Corporate Social Responsibility (CSR) in the Ethiopian Banking Sector: A Case Study on Commercial Bank of Ethiopia (CBE)

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This case study was carried out to assess the social responsibility practices of commercial bank of Ethiopia. The study was carried out based on secondary data taken from the reports of the bank for the year 2011-2013 and other literatures. Variables used in the study are: priority sector lending, environment protection, health, education and community welfare. The finding shows that though commercial bank of Ethiopia is making efforts in the CSR areas, still there are gaps in implementing well planned CSR and making disclosure. It also shows that existing altruistic practices in this bank are of reactive to meet the interests of social and community concerns and the bank lacks proactive involvement.

Key Words: Corporate Social Responsibility, Banking, Ethiopia, Commercial Bank

INTRODUCTION

The concept of CSR originated in USA since 1950s but became more prevalent in 1970s (Srivastava, Negi and Pandey: 2012). Its movement has assembled great thrust over long period of time and today CSR is surfacing gradually and gaining acceptance by businesses across the world (Rahman and Iqbal, 2013). What can be grasped from here is that CSR is not a movement reserved to a particular part of the world or business. Friedman (1970) wrote that the only one social responsibility of business is to use resources and engage in profit maximization. Contrasting to Friedman’s notion, Robbins and Coulter (2007) in Sharma and Mani (2013) revealed that management of social responsibility goes beyond making profit which includes protecting and improving social welfare of stakeholders and the environment.

With respect to the banking sector, Bhatt (2008) in Sharma and Mani (2013) stated that banks do not operate in vacuum. In a study conducted in Bangladesh, Rahman and Iqbal (2013) added that the banking sector is not out of the area of business world. They make a large contribution to a country’s GDP growth, contribute to infrastructure spending, meet demand of the society and reach rural population. Added to this, Sarker (2012) in Rahman and Iqbal (2013) wrote that it can increase profitability in the long run and brings sustainability. It also helps banks to ensure more competitiveness and reduce the risk of sudden damage of reputation.

The Ethiopian banking sector is believed to be growing in recent times as the number of banks escalates and branch outreach also diversified. One among those banks with more significant contribution to the financial sector is Commercial Bank of Ethiopia (CBE). Repeatedly spoken in the literature, banks being part of business community need to work with social responsibility beside the profit motive and it will benefit all stakeholders. However, previous studies on CSR
practice in Ethiopia are very limited. In her comparative case study Diana (2009) wrote that CSR in Ethiopia is a concept known in the academics only, not well understood by the rest of the society. This connotes that the subject need to be studied and be well understood by all stakeholders of business. Likewise, there is no scientific study report on how CSR practiced in banks. Here by this paper, the extent to which corporate social responsibility is integrated to the business operations of CBE will be studied.

RATIONALE FOR THE STUDY

Icke et. al (2011) in Belas (2012) stated that banks are financial intermediaries that play significant role in national and international economy, whose power affects the social system. Commercial banks operate with the money from depositors and creditors. The money is usually guaranteed by the state resulting in a bank operating as some kind of public equity. Likewise, Commercial Bank of Ethiopia operates like any financial institution but takes the leading banking role in the country in terms of number of branches, supporting development projects and fostering financial operation both inside and outside of the country.

Bekalu on www.combanketh.com as cited on Nov, 2013 wrote that CBE did pioneer the introduction of modern banking services in the country and takes the lion's share of the commercial banking market of the country in terms of credit, deposit, and customer base and branch network. However, the bank’s contribution to welfare of the society and environmental sustainability is not clearly known through scientific study. There is no sufficient evidence on to what extent CSR is part of its business strategy and operations. It needs empirical investigation of existing CSR situation, awareness of CSR as business strategy and grounds to implement it. Therefore, in this study, the central tenet is CBE’s social responsibility endeavors as commercial entity operating in the society. In specific terms, the study will address the following basic research questions:

- How does Commercial Bank of Ethiopia practice CSR?
- What kinds of activities constitute CBE’s social responsibility commitment?
- To what extent CSR activities are integrated to the bank’s core activities?

OBJECTIVES THE STUDY

The main objective of this study is to assess the corporate social responsibility practice in Commercial Bank of Ethiopia. The study is to find out the major areas where CSR activities are performing by CBE and contribute to the entire CSR savvy in the country.

