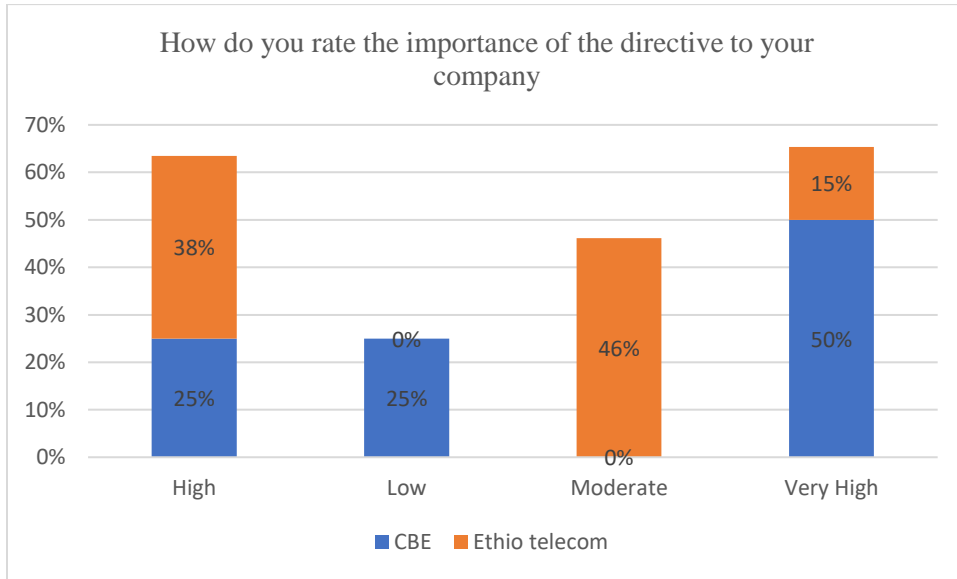
The agency has dispatched the directive to all public enterprises. Most of them had never managed CSR activities at all. But as part of corporate governance, recently the agency urges all public enterprises to engage in CSR activities uniformly. We have been also following up on the activities of each enterprise using plans and performance reports. Currently, almost all are exercising managing of CSR activities based on the directive. Fortunately, both CBE and Ethio telecom had been already on a good track for many years in managing CSR activities. Thus, the directive never changed their usual CSR procedures.



Source: Survey result, 2020

Figure 6: Information on CSR directive

Further, those who know the directive were asked to rate the importance of the directive to their company. 75 % of CBE and 53% of Ethio telecom respondents replied the directive is highly and very highly important. 25% of CBE and 46% of Ethio telecom respondents rated as low and moderate, respectively.



