

ASSESSING THE IMPACT OF CORPORATE SOCIAL RESPONSIBILITY PRACTICES ON ORGANIZATIONAL PERFORMANCE IN CASE OF GURAGE ZONE BOTTLED WATER INDUSTRY

BY:

DANIEL ABERA DEMO

A THESIS SUBMITTED TO THE COLLGE OF BSINESS AND ECONOMICS, DEPARTMENT OF MANAGEMENT IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTERS OF BUSINESS ADMINISTRATION (MBA) IN BUSINESS ADMINISTRATION

JUNE 2021

WOLKITE, ETHIOPIA

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SCHOOL OF MANAGEMENT AND ACCOUNTING

JUNE 2021

WOLKITE, ETHIOPIA

SCHOOL OF GRADUATE STUDIES

WOLKITTE UNIVERSITY

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The thesis entitled "assessing the impact of corporate social responsibility practices on organizational performance in case of Gurage zone bottled water industries" submitted in partial fulfillment of the requirements for MBA degree with specialization in Business administration has been carried out by Daniel Abera under my supervision. Therefore, I recommend that the student has fulfilled the requirements and hence thereby can submit the thesis to the department.

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Statement of declaration

I hereby declare that the thesis entitled “assessing the impact of corporate social responsibility practices on organizational performance in case of Gurage zone bottled water industries” submitted to the department of Business administration, Wolkitte University for the award of the Degree of Masters of Business Administration with specialization of Business administration is carried out by me myself under the supervision and guidance of principal advisor Sintayehu Fisiha (Assist.Profesor) and co- advisor Samuel Gemechu (MBA)**.** This work has not been submitted earlier in full or in a part thereof, for the award of other similar degree, Diploma, Fellowship, Associate ship or any other similar titles to this or any other University or institution.

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We the boards of examiners of the final open defense by Daniel Abera I.D GSE/100/09 have evaluated his thesis "assessing the impact of corporate social responsibility practices on organizational performance in case of Gurage zone bottled water industries". Therefore, the thesis has been accepted in partial fulfillment of the requirements for degree of MBA in Business administration.

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Name of external examiner	Signature	Date
SGS Approval	Signature	Date

Final approval and acceptance of the thesis is contingent up on the submission of the final copy of the thesis to SGS through the department/ school graduate committee of the candidates' department.

Stamp of SGS Date

Acknowledgement

I take this opportunity to give thanks to the Almighty God for helping me through the completion of this project.

The work of carrying out this investigation needed adequate preparation and therefore called for collective responsibility of many personalities. The production of this research document has been made possible by invaluable support of many people. While it is not possible to name all of them, recognition has been given to a few. I am greatly indebted to my advisors Sintayehu Fisseha (Ass.proff) and Samuel Gemechu (MBA) for their professional guidance, advice, and unlimited patience in reading through my drafts and suggesting workable alternatives, my profound appreciation to them.

The entire staff of the bottled water companies cannot pass without my special acknowledgement for taking time off their busy schedule to provide me with all the information I needed during the research. Without their immense cooperation I would not have reached this far.

I wish also to extend my sincere gratitude to all the MBA students, staff, lecturers, and the entire University of Wolkite fraternity for changing me from what I was to what I am. Thank you all. The Almighty God may bless you abundantly.

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List of Acronyms and Abbreviations

CSR……Corporate social responsibility

MNCs----------Multi-National Corporations

NGOs----------Non Governmental Organizations

Abstract

The purpose of this study was to assess the impacts of CSR practices towards meeting organizational performance the case of bottled water industry of Gurage Zone. Quantitative and qualitative data were collected in the cross-sectional survey using five-point Likert scale questionnaires and interviews respectively. Both primary and secondary sources of data were also employed and analyzed through descriptive and explanatory research designs. Cronbach alpha coefficient indicated that the questionnaire was reliable. A knowledge gap of previous

studies in identifying the forces motivating companies to practice CSR and scant studies of CSR on bottled water company perspective in Ethiopia necessitated studying it. The study used stratified and simple random sampling techniques, distributed 384 questionnaires, and collected 345 questionnaires, of which 13 of them were incomplete; finally analyzed 332 (86.5%) of sample questionnaires using SPSS version-20. Descriptive statistics was used and revealed that that Fair operating practices, Labor practice, Customer issues, help to meet CSR and it is not sure whether organizational governance and Community involvement are challenging to meet CSR. The correlation analysis result showed that all CSR practices have positive relationship with the organizational efficiency. The regression analysis result revealed that all independent variables have significant effect on organizational efficiency. Therefore, stakeholders, policy makers, and the government should enforce mineral water companies in order to improve corporate social responsibilities.

Key word: Corporate social responsibility, organizational performance

CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

Corporations are goal oriented social entities that create economic value for enterprise linked to the external environment (Morris, Wood, & Greenwood, 2001).

According to Peterson (2009), CSR is a company's commitment to operate in an economically, socially, and environmentally sustainable manner whilst balancing the interests of diverse stakeholders based on the premise that a business can only thrive if it operates within a thriving society that operates within an ethical and moral responsibility towards community (Atuluku and Uchendu, 2016).

Now a day, the world is changing more rapidly than ever before. The world corporate social responsibility (CSR) is at the forefront of this change (Mallen, 2012).

Corporations around the world are struggling with a new role, which is to meet the needs of the present generation without compromising the ability of the next generations to meet their own needs (Crowther & Aras, 2008). Business organizations are also being called to take responsibility for the ways in which their operations impact societies and the natural environment (Narwal & Singh, 2013; Marrewijk & Werre, 2003; UNDP, 2002). CSR addresses complex and critical issue such as human rights, environmental protection, equal opportunities for all, fair competition, and the interdependencies that occur between organizations and society (Quinn, 2008). Corporate Social Responsibility plays a positive role in boosting the profits of companies as in most cases these efforts are acknowledged and

rewarded by relevant stakeholders in the form of higher demand for the company's products or higher worker productivity (Callan and Thomas, 2009). According to Beckmann (2007), an increase in stakeholders' demands for a company's product is strongly linked with that company's active involvement and implementation of Corporate Social Responsibility programs within its operational areas. An increased in the practice of Corporate Social Responsibility by corporate organizations is very often compensated by a rise in the sales of their products (Jamali, 2007). To a large extent, studies on Corporate Social Responsibility pay much attention to the benefits of the practice to organizations to the neglects of how they really impact on the people directly affected (Quazi and O"Brien, 2000; Blowfield, 2003; Zulkiflli and Amran, 2006).

The Corporate agenda of many companies in the developing countries do not incorporate CSR activities into their strategic plans. Nevertheless, there have been drastic progresses in the area of CSR in some Africa countries, most especially south Africa (Visser, 2005).

In Ethiopia, practices of CSR in fulfilling the multifaceted social needs are claimed to be challenging as it tends to put too much pressure on companies to satisfy such and other societal needs (Baughn et al., 2007; Jeremy, 2006). However, there are grave concerns about the need to mainstream CSR into business operations of organizations to solve some imperative setbacks facing the poorest parts of the world because majority of CSR initiatives are driven by the western organizations (Banerjee, 2008)

In addition to the prime requirement to deliver profits to shareholders, organizations are frequently subject to wider stakeholder interests and the need to demonstrate a balanced perspective. As a result, they are developing and updating their programs and policies, and attempting to measure their social and environmental performance, whilst at the same time

engaging in consultations with stakeholders and during this process, communicating their values to employees, environmental groups, local communities, and governments (Pearce and Doh, 2005).

According to Curran (2005), corporations exist and act by permission of society at large. CSR standards hinge on human rights, treatment of labor, the environment, consumer protection, health, fighting corruption and transparency in reporting (William and Jose, 2009).

Organizations must find and obtain needed resources, interpret, and act on environmental changes, dispose of outputs, and control and coordinate internal activities in the face of environmental disturbances and uncertainty (Morris and Woods, 2001).

People in developing countries spend their money to buy the most affordable products, regardless of a company's involvement in CSR activities. CSR is not an influential factor in determining a people's propensity to buy products from a company as compared to the people perception in developed countries, where a large amount of people is prepared to support CSR activities (Maignan, 2001; Du, 2008). The existence of many social and economic problems together with the government's inability to solve them has influenced communities‟ expectation for corporations especially the beverage industry to assist the government in solving these concerns (Kuncoro, 2006; Koestoer, 2007). The beverage industry on its part has responded positively to addressing stakeholders‟ expectations on societal needs through its Corporate Social Responsibility programs over the years.

If business voluntarily exceeds their regulatory obligations, then the need for government interference in business affairs is reduced (Tyrrell, 2006). Hence; the researcher opted to assess the impact of corporate social responsibility practices on organizational performance in case of Gurage zone bottled water industries.

1.2. Statement of the Problem

Anyona (2005) found out that social responsibility has an overall effect on the performance of corporations. Corporate social responsibility (CSR) is a citizenship function with moral, ethical, and social obligations between a corporation and its consumers (Maignanand O'Farrell, 2001).

The implementation of CSR can be very challenging as it tends to put undue pressure on companies to satisfy societal needs (Baughn, 2007). there are concerns about the ability of CSR to contribute to development and solve some imperative setbacks facing the poorest parts of the world since majority of CSR initiatives are driven by western organizations (Morse, 2008; Banerjee, 2007). In striving to achieve their objectives, organizations must balance their desire for profit against the needs and desires of the society within which they operate (Bomann & Wiggen, 2004).

By exercising different social responsibility activities, a company may demonstrate to society that the company is fully aware of its responsibility for production and its consequences on society overall as well as the environment (Utting, 2000).

Reviewing previous studies shows that the majorities of industrial wastes are dangerous and in most cases are the causes of the emission of pollutants in the environment (Hester and Harrison, 2002). Unless the corporations meet their social responsibility, the problems may escalate further and finally; Business cannot function if environment and the society at large are continuously affected.

Kweyu (2003) in his study showed that the attitude managers had towards CSR mattered. Mulwa (2002) showed in his study that customers preferred companies that engaged in CSR activities. The studies carried out solely tried to explain the importance of practicing CSR by

various companies. However, Corporate Social Responsibility is perceived to provide benefits to both society and an organization, its implementation is not without challenges. A knowledge gap exists in identifying the forces motivating companies to practice CSR. More over studies on bottled mineral water companies from CSR perspective in Ethiopia are scant. This study therefore seeks to fill this gap by assessing the impact of corporate social responsibility practices on organizational performance in case of Gurage zone bottled water industries.

1.3. Objectives of the Study

1.3.1. General Objective

The primary purpose of the study is to assess the role of corporate social responsibility practices on organizational performance in case of Gurage zone bottled water industries.

1.3.2. Specific Objectives

The specific objectives of the study were:

- To assess the level of corporate social responsibility of the bottled mineral water industries of Gurage zone.
- To show the relationship between CSR practices and organizational performance of the bottled water industry in Gurage Zone.
- To examine the effects of CSR practices on organizational performance of the bottled water industry in Gurage Zone.

1.4 . Research questions

The basic research questions of the study are as follows:

- How the corporate social responsibility is is going in bottled water industries of Gurage zone?

- What is the relationship between CSR practices and organizational performance in the bottled water industries of Gurage Zone?
- To what extent CSR practices affect organizational performance of the bottled water industry in Gurage Zone?

1.5 Research hypothesis

The following null hypotheses were formulated in line with the objectives of the study, the literature review and connections presented in the conceptual frame work:

Ho1: organizational governance has no a statistically significant effect on organizational performance.

Ho2: Fair operating practice has no a statistically significant effect on organizational performance.

Ho3: Community involvement has no a statistically significant effect on organizational performance.

Ho4: Labor practice has no a statistically significant effect on organizational performance.

Ho5: Customer issue has no a statistically significant effect on organizational performance.

1.6. Significance of the Study

The results of this study contribute a lot of significance to various concerned bodies in different ways. The study will give signal to the respected manufacturing companies in water industry to take remedial action to eradicate the existing problems in CSR practices. Second, it has a piece of contribution to the current knowledge in the area of CSR for many Ethiopian manufacturing industries in water industry. The researcher also believes that it helps as a

source document and as a stepping stone for those researchers who want to make further study on the area afterwards.

This research helps to companies engaged in producing Bottled water to better understand the challenges of meeting their organizational efficiency.

Most importantly, the study develops as a means for creating sustainable businesses in Ethiopia, as well as improving the conditions of citizens we might need to consider how a CSR concept can be developed not only multinational enterprises can embrace but also the national companies too.

1.7. Scope of the study

The scope of the study is mainly related to assessing the impact of corporate social responsibility practices on organizational performance in case of Gurage zone bottled water industries. For the sake of quality and specialization as well as to cope with resource constraints, this study focused only on corporate social responsibility requirements by water industry of Gurage zone November 2020 June 2021.

1.8. Limitations of the Study

In any research, there would always be certain limitations. There were different constraints to this study. The limitations of this study should be noted and considered as opportunities for further study. That is said because; this study is designed to assess the impact of corporate social responsibility practices on organizational performance in the case of bottled water industry in Gurage Zone alone. This research focused on only Fiqir and Eden mineral water in the study area. However, the impact of corporate social responsibility practices on organizational efficiency would have been better understood in the country if the process

dimension at least covers additional potential Zones to add other bottled water industries under the investigation. Its output was not representing the other geographical area. Due to such limitation, the impacts of corporate social responsibility practices on organizational performance that govern the output of the thesis do not give a confidence to generalize. So, this was taken as a deficiency in this research work.

Some of the data received from the respondents are inadequate and invalid. There also exists an error in lack of cooperation because some respondents hesitate to return the questionnaires they filled because they did not have confidence in their response fearing the disclosure of confidential information. Some of the respondents showed conservative attitudes to the questionnaires that made the researcher unable to manage the data collection process; hence the responses based on hesitation might have unbelievable collision on the study.

1.9. Organization of the study

The study is organized under five chapters.

Chapter one deals with the introduction which in turn contains the background of the study, statement of the problem, basic research questions, objectives of the study, Scope, limitations of the study and organization of the study. Chapter two presents' concepts and definition, review of both the theoretical and empirical literatures, and conceptual framework of the study. Chapter three is about research approach, research design, sample design, data sources and instruments, method of the research, and, model variables. Chapter four provides findings and discussions of both descriptive and inferential analyses corresponding to the research questions of the study. Chapter five constitutes summary of findings, conclusions, recommendation, and suggestion for further study. At the end, appendices are attached.

