



ADDIS ABABA UNIVERSITY
COLLEGE OF SOCIAL SCIENCE
SCHOOL OF SOCIAL WORK

**An Assessment of Corporate Social Responsibility Practices and
Impacts on Community Development: A Case Study of the Ardaiyta
Government-Owned Farm**

By: Aderajaw Biwota Moges

A Thesis Submitted to the School of Graduate Studies of Addis Ababa University
in Partial Fulfillment of the Requirements for the Degree of Master of Arts in
Social Work

Advisor: Ashenafi Hagos (PhD)

June, 2026

Addis Ababa, Ethiopia

Addis Ababa University

College of Social Sciences

School of Social Work

This is to certify that the research prepared by Aderajaw Biwota Moges entitled: An Assessment of Corporate Social Responsibility Practices and Impacts on Community Development: A Case Study of the Ardaiyta Government-Owned Farm and submitted to the School of Social Work, Addis Ababa University for the Partial Fulfillment of the Degree of Master in Social Work.

Signed by the Examining Committee:

Advisor	Signature	Date
_____	_____	_____
External Examiner	Signature	Date
_____	_____	_____
Internal Examiner	Signature	Date
_____	_____	_____

DECLARATION

I, Aderajaw Biwota, hereby declare that this research paper is original and has never been presented in any other institution. To the best of my knowledge and belief, I also declare that any information used has been duly acknowledged.

Declared by:

Aderajaw Biwota

Signature _____

Acronyms

CD	Community development
CSR	Corporate Social Responsibility
EABC	Ethiopian Agricultural Businesses Corporation
FGD	Focus Group Discussion
NGO	Non-Governmental Organization
TBL	Triple Bottom Line

Abstract

This study examines the impact of Corporate Social Responsibility (CSR) on community development at Ardaiyta Seed Multiplication Farm in Ethiopia, from the perspective of local communities. The research was guided by five objectives: to assess CSR initiatives, evaluate their impact on community development, explore community perceptions, identify implementation challenges, and analyze stakeholder participation. A qualitative case study design was employed. Data were collected through in-depth interviews with 16 participants, three focus group discussions involving 18 community members, and document review. Participants included farmers, women, youth, beneficiaries, local officials, and farm representatives. Thematic analysis was used to analyze the data. Findings indicate that the farm implements various CSR activities, including agricultural support, employment creation, infrastructure development, education support, and social services. These initiatives contributed to improved agricultural productivity, enhanced livelihoods, and better access to services. However, the study identified major limitations: absence of a formal CSR policy, weak integration into core operations, limited community participation, exclusion of vulnerable groups, lack of capacity-building programs, unequal access to resources such as water, and unresolved land disputes. CSR practices were largely informal and dependent on managerial discretion. The study concludes that while CSR initiatives have positive effects, they are not transformative due to their ad hoc and non-strategic nature. To enhance effectiveness, CSR should be strategic, inclusive, participatory, and sustainable. Recommendations include developing a formal CSR policy, strengthening community participation mechanisms, targeting vulnerable groups, implementing farmer training programs, improving resource distribution, resolving land conflicts, and establishing monitoring and evaluation systems.

Acknowledgement

I would like to express my sincere gratitude to all those who contributed to the successful completion of this study. I extend my deepest appreciation to my academic advisor, Ashenafi Hagos (PhD) for invaluable guidance, constructive feedback, and continuous support throughout the research process.

I am also grateful to the management and staff of the Ardaiyta Seed Farm and the Ethiopian Agricultural Businesses Corporation (EABC) for their cooperation and for providing access to important information and documents necessary for this study.

My heartfelt gratitude goes to all study participants including farmers, women, youth, and key informants who generously shared their time, experiences, and insights, without their willingness to participate, this research would not have been possible.

Finally, I would like to acknowledge Mr. Adem Eba for invaluable assistance with translation during the data collection process, which was essential in facilitating effective communication and ensuring accurate data gathering.

Table of Contents

Contents

Acronyms.....	iii
Abstract.....	iv
Acknowledgement	v
CHAPTER ONE: INTRODUCTION	1
1.1. Background of the Study.....	1
1.2. Statement of the Problem.....	3
1.3. Objectives	5
1.3.1. General Objective	5
1.3.2. Specific Objectives	5
1.4. Research Questions	6
1.5. Significance of the Study	6
1.6. Limitations of the Study.....	7
1.7. Organization of the thesis	7
CHAPTER TWO: LITERATURE REVIEW	8
2.1. Definitions & Theories of CSR.....	8
2.1.2. Definitions and Concepts of CSR	8
2.1.3. Debates and perspectives on CSR.....	10
2.2. Theories of CSR.....	10
2.3. The Situation of CSR in Ethiopia	12
2.3.1. CSR practice in Ethiopia.....	12
2.3.2. Legal and Institutional Framework	13
2.3.3. Awareness of CSR	14
2.3.4. Challenges in CSR Operations.....	14
2.3.5. Benefits of Corporate Social Responsibility	15
2.4. CSR and Community Development.....	16
2.5. Challenges of CSR in Community Development	19
2.6. Sector Specific CSR in Agriculture	20
2.7. Theoretical Framework.....	21
CHAPTER THREE: METHODOLOGY	23
3.1. Research Design.....	23

3.2 Description of the Study Area.....	23
3.3 Sampling	24
3.4 Sample Size.....	25
3.5 Data Collection Methods	25
3.6 Methods of Data Analysis.....	29
3.8 Ethical Considerations	30
CHAPTER FOUR: ANALYSIS AND FINDINGS.....	31
4.1. Findings.....	31
4.2. CSR practice of the Farm.....	31
4.3. Contribution of the Farm to local community.....	32
4.3.1. Contribution to Agriculture productivity	32
4.3.2. Electrification of Woltei Town	34
4.3.3. Contribution to Employment	36
4.3.4. Impact to Education	38
4.3.5. Contribution to Health Sector	39
4.3.6. Contribution to Water Access	40
4.4. Inclusivity of CSR Initiatives.....	41
4.5. Community Relationship with the Farm.....	42
4.6. Environmental Practices	43
4.7. Obstacles of CSR Practice	44
4.2. Discussion	45
CHAPTER FIVE: CONCLUSION AND SOCIAL WORK IMPLICATIONS	50
5.1. Conclusion	50
5.2. Recommendations and Social Work Implications	51
5.2.1. Implications for Service	51
5.2.2. Implications for Education.....	51
5.2.3. Implications for Policy.....	52
5.2.4. Implications for Social Work Research	52
References.....	53
Appendices.....	59

List of Tables

<u>Table 1: Demographic Data of Participants</u>	26
<u>Table 2: The Demographic Data of FGD participants</u>	27

List of Figures

<u>Figure 1: The Pyramid of Corporate Social Responsibility, Adapted From Carroll, 1991.....</u>	9
<u>Figure 2: Company Stakeholders</u>	21
<u>Figure 3: The Triple Bottom Line</u>	22

CHAPTER ONE: INTRODUCTION

1.1. Background of the Study

The term Corporate Social Responsibility (CSR) describes the financial, legal, moral, and charitable obligations that companies have to society (Carroll, 1979). Economic responsibilities are to be profitable and produce goods and services that society needs and sell them at a fair price to sustain operations and growth where as legal responsibilities pertain to obeying laws and regulations set by governments. Ethical responsibilities are do what is right, fair, and just and philanthropic responsibilities are being a good corporate citizen and giving back to society (Carroll, 1991).

According to the European Commission (2001), corporate social responsibility (CSR) is a business model in which corporations voluntarily incorporate social and environmental issues into their operations and relationships with stakeholders and these indicate that CSR promotes sustainable development and goes beyond maximizing profits. However, CSR remains a contested concept within academic and policy debates (Idowu et al., 2013). Friedman (1970) famously argued that the primary responsibility of businesses is to maximize profits for shareholder, In contrast, stakeholder theory, as advanced by Freeman (1984), posits that organizations have broader obligations to a range of stakeholders, including employees, customers, communities, and the environment.

Kotler and Lee (2005: p. 3), CSR is defined as “a commitment to improve community well-being through discretionary business practices and contributions of corporate resources.” From the various definitions given for the term, for the purpose of this study, this definition is adopted because this study specifically focuses on the community dimension of CSR. CSR initiatives such as education support, healthcare services, and infrastructure development directly contribute to sustainable community development outcomes (Yonas, 2019).

Community development (CD) refers to collaborative efforts between communities and external organizations to empower people by building their skills and capacity to create positive change in their own communities (Ismail, 2009).

In developing countries, CSR is often viewed as a mechanism for addressing social and economic challenges, particularly in contexts where government capacity to provide basic services be limited (Visser, 2008). However, existing literatures in Ethiopia indicates that the practice of CSR is minimal, fragmented, and constrained, characterized by philanthropy rather than being well integrated into fundamental organizational business strategies and lacking strategic alignment with broader sustainable development objectives (Birhanu, 2018; Kusakci & Bushera, 2023). As a result, studies reveal that CSR initiatives are frequently short-term, philanthropic, and driven by profit and corporate image rather than genuine community needs and less effective in producing sustainable community development outcomes (Abdurahman, 2020; Fentaye, 2018).

However, other existing studies report that successfully implemented CSR practices plays a positive role in society by improving access to education, water, and healthcare services, creating employment opportunities, supporting vulnerable groups, and contribute to community development (Yonas, 2019; Bruk & Wassie, 2017). Conversely, Abdurahman (2020) reports that some business organizations in Ethiopia engage in corporate social irresponsibility (CSIR) rather than CSR initiatives that contribute in community wellbeing. CSIR refers to unethical practices that negatively affect society, stakeholders and the environment (Meenakshi et al., 2026). Thus, the effectiveness of CSR is inconsistent because some studies report positive outcomes, others argue that CSR practices are often ineffective. The absence of a legal framework, legislation, policy, regulation, strategy, and guidelines that promote and facilitate CSR practices, low level of awareness, voluntary nature of CSR, insufficient community and stakeholders involvement in CSR initiatives, and other factors, contribute to the limited implementation and effectiveness of CSR in Ethiopia (Angessa, 2020; Tasew, 2021; Birhanu, 2018).

Mishra & Mohanty (2024) point out that within the agricultural domain, CSR plays a pivotal role in farmer empowerment through capacity building, training and skill development, facilitating water conservation and management, enhancing market linkages for agricultural producers and financial resources, preserving agricultural ecosystems, and fostering rural development by implementing community development and rural infrastructure initiatives. According to Tesfaye et al. (2019), CSR within the agricultural sector also contributes to

employment generation and enhances productivity through the provision of essential agricultural inputs.

Agriculture is the backbone of Ethiopia's economy, contributing to employment, food security, and the national Gross Domestic Product. According to Musba & Alemayehu (2024) Ethiopia's agricultural sector provides 90% of the country's raw materials for manufacturing, 72.7% of employment opportunities, 32.5% of the country's gross domestic product, and makes 71.2% of the nation's total export. Due to this, the government-owned Ethiopia Agricultural Businesses Corporation (EABC) has been established to support agricultural production, input supply, market stabilization, value addition, and farmer empowerment (Ethiopian Agricultural Businesses Corporation Establishment Regulation, 2015). Ardaiyta Farm is the largest and oldest seed multiplication farm of EABC and it plays an important role in supplying improved seeds and other critical agricultural inputs to farmers.

But, despite the pivotal role of Agriculture to Ethiopian economy, in the agricultural context, there is a lack of studies that simultaneously examine both CSR implementation and its impact on farming communities. Thus, this study focuses on the Ardaiyta Seed Farm under the Ethiopian Agricultural Businesses Corporation (EABC) to examine its CSR practices and their impact on the surrounding community from the perspectives of local stakeholders.

1.2. Statement of the Problem

In Ethiopia, studies have examined CSR practices at the national level as well as across various organizational and industrial contexts. However, most of these studies emphasize the implementation, strategies, and motivations behind businesses' CSR activities. Accordingly, Kusakci & Bushera (2023) studied the CSR pyramid in Ethiopia while Birhanu (2018) examined CSR Practices, Determinants, and Challenges in Ethiopia. Both studies commonly concluded that CSR practice in Ethiopia is at an early stage of development.

However, few studies have examined the practice and impact of CSR on community development in Ethiopia. Among these studies, Bruk & Wassie (2017) studied CSR and its prospect for community development in Ethiopia using a case study of LG's CSR project in Dugdedera village, 66 km north of Addis Ababa in Oromia Regional State, Ethiopia and found

out that the CSR project contributed to community development in several ways by providing clean water, road access, school improvement, library construction and educational materials for students. Abdurahman (2020), conducted a research in MIDROC Group companies and found out that MIDROC Gold has been closed and the ELFORA farms have been occupied by local communities, and properties and crops destroyed with losses in millions of dollars because it didn't implement CSR and the businesses had a negative impact on community wellbeing. Yodit et al. (2024) conducted research in Industries based in Southern Ethiopia and found two contrasting impacts of the industry on the nearby communities. One: industries implemented CSR contributed to the sustainable social and economic development and improved the living standard of communities while industries that did not implement CSR didn't contribute to community development and wellbeing. As a result, some government and private industries irresponsible activities had adverse impacts on the environment and the local community which caused to various diseases, the farming areas of the community are affected by the poorly treated water released by the industries, and cattle died.

But, several important gaps remain. First, as to the best of this researcher's knowledge, few studies are conducted on large scale state owned or private commercial farms on CSR implementation and their effects on community development. There is also lack of qualitative, community-level evidence that captures the lived experiences, perceptions, and voices of local communities in agriculture sector on CSR practices and contributions. Area specific research is also needed in large scale commercial farms in Ethiopia. Besides, there is no study that examined the practice and impact of CSR of Ardaiyta Seed Farm on the neighboring farmers, communities, and rural livelihoods.

Second, according to Simbai et al. (2024) and Bruk & Wassie (2017) the majority of existing research has primarily focused on CSR analysis from organizational, financial, and strategic perspectives. Consequently, there remains a gap in empirical research that examines CSR through a community development lens because of the limited attention given to how CSR initiatives influence community empowerment, livelihood improvement, social well-being, and sustainable development outcomes at the grassroots level.