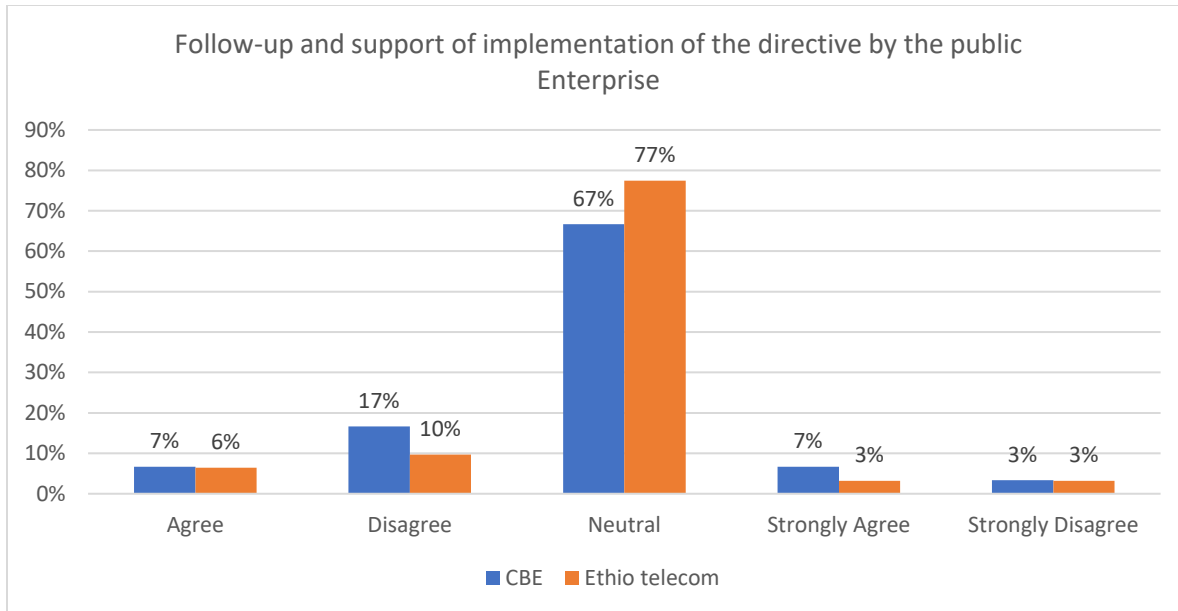
Source: Survey result, 2020

Figure 7: How do you rate the importance of the directive to your company

When we see the follow-up and support of the implementation of the directive by the public Enterprise, most of the respondents are kept neutral as mainly due to lack of information on the agency's action. Very few of them agree and disagree on the follow-up and support of the implementation of the directive by the Agency.

According to the public Enterprises holding and administration agency director:

we have not yet started deep inspection and auditing on the full implementation of the directive in all enterprises. However, we have been conducting follow-ups using plans and performance reports on a timely basis. We have also regular meetings and discussions with all CEOs and heads of enterprises. CSR is always one of the discussion points during these meetings. Thus, we do not have any doubt on CBE and Ethio telecom on managing CSR issues according to the directive.



Source: Survey result, 2020

Figure 8: Follow-up and support of implementation of the directive by the public Enterprise

4.8. Rating of best public Enterprises on CSR activities

The study also assessed to identify respondents for the top three successful Government Business organizations in Ethiopia that are best known in their CSR practices. Accordingly, Ethio telecom was selected by 50% of the respondent to be ranked as first followed by Commercial Bank of Ethiopia as second and Ethiopian Airlines at third level. Due to the lack of organized data and independent organization to track the CSR activities of Public enterprises in Ethiopia, the researcher is also unable to verify this from an independent source.

According to the director from Public Enterprise Holding and Administration agency:

We have been always reviewing the performance reports of all enterprises. So far Ethio telecom is the leading one in CSR activities followed by Ethiopian airlines and CBE, respectively. But this is just based on their performance reports. There should be further assessment and evaluation based on different CSR performance parameters. This does not mean also that other enterprises are not practicing CSR initiatives. Following from the circulation of the directive, others are also exercising managing of CSR activities for the first time.

	1st	2nd	3rd
Commercial Bank of Ethiopia	39%	42%	15%
Ethio telecom	50%	35%	15%
Ethiopian Airlines	11%	23%	70%

Source: Survey result, 2020

Table 5: Rating of best Government Business organizations on CSR

4.9. Gaps on CSR activities identified by respondents.

Respondents are asked to reflect on some of the problems that they observed in their respective organization's CSR practice. And here are some of the most common opinions reflected.

CBE	Ethio telecom
Lack of well-developed CSR plan, budget, and human resource	Lack of validated policy, procedure, guidelines, or manual.
Lack of well-defined CSR, strategy, objectives, and activities	Lack of assessment on the impacts of the CSR initiatives
Lack of proper organizational structure to manage CSR initiatives	Lack of transparency on request proposal selection criteria
Lack of management and controlling and lack of internal procedure	political interference or political affiliations of the top management
Lack of impact assessment studies on CSR activities.	Lack of Sufficient Budget
Lack of promoting CSR activities to the public.	Over flooding of requests for sponsorship
Lack of prioritization to address CSR activities	Lack of structure across zones & Regions

The above comments would be useful for further studies. However, the researcher also observed that there are differences between the two companies' organizational structures to manage CSR activities. In Ethio telecom, the CSR department under the Communication division is responsible for the entire CSR activities at the corporate level. However, in CBE CSR is managed by the Advertisement and promotion working unit along with other marketing and promotion activities. Thus, Ethio telecom gives better emphasis on CSR as part of its strategic communication to build and maintain mutual understanding and relationship with the public. However, the structure is visible only at the corporate level in both companies. There is no dedicated working unit in charge of managing CSR activities in regional/ district offices.

