

**ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
SCHOOL OF COMMERCE
DEPARTMENT OF MARKETING MANAGEMENT**



**THE EFFECT OF CORPORATE SOCIAL RESPONSIBILITY ON CONSUMER
PERCEPTION OF CORPORATE IMAGE
THE CASE OF COMMERCIAL BANK OF ETHIOPIA IN ADDIS ABABA AREA**

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Image
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A thesis Submitted to Addis Ababa University College of Business and Economics School of Commerce Department of Marketing Management Graduate Study for the partial fulfillment & requirements for the Degree of Masters of Art in Marketing Management

Advisor: Tewodros Mesfin (PhD)


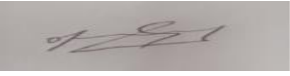
Addis Ababa, Ethiopia

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STATEMENT OF DECLARATION

I, the under signed, declare that this submission is my own work, prepared under the advisee of Dr. Tewodros Mesfin. To the best of my knowledge and belief, it contains no material previously published or written by another person who has been accepted for the award of any other degree or diploma of the university or other institute of higher learning, and all sources of material used for the research have been duly acknowledged.

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STATEMENT OF CERTIFICATION

This is to certify that Enkenyelesh Zewdie Tekele has carried out his research on the topic entitled “The Effect of Corporate Social Responsibility on Consumer Perception of Corporate Image the case of Commercial Bank of Ethiopia in Addis Ababa Area”. It is original work and suitable to submission for the award of Master’s Degree in Marketing Management.

Tewodros Mesfin (PhD)
Advisor
June, 2020

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ABSTRACT

The research title was The Effect of Corporate Social Responsibility on consumer perception of corporate image in the case of Commercial bank of Ethiopia. The purpose of the study was to find out the effectiveness of corporate social responsibilities activities made by CBE. Accordingly, the research models were composed of four independent variables such as economic, legal, and ethical and philanthropic responsibility, and the dependent variable corporate image. Furthermore hypotheses were developed to shown the effect of all the independent variables of corporate social responsibility on the dependent variable of corporate image. To this end the questioner was made and structured 5-point Likert scale. The questioners were distributed for the customers of four selected branches of Commercial Bank of Ethiopia in Addis Ababa. More specifically the number of respondents were 216 but I distributed 230 questionnaires and 212 (98 %) were returned back for analysis. The correlation analysis was illustrated to examine the relationship between those variables and effects of the factors was reported and analyzed by using multiples liner regression. Descriptive statistics also conducted in the research through the aid of Statistical Package for Social Science version 23 (SPSS). The findings of the study revealed that among the independent variables of philanthropic responsibility significantly affect corporate image of Commercial bank of Ethiopia. Concerning the other independent responsibilities the beta value as well as the p-value told that those factors positively and significantly affect corporate image of Commercial Bank of Ethiopia. Based on the finding, the researcher tried to forward a recommendation to the management of Commercial Bank of Ethiopia bank should focus and working on the above statistically significant factor in order to enhance and improve the bank image.

Keywords: *Corporate Social Responsibility, economic responsibility, legal responsibility, ethical responsibility, philanthropic responsibility and corporate image.*

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LIST OF MAIN ABBREVIATIONS

Abbreviations

Explanations

<i>ATM</i>	<i>Automated telling machine</i>
<i>CBE</i>	<i>Commercial Bank of Ethiopia</i>
<i>CSR</i>	<i>Corporate Social Responsibility</i>
<i>POS</i>	<i>Point of Sell machine</i>
<i>SPSS</i>	<i>Statistical Package for Social Science</i>
<i>SWIFT</i>	<i>Society for Worldwide Interbank Financial Telecommunication</i>
<i>CEBC</i>	<i>Center for Ethical Business Culture</i>
<i>WBCSD</i>	<i>World Business Council for Sustainable Development</i>
<i>TBL</i>	<i>Triple Bottom Line</i>

CHAPTER ONE

1. Introduction

1.1 Background of the Study

Corporate Social Responsibility was first noticed in the Anglo-Saxon world in 1950s with the idea of contributing societal welfare and environmental responsibility (Riabichenko, 2013). Corporate Social responsibility (CSR) and sustainable development have attracted worldwide attention, especially in the media and in academia.

Corporate social responsibility (CSR) is a self-regulating business model that helps a company be socially accountable to itself, its stakeholders, and the public. Corporate social responsibility is also called corporate citizenship, companies can be conscious of the kind of impact they are having on all aspects of society, including economic, social, and environmental. It is an ethical theory that an entity has an obligation to act in a way that benefits the society. It is a duty that every individual has to perform so as to maintain a balance between the economy and the ecosystems. There is a strong relationship that exists between economic development, in the material sense, and the welfare of the society. It has been defined as the voluntary integration of social and environmental concerns in to the organization's decision making process (Soana, 2011). CSR has been used as a tool in developing positive image and to attract new customers where corporate social responsibility is described as achieving commercial success in ways that honor ethical values and respect people, communities, and the natural environment.

Implementation of CSR activity is one of management strategies where companies try to create a positive impact on society while doing business. (Holme and Watts .2000) defines CSR as the continuous commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local community and society at large.

In the recent years the concept of Corporate Social Responsibility (CSR) is spreading very rapidly in the whole world and all the sectors including banking. This popularity is because the fast pace of globalization and social development demands to all corporations, big or small, local orientation, to take their CSR into account by improving the social and environmental

performance (Qi Lai, 2006). Besides, under destructive impacts of the global financial crisis and severe competitiveness in the financial market, banking sector, one of the vulnerable, plays a crucial role in facilitating the nation's economy and leading the nation to discharge CSR (Singh and Del Bosque, 2008).

Carroll developed the most known and a leading paradigm of CSR in the management field. Carroll (1991) also conceptualized CSR in one of the early models as represented by what is commonly referred to as Carroll's Pyramid (Carroll, 2016; Carroll and Shababa, 2010). The CSR pyramid distinguishes various layers of responsibilities. The basic foundation is economic responsibility at the same time; however, companies also need to comply with legal norms. When we see ethical responsibility it is the obligation to conduct in a fair way and to do the right thing, going beyond mere compliance with rules. It can also mean discretionary or philanthropic responsibility. The concept of CSR has encompassed a wide range of economic, legal, ethical and philanthropic (discretionary) activities of business performance at a given point in time, without any hierarchic order. Gudjonsdottir and Jusubova (2015). Carroll was one of the first researchers who debated and had a big influence on the CSR concept.

In addition to the four dimensional model of Carroll, Alexander. De (as cited by (Yeneneh Tadesse 2015) concluded with five dimensions of CSR: The stakeholder dimension, the social dimension, the economic dimension, the voluntariness dimension, the environmental dimension. Among them, the environmental dimension received a significantly lower dimension ratio than the other dimensions whereas stakeholder and social and economic dimensions received high attention, in descending order. (Wartick and Cochran, 1985) stated that CSR can be used to promote the reputation of a company as a good corporate citizen who takes responsibility for its impact on society Good reputation.

The focus area of this research is the economic dimensions, legal, ethical and philanthropic activities made by CBE. The bank has been providing financial support to different social, humanitarian, health, education and environmental projects (in the form of donation, sponsorship and membership).

This research will try to Show the effect of corporate social responsibility on consumer perception of corporate image the case of commercial bank of Ethiopia. The study will be based on primary data that will be taken from customers and secondary data from CBE and other literatures. Variables incorporate on the research are economic, legal, ethical and philanthropic responsibility and corporate image. The finding shows that though commercial bank of Ethiopia is making efforts in the CSR areas, still there are gaps in implementing well planned CSR and making disclosure. It will try to shows that existing practices of the bank keeping its main objective to participate in CSR activity together with the interests of social and community concerns.

1.2 Back ground of the Industry:

CSR activity is also implemented in various organizations in Ethiopia including the Banking sector and one of the organizations that contribute to CSR is Commercial bank of Ethiopia. Commercial Bank of Ethiopia is a government owned and the leading bank in Ethiopia, established in 1942 and Pioneer to introduce modern banking to the country. It is the leading African bank with assets of 712 billion Birr as of June 30, 2019. It plays a catalytic role in the economic progress and development of the country. Moreover, the first bank in Ethiopia to introduce ATM service for local users and Pioneer to introduce Western Union Money Transfer Services in Ethiopia early 1990s and currently working with other 20 money transfer agents. Furthermore, it has strong correspondent relationship with more than 50 renowned foreign banks and a SWIFT bilateral arrangement with more than 700 others banks across the world.

1.3 Statement of the Problem

In order for organization to be sustainable it must be financially secure, decrease its negative environmental impact and act in conformity with the expectations of society. Even though the prime focus of business is generating profits, corporations can contribute to social and environmental goals by applying corporate social responsibility as a strategic line in their core business practices, corporate governance, and management instruments (Waddock and Graves, 1997).

The management's social responsibility goes beyond making profit to include protecting and improving social's welfare of its stakeholders and the environment in which the firm carries out its operations. Robbins and Coulter (2007) cited in Sharma and Mani (2013) Therefore organizations involve in CSR activity based on the belief that corporation is not independent entities responsible only to stakeholders. They also have to participate in various responsibilities activities to the society that allow their formation through various laws and regulations and support them through purchasing their products and services. Corporate social responsibility has to do with an organization going out of its way to initiate actions that will impact positively on its host company as the issue of sustainable development becomes more important, CSR becomes an element that addresses these issues and therefore it becomes more vital in the daily operations of financial institution in the banking industry.

According to Yeneneh Tadesse, (Tadesse June, 2015) The World Business Council for Sustainable Development (WBCSD) describes that CSR as a contribution to sustainable economic development. It confirms that there is no way to avoid paying serious attention to corporate social responsibility. The costs of failing are simply too high, banks cannot do this alone without involving the community who are their customers. In order to provide relevant services and products banks must carry out a study to get information from their customer on their perceptions towards their business operations particularly their quality of services rendered. To increase customer satisfaction ultimately and loyalty a variety of products must be offered according to customers expectation, community, its environment and the people in general.

The banking sector plays a vital role for economic development of its country nation and the economy as a whole. Commercial bank of Ethiopia is one of the government banks in Ethiopia which provides different types of banking services to its customers and to the society. It has also created employment opportunities to the society and made corporate social responsibilities. For any organization to be sustainable it must be financially secure, decrease its negative environmental impact and act in conformity with the expectations of society.

The prime focus of the banking service is generating profits; in addition, the banking industry can contribute to social and environmental goals by applying corporate social responsibility as a

strategic line in their core business practices, corporate governance, and management instruments (Waddock and Graves, 1997).