CHAPTER TWO

REVIEW OF RELATED LITERATURES

2 Introduction

This chapter shares with the reader the results of other studies that are closely related to the study. Attempts are made to briefly begin with the definitions and concepts of CSR followed by the theoretical framework, empirical reviews, and conceptual framework.

2.1. Theoretical Framework of the Study

2.1.1 Definitions and Concepts of CSR

Paul (2007), states that corporate social responsibility (CSR) is also known as corporate responsibility, corporate accountability, corporate ethics, corporate citizenship or stewardship, responsible entrepreneurship etc.

Global Corporate Social Responsibility Policies Project and Business for Social Responsibility (2003) define CSR: Socially responsible business practices strengthen corporate accountability respecting ethical values and in the interests of all stakeholders.

According to Hopkins (2011), Corporate Social Responsibility is concerned with treating the stakeholders of a company or institution ethically or in a responsible manner.

European Commission (2002) describes CSR as close relationships between companies and societies. Akhiesh (2019) define CSR as a theory that asserts the businesses, in addition to maximizing shareholder value, have an obligation to act in a manner that benefits society.

Commission of the European Community (2019) has also defined CSR as the concept that an enterprise accountable for its impact on all relevant Stakeholder. It is the continuing commitment by business to behave fairly and responsibly and contribute to economic development while improving the quality of life of the workforce and their families ‘as well as of the local community and society at large.

CSR covers issues such as employee relations, human rights, corporate ethics, community relations and the environment. More specifically, it can be categorized into five CSR dimensions, including environmental, social, economic, stakeholder, and voluntariness (Dahlsrud, 2008).

Porter and Kramer (2006) argue that companies and society are interrelated, and both benefit from the success of one another. A society that is well-off creates more and more demand for companies as the needs of the citizens are satisfied and future ambitions increase. On the other hand, healthy societies need companies that are well-off, because they are better able than any other organizations to create jobs and wealth and ultimately increase the living standards in the society.

The wider aim of social responsibility is to create higher and higher standards of living, while preserving the profitability of the corporation, for peoples both within and outside the corporation (Micael, 2006).

As Brusseau (2015) stated in his book Business Ethics, the title corporate social responsibility has two meanings. First, 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. Second, corporate social responsibility is also a specific conception of that responsibility to profit while playing a role in broader questions of community welfare.

From the time of industrialization and the recent globalization and prosperity, the purpose and role of business has been a focus of debate (Post, 2002). Much of the debate has revolved around two elements; namely shareholder theory and stakeholder theory (Rugimbana, 2008). Stakeholder theory argues that organizations are not only accountable to its shareholders but should balance a multiplicity of stakeholder's interests (Van Marrewijk, 2003).

Halal (2000) argues that the resources contributed by stakeholders are greater than the financial investments of shareholders by roughly a factor of ten.

To describe stakeholder theory, as descriptive, argues that it explains specific corporate characteristics and behaviors (Cooper, 2001), thus it describes the corporation as a constellation of cooperative and competitive interests possessing intrinsic values.

Post (2002) believes that effective stakeholder management is a critical requirement for sustaining and enhancing the wealth creating capacity of the organization.

2.1.2 Principles of CSR

The following principles are taken from the ISO guidelines for CSR, (2010)

2.1.2.1 Accountability

This principle suggests that an organization should accept appropriate scrutiny and accept a duty to respond to this scrutiny (Crowther & Aras 2008).

2.1.2.2 Ethical behavior

An organization's behavior should be based on the values of honesty, equity and integrity. These values imply a concern for people, animals and the environment and a commitment to address the impact of its activities and decisions on stakeholders' interests (ISO, 2010).

2.1.2.3 Respect for the rule of law

The rule of law refers to the supremacy of law and, in particular, to the idea that no individual or organization stands above the law. In the context of social responsibility, respect for the rule of law means that an organization complies with all applicable laws and regulations. This implies that it should take steps to be aware of applicable laws and regulations, to inform those within the organization of their obligation to observe and to implement those measures (ISO, 2010).

2.1.2.4 Respect for international norms of behavior

An organization should consider legitimate opportunities and channels to seek to influence relevant organizations and authorities to remedy any such conflict. An organization should avoid being complicit in the activities of another organization that are not consistent with international norms of behavior (ISO, 2010).

2.1.2.5 Respect for human rights

The principle is: an organization should respect human rights and recognize both their importance and their universality. An organization should respect and, where possible, promote the rights set out in the "International Bill of Human Rights". In situations where human rights are not protected, an organization should take steps to respect human rights and avoid taking advantage of these situations (ISO, 2010). An organization has the responsibility to respect human rights, including within its sphere of influence. This responsibility entails taking positive steps to ensure that the organization avoids passively accepting or actively participating in the infringement of rights (Australian Centre for Corporate social responsiveness, 2007).

2.1.3 Corporate social responsibility

Organizations dedicate time to entrench in their strategy since they understand their critical role in business (Porter and Kramer, 2006). According to Tsoutsoura (2004), it is crucial that the CSR principles are entrenched in the corporations‟ values and strategic planning to facilitate successful implementation. They should use the same kind of energy, initiative and commitment to develop, integrate and implement CSR programs as it does for the other core

business of the firm (Gustasfon, 2006). According to Smith (2003), the respect of human rights is one of the most important corporate social responsibility practices.

Johnson et al. (2005) categorizes CSR practices in to internal and external practices. The internal practices include employee welfare, working conditions, job design and intellectual property, which is observed by respecting the private knowledge of individuals and not claiming corporate ownership. ISO (2011) identified seven corporate social responsibilities.

2.1.3.1 Organizational governance

Organizational governance is the system by which an organization makes and implements decisions in pursuit of its objectives. Organizational governance can comprise both formal governance mechanisms based on defined structures and processes and informal mechanisms that emerge in connection with the organization's culture and values, often influenced by the persons who are leading the organization. Organizational governance is a core function of every kind of organization as it is the framework for decision making within the organization (ISO, 2011). Corporate governance has in recent years become a topical issue both in business and academic circles. The concern in business arose out of the perceived importance that a tradition should be developed that supports moral and ethical conduct in business affairs which will create a general climate (both legal and social environment) that will promote good governance of firms. Business decision makers have objectives outside the firms' objectives, for example managers are interested in their own personal satisfaction, in their employees' welfare, as well as in the good of the community (society) at large and these objectives impact on shareholders wealth adversely (Akeem, 2014).

The guiding principle of good corporate governance is "transparency and ethics" should govern corporate world. Increasing strategic importance of professional management probably

constitutes the most important aspect of changing profile of corporate governance. Given the global challenges, the only choice left with business and economic enterprises is to follow the corporate governance practices – the path for living, working, surviving, succession and the excelling in the future (Bansal and Bansal, 2014).

According to Nwachukwu (2007), there is a growing consensus that good corporate governance has a positive link to national economic growth and development. Checks and balances in an organization are strengthened through good corporate governance.

The practice of a good corporate governance system helps to provide a degree of confidence that is necessary for the proper functioning of the market economy and hence organizational performance (Momoh and Ukpong, 2013).

Although corporate governance has been associated with better organizational performance, exactly how it affects performance and how to measure it has not been as easy (Wessels, Wansbeek, & Dam, 2015). According to Hassan and Halbouni (2013), the importance of governance is diminished in the eyes of managers and shareholders if the level of corporate governance does not affect organizational performance. Katchova and Enlow (2013) arrived at a similar conclusion. They opined that investor and manager perceptions of firm performance are highly related to financial success. The enquiry into the impact of boards of directors on the performance of organizations has been studied for more than 50 years and primarily applying the agency theory (Charas, 2015; Minichilli, Zattoni, Nielsen, & Huse, 2012).

2.1.3.2 Labor practices

Labor practices include the recognition of worker organizations and representation and participation of both worker and employer organizations in collective bargaining, social

dialogue, and tripartite consultation to address social issues related to employment (ISO, 2009).

2.1.3.3 The environment

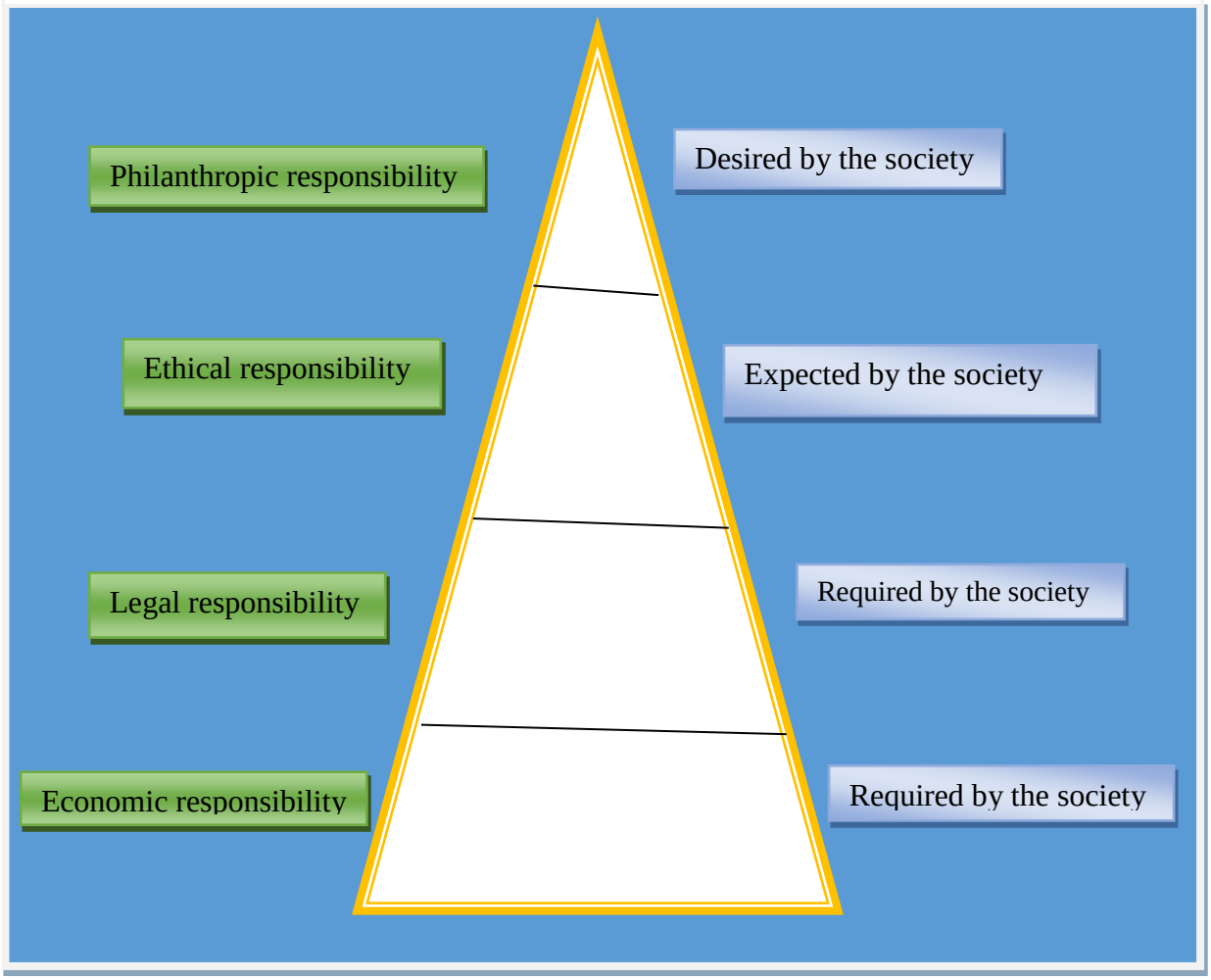
Environmental responsibility is a precondition for the survival and prosperity of human beings. It is therefore an important aspect of social responsibility. Environmental matters are closely linked to other social responsibility core subjects and issues. Environmental education and capacity building is fundamental in promoting the development of sustainable societies and lifestyles (ISO, 2011).

2.1.3.3.1 Carol's CSR Pyramid Model

Carol's CSR pyramid is one of the most famous and proposed four responsibility dimensions of a businessman, in decreasing importance economic, legal, ethical, and philanthropic Economic responsibility at the base of the pyramid acts as a foundation and gives priority economic performance. The view in this case is that business must be profitable and maximize shareholders' returns. Legal responsibility, on the other hand takes the view that business must comply with the laws and regulations of society. Third is ethical responsibility, which highlights how society expects business to embrace values and norms, over and above what is required by law. This is a difficult dimension to handle, and is the subject of much debate by scholars (Dartey-Baah and Amponsah-Tawiah, 2011).

Accordingly, at the top of the pyramid is philanthropic responsibility, the actions that society expects from business as a good corporate citizen. Indeed, philanthropic responsibility entails giving back to the community, and being a good corporate citizen program.

Figure 2- 1 Carroll's pyramid of CSR



Source: Carol (2011)

2.1.3.4 Fair operating practices

Fair operating practice issues arise in the areas of anti-corruption, responsible involvement in the public sphere, fair competition, socially responsible behavior, relations with other organizations and respect for property rights. In the area of social responsibility, fair operating practices concern the way an organization uses its relationships with other organizations to promote positive outcomes by providing leadership and promoting the adoption of social responsibility more broadly throughout the organization's sphere of influence (ISO, 2011).

Corruption undermines an organization's effectiveness and ethical reputation, and can make it liable to criminal prosecution, as well as civil and administrative sanctions. Corruption can result in the erosion of political processes, impoverishment of societies and damage to the environment. It can also distort competition, distribution of wealth and economic growth (ISO, 2011).

For this briefing document we review the organizational fairness literature with a particular focus on the supply chain context. Broadly speaking, fairness is a moral intuition and social norm, which has been derived conceptually from philosophy and political theory. Fairness principles are plural (Capellen et al, 2007; Konow, 2003) and values form the basis of fairness judgements (Etzioni, 1988; Schminke et al, 2014).