CHAPTER FIVE: CONCLUSION AND RECOMMENDATION

This chapter covers the conclusion and recommendation of the study. The first part of the chapter concludes the findings presented in the previous chapter. And the second part of this chapter deals with the way forward that the researcher recommends for future studies and feedbacks to improve the CSR practices of both organizations.

5.1. Conclusions

The research aimed to access the practice of CSR in Ethio telecom and Commercial Bank of Ethiopia in comparison. Accordingly, the researcher has identified the following findings. To access the kind of CSR activities being implemented in both companies, the respondents were asked to rate how much the two organizations were managing some selected CSR activities. The research finding indicated that, out of seven parameters, Ethio telecom is relatively in a better position than CBE. Here are the findings:

- On environmental aspects of CSR, the finding indicated that Ethio telecom was relatively more responsible than CBE.
- In terms of supporting social concerns, the research finding indicated that Ethio telecom is much better than CBE. CBE's contribution to society is mainly focused on the development of Social infrastructures like the building of schools and health care centers. However, Ethio telecom tends to more on sponsorship and philanthropic activities. However, stakeholders were also expected both companies to consider and improve the fairness and inclusiveness issues in their CSR practices to address the need and interests of different parts of the society.
- The research finding also indicated that Ethio telecom had been communicating its CSR activities to its publics better than CBE. And relatively it's communication and Public relation professionals have got training on how to manage CSR activities. But overall, both companies lacked behind to build the knowledge and capacity of their employees who have been working in the PR and communication departments.
- The finding indicated that employees' engagement in CSR activities in Ethio telecom is better than in CBE. Employees' engagement in CSR activities in Ethio telecom is taken as one of the performance measurements tools.

- As part of its CSR activities, Ethio telecom was investing a lot to create a conducive working environment for its employees than CBE.
- In terms of conducting an assessment on their CSR impacts, both companies are failed to manage this activity as part of their core PR and Communication activities.
- The research finding indicated that there is well defined and specific policy, strategy, directive, or procedure to manage CSR activities in CBE than Ethio telecom.
- Even though both Ethio telecom and CBE have done lots of CSR activities, they have limitations on fairness and equitable manners to address all parts of the country as they were mostly engaged in Addis and with the federal state.

The other objective of the research was to access the understanding level of Communication and Public relations practitioners towards CSR practices, definitions, theories, and models in the respective companies. Accordingly, respondents were asked to answer four different questions. Therefore, the research finding indicated that respondents from CBE have a better understanding of the importance of CSR for an organization than Ethio telecom respondents. However, the finding indicated that the result is below 50% in each company. This indicated that there are still gaps in employees on the perception of CSR practice, theories, and models.

But in terms of defining CSR, the research finding indicated that the majority of respondents from Ethio telecom have a better understanding than CBE respondents.

The third objective of the study is assessing how much the two companies have integrated CSR initiatives into their respective corporate strategic plan. As observed from the research finding, the issue of CSR in Ethio telecom is better incorporated in its corporate strategic plan and taken as one of its strategic objectives to build and maintain mutual understanding and relationship with the public than CBE. In Ethio telecom, CSR as a strategic objective is also cascaded from corporate up to individual level. Accordingly, CSR performances are evaluated and reported on a timely basis for all stakeholders. However, Ethio telecom lacks having a specific and written strategy, policy, or procedures dedicated to managing the routine CSR activities. In this regard, CBE is in a better position since it has a written procedure and criteria to select at least sponsorship and philanthropic requests.

The last objective of the study is to assess how the CSR directive enacted and circulated by Public Enterprise Holding and Administration Agency is understood and implemented in the

respective companies. Accordingly, the research finding indicated that the majority of the respondents in CBE and Ethio telecom did not know about the directive. But relatively Ethio telecom employees have better knowhow about the directive.