Third, there are conflicting results in the research about how well CSR fosters community development. While some research indicates that CSR projects improve community well-being (Yonas, 2019; Bruk & Wassie, 2017), others contend that these initiatives are frequently philanthropic, short-term, and motivated more by profit than by actual community needs (Abdurahman, 2020). A study by Yodit et al. (2024) revealed examples of corporate social irresponsibility that have detrimental effects on communities. This discrepancy highlights a research gap that needs to be filled, and the ongoing discussion emphasizes the necessity of context-specific empirical research.

Together, these deficits highlight the necessity for empirical, qualitative, context-specific research that looks at CSR activities in agricultural settings from the viewpoints of local communities. For these reasons, the aim of this research is to assess and fill the knowledge gap, how CSR is practiced in agricultural sectors, specifically in Ardayita farm and contributes to local CD. Besides, this study examines to address limited empirical evidence on CSR's impact on CD in Ethiopian agriculture by providing an empirical analysis of CSR from a CD perspective, with a particular focus on community perceptions, experiences, and the tangible outcomes of CSR interventions. Investigating CSR practices and its effects at Ardaiyta Farm not only fills an important empirical gap but also generates practical evidence that can inform government policies and corporate strategies that promote sustainable development, and community empowerment and community development interventions in Ethiopia's agricultural sector.

1.3. Objectives

1.3.1. General Objective

This study's main objective is to examine Ardaiyta Farm's CSR initiatives and assess how they affect the growth and welfare of the neighborhood.

1.3.2. Specific Objectives

The study specifically aims to:

- Assess the types and nature of CSR initiatives implemented by the farm

- Evaluate the impact of the farm's CSR initiatives on local community development outcomes.
- Explore community perceptions and lived experiences regarding the farm's CSR activities
- Investigate the challenges and constraints that limit the effective implementation of the farm's CSR practices.
- Analyze the level and nature of community and stakeholders participation in the planning and implementation of the farm's CSR initiatives.

1.4. Research Questions

The following research questions are the focus of this study:

- What are the types and nature of the CSR initiatives implemented by the farm?
- How much and how do the farm's CSR efforts support long-term local community development goals?
- How do community members view and experience the farm's CSR initiatives?
- What are the main obstacles and limitations preventing the farm's CSR practices from being implemented effectively?
- How much and in what ways do the community and stakeholders participate in the planning, execution, monitoring, and assessment phases of the farm's CSR initiatives?

1.5. Significance of the Study

This study makes both theoretical and practical contributions. It provides context-specific, qualitative evidence on CSR practices and their effects on communities in the agricultural sector, thereby enriching the existing body of academic knowledge. In terms of practical contribution, the study offers valuable insights for organizations to improve the planning and implementation of CSR initiatives so that they better respond to community needs. By highlighting the importance of integrating CSR into core business operations, the findings support the promotion of sustainable community development.

The results are also useful for organizations, development practitioners, and policymakers in designing strategies that foster inclusive and sustainable development. Furthermore, the study

has important implications for social work practice, demonstrating that community involvement, empowerment, and inclusive participation can significantly enhance the effectiveness of CSR initiatives.

1.6. Limitations of the Study

This study is based on a single instance and uses a qualitative research design and this could restrict how broadly the results can be applied in different situations. It is not statistically possible to generalize qualitative results to all Ethiopian agricultural communities or businesses. The findings may not be applicable to other agribusinesses with different CSR practices, organizational structures, or community ties because they are unique to the research farm. Qualitative data is used in the investigation. Due to this community people may over report positive CSR impacts to preserve good connections with the farm or underreport negative impacts out of fear of consequences, the results are based on participants' views, experiences, and interpretations, which may be biased.

The accuracy of data interpretation may have been impacted by the need for a translator for four interviews and two focus group sessions due to language problems. The study's breadth was constrained by time and resource limitations.

1.7. Organization of the thesis

This thesis is organized into five chapters. The first chapter presents the introduction of the study, including background of the study, problem statement, objectives, research questions, significance of the study, scope, and limitations while the second chapter reviews relevant literature on CSR and community development, including theoretical and empirical studies relevant to the research topic.

The third chapter outlines the research methodology, including research design, study area, sampling techniques, data collection methods, data analysis procedures, and ethical considerations. The fourth chapter presents the findings of the study and discusses them in relation to the research objectives and existing literature; the fifth chapter builds on this by providing the summary of findings, conclusions, and recommendations of the study based on the key results of the research.

CHAPTER TWO: LITERATURE REVIEW

In this chapter relevant literature on CSR and its relationship with community development are reviewed. The review is organized into the following thematic areas: definitions and theories of CSR, CSR practices in Ethiopia, the relationship between CSR and community development, sector-specific CSR in the agricultural sector, and relevant theoretical frameworks. Identifying research gaps in the existing literature are part of it.

2.1. Definitions & Theories of CSR

2.1.2. Definitions and Concepts of CSR

The word CSR is discussed by many scholars and entities in the current world, yet a single meaning is not agreed upon by everyone. Because CSR is a wide idea that contains many different issues, experts claim that various scholars and institutions describe CSR through their own situations and viewpoints (Berihu & Yohannes, 2020). Regarding the concept of CSR, Bowen (1953) wrote the first meaning of CSR, which states that Social Responsibility is the obligations of business leaders to adopt policies, make decisions, and take actions that align with the values and goals of society.

CSR can be understood through Carroll's Pyramid, which conceptualizes CSR as consisting of four layers: economic, legal, ethical, and philanthropic responsibilities. This model explains that organizations are expected to fulfill these responsibilities simultaneously, with economic responsibility forming the foundation (Carroll, 1991). According to Carroll model economic responsibilities are to be profitable and produce goods and services that society needs and sell them at a fair price to sustain operations and growth. It is the foundation of the responsibilities because without profit it is not possible to meet other responsibilities. Legal responsibilities are pertain to obey laws and regulations set by governments, while ethical responsibilities are to do what is right, fair, and just. On the other hand, philanthropic responsibilities are being a good corporate citizen and giving back to society. These are voluntary actions that promote the welfare of society, such as donations, community development, and supporting social causes. In general, Carroll emphasizes that these four

responsibilities shows that businesses should not only seek profit but also act legally, ethically, and contribute positively to society.

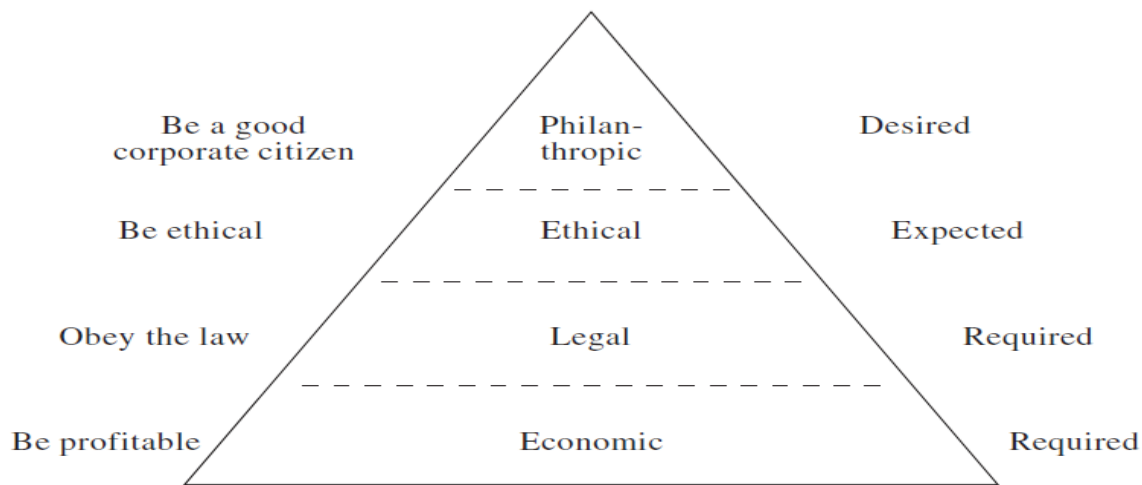


Figure 1: The Pyramid of Corporate Social Responsibility, Adapted From Carroll, 1991

On the other hand, the European Union (2011) emphasizes corporate impact on society and accountability in its definition of CSR. The union views CSR as a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. It is a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment.

The World Business Council for Sustainable Development (1998) stresses sustainable development. Accordingly, CSR is the commitment of businesses to contribute to sustainable economic development, working with employees, their families, the local community, and society at large to improve their quality of life. Similarly, Kotler and Lee (2005) define CSR as a commitment to improve community well-being through discretionary business practices and contributions of corporate resources. From the different definitions given for the term CSR, for the purpose of this study, this definition is adopted.

Historically, CSR started as a donation and voluntary community support initiative. It later expanded to include ethics, environmental sustainability, social responsibility, and integrated into business strategy (Carroll, 2021). In general, from the definitions, CSR is a complex, multifaceted, multidimensional, and evolving concept that involves economic and

social responsibilities, legal compliance, ethical behavior, social and community engagement, and environmental sustainability.

2.1.3. Debates and perspectives on CSR

There are arguments over CSR initiatives. Freeman's (1984) stakeholder theory emphasizes business organizations have obligations not just to their owners or shareholders, but also to a wide range of internal and external stakeholders, including a duty to protect the natural environment. However, Friedman (1970) argued that the primary responsibility of businesses is profit maximization, while stakeholder-oriented perspectives emphasize broader social obligations. This debate point out the need for empirical investigation into the actual outcomes of CSR practices especially from an economic and strategic perspective. Studies also report against CSR initiatives. According to Kathayat (2022) companies do not want to invest their wealth and resources in CSR initiatives if CSR initiatives fail to be a proven tool or strategy to enhance financial or organizational performance. The study further indicated that CSR activities may divert resources away from core business operations and this can reduce efficiency and competitiveness. Additionally, business organizations with or without CSR initiatives may experience a similar profit rate (McWilliams & Siegel, 2001; McWilliams et al., 2006 cited in Kathayat, A., 2022). The debate is still on (Kathayat, 2022).

Three schools of thought also debate CSR from different perspectives. The neo-liberal school basically considers CSR as a voluntary initiative by businesses. They view that CSR is good for profitability because it improves businesses' reputation in the eye of the public and prevents government regulations on business. The neo-Keynesian school, like the neo-liberals also considers CSR to be a voluntary initiative. However, unlike the neo-liberal school, neo-Keynesians recognize the negative impacts of business on society. On the other hand, the radical political economy school of thought calls for compulsory CSR (Idowu et al., 2013). The European Commission (2001) also views the implementation of CSR on a voluntary basis.

2.2. Theories of CSR

The following section presents key CSR theories that underpin this study and help explain the relationship between corporate actions and community development outcomes.

1. Stakeholder Theory

Stakeholder theory emphasizes the responsibility of organizations towards stakeholders including communities. Freeman (1984) defines a stakeholder as "any group or individual who can affect or is affected by the achievement of the firm's objectives". Stakeholders include managers, employees, customers, investors, suppliers, government, community and society at large. Hence, business management should not only consider the interests of its shareholders in the decision-making process, but also the interests of stakeholders. All stakeholders must be considered in the decision making process of the business organization. The stakeholder theory emphasizes creating shared value between a company and its surroundings (Crowther & Aras, 2008). This theory concludes that business companies should be accountable and responsible to their stakeholders including the community in which they resides.

2. The Triple Bottom Line

Triple Bottom Line (TBL) is a sustainability construct that was coined by John Elkington in 1997 (Alhaddi, 2015). Elkington (1997) states triple TBL is what corporations add on the economic value, but also on the environmental and social value they add and destroy. The term TBL is used as a framework for measuring and reporting corporate performance against economic, social and environmental parameters. This theory, also known as the 3Ps or the three pillars mainly states that a company should be responsible for three lines: Profit (economic), People (social) and the planet (environment), which encompasses economic, social, and environmental responsibility. The economic line of TBL framework refers to the impact of the organization's business practices on the economic system while the social line of TBL refers to conducting beneficial and fair business practices to the labor, human capital, and to the community. The environmental dimension focuses on how an organization minimizes its negative impact on the natural environment while promoting sustainability through responsible use of resources, waste reduction, and environmental protection (Elkington, 1997).

3. Legitimacy Theory

Legitimacy theory explains how organizations seek to operate within the norms, values, and expectations of society to be legitimate. Organizations try to gain public approval and maintain a

good image so they can continue operating successfully. Suchman (1995) states that legitimacy is a generalized perception that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions. The theory is based on the concept of a “social contract” between organizations and society. Society allows organizations to exist and operate and in return, organizations must act in ways that society considers acceptable. If they fail they risk losing trust, reputation, or even their license to operate.

Social contract is the unwritten understanding between the business and society. The firm has, in this context, certain duties towards society in return for its position in society (Crowther & Aras, 2008). The social contract refers to the reciprocal understandings and expectations that govern the relationship between business and society. The social contract encompass society’s expectations of business, particularly concerning social, ethical, and sustainability issues. The value system of a company must conform to the value system of the social system, i.e., the value system of the larger social system of which the company is a component. If the values of the firm and society do not coincide or have the potential not to coincide, then legitimacy might be at risk. As per this theory, organization needs to be responsible towards society and environment to maintain its legitimacy (Tasew, 2021).

2.3. The Situation of CSR in Ethiopia

This section examines CSR in Ethiopia by focusing on its key dimensions, including CSR practices, awareness, and benefits. It examines how organizations implement CSR activities, the level of understanding and perception of CSR among stakeholders, and the contributions of CSR to both businesses and community development. It provides an overview of the current state and significance of CSR in the Ethiopian context.

2.3.1. CSR practice in Ethiopia

CSR is new in Ethiopia (Kassaye, 2016, p. 1) and still in its infancy stage, similar to many Sub-Saharan African countries (Fentaye, 2018, p.7). CSR initiatives in the country are started by non-governmental organizations (NGOs) and multinational companies, rather than being internally driven by local companies (Birhanu, 2018, Kassaye, 2016). The CSR practice of

Ethiopia is often philanthropic, ad hoc, informal, and not strategically integrated into core business operations (Abdurahman, 2020). According to Fentaye (2018) CSR activities in Ethiopia are mostly concerned with providing social services like education, health care, infrastructure, protecting the environment, and financial support.