LITERATURE AND THEORETICAL FRAMEWORK

CSR Concepts and Definitions

CSR was first used and defined as a concept by Bowen (1953): CSR refers to the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society. A lot of the ambiguity behind CSR seems to derive from the lack of universal definition to the subject (See Appendix III for some of the existing definitions). While corporations today are encouraged to behave socially responsible on a wide array of issues (Welford & Frost, 2006, p.168) there is a confusion in both the corporate and academic world as how to define the concept of CSR (Dahlsrud, 2006, p.1).
Dahlsrud concluded that because CSR is a social construction it cannot be universally defined; rather it is something best understood in its specific context.

De Schutter (2008, p.204) further suggested that the confusion is about the subjects many perspectives; hence, from what side of the relationship is CSR viewed. (1) “CSR may refer to an understanding of the role of business in society. Business in this sense means socially responsible by owing duties not only so its shareholders but also the stakeholders in its environment”. (2) “CSR may refer to a way of regulating business activities. It manifests a shift from the imposition of top-down obligations under the threat of legal sanctions, to the reliance on incentives and voluntary initiatives as a way of orienting the activities of the corporation”. (3) “CSR may refer as an alternative to regulating business itself. Here it appears as a code word for abandoning certain questions that might be target to regulatory approaches to market mechanisms” (De Schutter, 2008, p.204).

**CSR THEORIES**

In the literature on corporate social responsibility, there are different theories developed by different writers. This encompasses the stakeholders approach, Carroll’s Pyramid, legitimacy theory ISO 2600 etc.

**Carol’s CSR Pyramid**

Carroll initially developed the CSP model in response to Friedman’s critique and the overall responsibility confusion among academics and managers. The CSP model contained a three-fold purpose; (1) to define the essential aspects of CSR, (2) connect them to the relevant social issues and (3) aid practitioners to choose a responsive corporate philosophy to address those issues (Carroll, 1979, p.500).

![Fig 1: The pyramid of Corporate Social Responsibility, Carroll, 1991](image)

In 1991 the CSP model was further developed and depicted in a pyramid model that addressed the four responsibilities that businesses have towards society at any given point in time (Carroll, 1991). Carroll argued that the total responsibility of business should entail the simultaneous fulfillment of economic, legal, ethical and philanthropic dimensions by the company.
Economic Responsibility: According to Carroll (1991) the bottom responsibility of a company is to produce “goods and services that the society wants and sell them at a price that society thinks represents their true values”, this eventually benefits the company with profits. Profits serve as return on investments to owners and shareholders resulting in jobs and fair pay for workers. However, according to Schwarz & Carroll (2003, p.509) company actions fall outside the economic dimension if; 1) they are not intended to maximize profits, 2) they are engaged in activities without economic value to the company.

Legal Responsibility: According to Carroll (1991, p.40) because society has granted companies to assume the productive role, they must always keep in mind that expectation exists for them to fulfill their economic mission within the framework of legal requirements. Carroll (1991, p.41) concluded that this was part of the social contract between business and society.

Ethical Responsibilities: According to Carroll (1991) ethical responsibilities overcome the limitations of law concerning the difficulty to legislate morality. Although the two first categories shall always embody ethical behavior, there are activities and practices that are expected by the society but not covered by legislation. Carroll (1991) emphasized the focus on voluntariness - that society keeps expectations of business over and above the legal requirements.

Discretionary (Philanthropic) Responsibilities: According to Carroll (1991, p.42) the last obligation concern responsibilities that society has no clear-cut message for business, it is up to the individual company’s judgment and choice. From this perspective business is expected to contribute to enhanced quality of life in society. The difference between ethical and philanthropic responsibilities is that the latter is not regarding moral and ethics (Carroll & Buchholtz, 2003).

Stakeholders Theory

The core of the stakeholder theory steps away from the shareholder capitalism orientations that see business as an instrument for profit maximization (Freeman et al, 2010. p.2). It presents an alternative that has been very suitable in regard to the parallel development of corporate responsibility and sustainability in the business community. The stakeholder theory concerns how to manage a business effectively while creating shared value between a company and its surroundings.