It is considered fair for firms to raise prices as costs rise (Kahneman et al. 1986; Rubin 2012). The acceptance of the offer tends to be positively related to the amount of money offered (Fehr and Schmidt 2001).

While the studies described above suggests how and why perceived fairness influences the behavior of consumers, employees and other company stakeholders, few studies focus directly on the link between fairness and organizational performance, as measured by financial performance, which reflects difficulties with research design (Hosmer and Kiewitz 2005). Bosse et al. (2009) argue that the level of contribution non-employee stakeholders provide to the firm varies according to their perceptions of reciprocity determined by perceptions of fairness. Against this background, it can be assumed that stakeholder relations based on principles of distributional, procedural, and interactional justice can unlock potential for value creation (Harrison et al. 2010).

2.1.3.5 Customer issues

Organizations have responsibilities to consumers and customers. Responsibilities include providing education and accurate information, using fair, transparent and helpful marketing information, and contractual processes, promoting sustainable consumption, and designing products and services that provide access to all and cater, where appropriate, for the vulnerable and disadvantaged. Responsibilities involve minimizing risks from the use of products and services, through design, manufacture distribution, information provision, support services and withdrawal and recall procedures. Many organizations collect or handle personal information and have a responsibility to protect the security of such information and the privacy of consumers (ISO, 2009).

2.1.3.6 Community involvement

Businesses can adopt a variety of strategies for conducting business effectively in communities. Most CI strategies are considered discretionary. These activities are not mandated by law; instead, it is still a voluntary commitment a company makes in choosing and implementing these initiatives (Gyves & O'Higgins, 2008; Kotler & Lee, 2005). CCI strategies used by corporations in the domain of community involvement/ support fall into four categories: (1) donation, (2) employee volunteering, (3) non-partnership, and (4) partnership. In the financial donation strategy, a corporate entity provides fixed funds or donates a percentage of revenue to a specific cause. Financial donation can include sponsorships (Maignan & Ralston, 2002; Lyons & Zappalà, 2008); cause related marketing (Kotler & Lee, 2005); and ‘check book’ philanthropy (Galbreath, 2006; Zappalà, 2004). The second strategy is volunteering which encourages or allows employees to volunteer their time to support local

communities (Austin, 2000; Kotler & Lee, 2005; Maignan & Ralston, 2002; McDonald & Warburton, 2003; Zappalà, 2004). The third strategy of non-partnership involves working directly with the recipients in the community (Hess et al., 2002), and the fourth strategy is partnership, where an organization works with one or more non-profit organizations to address a social issue (Berger et al., 2004; Lyons & Zappalà, 2008; Porter & Kramer, 2007; Reed & Reed, 2009). Porter and Kramer (2007, p. 12) recommend that "the more closely tied a social issue is to the company's business, the greater the opportunity to leverage the firm's resources and capabilities, and benefit society."

As the most visible part of CSR, Corporate Community Involvement (CCI) is on the rise as more companies recognize the many benefits of being socially responsible (Hess & Warren, 2008; Scott, 2007; Smith & Langford, 2009). Peloza (2009) suggests that firms with poor social reputations suffer stock market declines twice the size of those experienced by firms with positive social reputations. However, despite voluminous research examining CCI, a recent joint project of the Aspen Institute, Boston University, and the Marketing Science Institute (2007) suggests that academics and practitioners still do not pay enough attention to measure its effects on stakeholders (Bhattacharya & Korschun, 2007). Most of the corporate responsibility measurement guidelines, standards, and reporting frameworks that have been developed over the last decade have remained primarily at the level of capturing companies' inputs and in some cases outputs with respect to their social and community initiatives (Margolish & Walsh, 2003). So, it still largely remains the case that many CCI initiatives reported by companies merely emphasize the dollars spent or time dedicated by staff through volunteering on a particular project rather than discuss the outcomes of a particular social initiative for the intended community (Porter & Kramer, 2007; Zappalà, 2010).

As argued by Crouch (2006), the ‘central premise of CCI resides in companies tacking ownership of the generally negative externalities they generate’.

The area and the community members affected by an organization's impacts will depend upon the context and especially upon the size and nature of those impacts. In general, however, the term community can also be understood to mean a group of people having particular characteristics in common, for instance a “virtual” community concerned with a particular issue (ISO, 2010).

Although corporate governance has been associated with better organizational performance, exactly how it affects performance and how to measure it has not been as easy (Wessels, Wansbeek, & Dam, 2015). According to Hassan and Halbouni (2013), the importance of governance is diminished in the eyes of managers and shareholders if the level of corporate governance does not affect organizational performance. Katchova and Enlow (2013) arrived at a similar conclusion. They opined that investor and manager perceptions of firm performance are highly related to financial success. The enquiry into the impact of boards of directors on the performance of organizations has been studied for more than 50 years and primarily applying the agency theory (Charas, 2015; Minichilli, Zattoni, Nielsen, & Huse, 2012).

2.2 Empirical Literature Review

The empirical studies of the thesis are summarized and presented below including CSR determinants.

Quite often a research hypothesis is a predictive statement, capable of being tested by scientific methods, that relates an independent variable to some dependent variable (Kothari, 2004). The CSR standards are environment, labor practice, human rights, organizational governance, fair

operating practice, consumer issues and social development. Thus, based on these standards, empirical studies of this thesis are summarized and presented below.

2.2.1 The level of organizational performance

Lund- Thomsen & et.al (2016) identified that the lack of willingness among developing country governments to enforce national labor and environmental laws; the tendency that economic development imperatives often override social or environmental considerations in such countries; businesses take on irresponsible attitudes seeking to obstruct the enforcement of environmental laws or pollution control initiatives, often by bribing public officials; and lack of organized unions that promote better work conditions and benefits as the key obstacles of implementing CSR.

Anupam and Ravi (2012), in their study called "Corporate Social Responsibility Initiatives of Major Companies of India" described CSR with focus on health, education and environment. Using a combination of case studies and industry - matrices for all three sectors, i.e., education, health and environment sectors the results are discussed.

Dirk and Jeremy (2004), in their study of CSR standards, described labor treatment as fair wages, working time and conditions, healthcare, redundancy, protection against unfair dismissal, just to name a few examples, have been key issues to which CSR policies have been addressed.

According to Australian Government (2010) study, social responsibility is premised on fair operating practices, meaning ethical conduct in an organization's dealings with others, including government agencies, partners, suppliers, contractors, competitors, and the associations in which they are members. A key issue in fair operating practices is anti-

corruption. Similar explanation about transparency and anti-corruption are also raised by Shafiqur (2011).

Anupam and Ravi (2012), in their study called “Corporate Social Responsibility Initiatives of Major Companies of India” described CSR with focus on health, education and environment. The study based 12 large scale organizations basically from the IT, FMCG and Auto sectors. The results indicate that the selected companies (IBM, Tata consultancy service and Nestel) are practicing CSR via the selected CSR standards including labor treatment.

Dirkand Jeremy (2004), in their study of CSR standards, described labor treatment seeing that fair wages, working time and conditions, healthcare, redundancy, protection against unfair dismissal, just to name a few examples, have been key issues to which CSR policies have been addressed.

Carroll and Shabana (2011) in their business cases suggested that CSR initiatives can contribute to strengthen a firm’s competitive advantage, its brand loyalty, and its consumer patronage. Anupam and Ravi (2012) also stated that consumer protection can be achieved through improved products.

Hadi and Raveed (2011) described CSR in terms “social values and behavioral issues” in order to reduce unemployment level of the community. On their article “Iranian Corporations and Corporate Social Responsibility: An Overview to Adoption of CSR Themes” explained certain CSR descriptions.

Shafiqur (2011), in his study “Evaluation of Definitions: Ten Dimensions of Corporate Social Responsibility” stated that environmental protection is one of the dimensions by which CSR described.

With reference to, William and Jose (2009) study of CSR standards, the CSR standards hinge on many aspects of life such as human rights, treatment of labor, the environment, consumer protection, health, fighting corruption and transparency in reporting. Like his description about environmental dimension, Shafiqur (2011), has declared that CSR be treated in terms of human rights.

Carroll and Shabana (2011), through their business cases, contributed certain concepts for Corporate Social Responsibility. They proposed companies may also justify their CSR initiatives based on creating, defending, and sustaining their legitimacy and strong reputations.

2.2.2 The relationship between CSR and organizational performance

Nirmala (2008) studied about CSR as "the Social and Environmental Impacts of Leather Production". The study indicates health problems which are related to tanneries. People who work in or live near tanneries are dying from cancer caused by exposure to toxic chemicals used to process and dye the leather.

Hadi and Raveed (2011) described CSR in terms of "social values and behavioral issues" in order to reduce unemployment level of the community and recommended that firms should crate strategic partnership between civil society, organizations, and business gain momentum.

Hadi and Raveed (2011), explained certain CSR descriptions. They used a combination of qualitative and quantitative methods to identify the CSR themes and measure the priority of each theme, and the extent to which the Industrial Management Institute have contributed toward each of them. The findings of the article indicate that promotional programs for environment, in environmental group should be designed in CSR strategies and practices of firms.

Rahman (2011), in his study "Evaluation of Definitions: Ten Dimensions of Corporate Social Responsibility" stated that environmental protection is one of the dimensions by which CSR is described. As a methodology, dimensions of CSR were identified through a content analysis of its definitions.

According to Anupam and Ravi (2012), the environment can be protected via various measures such as using less water, emitting fewer greenhouse gases and reduction of energy consumptions.

With reference to William and Jose (2009), study of CSR standards, the CSR standards hinge on many aspects of life such as human rights, treatment of labor, the environment, consumer protection, health, fighting corruption and transparency in reporting. The findings of the study claim that companies are under obligation to respect and promote human rights in their operations. Like his description about environmental dimension, Shafiqur (2011), has declared that CSR be treated in terms of human rights.

2.2.3 The effects of CSR practices on organizational efficiency

Carroll & Shabana (2011) in their business cases suggested that CSR initiatives can contribute to strengthening a firm's competitive advantage, its brand loyalty, and its consumer patronage.

Anupam and Ravi (2012) also stated that consumer protection can be achieved through improved products.

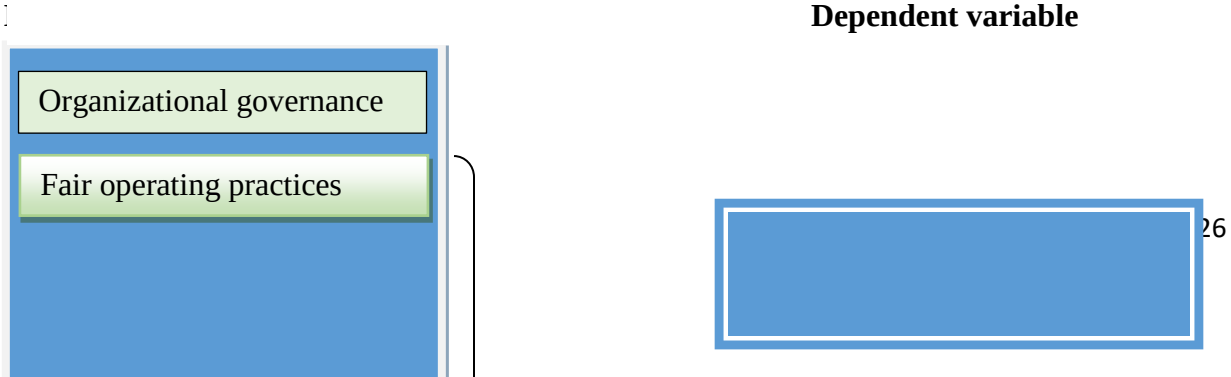
Martin and Yunita (2012), on "Impact of Corporate Social Responsibility toward Firm Value and Profitability" tried to describe profitability as a determinant of CSR. This research used data from 30 Indonesian listed corporations. Data used in this research are financial data, stock price, and information of CSR activities extracted from annual report.

Antonia and Weltzein (2009), in their study stated determinants of CSR. The study was done through hypothesis testing. The findings show that a variety of derivers emerged upon CSR namely utopian philosophers and social critics, philanthropists, religious and ethical thinkers, political and business interests. Accordingly, CSR is not only business ethics, but also social ethics and even political ethics, and besides the corporate responsibilities, there are also responsibilities of government, public administration, trade unions, the media, consumers, workers etc.

2.3. Conceptual Framework

Based on the above detailed literature reviews the conceptual framework was developed. There is no single methodological framework in existence which has achieved widespread agreement (Hopkins et al, 2011). The nearest might well be the framework that can be developed based on challenges of meeting CSR by manufacturing companies in Gurage zone. As we can see in the figure below, the conceptual framework can be presented in the following form. The conceptual framework is illustrated in the figure below.

Figure 2- 2 Conceptual framework of the Study





Source: Conceptual framework adopted from ISO guidelines for CSR (2010).

CHAPTER THREE

RESEARCH METHODOLOGY

Introduction

This chapter dealt with research methodology, methods, and designs. It also deals with research paradigm which dictates the choice and justification of appropriate methodology, methods, and relevant tools.

3.1. Description of the study Area

Gurage zone is situated in the northern west part of SNNPRS, along the Addis-Ababa Jimma international road at 155 km south of Addis Ababa. Gurage zone is exactly located at 8.1824º latitude North and38.0631º longitudes east. The maximum temperature is24º and minimum temperature is 11º implying tropical or 'Kola' temperature condition. The mean annual rainfall is about 76.3 mm and the rainfall intensity per unit time in the months of July and August is 29.3 and 34.8mm /day, respectively.

Gurage zone has five cities administration: and 24 weredas, each having its own administration office and have many companies.

The reason why the researcher has selected the study area is due to its convenience to his study.

3.2. Research Approach

The study was conducted by combining both qualitative and quantitative research approaches. Mixed method research combines elements of qualitative and quantitative approaches for the purpose of breadth and depth of understanding and corroboration (Jackson, 2007).

3.3. Research Design

In the case of the type of research, descriptive and explanatory research strategies were used. Descriptive research examines the what, where, and when of a phenomenon, explanatory research seeks answers to why and how types of questions by showing the cause and effect of something (Bhattacherjee, 2012).

3.4. Sources of Data

Both primary and secondary data were implemented for the study. Primary data was gathered from primary sources of data such as employees and management of the bottled water industries while secondary data was gathered from the detailed review of related literature by referring different books, published and unpublished documents, journals, articles and research papers to get information on theoretical and empirical frame work of the study.