Empirical studies conducted across different sectors in Ethiopia indicate that CSR practices are fragmented, inconsistent, and underdeveloped. A study on large manufacturing firms in Ethiopia found that although some companies engage in CSR initiatives such as community development and environmental protection, the extent and type of engagement vary across firms, and CSR is not uniformly institutionalized (Habtie, Fentaye & Gedif, 2024). Girum (2021) found that CSR practices in the Ethiopian construction industry are generally weak, inconsistent, and largely unstructured. CSR activities are mostly limited to philanthropic contributions rather than being integrated into strategic business operations, and their implementation varies across firms due to financial, institutional, and awareness challenges.

Based on the study by Ephrem (2025), CSR practices in Ethiopian commercial banks are largely reactive, unplanned and philanthropic. The banks CSR initiatives are not fully integrated into the strategic operations of banks and are mostly implemented as project-based activities rather than long-term institutional strategies. Biruk and Zemenu (2020) state that many corporations in Ethiopia do not engage in CSR due to a lack of awareness or a limited sense of social responsibility. Similarly, Fentaye (2018) noted that businesses are more focused on their financial survival than on framing, defining, or comprehending their position in terms of corporate social responsibility.

Generally, CSR in Ethiopia is still in its infancy phase and is mostly defined by charitable actions, such as donations and community support in areas like infrastructure, health, and education. Most firms in Ethiopia do not integrate CSR into their main business activities. CSR is primarily reactive and lacks strategic orientation.

2.3.2. Legal and Institutional Framework

The term CSR is not found anywhere in the Ethiopian legal system (Biruk & Zemenu, 2020) due to the absence of clear CSR policy, law, strategy and regulation that promotes and

facilitate CSR practice (Angessa, 2010; Tasew, 2012). Mesay (2023) noted that matters of CSR are addressed indirectly through various laws and proclamations. Nevertheless, there is no specific and dedicated policy and law, there are scattered laws that are directly and indirectly connected to CSR and these laws provides CSR legal basis. Bereket (2022) also revealed that the notion of CSR is incorporated in various major Ethiopian laws and policies that govern businesses. The study point out FDRE Constitution, environmental protection law, labor law, social security law, consumer protection law and a code of ethics for Ethiopian businesses and the commercial code have ideas connected with CSR issues and can be foundations to establish CSR legal framework in Ethiopia.

Similarly, at the institutional level, many companies and government organizations in Ethiopia lack CSR policies and strategies (Birhanu, 2018, p.), resulting in CSR not being guided by formal policies or frameworks on a consistent basis (Angessa, 2010, Tasew, 2012). Accordingly, the legal and institutional framework for CSR in Ethiopia is relatively weak and underdeveloped.

2.3.3. Awareness of CSR

Ethiopian firms, especially small and medium-sized ones, continue to have a comparatively low level of awareness and comprehension of CSR and instead of viewing CSR as a strategic tool for sustainable development, many organizations view it exclusively as philanthropic giving (Kesto & Ravi, 2017). There is little knowledge about the idea of CSR in Ethiopia (Girum, 2021). But, most banks operating in Ethiopia have awareness of CSR compared to other organization types (Ephrem, 2025, p.60). CSR is implemented in Ethiopia without thorough comprehension, strategic deliberation, or conceptual clarity (Kassaye, 2016) and Ethiopian businesses exhibit varying levels of commitment and understanding (Birhanu, 2018, p.163).

2.3.4. Challenges in CSR Operations

The lack of clear CSR norms, government regulation and incentives, little media and public awareness, and a lack of consumer pressure to promote ethical company practices are some of the major obstacles of CSR implementation in Ethiopia (Girum, 2021). The main

obstacle to successful CSR implementation is lack of strategy alignment inside firms to CSR (Ephrem, 2025). Low levels of community involvement, the lack of well-run local NGOs, and a limited comprehension of CSR because it is still in its infancy in the nation further restrict CSR practice and the effectiveness of CSR is further undermined by the absence of consensus and clear standards for its implementation, as well as by the literature's inadequate consideration of societal context (Birhanu, 2018).

Degaga (2019) found that lack of top management commitment and over-ambitious community expectations were major challenges limiting CSR effectiveness. A study conducted in Ethiopia on CSR practices in development projects found that CSR effectiveness is significantly constrained by limited organizational capacity, including lack of knowledge, weak institutional structures, and insufficient resources, resulting in low levels of CSR implementation (Andargachew, 2022). Collectively, these factors contribute to fragmented, informal, and unsustainable CSR practices, restricting their potential to deliver long-term and meaningful impacts on community development in Ethiopia.

2.3.5. Benefits of Corporate Social Responsibility

CSR has benefits both for the business, stakeholders and shareholders, society and environment. Effective implementation of CSR strengthens a company's public image, brand and reputation, fosters closer relationships with stakeholders, increases operational efficiency, and supports the long-term sustainability of the business. CSR also enhances overall business value by creating a balance between economic, social, and environmental aspects. It drives sustainable business growth and inclusive economic development (Lutfiyani, 2025).

Organizations that carry out CSR activities have a lot to benefit. CSR benefits businesses in the reduction of operational costs, attracting new customers, discourages government regulation, promotes long run profit, improved better access to capital, enhancing employee relations, productivity and innovation and strengthening relations within communities through stakeholder engagement (Asemah et al., 2013).

Mantey (2024) also noted that CSR initiatives can bring about tangible benefits to both companies and society. It enhances a company's competitiveness, and customer loyalty. Besides,

it fosters a positive relationship between companies and society and contributes to sustainable development. These studies show that CSR provides to both companies and the societies around them and brings many benefits to both sides. The corporations can gain financial benefits through working for the good of the people, create a positive reputation and respect, improves employee motivation and organizational commitment, enhance customer loyalty and secure their position on the market and long-term business sustainability. Beyond businesses, CSR contributes to societal well-being. The society in which such companies function benefits in education, technology and infrastructure, as well as better health and security of people. CSR promotes ethical practices, environmental stewardship, and social accountability.

2.4. CSR and Community Development

The idea of CSR encourages businesses to think about the needs of the communities where they work by building schools, hospitals, roads, and water supply systems that will help them in a positive way. Consequently, the notion of CSR has been globally recognized as a best practice and a progressive policy framework through which corporations can positively influence and enhance the value of their local communities (Masum et al. 2020).

CSR becomes essential for community development. Ismail (2009) studied the international perspective of CSR and its role in community development. The study found out that CSR initiatives of businesses or corporations create employment for community members and access to products and services at better price and quality. It also helps to transfer technology, skills and knowledge to host communities by promoting ethical business practice. Similarly, CSR creates interdependency between a corporation and the community and these close ties in the long run creates sustainable development. CSR programs can also help alleviate poverty and impoverished community to improve the livelihoods.

But, limited studies have examined the impact of CSR on community development within the Ethiopian context. These studies revealed both positive contributions, and limited or adverse effects on communities. Bruk & Wassie (2017) studied CSR and its prospect for community development in Ethiopia. The study focus was examining how CSR initiatives contribute to CD in Ethiopia, using a case study of LG's CSR project in Dugdedera village. They employed a qualitative method involving 24 community members in interview and FGD and the

finding indicates that the CSR project contributed to CD in several ways by providing clean water, road access, school improvement, library construction and educational materials for students. The study also reported improvements in women's workload of water fetching time, children's school attendance, community hygiene and market access for farmers. LG's CSR project resonates to the needs of the communities, and communities participated in meetings and labor contribution. The study pointed out that CSR initiatives of businesses can be used to address the gaps of governments in developing nations as CSR initiative had solved the problem of access to potable water that the local government can not fulfilled. The study by Bruk & Wassie (2019) is strong because it provides important context-specific insights into CSR and its potential contribution to community development in Ethiopia.

Yonas (2019) examined the roles and practices of CSR in mitigating social problems in Ethiopia, using the case of ten selected business organizations and employing qualitative research methods. The study revealed that CSR initiatives help to address social challenges and improve the well-being of local communities. It plays a positive role in society by improving access to education, water, and healthcare services, creating employment opportunities, supporting vulnerable groups, and engaging in various community development activities. However, the findings also indicate that most business organizations primarily focus on voluntary philanthropic CSR initiatives, such as donations, and support for health and education sectors and many companies fail to develop and implement long-term, sustainable solutions to effectively address the underlying social problems affecting communities.

Conversely, studies report that businesses have a negative impact on community wellbeing. Abdurahman (2020) investigated CSR and Business-Community Relations in Africa focusing on the Case of Ethiopia. The study employed a qualitative method, interviewed 45 relevant government key informants and local communities that lives around the MIDROC investment group companies and reported that there is no community development orientation, and as a result no social and positive environmental impacts. The companies are not aware of their strategic CSR responsibilities to CD. The study argued that businesses are managed to maximize profits with no social objectives. The study also argued that CSR is ad-hoc philanthropy activity based on neo-liberal and voluntary approach motivated by market performance, reputation and image building objectives rather than addressing real community

needs and problems. The study found that companies are blamed for corporate social irresponsibility manifested in environmental damage through destruction of forests, animal ecosystem, water overuse, and water and chemical pollutions, breaches of labor and community rights, and other activities. The study also revealed that the relationship of the companies with the community is full of conflict and enmity. Because of this, MIDROC Gold has been closed and the ELFORA farms have been occupied by local communities, and properties and crops destroyed with losses in millions of dollars.

A similar pattern was reported in the study that examined the practice of corporate community engagement in enhancing CSR activities in Ethiopia focusing on the local brewery companies using mixed methodology. The result of the study indicated that there is no direct interaction and relationship between the brewery companies and the communities. Instead, the brewery companies interact with local community through an intermediary, local government office namely city agriculture office on the issues of CSR and needs of the community. As the result, the company contribution to the community development is minimal. The indirect interaction between the brewery companies and the local community created gap to understand real challenges of local community. Consequently, in one side the company argued of addressing community challenges and on the other side the local community expresses their dissatisfaction on the companies' contribution as per their needs (Martha, 2022). The findings of Berihu & Yohannes (2020) study on CSR practice in Heineken Brewery also indicated the company CSR approach was short term and reactive and because of these Heineken's Brewery contribution to the society was responsive instead of sustainable social development.

Mixed findings have also been observed, on one side CSR positively influences CD and on the other side they have negative impact on communities. Yodit et al. (2024) investigated CSR contribution for sustainable CD in industries in Southern Ethiopia employing mixed methods. Data were collected from local communities residing besides to manufacturing industries and with government officials using questionnaire, interview, FGD and observation. The study revealed two contrasting impacts on nearby communities. On one the positive side, industries' CSR positively contributes to the sustainable social and economic development and improved the living standard of communities. At the same time, the study revealed that irresponsible industrial activities had adverse impacts on both the environment and the local

community, contributing to the outbreak of various diseases. It further indicated that farming areas were affected by improperly treated wastewater discharged from industries, which in some cases led to the death of livestock.

The reviewed existing studies that were looked at show that CSR could have a positive effect on CD and be good for society. These studies show that well-run CSR programs in Ethiopia play an important role in supporting CD, particularly in underserved and rural areas. By contributing to vital sectors like education, health, environmental protection, and enhancing people's lives, businesses initiatives assist close gaps left by government efforts. These steps can improve people's lives and make it simpler for them to obtain basic services. The difference in results suggest that its effectiveness is mostly dependent on the execution of CSR and the involvement of stakeholders and the community. Positive outcomes are more likely to result from long-term, participative CSR initiatives that align with community goals and address actual needs. However, efforts that are short-term, top-down, or driven more by corporate image than by real community needs typically have minimal impact.

The small number of studies and the contradictory findings points that more study is needed. The current studies offer insights into the contribution of CSR to community well-being; however, there is a limited of empirical research regarding the impact of CSR in the agricultural sector, especially on public commercial farms. This gap illustrates the necessity for research that investigates CSR initiatives within agricultural settings to comprehend their influence on local CD.

2.5. Challenges of CSR in Community Development

There are challenges in implementing CSR initiatives in communities. Masum et al. (2020) identified a lack of community participation as one challenge in CSR activities. In most developing countries, there is a lack of interest in the local community in participating and contributing to the CSR activities of companies. This is largely attributable to the fact that there exists little or no knowledge about CSR within the local communities as no serious efforts have been made to create awareness about CSR and instill confidence in the local communities about such initiatives. The situation is further aggravated by lack of communication between the companies and the communities at the grassroots. The study also identified that businesses invest

a comparatively small amount into community projects and then use their effort to promote their brand, image building and gain access and expansion to markets. Corruption and selfishness, lack of transparency, not disclosing information on initiatives, audit and utilization of funds for CSR activities are other challenges the study identified.

2.6. Sector Specific CSR in Agriculture

Oguntade & Mafimisebi (2011) noted CSR contributes to agricultural and rural development by the provision of extension services, agricultural inputs, potable water, education, roads, electricity, markets and health infrastructure. They have contributed to filling the gap where governments have not been able to do enough.

However, in Ethiopia limited studies examine CSR practice and its impact on CD in agricultural settings. A study by Adafrew (2024), Impact of CSR on environmental conservation: Insights From Senselet Food Processing Private Limited Company reported that CSR initiative have positive impact in the community by creating employment opportunities for the local youths, training, providing improved potato seeds and market linkage for the potato producing farmers. Studies also show that the impact of CSR on community development is limited or weak. A study by Tesfaye et al. (2019) on CSR Practices in Coffee Producer Farmers' Cooperative Unions using mixed approach revealed that the cooperatives are practicing CSR activities like job creation, supply of agricultural input, and expansion of coffee processing industry for serving both members and non-members. However, the study revealed that there are limitations to work for sustainable community development and community participation during planning, implementation, monitoring, and evaluation was limited. However, Empirical studies examining the impact of CSR within the agricultural sector remain limited, particularly in relation to public commercial farms. This gap reflects the need for more studies that concentrate on CSR activities in agricultural settings in order to gain a deeper understanding of how they contribute to the development of local communities.