On the other hand, the practices of CSR in both Ethio telecom and CBE are highly centralized from their respective head offices. Most of the time their CSR initiatives are concentrated in Addis Ababa and work with the federal government. Districts and branch offices have not the autonomy and power to manage CSR initiatives in their localities.

Respondents were also asked to give their ranking for the best three public enterprises in Ethiopia which are best known in their CSR practices. Accordingly, Ethio telecom, Ethiopian Airlines, and CBE were respectively ranked from 1st up to 3rd levels. The director from the Public Enterprise Holding and Administration Agency was also reflected in the same opinion. Thus, Ethio telecom is one of the leading public enterprises known for its CSR practices.

5.2. Recommendations

Based on the research findings and conclusions the researcher recommended the following corrective measures to be taken by Ethio telecom, Commercial Bank of Ethiopian and Public Enterprise Holding and Administration Agency:

- Even though both Ethio telecom and CBE are best known on their CSR practices among other public enterprises, both should incorporate inclusiveness and fairness issues into their CSR initiatives to address the marginalized parts of the society, including disabled people. In addition, as both are operating throughout the country, they should also conduct CSR activities fairly in all regional governments.
- The researcher recommends Ethio telecom to focus more on CSR projects than managing routine sponsorship and philanthropic related CSR activities. As scholars recommended, sponsorship and philanthropic oriented CSR practices have short impact on the image and reputation of a company. But supporting to build social infrastructures like what CBE has been doing to build school, health centers and clean water projects will have big impact to build sustainable and long-lasting corporate brand and reputation.

- Both companies may not be able to support every part of the society and environment concerns in the country. However, communicating their CSR initiative which are done in somewhere to others will create big impact on their corporate brand and reputation. In this regard CBE shall improve its CSR communication activities to aware its estimated publics. Moreover, Communication and Public relation practitioners who have been working in both companies shall get adequate trainings on how to manage CSR activities. Because CSR is one of the best PR tools to create and strengthen two-way communication and relationship between an organization and the public.
- As part of PR and Strategic communication, Ethio telecom and CBE shall manage CSR activities based on assessments and research findings. Both should also assess the outcome of their initiatives on timely bases.
- CBE shall also encourage more its employees to engage in any CSR activities to support the local community and environment. This will also help the company more to build and maintain its relationship with the society. Because employees can be good ambassadors of their own companies. Being engaging in any CSR initiatives will also motivate and encourage employees to contribute more for their company.
- A good Strategic communication plan is driven from the strategy of an organization. In this regard CBE's CSR initiatives shall be integrated with the corporate strategy of the bank.
- In line with the CSR directive which was enacted by the Public Enterprises Holding and Administration Agency, the research finding indicated that both Ethio telecom and CBE were doing good in managing CSR activities. However, the agency should exert its efforts to conduct CSR auditing and supervise all enterprises for the better and uniformly implementation of the directive.
- As both companies are operating through the country, the researcher recommend both companies to revise their organizational structure to empower their district and branch offices to manage CSR activities autonomously.

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Appendixes

Appendix 1- Survey Questionnaires

ADDIS ABABA UNIVERSITY
SCHOOL OF JOURNALISM AND COMMUNICATIONS

MA PROGRAMME IN PUBLIC RELATIONS & STRATEGIC COMMUNICATIONS

Dear respondent,

Thank you for participating in this survey for my master thesis at Addis Ababa University, School of Journalism and communications. The main aim of this study relates to the practice of Corporate Social Responsibility (CSR) in Ethiopian Public Enterprises. Filling out the current questionnaire will take you not more than 5-10 minutes.

All your answers will be handled with strict confidentiality and anonymity. Please answer honestly and make your own choices as your input is very important for this study.

If you have any further questions regarding the questionnaire, please do not hesitate to contact me.

Kind regards,

PART I: Demographic background.

Please put Tick (v) mark in the box.

1. Gender: **Male** **Female**

2. Years of Service

1-5 6-10 11-15 16-20 21-25 Above 25

3. Educational Level

College Diploma Bachelor's Degree Master's Degree Phd

4. Age

18-25 26-30 31-35 36-40 41-45 Above 46

5. Job Level

Managerial supervisor Expert Other non-managerial /staff positions

PART II

This part is mainly to assess the kinds of CSR activities being implemented in your company.