3.5. Population and Sampling Technique

One cannot study entire populations because of feasibility constraints, and hence, the researcher must select a representative sample from the population of interest for observation and analysis (Bhattacherjee, 2012).

3.5.1. Target Population

Related to the study the source population is the current staff members of bottled water manufacturing industries of Gurage zone. The target population of this study was 9600 grand total population (total staff members) of Fiqir and Eden bottled mineral water industries of Gurage zone.

3.5.2. Sampling Method

Both stratified and simple random samplings were used for this study. The researcher first employed a stratified sampling technique to obtain representative sample sizes from each bottled water industries of Gurage zone. Stratified sample size allocation helps to estimate the population value of some characteristics (Malhotra, 2004). Then, simple random sampling technique was applied to select each stratum during the study because it gives equal weights for each company. Random sampling was used for its simplicity in which everyone has an equal probability of being selected and the sample can be generalized to the larger population. In random sampling method, the sample is unbiased and the inferences are most generalizable amongst all probability sampling techniques (Bhattacherjee, 2012).

In qualitative data collection, certain individuals are selected because who have experienced on the central phenomenon. Consequently, the managers of Fiqir wuha and Eden wuha bottled water industries in Gurage were communicated.

3.5.3. Sample Size

The sample size for each of the category was determined with Devaus (2002) formula as below:

$$\mathrm{n} = \frac{\mathrm{N}}{(1 + N(a^2)}$$

Where;

n= the sample size

N= the sample frame

1= a constant

α= margin of error

$$n = \frac{9600}{(1 + 9600(0.0.5)^2)}$$

$$n = 384$$

Table 3- 1 Sample size determined for each bottled water Companies

S.No	Name of the company	N	$n = \frac{n(Ni)}{N}$
1	Fiqir wuha	5400	n1= $\frac{384(5400)}{9600}$ =216
2	Eden wuha	4200	n2= $\frac{384(4200)}{9600}$ =168
Total		9600	n= 384

Source: self-calculated by the researcher 2021.

3.6. Methods of Data Collection and Instruments

Data collection methods of the study were questionnaires and interview. Close ended questionnaire was the main instrument of the study. Semi structured interview was also conducted with managers of the respected manufacturing companies.

3.7. Methods of Data Analysis

Data analysis is the process of interpreting the survey data which involves synthesizing data, searching patterns, discovering what is important, what is to be learned and deciding what to tell others (Mutai, 2000).

Statistical package for social sciences (SPSS) version-20 was applied to analyze the collected data. The answers to the questions and the corresponding output of the analysis are presented in tabular form and the implications of which are explained well. Descriptive statistics like

mean, standard deviation, percentage and frequencies, and inferential statistics like correlation coefficient and multiple regressions are applied.

Pearson correlation analysis was performed to analyze weather there is relation between the independent and dependent variables.

Multiple regression analysis was also undertaken to investigate the contributions of each independent variables on the CSR practices towards organizational efficiency of bottled water industries of Gurage zone.

The generic form of regression model specification that includes both independent and dependent variables is:

$Y = \beta o + B1X1 + B2X2 + ... + e$

Where, Y= Dependent variable

Bo- Constant

X1-xn- latent independent variable.

B1- βn- regression coefficient of latent independent variable.

β= Coefficient of independent variables

e = Error term

3.8. Validity and Reliability

Validity refers to the extent to which a measure adequately represents the underlying construct that it is supposed to measure. **Reliability** is the degree to which the measure of a construct is consistent or dependable (Bhattacherjee et al, 2012). It can be also defined as the extent to which a questionnaire, test, observation, or any measurement procedure produces the same results on repeated trials.

Qualities of the study have been realized using data collection instruments such as questionnaires, interview, and observation concurrently. Extract of primary data is another method to attain the validity of the study. Using primary data in the study could improve the validity (external) of the research paper. Firsthand information obtained from a sample that is representative of the target population would yield data that is valid for the entire target population.

Construct validity also plays important role in the quality of the study by creating similarity between the concept of the study and its findings. This attained through a clear operational definition of the independent variables of the study. Independent variables of the study are briefly stated in the subsequent two sections of this chapter besides the discussions of the empirical review. It was also attempted to attain by collecting data which demonstrates that the empirical representation of the independent variables produces the expected outcome. This is also described in the literature review of the study in relation to empirical studies.

Statistical validity was also attained through the control of statistical measures of the data analysis.

The reliability of this study reached its highest level by determining whether the participants feel that they are accurate. This was realized through brief, clear, and concise preparation of questions in the questionnaire. Additionally, questionnaires were translated to Amharic, which is an official language of Ethiopia, in order to make the respondents comfortable in understanding the essence of the questionnaire.

Cronbach Alpha test (Nunnally J. 1998) was done and checked, the value is 0.79 which is greater than 0.70, the validity, reliability and practicality of this study was ascertained.

3.9. Ethical Considerations

Some of the expected tenets (principles) of ethical behavior that were widely accepted within the scientific community were: voluntary participation and harmlessness, secrecy and confidentiality, disclosure, analysis, and reporting. The researcher of this thesis attempted to consider these issues in respect of each as follows:

Voluntary participation and harmlessness: Subjects in a research must be aware that their participation in the study is voluntary, that they have the freedom to withdraw from the study at any time without any unfavorable consequences, and they are not harmed as a result of their participation or non-participation in the thesis. To this effect, the researcher gave freedom to the respondents and exercised freely on the given questionnaire.

Anonymity and confidentiality: to protect subject's interests and future well-being, their identity must be protected in a scientific study. This would be done using the dual principles of anonymity and confidentiality. Anonymity implies that the researcher or reader of the final research report or paper cannot identify a given response with a specific respondent. Confidentiality means the researcher can identify a person's responses, but promises not to divulge (reveal) that persons identify in any report, paper, or public forum.

In both the cases, this would be confirmed by the researcher in such a way that there was no need to fill their name on the questionnaire. Even if there were face-to-face interview questions, they assure that their identity would not be disclosed. Hence, much trust would be developed between the researcher and sample respondents.

Disclosure: usually, the researcher has an obligation to provide some information about his/her study to potential subjects before data collection to help him/her decide whether they wish to participate in the study. For instance, who is conducting the study, for what purpose, what

outcomes are expected, and who will benefit from the results. Guided by this ethical principle, the researcher must disclose about the content and purpose of the study. Moreover, the benefit of the research after finalization was well-disclosed to the respondents.

Analysis and reporting: the researcher had ethical obligations to the scientific community on how data is analyzed and reported in the study. Accordingly, genuine information is forwarded not to mislead the scientific community.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.1. Introduction

The collected data have been summarized, analyzed, and interpreted in this chapter based on the postulated objectives and hypotheses. It consists of the personal characteristics of the respondents, descriptive statistics of identified factors with respect to the items of the main variables, measure in frequency tables, percentages, mean and standard deviations. The study

sought to assess the impact of CSR practices on organizational performance: the case of bottled water industry in Gurage zone. Three hundred eighty hard copies of the questionnaires were distributed to the target respondents. Three hundred thirty-two of the questionnaires were filled and received back indicating 86 percent response rate.

4.2. Personal characteristics of Respondents

Table 4- 1 personal charateristics of respondent based on their sex

Sex	Frequency	Percent
Female	152	45.8
Male	180	54.2
Total	332	100.0

Source: Field Survey (2021)

In Table 4.1, the respondents were asked about their sex. The response of the respondents shows that 45.8 percent of them are Female and the remaining 54.2 percent are Male.

This implies that most attendants in this study are men. This requires the attention of the concerned bodies to attract women to involve in the bottled water industry.

Table 4- 2 Personal Characteristics of Respondent based on their marital status

Marital status	Frequency	Percent
Single	92	27.7
Married	197	59.3
Divorced	27	8.1
Widowed	16	4.8
Total	332	100.0

Source: Field Survey (2021)

In Table 4.2, the respondents were asked about their marital status. The response of the respondents shows 27.7 percent of them are single, 59.3 percent are married, 8.1 Percent are divorced and the remaining 4.8 percent are widowed. Most attendants in this study are married. This implies that the bottled water industry holds employees who have more responsibility in the society.

Table 4- 3 Personal Characteristics of Respondents based on their education status

Education status	Frequency	Percent
First degree and above	87	26.2
Diploma	91	27.4
Certificate and below	154	46.4
Total	332	100.0

Source: Field Survey (2021)

In Table 4.3, the respondents were asked about their education status. The response of the respondents shows 26.2 percent of them are First degree and above, 27.4 percent are Diploma, and the remaining 46.4 Percent are Certificate and below. Most of the attendants in this study are Certificate and below. This implies that the bottled water industry holds employees who lower educational base.

Table 4- 4 Personal Characteristics of Respondents based on their experience

Experience	Frequency	Percent
0-4 years	187	56.3
4-10 years	98	29.5
10 years and above	47	14.2

Total	332	100.0

Source: Field Survey (2020)

In Table 4.4, the respondents were asked about their experience in the industry. The response of the respondents shows 56.3 percent of them have up to four years. 29.5 percent have from four to ten years' experience. 14.2 Percent of the respondents have ten and more years of experience. Most of the attendants in this study have job experience up to four years of experience. This implies that the bottled water industry holds more employees who have lower job experience.

4.3. Descriptive Statistics of Variables

While making interpretation of the results of mean and standard deviation, the scales were reassigned as follows to make the interpretation easy and clear (Al-Sayaad, Rabea, & Samrah, 2006 as cited by Bassam, 2013). Hence, this reassignment is considered as a rule of thumb to interpret the mean score values of the sub-variables of the main variables.

Table 4- 5 Five Scaled Likert Criterion

No.	Mean range	Response Option
1	1 to 1.80	Strongly disagree
2	1.81 to 2.6	Disagree
3	2.61 to 3.4	Neutral
4	3.41 to 4.20	Agree

5	4.21 to 5.00	Strongly Agree

Source: Bassam (2013).

Table 4- 6 Descriptive Statistics of Organizational governance

No	Items	N	Mean	Std. Deviation
1	The leaders of the organization perform in connection with the organization's culture and values.	332	3.23	1.842
2	The leaders of the organization perform decisions in the framework of the organization	332	3.23	1.783
3	The company is accountable in its production process in the company	332	3.23	1.826
4	The company pays much attention wishing to be seen as leader in meeting corporate social responsibility in the community.	332	3.23	1.791
Grand score			3.2297	1.67681

Source: Field Survey (2021)

In item 1 of Table 4.6, the respondents were asked whether the leaders of the organization perform in connection with the organization's culture and values. The results of study showed the mean score of 3.23 with the SD of 1.842. This is found within the range of 2.61 and 3.4, which is Neutral. This implies that most of the respondents are not sure whether the leaders of the organization perform in connection with the organization's culture and values.

In item 2 of Table 4.6, the respondents were asked whether the leaders of the organization perform decisions in the framework of the organization. The results of study showed the mean score of 3.23 with the SD of 1.783. This is found within the range of 2.61 and 3.4, which is

Neutral. This implies that most of the respondents are not sure whether the leaders of the organization perform decisions in the framework of the organization.

In item 3 of Table 4.6, the respondents were asked whether the company is accountable in its production process. The results of study showed the mean score of 3.23 with the SD of 1.826. This is found within the range of 2.61 and 3.4, which is Neutral. This implies that most of the respondents are not sure whether company is accountable in its production process.

In item 4 of Table 4.6, the respondents were asked whether the Company pays much attention wishing to be seen as leader in meeting corporate social responsibility in the community. The results of study showed the mean score of 3.23 with the SD of 1.791. This is found within the range of 2.61 and 3.4, which is Neutral. This implies that most of the respondents are not sure whether company pays much attention wishing to be seen as leader in meeting corporate social responsibility in the community.

The grand mean score of all items in Table 4.6 is 3.2297with SD of 1.67681which is within the range of 2.61 and 3.4, which means organizational governance has a neutral impact on organizational efficiency. This implies that organizational governance has no importance to the company. This is similar with the findings of Katchova, Enlow, Hassan and Halbouni (2013) who concluded that the importance of governance is diminished in the eyes of managers and shareholders if the level of corporate governance does not affect organizational performance.

However; the result contradicts with the finding of Momoh and Ukpong (2013) who concluded that corporate governance system is important in providing a degree of confidence that is necessary for the proper functioning of the market economy and organizational performance.

Table 4- 7 Descriptive Statistics of Fair operating practices

No	Item	N	Mean	Std. Deviation

1	The organization has anti-corruption department that helps it to promote to positive outcomes.	332	3.58	1.737
2	The organization performs fair competition with its competitors.	332	3.53	1.766
3	The organization fulfills its social responsibility throughout the organization's sphere in its production process.	332	3.54	1.764
4	The organization has positive relations with other similar organizations to promote positive outcomes.	332	3.47	1.765
Grand score			3.5316	1.60876

Source: Field Survey (2021)

In item 1 of Table 4.7, the respondents were asked whether the organization has anti-corruption department that helps it to promote to positive outcomes. The results of study showed the mean score of 3.58 with the SD of 1.737. This is found within the range of 3.41 and 4.20, which is in the range of Agree. This implies that most of the respondents agree that the companies pay much attention wishing to be seen as leader in meeting corporate social responsibility in the community.

In item 2 of Table 4.7, the respondents were asked whether the organization performs fair competition with its competitors. The results of study showed the mean score of 3.53 with the SD of 1.766. This is found within the range of 3.41 and 4.20, which is Agree. This implies that most of the respondents agree that the companies pay much attention wishing to be seen as leader in meeting corporate social responsibility in the community.

In item 3 of Table 4.7, the respondents were asked whether organization fulfills its social responsibility throughout the organization's sphere in its production process. The results of study showed the mean score of 3.54 with the SD of 1.764. This is found within the range of 3.41 and 4.20, which is Agree. This implies that most of the respondents agree that the companies pay much attention wishing to be seen as leader in meeting corporate social responsibility in the community.

In item 4 of Table 4.7, the respondents were asked whether the organization has positive relations with other similar organizations to promote positive outcomes. The results of study showed the mean score of 3.47 with the SD of 1.765. This is found within the range of 3.41 and 4.20, which is Agree. This implies that most of the respondents agree that the companies pay much attention wishing to be seen as leader in meeting corporate social responsibility in the community.