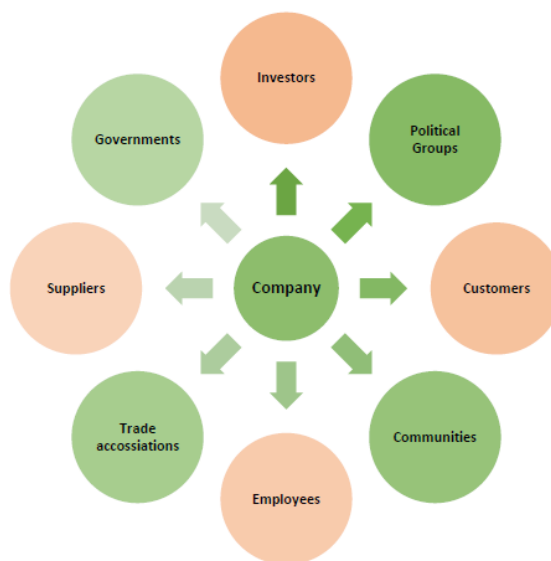
2.7. Theoretical Framework

Stakeholder theory, legitimacy theory, and triple bottom line theory are all used in this study because they together offer a thorough knowledge of CSR activities and their effects on community development.

1. Stakeholder theory

Because it highlights that companies have obligations to all stakeholders, including local communities, stakeholder theory is appropriate for this study. It has a direct relationship to this study, which is how CSR activities meet the needs and expectations of the community.

Figure 2: Company Stakeholders



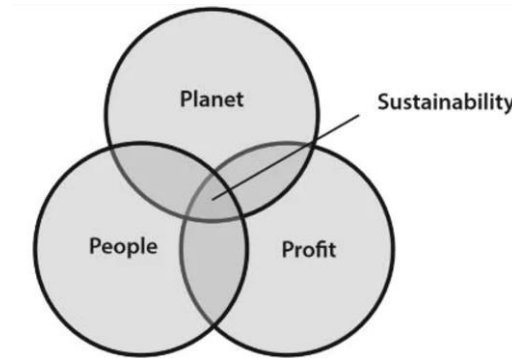
Source: Company Stakeholders, inspired by Donaldson & Preston, (1995)

2. Triple Bottom Line

The TBL allows for the evaluation of CSR impacts across CD's social, economic, and environmental aspects, it is suitable for this study. The theory offers a framework for evaluating the Ardiyta Farm's performance and the organization's success along social, environmental, and economic dimensions. It relates to study issues evaluating how the farm's CSR affects livelihoods, social welfare, and environmental sustainability. Sustainability in the TBL

framework means achieving long-term development by balancing profit, people, and the planet, ensuring that current needs are met without compromising the ability of future generations to meet their own needs.

Figure 3: The Triple Bottom Line



Source: Elkington (1997)

3. Legitimacy Theory

According to legitimacy theory, in order to maintain social approval and trust within their operational communities, firms must match their operations with community norms and expectations. This notion is significant because it clarifies why businesses participate in CSR in order to be accepted by society. As a result, it is useful to assess if Ardaiyta Farm's CSR initiatives are used to uphold a favorable reputation or to actually assist communities.

CHAPTER THREE: METHODOLOGY

3.1. Research Design

The aim of this study is to explore experiences, perceptions, and meanings of participants regarding CSR practices and their impact on surrounding communities. So qualitative case study research design was employed for this study. A case study design is appropriate for in-depth investigation of a contemporary phenomenon within its real-life context, especially when the boundaries between the phenomenon and its context are not defined (Yin, 2018). Based on Creswell (2013) case study examines a bounded system through detailed and in-depth data collection using multiple sources of information. As Merriam (2009) notes, qualitative research is suitable for understanding complex social phenomena in depth rather than measuring numerical relationships.

3.2 Description of the Study Area

The study area is the Ardaiyta Seed Multiplication Farm, located in Ethiopia, Oromiya region, Arsi zone, Gedeb Asasa woreda. The farm was established in the 1970s under Ethiopian Seeds Supply Enterprise, the pioneer and leading seed supplier in Ethiopia. It is one of the oldest and largest-scale government seed multiplication farms in Ethiopia, with 3,080 hectares of land. The farm predominantly engages in commercial farming practices mainly seeds, a critical agricultural input that enhances agricultural production and productivity. On the farm, different varieties of seeds mainly wheat and barley are cultivated and multiplied (Ethiopian Agricultural Business Corporation, 2022).

The farm is surrounded by four **kebeles** (the smallest administrative unit in Ethiopia) and 2 rural towns, namely Woltei, Ella, Wokachella, Wokentera Edo, Wokentera Burekitu and Wokentera. From these, Wokachella kebele surrounds 75% of the farm. Around the farm, rural and semi rural communities lived. The surrounding communities consist mainly of rural households whose livelihoods depend on agriculture and small-scale trading.

This study area is selected because it provides a suitable context to assess the practices of large scale farming and their impact on the surrounding communities. Since the farm was established in 1970s, it has a long operational history and covers a large area of hectare, which

provides a valuable opportunity how CSR initiatives have evolved over time and what long-term social and economic changes they have brought to the surrounding community. It is also important to note that, this farm was selected due to its engagement in CSR activities and its interaction with the local community.

3.3 Sampling

A purposive sampling technique was used to select participants for in-depth interviews, key informant interviews, and FGDs and this non-probability sampling method was employed because the study specifically targeted individuals with direct experience and in-depth knowledge of CSR interventions. Participants included farmers, women, youth, beneficiaries of CSR programs, small business owners, EABC and Ardaiyta farm representatives, local government administrators, school teachers, and religious institution leaders among others.

Participants for in-depth interviews were selected based on the following criteria: residency in the surrounding community, community leader, elders, community institutions leaders, direct experience with specific CSR benefits like beneficiaries of electricity access, including small business owners who established enterprises after electrification, farmers who used improved seeds and experienced yield changes, community members who benefited from education support, water supply, health services, or social support programs and representation of different social groups like farmers, women, and youth.

Key informants were selected based on official roles in agriculture, administration, knowledge of CSR implementation and community relations, ability to provide institutional perspectives, direct involvement in decision-making or oversight, and willingness to participate in the study. Key informants includes farm representatives, local government administrators, and local business owners, who provided institutional and contextual perspectives on CSR implementation and community impact.

FGD participants were selected based on membership in community groups like farmers, women, youth, beneficiary in employment opportunities, shared experience of CSR interventions, ability to participate in group discussion, and willingness to engage in open dialogue and presentation of diverse views.

3.4 Sample Size

A total of 34 participants from all kebeles surrounding the farm, the local administration, the farm and EABC key informants were involved in the study. Sixteen interviews were conducted, of which 8 were in-depth interviews and 8 were key informant interviews with community elders, farmers, women, youth, Ardaiyta Farm representatives, EABC department heads, local government administrators, school teachers, religious leaders and three FGDs with farmers, youths and women were conducted, each consisting of 6 participants, totaling 18 participants. In addition, relevant documents such as EABC and Ardaiyta performance reports, magazines, EABC organizational structure, and social responsibility policy and strategy documents of the EABC were reviewed.

3.5 Data Collection Methods

Data was collected through interview, FGD and document review.

3.5.1 In-depth interviews

In-depth interviews were conducted with farmers, women, youth, and beneficiaries of CSR interventions in order to gain a detailed understanding of their lived experiences regarding the impacts of CSR initiatives on CD. Changes in livelihood conditions, access to basic services, economic opportunities, and overall well-being resulting from CSR activities were the focus of interview. Participants were encouraged to share their experiences. They encouraged to share with the researcher positive outcomes and challenges they faced and this allowed the study to capture nuanced insights into how CSR initiatives have affected different groups within the community, particularly in areas such as income generation, access to clean water, empowerment of youth, and improvements in household welfare.

3.5.2 Key informant interviews

With Ardaiyta Farm representatives, EABC department heads, surrounding Wokachella and Ella Kebele administrators, Woltei Town administration officials, Ardaiyta Primary school teacher, local religious institution leader, and small business barber and milling house owners

key informant interviews were held in order to obtain comprehensive institutional and contextual insights on the impacts of CSR initiatives.

Organization representatives and EABC department heads provided information on the planning, objectives, and implementation strategies of CSR programs, as well as institutional achievements and challenges encountered during CSR execution whereas local administrators provided contextual information on community needs, development priorities, and how CSR interventions align with local government plans. They shared perspectives on how CSR activities have contributed to improved livelihoods, agricultural productivity, and access to basic services. From teacher participant data were collected on changes in the educational environment and student support systems resulting from CSR activities and the overall influence of CSR support on school performance. Religious leaders provided information on social and community-level changes observed as a result of CSR interventions as well as reflections on changes in community behavior, cooperation, and overall social development.

Assigned Code	Participant Category	Gender	Age Range	Education Level	Years of Experience/ Residence
P1	Farm Manager	M	30	Degree	20
P2	Farm Staff	M	35	Degree	20
P3	Community Leader	M	60	Primary	60
P4	Farmer 1	M	50	Primary	50
P5	Farmer 2	M	42	secondary	40
P6	Farmer 3	F	32	Primary	35
P7	Teacher	M	43	Degree	20
P8	Kebele administrator 1	M	33	Degree	30
P9	Kebele administrator 2	M	35	Degree	25
P10	Town Administrator	M	30	Degree	20
P11	Religious leader 1	M	31	Diploma	10
P12	Religious leader 1	M	32	Diploma	5
P13	Business owner 1	M	30	secondary	25

Assigned Code	Participant Category	Gender	Age Range	Education Level	Years of Experience/ Residence
P14	Business owner 2	M	35	secondary	28
P15	Business owner 2	F	30	secondary	32
P16	EABC department head	M	55	MA	5

Table 1: Demographic Data of Participants

3.5.2 Focal Group Discussions

Three FGDs were conducted with farmers, women, and youth groups in order to investigate collective experiences, shared perceptions, and community-level perspectives on the CSR interventions. The FGD with farmers focused on exploring changes in agricultural productivity, access to farming inputs, and the benefits of CSR-supported services such as the provision of ploughs, harvesting and how these interventions contributed to improved farming efficiency, reduced production costs, and enhanced livelihoods.

The FGD with women aimed to understand the social and economic impacts of CSR activities, particularly in relation to household welfare, access to basic services such as water, and opportunities for participation in community development activities whereas the FGD with youth focused on employment opportunities, educational support, and broader social and economic changes resulting from CSR initiatives and their perceptions of future livelihood prospects within the community.

No	FGD Code	Participants	Location	Number of participants
1	FGD-1	Farmers	Ardaiyta	6
2	FGD-2	Women	Ardaiyta	6
3	FGD-3	Youth	Ardaiyta	6

Table 2: The Demographic Data of FGD participants with their assigned codes

3.5.2 Documents

To comprehend the framework, implementation structure, and reported outcomes of Ardaiyta Farm's CSR initiatives, document review of the Ardaiyta Farm and EABC 2022, 2024, and 2025 annual reports were used, which offered comprehensive details on program operations including infrastructure, education, and agricultural support were among the papers examined.

The organizational structure of EABC and Ardaiyta Farm, the establishment Proclamation of EABC and the Social Responsibility Manual of EABC was reviewed. Document review helped to triangulate findings from primary data sources and provided an official and institutional perspective on CSR activities. It also strengthened the validity of the study by linking reported community experiences with documented organizational policies, structures, and performance reports.

Interviews and FGDs were conducted face-to-face. Out of the total 16 interviews conducted, 15 were audio recorded with participants' consent to ensure accuracy and completeness. However, one interview with a local government administrator was not audio-recorded, possibly due to the participant's perceived insecurity and reluctance to express critical views about the organization under study and instead, detailed notes were taken with this interview. Interviews lasted between 30 minutes and 1 hour 30 minutes for key informant interviews and 30 minutes to one hour for in-depth interviews, depending on participant experience and availability. Longer interviews were conducted with farmers, beneficiaries, and farm representatives who had extensive experience with CSR activities.

Depending on participant preference, Interviews and FGDs were conducted in Amharic and Afan Oromo languages,. A translator was used in four interviews and two FGDs where language barriers existed. The translator was fluent in both Amharic and Afan Oromo languages. The remaining 12 interviews and one FGDs were conducted without translation.

Data collection was guided by the principle of data saturation, whereby information was gathered continuously until no new themes or insights emerged from the participants. According to Creswell (2013), data saturation occurs when additional data no longer contribute to discovering new information or themes. In this study, saturation was reached after conducting

interviews with 16 participants and three focus group discussions, at which point the data became repetitive and no additional themes were emerged. For this reason, data collection was concluded at this stage.

3.6 Methods of Data Analysis

Data were analyzed using thematic analysis, following the steps outlined by Braun and Clarke (2006): familiarization with the data through repeated reading; generation of initial codes from meaningful data segments; grouping of codes into categories; development of themes and sub-themes; reviewing and refining themes; and producing the final narrative report supported by quotations.

The data collected from interviews, focus group discussions and documents were analyzed using a thematic analysis approach. Audio-recorded interviews and FGD were first transcribed verbatim within 12–24 hours and transcripts were translated into English, while notes taken during non-recorded interviews were carefully organized and expanded immediately after data collection to ensure accuracy. The researcher read and re-read the data. The data were then coded systematically identifying key ideas, patterns, and recurring issues emerging from participants' responses. These codes grouped into broader themes and sub-themes based on similarities and relationships among the data. The major themes are CSR Practices, contributions of CSR to farm community development, stakeholder engagement in CSR initiatives, capacity building initiatives, inclusiveness in CSR practices, institutional and community relationships, environmental and community safety management practices, and challenges in CSR implementation. Contribution to agricultural productivity, rural electrification, educational development, health service provision, employment opportunities and water access and supply are sub-themes under contributions of CSR to farm CD. The analyzed data were presented in a narrative form, supported by direct quotes from participants to illustrate key findings and provide deeper insight into the issues under investigation. Comparing information obtained from different sources, including in-depth interviews, key informant interviews, and focus group discussions to enhance the credibility of the findings, and this process helped to identify consistencies and variations across different participant groups.

3.7 Quality Assurance

Qualitative data quality assurance mechanisms were applied throughout the research process. Through the utilization of several data sources and techniques, such as focus groups, in-depth interviews, key informant interviews, and document review, credibility was guaranteed. In addition, the researcher had prolonged engagement with key informants, including the Ardaiyta Farm manager and staff, EABC managers and staff, a community elder over a period of approximately four years of professional involvement within the organization under study and this sustained engagement supported the development of trust, enhanced contextual understanding, and enabled access to rich, detailed information. This triangulation allowed for cross-checking. It also confirms findings across various participants and data sources.