According to Lee (2008) in Emil and Dennis (2013), the development of CSR has been inspired and propelled by the notion of stakeholder theory. The rational connection between CSR and stakeholder theory is that if CSR explains what responsibilities business ought to fulfill, the stakeholder concept addresses the question of to whom business should be accountable to.
ISO 26000

ISO standards in general are commonly adapted and certified among companies and products around the world, usually they are used as a mean to ensure quality of products and operations. International Organization for Standardization (ISO, 2010) has identified six areas of corporate sustainability that companies face in society. This is one of the major frameworks for companies to shoulder their social responsibilities.

Despite the aforementioned theories are popular in CSR literature, Eliza and Mukta (2013) have studied the context in Indian commercial banks. In their study, they identified nine variables to analyze social responsibility in commercial banks context in particular. This framework encompasses a continuum of CSR subsets across different sectors. The nine variables were Rural Branch Expansion, Priority Sector lending, Environment Protection, Community Welfare, Women Welfare, Farmers’ Welfare, New Initiative related to CSR and Education.
METHODOLOGY

Research Design: An investigative problem-position requires an extensive research approach (Jacobsen, 2002). The case study strategy will be of particular interest if one wishes to gain a rich understanding of the context of the research and the processes being enacted (Morris and Wood 1991) in Mark S, Philip L & Adrian T (2009). It is appropriate to conduct a case study for specific descriptions when focusing on a specific phenomenon or even in the development of theory to find things that were not clear before the study began (Jacobsen, 2002) in Kulen, Bozarslan and Gupta (2013). Therefore, choice of descriptive case study approach fits well in the study of CSR and this study is concentrated in commercial bank of Ethiopia.

For the purpose of this study, the framework inspired by Eliza and Mukta (2013) is used with some modifications. Some of the variables are merged since they fall in same package. For example, women’s and farmer’s welfare are believed to be in community development activities. Instead, the important part, health sector, must be part of a CSR framework. Therefore, refining CSR theoretical frameworks, a set of variables are identified for this study as reflected below:

<table>
<thead>
<tr>
<th>S.N.</th>
<th>Variables</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Environmental Protection</td>
<td>Number of activities/donations done for environment protection</td>
</tr>
<tr>
<td>2</td>
<td>Community Development</td>
<td>Number of activities/donations done for community welfare</td>
</tr>
<tr>
<td>3</td>
<td>Education</td>
<td>Number of activities/donations done for the promotion of education</td>
</tr>
<tr>
<td>4</td>
<td>Health</td>
<td>Number of activities/donations done for the health sector</td>
</tr>
<tr>
<td>5</td>
<td>Priority Sector lending</td>
<td>The ratio of advances made to priority sector to total advances in five years</td>
</tr>
</tbody>
</table>

Table 1: Operational Variables (Source: Compiled from theories and previous researches)

Method of Data Collection: This study involved secondary sources such as annual reports and other official documents. Data encompass donations made for selected years, priority sector loan and advances for the five years and CSR involvement through membership.

Method of Presentation and Analysis: Since the data nature is both qualitative and quantitative, a descriptive analysis with support of graphs is made. Data presentation composes tabular and graphic. In the beginning, altruistic subset of CSR which is linked to donations made for health, education, community welfare and others is presented. Secondly, another way of CSR engagement, membership, is analyzed and finally analysis of CSR through priority sector is carried out.

The descriptive analysis of CSR practices will helps to understand the empirical context in the bank.

DISCUSSION AND ANALYSIS

CSR through Donations: Donations make up philanthropic part of corporate social responsibility. The principal way of shouldering corporate social responsibility in CBE is donation. In its business development sub process, corporate communication working procedure,
all about fulfilling social responsibility through donation is stated. Accordingly, donations shall be given to:

- Public Health and Education
- Community Development and Environmental Protection
- War and Natural Disaster Victims and
- Other Humanitarian Victims

This study took data from CSR procedures and records on the altruistic donations during 2011/12 and 2012/13. In the table below is the breakdown of last two year’s donation structure for various sectors. In 2012/2013 budget year, CBE has made a donation worth of ETB 2,164,410.92 whereas a donation worth ETB 3,316,452.68 was given for different entities.