The grand mean score of all items in Table 4.7 is 3.5316 with SD of 1.60876. This is found within the range of 3.41 and 4.20, which is in the range of Agree. This implies that Fair operating practices have an impact organizational performance. This is similar with ISO (2011) which stated that fair operating practices promote positive outcomes by providing leadership and promoting the adoption of social responsibility more broadly throughout the organization's sphere of influence.

Table 4- 8 Descriptive Statistics Community involvement

No	Item	N	Mean	Std. Deviation
1	The area is conducive for organizational efficiency	332	3.47	1.684
2	The community is beneficiary with the employment opportunities of the organization	332	3.19	1.671

3	The community members participate in promoting the products of the organization	332	3.21	1.713
4	The community believes that the organization is the means for the economic development of the area.	332	3.28	1.722
Grand score			3.2869	1.36071

Source: Field Survey (2021)

In item 1 of Table 4.8, the respondents were asked whether the area is conducive for organizational efficiency. The results of study showed the mean score of 3.47 with the SD of 1.684. This is found within the range of 3.41 and 4.20, which is Agree. This implies that most of the respondents are agreed on that the area is conducive for organizational efficiency.

In item 2 of Table 4.8, the respondents were asked whether the community is beneficiary with the employment opportunities of the organization. The results of study showed the mean score of 3.19 with the SD of 1.671. This is found within the range of 3.4 and 4.20, which is agreed. This implies that most of the respondents are agreed on the statement regarding the community is beneficiary with the employment opportunities of the organization.

In item 3 of Table 4.8, the respondents were asked whether the community members participate in promoting the products of the organization. The results of study showed the mean score of 3.21 with the SD of 1.713. This is found within the range of 3.4 and 4.20, which is agreed. This implies that most of the respondents agreed on that the community members participate in promoting the products of the organization.

In item 4 of Table 4.8, the respondents were asked whether the community believes that the organization is the means for the economic development of the area. The results of study showed the mean score of 3.28 with the SD of 1.722. This is found within the range of 2.61

and 3.4, which is Neutral. This implies that most of the respondents are not sure about whether the community believes that the organization is the means for the economic development of the area. The grand mean score of all items in Table 4.8 is 3.2869 with SD of 1.36071 which is within the range of 2.61 and 3.4, which is Neutral. This implies that community involvement has no an impact on organizational performance. The finding is similar with the finding of Porter and Kramer (2007) who recommend in their study that "the more closely tied a social issue is to the company's business, the greater the opportunity to leverage the firm's resources and capabilities."

Table 4- 9 Descriptive Statistics of Labor practice

No	Item	N	Mean	Std. Deviation
1	The organization recognizes worker organizations that represent labors.	332	3.47	1.874
2	The organization gives equal value to the participation of both worker and employer organizations in collective bargaining.	332	3.54	1.861
3	The organization enters in to a social dialogue about any issues that can be raised by the employees.	332	3.53	1.842
4	The organization makes consultation to address social issues related to employment.	332	3.52	1.853
Grand score			3.5151	1.79210

Source: Field Survey (2021)

In item 1 of Table 4.9, the respondents were asked whether the organization recognizes worker organizations that represent labors. The results of study showed the mean score of 3.47 with the SD of 1.874. This is found within the range of 3.41 and 4.20, which is agreed. This implies that most of the respondents agreed on that the organization recognizes worker organizations that represent labors.

In item 2 of Table 4.9, the respondents were asked whether the organization gives equal value to the participation of both worker and employer organizations in collective bargaining. The results of study showed the mean score of 3.54 with the SD of 1.861. This is found within the range of 3.41 and 4.20, which is agreed. This implies that most of the respondents agreed that the organization gives equal value to the participation of both worker and employer organizations in collective bargaining.

In item 3 of Table 4.9, the respondents were asked whether the organization enters in to a social dialogue about any issues that can be raised by the employees. The results of study showed the mean score of 3.53 with the SD of 1.842. This is found within the range of 3.4 and 4.2, which is agreed. This implies that most of the respondents agreed that the organization enters in to a social dialogue about any issues that can be raised by the employees.

In item 4 of Table 4.9, the respondents were asked whether the organization makes consultation to address social issues related to employment. The results of study showed the mean score of 3.52 with the SD of 1.853. This is found within the range of 3.4 and 4.2, which is agreed. This implies that most of the respondents agreed that the organization makes consultation to address social issues related to employment.

The grand mean score of all items in Table 4.9 is 3.5151with SD of 1.79210 which is within the range of 3.4 and 4.2, which is Agreed. This implies that Labor practice has an impact on

organizational performance. This is similar with ISO (2009) which states that Labor practices such as the recognition of worker organizations and participation of both worker and employer organizations in collective bargaining; social dialogue and tripartite consultation that address social issues can improve organizational performance.

Table 4- 10 Descriptive Statistics of Customer issues

No	Item	N	Mean	Std. Deviation
1	The organization fulfils its responsibilities to its customers by providing education and accurate information.	332	3.85	1.610
2	The organization minimizes risks from the use of its products through recall procedures.	332	3.69	1.618
3	The organization handles personal information to protect the security and the privacy of consumers.	332	3.78	1.659
4	The organization uses transparent and helpful marketing information and contractual processes to promote sustainable consumption.	332	3.78	1.593
Grand score			3.7748	1.43329

Source: Field Survey (2021)

In item 1 of Table 4.10, the respondents were asked whether the organization fulfils its responsibilities to its customers by providing education and accurate information. The results of study showed the mean score of 3.85 with the SD of 1.610. This is found within the range of 3.41 and 4.20, which is agreed. This implies that most of the respondents agreed that the organization fulfils its responsibilities to its customers by providing education and accurate information.

In item 2 of Table 4.10, the respondents were asked whether the organization minimizes risks from the use of its products through recall procedures. The results of study showed the mean score of 3.69 with the SD of 1.618. This is found within the range of 3.4 and 4.2, which is agreed. This implies that most of the respondents agreed that the organization minimizes risks from the use of its products through recall procedures

In item 3 of Table 4.10, the respondents were asked whether the organization handles personal information to protect the security and the privacy of consumers. The results of study showed the mean score of 3.78 with the SD of 1.659. This is found within the range of 3.4 and 4.2, which is agreed. This implies that most of the respondents agreed on that the organization handles personal information to protect the security and the privacy of consumers

In item 4 of Table 4.10, the respondents were asked whether the organization uses transparent and helpful marketing information and contractual processes to promote sustainable consumption. The results of study showed the mean score of 3.78 with the SD of 1.593. This is found within the range of 3.4 and 4.2, which is agreed. This implies that most of the respondents agreed that the organization uses transparent and helpful marketing information and contractual processes to promote sustainable consumption.

The grand mean score of all items in Table 4.6 is 3.7748 with SD of 1.43329 which is within the range of 3.4 and 4.2, which is Agreed. This implies that Customer issues have impact on organizational performance. Organizational governance is a core function of every kind of organization as it is the framework for decision making within the organization (ISO, 2011).

Table 4- 11 Descriptive Statistics on dependent variable.

Item	Response	Frequency	Percent
I think the company's CSR activities are incorporated in to the organizations' responsibility	Very poor	83	25.0
	Poor	21	6.3
	Neutral	19	5.7
	Good	22	6.6
	Very good	187	56.3
	Total	332	100.0

Source survey result (2021)

In Table 4.11, the respondents were asked whether they think the company's CSR activities are incorporated in to the organizations' responsibility. The results of the study showed that 25 percent of the respondents responded it as very poor, 6.3 percent of them responded it as poor,

5.7 percent of them responded it as neutral, 6.6 percent of them responded it as good, and 56.3 percent of them responded it as very good. Most respondents are found in the response rate of very good. This implies the company's CSR activities are incorporated in to the organizations' responsibility in a very good manner.

Table 4- 12 Descriptive Statistics on dependent variable

Item	Response	Frequency	Percent
I think our organization main objective to engage in CSR programs helps us to have good public image and reducing government pressure which in turn helps to raise our productivity and business opportunity.	Very poor	78	23.5
	Poor	22	6.6
	Neutral	13	3.9
	Good	19	5.7
	Very good	200	60.2
	Total	332	100.0

Source survey result (2021)

In Table 4.12, the respondents were asked whether they think their organization main objective to engage in CSR programs helps them to have good public image and reducing government pressure which in turn helps to raise their productivity and business opportunity. The results of

the study showed that 23.5 percent of the respondents responded it as very poor, 6.6 percent of them responded it as poor, 3.9 percent of them responded it as neutral, 5,7 percent of them responded it as good, and 60.2 percent of them responded it as very good. Most respondents are found in the response rate of very good. This implies that the organization's main objective to engage in CSR programs helps employees to have good public image and reducing government pressure which in turn helps to raise their productivity and business opportunity in a very good manner.

Table 4- 13 Descriptive Statistics on dependent variable

Item	Response	Frequency	Percent
I think CSR helps improve the company's image	Very poor	81	24.4
	Poor	32	9.6
	Neutral	24	7.2
	Good	32	9.6
	Very good	163	49.1
	Total	332	100.0

Source survey result (2021)

In Table 4.13, the respondents were asked whether they think CSR helps improve the company's image. The results of study showed that 24.4 percent of the respondents responded it as very poor, 9.6 percent of them responded it as poor, 7.2 percent of them responded it as neutral, 9.6 percent of them responded it as good, and 49.1 percent of them responded it as very good. The most of respondents are found in the response rate of very good. This implies the CSR helps improve the company's image in a very good manner.

Table 4- 14 Descriptive Statistics on dependent variable

Item	Response	Frequency	Percent
I think CSR policy improves competitiveness and enhances our company's reputation.	Very poor	80	24.1
	Poor	23	6.9
	Neutral	14	4.2
	Good	26	7.8
	Very good	189	56.9
	Total	332	100.0

Source survey result (2021)

In Table 4.14, the respondents were asked whether they think CSR policy improves competitiveness and enhances their company's reputation. The results of study showed that 24.1percent of the respondents responded it as very poor, 6.9 percent of them responded it as

poor, 4.2 percent of them responded it as neutral, 7.8 percent of them responded it as good, and 56.9 percent of them responded it as very poor. Most respondents are found in the response rate of very good. This implies that CSR policy improves competitiveness and enhances our company's reputation. This is similar with the study of Tsoutsoura (2004) who found that the CSR principles are entrenched in the corporation's values and strategic planning to facilitate successful implementation.

4.4. Correlation and Regression Analysis

4.4.1. Correlation Analysis

When there are two or more independent variables, the analysis concerning relationship is known as multiple correlations and the equation describing such relationship as the multiple regression equation. In the context of this study the researcher explains multiple correlations and regression taking only six independent variables and one dependent variable. In this situation the results are interpreted as shown below in line with the rule of thumb indicated in Table 4.10. According to the rule of thumb (2005), for interpreting the size of a Correlation Coefficient is as indicated below in the Table.

Table 4- 15 Rule of Thumb for Interpreting the Size of a Correlation Coefficient

Size of Correlation	Interpretation
.90 to 1.00 (-.90 to –1.00)	Very high positive (negative) correlation
.70 to .90 (-.70 to -.90)	High positive (negative) correlation
.50 to .70 (-.50 to -.70)	Moderate positive (negative) correlation
.30 to .50 (-.30 to -.50)	Low positive (negative) correlation
.00 to .30 (.00 to -.30)	Little if any correlation

Table 4- 16 Pearson Correlations

	DVCSR	OG	FOP	CI	LP	CISS
DVCSR	1.000					
OG	.591**	1.000				
FOP	.262**	.289**	1.000			
CI	.299**	.300**	.165**	1.000		
LP	.824**	.539**	.172**	.318**	1.000	
CISS	.577**	.407**	.141**	.168**	.433**	1.000

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

According to the Table 4.16, Labor practice has greatest relationship with organizational performance (r=0.824, p> 0.01). The relationship is positive and significant. According to the rule of thumb in Table 4.15 above, the size of correlation coefficient is high.

Organizational governance is the second highest dimension in its relation with organizational performance (r=0.591, p< 0.01). The relationship is positive and significant. According to the rule of thumb in Table 4.11 above, the size of correlation coefficient is moderate.

Customer issue is the third greatest dimension in its relation with organizational performance (r=0.577, p< 0.01). The relationship is positive and significant. According to the rule of thumb in Table 4.11 above, the size of correlation coefficient is moderate.

Community involvement is the fourth dimension in its magnitude of relationship with organizational performance. The relationship is positive and significant (r=0.299, p< 0.01). According to the rule of thumb in Table 4.15 above, the size of correlation coefficient is little.

Faire operating practice is the fifth dimension in its magnitude of relationship with the corporate social responsibility (r=0.262, p> 0.01). The relationship is positive and insignificant. According to the rule of thumb in Table 4.15 above, the size of correlation coefficient is little.

Regarding the magnitude of the correlation only labor practice has high positive correlation with organizational performance while organizational governance and customer issue have moderate positive correlation with organizational performance however community involvement and faire operating practice have little positive correlation with organizational performance.

4.4.2. Multiple Linear Regressions

In this study, the multiple regression analysis is used as a statistical technique to analyze the linear relationship between the dependent variable and multiple independent variables. This is a way to recognize whether there is significant relationship between independent variables and dependent variables or not. The model sufficiently explained the variance or coefficient of

determination or the R Squared in the effect of control variables relations. According to (Coad, 2008) the test will be significant if the p-value is less than 0.05. The beta coefficient is used to determine which independent variables have the most influence on the dependent variable.

To test the hypothesis, it was deemed appropriate to use multiple linear regression estimations for testing the proposed hypothesis since multiple linear regression refers to an analysis concerned with the study of the dependence of one variable, the dependent variable on more other variables, the independent variables, with a view to estimating and/or predicting the (population) mean or average value of the former in terms of the values of the latter (Gujarati, 2006).

Prior to running the analysis of multiple regression models, it is mandatory to assess whether the collected data violate some key assumptions of the standard linear regression models because an assumption violation can result in distorted and biased parameter estimates (Brook, 2008). The assumptions tested include sample size, normality, and multi-co linearity, homoscedasticity, linearity, and independence of residuals among independent variables that are crucial to confirm them.

