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Analyzing Social Responsibility Towards Improving Labor Practice Issues in Ethiopia

A Focus on Metahara Sugar Factory

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Globalization
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PROBLEM DESCRIPTION

Socially Responsible Labour Practices (SRLPs) are part of a nation-wide employment and social protection strategy prepared by the Ethiopian government that call for workers' rights. However, there is a significant lack of focus to the development and implementation of the same. The purpose of this study is to explore and examine the level of understanding and practical implementation of socially responsible labour practices in Ethiopia taking *Metahara* Sugar Factory as case study.

MAIN CONTENTS

-Familiarize the topic and problematize the issue based on earlier studies as well as personal observation

-Assessment of review of related literature with regard to the concepts, theories, practical experiences and empirical evidence of socially responsibility and labor practices.

-Formulate a methodology that ensures to gain a deeper understanding of the concept and practice of SRLPs in Ethiopia, identify the drivers of SRLPs and assess the development and implementation of SRLPs in Matahara sugar factory.

-Unearth the context and situation analysis in the development and implementation of SRLP in Ethiopia

-Uncover the initiatives, challenges, trends and prospects of socially responsible labor practices

-Present the mechanisms by which factory employs to identify and engage stakeholders

-Analyze the level of implementation of the actions and expectations related to the five labor practice issues in the factory in-light of the ISO standard.

-Recapitulate summary of findings based on the results.

-Formulate concluding remarks and suggest proactive recommendations.

DECLARATION

I, Asnake Menbere Tekleab, declare that this thesis is original and my own single-handed work. I duly acknowledged any assistance that I have received in this thesis. It is submitted in partial fulfilment of the requirements for the degree of Master of Science in Globalization, Politics and Culture at the Norwegian University of Science and Technology (NTNU). This work has not been submitted before for any degree at NTNU or elsewhere.

Asnake Menbere Tekleab   10.06.2016

Signature   **Date**

ABSTRACT

Socially Responsible Labour Practices (SRLPs) are part of a nation-wide employment and social protection strategy prepared by the Ethiopian government aiming to ensure workers' rights. However, there is a significant lack of focus on the development and implementation of the same. Therefore, the purpose of this study is to explore and examine the level of understanding and practical implementation of SRLPs in Ethiopia taking *Metahara* Sugar Factory as case study. The study employed mixed research methodology and case study strategy to examine the research agenda. Data was collected through both unstructured and semi-structured interviews and survey questionnaire with officials, experts and employees respectively. Personal observation and document analysis were also used as complements to strengthen the reliability and validity of the research.

Several important findings from this research are worth mentioning here. The research reveals that government, some large companies and their counterparts participate in socially responsible practices but their activities have only confined to philanthropic support. This implies the concept of social responsibility is not adopted to go beyond philanthropy and contribute in a sustainable manner. There are progressive individual company initiatives to implement socially responsible behaviours. However, the research identified gaps that impede the realization of this issue. The major impediments include, society's attitudinal problem and mistrust towards these companies, weak communication and lack of collaborative endeavour among various stakeholder towards the implementation of the same. The study also identified a wide ranging structural factors that affect SRLPs at macro level. These includes institutional and socio-cultural, labour market and enabling environment and broader policy and regulatory framework. At micro level, *Metahara* Sugar Factory employed a wide range of mechanisms (internal components) towards the management and implementation of labour practice issues. However, the inconsistent policies and strategies as well as lack of commitment, strong leadership and implementation capacity are internal factors that influence the execution of the five labour practice issues. The factory has superficial labour union led by workers' representatives who are not committed enough to exert their at most effort to safeguard employees' rights. Despite significant social, natural and financial capital assets, the factory has not translated these potentials to maintain fair labour practices throughout its supply chain. The research concludes the proportion of *Metahara* Sugar Factory's determination and engagement towards the implementation of the five labour practice issues shows low level of performance. It is logical to suggest that SRLPs should be integrated within the core business strategy of the factory that would ensure good working conditions, social dialogue, safety and security at work and respect for employee rights prevailed.

Keywords: Social Responsibility, Labour Practices, Issues, Implementation and Expectations, Ethiopia.