3.8 Ethical Considerations

Prior to data collection institutional ethical approval was obtained to ensure adherence to ethical standards. Ethical approval includes informed consent, confidentiality, and the protection of participants' rights. Written information explaining the purpose of the study, the types of questions to be asked, the expected duration of the interviews, and how the findings would be used were provided for participants and they were informed of their rights, including the right to refuse participation, to decline to answer any question, and to withdraw from the study at any time without negative consequences. Informed consent was obtained in written form. Participants read and the researcher read aloud to them the information sheet. The participants expressed their agreement by signing the consent form. Participation was voluntary. Confidentiality was maintained by assigning codes to all participants and cultural values and community norms were respected throughout the research process.

CHAPTER FOUR: ANALYSIS AND FINDINGS

4.1. Findings

This section presents, analyzes, and interprets the empirical findings regarding the practice and socioeconomic impact of CSR initiatives implemented by the Ardaiyta Farm within its host communities.

4.2. CSR practice of the Farm

Ardaiyta Farm undertakes several CSR activities that benefit the surrounding community including include the provision of improved agricultural inputs such as seeds to enhance farmers' productivity, creation of employment opportunities for local residents, and support for small businesses through improved access to infrastructure such as electricity and community support initiatives, including contributions to education, water access, and social services.

There is no a formal CSR policy or structured guiding framework that guides Ardaiyta farm CSR activities. Although the farm provides various forms of support to surrounding communities, these activities are not implemented within a documented or systematic policy structure. P1 (manager of Ardaiyta farm) disclosed that: "community support initiatives appear to be largely driven by the goodwill and discretionary decisions of managers of the farm and EABC." P1 also expressed uncertainty regarding the existence of a CSR policy at the corporate level. At the branch level, no formal guidelines were identified, and certain forms of support such as assistance to religious institutions and schools through agricultural activities are perceived as part of routine organizational operations rather than explicitly recognized CSR interventions. This suggests that CSR practices of the farm can be characterized as partially effective, ad hoc and informal, not strategically integrated into core business operations and limited in sustainability and inclusiveness.

The organization lacks a formal institutional structure to guide its CSR activities. P1 reported:

There is absence of a dedicated CSR committee and noted that there are no regular meetings specifically focused on corporate social responsibility issues. There is no

designated social responsibility officer or staff member responsible for coordinating CSR activities at the farm level. This reflects limited organizational prioritization and structuring of CSR within the branch.

But at EABC, the parent organization of the Ardaiyta farm, there is a formal CSR policy. According to this CSR policy and strategy document, one percent of the organization's profit is allocated to CSR activities, which are implemented across all 25 branches, including the Ardaiyta farm. The divergence between the reported existence of a corporate-level CSR policy and the limited awareness at the branch level suggests a gap in communication, dissemination, and implementation of CSR frameworks between the corporation and the Ardaiyta Farm. A review of the corporation's organizational structure indicates that, as of 2025, at the corporate level, EABC has established a Communication and Social Responsibility Department responsible for overseeing CSR activities across all branches, including the Ardaiyta farm. Despite this development, the department is relatively new, with only about one year of existence, which may partly explain the limited institutionalization and awareness of CSR structures and practices at the branch level.

4.3. Contribution of the Farm to local community

4.3.1. Contribution to Agriculture productivity

The farm supplies high-yield, enhanced seeds to nearby farmers at a 5% discount over other marketplaces. Farmers are boosting their output with the help of the organization's climate-appropriate wheat, barley, and maize seeds. Local agriculture has changed as a result of farmers planting the better seeds they offer each year. P4 (Farmer) stated the impact of the Farm CSR as follows:

It was Ardaiyta Farm that introduced seeds to the local farmers. I used to collect around 30 quintals per hectare prior to adopting better seeds. I can now produce up to 70 quintals per hectare utilizing the farm's seeds.

This represents a 40 quintals/ha increase or 233% yield increase, transforming the farmer into a surplus producer and improving food security. P5 (farmer) also disclosed the following: “The

presence of the farm around has made improved seeds easily accessible locally, saving farmers transportation costs.”

Besides the presence of the farm made the farmers to share modern agricultural practices from the farm and be more productive. P5 also noted the following:

The presence of the farm in our area has helped us gain agricultural knowledge and experience. Our children and other community members work on the farm, where they learn through observation and practical involvement. They then apply what they have learned on our own farms, which improves our productivity. Our farming conditions are similar to those of the farm; as a result, we tend to follow their practices. For example, we plant the same crop varieties, begin ploughing when the farm starts ploughing, apply agrochemicals at the same time, and harvest according to the farm’s schedule.

Records from the Ardaiyta Farm for the 2024 fiscal year show that 996 quintals of wheat seed were given to farmers with a 5% reduction in price, which reached a total value of 241,530 Ethiopian Birr. A massive deficit exists concerning the capacity building of farmers because educational programs are lacking. In relation to this problem, the participant labeled as P6 explained that:

The organization employs many individuals who have great knowledge in agricultural science, yet the organization fails to provide enough teaching or technical assistance to the farmers. Instruction concerning the correct ways to use chemicals or the best methods for farming is not given by the organization to the farmers. Experts claim that the farmers are forced to learn by watching what the organization does because the organization provides no formal education to the farmers. Because a distance exists between the organization and the farmers, the movement of technology and understanding remains difficult.

The participants revealed that the farm provides agricultural ploughing and harvesting services at reduced prices, and crop residues are used as animal feed, reducing input costs for farmers.

The farm also provides free agricultural services to religious institutions. A deacon from a local church reported that Farm has allocated 4.8 hectares of its farmland to the church to support its

income generation and operational needs. The Farm undertakes ploughing and harvesting activities on this land at no cost. Similarly, a key informant from the Muslim community confirmed that the organization has allocated 4.8 hectares of land to the mosque and similarly undertakes ploughing and harvesting activities for the land for free.

Ardaiyta Farm's CSR interventions illustrate a productivity-driven model of community development, where access to improved inputs directly enhances farmers' economic capacity and food security. The significant yield increases indicate not only technological adoption but also a shift from subsistence to market-oriented production. However, the reliance on observational learning reflects weak institutionalized knowledge transfer, limiting sustainable capacity building among farmers. This suggests that while CSR efforts effectively address immediate production constraints, they fall short in empowering farmers with independent technical competence. Therefore, the long-term developmental impact of the CSR initiatives remains constrained by the absence of structured training and extension support.

4.3.2. Electrification of Woltei Town

The majority of key informants, FDG participants and in-depth interviews consistently indicated that the Ardaiyta Farm have contributed for the electrification of rural town called Woltei, established in 2008 in close proximity to the Ardaiyta Agriculture College and the Ardaiyta Seed Farm. P3 (community leader) who had role in the establishment of the town recalled how the city have access to electricity as follows:

For sixteen years, we had no access to electricity. The town's residents and farmers tried to bring electricity through their own efforts and contributions, raising 470,000 birr, but this was not sufficient to install electricity. We requested the Ardaiyta Seed Farm to support us with the required funding for electricity installation. The Ethiopian Agricultural Businesses Corporation senior officials came from Addis Ababa and handed over a check of 5 million birr. By these contribution we have access to electricity.

P4 disclosed the following: "The farm has freed us from darkness. It has brought light into our lives and enabled us to benefit. For many years, darkness had prevailed in the town, but now we have access to electricity. Neither the regional government, the local administration, nor

the federal government had been able to help us, but this organization (Ardaiyta Farm) did. It resolved a question we had raised for many years.”

The electrification of the town has contributed for the social and economic development of the town. Since the town's electricity was introduced, young people have been more involved in entrepreneurship by starting small companies including barbershops, milling services, tea cafes, local movie theaters, and other establishments. These programs have boosted the local economy and produced job possibilities. These companies also contribute significantly to the community at large by offering necessary services. P13 (business owner) from Woltei town who participated in the study stated the following:

Previously, I worked as a daily laborer. However, after electricity was introduced to our area, I was able to establish a milling business, through which I have created employment opportunities for others and am currently self-employed.

The other participant also disclosed that since electricity has come to the town, I’ve opened a barbershop and I am working. Previously, we used to rely on a generator and paid for fuel to keep it running; now I have a good income. I have also created job opportunities for other people in the community. These Farm’s positive infrastructure impact were further corroborated through corporate documentation. The corporate magazine of EABC indicates that 5 million Ethiopian Birr was allocated for the electrification of the surrounding Woltei Town as part of its CSR initiatives (Ethiopian Agricultural Business Corporation, 2022).

Ardaiyta Farm’s CSR-driven electrification of Woltei town represents a catalytic intervention that addressed a critical infrastructure gap left by public institutions. Access to electricity has stimulated local economic transformation by enabling small-scale enterprises and diversifying livelihood opportunities. This shift reflects a transition from subsistence-based survival to more market-oriented and self-reliant economic activities. The initiative demonstrates how private-sector CSR can function as a driver of local development and entrepreneurship. However, it also raises concerns about sustainability and continued reliance on external actors for essential public services.

4.3.3. Contribution to Employment

Ardaiyta Farm creates employment opportunities for the local community in permanent, temporary and daily labor. Local residents work in diverse roles including in agricultural machine operating, crop guards, support staff, office roles, and leadership positions. In addition, local youth are organized into loading and unloading groups and are actively engaged in such work. During the rainy season, when schools are closed, local youth are temporarily employed in weeding activities by the organization.

Currently, the farm is managed by a local resident, and the majority of its workforce is drawn from the surrounding community. P1 reported:

The farm creates more than 1,000 temporary jobs during the rainy season and all are from the surrounding kebeles (the smallest administrative division in Ethiopia) of the farm. Similarly, the farm has 142 permanent staff and from these approximately 75% are from the local community.

Some permanent workers participants reported that employment opportunities from the farm have improved household income and livelihoods. P12 (Ardaiyta Farm staff) revealed:

Previously, I used to move from place to place in search of work and worked in Borena, Bale, and Arsi as a daily laborer. Later, I was employed by this Farm as a guard. After that, I took a salary loan from the Farm and enrolled at Ardayita Agriculture College and studied to become an operator. Since 2020, I have been working as a professional agricultural machinery operator in the Farm. Now, I live a stable life. It is this Farm that established me and helped me sustain my life. I have four children, and I am educating them. I am truly grateful to the organization.

As indicated by daily workers, "payment does not always correspond to the workload," especially for young people who are weeding during school holidays. While other organizations and companies gave between 300 and 400 Ethiopian Birr for comparable labor, FGD-1 (women) reported receiving just 100 Ethiopian Birr per day. The necessity for the farm to raise its wage rates was underlined by the participants.

According to Ardaiyta Farm's 2025 organizational report, the company provided daily, contract, and permanent jobs to more than 1,000 members of the local community. This demonstrates the organization's important role in supporting local livelihoods and creating jobs.

Farmers underlined that the farm's expansion into other agricultural sectors will improve local benefits and generate more job possibilities for the neighborhood. P3 reported that:

The organization is not operating at an optimal level given the size of land it manages. It was indicated that the organization holds over 3,000 hectares of land but has mainly focused on seed production only once per year. There is underutilization of available resources. The organization should diversify its activities by engaging in livestock production as well as expanding into vegetable and fruit farming because such diversification could allow more employment opportunities for the local community.

P1 corroborated that the Ardaiyta Farm core mandate was the production and supply of seeds to farmers across Ethiopia and other users. The participant further explained that for the past 54 years, since its establishment in 1972, the organization has been engaged in the multiplication of different seed varieties to support agricultural productivity. However, in the past two years, the organization has expanded its activities beyond seed production. P1 elaborated these as follows:

Ardaiyta Farm has recently engaged in animal husbandry, particularly involving sheep, goats, and oxen, as well as milk production development. These emerging activities have contributed to the creation of additional employment opportunities and have enhanced the benefits available to the local community through both employment and access to livestock and related products.

Ardaiyta Farm's CSR initiatives in employment generation demonstrate a significant contribution to local livelihood improvement through the creation of diverse job opportunities for the surrounding community. The high proportion of local workers in both permanent and temporary roles indicates inclusive economic participation and income stabilization for households. These opportunities have enabled upward mobility, as evidenced by workers transitioning from casual labor to skilled positions. However, concerns regarding low wages, particularly for temporary laborers, highlight issues of equity and fair compensation within the

employment structure. Furthermore, the underutilization of resources suggests that expanding and diversifying farm activities could enhance sustainable employment and maximize community development outcomes.

4.3.4. Impact to Education

The farm's interventions in the local education sector extend beyond the provision of student stationery. The farm target institutional sustainability, teacher retention, and student physiology. The organization acts as a critical institutional partner to local schools. One of this support is related with the school's nutritional program. Rather than providing ad-hoc food donations, the organization leverages its agricultural capacity to create a sustainable food source for the students. P7 (teacher) from the Ardaiyta Primary School disclosed:

The Ardaiyta Farm supports our student nutrition and school feeding by ploughing and harvesting the 10 hectares of agricultural land that belongs to Ardaiyta Primary School. The entire yield from this harvest is used for our school feeding program. This food supply directly improves student nutrition and health, and we have seen it significantly boost daily classroom attendance and the children's concentration levels.

This operational partnership demonstrates an innovative model of collaboration between corporations and the community. By deploying its heavy machinery to work on school-owned farmland, the farm removes the high labor and equipment costs that the school would otherwise struggle to afford. The farm's CSR intervention helps strengthening the school feeding program and reduce the burden of daily schooling costs on families, turning the school into a stable source of social and nutritional support that boosts both enrollment and student retention.

P7 also reported that the Ardiyta Farm provides accommodation support for local teachers through free housing services, as well as furnishing assistance such as desks and chairs for schools. This findings indicate that the organization's CSR initiatives have a meaningful and multidimensional impact on CD, particularly in the education sector. Through the annual distribution of exercise books and pens, the organization directly enhances students' learning materials, while the provision of corrugated iron sheets supports the expansion and improvement of school infrastructure. This support strengthens the physical learning environment. The

provision of free housing for teachers addresses staff welfare and retention. The furnishing of schools with desks and chairs further improves classroom conditions. Collectively, these interventions demonstrate that the organization's CSR activities contribute to improving access to education, learning conditions, and institutional capacity.