4.4.2.1 Test Results of Basic Assumptions

Assumption 1 – The dependent variable should be continuous

According to Guajarati (2006), in order to run multiple linear regressions, the continuous variable must be in a continuous nature. In this case, although the original nature of the data is ordinal scale, it would be very necessary to transform in to ration scales using transformation (computation) technique. Hence, this assumption was validated using such technique.

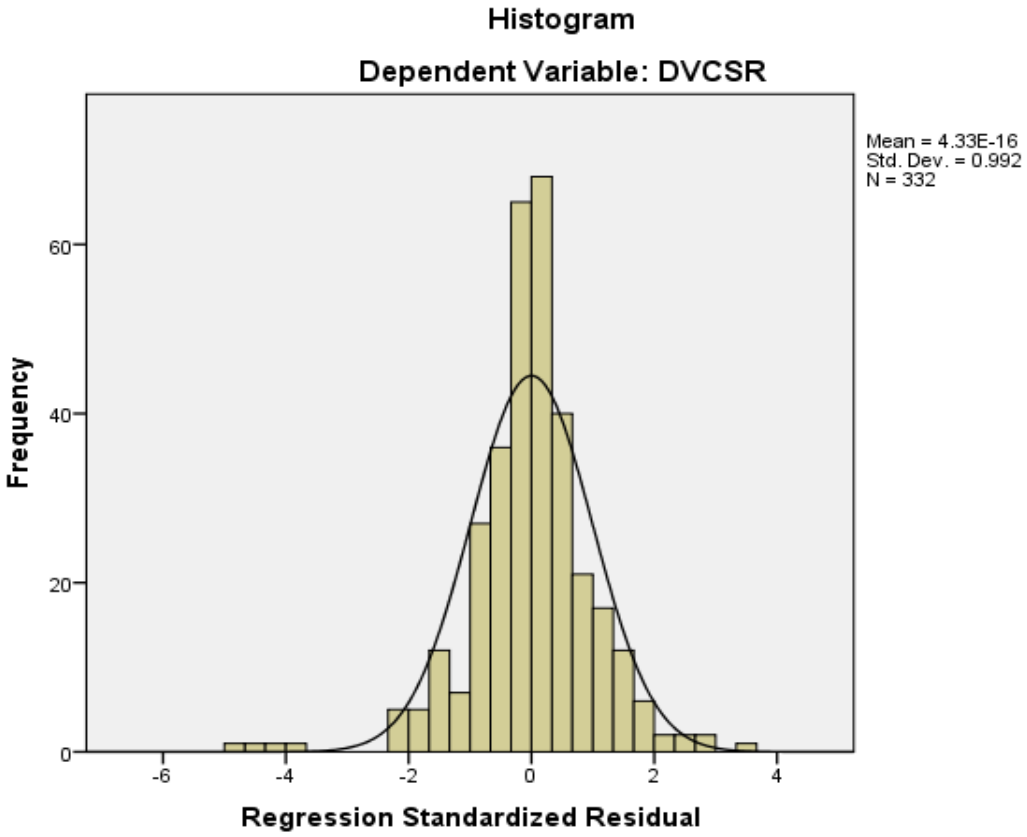
Assumption 2 – Sample Size

Regression analysis is often sensitive to sample sizes. The common rule of thumb floating about the sample size in standard linear regression is fifteen (15) cases of data per predictor (Field, 2009). According to (Green, 1991 as cited in Field 2009), to test the overall model the recommended minimum sample size of $N=50+8k$, where k is the number of independent variables. Considering the Six (5) number of independent variables in the present study; 50+8(5) = 90 which is less than observed respondents/sample size i.e., 332. Based on the criteria, the sample size exceeds the minimum to run the standard multiple linear regressions.

Assumption # 3 – Normality Test of the dependent variable

Many statistical tests and procedures assume that data follows a normal (bell-shaped) distribution. Before applying statistical methods that assume normality, it is necessary to perform a normality test on the data with some of the methods we check residuals for normality. We hypothesize that our data follows a normal distribution, and only reject this hypothesis if we have strong evidence to the contrary. While it may be tempting to judge the normality of the data by simply creating a histogram of the data, this is not an objective method to test for normality – especially with sample sizes that are not very large. With small sample sizes, discerning the shape of the histogram is difficult. Furthermore, the shape of the histogram can change significantly by simply changing the interval width of the histogram bars (Coad, 2008). Figure 4.1, below shows the histogram which indicates the normality test of the dependent variable.

Figure 4- 1 Normality test



As the figure above depicts, the histogram is bell-shaped. Hence, it is assumed that the dependent variable is normal so that it is possible to use multiple linear regressions.

Assumption #4 – Multi co linearity Diagnosis of the Variables

According to Field (2009), if there is perfect co linearity between predictors it becomes impossible to obtain unique estimates of the regression coefficients because there are an infinite number of combinations of coefficients that would work equally well. Multi co linearity can be controlled by two ways: tolerance values and values of variance of inflation factor (VIF).

Table 4- 17 Multicollinearity Diagnosis Coefficients

Model	Collinearity Statistics	
	Tolerance	VIF
OG	.626	1.597
FOP	.909	1.100
CI	.870	1.150
LP	.632	1.583
CISS	.770	1.299

a. Dependent Variable: DVCS

Source: compiled by researcher of the study (2021)

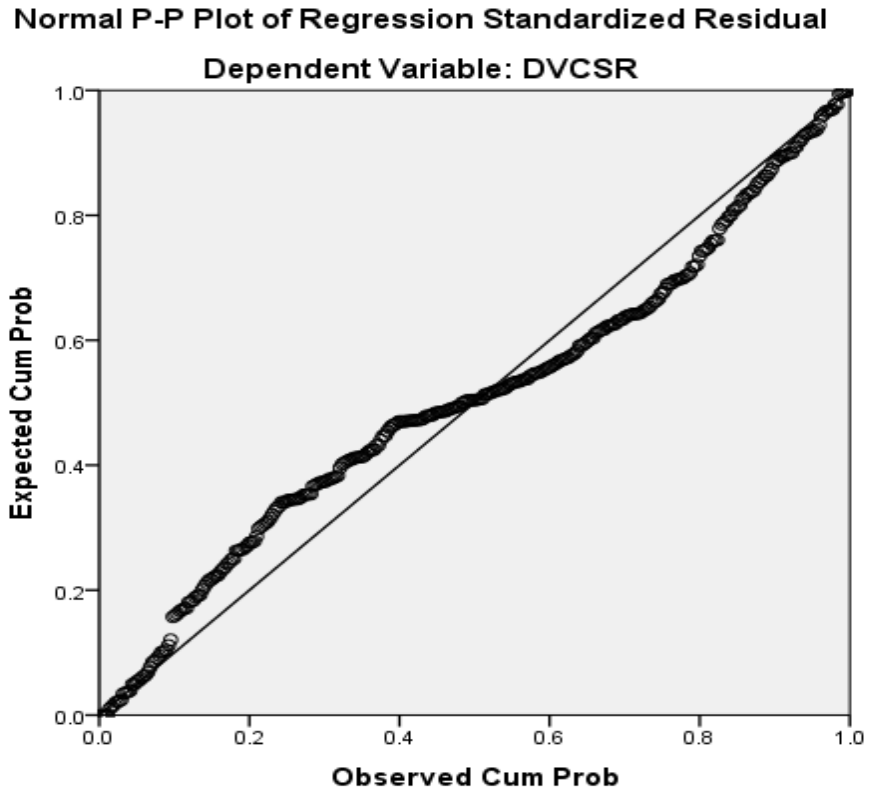
Any variable with tolerance below 0.1would has a correlation more than 0.90 with other variables, indicative of the multi-co linearity problem. The tolerance is calculated with an initial linear regression analysis. Tolerance is defined as $T= 1-R^2$ for the first step regression analysis. With $T< 0.1$ there might be multi-co linearity problem in the data. And the variance inflation factor of the linear regression is defined as VIF=1/T. Similarly, with VIF>10, there is signal that multi co linearity problem exists. According to Table 4.13, the present study reveals that the value of tolerance is more than 0.1 and the value of VIF is less than 10, this indicates the fitness of the model in explaining the factors affecting the dependent variable (Field, 2009). The tolerance for all independent variables is more than (0.10) and VIF for independent

variables is less than the limited value (10.0), and so that there is no multi co-linearity between the independent variables of the model.

Assumption # 5-Linearity Relationship

Testing of the linear relationships between dependent and the independent variables is necessary to compute multiple regressions.

Figure 4- 2 Normal P-P plot of regression standardized residual



Source: SPSS result of the survey (2021).

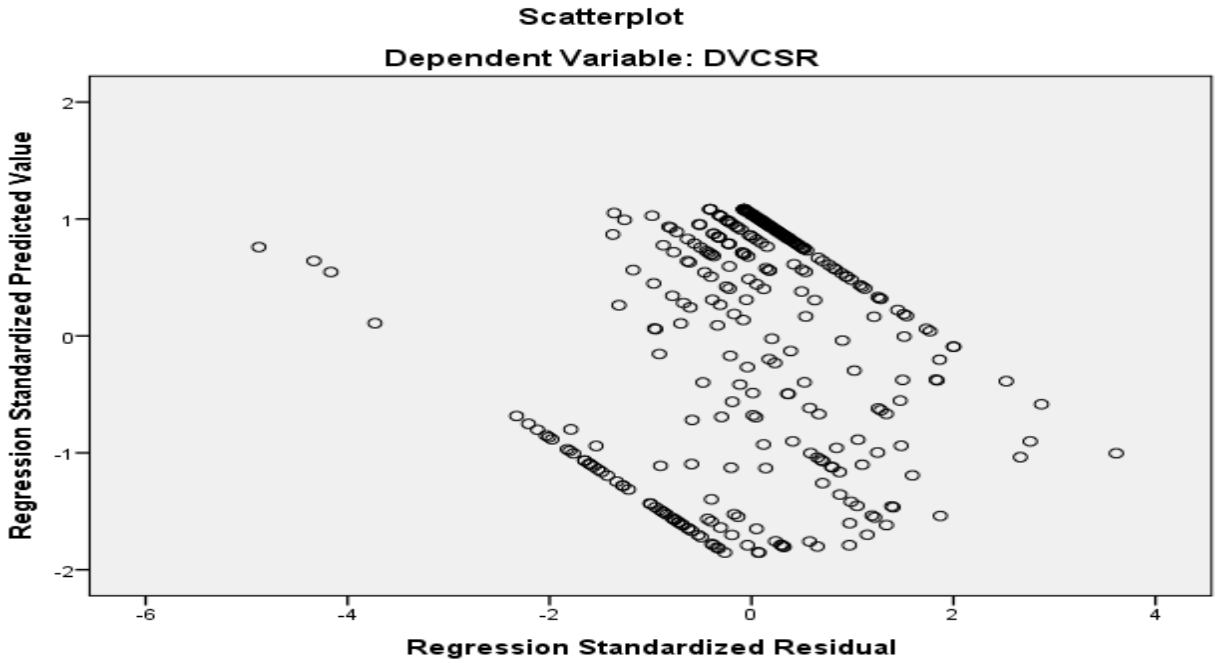
To check whether the residuals have a normal distribution, scatter plots of residuals against each independent variable and predicted dependent variable were analyzed (i.e., the normal probability plot or normal P-P of regression standard residual was used). The visual inspection of the plot shows a linear relationship between the independent and dependent variables. This

means that, a unit improvement in the one or all independent variables causes respective improvements for organizational efficiency.

Assumption #6- Homoscedasticity (Equal Variance)

At each level of the independent variables, the variance of the residual terms should be constant.

Figure 4- 3 Scatter plot of homosceddasticity



Source: SPSS result of survey (2021)

The above scatter plots of residuals against each of the independent variables and predicted dependent variables were used to check homoscedasticity of residuals. The residuals at each level of the independent variables most likely have the same variance (homoscedasticity). The scatter plots of the residuals against the predicted or dependent variable values looks like a random array of evenly distributed dots.

Assumption #7- Independence of Residuals

Table 4- 18 Model Summary of Durbin-Watson Statistics

Model	Durbin-Watson
1	1.793

a. Predictors: (Constant), CISS, FOP, CI, LP, OG

b. Dependent Variable: DVCSR

The independence of the residuals can be measured by Durbin-Watson statistics. The value of the Durbin-Watson statistic ranges from 0 to 4. As a rule, the residuals are independent (not correlated form one observation to the other one) if the Durbin-Watson statistic is approximately 2, and an acceptable range is 1.50 - 2.50 (Babatunde, Oguntunde, & Balogun, 2014). The output value of Durbin-Watson is 1.970; approximate to 2, indicating that there is no correlation among the residuals.

As it is clearly stated in the above step-by-step pre-model fitting assumption tests were found to be satisfactory. Now it is possible to go to the regression analysis.

Table 4- 19 Model Summaryb

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.872[a]	.760	.756	.74417

a. Predictors: (Constant), CISS, FOP, CI, LP, OG

b. Dependent Variable: DVCSR

As it can be seen from Table 4.19,''R'' has a score of .872[a]. It is multiple correlations coefficient between dependent and independent variables of the study. According to field (2005), ''R'' represent the value of multiple correlation coefficient between the predictor and

the outcome. Therefore, ''R'' value represents the simple correlation between all independent variables and dependent variable.

The Value of R square is a measure of how much variability in the outcome is accounted for by the independent variables. The result shows that a value of R square is 0.760 which implies that 76 percent of variation was caused by the considered independent variables. .760 R-square value means that the total variation in the dependent variable is explained or caused by 76 percent of the change in all independent variables. In other words, 24 percent of the variation in the organizational performance cannot be explained by these five independent variables. It is explained by other extraneous variables which are not included in this study. Positivity and significance of values show that the model summary is also significant and therefore gives logical support to the study model.

Table 4- 20 ANOVAa

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	571.638	5	114.328	206.448	.000[b]
	Residual	180.534	326	.554		
	Total	752.172	331			

a. Dependent Variable: DVCSR

b. Predictors: (Constant), CISS, FOP, CI, LP, OG

In Table 4.20, the column labeled "sum of the square" describes the variability in the CSR practices value of the regression. The regression sum of the square and the residual sum of the square is the difference between total sum of the square and residual sum of the square. Which is (TSS-RSS=752.172- 180.534= 571.638).