CSR activity in Ethiopia is not well developed in terms of practice as it is the case in most of African countries context. (Yeneneh Tadesse, 2015) There is great need to create understanding about CSR and ethical manner to conduct the business in sustainable way. In addition, it is not common to find a specific form of corporate social responsibility practices in the developing world that could be seen from business perspectives. Since Ethiopia is one of the developing countries the philosophy of corporate social responsibility is not well developed.

Commercial bank of Ethiopia has been participating in various socio economic developments, donations and membership. Though the bank is participating in various socio economic developments, donations and membership rolls, it is not enjoying the degree of publicity it deserves and reputation that would have been built from such roles. In addition, the performance of the existing corporate social responsibility does not seem to have a noticeable impact by its customers furthermore, the existing practice is not enabling the bank to get publicity and build its brand image. On the other hand there is lack of CSR strategy and policy. In today's competitive world CBE has to make its effort in CSR activities services and other customer satisfaction area so that to keep its competitiveness. CBE does not also have a dedicated foundation with clear mode of operation and governance. Most international banks have CSR foundations and CSR committee to properly handle issues of corporate social responsibilities.

Therefore, the researcher has studied and identified effect of corporate social responsibilities on consumer perception of corporate image. How do customers perceive the contribution of the bank in relation to CSR? Therefore, this research will contributed towards filling the knowledge gap regarding the effect of corporate social responsibility on consumer perception of corporate image of Commercial bank of Ethiopia .The study has examined the four feature of CSR such as economic, legal, ethical philanthropic activities and their effect on corporate image.

1.4 Research Questions

Main Research Question

- What is the effect of corporate social responsibilities (CSR) on consumer perception of corporate image in the case of Commercial Bank of Ethiopia?

Sub Research question

Specifically, the following sub research-questions are raised that was further elaborated by adopting the conceptual framework:

- How does implementation of philanthropic responsibilities affect corporate image the case of CBE?
- How does implementation of ethical responsibilities affect corporate image the case of CBE?
- How does implementation of legal responsibilities affect corporate image case of CBE?
- How does implementation economic responsibility affect corporate image the case of CBE?

1.5 Objectives of the study

1.5.1 General objective

The study will show meaningful inquiry and investigation into the effects of corporate social responsibilities on consumer perception of corporate image in Commercial bank of Ethiopia in Addis Ababa area on selected customers.

1.5.2 Specific objectives

- To examine the implementation philanthropic responsibilities on corporate image the case of CBE Addis Ababa area.
- To examine the implementation of ethical responsibilities on corporate image the case of CBE Addis Ababa area.

- To examine the implementation of legal responsibilities on corporate image the case of CBE Addis Ababa area.
- To examine the implementation economic responsibilities on corporate image the case of CBE Addis Ababa area.
- To suggest relevant recommendation based on the finding for the study.

1.6 Definition of Key Terms

Corporate Social Responsibility: is a business Organizations engagement in social activities or philanthropy, and volunteer efforts so that businesses can benefit society while boosting their brands.

Consumer: a purchaser of goods and services on retail or an end user and not necessarily a purchaser in the distribution chain of goods and services.

Perception: is the process by which people translate sensory impressions in to a coherent and unified view of the world around them. Perception is equated with reality for most practical purposes and guides human behavior in general.

Corporate image: is the manner which firms, a corporation presents themselves to the public (customers, investors and employees)

Economic Responsibility: refers to profitability of the organization, while legal responsibility is basically complying with laws and regulation.

Legal Responsibility: is basically complying with laws and regulation.

Ethical Responsibility: the organizations operation should go beyond the laws where they are expected to do the right thing in a fair and just ways.

Philanthropic Responsibility: refers to voluntary giving and service to the society.

1.7 Significance of the Study

Now days, the concept of Corporate Social Responsibility (CSR) is spreading very rapidly in the whole world and all the sectors including banking. This is the outcome of the fast pace of globalization and social development demands to all corporations, big or small, local orientation, to take their CSR into account by improving the social and environmental performance, Commercial bank of Ethiopia has also contributed to the society and the overall economic development of the country. The research paper has tried to show the effect of corporate social

responsibility perceived by its customers' and evaluate the CSR activity in CBE as stated in the table which is found in the background of the study.

The study will help the future researchers who are willing to conduct study on this topic.

- This study will provide guidance to the organizations.
- This research will also be helpful for management and other decision making bodies.
- This study will be useful for policy makers and practitioners.
- It will provide certain direction for future researchers.
- Stakeholders will also get help from this study.

1.8 Scope and Limitation of the Study

This study focused on selected customers' perception towards the banks CSR contribution and its result. The study also delimited itself to Commercial Bank of Ethiopia branches that exist in Addis Ababa area; it does not focus on branches out of this area due to time and money constraint. The study focused on customers in some selected grade four and grade three branches. Since the selected branch has all types of customers, they are expected to represent the recommendation of all branches of the bank over the country to have insight study on the effect of corporate social responsibilities on consumer perception of corporate image and to get how the organization is perceived by its customers.

1.9 Organization of the study

This study is organized into five chapters.

The **first chapter** provides a general introduction of the study including background of the study, Background of the industry, Statement of the problem, Research questions, Objectives of the study, Research hypothesis, Significance of the study, Scope and limitation of the study, organization of the study and Definition of Key Terms.

The **second chapter** covered the literature relevant to the study. It includes concepts and theoretical framework, empirical literature as well as discussions on corporate social responsibility model and hypotheses and conceptual framework.

The **third chapter** elaborated research design and methodology: the type and design of the study. It include research method sampling technique, data collection method and method of data analysis that has been used in the study and reliability and validity tests and Ethical considerations had been included.

Chapter four has been summarized the findings of the study and discuss in details

Finally **chapter Five** has comprised of four sections which include summary findings, conclusions, recommendation of the study and future research areas.

CHAPTER TWO

2. Literature Review

2.1 Introduction

This chapter will try to presents the components and different definitions of the corporate social responsibility and consumer perception concept. Further, the relationship and the gaps between these concepts will be identified and described. Finally, the theoretical framework of the research was presented and organized.

2.2 Theoretical Literature review

There are different kinds of theories in the concept of CSR which are designed in different perspectives and which are contradicting each other, while these dilemmas continue to be important throughout the economic world. While businesses are conceived as holding a wide range of economic and civic responsibilities as part of their daily operation, the field of business ethics expands correspondingly. There are large sets of issues that need to be confronted and managed outside of and independent of the struggle for money. Broadly, there are three theoretical approaches to these new responsibilities:

- Corporate social responsibility (CSR)
- Stakeholder theory
- The triple bottom line

2.2.1 Corporate Social Responsibility

Corporate social responsibility has two meanings. It is a general name for any theory of the corporation that emphasizes both the responsibility to make money and the responsibility to interact ethically with the surrounding community. The other meaning of CSR is also a specific, is also a conception of that responsibility to profit while playing a role in broader questions of community welfare.

Corporate social responsibility (CSR) is a self-regulating business model that helps a company be socially accountable to itself, its stakeholders, and the public. The practice of corporate social responsibility, also called corporate citizenship, companies can be conscious of the kind of

impact they are having on all aspects of society, including economic, social, and environmental. The engagement of CSR activity means that, in the ordinary course of business, a company is operating in ways that enhances society and the environment, instead of contributing negatively to them.

Corporate social responsibility is a broad concept that can take many forms depending on the company and industry. Through CSR programs, philanthropy, and volunteer efforts, businesses can benefit society while boosting their brands. As important as CSR is for the community, it is equally valuable for a company. CSR activities can help forge a stronger bond between employees and corporations, boost morale and help both employees and employers feel more connected with the world around.

If company wants to be socially responsible, it has to be accountable to itself and its shareholders. Most of the time, companies that adopt CSR programs have grown their business to the point where they can give back to society. CSR is primarily a strategy of large corporations'. The more visible and successful a corporation is, the more responsibility it has to set standards of ethical behavior for its peers, competition, and industry. If companies implement a good CSR behavior has a reputational benefit for the banks (Musiega et al 2014).

The recent definitions of CSR – drawn from other sources and international organizations are as follow:

World Bank

Corporate Social Responsibility is a term describing a company's obligations to be accountable to all of its stakeholders in all its operations and activities. Socially responsible companies consider the needs of when making decisions, balancing the needs of stakeholders with their need to make a profit. Center for Ethical Business Culture (CEBC), 2010

European Union

CSR is 'behavior by business over and above legal requirements. It responds to pressure from some to embed CSR requirements in legal frameworks shifting them from voluntary to legally required obligations. Center for Ethical Business Culture (CEBC), 2010:

As a specific theory of the way corporations interact with the surrounding community and larger world, corporate social responsibility (CSR) is composed of four obligations:

- The **economic responsibility** to make money.
- The **legal responsibility** to adhere to rules and regulations
- The **ethical responsibility** to do what's right even when not required by the letter or spirit of the law.
- The **philanthropic responsibility** to contribute to society's projects even when they're independent of the particular business.

Social responsibility of business involves society's expectations with regard to organizations in the economic, legal, ethical and discretionary aspects philanthropic at some point in time.(Carroll,).After proposed definition of Carroll we will find a conceptual model divided into four dimensions: economic, legal, ethical and discretionary responsibilities. His main argument was that to engage in this proposal, managers or companies needed, first, a basic definition of CSR; second, an understanding of the issues in which CSR existed, or in today's terms, the stakeholders to whom the company has bonds of responsibilities, relationships or dependence; and, finally, a description of the philosophy of these responsibilities.

There are a variety of theories in the concept of CSR which are designed in different perspectives and which are contradicting each other. In practice, the following theories are frequently studied and adopted for CSR by reputable journals:-

2.2.2 Stakeholder Theory

Since the 1990s' the stakeholder theory has become famous as a direct alternative and challenge to the shareholder value theory (Freeman 1984). Stakeholders may be defined as those individuals or groups with which the organization interacts on any level, or any individual or group who may be affected by the actions of the organization. Stakeholder theory, which has been described by Edward Freeman and others, is the mirror image of corporate social responsibility. Instead of starting with a business and looking out into the world to see what ethical obligations are there, stakeholder theory starts in the world. Primary stakeholders are

those such as employees, customers and shareholders, whose involvement in the firm is necessary for survival of the firm.

The other groups of stakeholders, who have more of a peripheral involvement, including government and community members, are classed as secondary stakeholders. Stakeholder theory essentially involves protecting the interests of all stakeholders in the organization. This of course includes maximizing shareholder profit as shareholders are primary stakeholders, and this is consistent with traditional theories of the firm. It also goes beyond this however to include attending the interests and well-being of all groups of stakeholders, including secondary and primary stakeholders.