<table>
<thead>
<tr>
<th>Type of Stakeholders/sector</th>
<th>Amount (ETB)</th>
<th>2012/2013</th>
<th>%</th>
<th>2011/2012</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Protection</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Health</td>
<td>66000</td>
<td>3.2</td>
<td>845,000</td>
<td>25.5</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>0</td>
<td>0</td>
<td>102,000</td>
<td>3.1</td>
<td></td>
</tr>
<tr>
<td>Community Development</td>
<td>Community NGOs</td>
<td>578086.3</td>
<td>27.6</td>
<td>1382935</td>
<td>41.7</td>
</tr>
<tr>
<td></td>
<td>Government Offices</td>
<td>1,350,000</td>
<td>64</td>
<td>986517.68</td>
<td>29.7</td>
</tr>
<tr>
<td>Others</td>
<td>111,000</td>
<td>5.2</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total Donation</td>
<td>2104486.3</td>
<td>100</td>
<td>3316452.68</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Table 2: Donation breakdown (Compiled from documents)

Donation requests from applicants are directed toward corporate communication sub process with appropriate proposal. As stated in the procedure, requests by individuals, political parties/candidates and lobbying organizations, endowments and religious organizations are not acceptable. However, government departments like Ministry of Foreign Affairs, House of Federation, the judiciary bodies and city administrations are found significantly donated. From the total annual donation of 2011/2012 29.7% and in 2012/2013, greater than half (64%) was donated to government departments. For instance, CBE donated ETB 500,000 in each study year for House of Federation for the celebration of nations and nationalities day and same amount for Ministry of Foreign Affairs. In this respect, CSR donations procedure (which exclude political party in donation) and the empirical practice have a collision.

Environmental Protection

This variable includes all the activities carried out by the bank for the purpose of environment protection or to reduce the environmental harm by adopting different initiatives, replacing traditional activities by eco-friendly processes or activities in day to day business. Adenekan (2007), Joyner and Payne (2002), concluded that a growing number of companies in many sectors and geographic regions have discovered concrete value and competitive advantage from socially responsible practices in pollution prevention, energy efficiency, environmentally oriented design, supply chain management, and health and sustainable agriculture initiatives, among others. For these firms, CSR has had a positive impact on profits.

Though CBE made environmental protection one of mainstreams in fulfilling its social responsibility, no fraction out of its annual donation is towards environmental protection endeavors in the study years. It only directly involve, once a year, in planting trees making an
organized team of employees including top management. Compared to its dedication to environmental protection on paper, the empirical evidence shows, the actual practice on the ground is limited to plantation trees once a year. Mainly this is due to the reactive nature of social responsibility practice, one that is done only when a request is coming from anyone of the stakeholders working on environmental protection and sustainability. If there is no request coming from a stakeholder group working on protection of environment, no donation will be made in the existing social responsibility practice. Therefore, it is possible to understand here that commercial bank of Ethiopia performs lower on environmental issues compared to practices on other dimensions and its CSR procedure.

**Community Development**

This variable is used to measure the activities performed by the bank for the welfare of the community. In his Study, Moon (2007) stated that corporate entities should be a key stakeholder in community development because of a number of factors that have been highlighted in the literature. One of these factors is the need for corporate entities to use their Corporate social responsibility (CSR) activities to contribute to sustainable community development (particularly that of their host communities) to enhance their social status and competitive edge which is critical to their existence.

Likewise, CBE as a corporate citizen has done better in community development through donations to support community welfare through local NGOs and other social activities through government departments. However, rather than those working in special need groups like in women with disability and care for elders, greater portion of corporate social donation was given for government offices. As shown in table 2 above, during 2011/2012 year 41.7% of the total donation was for community development through welfare NGOs while only 27.6% was donated in 2012/2013. CSR donation for community welfare has exhibited a decline with respect to community development from year to year.

This domain of donation was given for associations working for mother and disable people, elderly care, retired staff members, for legal training for through court, relief associations etc. However, there is no clear procedure on prioritizing the much disadvantaged groups like children with disability.