The distribution of educational materials was also confirmed through corporate documentation. The 2025 fiscal year report of EABC indicates that the organization printed a total of 5,000 exercise books for distribution to its various branches. Out of this total, 1,800 exercise books were allocated specifically to the Ardaiyta branch for further distribution within its operational area. This document-based evidence corroborates the organization's efforts to support local educational needs through material provision and reinforces its broader community engagement activities.

Ardaiyta Farm's CSR engagement in education reflects a strategic, systems-oriented approach that strengthens institutional capacity and student well-being. By supporting school feeding through agricultural production, the farm enhances student nutrition, attendance, and academic performance. Its interventions in teacher housing and school infrastructure address critical barriers to staff retention and effective learning environments. This demonstrates a shift from short-term aid to sustainable, partnership-based community support. However, the model also suggests a reliance on corporate involvement, raising questions about long-term sustainability without institutional integration.

4.3.5. Contribution to Health Sector

The first health center in the area was Ardaiyta clinic established in 1978 and this clinic historically provided medical services to the wider community when no other health facilities were available. P3 stated that:

In the 1970s and 1980s, there was no other public health infrastructure that provides health services in the area. The Ardaiyta Farm clinic was the first clinic established in Ardaiyta areas. As a result, it was the only option for accessing medical care, and patients came to receive treatment.

P3 also noted:

I myself received medical service in the clinic various times. In addition, there were no vehicles in the area at that time, so the organization provided transportation for patients and also facilitated referrals by transporting them to hospitals in nearby towns such as Assela, Awassa, Dodola, Shashemene, Asasa, and Kofele, improving community access to higher-level care.

Currently, health services to the community are limited mainly to employees of the farm, and the level of healthcare support for the community has limited. P2 (Addaiyta Farm Staff) from the organization's clinic stated that:

The provision of health services to the community has decreased due to the gradual expansion of health facilities in the surrounding area. As a result, the clinic now predominantly provides services to employees, along with first aid services for community members.

In the absence of nearby health facilities, the organization's clinic provided essential medical services to surrounding community members, and the availability of organizational vehicles also supported referral transportation needs and the impact of the organization's CSR services was highly valuable in addressing urgent service shortages in the past, but its current contribution to broader community health needs has diminished as external service provision has improved.

4.3.6. Contribution to Water Access

Residents living in immediate proximity to the workers' residential camp benefit from free access to the clean, potable water system built primarily for the farm's employees. A female beneficiary from a nearby village P15 (business owner) in the study articulated this transformative shift in the following way:

I used to walk approximately 4 km to fetch water from the river. There was no safe and reliable water source in our area, so we used water that was often shared with animals, which exposed us to waterborne diseases and poor hygiene. Women and girls mainly carried the burden of fetching water, which took a lot of time and affected our daily activities. But now, thanks to this organization, we are accessing potable water.

In rural areas, women and girls bear most of the burden of fetching water, limiting their education and economic activities. Providing a nearby clean water source removes the need for long and risky journeys. It also reduces dependence on unsafe water shared with animals, lowering health risks. These intervention helps prevent waterborne diseases and strengthens women empowerment and wellbeing.

However, participants from kebeles located farther from the camp reported severe water shortages and limited access to safe water. They emphasized that the water problem is particularly acute in these areas, affecting daily household needs. P5 (Farmer) stated:

Residents near the workers' camp benefit from free water supplied by the organization, indicating a targeted CSR intervention that improves daily water access for a specific geographic group. However, those living farther away still face water shortages, and there is a strong community concern that the organization should extend its water supply system to serve the wider community.

This study, therefore, shows that the positive effects are strongly limited by geography. There is unequal distribution of corporate resources, noting that those closer to the camp enjoy better access while distant areas continue to face scarcity. This situation reveals a geographic equity gap, where proximity to corporate infrastructure determines access to basic needs. The farm's CSR approach mainly benefits nearby areas, leaving outer Kebeles underserved and creating feelings of marginalization and unfairness. Although occasional support such as water tankers is provided during events like weddings and funerals, these short-term measures do not solve daily household water problems. The CSR framework lacks broader areal integration needed to ensure fair and consistent water access for all affected communities.

4.4. Inclusivity of CSR Initiatives

P5 revealed “The farm does not directly support the livelihoods of women, people with disabilities, or other underprivileged groups in the community with seeds, food, housing, or other necessities.” However P3 recalled that: “The farm serves everyone. I remember that it plowed farm for people with impairments a few years ago. It gives pupils from low-income families note books.”

It agrees that the farm assistance for persons with disabilities and disadvantaged groups is limited due to the inadequacy of CSR initiatives as discussed by FGD. The farm does not have overall positive impact vulnerable groups.

Because of these, CSR activities are neither truly inclusive nor adequately influential and meaningful CD necessitates fair involvement and benefits for all members of society.

4.5. Community Relationship with the Farm

P3 recalled the community's response to the death of a well-known local musician as follows:

During times of conflict, community members, together with local elders and leadership, protected these Ardaiyta Seed Farm. For instance, following the death of Artist Hacchalu Hundessa, youths came from other areas to loot the organization. However, Local residents, including elders and women, came forward and defended the institution, asserting that it was their shared property and responsibility. I am one of the community members who protect the organization. As a result, no serious damage occurred to the organization's assets, property, or employees.

The farmer further explained that that if the community had felt harmed or marginalized by the organization, they would not have taken such protective actions. While in other areas properties were burned and looted, this organization did not experience such severe damage. This was justified by participants as an effort to protect their shared interests and reputation. But interviewee reported that occasional theft of agricultural produce occurs, particularly during harvesting periods. The organization maintains a generally positive relationship with the surrounding community.

Stakeholder engagement appears to be weak. P4 stated "the local community is not systematically consulted or actively involved in the planning and decision-making processes linked to social responsibility initiatives." supported by, P8 (Kebele administrator) stated "the farms engagement with local administrative structures regarding CSR initiatives is limited." P1 also confirmed that the farm engagement with the stakeholders on CSR initiatives is weak.

Unresolved land disputes exist between the Ardaiyta Farm and a few unofficial settlers who reside on the Ardaiyta field, especially on sloping and riverbanks. According to reports, some locals have resided in these locations for more than 30 to 40 years without having official land ownership rights. Housing buildings and livelihood pursuits including daily work and small-scale livestock grazing are seen in these villages. "The farm requires the relocation of these settlers due to their presence within the designated farm boundaries," states P1. P3, who took part in the research and helped to settle the land disputes, revealed the following:

Since 1990, the residents of the farm have made their living from everyday work and animals. There's nowhere else for them to go. Relocating them would have detrimental effects on household welfare, including housing loss, interruption of livelihood, and perhaps homelessness.

Despite this long-term occupation, the current management of the Ardaiyta Farm has emphasized the need for land clearance. P1 explained that how the dispute occurred and how to solve it as follows:

Within the farm, there are both riverbanks and sloped areas that are unsuitable for cultivation. The farm allows the surrounding community to use these portions of land for grazing purposes. However, some individuals have informally settled in these areas and are attempting to expand further into the farm's land. They have occupied legal portions of the farm land by constructing houses and fences. The organization's management emphasized the need to uphold its legal ownership of the land, noting that taxes are being paid for areas that have been unlawfully occupied by farmers and other informal dwellers. The farm tried to resolve the dispute through dialogue with local elders and the kebele administration. Currently, the matter has also been taken to court for legal resolution.

4.6. Environmental Practices

Before chemical pesticides are applied, the surrounding communities are given advance notice so they may take the appropriate safety measures and the precaution activities includes notifying local officials, who then interact with the locals through public events like mosques and other community gathering spots. By avoiding exposure to chemicals and agricultural fields

during spraying periods, community members are able to safeguard themselves, their children, and their animals thanks to this early warning system. “I did not know environmental or human health damages have been reported in relation to chemical application in the Wokachella Kebele”, according to P9, the Kebele Administrator.

P1 point out “GPS-equipped planes are used for the farm's chemical spraying activities. The GPS-enabled aircraft has improved the accuracy of spraying operations and decreased environmental exposure.” The study data sources observed that there has been no obvious environmental harm from the farm's operations. “I do not recall the time when Ardaiyta Farm's operations negatively impacted crop production in nearby farms,” P6 stated.”

4.7. Obstacles of CSR Practice

P16 (EABC manager) indicated the following:

With 25 locations nationwide, EABC faces difficulties in meeting the various demands and issues of the local communities. The corporation must address the requirements of communities throughout all of its operations regions in addition to the development demands of the towns around Ardaiyta Farm. As a result, the company's ability to effectively address all community requests across all of its locations is hampered by a lack of resources.

P1 stated:

People from the nearby kebeles regularly ask the organization to build an asphalt road from Assasa (Gedeb Asasa Town, where Ardaiyta Farm is located) town to Woltei, which is 25 kilometers away, and to expand water delivery services to all regions. These demands are beyond the organization's capabilities and partially lie under the purview of the government. The organization is under pressure to deliver services beyond its purpose and available resources since these kinds of requests are frequent and recurrent.

Critical infrastructural demands, such water supply and road access, remain unfulfilled. Even while these gaps still exist, the organization's ability and resources are mainly insufficient to overcome them on its own. This implies that while community development benefits from CSR

programs, their overall efficacy is constrained. The organization can help specific community needs but is unable to fully address more general structural issues, hence the influence might be seen as partial. This illustrates how crucial cooperation with the government and other stakeholders is to achieving more thorough and long-lasting community development results.

4.2 Discussion

Each theme is discussed in these section.

One of the finding uncovers that Ardaiyta Farm implements various CSR activities. The activities includes providing improved agricultural inputs, creating local employment opportunities, and facilitating access to infrastructure such as electricity and supports community initiatives in education, water access, and social services. These CSR practices remain partially effective, largely ad hoc and informal. This finding is consistent with prior studies (Abdurahman, 2020; Fentaye, 2018; Kusakci & Bushera, 2023), which revealed that CSR practices in Ethiopia are typically fragmented, ad hoc in nature. This result aligns with (Ephrem, 2025; Abdurahman, 2020; Fentaye, 2018), emphasize the lack of strategic alignment in CSR practices and this study also uncover that the Farm's CSR activities are not integrated into its core business operations. This reflects CSR within the Ethiopian context, including Ardaiyta Farm, is still largely in a developing stage.

Similar results have been reported in earlier studies related with CSR policies in this study. The Ardaiyta farm does not have a formal CSR policy or structured guiding framework and because of these community support initiatives are driven by the goodwill and discretionary decisions of managers of the farm and EABC. Previous studies (Girum, 2021; Birhanu, 2018; Angessa, 2010; Tasew, 2012) which reports that Ethiopia and companies lack CSR policies and strategies that promotes and facilitate CSR practice and this similarity suggests that CSR implementation in the Ethiopian context remains largely informal and dependent on individual or managerial initiative rather than being systematically embedded within organizational structures.

The findings of this study reveal that the farm contributes to CD in job creation, agricultural productivity through seed provision, in improving social services and infrastructure development. This finding is consistent with the study by (Oguntade & Mafimisebi, 2011;

Martha, 2022; Bruk & Wassie, 2017; Yonas, 2019) which found that CSR contributes to agricultural and rural development by the provision of extension services, agricultural inputs, potable water, education, roads, electricity, markets and health infrastructure. The study also found that the Farm's CSR initiatives addressed the electrification needs of Woltei Town, an issue that had not been resolved by the government for 16 years and this is in line with the existing studies of (Visser, 2008; Oguntade & Mafimisebi, 2011; Bruk & Wassie, 2017) which reported CSR initiatives contribute to filling critical gaps in infrastructure and essential services where governments capacity is limited and unable to provide adequate support.

The other finding of this study is that Ardiyta Farm contributes for the agricultural productivity of the surrounding farmers by supplying seeds, ploughing and harvesting service with discount price and similar results have been reported in earlier studies (Ismail, 2009; Adafrew, 2024), Tesfaye et al., 2019), which indicate that CSR initiatives of businesses or corporations create access to agricultural inputs, products and services at better price and quality.

As this study finds out, the farm CSR initiatives creates employment opportunities to the host community in permanent, temporary and daily basis and a similar pattern was reported by studies (Ismail, 2009; Adafrew; 2024), Tesfaye et al., 2019). These consistencies suggests that, despite variations in structure, CSR activities in the context are largely oriented toward addressing immediate community needs and contributing to local socio-economic development. However, the findings of this study contradict research that suggests CSR are not effective and has no positive impact on surrounding communities (Abdurahman, 2020; Masum et al., 2020), which reports that businesses invest a small amount into community projects that does not outcome sustainable community development and then use their effort to promote their brand, image building and gain access and expansion to markets.

The Ardaiyta Farm CSR initiatives do not focus on capacity-building activities within nearby communities, particularly in relation to empowering farmers through training, skill development, transfer of knowledge and other capacity-building interventions and this finding is in contrast with Ismail (2020), who reports that CSR initiatives contribute to capacity building and broader community development. This discrepancy may be explained by the organization's CSR approach, which appears to be largely philanthropic and short-term in orientation rather than

strategically aligned with long-term community capacity-building objectives. CSR practice within the organization may still be at an early or transitional stage, with greater emphasis placed on immediate social support rather than sustainable empowerment intervention and strengthening strategic alignment and integrating structured capacity-building components into CSR programs could enhance the long-term developmental impact of the organization's initiatives.

Multiple studies, including Berihu & Yohannes (2020), Birhanu (2018), Martha (2022), and Bruk & Wassie (2017), similarly report limited community involvement in CSR processes. This study has the similarity with them as there is an absence of community and stakeholders participation in the planning, implementation, and monitoring of CSR activities in Ardaiyta Farm. That mean CSR practices in the context remain largely top-down, with minimal engagement of beneficiary communities in decision-making and program management and CSR initiatives are primarily designed and implemented without adequately incorporating the perspectives and priorities of local communities. The situation may be attributed to the absence of institutionalized participatory mechanisms and the dominance of a top-down approach in CSR implementation and limited community participation may affect the relevance, ownership, and sustainability of CSR interventions, as programs may not fully align with local needs and expectations.