PREFACE

This research is determined to attain twofold purposes. One is to explore trends of conceptual understanding and implementation of SRLPs within various organizations at macro level. Second, it intends to unearth the status and extent to which the five labour practices issues are implemented in *Metahara* Sugar Factory. The research is anticipated to serve as a valuable source of reference to stakeholders working in the area of SRLPs in Ethiopia. Hence, it can be used as a locus especially for policymakers and officials in public and private enterprises at national level. Labour practice specialists and staffs in the factory may also use it as guide in the identification of worst scenarios and best practices.

A number of people have contributed to the completion of this thesis in one way or another. Some people deserve more credit than others. First and foremost, I would like to express special gratitude to my supervisor professor John Eilif Hermansen. The thesis could not have been completed without his direction, instruction and valuable suggestions. I appreciate his unreserved support and lively engagement in my academic progress and sharing his experience in academic writing.

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LIST OF ACRONYMS

CETU..............Confederation of Ethiopian Trade Unions
CSA..................Central Statistical Authority
CSOs………..Civil Society Organizations
CSR..................Corporate Social Responsibility
ESCAP............Economic and Social Commission for Asia and the Pacific
GTP……........Growth and Transformation Plan
HVA………...Hangler Vondr Amsterdam

IC…….........Incomplete
ILO………....International Labor Organization
IMF……........International Monetary Fund
ISO……..........International Standardization for Organizations
MoFED...........Ministry of Finance an Economic Development
MoLSA…........Ministry of Labor and Social Affairs
MNCs…..........Multi-National Corporations
MSS……........Management System Standard
NEPS………..National Employment Policy Strategy
OECD…..........Organization for Economic Co-operation and Development
OHS……........Occupational Health and Safety
PASDEP….......Plan for Accelerated and Sustained Development to End Poverty
SDGs…...........Sustainable Development Goals
SRLPs……….Socially Responsible Labor Practices
SR…………...Social Responsibility
STCIC………South Trinidad Chamber of Industry and Commerce
TBL…………Triple Bottom Line
TNCs………..Trans National Corporations
UDHR……....Universal Declaration of Human Rights
UNDP……....United Nations Development Program
UNESCAP…..United Nations Economic and Social Commission for Asia and Pacific
UNGC…..........United Nations Global Compact
UNIDO…........Unite Nations Industrial Development Organization

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1. INTRODUCTION

Corporate Social Responsibility (CSR) is becoming the development mantra of the twenty first century. It has been taken as a solution for the main socio-economic problems of both developed and developing countries. A study by ESCAP (2009) noted that in the developed world, social responsibility is considered to be the strategic solution for socio-environmental challenges and was officially adopted by member governments at the European Commission. Similarly, the agenda has been endorsed by member states within ASEAN aiming at developing viable public policy or legal CSR instruments for reference by 2010 (ESCAP 2009).

The conceptual understanding and practice of CSR is different in developing countries from developed countries. The unique socio-cultural context and development circumstance of developing countries provides the basis for the understanding and practice of same. After studying the experience of eight Asian countries, Sharma (2013) concluded that "an alternative discourse encompassing culture, traditional values and politics provides a socio-economic context and a national backdrop for CSR action". In order to show the local perspectives related to SRLPs, historical and socio-cultural contexts are given emphasis. Whereas, the regulatory frameworks and the labor market situation are considered to witness the global perspectives. In view of this, Visser identified internal and external driver of CSR in Africa (*see details of these drivers in part two*). Besides, the recent rapid economic growth in the developing world and the consequent rise in the number of claimants to global resources have directed the focus of CSR to developing countries (Visser 2008). Furthermore, there are structural factors and issues that drive the practice of CSR in the developing world. Among those factors are the special attention given to sustainable development and globalization forces, the raising concern for issues related to human resource management practices, environmental protection, as well as health and safety.