	Very High	High	Moderate	Low	Very Low
5. Value how much your organization is involving in environmental concerns					
6. Value how much your organization is supporting social concerns					
7. How do you rate the CSR communication activities in your company					
8. Value how much your organization encourages employees to engage in any CSR activities. For example, employees' financial contribution for humanitarian activities or Participating in environmental conservation activities.					
9. Value on your company activities to be socially responsible and committed to make the workplace is safe for all employees					
10. Value your company on the efforts to assess the outcome/impact of its CSR initiatives on timely base					

Part II.

This part is to assess how PR and communication Practitioners respective companies understand the concepts of CSR

11. What makes a company responsible in your opinion? (you can select more than one options)

- Following legal requirements
- Offering good quality product/services
- Treating statehooders with respect
- Being environmentally friendly
- Getting involved in social campaigns.

12. In your opinion, which one of the following can define the term CSR in the best way

- It is company's sponsorship and philanthropic activities to support other organizations and individuals.

- It is the social, environmental and economic involvement, responsiveness, and accountability of an organization to achieve its core business objectives and goals
- It is the responsibility of a business organization to its shareholders (owners)
- IT is about human connections and the art of mastering human connections at a deep level in an organization
- It is the part of a marketing and communications strategy that crafts an organization's message(s) to its diverse publics

13. What are the important reasons for companies to get involved in CSR activities in your opinion? (multiple answer is possible)

- To improve image of company
- To attract and motivate employees
- To help society and the environment
- To increase income
- To attract costumers' attention

PART III.

This part is to assess how CSR activities are being integrated with strategies.

Do you agree on the following ideas?	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
14. My company has well incorporated CSR in its main Corporate strategic plan					
15. CSR activities are well integrated to the core activities of my company					
16. In my company, all, departments, Districts/regions or branches are well incorporated CSR initiatives into their annual plan					
17. In my company, CSR activities are regularly reported in the quarter, half year and annual performance reports					
18. There is specific strategy/ policy or directive or procedure to manage CSR initiatives in my company					

Appendix 2: Interview Questions for Public Enterprises Holding and Administration Agency Director

1. How the agency is supervising public enterprises with regard to CSR activities
2. Why the agency needs to enact the CSR directive
3. Have you been assessing the outcome of the directive?
4. Which Public enterprises are best performing CSR practices? Why?
5. How do you evaluate the CSR activities of Ethio telecom and Commercial Bank of Ethiopia?

Appendix 3: Interview Questions for Ethio telecom and CBE CSR and Communication Heads

1. How do you plan, evaluate, measure and report CSR activities in your company?
2. How do you integrate CSR initiatives into the strategic objectives of your company?
3. What are the major CSR initiatives taken in your company in this budget year?
4. How do you communicate CSR initiatives and achievements?
5. How do you empower your CSR and Communication employees?
6. How do you engage stakeholders in your CSR initiatives?
7. How CSR is integrated in the strategic plan of your company?
8. What is your reflection about the CSR directive enacted by Public Enterprise holding and administration Agency?
9. Do you think your company is compliant with the directive?
10. What are the strengths and weaknesses of the directive?
11. What are the challenges and opportunities regarding to CSR activities in your company?

Appendix 4: Interview Questions for Stakeholders

(Makedonia, Ethiopian Communications Authority, National Bank of Ethiopia, Ministry of Labor and Social Affairs, Ethiopian Environment Authority and Federations of Ethiopian National Associations of Persons with Disabilities)

1. How do you evaluate the practice of CSR in Ethio telecom and Commercial Bank of Ethiopia in terms of:
 - Environmental protection
 - Supporting Social issues
 - Respecting basic human right issues
 - Treating customers equally and fairly
 - Respecting ethical manners in to their operation
 - Incorporating CSR into their organization strategies
 - Communicating CSR initiatives and achievements to the publics
2. What shall the two organizations should do to improve their CSR activities.
3. Which organization (Ethio telecom or CBE) do you think performing CSR in a better way? why?
4. How do you evaluate the practices of other Public Enterprises in terms of implementing CSR?