Although there is evidence in previous decades, that (Freeman, 1984) integrate its concept to a strategic management construct. He clearly stated that there are two distinct versions of Stakeholder theory, the first would be an expanded version that includes all the groups that can affect or are affected by the decisions and actions of the company, and the second relates to a narrow version that relies on groups that put something in risk in relation to the company and that are necessary for their survival. In this version, activist groups and the environment are not considered legitimate stakeholders. The focus of this construct would be the decision-making management directed to the interests of different stakeholders. Fombrun, (2005) also advocate that company can use CSR as a mechanism to signal its positive image to the stakeholders. The concept of CSR has aspects in common with stakeholder theory, as both have underlying moral and ethical principles.

2.2.3 The Triple Bottom Line

The triple bottom line (TBL) is a theory that recommends that companies commit to focus on social and environmental concerns just as they do on profits. It explains that instead of one bottom line, there should be three: profit, people, and the planet. The idea was that a company can be managed in a way that not only earns financial profits but which also improves people's lives and the planet. It is used to explain how corporate social responsibility dictating that corporate leaders tabulate bottom-line results not only in economic terms or costs versus revenue but also in terms of company effects in the social activity, and with respect to the environment. There are two key points to the idea of triple bottom line. First, the three columns of

responsibility must be kept separate with results reported independently for each. Secondly, these areas companies should obtain sustainable results. When we see the intersection of ethics and economics, sustainability means the long-term maintenance of balance. It helps to explain CSR how the balance is defined and achieved economically, socially, and environmentally.

- **Economic sustainability** is the long term financial solidity over more volatile, short-term profits, no matter how high. When we see to the triple bottom line model large corporations have a responsibility to create business plans allowing stable and prolonged action.
- **Social sustainability** values balance in people's lives and the way we live for a long time.
- **Environmental sustainability** the sustainability of natural resources especially the oil fueling our engines, the clean air we breathe, and the water we drink are limited. The three notions of sustainability, economic, social, and environmental guide businesses toward actions fitted to the conception of the corporation as a participating citizen in the community and not just as a money machine

2.3 The Concept of Cause Related Marketing (CRM)

Cause related marketing (CRM) is a common benefit in collaboration between a corporation and a nonprofit organizations designed to promote the former's sales and the latter's cause. CRM is used to build brand equity as it creates the most added values and most directly enhances financial performance. (Mullen, 1997) It (societal marketing) can generate the long-term value needed for a company to survive and achieve competitive advantage (Collins, 1993). The willingness of consumers to purchase a company's product is also positively influenced by the company's CRM activities (Smith and Alcorn, 1991). Organizations highly concentrate their Corporate Social Responsibility strategies within marketing by implementing Cause-Related Marketing programs. Cause-Related Marketing programs can generate donations for the not-for-profit partner; contribute to achieving central marketing goals.

2.4 The Dimensions of CSR

The CSR concept has encompassed a wide range of economic responsibility (to make money), legal responsibility (to adhere to rules and regulations), ethical responsibility (to do what is right) and philanthropic responsibility (to contribute to the society) (discretionary) activities of business performance at a given point in time, without any hierarchic order. Gudjonsdottir and Jusubova (2015). Carroll was one of the first researchers who debated and had a big influence on the CSR concept.

Carroll (1991) developed the most known and a leading paradigm of CSR in the management field: The Pyramid of Corporate Social Responsibility (Carroll and Schwartz 2003 as cited in Selam Solomon 2017). To this day, Carroll's paradigm remains the most known within business.

Entrepreneurs and business organizations main goal is to produce goods and services profitably. Legal responsibility requires that companies while acting in their economic obligations observe laws and regulations. Economic responsibility is to satisfy consumers through high-value products as well as to create enough profits to investors. There are rules and regulations that businesses are required to obey them so they should follow these legal requirements to increase profitability. Carroll, Barjoei (2016).

Moral responsibility and ethical norms are business practices that are expected to be followed even if they are not codified in law. Philanthropic responsibilities include financial and non-financial assistance to improve the community. It covers the activities of the company that shows the company is like a good citizen. Among cases where companies can have a share in include participation in supporting the arts, education and other sectors that can enhance the quality of life in society.

2.5 Carroll's CSR Pyramid model

CSR activity as social responsibility of business involves society's expectations with regard to organizations in the economic, legal, ethical and discretionary aspects philanthropic at some point in time. Carroll (1979) .He also explains the stakeholders have bonds of responsibilities and relationships with CSR activities and a description of the philosophy of these

responsibilities. The assumption of Carroll was that the main role of business was to produce goods and services for the society, emphasizing its economic function above all, and prioritize profits without hurting the principles of responsibility. Carroll initially developed the CSR model that contained a three-fold purpose. Carroll (1979).

- to define the essential aspects of CSR,
- connect them to the relevant social issues and
- Aid practitioners to choose a responsive corporate philosophy to address those issues.

He proposed this definition of CSR and underwrote it in a conceptual model divided into four dimensions: economic, legal, ethical and discretionary responsibilities.

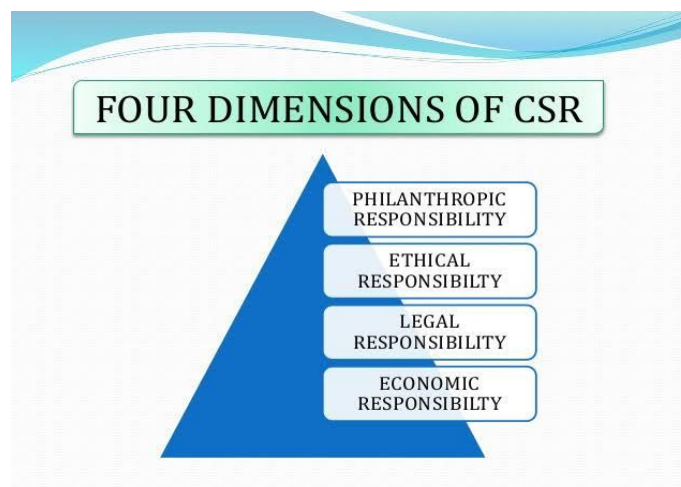


Figure 2. 1: *Pyramid model of CSR adopted from Carroll, (1991)*

2.6 Empirical literature Review

2.6.1 Corporate Social Responsibilities Vs consumer perception

Various scholars tried put their empirical evidence about the positive action of CSR for instant (Sen and Bhattacharya, 2001) examine the reaction of customer for CSR by categorized its activities , such as support of community events and donations of money to charitable causes, diversity initiatives, recycling programs, the use of green materials,. Mohr et al. (2001) evaluate the customer expectation for the companies to be socially responsible and clearly categorized CSR in relation to the various stakeholders of the organization as well as societal marketing concept.

A research made on “effect of corporate social responsibilities on consumer perception of corporate image “ on some selected bank in Nigeria shows that as the concept of CSR activities defined as the voluntary integration of social and environmental concerns in to the organizations decision’s process (soana,2011) . This concept is used in the banking industry being perceived as a tool to develop a positive image and attract new customers. The study tried to explain there is a positive relation between corporate social responsibilities and customer perception. However the study has find out that possessing a strong corporate social responsibility means a cost rather than financial benefit (Jiyoung, 2007).

Chung et.al (2015) has studied the level of consumer perceptions related to CSR in China by criteria for evaluating social performance of business firms. The main aim of his this study was to identify how CSR influences customer perceptions of customer satisfaction and customer loyalty, and as the importance order of CSR factors in China. He has tied to examine the moderating effects of corporate image in the relationships between CSR and customer satisfaction and customer loyalty. The focus area of the research was on CSR activities in China, such as philanthropic, ethical, legal, and economic responsibility, environmental contribution, and consumer protection. His findings show that CSR positively affects customer satisfaction and loyalty, and customer satisfaction positively affects customer loyalty. The important factors CSR are as follows: consumer protection, philanthropic responsibility, legal responsibility, ethical responsibility, economic responsibility, and environmental contribution. The study has tried to show the moderating effect of corporate image in the relationship between CSR and customer satisfaction is identified. This study has the limitation of being a cross-sectional research design that may falls during some period of time, the implications of customers’ changed attitude on CSR activities over time would not be detected. .

An empirical study made by (Deepika & Rama, 2014) the chief domains for reporting CSR activities in Indian private sector banks are to enhance the level of education and employment. The other prominent areas for their concern include community welfare, programmers for child welfare and protection of environment. As indicated their report CSR practices of the selected banks represents a wide spectrum of different activities including rural development, community development and social welfare, family initiatives, women's empowerment and environment protection. A significant part of the bank’s annual earnings is used to support

structures, events and individuals across diverse areas of child healthcare and education, entertainment, environmental beautification, human capital development and arts. The study of core areas as reported by the selected banks reveal that primary concern for both type of bank is social welfare. However both have different approach to promote the same. The general trend of selected public sector banks are mainly practices for rural development and removal of gender inequality. On the other hand, the core operational CSR activities in private sector banks are focused on education and employment for all and mitigating the risk of environmental degradation through their green banking strategies.

According to Mathias (2016) on his case study stated by referring Icke et.al (2011) in Belas (2012), banks are financial intermediately that play significant role in national and international economy, whose power affects the social system. Commercial of Ethiopia operate like any financial institution and takes the leading banking role in the country in terms of number of branches, supporting development projects and fostering financial operation both inside and outside of the country. To be competitive in business, with a changing and dynamic business environment, companies strive to search for ways to differentiate their services/products and build favorable relationships with a company's stakeholder groups. As a result reputation is an important means by which companies can maintain a sustainable competitive advantage and endure a long term relationship with multiple stakeholders (Boyd et al, 2010).

When organizations have Good reputation they can achieve better customer retention. Business organizations can achieve their its objective more easily if it has a good reputation among its stakeholders, especially key stakeholders such as its largest customers, opinion leaders in the business community, suppliers, and current and potential employees (Karim 2006). Different studies show that a good reputation demonstrably increases corporate worth and provides sustained competitive advantage. Having strong corporate reputation increases customer's confidence in products and services, advertising claims an in the buying decision. Companies which have strong CSR activity will get better access to capital markets, which decreases capital costs and lowers procurement rates. It is obvious that a company's profitability, *ceteris paribus*, grows with a better reputation (Schwaiger 2004).

Corporate social responsibility (CSR) helps to make strong ties between companies and societies to address social and environmental concerns. It involves the conduct of a business to be economically profitable, law abiding, ethical and socially supportive. CSR is very important both to companies and to a community and society as a whole. To companies, it is important to build ones image and reputation and thus to boost the business. To a society and community, it is essential to improve the living conditions and to get out of poverty in general.