Furthermore, the proliferation of international instruments and standards that are created by the process of extension, legitimization and global governance urges the practice of CSR. Some of the principal international instruments advocated by the European Union (EU) for implementation includes, the Global Compact, ISO 26000, a Guidelines by Organization for Economic Cooperation and Development (OECD), ILO Tri-partite Declaration of Principles concerning Multinational Enterprises and Social Policy as well as UN Guiding Principles on Business and Human Rights (EC 2011) *(see details of CSR principles in appendix A).* Amongst

these, ISO 26000 is a new standard on social responsibility that is intended for use in all countries to assist organizations to operate in a socially responsible manner. Social responsibility encompasses seven fundamental subjects as outlined in ISO 26000.

However, the study is confined to unearth one of these major subjects i.e. labor practices that in turn embraces five major issues: employment and employment relation, conditions of work and social protection, social dialogue, health and safety at the work place as well as human development and training at work. Moreover, the practices and actions identified by ISO to ensure the integration, management, and implementation and performance management of social responsibility are basic components to be addressed in this thesis. Hence, the research primarily utilizes the social responsibility framework of ISO 26000 to evaluate the understanding and implementation of SRLPs in Ethiopia. The following section provides an overview of Ethiopia's socio-economic, socio-cultural context and labor practice challenges as a background for problem formulation.

1.1. Background of the Study

Ethiopia is making big leaps towards the achievement of the government vision of becoming a middle income country by 2020. As such, the economic growth averaged 10.9 per cent per annum in 2012/13 (UNDP 2015). One of the components of this development is the expansion in social infrastructure which results in the increase in human development indicators (World Bank 2014; ILO 2014). This development has been bringing about both opportunities and challenges with respect to employment and working conditions. One of the key challenges facing the labor practice profession in the 21st century is protecting workers' rights in a global economy. It is characterized by a ferocious competition to reduce production costs and a marked decline in the development and enforcement of governmental workplace regulations (Brown 2005). Even if this fast and accelerated economic growth provided increased employment opportunities, *"ensuring productive employment opportunities vis-a-vis the rapidly expanding size of the labor force continues to pose a formidable development challenge"* (ILO 2014).

Researches in the area of labor reveals that Ethiopia faces serious challenges in the area of workers' rights and working conditions. Some of these challenges are low job quality, inadequate earning of a large proportion of the Ethiopian households, the increasing shares of labor force which is working "excessive hours", involvement of child labor in productive activities, the engagement of high proportion of paid employees in "precarious work", gender based market

segregation, an increase in occupational injuries, low coverage on the right to labor force through collective bargaining and agreement and the low rate of gross trade union density are more prevalent (ILO 2014).

These challenges are more pronounced in Ethiopia as the labor market is not well developed. This is reflected by the low rate of wage workers, undeveloped transaction systems and outdated information on the labor market (MoLSA 2012). Besides, labor market institutions like trade unions and employers' organizations witnessed limitations of regulatory framework and lack of social dialogues. Even if the Ethiopian government has enacted a number of employment related laws and established a regulatory framework, there is the challenge of domesticating international labor standards into national policies and programs, low awareness about these rights at all levels are continuing to prevail. Hence, the Ethiopian economy faces serious challenges in providing productive employment opportunities, working conditions and work environment (ILO 2014).

1.2. The Research Problem

Socially responsible practices in Ethiopia seems to be taken as synonyms with the contribution of the private sector to national development (MoFED 2010). In Ethiopia, historically the limited capacity of the state to provide an enabling economic environment and physical infrastructure left the private sector to step up to the challenge of providing much of the public goods. As such, the Ethiopian private sector through responsible business practices plays a huge role in filling this gap (Sharma 2013). Hence, this study compliments, a CSR approach to labor practice would be a useful tool in the Ethiopian context which until now policies, expertise and tradition in dealing with labor practices fall short of providing solutions.

Against this background, *"there is no comprehensive CSR policy or law in most countries in the Sub Saharan African region, rather some ad hoc legislative and non-regulatory activities are common"* (Visser and Tolhurst 2010, 8). In the case of Ethiopia, a study revealed that only few big global firms have introduced CSR programs*;* but the majority of homegrown corporations never executed yet (US Department of State 2014). This showed that Ethiopia encounters serious challenges in ensuring a responsible and productive employment opportunities and working condition in the face of the critical need and importance of the same for achieving sustainable development. Despite the fundamental role that SRLPs plays in the alleviation of labor related

challenges, there seems to exist a lack of clarity and understanding as to the concept and practice of the same in Ethiopia. Besides, the unique nature of socio-cultural context and circumstance of cultural practices that are the sources of socially responsible practices needs further investigation in Ethiopia.