Here each of sum square (regression residual and total and source column) has corresponding degree of the freedom is n-1 (332-1=331), one less than the number of observations. The regression degree of the freedom for the table above is 5 which is the number of independent variable (organizational governance, fair operating practices, community involvement, labor practice, customer issues).

The residual sum of the square (residual or left over) is sometimes in literature as error sum of the square is the part still cannot be accounted after the regression has 326 degree of the freedom (331-5) for this paper. The mean square is the sum of the square divided by the corresponding degree of the freedom the regression model has a mean square of 114.328 (571.638/5) the residual mean of the square is 0 .554 (180.534/326).

In general, the ANOVA Table shows the strong relation between the independent and dependent variables of the study with 206.448 for the overall analysis and it is worth mentioning that f- value is highly significant at .000[b]. Thus, the model is statistically significant in predicting how the independent variables affect the dependent variable.

Table 4- 21 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.150	.155		.964	.336
	OG	.112	.031	.124	3.625	.000
	FOP	.076	.027	.082	2.868	.004
	CI	.006	.032	.005	.182	.856
	LP	.537	.029	.639	18.714	.000
	CISS	.250	.033	.237	7.677	.000

a. Dependent variable: DVCSR

Model specification and interpretation

Y= bo + β1X1+ β2X2+ β3X3+ β4X4 + β5X5 + e

Where Y = organizational performance (dependent variable)

bo = constant

X1-X6 = independent variables

b1, b2… b6 are coefficients of independent variables

e = error term

Y= bo + β1OG+ β2FOP+ β3CI+ β4LP + β5CISS + e

Y= 124OG+.082FOP+.005CI+.639LP+.237CISS+ 0.005

Interpretation:

Keeping all other variables Constant:

- For every one-unit increment on organizational governance, the organizational performance increases by 12.4 percent.
- For every one-unit increment on faire operating practice, the organizational performance increases by 8.2 percent.
- For every one-unit increment on community involvement, the organizational performance increases by 0.05 percent.
- For every one-unit increase of labor practice, the organizational performance increases by 63.9 percent.
- For every one-unit increase of customer issues, the organizational performance increases by 23.7 percent.

4.5 Hypothesis Testing

The study is done at 95% confidence interval. Hence, each hypothesis should be either accepted or rejected with reference to 5% level of significance; i.e., the hypothesis must be rejected if P- value is greater than 0.05 other wise will be accepted.

Therefore: Acceptance or rejection criteria= when P-value $\leq \alpha$ (0.05), $\Rightarrow$ then reject Ho.

When P-value $> \alpha$ (0.05), $\Rightarrow$ then accept Ho at level α.

Ho 1: organizational governance has no a statistically significant effect on organizational performance. (Accept Ho1 if p-value > 0.05), otherwise reject it. As it can be seen from Table 4.20, the significant value for infrastructural issues is .000 which is less than 0.05. Therefore, Ho1 is rejected. This implies that organizational governance has statistically significant effect on organizational performance.

Ho 2: Fair operating practice has no a statistically significant effect on organizational performance. (Accept Ho2 if p-value > 0.05), otherwise reject it. As it can be seen from Table 4.20, the significant value for legality issue is .004 which is less than 0.05. Therefore, Ho2 is rejected. This implies that the legality issue has statistically significant effect on organizational performance.

Ho 3: Community involvement has no a statistically significant effect on organizational performance. (Accept Ho3 if p-value > 0.05), otherwise reject it. From Table 4.20, the significant value for respondent's perspective is .856, which is greater than 0.05. Therefore, Ho3 is accepted. This implies that the Community involvement has statistically insignificant effect on organizational performance.

Ho 4: Labor practice has no a statistically significant effect on organizational performance. (Accept Ho4 if p-value > 0.05), otherwise reject it. From Table 4.20, the significant value for access to market is .000, which is less than 0.05. Therefore, Ho4 is rejected. This implies that the access to market has statistically significant effect on organizational performance.

Ho 5: Customer issue has no a statistically significant effect on organizational performance. (Accept Ho5 if p-value > 0.05), otherwise reject it. From Table 4.20, the significant value for customer issue is 0.000, which is less than 0.05. Therefore, Ho5 is rejected. This implies that the system rigidity has statistically significant effect on organizational performance.

Part III: Responses collected from interviewees and their interpretations

On the other hand, the researcher conducted personal interviews with selected managers of bottled water industry in Gurage zone in different areas and concept. Regarding the progress of the company's corporate social responsibility, the interviewees admitted the following progress:

1). Do you believe that your company is fulfilling its social responsibility?

The corporate businesses contribute to sustainable development, working with employees, their families, the local community, and society at large to improve their organizational efficiency. They contribute greater degree of social responsibility by creating interaction with the wider social community as part the trading environment. The community provides resources to fulfill business objectives to the organizations. The organizations also benefit the society through their supplies and creating job opportunities. There is mutual relationship between the two. Thus, the companies care the societies wellbeing in the surrounding by fulfilling their social responsibilities.

2). how does your company is fulfilling its social responsibility?

The companies are managing their business processes to produce an overall Positive impact on society. They use CSR as a strategy for their business growth. They take the form of community relations, volunteer assistance programs, healthcare initiatives, special education/training programs and beautification of cities/towns to give back to society, what it (business) has taken from it. They participate in the community development and recreational activities. They also review and implement current principles and policies issued by the government. They regularly investigate and evaluate their impact on society, provide a coherent ethical framework for businesses, accept interaction of the organizations with the wider social community is part of the trading environment. In their research departments, they

assess the impact of their organization on society and stakeholders to investigate understanding of emerging issues/developments and gauge effect on overall corporate reputation.

3). what forces are making your organization to fulfill its corporate social responsibilities?

There are various forces driving bottled water companies towards the CSR activities, the major driving forces are the shifting paradigms and criticality of stakeholder's relationships, shrinking role of government, increased community questions and pressures that come from the people, requests that come from municipality officers in the nearby city. The companies want to have good corporate image and reputation in the surrounding. This requires positive public relations. Hence the companies are forced to fulfill their social responsibilities.

4). what are the challenges that you face in fulfilling your CSR?

A factor prohibiting the organizations from getting involved in CSR is the associated costs. The costs of not being responsive may outweigh the costs of being involved in communal activities i.e while not fulfilling their CSR, the cost they incurred affects their production potentials.

5). what benefits have you obtained by fulfilling your corporate social responsibility?

The companies have much expectation to be a good corporate citizen by fulfilling voluntary their discretionary responsibilities. They are contributing financial resources to the community and improving the quality of life. They engage in activities that guard and contribute to the welfare of society. The companies make all directional relationships to impact on the society altogether. They are accountable to the society by meeting the needs of the people. Corporate social responsibility (CSR) is acknowledging that sustainable competitive advantage to be economically viable, environmentally sound, and socially responsible. Corporate social

responsibility helped the companies to adapt themselves to their shareholders. It resulted in an increasing focus on corporate behavior, which has led to build reputation and relationships, to formulate and implement corporate strategy. Their corporate governance also developed more than before. The companies have begun to recognize the significant opportunities for both competitive advantage and risks associated with their CSR performance. If so, the people might rely more on the companies. Thus, they would be effective by working together with the society and the surrounding government bodies.

6). Does your company produce quality product?

Improving the quality of the product has been used by industry to create lean operations, reduce waste, and improve efficiency. Through proactive management of quality, the companies are further going for aims of zero-waste, to do no harm and make external costs visible. Their quality improvement has a strong focus on people. They undertake a more deliberate connection between people and quality management systems for human rights, labor practices, fair operating practices, consumer issues, and community involvement and development.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1. Summary of findings

- The grand mean score of all items in Table 4.6 is 3.2297 with SD of 1.67681which is within the range of 2.61 and 3.4, which is Neutral. This implies that most of the respondents are not sure whether organizational governance is causing corporate organizational performance.
- The grand mean score of all items in Table 4.7 is 3.5316 with SD of 1.60876. This is found within the range of 3.41 and 4.20, which is in the range of Agree. This implies that most of the respondents agree that Fair operating practices help to meet corporate organizational performance.
- The grand mean score of all items in Table 4.8 is 3.2869 with SD of 1.36071 which is within the range of 2.61 and 3.4, which is Neutral. This implies that most of the respondents are not sure whether Community involvement is causing to meet corporate organizational performance.
- The grand mean score of all items in Table 4.9 is 3.5151with SD of 1.79210 which is within the range of 3.4 and 4.2, which is Agreed. This implies that most of the respondents agree that Labor practice helps to meet corporate organizational performance.
- The grand mean score of all items in Table 4.6 is 3.7748with SD of 1.43329 which is within the range of 3.4 and 4.2, which is Agreed. This implies that most of the

respondents are agree that Customer issues helps in meeting corporate organizational performance.

- As it can be seen from Table 4.16, as far as correlation analysis is concerned, Labor practice has high size of positive and significant relationship with the corporate social responsibility. Organizational governance has moderate positive and significant relationship with organizational performance. Customer issue has a moderate size positive and significant relationship with organizational performance. Community involvement has little magnitude of positive and significant relationship with the organizational efficiency. Faire operating practice has little magnitude of positive and insignificant relationship with the corporate organizational performance. Regarding the magnitude of the correlation only labor practice high positive correlation with the corporate social responsibility while organizational governance and customer issue have moderate positive correlation with the organizational performance however community involvement and faire operating practice have little positive correlation with organizational performance.
- As it can be seen from Table 4.19,''R'' has a score of .872. It is multiple correlations coefficient between dependent and independent variables of the study. According to field (2005), ''R'' represent the value of multiple correlation coefficient between the predictor and the outcome. Therefore, ''R'' value represents the simple correlation between all independent variables and dependent variable (organizational performance).
- The Value of R square is a measure of how much variability in the outcome is accounted for by the independent variables. The result shows that a value of R square is

0.760 which implies that 76 percent of variation was caused by the considered independent variables. In other words, 24 percent of the variation in the organizational performance cannot be explained by these five independent variables. It is explained by other extraneous variables which are not included in the study.

- The value of F-statistics is 206.448 which are highly significant at .000[b]. This result tells us that there is less than a 0.5 percent chance that an *F*-ratio this large would happen if the null hypothesis true. The significant level in ANOVA Table shows that the combination of the variables significantly predicts the dependent variable.
- Five hypotheses were formulated to test the effect of independent variables on the dependent variable. To that effect, accepting and rejection criteria were set as a guideline for accepting or rejecting the hypotheses. Based on the criteria, Ho1, Ho2, Ho4, and Ho5 were rejected because their p-value is less than the alpha value which is 0.05. As it can be seen from this, there is a positive and significant effect of the independent variables on the dependent variable. However; Ho3 is accepted because there is no positive and significant effect of independent variable on the dependent variable. This is so because its p-value is greater than its alpha value which is 0.05 for this study with the confidence level of 95 percent.

5.2 Conclusion

The study assessed the impact of CSR practices on organizational performance to specifically address the way manufacturing companies fulfill the societal wellbeing and community protection. Improving organizational efficiency has come almost as a trickle-down effect gradually benefitting the remaining value chain actors. Issues like protecting the environment

from any pollution, producing outputs that don't harm the society, using repackaging materials, etc, are widely recognized as necessary elements for fulfilling social responsibility.

Corporate social responsibility is an inescapable priority' in today's globalized world. Industries are expected to be good corporate citizens in an ethical fashion to solve social problems and enhance their organizational positioning. Once a company meets its legal responsibilities, it can move up the ladder to ethical responsibilities. Implementation of corporate social responsibility ensures continuous organization performance of firms by building the company's good image and reputation for waste reduction, minimizing atmospheric emissions, proper maintenance of industrial wastes, using energy saving mechanisms, avoiding overexploitation of the available natural resources as they required by the future generations, utilization of environmentally friendly packaging materials. This plays a major role in facilitating their growth and profitability. The company's CSR activities are incorporated in to the organizations' performance in building public image and company's reputation and reducing government pressure which is in turn raise their productivity and business opportunity.

There are still problems which are faced by CSR practices on organizational performance of the companies. Based on the finding, there is no concert CSR policy in the companies since there is no standardized CSR policy, there are also no initiatives or motive standards of the organization to implement the CSR practice. The bottled water industries do not have a government body to report their CSR activities. Therefore, it is hard to check and guide their CSR practices. The industries are considering a CSR as a charity rather than a strategic need. There are still problems which are faced by CSR practices on organizational performance. Such problems include not considering a societal marketing issues and legality problems.

Hence, the CSR are still limited. This in turn results low organizational performance.

5.3 Recommendations

- It is better if manufacturing companies in water industry establish regulatory framework that enables them to monitor and avoid the problems of the society.
- The concerned body, manufacturing companies in water industry in Gurage zone can take actions by considering their manufacturing impacts on the environment to eradicate the existing problems in CSR practices.
- As it can be realized from the statement in the literature, even though many corporations are making hard effort to address all problems related to corporate social responsibility, organizational performance are still not met. Therefore, it may take decisive measures to totally uproot all problems of playing corporate social responsibilities.
- Manufacturing companies may search timely and relevant legality information for their operation.
- Citizens might consider how a CSR concept can be developed in the national companies of bottled water industry.
- Companies engaged in producing Bottled water should understand their challenges in meeting their organizational performance.
- The government also may have a check and balance program on the impacts of manufacturing enterprises on the environment, especially the population.

5.4 Direction for further research

- The study has been conducted based on limited sample size. It would be better if large sample size is taken and same research is conducted to cross-check the reality of findings obtained through this research.
- As far as the result of R-square is concerned, .760 percent of variation was caused by the considered independent variables. This means that the total variation in the dependent variable is explained or caused by .760 percent of the change in all independent variables. In other words, 24 percent of the variation in the CSR cannot be explained by these five independent variables. It is explained by other extraneous variables which are not included in this study. Therefore, the other investigators must attempt to identify these extraneous variables and conduct research on them in the future to see their effect on the dependent variable.