2.7 Corporate social responsibility activity of Commercial bank of Ethiopia

Publications show that, “Commercial Bank of Ethiopia did pioneer the introduction of modern banking services in the country. It has the lion’s share of the commercial banking market of the country in terms of credit, deposit and customer base and branch network” (CBE, 2013). As a corporate, CBE is also expected to be socially responsible entity. A review of the literature revealed that commercial bank of Ethiopia CSR practice to welfare of the society and development is not clearly known by the public or stakeholders based on scientific study (Mathias, 2016). It needs empirical investigation and study of existing CSR situation, awareness of CSR as business strategy and ground to implement it. The problem is that the relationship between CBE and CSR practices are unclear. Therefore, the study will tries to find out the effect of CSR on consumer perception of corporate image in Commercial Bank of Ethiopia Addis Ababa area. The research will try to find out how stakeholders perceive the CSR activities made by CBE.

CBE, being a public bank, has considerable value to the community and the society at large. That is why it has a value named ‘**corporate citizenship**’ that signifies corporate social responsibility. Corporate citizenship is defined by the bank as the commitment for national development endeavor, being abided by the law and the care it has for society’s welfare and the environment, and this definition coincides with the general principles of CSR. Furthermore, the bank is involving in philanthropic activities so that the poor and the disadvantages could be benefited. It provides support to organizations by being a member, and donating funds. The bank is committed to increase financial service accessibility and financial inclusion through branch expansion, education, and e-banking services. It also participates in social matters like sport

developments through supporting its own sport association and sponsoring big sport events that have national implications.

Commercial bank of Ethiopia is one of service giving business organization that has been contributing a lot to the socio economic development of the country. Corporate citizenship is also one of the core values of the bank and it is an indicator of the bank's commitment to the society and environment. CBE support various social, environmental, health related and other humanitarian activities through donation and membership activities. Commercial bank of Ethiopia is one of the government banks which plays vital role in the economic development of the country and it also participate in the corporate social responsibilities activities.

Donations and membership initiatives were among the major mechanisms through which the bank used to discharge its corporate social responsibilities. These are currently managed by the marketing department under the Strategy and Innovation. Each budget year, the bank allocates a significant fund to support charity activities and social, humanitarian, health, education, and environmental development activities. It also responds to natural and man-made calamities.

Besides, the bank is a member of various associations that are established to address specific social issues. A summary of the existing corporate social responsibility practices of CBE are highlighted below.

- CBE has been providing financial support to different social, humanitarian, health, education & environmental projects (in the form of donation, sponsorship & membership)
- Every budget year, the bank allocates a significant fund to support charity activities, social, humanitarian, health, education, and environmental projects. The bank also supports the society by responding to natural and manmade disasters.
- CBE is contributing to the sport sector of the country through its own sport club (athletics, table tennis and soccer clubs)
- CBE mainly responds to donation requests instead of proactively identifying projects.

CBE, being a public bank, has considerable value to the community and the society at large. That is why it has a value named '**corporate citizenship**' that signifies corporate social responsibility.

Corporate citizenship is defined by the bank as the commitment for national development endeavor, being abided by the law and the care it has for society’s welfare and the environment, and this definition coincides with the general principles of CSR. The bank, having this value, is now contributing a lot to the socio economic developments of the country. For example, the bank is financing nationally prioritized sectors and mega projects that have key roles in transforming the overall economy, in creating job opportunities and in stabilizing the overall macro economy. Similarly, it plays a role in subsidizing the shortages of basic food items through allocating significant amount of foreign currency to the import of those items. It is also providing loans to the small and medium enterprises, small farmers and cooperatives at terms and conditions far lower than the commercial levels.

Furthermore, the bank is involving in philanthropic activities so that the poor and the disadvantages could be benefited. It provides support to organizations by being a member, and donating funds. The bank is committed to increase financial service accessibility and financial inclusion through branch expansion, education, and e-banking services. It also participates in social matters like sport developments through supporting its own sport association and sponsoring big sport events that have national implications.

Table 2.1: *Donation Budget Utilization*

Budget Year	Annual Budget	Utilized Amount	Utilization Rate
2012/13	8,000,000.00	1,592,966.00	19.91%
2013/14	15,000,000.00	2,396,268.00	15.97%
2014/15	45,000,000.00	6,207,299.00	13.79%
2015/16	10,000,000.00	8,804,028.00	88.04%

(Source; annual report of promotion and brand management sub process, CBE)

2.8 Conceptual framework

Based on the overall review of related literatures and the theoretical framework, the following conceptual model is developed in which this specific study is governed. The model used in the current study offers a unique effect of corporate social responsibilities on consumer perception of corporate image this model will test in Commercial Bank of Ethiopian Addis Ababa area. There are various CSR activities but I selected the four obligations of CSR (legal, ethical, economic and philanthropic) .These theoretical model which have been selected from Carroll’s pyramid

.Gudjonsdottir and Jusubova (2015) and the modified Carroll's model (Consumer Protection) by Chung et.al (2015).

Likewise, Perez and Rodriguez Del Bosque (2013) imply that customer CSR perception can be measured through ethical and philanthropic responsibilities, as economic and legal responsibilities are considered to be necessarily performed by corporations. Philanthropic and ethical dimensions are considered to be voluntary activities; the actions vary depending on the industry sector and are selectable, since they are not directly requested. To address the above identified research questions and objectives, the following research hypothesis are formulated. The variables used for testing the hypothesis were presented as follow.

- **H0:** CSR has positive impact on consumer perception of corporate image.
- **H1:** Implementation of philanthropic responsibilities has positive impact on creation of corporate image.
- **H2:** Implementation of ethical responsibilities has positive impact on corporate image.
- **H3:** Implementation of legal responsibilities in bank has a positive impact on corporate image.
- **H4:** Implementation of economic responsibilities has positive result on corporate image.

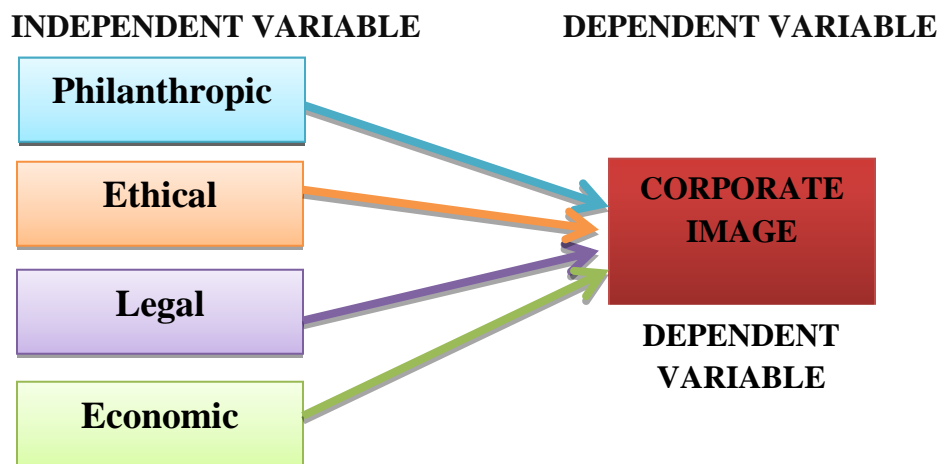


Figure 2. 2: *Conceptual Framework of the Study*

Note: *The above figure shows the conceptual framework describes how component of corporate social responsibility variables had the effect on corporate image.*

CHAPTER THREE

3. Research Design & Methodology

3.1 Introduction

In this chapter the practical method used in order to answer the research questions and fulfill the purpose of the research are presented. The chapter also provides an overview of the research approach, research design, and model specification, a description of the instrument used for data gathering, targeted population, sampling procedure, sources of data used, and methods of data analysis, presentation and interpretation. The research used deductive approach and to show from general to specific phenomenon.

3.2 Research Approach

The research approach used for this study was a quantitative research approach. The research used a deductive research for testing hypothesis and measuring relationships among variables using questionnaires to determine the effect of corporate social responsibility on consumer perception of corporate image in the case of commercial bank of Ethiopia Addis Ababa area. The research was done using quantitative method since it enables the researcher to collect data to apply statistical tools and used to establish relationships of the variables used in this study. A quantitative approach is one in which the investigator primarily uses postpositive claims for developing knowledge, i.e., cause and effect relationship between known variables of interest or it employs strategies of inquiry such as experiments and surveys, and collect data on predetermined instruments that yield statistics data (Creswell, 2003).

3.3 Research Design

In this study the researcher used descriptive and explanatory research design to interpret and examine the relationship between independent variables that is corporate social responsibility feature and dependent variable that is corporate image. It is the conceptual structure within which research is conducted. It constitutes a blue print for the collection, measurement, and analysis of data. Saunders et al. (2007), defines research design as the general plan of how the

research questions would be answered. (Anol, 2012). In all cases, the researcher has presented in order to clarify or respond to questions posed by participants. Completed survey was hand-coded in an SPSS dataset.

3.4 Sampling Design

3.4.1 Target population

All the items under consideration in any field of inquiry constitute a population. Sekeran (2001) defines a population as “the entire group of people, events, or thing of interest that the researcher wishes to investigate”. The target populations are customers of Commercial Bank of Ethiopia who are found in the four selected branches. They are expected to be representative of all branches in Addis Ababa area .These branches are selected based on the location, grade level, and the types of transactions performed.

3.4.2 Sampling Frame and Sampling location

The sampling frame is defined as set of source materials from which the sample is selected. The definition also encompasses the purpose of sampling frames, which is to provide a means for choosing the particular members of the target population that are to be includes in the survey (Anthony, 2003). Sampling location is a place where a research is conducted or/and a place where information is acquired. So in this research, source of information are customers of Commercial Bank of Ethiopia who are found in Addis Ababa area of the four main branches using convenient sampling method. For the research purpose customers were selected from Addis Ababa branch, Finfine branch, Mexico branch and Arada Ghiorgis branch. These selected branches are supposed to have different types of customers who were representative of all groups of customers in their transactions, deposits and capital.

3.4.3 Sampling Technique

Sample is a portion of the population that has attributes as the entire population Sekeran (2001). Sampling technique enables the researcher to study relatively small number of units in place of the target population, and to obtain data that are representative of the whole target population. The selected customers for questioner are called respondent. Sampling Technique which is

according to Creswell (2003) refers to a further development of the principle of cluster sampling. Therefore, the researcher used convenient sampling method to select customers in Addis Ababa area zone of the four selected branches by distributing questioner equally to each branch.