This study revealed limited inclusiveness particularly women, persons with disabilities, and low-income groups in CSR activities. However, this finding differs from Yonas (2019) which reported that CSR initiatives supports vulnerable groups. The discrepancy may suggest contextual variations in CSR implementation, differences in organizational commitment, targeting mechanisms, or monitoring systems for ensuring equitable participation of marginalized groups in CSR programs.

Divergence between community expectations and organizational capacity poses a significant challenge to the effective implementation of CSR, particularly in addressing diverse community needs . These findings are consistent with those of Degaga (2019) and Andargachew (2022), who reported that overly ambitious community expectations, limited organizational capacity and insufficient resources constitute a major constraint to CSR effectiveness.

Studies report environmental damage, deforestation, water pollution, water born diseases, livestock deaths, and violation of human rights by businesses (Abdurahman, 2020; Yodit et al. (2024). This study finding reported no environmental damage. This suggests that, unlike some industries associated with conflict and environmental harm, the farm demonstrates a relatively responsible environmental and social approach. Companies face strong community resistance, conflict, or operational shutdown due to irresponsible practices (Abdurahman, 2020), the farm in this study enjoys a largely cooperative relationship with the community, despite some tensions associated with land issues. This suggests a comparatively more environmental responsible approach to CSR implementation.

Stakeholder theory, triple bottom line theory, and legitimacy theory are used to understand this findings. From a stakeholder theory perspective, business organizations are expected to consider and balance the interests of all stakeholders. These stakeholders includes local administration and communities. The farm partially addresses the need and expectations of the local communities. However, the findings indicate the farm does not involve key stakeholders of community members and local administration in the planning, decision-making, implementation, and monitoring of CSR initiatives. This suggests a limited application of stakeholder engagement and community development principles. The fundamental tenet of stakeholder theory, which promotes inclusive and participatory decision-making processes, is contradicted by the exclusion of women, people with disabilities, and low-income households, which highlights a gap in inclusive stakeholder consideration.

TBL theory focuses on economic, social, and environmental sustainability, the farm demonstrates partial alignment since economically, the farm contributes positively through job creation and increased agricultural productivity and socially, it provides some benefits such as support during community events and limited services to surrounding farmers. However, these economic and social contributions are not comprehensive or inclusive because vulnerable groups are not specifically targeted. The environmental dimension of the Triple Bottom Line focuses on the extent to which organizational activities protect and sustain the natural environment and in this study, the findings indicate that the farm has taken measures to ensure that its operations do not negatively affect the surrounding environment particularly the use of chemical spraying is managed with safety precautions aimed at minimizing environmental harm. These measures

include careful handling and controlled application practices to prevent damage to soil, water sources, and surrounding farmland. Generally the farm practice partially aligns with these theory.

Organizations engage in CSR activities to gain social acceptance and maintain legitimacy within the communities in which they operate. The farm has generally positive relationship between the farm and the community. These suggests that the farm has achieved a certain level of social legitimacy and its contributions, such as agricultural support and social services, help reinforce this acceptance. However, the presence of unresolved land disputes, lack of community participation, and exclusion of vulnerable groups pose risks to this legitimacy and if these issues are not addressed, they may weaken community trust and challenge the farm's social license to operate. Thus, while legitimacy has been partially established, it remains fragile.

The farm's CSR practices are partially effective but not transformative. There are visible contributions to economic and social aspects of community life. Integrating stakeholder engagement, balancing TBL dimensions, strengthening legitimacy through inclusive practices, and promoting community empowerment would enhance the effectiveness and sustainability of the farm's CSR efforts. This study points out that CSR has the potential to contribute positively to community development. However, its effectiveness largely depends on the extent to which it is strategic, inclusive, participatory, and sustainable.

CHAPTER FIVE: CONCLUSION AND SOCIAL WORK IMPLICATIONS

5.1. Conclusion

This study examined the practice and impact of the Ardaiyta farm's CSR initiatives on the surrounding community. The findings reveal that the farm has practice of CSR that made meaningful contributions to CD. The farm has positively impacted the community particularly in terms of job creation, improved agricultural productivity through the provision of seeds, and improving social services and infrastructure. These activities have contributed to improving the livelihoods of some community members and have helped to build and maintain a positive relationship between the farm and the local community.

However, this study identified several gaps that influence the overall effectiveness and sustainability of these contributions. The absence of community participation in the planning, decision-making, implementation, and monitoring of CSR activities is the major gap identified in this study and there is lack of involvement of local administration in the farm's CSR initiatives. These indicates weak coordination and limited institutional engagement.

In addition, this study found that CSR initiatives are not inclusive. Vulnerable groups such as women, persons with disabilities, and low-income households are not specifically targeted and supported. These limits the equitable distribution of benefits within the community. Beyond these, while the provision of agricultural inputs has improved agricultural productivity, the lack of training and technology transfer limits long-term capacity building and sustainability of CSR activities.

The study also revealed ongoing challenges in connection with land disputes and infrastructure. There are unmet challenges particularly in relation to road and water access in the community. This study concludes that the farm's CSR initiatives are partially effective, with visible contributions to economic and social well-being of community life.

5.2. Recommendations and Social Work Implications

The following are the implications of the study in dimensions of key social work service delivery, education, policy, and research to enhance the effectiveness, equity, and long-term sustainability of the Ardaiyta Farm's CSR.

5.2.1. Implications for Service

The Ardaiyta Farm should Promote social justice and equitable distribution of resources. To achieve this, it must shift from a top-down, charity-based approach to a more participatory and inclusive model that actively engages communities in decision-making and prioritizes their voices in shaping interventions. The farm should also establish CSR Committees and community forums. These platforms helps local administration and community members to actively engaged as partners in the planning, decision-making, and implementation phases CSR initiatives. This method also shifts the role of communities from passive beneficiaries to active stakeholders.

Service delivery should be inclusive and responsive to the needs of marginalized groups, including women, persons with disabilities, and low-income households. The farm can achieve this by implementing targeted livelihood support programs, ensuring fair and equal employment opportunities, and designing social safety nets. Infrastructure development should also prioritize communities in the most underserved and geographically isolated areas and in particular, the farm should extend its water distribution network to reach households located farthest from the central workers' camp. To ease tensions between the farm and the settlers inside the farm, it should dialogue with them, establish resettlement process and treated them fairly and respectfully.

5.2.2. Implications for Education

Sustainable CD becomes effective when building people's skills than providing short-term material support. Therefore, Ardaiyta Farm should give emphasis to farmers' overall capacities and design capacity building programs for the farmers beyond distributing agricultural inputs.

5.2.3. Implications for Policy

The farm needs to develop and approve a written CSR policy. This policy should define long-term social priorities, how budgets are allocated, inclusion requirements, and the mechanisms for institutional accountability. The framework would help ensure consistency and transparency in how CSR activities are planned and implemented. The farm should also create a framework for partnerships with public institutions, private actors, and civil society organizations because working collaboratively with government bodies, as well as NGOs and community-based organizations helps the farm to pool resources and co-finance larger infrastructure projects that would be difficult to achieve independently.

5.2.4. Implications for Social Work Research

The farm should follow a participatory research approaches that actively involve the community. Before starting any infrastructure or livelihood CSR project the farm should carry out a needs assessment that points out what community members themselves identify as their most urgent priorities. It should also establish a Monitoring and Evaluation (M&E) system that is based on continuous data collection and learning. This system should regularly gather feedback from community members, track long-term social and economic changes, and pay attention to evolving community dynamics and the insights generated can then be used to make evidence-based improvements and adjustments to ongoing programs.

References

- Abdurahman A.A (2020). Corporate social responsibility and business-community relations in Africa: the case of Ethiopia. *Journal of Advanced Research in Economics and Administrative Sciences*, 1(2), 77-90.
- Adafrew, A. T. (2024). Impact of corporate social responsibility on environmental conservation: Insights from Senselet food processing private limited company, Hageremariam, North Shewa Zone, Ethiopia. *Ethiopian Journal of Governance and Development*, 3(2), 63-76
- Alhaddi, H. (2015). Triple bottom line and sustainability: A literature review. *Business and Management Studies*, 1(2), 6. <https://doi.org/10.11114/bms.v1i2.752>
- Andargachew, M. (2022). *The practice and challenges of corporate social responsibility management in projects: In case of Entoto Park and Koye-Fече housing projects* (Master's thesis, Addis Ababa University). Addis Ababa University Institutional Repository. <https://etd.aau.edu.et/items/8ded8b78-5e21-494f-8f5f-59188a4e6159>
- Angessa E. (2020). The need to adopt corporate social responsibility strategy in Ethiopia.
- Asemah, E. S., Okpanachi, R. A., & Edegoh, L. O. N. (2013). Business advantages of corporates social responsibility practice: A critical review. *New Media and Mass Communication*, 18, 45-55
- Bereket A.H. (2022). Legal Aspects of Corporate Social Responsibility in Ethiopia: A Sustainable Development Perspective. *The Journal of Sustainable Development Law and Policy*. Vol. 13:2, 1-27, DOI: 10.4314/jsdlp.v13i2.1
- Berihu, G., & Yohannes, S. (2020). Corporate social responsibility practice of multinational companies in Ethiopia: A case study of Heineken Brewery S.C. *British Journal of Arts and Humanities*, 2(2), 36-55. <https://doi.org/10.34104/bjah.020036055>
- Birhanu, M. A. (2018). Corporate social responsibility practices, determinants and challenges; theoretical and empirical lesson for effective and successful engagement. *Journal of Investment and Management*, 7(6), 157–165. <https://doi.org/10.11648/j.jim.20180706.11>

- Biruk, A., & Zemenu, T. (2021). Using corporate social responsibility (CSR) as a tool to achieve public policy objectives in Ethiopia: Comparative perspectives and lessons. *Hawassa University Journal of Law*, 4. <https://doi.org/10.4314/hujl.v4i2.232>
- Bowen, H. R. (1953). *Social responsibilities of the businessman*. Harper & Row.
- Braun, V., & Clarke, V. (2006). *Using thematic analysis in psychology*. *Qualitative Research in Psychology*, 3(2), 77–101. <https://doi.org/10.1191/1478088706qp063oa>
- Bruk, D., & Wassie, K. (2019). Corporate social responsibility and its prospect for community development in Ethiopia. *International Social Work*, 62(1), 1-14. <https://doi.org/10.1177/0020872817731148>
- Carroll, A. B. (1979). A three-dimensional conceptual model of corporate social performance. *Academy of Management Review*, 4(4), 497–505.
- Carroll, A. B. (1991). The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. *Business Horizons*, 34(4), 39–48.
- Carroll, A. B. (2021). Corporate social responsibility: Perspectives on the CSR construct's development and future. *Business & Society*, 60(6), 1258–1278.
- Creswell, J. W. (2013). *Qualitative inquiry and research design: Choosing among five approaches* (3rd ed.). SAGE Publications.
- Crowther, D., & Aras, G. (2008). *Corporate social responsibility*. Ventus Publishing
- Degaga, T. (2019). *Practices and challenges of corporate social responsibility in Dangote Cement Factory: Adaha Berga District, West Shoa Zone, Oromia Regional State*. *Ethiopian Journal of Science and Sustainable Development*, 6(2), 72–79. <https://doi.org/10.20372/ejssdastu:v6.i2.2019.94>
- Elkington, J. (1997). *Cannibals With Forks: The Triple Bottom Line of 21st Century Business*. Capstone, Oxford.

- Ephrem G. (2025). *Assessing the Practice of Corporate Social Responsibility (CSR): The Case of Selected Commercial Banks in Ethiopia* (Master's thesis). School of Commerce, Addis Ababa University, Addis Ababa, Ethiopia.
- Ethiopian Agricultural Businesses Corporation Ardaiyta Branch. (2024). Ardaiyta branch annual report 2024 (Unpublished internal report).
- Ethiopian Agricultural Businesses Corporation. (2022). Corporate social responsibility activities. *Agri Business*, (7). Master Print. https://ethioagri.com/2022/12/14/ethiopian-agricultural-businesses-corporation-agri-business-magazine-2022-g-c_2015_ec/
- Ethiopian Agricultural Businesses Corporation. (2016). Organizational structure document [Internal document]. Addis Ababa, Ethiopia.
- Ethiopian Agricultural Businesses Corporation. (2016). *Social responsibility manual*. Unpublished internal manual.
- European Commission (2001). *Promoting a European framework for corporate social responsibility* (Green Paper). Office for Official Publications of the European Communities.
- European Union (2011). A renewed EU strategy 2011–14 for corporate social responsibility (COM(2011) 681 final).
- Federal Democratic Republic of Ethiopia, Council of Ministers. (2015). *Ethiopian Agricultural Businesses Corporation Establishment Council of Ministers Regulation No. 368/2015*. Federal Negarit Gazette.
- Fentaye, K. (2018). The status of corporate social responsibility in Ethiopia. *Ethiopian Journal of Business Management and Economics (EJBME)*, 1(1), 1-14.
- Freeman, R. E. (1984). *Strategic management: A strategic approach*. Boston, Pitman.
- Friedman, M. (1970). The social responsibility of business is to increase its profits. *The New York Times Magazine*, 13, 32–33.