**Education Services**

This variable is used to measure the contribution of the bank in the field of education. It is known that Education is one of the pillars in development endeavors of a nation. Like the case on CSR-environmental protection, CBE stated education as one of mainstreams of its social responsibility practice. However, very limited donation or activity has been carried out in the subset. Only it has donated ETB 102,000 for needy students of one high school during 2011/2012 through a local development association which constitutes only 3.1% of its total donation of that particular year. In 2012/2013, nothing has been in education respect. Again this is linked to the reactive nature of its social responsibility orientation. Had there been a request for educational involvement from actors in the sector, the bank would take part either by donating or other modalities. This indicates that the reactive approach of CSR in CBE creates a gap between the donation procedure/orientation and the actual altruistic CSR practice on the ground.

**Health Services**
With respect to health sector, CBE performed better than Education and Environmental Protection despite it show a declining trend in the two consecutive study years. It has donated 25.5% and 3.2% of the total donation in 2011/12 and 2012/2013 respectively. It show a decline in the donation for health related activities in the two consecutive years. Here below is the chart showing beneficiaries of funding for health.

![Fig. 4 Donated parties for Health](image)

As shown in the chart above, health donation was for fistula cure, HIV and eye health. Hamlin fistula hospital took the lion share of the donation and this was done during 2011/2012. It has been donated 76.8% (ETB 700,000) of donations made directly for health.

**CSR through Membership**

Being a regular member of social welfare initiatives run through member’s contribution creates the opportunity for corporations. Membership in CBE case is not linked to advertisement or in expectation of something from member organizations. It is rather one way of fulfilling social responsibility as it is stated on the guiding procedure for membership with CBE. During the two study years, it is found that CBE is a member to seven entities. These are Afraca, Employees federation, Heritage Thrust, Bankers Association, AA Chamber of Commerce and Sector Association, Clean and Green Addis Ababa, Eye Bank and Kibre elder care.

Member associations engage in various humanitarian, environmental, economic, cultural and other activities. For instance, eye bank works for transplanting of donated eyes, chamber of commerce takes the initiative to improve commercial activities, heritage trust works in the conservation of heritages, clean and green Addis Ababa is an environmental protection partner. This is good indication of CBE’s CSR engagement through membership encompasses a wide range of interest groups.

CBE pays, for the agreed time period, fixed amount membership fees for these stakeholders as stated in the contract and follows up the implementation of projects. For example, CBE entered membership with heritage thrust for ETB (12000), clean and green Addis Ababa (12000), eye bank (100,000) and kibre aregawuyan for 20,000. However, limited evidence was found concerning progress report made by these stakeholders. Only the clean and green Addis Ababa during 2011/2012 and eye bank during 2012/2013 have made reports on their implementation.
This indicates that a strict follow up need to be done to realize the essence of what we call corporate social responsibility.

As such membership is aimed at meeting corporative social responsibility requirements and bring reputation in the long run, following up partners donated for membership in inevitable. Though the procedure of CSR through membership with CBE affirms that contract renewal is a function of appropriate implementation of projects, it does not indicate how follow up shall be done.

As a member, it gets in to contract with these organizations donating an agreed amount which is based on a proposal containing details of activities.

**CSR through Priority Sector Lending**

According to Agarwal (2013), priority sector lending is providing easy, adequate and timely credit to priority sectors that otherwise would not receive easy finance. The scope of priority sectors is confined to sectors that impact huge population segment, weaker sections in the society and sectors that are labor-intensive.

In some countries, it is central banks’ rule to make a defined portion of their total loans and advances for sectors given priority. For instance by the Reserve Bank of India, Priority Sector lending means lending to the agriculture, small scale and ancillary industries, new and renewable sources of energy, cottage industries, artisans, food and agro based processing, education, housing and weaker section. While for domestic banks, both the public and private sectors are required to lend 40 per cent of their net bank credit (NBC) to the priority sector, foreign banks are required to lend 32 per cent of their NBC to the priority sector Sharma and Mani (2013). In this case, Indian banks are working with priority sector since it is a rule. However, priority sector lending can be part of corporate social responsibility of banks if it is initiated voluntarily as corporate to help development endeavors.

Keeping the aforementioned concept in mind, commercial bank of Ethiopia took the initiative of priority sector lending years back. In its credit process, priority is given for agriculture, manufacturing, export and infrastructure. This initiative is taken voluntarily, not as response to a legal requirement or direction from other authority. Here below is the loan amount and its ratio against the total loan disbursed in the last five years to show whether priority sector lending is increasing or decreasing.