Furthermore, many writers on CSR overlook to study the situation from developing countries perspective rather their evidence focuses developed countries. In this regard, I argue that failure to study specific context may lead either to underrepresentation of the matter or erroneous generalization altogether. In lieu of this, my extensive review on the existing literature saw me conclude the lack of study and limited empirical data and research regarding SRLPs in Ethiopia (GTZ 2008; GIZ 2012; Helg 2007; and Tilakasiri 2012). Most importantly, the endeavor to search for information as to the concept and practice of SRLPs become fruitless till now. To be specific, the unique characteristics of the sugar industry with respect to socially responsible labor and employment such as the intensive use of labor as well as absorption of a large amount of the labor force through causal and temporary employment mechanisms (Tajgman and Veen 1998) requires a thorough investigation from a SRLPs perspective in the factory. In so doing, this study attempts to make invaluable insights to the growing body of scholarly work in this realm and contribute in filling the gap in research and empirical data.

1.3. Research Questions

The general objective of the research is to explore SRLPs in Ethiopia focusing on the context, understanding, drivers and practices by taking *Metahara* Sugar Factory as a case study.

The following research questions are derived on the basis of this general objective:

- ✓ What is the status and nature of the conceptual understanding and practice of social responsibility and labor issues in Ethiopia? Macro Level
- ✓ What are the drivers of SRLPs and implementation challenges in Ethiopia? Macro and Micro level
- ✓ What is the extent and practice of the five labor practice issues in *Metahara* Sugar Factory? Micro level

1.4. Rationale and Significance of the Study

The proper understanding as well as effective implementation of SRLPs will be indispensable in Ethiopia's march towards the achievement of sustainable development. Thus, a research undertaken to deepen understanding of the concept and implementation of the aforementioned issues in the country would contribute to the same. It is practically proven by various research works that international trade environments have awakened issues such as human rights and labor exploitation in the developing countries. The need for sustainability also concerns suppliers along the global supply chain making social responsibility one of the judging factors in business relationships with foreign partners (Welford 2002). In this regard, Ying (2013) summarized three grounds for the practice of CSR in developing countries. Firstly, the rapidly expanding economies (IMF 2006), secondly, globalization, investment and business activity have the dramatic social and environmental impacts on developing countries. Thirdly, the distinctive set of CSR agenda challenges which are collectively quite different to those faced in the developed world (Ying 2013). The above issues establish the ground and justify the need for research on CSR in developing country like Ethiopia.

In the face of the present Ethiopian economic growth which provided ample employment opportunities as well as challenges with respect to working conditions and environment; there is an obvious existing and potential demand for information that will contribute to the utilization of opportunities as well as the curbing of challenges. However, there is limited information and research regarding the concerns, issues and challenges of businesses and employees with respect to responsible labor practices. Hence, the research can used as an initial point of reference in this regard.

Besides, as one tool of labor targeted sustainable business development, a research will go in line with the development priorities and focus areas of governmental, international and local NGOs, donors and international development organizations. Such study on social responsibility would be the first case based research in Ethiopia that will contribute to a growing literature and understanding of SRLPs by providing insights on the current and future directions at both national as well as organizational centric perspectives.