3.4.4 Sampling size

The sample size is determined using the following formula in 95% confidence interval

$$n = \frac{(Z_{\alpha/2})^2 * P(1 - P) * D}{d^2}$$

Where:

- $Z_{\alpha/2}=1.96$ the value obtained from a standard normal table $\alpha=0.05$ with 95% confidence interval and “alpha” as levels of significance or precision.
- $P=0.5$ proportion of customers who has knowledge of CSR activity in CBE.
- $1-P=0.5$ is the difference (customers who have no idea about CBE CSR activity)
- $D=1.1$ is the design effect; i.e. if the design is not sufficiently addressing the whole situation of the study population, then we assumed a 10% increase in our sample.
- $d=0.07$ the desired boundary for the sample.

For this research, the sample size is calculated at $d=0.07$,

$$n = \frac{(Z_{\alpha/2})^2 * P(1 - P) * D}{d^2} = \mathbf{216}$$

Therefore the total number of questioner (n) is 216 the researcher has divided this number in to four selected branches so fifty four questioners will be distributed to each branch.

3.5 Source of Data

The main source of this study was primary data source collected from CBE customers in four of the selected branches. The research is intended to assess the effect of corporate social responsibilities on consumer perception of corporate image. Primary data were collected from customers via questionnaires. The data that are collected from sample survey through questionnaire that describes numerical figures is the quantitative data types that used in this study. The sources of primary data were collected from selected branches which are expected to

be representative of customers in all areas. The secondary data were collected from various books, research papers, literatures, articles, written document and internet.

3.6 Data collection Instrument

The study used was quantitative in nature and collected data through questionnaire. The questionnaire consists of two parts: Section one deals with the demographic profile of the respondent and Section two is concerned with those factors/ components of CSR (economic, legal, ethical and philanthropic) and aggregate features of corporate image. A questionnaire consisting the independent variables and dependent variables have been conducted by extracting sources from few established questionnaire. As the researcher was interested to collect original data from a population, the population is very big to be observed or interviewed. Thus, a survey by a questionnaire was considered the most appropriate method for measuring the perceptions of the customers, while minimizing the possibility of researcher bias and providing a greater degree of subjectivity. The questioner used was clear so that the respondents understand easily and to be collected in short period of time.

3.7 Method of Data Analysis

Descriptive analyses were used to conduct the research questions presented in the first chapter. Once data were collected, it will be necessary to employ statistical techniques to analyze the information, as this study is quantitative in nature. Data was analyzed using SPSS software. The statistical tools aligned with the objectives of the research to develop functional relationship among the independent variables and dependent variable. Participants could have felt pressured to participate and not be completely open and honest. Through the confidentiality agreement and the consent forms participants had the opportunity to opt out of the study without any penalty (Halcomb et al, 2007).

Participants were encouraged to fill questioner openly and honestly with the knowledge that the researcher, as stated in the confidentiality agreement, which protect their identity in the published results and transcripts will not share with management. A non-disclosure agreement completed by the transcriber ensured privacy protection of the participants. The researcher used manual coding to analyze responses through keywords-in context (Onwuegbuzie et al, 2009) to

improve the validity of the results versus the use of automated or computerized software that may prohibit the detection of subtle themes. The approach allows the researcher to compare visual observations to written words for deeper insight to the meaning of words and themes identified (Onwuegbuzie et al, 2009).

3.8 Ethical Consideration

Ethical clearance and permission was obtained from the institutional review board Faculty of Business and Economics of Addis Ababa University, Ethiopia. Permission is also granted from all the selected branches of CBE through formal letter. Participation in the study is on the voluntary basis and participants are asked for willingness before they are provided the questionnaire. The subjects are also assured that their responses used only for the purpose of the study. An attempt is made first to explain the objectives and significance of the study to the respondents. Name and other identifying information are not used in the study. The researcher safeguarded all information related to the participants. Their privacy, identity and confidentiality are maintained by assigning them code numbers instead of names (anonymity).

CHAPTER FOUR

4. Data Presentation, Analysis and Discussion

4.1 Introduction

This chapter deals with presentation, interpretation and analysis of the data used for the study. It is discussed in accordance with the ultimate research objectives of the study. So, statistical testing of hypothesis and interpretation of the results were made by using SPSS version 23 software. The designed questionnaire was distributed to customers of the Commercial Bank of Ethiopia who are in Addis Ababa area; the four branches selected. However some of the questionnaires were distributed in person and others through e-mail and telegram due to the pandemic disease (COVID-19) that occurred in the world and in our country. As a result data gathered and analyzed are presented as follow.

4.2 Sample and Response Rates

The proposed sample size for the study was 216 but in order to enhance the response rate; total numbers of questionnaires distributed and sent in electronic format were 230. The response in both formats was 212 questionnaires and 4 were non response yielding a 98 percent response rate.

4.3 Demographic Information of Respondents

Demographic characteristics of respondents of this study are summarized and major findings are presented. To this end, the following Table 4.1 reveals gender, age group, education level, working condition and the service years being customer with the Commercial Bank of Ethiopia. The table below shows the frequency of total respondents in accordance with their demographic information and tells us 212 respondents were found in the study.

Table 4. 1: *Summary of Demographic Variables of surveyed CBE customers, 2019*

	Variable	Number	Percentage	Cumulative percentage
Gender profile	Male	129	60.8	60.80
	Female	83	39.2	100.0
	Total	212	100.0	100.0
Age group	18-29	42	19.8	19.8
	30-49	126	59.4	79.2
	50-69	39	18.4	97.6
	Above 70	5	2.4	100.0
	Total	212	100.0	
Educational level	High school complete	25	11.8	11.8
	Diploma	34	16.0	27.8
	Degree	82	38.7	66.5
	Masters	61	28.8	95.3
	PhD	5	2.4	97.6
	Others	5	2.4	100.0
Total	212	100.0		
Working condition	Student	12	5.7	5.7
	Business owner	32	15.1	20.8
	Private employee	55	25.9	46.7
	Government employees	91	42.9	89.6
	Others	22	10.4	100.0
Total	212	100.0		
Years being customer	Below 1 year	7	3.3	3.3
	1-5 years	55	25.9	29.2
	6-10 years	62	29.2	58.5
	Above 10 years	88	41.5	100.00
	Total	212	100.0	

(Source: Researcher's Survey, 2020)

4.4 Descriptive analysis

The demographic result of the study indicates that 60.80 % respondents were male and the remaining 39.20 % were females. Regarding the respondents' age category, majority 59.40% respondents were between the ages of 30-49 years. The next higher groups of 19.80% respondents were within the age of 18-29 and 18.4% of respondents were within the age of 50-69 and the left over 2.4% were above 70 years.

The study shows that educational background of the respondents. Accordingly, 38.7% of the total respondents were of first degree holders followed by master holders 28.8%. And only 16% were having diploma holders, 2.4 % were PhD holders, 11.8% were completed high school and the last 2.4 included in others.

The present study confirmed the findings about working condition of the respondent through some selected Commercial bank of Ethiopia Addis Ababa area. As a result of this 42.9% respondents were government employee, 25.9% of respondents were private employee, business owner were 15.1%, others 10.4% and 5.7% were students,

The result observed in connection with service year with Commercial bank of Ethiopia about 41.5% of the participants have above 10 years, followed by 29.2% customers were between 6-10 years, from 5-10 years and the other 25.9% were between 1 to 5 years and the remaining 3.3% respondents were below one year.

4.4.1 Descriptive Analysis of Effects of Corporate Social Responsibility practices on consumer perception of corporate image

Under this analysis the mean scores of each practices of corporate social responsibility were calculated as well as the mean scores of each item under each dimension. The respondents were asked to rate their perception, knowledge, feelings and attitudes of these practices on a five point Likert scale ranging from one (strongly disagree) to five (strongly agree).

Table 4. 2: *Descriptive Analysis of Effects of CSR on consumer Perception of corporate image*

	N	Mean	Std. Deviation
Economic responsibility	212	0.80	0.400
Legal responsibility	212	0.61	0.489
Ethical responsibility	212	0.73	0.444
Philanthropic responsibility	211	0.42	0.494
Valid N (listwise)	211		

(Source: Researcher's Survey, 2020)

The mean score values of corporate social responsibility practices of Commercial bank of Ethiopia found ranging from 0.80 with standard deviation 0.4 with economic responsibility which is the highest then followed by ethical responsibility 0.73 with standard deviation 0.444, legal responsibility with mean 0.61 and standard deviation 0.489 and the last is philanthropic responsibility which has 0.42 below average with highest standard deviation. The overall the effect of CSR responsibility on consumer perception of corporate image is well above average.

Table 4. 3: Descriptive Statistics of Economic Responsibility

	N	Mean	Std. Deviation
Commercial Bank of Ethiopia contributes to the country economy	212	4.29	0.944
Commercial Bank of Ethiopia contributed a lot for employment opportunity for its nations	212	4.16	0.923
Commercial Bank of Ethiopia is contributing a lot for mega projects (Abay dam, Ethio Djibouti railway) in Ethiopia by providing services and loans	212	4.13	0.898
Commercial Bank of Ethiopia facilitates export activity by providing loans	212	3.72	1.022
Commercial Bank of Ethiopia facilitate loan for micro and small scale industries	212	3.09	1.201
Commercial Bank of Ethiopia contributes a lot for the development of manufacturing industries	212	3.62	1.184
Valid N (list wise)	212		

(Source Researcher's Survey, 2020)

Descriptive Analysis of Economic Responsibility

The above Table 4.3 shows under economic contribution CBE's contribution to the country economy is well perceived by its customers since it has the highest mean value of 4.29, its contribution in employment opportunity takes the second rank by having mean value 4.16 then the contribution in mega projects was the third by having mean value 4.13. However the contribution in export activity has mean value 3.72, small scale industries mean value 3.09 and in manufacturing sector had mean value 3.62.

Table 4. 4: Descriptive Statistics of legal Responsibility

	N	Mean	Std. Deviation
Commercial bank of Ethiopia offers loans to customers based on rules and regulation the bank	212	3.63	1.020
The Bank involve in supporting the low-income community based on rules regulation of the country	212	2.82	1.062
Commercial bank of Ethiopia sponsor various activities following countries and banks rules and regulations	212	3.35	0.935
The bank supports the countries mega projects following legal rules and regulations	212	3.57	1.021
Commercial Bank of Ethiopia provides its services following the country's rules	212	3.67	1.024
Commercial Bank of Ethiopia makes contractual agreement with its customers in various activities following countries rules and regulations	212	3.56	0.964
Valid N (list wise)	212		

(Source Researcher's Survey, 2020)

Descriptive Analysis of legal Responsibility

When we see Table 4.4 the largest mean value is that CBE follows country's rule has a mean value of 3.67, The second is CBE's offer loans based on rules and regulation of the bank has mean value of 3.63 and the contribution made to mega projects based on rules and regulation has mean value 3.57 .when we see others there is little knowledge by customers specially the contribution in low income group following rules and regulation has 2.82 which is the smallest of all.