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Appendix-A

Welkitte University

Department of Management

Questionnaires filled by the respondents

Dear respondents,

The researcher name is Daniel Abera. He is a full-time MBA student in Business Management at Welkitte University and is currently working towards his dissertation. The aim of the study is to assessing the impact of **CSR** practices on organizational efficiency: the case of bottled water industry in Gurage zone'. The purpose of this questionnaire is to collect primary data for the study. In this regard I kindly ask you to help me; taking 20-25 minutes from your time to give genuine information by completing the attached questionnaire as acurately as possible to the best of your knowledge. Your voluntary response will be kept confidential, anonymous and used for research purposes only.

If you have any further questions please do not hesitate to contact the researcher using his phone number given below.

N.B: no need to write your name.

Thank you most sincerely

Address: 09-12-85-80-51

Please tick (√) where appropriate.

Sincerely yours;

Socio-Demographic characteristics of Respondents

1.Sex: Female ☐ Male ☐

2.Marital status: Single ☐ Married ☐ Divorced ☐

3.Educational status: First degree and above ☐ Diploma ☐ Certificate and below ☐

4.How long have you been with this company?

0 – 4 yrs ☐ 4 – 10 yrs ☐ 10 and above ☐

please rate the CSR attributes you perceive by encircling only one option for each questions using the given five point Likert scales below:	
Likert Scales	**Rating**
1	Strongly disagree
2	Disagree
3	Neutral
4	Agree
5	Strongly Agree

N0	Items	rate				
	A. organizational governance					
1	The leaders of the organization perform in connection with the organization's culture and values.	1	2	3	4	5
2	The leaders of the organization perform decisions in the framework of the organization	1	2	3	4	5
3	The company is accountable in its production process in the community.	1	2	3	4	5
4	The company pays much attention wishing to be seen as leader in meeting corporate social responsibility in the community.	1	2	3	4	5
	B. Fair operating practices					
5	The organization has anti-corruption department that helps it to promote to positive outcomes	1	2	3	4	5
6	The organization performs fair competition with its competitors.	1	2	3	4	5
7	The organization fulfills its social responsibility throughout the organization’s sphere in its production process.	1	2	3	4	5
8	The organization has positive relations with other similar organizations to promote positive outcomes.	1	2	3	4	5
	C. Community involvement					
9	The area is conducive for organizational efficiency	1	2	3	4	5
10	The community is beneficiary with the employment opportunities of the organization	1	2	3	4	5

11	The community members participate in promoting the products of the organization	1	2	3	4	5
12	The community believes that the organization is the means for the economic development of the area.	1	2	3	4	5
D. Labor practice						
13	The organization recognizes worker organizations that represent labors.	1	2	3	4	5
14	The organization gives equal value to the participation of both worker and employer organizations in collective bargaining.	1	2	3	4	5
15	The organization enters in to a social dialogue about any issues that can be raised by the employees.	1	2	3	4	5
16	The organization makes consultation to address social issues related to employment.	1	2	3	4	5
E. Customer issues						
17	The organization fulfils its responsibilities to its customers by providing education and accurate information.	1	2	3	4	5
18	The organization minimizes risks from the use of its products through recall procedures.	1	2	3	4	5
19	The organization handles personal information to protect the security and the privacy of consumers.	1	2	3	4	5
20	The organization uses transparent and helpful marketing information and contractual processes to promote sustainable consumption.	1	2	3	4	5

Questionnaire on the dependent variable

Please rate your perceptions on the CSR of your company by encircling only one option of the corresponding numbers using the scales below:	
Likert Scales	Rating of the Likerts
1	Very poor
2	Poor
3	Neutral
4	Good
5	Very good

No	Items on dependent variables	1	2	3	4	5
1	I think the company's' CSR activities are incorporated in to the organizations' responsibility	1	2	3	4	5
2	I think our organization main objective to engage in CSR programs helps us to have Good public image and reducing government pressure which in turn helps to raise our Productivity and business opportunity	1	2	3	4	5
3	I think CSR helps improve the company's image	1	2	3	4	5
4	I think CSR policy improves competitiveness and enhances our company's reputation	1	2	3	4	5

Thank you for your Cooperation!

APPENDIX-B

INTERVIEW QUESTIONS WITH THE MANAGERS OF COMPANIES

Department of Business management

INSTRUSTIONS: This is a study on ‘‘assessing the impact of **CSR** practices on organizational efficiency፡ the case of bottled water industry in Gurage zone’’**.** As a manager of the bottled water industry, you qualify to participate in this study. In the following sections there are questions that focus on Corporate Social Responsibility. Please respond to each question as honestly as you possibly can. Remember that your responses are **confidential** and solely for academic purposes.

1). Do you believe that your company is fulfilling its social responsibility?

2). how does your company is fulfilling its social responsibility?

3). what forces are making your organization to fulfill its corporate social responsibilities?

4). what are the challenges that you face in fulfilling your CSR?

5). what benefits have you obtained by fulfilling your corporate social responsibility?

6). Does your company produce quality product?

አባሪ-ሀ

ወልቂጤ ዩኒቨርሲቲ

የንግድ አስተዳደር ት/ት ክፍል

ለመላሾች የቀረበ መጠይቅ

ውድ ተሳታፊዎች፣

የአጥኚው ስም ዳንኤል አበራ ይባላል፡፡ የወልቂጤ ዩኒቨርሲቲ የሁለተኛ ዲግሪ የቀን ተማሪ ነኝ፡፡ አሁን ላይ የመመረቂያ ጽሁፉን በማዘጋጀት ላይ ነው፡፡ የጥናቱ አላማ በጉራጌ ዞን ውስጥ የሚገኙት የውሃ አምራች ተቋማት የሚያደርጓቸው የማህበራዊ ሃላፊነት ልምዶች በድርጅታዊ ውጤታማነት ላይ ያላቸውን ተፅዕኖ ለመዳሰስ ነው፡፡ የመጠይቁ አላማም ለጥናቱ አላማ የሚሆን የመጀመሪያ ደረጃ መረጃዎችን መሰብሰብ ነው፡፡ ከዚህ አንፃር ካለችሁ ጥቂት ጊዜ ውስጥ ከ20 እስከ ሃያ አምስት ደቂቃዎች በመውሰድ ለመጠይቆቹ ተገቢውን ምላሽ በመስጠት በቻላችሁት መጠን አንድታግዙኝ በፍቅር እጠይቃችኋለሁ፡፡ በፍቃደኝነት የምትሰጡኝ ምላሽ ስማችሁን የማትፅፉ በመሆኑና ለጥናቱ አላማ ብቻ የሚውል በመሆኑ ምስጢራዊነቱ የተጠበቀ ይሆናል፡፡ማናቸውም አይነት ግር የተሰኙበት መጠይቅ ካለ እባክዎን አጥኚውን በስልክ አድራሻው አማካኝነት ለማግኘት አያመንቱ፡፡

ያስተውሉ፡- ስምዎትን መፃፍ አይጠበቅቦትም፡፡

ከልብ አመሰግናችኋለሁ

የስልክ አድራሻ፡ 09-12-85-80-51

እባክዎ በተገቢው ቦታ የ (√) ወይም የ(X) ምልክት ያኑሩ.

የመላሾች ማህበራዊ ስነ ህዝብ አወቃቀር

1. ፆታ: ሴት ☐ ወንድ ☐

2. የጋብቻ ሁኔታ ያላገባ ☐ ያገባ ☐ የተፋታ ☐

3. የትምህርት ደረጃ: መጀመርያ ዲግሪና ከዚያ በላይ ዲፕሎማ ሰርተፊኬትና ከዚያ በታች ☐

4. በዚህ ድርጅት ለምን ያህል ዘመን ሰሩ? 0-4 አመት ☐ 10 አመት ☐ አመትና ከዚያ በላይ ☐

እባክዎን የእርሰዎን የማህበራዊ ሃላፊነት ልምዶች በተቀመጡት አማራጮች ውስጥ ለእያንዳንዱ መጠይቅ ከጥያቄዎቹ ትይዩ የሆኑትን ባለ አምስት የሊከርት ሰኬል መለኪያዎች ውስጥ አንዱን አማራጭ ብቻ (√) ወይም የ(X) ምልክት በማኖርር መላሽ ይስጡ	
የሊከርት ስኬሎች	**የደረጃ አሰጣጥ**
1	በጥብቅ አልስማማም
2	አልስማማም
3	ገለልተኛ ነኝ
4	እስማማለሁ
5	በጥብቅ እስማማለሁ

ተ.ቁ	**ዝርዝር**	**ተመን**				
		1	2	3	4	5
ሀ. ድርጅታዊ አሰተዳደር						
1	የተቋሙ መሪዎች ከድርጅቱ ባህልና እሴቶች ጋር በተያያዘ አፈፃፀም ያሳያሉ፡፡					
2	የተቋሙ መሪዎች በድርጅቱ ማዕቀፍ ስራ ውስጥ ውሳኔወችን ያካሂዳሉ፡፡					
3	ድርጅቱ በህብረተሰቡ ውስጥ ባለው የምርት ሂደት ውስጥ በሃላፊነት ስሜት ያከናውናል፡፡					
4	ድርጅቱ በማህበረሰቡ ውስጥ የድርጅታዊ ማህበራዊ ሃላፊነትን በመወጣት መሪ ሆኖ ለመታየት ከፍተኛ ትኩረት ይሰጣል፡፡					
	ለ. የተስተካከሉ የአሰራር ልምዶች					

5	ድርጅቱ አወንታዊ ውጤቶችን ለማራመድ የሚረዳ የፀረ ሙስና ክፍል አለው፡፡					
6	ድርጅቱ ከተወዳዳሪዎች ጋር ፍትሃዊ ውድድርን ያካሂዳል፡፡					
7	ድርጅቱ በምርት ሂደት ውስጥ የድርጅትነቱን ማህበራዊ ሃላፊነቶቹን ይወጣል፡፡					
8	ድርጅቱ አወንታዊ ውጤቶችን ለማሳደግ ከሌሎች ተመሳሳይ ድርጅቶች ጋር አወንታዊ ግንኙነት አለው፡፡					
ሐ. የማህበረሰቡ ተሳትፎ						
9	አካባቢው ለድርጅታዊ ብቃት ምቹ ነው፡፡					
10	ህብረተሰቡ ከዚህ ድርጅት የሰራ እድል ተጠቃሚ ነው፡፡					
11	የማህበረሰቡ የማህበራብ አባላት ድርጅቱን ምርቶች በማስተዋወቅ ይሳተፋሉ					
12	ማህበረሰቡ አደረጃጀቱ ለአካባቢው ኢኮኖሚያዊ ልማት መሳርያ ነው ብሎ ያምናል፡፡፡					
መ. የሰራተኞች ልምምድ						
13	ድርጅቱ የጉልበት ስራን ለሚወክሉ የሰራተኛ ድርጅቶች እውቅና ይሰጣል፡፡					
14	የሰራተኛም ሆነ የአሰሪ ድርጅቶቸች በጋራ ስምምነት ውስጥ ለመሳተፍ እኩል ዋጋ ይሰጣል፡፡					
15	ሰራተኞች ለሚያነሷቸው ማናቸውም ጉዳዮች ድርጅቱ ወደ ማህበራዊ ውይይት ይገባል					
16	ከቅጥር ጋር የተያያዙ ማህበራዊ ጉዳዮችን ለማቃለል ድርጅቱ ምክክር ያደርጎሳል					
ሠ. የደንበኞች ጉዳዮች						
17	ድርጅቱ ትምህርትና ትክክለኛ መረጃ በመስጠት ለደንበኞቹ የሚጠበቅበትን ሃላፊነት ይወጣል					
18	ድርጅቱ በማስታወሻ አሰራሮች አማካኝነት ምርቶቹን ከመጠቀም የሚመቱ አደጋዎችን ይቀንሳል					
19	ድርጅቱ ደህንነትንና የሸማቾችን ግላዊነት ለመጠየቅ የግል መራጃዎችን ያስተናግዳል፡፡					
20	ዘላቂ ፍጆታን ላሳደግ ድርጅቱ ግልፅና አጋዥ የግብይት መረጃዎችን እንዲሁም የውል ሂደቶችን ይጠቀማል፡፡					

አባሪ- ለ

ለተኢንዱስትሪዎቹ ሃላፊዎች የቀረቡ የቃለ መጠይቅ ጥያቄዎች

የንግድ አስተዳደር ት/ት ክፍል

መመርያ:-የጥናቱ አላማ በጉራጌ ዞን ውስጥ የሚገኙት የውሃ አምራች ተቋማት የሚያደርጓቸው የማህበራዊ ሃላፊነት ልምዶች በድርጅታዊ ውጤታማነት ላይ ያላቸውን ተፅዕኖ ለመዳሰስ ነው፡ የተቋሙ ኃላፊ ስለሆኑ በዚህ ጥናት እንዲሳተፉ ይፈለጋል፡፡ ቀጥሎ የተዘጋጁት ጥያቄዎች የማህበራዊ ሃላፊነት ልምዶች በድርጅታዊ ውጤታማነት ላይ ያተኩራሉ፡፡ እባክዎን እንዳንዱን ትያቄ በታማኝነት ምላሽ እንዲሰጡኝ እማፀንዎታለሁ፡፡ ምላሽዎችዎ ለጥናቱ አላማ ብቻ የሚውሉና ምስጢራዊነቱም የተጠበቀ ስለመሆኑ ቃል እገባልዎታለሁ፡፡

1). ድርጅቴ ማህበራዊ ሃላፊነቱን እተወጣ ነው ብለው ያምናሉ?

2). ድርጅትዎት ማህበራዊ ሃለፊነቱን እንዴት ነው እየተወታ ያለው?

3). ምን ኤነት ግፊቶችናቸው ድርጅታችሁ ማህበራዊ ሃላፊነቱን እንዲወጣ የሚያስገድደው?

4). ድርጅታዊ ማህበራዊ ሃላፊነታችሁን በአግባቡ እንዳትወጡ የሚደርጋችሁ ዋናዋና ተግዳሮቶች ምንድናቸው?

5). ማህበራዊ ሃላፊነቶቻችሁን በመወታት ምን ትቅም ታተርፉበታላችሁ?

6). ድርጅታችሁ ትራት ለውን ምርት ያመርታል?