- Girum, W. (2021). *The challenge and practices of corporate social responsibility in the construction industry in Ethiopia* (Master's thesis, Addis Ababa University, College of Business and Economics).
- Habtie, A. B., Fentaye, K. H., & Gedif, T. S. (2024). Corporate social responsibility (CSR) practices in large manufacturing firms: A qualitative multi-case study from Ethiopia. *Cogent Business & Management*, 11(1), 2310621. <https://doi.org/10.1080/23311975.2024.2310621>
- Idowu, O.S., Capaldi, N., Zu, L. and Gupta, D.A. (eds) (2013). *Encyclopaedia of Corporate Social Responsibility*. New York: Springer-Verlag.
- Ismail, M. (2009). Corporate social responsibility and its role in community development: an international perspective. *The Journal of International Social Research*, 2(9), 199–209.
- Kathayat, A. (2022). A case against CSR initiatives. *Open Journal of Business and Management*, 10(2), 698–714. <https://doi.org/10.4236/ojbm.2022.102039>
- Kassaye, D. (2016). *CSR from Ethiopian perspective*. *International Journal of Scientific & Technology Research*, 5(4), 299-328.
- Kesto, D. A., & Ravi, J. (2017). *Corporate social responsibility practices and stakeholders' awareness: Case of Ethiopia*. *American Journal of Trade and Policy*, 4(2), 79–86. <https://doi.org/10.18034/abcjar.v6i2.69>
- Kotler, P., & Lee, N. (2005). *Corporate social responsibility: Doing the most good for your company and your cause*. John Wiley & Sons.
- Kusakci, S., & Bushera, I. (2023). Corporate social responsibility pyramid in Ethiopia: A mixed study on approaches and practices. *International Journal of Business Ecosystem & Strategy*, 5(1), 37–48. <https://doi.org/10.36096/ijbes.v5i1.378>
- Lutfiyani, F. (2025). Corporate social responsibility (CSR) as an environmental and social responsibility: Is It beneficial for business? *International Journal of Multidisciplinary Research and Analysis*, 8(12), 6636- 6643. <https://doi.org/10.47191/ijmra/v8-i12-06>

- Mantey, N. (2024). Corporate social responsibility: Benefit(s) to company and society case of Vodafone Ghana Limited. *Advances in Social Sciences Research Journal*, 11(12), 122-142. <https://doi.org/10.14738/assrj.1112.16844>
- Masum, A., Hanan, H., Awang, H., Aziz, A., & Ahmad, M. (2020). Corporate social responsibility and its effect on community development: An overview. *Journal of Accounting Science*, 22(1), 35–40.
- Martha, G. (2022). The practice of corporate community engagement in enhancing corporate social responsibility activities in Ethiopia-The case of local brewery companies. *PRiMa: Practices & Research in Marketing*, 10 (2), 01-12
- Meenakshi, N., Dhir, A., M'hamed, S. C., Cabras, I., & Kaur, P. (2026). Drivers, impacts, and mitigation of corporate social irresponsibility: An environmental injustice perspective. *Journal of Business Ethics*. Advance online publication.
- Merriam, S. B. (2009). *Qualitative research: A guide to design and implementation*. Jossey-Bass.
- Mesay A.G. (2023). Systematic review of potential statutory and policy frameworks for corporate social responsibility (CSR) enforcement in Ethiopia: International and local experience. *Business Management and Strategy*, 14(2), 19-38.
- Mishra, S. P., & Mohanty, M. (2024). Exploring corporate social responsibility initiatives and their impact on agricultural sustainability in India: A comprehensive study. *Journal of Informatics Education and Research*, 4(2), 917-922.
- Musba, K. M., & Alemayehu K. B. (2024). Situation Analysis of Agricultural Development in Ethiopia. *Science Development*. <https://doi.org/10.11648/j.scidev.20240501.12>
- Oguntade, A., & Mafimisebi, T. 2011. Contributions of corporate social responsibility to agriculture and rural development in Nigeria. *Journal of Sustainable Development in Africa*, 13 (3), 59-74
- Simbai, M., Kudzanai, M., & Tinashe, R. (2024). Corporate social responsibility initiatives and community development: A review of literature on the prospects and challenges in

- developing countries. *Indonesian Journal of Community Services*, 3(2), 158–166.
<https://doi.org/10.47540/ijcs.v3i2.1578>
- Suchman, M. C. (1995). Managing legitimacy: Strategic and institutional approaches. *Academy of Management Review*, 20(3), 571–610.
- Tasew A. (2021). Approaches to regulating corporate social responsibility in Ethiopia: the case of manufacturing companies.
- Tesfaye, M. B., Bilina, Yidenek. W. B, & Gubay, A. G. (2019). Corporate social responsibility (CSR) practices in coffee producer farmers’ cooperative unions: The case of Bench-Maji, Kaffa, and Sheka Zones, South Western Ethiopia. *World Journal of Business and Management*, 5(1), 1-25. <https://doi.org/10.5296/wjbm.v5i1.14224>
- Visser, W. (2008). *Corporate social responsibility in developing countries*. In A. Crane, D. Matten, A. McWilliams, J. Moon, & D. S. Siegel (Eds.), *The Oxford handbook of corporate social responsibility*. Oxford University Press.
- World Business Council for Sustainable Development. (1998). *Corporate social responsibility: Meeting changing expectations*. WBCSD.
- Yin, R. K. (2018). *Case study research and applications: Design and methods* (6th ed.). SAGE Publications.
- Yonas, W. B. (2019). The Roles and Practices of Corporate Social Responsibility (CSR) In Mitigating Social Problems in Ethiopia The case of 10 selected Business Organizations (Master's thesis, Addis Ababa University).
- Yodit, A.M., Abrha, M.S., Behailu, D.W., & Kiflie, W.A. (2024). Corporate social responsibilities contribution for sustainable community development: evidence from industries in Southern Ethiopia. *Cogent Economics and Finance*, 12(1).
<https://doi.org/10.1080/23322039.2024.2373540>

Appendices

Appendix A: Consent Form

Thank you for agreeing to speak with me today. My name is Aderajaw Biwota, and I am conducting research on the role of local enterprises in community development. This interview seeks to understand your perspectives on the social and economic initiatives of the Ardaiyta Farm.

Your participation is voluntary, and you may choose to skip any question or stop the interview at any time without any negative consequences. The interview will take approximately 45-60 minutes. With your permission, I would like to audio-record our conversation to ensure I accurately capture your views. All recordings and notes will be kept confidential, used solely for this research, and your identity will be anonymized in any reports or publications.

Participants Name: _____

Signature: _____ Date: _____

Researcher Name: _____

Signature: _____ Date: _____

Appendix B: Interview and FGD Guides

1. Interview Guide: Community Perceptions of Ardaiyta Farm's CSR

Demographic data

Age

Gender

Length of residence in the area

Role in community (e.g., farmer, elder, business owner)

Interview Questions with Probes

1. What kinds of corporate social responsibility initiatives does the Ardaiyta farm implement in the community?

Probes: Could you list the specific programs or projects you are aware of? Which one is most visible or talked about? Are these one-time events or ongoing programs?

2. How have the farm's CSR activities affected the community's social well-being?

Probes: Can you give a concrete example of an improvement in a service like education or water access? How has this changed daily life for families? Who benefits the most from these improvements?

3. How have CSR initiatives impacted the economic well-being of the community?

Probes: Have you or anyone you know gained employment or training from the farm? Has there been a noticeable change in local business activity or household incomes? Are the economic opportunities stable or temporary?

4. Has the farm contributed to the agricultural productivity of the farmers living around the farm?

Probes: Does the farm provide direct support like seeds, training, or market access? Have you adopted any new farming techniques because of the farm? Is this support accessible to all local farmers?

5. What positive changes have you observed since the farm's CSR programs began?

Probes: Beyond projects, have there been changes in community morale or cohesion? What is the single most important benefit, in your view? Are there any benefits you expected that have not materialized?

6. Needs Identification & Community Involvement: "How does the farm identify the needs of surrounding communities?"

Probes: Are there formal meetings, committees, or surveys? Do you feel the community's true priorities are heard? Can you describe a time when community feedback led to a change in a project?

7. Inclusivity: "How inclusive are the CSR programs in reaching different groups?"

Probes: Are programs designed specifically for women, youth, or people with disabilities? Who might be unintentionally left out? Do these groups have a voice in the programs meant for them?

8. Farm-Community Relationship: "How would you describe the relationship between the farm and the community?"

Probes: Is there trust and open communication? What is the main reason for the positive or negative perception? Has this relationship changed over time?

9. Challenges: "Has the farm created any environmental, social, or economic challenges?"

Probes: Are there concerns about resources like water or land? Has there been any social tension or displacement? Do the benefits feel like they outweigh these challenges?

10. Overall Contribution to Sustainable Development: "Overall, would you say the farm's CSR activities have contributed meaningfully to sustainable community development?"

Probes: Do you believe the positive changes will last if the farm reduced its CSR efforts? Is the community becoming more self-reliant because of these initiatives? What is the most important thing the farm should do to ensure its impact is sustainable?

2. Interview Guide: CSR Strategy & Implementation (For EABC & Ardaiyta Farm Management/Staff)

Interview Questions with Probing Prompts

1. CSR Policy & Strategic Integration

Does the farm have a formal CSR policy or strategy? Are CSR objectives integrated into the farm's core business strategy?

Probes: Could you describe the document or framework that guides your CSR work? How are CSR goals reflected in annual operational plans or performance indicators? Who at the senior management level is ultimately accountable for CSR outcomes?

2. Scope & Commitment

To what extent does the farm prioritize and fulfill its corporate social responsibility obligations?

Probes: Is CSR viewed primarily as philanthropy, risk management, or a core part of the business license to operate? How is the budget for CSR determined (e.g., a fixed percentage of revenue/profit)?

3. Program Portfolio

What are the key focus areas and specific programs of your CSR initiatives?

Probes: Please categorize your activities (e.g., education, health, agriculture, infrastructure). Which program area receives the most significant investment? Are programs designed to be standalone or linked to each other?

4. Planning & Implementation System

Are the farm's CSR activities strategically planned and systematically implemented?

Probes: Walk me through the annual cycle for a typical CSR project—from identification to closure. What internal systems or departments are involved in execution (e.g., procurement, HR, agronomy)?

5. Perceived Outcomes & Impact

What examples of positive outcomes or impact from your CSR initiatives are you most proud of?

Probes: Do you have specific data or stories showing change (e.g., # of students supported, yield increase among outgrowers)? How do you capture and communicate these successes internally and externally?

6. Stakeholder Engagement & Co-Creation

How are communities, local government, and other stakeholders involved in the CSR process?

Probes: What formal or informal mechanisms exist for community consultation (e.g., committees, forums)? Can you give an example where community feedback substantially altered a project plan? How is the local administration's development plan aligned with your CSR?

7. Monitoring, Evaluation & Learning

How does the company evaluate the success and impact of its CSR initiatives?

Probes: What Key Performance Indicators (KPIs) do you use? Is there a dedicated M&E system or staff? How are evaluation results used to improve future programs (learning function)?

8. Resource Allocation & Budgeting

How are resources (financial, human, material) allocated and budgeted for CSR activities?

Probes: Is the CSR budget centralized or decentralized across departments? Does it include staff time and overhead costs, or only direct project costs? How flexible is the budget to respond to emerging needs?

9. Implementation Challenges

What are the most significant internal and external challenges in implementing CSR?

Probes: Challenges could be: limited budgets, staffing, community expectations, coordination with government, or measuring impact. How do you navigate or mitigate these?

10. Community Relations & Grievance Management

Are there operational conflicts or complaints from the community, and how are they addressed?

Probes: Is there a formal grievance mechanism or channel for community feedback on operational issues (e.g., noise, water, employment)? Can you share an example of a resolved conflict and the process used?

11. Sustainability & Future Vision

What is the long-term vision for your CSR, and how do you plan to sustain these initiatives?

Probes: Are you moving towards more community-owned or partnership-based models? How is CSR linked to the farm's own long-term business sustainability? Are there plans to scale successful pilots?

3. Interview Guide: Local Administrator Perspectives on Ardaiyta Farm's CSR & Community Relations

Interview Questions with Probing Prompts

1. Inventory and Assessment of CSR Activities

From your administrative perspective, what specific Corporate Social Responsibility (CSR) programs or community support initiatives has Ardaiyta Farm implemented in this area?

Probes: Could you categorize them (e.g., education, health, infrastructure, agriculture)? Which initiatives have been most visible or prominent? How long have these activities been ongoing?

2. Perceived Impact on Community Development

In your assessment, have these CSR activities contributed to tangible improvements in community livelihoods, employment, or access to social services?

Probes: Can you provide a specific example of a change you've observed (e.g., a completed school block, a trained youth group)? Is the impact widespread or concentrated in certain groups? How does this align with the kebele's own development priorities?

3. Nature and Depth of Collaboration

How are local authorities involved in the cycle of the farm's CSR activities—from identifying needs and planning to implementation and evaluation?

Probes: Is there a formal committee or regular meeting for coordination? Do you feel your office's input genuinely shapes the farm's CSR agenda, or is it more about being informed? Who typically initiates the projects?

4. Community Concerns and Conflict Management

From your position, have there been consistent community concerns, complaints, or conflicts related to the farm's operations?

Probes: What are the common issues (e.g., environmental, employment, land use, competition for resources)? How are these grievances typically channeled to your office or to the farm? Is there a clear mechanism for resolution?

5. Strategic Evaluation and Sustainability

Overall, would you say the farm's CSR approach contributes meaningfully to sustainable community development? Why or why not?

Probes: Do projects create lasting capacity, or are they one-off donations? Is there a strategy that aligns with the kebele's 5-year plan? What is the single most important suggestion you would give the farm to improve its social contribution and community relations?

4. Focus Group Discussion (FGD) Guide: Community Perspectives on Ardaiyta Farm's CSR

1. Mapping Awareness and Perceptions

To start, let's go around. Please share: What kinds of community projects or support activities have you personally seen, heard about, or benefited from that were provided by Ardaiyta Farm?

Probes: Think about areas like water, education, health, roads, employment, or training. Who typically gets to benefit from these?

2. Assessing Participation and Ownership

Thinking about those projects, how were community members like yourselves involved? Were you consulted about what was needed, or involved in the planning or implementation?

Probes: Was there a committee? Did the farm ask for your opinions? How did that process feel—empowering or tokenistic?

3. Evaluating Relevance and Priority

In your view, do the farm's projects address the most urgent and important needs of this community? Why or why not?

Probes: If you could tell the farm's managers one critical need they have missed, what would it be? Are the projects a good match for what people here actually want?

4. Analyzing Impact and Sustainability

Let's talk about the effects of these projects. What real changes—social or economic—have you noticed in the community because of the farm's CSR activities? Do these benefits last?

Probes: Can you give an example of a project that stopped working after the farm finished it? Or one that the community has maintained and still uses? Have these activities created jobs or skills that people still use?

5. Identifying Negative Externalities & Grievances

We have talked about the projects. Now, have the farm's overall operations caused any problems or negative effects for the community?

Probes: Think about the environment (water, land, dust), social issues, or economic competition. How are such concerns communicated to the farm? Is there a way to resolve them?

6. Overall Assessment and Vision for Improvement

Considering everything the good and the bad—how would you rate the farm's overall contribution to your community's wellbeing and development? What single, most important change would you recommend to make their community engagement better?