Table 4. 5: *Descriptive Statistics of Ethical Responsibility*

	N	Mean	Std. Deviation
Commercial Bank of Ethiopia let its staffs to provide services ethically for the customers	212	3.88	0.954
Commercial Bank of Ethiopia is closely working with different stakeholder ethically	212	3.76	0.939
Commercial Bank of Ethiopia works with stakeholders to create good citizenship	212	3.52	0.936
Commercial Bank of Ethiopia employees and managers are well-disciplined	212	3.73	0.978
Commercial Bank of Ethiopia provide corporate social responsibility activity in ethical manner	212	3.67	0.878
Commercial Bank of Ethiopia prevents unethical behaviors in order to achieve organizational goals	211	3.53	0.997
Valid N (list wise)	211		

(Source Researcher's Survey, 2020)

Descriptive Analysis Ethical Responsibility

Table 4.5 shows the ethical responsibility of CBE's CSR activity which results to provide service ethically has the greatest mean value of 3.88 working ethically with stakeholders has mean value of 3.76, the employee's and managers' ethics has mean value 3.73 contribution of CSR activity has 3.67, then comes CBE' prevention on unethical manner has 3.53 and the work done with stake holders to create good citizenship is the last and the least result obtained.

Table 4. 6: *Descriptive Statistics of Philanthropic Responsibility*

	N	Mean	Std. Deviation
I recognize commercial bank of Ethiopia made various corporate social responsibility activity	212	3.55	1.022
I am familiar with the contribution of health care activities made by commercial bank of Ethiopia	212	3.00	1.104
I choose Commercial Bank of Ethiopia because of its contribution in various Corporate Social Responsibility activity made to the society	212	2.97	1.289
When I think of social responsibility services in banking sector Commercial Bank of Ethiopia come to my mind quickly	212	3.01	1.190
Commercial Bank of Ethiopia support educational institutions	211	2.96	1.032
Commercial Bank of Ethiopia assists to enhance quality of life in the local community	212	2.88	1.204
Valid N (listwise)	211		

(Source Researcher's Survey, 2020)

Descriptive Analysis of Philanthropic Responsibility

As shown on table 4.6. above I recognize the contribution of CBE in various CSR activity is has the highest mean value of 3.55, when I think CSR activity CBE come to my mid has mean value of 3.01 and its contribution in health care activity has mean value 3.00, I choose CBE because of its CSR activities has 2.97mean value, and the support to education has 2.96 and the last one its assistances in local community has 2.88 mean value which is the least value in philanthropic activity result.

4.5 Inferential Statistics

4.5.1 Reliability Test

Table 4. 7: *Reliability Test*

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.747	0.748	5

(Source Researcher's Survey, 2020)

Cronbach's alpha: is used to measure the internal consistency between items that is, how closely related a set of items are as a group. Cronbach's alpha tests to see if multiple-question Likers scale surveys are reliable so it is considered to be a measure of scale reliability. The statistical reliability is based on the idea that sets of items should produce results consistent with the overall questionnaire.

Cronbach alpha measures the extent to which item responses obtained at the same time correlate highly with each other and the widely accepted for social science cut off is that alpha should be 0.70 or higher for a set of items to be considered a scale (Field, 2006). As can be seen on Table 4.7, Cronbach alpha can also be calculated using SPSS, which is also used for this study. The calculated coefficient alpha for this study was found to be 0.747 for all variables, which is well above the required threshold of 0.70 confirming the variables to be internally consistent and acceptable. Moreover, all the variables are greater than 0.70 and this shows the consistency of the variables. Accordingly all variables results above suggested threshold of reliability test of > 0.7 which is statistically significant and the data are reliable.

4.5.2 Correlation Analysis

Correlation between CSR components,(Economic, legal, ethical and philanthropic responsibility) and corporate image. In this part, the researcher has tried to show the study through applying Pearson's correlation which is the most widely used method of measuring the degree of relationship between the variables.

Table 4. 8: *Correlation Analysis*

		Economic responsibility	Legal responsibility	Ethical responsibility	Philanthropic responsibility	Corporate image
Economic responsibility	Pearson Correlation	1	0.426**	0.419**	0.294**	0.295**
	Sig.(2-tailed)		0.000	0.000	0.000	0.000
	N	212	212	212	211	212
Legal responsibility	Pearson Correlation	.426**	1	.494**	.438**	.393**
	Sig.(2-tailed)	0.000		0.000	0.000	0.000
	N	212	212	212	211	212
Ethical responsibility	Pearson Correlation	0.419**	0.494**	1	0.356**	0.251**
	Sig.(2-tailed)	0.000	0.000		0.000	0.000
	N	212	212	212	211	212
Philanthropic responsibility	Pearson Correlation	0.294**	0.438**	0.356**	1	0.402**
	Sig.(2-tailed)	0.000	0.000	0.000		0.000
	N	211	211	211	211	211
Corporate image	Pearson Correlation	0.295**	0.393**	0.251**	0.402**	1
	Sig.(2-tailed)	0.000	0.000	0.000	0.000	
	N	212	212	212	211	212

** : Correlation is significant at the 0.01 level (2-tailed)

(Source Researcher's Survey, 2020)

Correlation is the most basic and useful measure of association between two or more variables (Marczyk, Dematteo and Festinger, 2005). This study employs the correlation analysis, which investigates the strength of relationships between the studied variables. One of the commonly used, Pearson's correlation test was used to examine the associations between economic, legal, ethical and philanthropic responsibility with corporate image. Therefore, the correlation coefficient (r) was examined to see if there is a strong or weak relationship between the variables. Correlation coefficient (r) closer to -1 or $+1$ means that variables are negatively and positively strongly related respectively. In contrast, when r is close to 0 , it means the two variables are weakly correlated (Coakes, 2005).

Table 4.8 Shows the Pearson correlation result with its significant level. When we see the correlation of economic, legal, ethical and philanthropic responsibility with corporate image they have a substantial Pearson correlation of $r=0.295$, $r=0.393$, $r=0.251$, and $r=0.402$. From this result we can conclude that the independent variables and dependent variables are positively correlated but the level of significant is moderately positive correlation exists between dependent and independent variables, Cohen (1998).

4.5.3 Multiple Regression Analysis

There are several assumptions that are required to provide valid results in regression analysis. Some of the assumptions of multiple regressions are:

Assumption 1: The assumption of linear relationship

This assumption states that there must be **a linear relationship** between the outcome variable and the independent variables. Multiple linear regressions require at least two independent variables, which can be nominal, ordinal, or interval level variables.

Therefore the relationship between the predictors and the outcome variable should be linear. The following graph shows linearity assumption between variables.

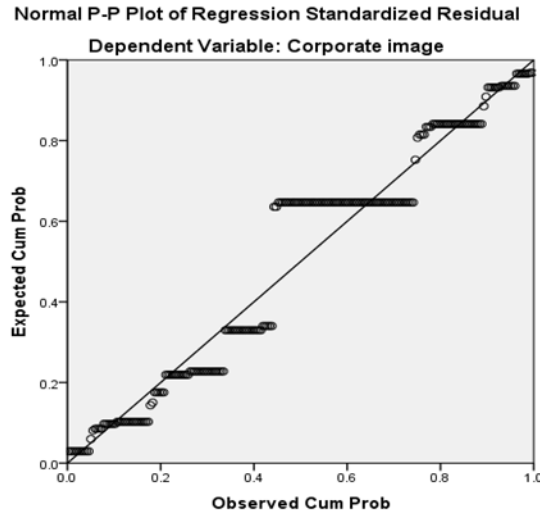


Figure 4. 1: Linear Relationship

The above figure shows that there is linearity and all residuals are close to the line that suggests the assumption of linearity are met and satisfied in this case.

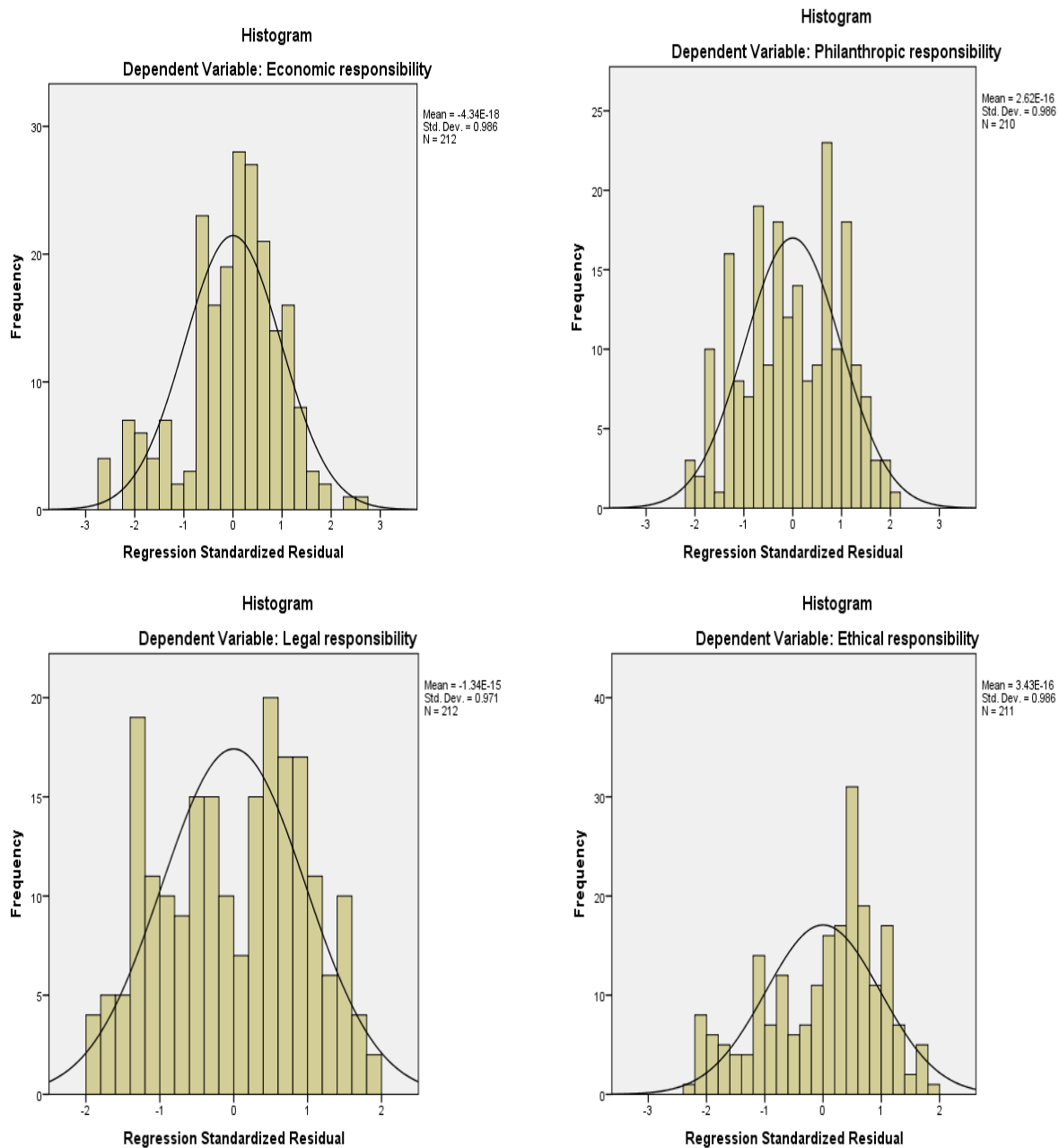
Assumption2. Homoscedasticity:

This assumption states that the variance of error terms is similar across the values of the independent variables. A plot of standardized residuals versus predicted values can show whether points are equally distributed across all values of the independent variables. It assumes that different samples have the same variance, even if they came from different populations so it has a mean of residual zero.