![Fig 5: Five Year Trend of Priority Sector Lending (Source: CBE Report)](source_url)
As it is depicted in the above graph, lending to the priority sector is increasing from in the last five years except in the export case decrement in the last year. This indicates CBE’s commitment to the sectors which are believed pillar to boost national economic development. In its corporate citizenship value, CBE stated that

“We value the importance of our role in national development endeavor and step-up for commitment”.

This statement connotes that CBE shows commitment for national development endeavors taking voluntarily the interest of government as a stakeholder. The government, as in developing nation, gives great concern for some sectors than others. As a result, a stakeholder with keen interest for fulfilling its corporate social responsibility takes in to account the interest of others. CBE, as key stakeholder for government, takes the initiative of supporting some sectors through loans and advances service priority.

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009 June</td>
<td>8589865.79</td>
</tr>
<tr>
<td>2010 June</td>
<td>12986608.2</td>
</tr>
<tr>
<td>2011 June</td>
<td>23779815.4</td>
</tr>
<tr>
<td>2012 June</td>
<td>43577784.3</td>
</tr>
<tr>
<td>2013 June</td>
<td>55236078.8</td>
</tr>
</tbody>
</table>

Table: Amount of Priority Sector Loan Ratio to Total Loan and Advances

<table>
<thead>
<tr>
<th></th>
<th>Priority Sector Loan Ratio to Total Loan and Adv</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009 June</td>
<td>0</td>
</tr>
<tr>
<td>2010 June</td>
<td>19,375,594</td>
</tr>
<tr>
<td>2011 June</td>
<td>22,859,029</td>
</tr>
<tr>
<td>2012 June</td>
<td>34,217,686</td>
</tr>
<tr>
<td>2013 June</td>
<td>58,326,983</td>
</tr>
</tbody>
</table>

Fig 6: Ratio of Priority Sector Lending to Total Loan/Advances (‘000)

Depicted in the above figure is the ratio of loans and advances for priority sector to the total loan and advances made for the last five years. As of the first study year, from 44.4% to 78.4% of the total loan and advance is given to priority sectors. Except for the first study year, loans and advances for priority sector constitutes more than half of the total loan and advances. This indicates that there is an increasing focus on priority sectors in the banks financing.

CONCLUSION

This study has assessed corporate social responsibility practices in the largest commercial bank in Ethiopia. The study attempted to investigate philanthropic and non philanthropic domains of CSR in the bank. Commercial bank of Ethiopia has included social responsibility in its business operation and that is reflected in its value “Corporate Citizenship” which shows how the bank values its role in national development, care for society’s welfare and the environment in which it operate as a business entity.
Altruistic activities in two forms are being undertaken as part of CSR engagement. These are donations are membership. However, donations are not proactive and not reached the prioritized community and social aspects since funding is a function of requests coming from stakeholders. Due to this fact, the bank failed to work for sectors it identified to fulfill its social responsibility such as environmental protection, public health and education. Also due to the reactive nature of its philanthropic CSR, donations are polarized to some stakeholders mainly government than others.

CSR disclosure for stakeholders is an important player in building corporate image. However, no organized disclosure is made for both internal and external stakeholders except executives. Failure to communicate a corporate social practice likely limits the contribution of CSR for the construction of reputation. Moreover, there is a conflicting reality between the social responsibility donations procedure and the practice. The procedure states that political groups shall not be donated at all whereas the bank is donating the ruling party for that matter the impact of the donation is difficult to be measured.

Despite CBE selected education, public health, environmental protection as its mainstreams for fulfilling social responsibility through donation, very limited has done on the first two and none with respect to environmental protection. Better it has done on community development mainly in financing special interest groups with disability through local community NGOs. CBE’s CSR through donations is not proactive; one that works with important societal issues without request is made. The reactive nature of social responsibility funds has limited the practice in CBE. Though CBE work Practice CSR through membership, no adequate follow up is being done to partner projects donated as the implementation reports made are very limited. This will lessen the contribution of CSR practice for corporate reputation in the long run.

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