Table 4. 9 : Normality Test with Skewness with Kurtosis

		Economic responsibility	Legal responsibility	Ethical responsibility	Philanthropic responsibility	Corporate image
N	Valid	212	212	212	211	212
	Missing	0	0	0	1	0
Std. Error of Mean		.027	.034	.031	.034	.034
Skewness		-1.526	-.448	-1.050	.339	-.230
Std. Error of Skewness		.167	.167	.167	.167	.167
Kurtosis		.331	-1.817	-.906	-1.903	-1.966
Std. Error of Kurtosis		.333	.333	.333	.333	.333

(Source Researcher's Survey, 2020)



(Source Researcher's Survey, 2020)

Figure 4. 2: Normal Distribution

The above histograms exhibit the parameter of testing the normal distribution. Kurtosis measures shape of the curves that how pick or flat our distribution. On the other hand skewness measure symmetry of distribution hence in perfect spreading skewness coefficient will be equal to zero. Both skewness and kurtosis are in the acceptable range in the distribution.

Assumption3. No Multi-Collinearity:

In multiple linear regressions assumes that there is no multi-collinearity in the data. Multi-collinearity occurs when the independent variables are too highly correlated with each other. The assumptions states that there must not be perfect correlation between the independent variables. It exists when there are highly correlated independent variables.

Table 4. 10: Collinearity Statistics

Model		Collinearity Statistics	
		Tolerance	VIF
1	Legal responsibility	.643	1.555
	Ethical responsibility	.693	1.443
	Philanthropic responsibility	.775	1.290
	Economic responsibility	.762	1.312

Dependent Variable: Corporate image
(Source Researcher’s Survey, 2020)

According to different literature, collinearity is relatively easy to detect by calculating the tolerance or Variance Inflation Factor (VIF). A tolerance of below 0.10 indicates that multi collinearity is a problem. The VIF value is just the reciprocal value of the tolerance. Thus, VIF values above ten indicate there is collinearity between independent variables. According to this measurement none of the variables tolerance level is below 0.10 and their IF above ten. Therefore there is no a Multicollinearity problem exists in the data variables.

Table 4. 11: Regression Model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.478^a	.229	.214	.441	.229	15.271	4	206	.000

a. Predictors: (Constant), Ethical responsibility, Philanthropic responsibility, Economic responsibility, Legal responsibility
(Source Researcher’s Survey, 2020)

When we interpret Table 4.11 shows the regression model in which the R square is found. The result shows a value of 0.229, which explains how much the independent variables affect the dependent variable. This means that the regression explains 22.9 % of the variance in the data, in other words, 22.9 % of corporate image. Variation depends on the four independent variables (the three CSR dimensions) that are economic, legal, ethical and philanthropic responsibilities.

Table 4. 12: Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.195	.074		2.618	.009
Economic responsibility	.147	.088	.118	1.677	.095
Legal responsibility	.230	.078	.226	2.956	.003
Philanthropic responsibility	.275	.070	.273	3.930	.000
Ethical responsibility	-.013	.083	-.011	-.152	.879

Dependent Variable: Corporate image
(Source Researcher's Survey, 2020)

The unstandardized coefficient refers to the direction of the relationship and the amount of change that the different independent variables contribute to brand image given that one unit change in the value of the independent variable. Table 4.12 shows that the effect of the philanthropic responsibility and the corporate image has highly related than the other dimensions of CSR. The standardized coefficient, in contrast to the unstandardized, explains how much each independent variable uniquely contributes to the regression model.

4.6 Hypothesis Testing

The beta coefficient implies that the degree of change in the outcome variable for every 1-unit of change in the predictor variable. The beta coefficients can be negative or positive.

In this section the suggested hypothesis are tested and the result is presented in the following way:-

4.6.1 Philanthropic responsibilities and corporate image

H1. Implementation of philanthropic responsibilities has positive impact on creation of corporate image.

The result shows there is significant result at ($\beta = .273, <0.05$) indicate that there is tangible evidence that Philanthropic responsibility of CSR has positive and significant effect on corporate image of Commercial bank of Ethiopia. Thus it is proved that the hypothesis H1 is supported.

4.6.2 Ethical responsibility and corporate image

H2: Implementation of ethical responsibilities has positive impact on corporate image.

The result shows that ($\beta = -.011$, t-value and $p = .879$) the result implies that a negative, that for every 1-unit increase in ethical responsibility will bring 0.011 decrease in corporate image so it has no significant effect between them.

4.6.3 Legal responsibility and corporate image

H3: Implementation of legal responsibilities in bank has a positive impact on corporate image.

The output of multiple linear regression of independent variable (legal responsibility) with corporate image shows there is significant result at ($\beta = .226$, t-value and $p = .003$) indicate that there is tangible evidence that legal responsibility in CSR has positive and significant effect on corporate image of Commercial bank of Ethiopia. So it is proved that the hypothesis H3 is confirmed.

4.6.4 Economic responsibility and corporate image

H4: Implementation of economic responsibilities has positive result on corporate image.

The finding in the above table shows that there is a positive and significant effect of independent variable feature economic responsibility over dependent variable corporate image at ($\beta = .118$ and p-value is $.095$). Hence the beta value shows there is higher strength of independent variable (economic responsibility) on dependent variable corporate image. The significance value is shown by “p” value. So it is proved that the hypothesis H4 is confirmed.

4.6.5 CSR and Corporate Image

H0: CSR has positive impact on consumer perception of corporate image.

From the above findings of the four hypotheses we can generalize that there is significant association between CSR and corporate image. Since both hypotheses have significant impact on consumer perception of Commercial Bank of Ethiopia.

As we can see from the following table there is significance correlation between the four responsibilities and corporate image. But the correlation between philanthropic responsibilities is highly correlated with corporate image.

Table 4. 13: Correlation

	Economic responsibility	Legal responsibility	Philanthropic responsibility	Corporate image
Economic responsibility	1.000	.419	.294	.288
Legal responsibility	.419	1.000	.438	.389
Ethical responsibility	.410	.490	.356	.245
Philanthropic responsibility	.294	.438	1.000	.402
Corporate image	.288	.389	.402	1.000

(Source Researcher's Survey, 2020)

4.7 Discussion on the finding

In this part of the study, the objectives of the study based on the analysis made and the results of this research is further elaborated. The empirical findings are also combined with the theory in order to provide a wider perspective.

The result show that little is known about the demographic profile of the respondents was analyzed through descriptive statistics. Accordingly, it was found that the majority of the customers were male and most of the age distribution of respondents in the bank is the same or similar ranging in 30-49 which they are matured enough. In addition a large amount of the respondents were degree come first and master holders the second rank then comes diploma that showed educational level is well to support in the findings. Another parameter of the general information of respondents showed that the majority of the respondents were more than ten years with the bank so it is expected that they might have better information about the bank.

In respect to the first objective, the result of the analysis indicates the relationship between economic, legal, ethical and philanthropic responsibility and corporate image by taking its weighted average mean and accordingly the outcome shows that there is a positive effect on corporate image of Commercial bank of Ethiopia. Furthermore this result is maintained by the empirical evidence of (Singh et al., 2007)

CSR behaviors which intended to enhance social interests are positively related to brand image in a study involving several famous brands and a diversified group of citizens. Many firms actively engaged in various activities to restore local communities through efforts that included raising funds, providing support for rebuilding homes and schools, sponsoring orphans and making sympathetic and encouraging public statements. Those sincere and generous outreach activities significantly enhanced firms' corporate image and consumer's perception towards the organization. Therefore it is possible to conclude and accept the proposed hypothesis that societal responsibility is positively and significantly determining the level of brand equity. Moreover (Henderson, 2007)

The other objective is related to the relationship between economic, legal, and philanthropic responsibility and corporate image. Additionally those finding result have strong evidence from the literature that suggest CSR activity has a positive effect on corporate image. In general based on the findings of this study the researcher tried to encounter the major aim of investigating how corporate social responsibility feature would have the effect on corporate image of Commercial bank of Ethiopia.

CHAPTER FIVE

5. Summary of Finding, Conclusion and Recommendation

This chapter presents major findings in summary, conclusions and recommendation obtained from the analysis and interpretations made at the pervious chapter and also limitation and implications for further research are forwarded.

5.1 Summary of the Major Findings

In this study the researcher were set the major aim to investigate how corporate social responsibility components would have the effect on corporate image. The specific objectives were also established to analyze the effect of CSR (economic, legal, ethical and philanthropic responsibilities) on corporate image in the case of Commercial bank of Ethiopia in Addis Ababa area zone. In addition, the researcher also tried to answer the research questions which stated as part of the introduction. As a result hypothesis was formulated based on the above stated variables. Data's were collected through five Likert-scale questionnaires. Hence the major quantitative findings were undertaken as follow:

- When we summarizes the demographic profiles of respondents. They are classified according to their gender, age group, educational level, working condition and the service years being a customer to CBE; as reported in the descriptive statistics. When we see the gender distribution it tells us the majority of the proportion of respondents were male (60.8%); much of the respondents (59.4%) were between the ages of 30-49 years. While considering respondents education level, first degree holders were higher than the remaining all others having 38.7% share. For status of employment, government employees were the majority of respondents (42.9%) and most customers were having above 10 years of customer relationship with the CBE accounting for 41.5%.
- The total reliability statistics of the scale for each variable such as of economic responsibility, legal responsibility, ethical responsibility and philanthropic responsibility, and corporate image of the overall reliability test of cronbach's alpha coefficient is 0.747 which exhibits above expected standard by having reliability and normal distribution of the data was conducted that the result showed no problems regarding

kurtosis as well as having perfect spreading skewness coefficient for both corporate social responsibility components and corporate image.

- The Pearson correlation coefficient was computed for the purpose of determining the relationship between the independent variables of CSR feature and the dependent variable of corporate image. There was a positive and statistically significant relationship between the dependent variable and independent variables. Accordingly the substantial Pearson correlation result is $r=0.295$, $r=0.393$, $r=0.251$, and $r=0.402$ economic, legal, ethical and philanthropic responsibility respectively. From this result we can achieved that the independent variables and dependent variables are significantly correlated, except for ethical responsibility with minimum $r=0.251$ value showing lose and negative relationship.
- Regarding to the multiple liner regression result of economic responsibility demonstrated that having the beta value of 0.118 and P-value of is 0.095; it is statistically significant that economic responsibility of CSR has positive effect on corporate image of Commercial Bank of Ethiopia.
- The findings confirm that legal responsibility having the beta value of 0.226 p-value of < 0.003 also statistically significant that legal CSR has positive effect on corporate image of Commercial bank of Ethiopia.
- This analysis found evidence for the collective practices of philanthropic responsibility in the bank indicate that having the highest beta value is 0.273,from others and the P-value is 0.000 which is statistically significant and that has positive effect on corporate image of Commercial bank of Ethiopia.
- The other finding on ethical responsibility demonstrates that with the beta value is -0.011 and p-value 0.879 which has statistically insignificant and has negative effect on corporate image of Commercial bank of Ethiopia.

5.2 Conclusion

This research paper has analyzed the effect of corporate social responsibility (CSR) on corporate image and came up with a number of findings. Based on the analysis of the result practitioners of Commercial bank of Ethiopia have been implemented various social, environmental, health related and other humanitarian activities through donation and membership activities like the one which currently donated 10 million Ethiopian Birr for the support of COVID-19. The bank is one of the government bank which plays vital role in the economy and in participating various corporate social responsibility activities.

These findings also showed that CSR activities contributed positively for maintaining and building corporate image of Commercial bank of Ethiopia. Accordingly the output of multiple liner regression told that all stated variable un CSR have been statistically significant and if it was implemented properly the bank might get a better result than which was found in the finding. Hence those finding are supported by Clarkson, (1995) and Brown and Dacin, (1997).

With reference to CSR activities it has positively and statically significant p-value however when we see the respondents answer the finding shows customer understand more of the economic contribution of the bank than the other variables. As a result we get the highest mean value which is 0.80 this implies that the majority of the customers well understand about economic contribution of the bank, however when we see the correlation $r=0.295$ which shows that there exists a moderate correlation exist between economic contribution and corporate image. (Torres et al. 2012).

When we see the respondents answer regarding the legal responsibility we get a mean value of 0.61 which shows more than the average so CBE's customer well understand its legal contribution however the Pearson correlation shows with this variable is $r=.393$ which is lowest of all that implies a positive relationship exists between legal responsibility and corporate image.

The mean value of the respondents in ethical responsibility has got the second which is 0.73 this implies that the respondents are well aware about the ethical contribution of the bank, however when we see the Pearsons correlation $r=0.251$ that shows there is moderate correlation between ethical responsibility and corporate image.

These findings also showed fairly good picture of how the observed CSR feature contributed positively for maintaining and building corporate image of Commercial bank of Ethiopia. Accordingly the output of multiple liner regression told that all stated variable under philanthropic responsibility on CSR activities of commercial bank of Ethiopia have been statistically significant and properly implemented with a Pearsons correlation value of $r=0.402$ The mean value of the respondents shows that 0.42 which is the least of all in average mean value that implies the philanthropic activities made by the bank is not well known. But when we see the correlation between philanthropic responsibility and corporate image it is the best of all others stated above. Therefore those finding are supported by Carroll's (1991) CSR pyramid by Clarkson, (1995) and Brown and Dacin, (1997).

5.3 Recommendations

According to the study it was observed that there is a direct and positive relationship between corporate social responsibility variables and corporate image. Based on the finding and analysis of the study, the following recommendations were proposed:-

- The finding of this study also proved that economic responsibility had significant p-value which implies those elements are properly undertaken in the bank. Consequently, its possibility forwarded a recommendation that in order to gain wider reputation and goodwill among the general public Commercial bank of Ethiopia management teams should focus and improve its CSR policy in organized manner.
- From the beta value of this research we have seen that philanthropic responsibility was the highest influencer of corporate image which indicates that all parameters of stakeholders are appropriate and better compared to the other variables. Therefore, the management of Commercial bank of Ethiopia to has to give great concern in awareness creation of its activities to get the required level of corporate image. When we see the respondent's data most of the respondents are aware about its economic contributions than the other CSR activities, so the bank has to work well in creating awareness towards other CSR activities. (Soana,2011), Chung et.al (2015).
- The result of the finding on this research indicates that Commercial Bank of Ethiopia performs various CSR activities. However the implementation and performance is not well organized. Hence, the management should give much emphasis by upgrading its

CSR activities and establishing an independent philanthropy foundation as a charitable endowment like other organization to enhance the corporate image of the bank. (TOR on Corporate Reputation Assessment of CBE Oct,2019) Chung et.al (2015)

- ➔ Finally I recommend that there is another way to build CBE'S good will among the community through assigning a small portion of its profit to entrepreneurs who have a good business idea but who are unable to get finance .This could be done through a yearly contest that could be bring out the best entrepreneurs through CBE'S TV program that use to show CBE's business activities .By doing such activities it can get a lot of attention in CSR activity, specially entrepreneurs ,the business community and the young generation who would be the future business owners and customers.

5.4 Limitations and Suggestions for further Study

This study is not without limitations. Specifically, since the survey was made during the international pandemic (COVID-19), collecting data as planned was not easy so I faced a great challenge. Therefore, the respondents were not willing to fill the questioner to avoid contamination of the pandemic disease. As a result I sent the questioner through mail and telegram that I am afraid the respondents may results in not to cover various group of customers which might have influenced the findings of the paper.

The study was more decisive if it were considered additional variables of CSR like environmental, stakeholder and societal responsibilities. Furthermore this study only covered Commercial bank of Ethiopia in Addis Ababa area zone of the selected four branches.

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Appendix I

Questionnaire Ababa University School of Commerce

POST GRADUATE STUDIES DEPARTMENT OF MARKETING MANAGEMENT

Questionnaire for customers of Commercial Bank of Ethiopia (CBE)

Dear respondents;

I (Enkenyelesh Zewdie Tekele) would like to express my deepest gratitude for your cooperation to express your real feeling in the questionnaire. This questionnaire is developed to examine your response towards corporate social responsibility. I am a Masters of Art candidate at Addis Ababa University School of Commerce Conducting a research entitled “Effect of Corporate social responsibility on consumer perception of corporate Image: the case of Commercial Bank of Ethiopia (CBE)”

Finally I assure you that responses would kept confidentially as well as the data would use for intended purpose only and you didn't expect to mention your name in the questionnaire. For more information please contact me via +251-911 -48 -99-64, or E-mail address: - ezewdie@ymail.com

Part I: General Information

Directions one:-Please put a tick mark (√) on the appropriate responses category against each question.

1. Gender: 1. Male 2.Female
2. Age group: 1.18-29 2.30-49 .50-69 Above 70
3. Educational Level .
1. High school &above 2.Diploma .Degree Masters 5d
6. Others specify (.....)
4. Working Condition:
1. Student 2.Business owner . Private employee 4vernment employee
5. Other
5. For how long have you been customer with Commercial Bank of Ethiopia?
1. Below 1 year 2.1 -5 years .6-10 years bove 10 year

Part II: Corporate social responsibility component Directions two:

The following questions are presented on a five point Likert you can use X mark the appropriate responses category against each question.

1. Strongly Disagree 2. Disagree 3.Neutral 4. Agree 5. Strongly Agree

No	Economic responsibility	1. Strongly Disagree	2. Disagree	3. Neutral	4. Agree	5. Strongly Agree
1	Commercial Bank of Ethiopia contributes to the country economy					
2	Commercial Bank of Ethiopia contributed a lot for employment opportunity for its nations.					
3	Commercial Bank of Ethiopia is contributing a lot for mega projects (Abay dam, Ethio-Djibouti rail way) in Ethiopia by providing services and loans.					
4	Commercial Bank of Ethiopia facilitates export activity by providing loans.					
5	Commercial Bank of Ethiopia facilitate loan for micro and small scale industries.					
6	Commercial Bank of Ethiopia contributes a lot for the development of manufacturing industries.					
	Legal responsibility	1	2	3	4	5
7	Commercial bank of Ethiopia offers loans to customers based on rules and regulation the bank					
8	The Bank involve in supporting the low-income community based on rules regulation of the country.					
9	Commercial bank of Ethiopia sponsor various activities following countries and banks rules and regulations					
10	The bank supports the countries mega projects following legal rules and regulations					
11	Commercial Bank of Ethiopia provides its services following the country's rules.					
12	Commercial Bank of Ethiopia makes contractual agreement with its customers in various activities following countries rules and regulations.					
	Ethical responsibility	1	2	3	4	5
13	Commercial Bank of Ethiopia let its staffs to provide services ethically for the customers.					
14	Commercial Bank of Ethiopia is closely working with different stakeholder ethically.					
15	Commercial Bank of Ethiopia works with stakeholders to create good citizenship.					
16	Commercial Bank of Ethiopia employees and managers are well-disciplined.					
17	Commercial Bank of Ethiopia provides corporate social responsibility activity in ethical manner.					
18	Commercial Bank of Ethiopia prevents unethical behaviors in order to achieve organizational goals.					
	Philanthropic responsibility	1	2	3	4	5
19	I recognize commercial bank of Ethiopia made various corporate social responsibility activity					

20	I am familiar with the contribution of health care activities made by commercial bank of Ethiopia					
21	I choose Commercial Bank of Ethiopia because of its contribution in various Corporate Social Responsibility activity made to the society.					
22	When I think of social responsibility services in banking sector Commercial Bank of Ethiopia come to my mind quickly.					
23	Commercial Bank of Ethiopia support educational institutions.					
24	Commercial Bank of Ethiopia assists to enhance quality of life in the local community.					
Corporate Image						
25	I recognize CBE with its CSR activities					
26	CBE has good image compared to others					
27	I am confident when I use CBE					
28	I choose CBE due to CSR activities					
29	I choose CBE due to its contribution to the economy					
30	I use CBE due to CSR contribution to the economy.					

Any Opinion/Comment or Suggestion:

“Thank you so much for cooperating in this study”