1.5. Analytical Model and Conceptual Framework

In order to better handle the research questions formulated in the outset, the research employed an integrated analytical model that encompasses both external and internal constituent elements. These external (macro level) and internal (micro level) integrated factors influence the management and implementation of SRLPs. Figure 1 shows how internal and external factors influence the SRLP core issues which in turn mold the SRLP management and implementation. The framework is directly related with the research questions.
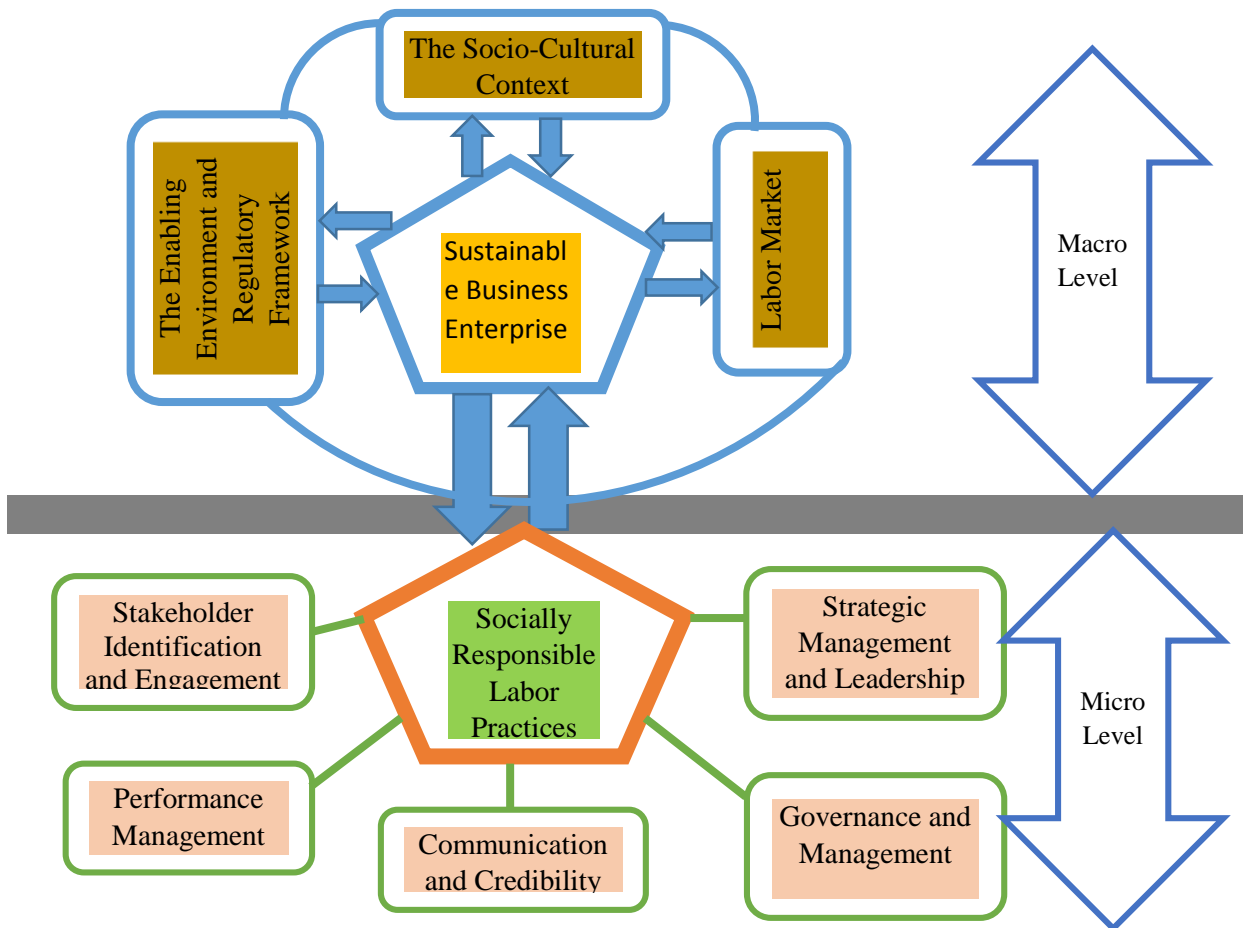
Figure 1. Integrated Analytical Framework of the Study

The macro level components indicated in figure 1 are range of constituting elements that help to identify national level variables which influence a sustainable business. Hence, the interface between sustainable business enterprise and the external factors also called the business environment is that corporations express and pursue their social responsibility differently in different society. Similarly, different society have developed different systems of market

reflecting their institution, customary ethics and social relations. Such difference between the two affects the nature of relationship.

On the other hand, the interface between a sustainable business and SRLPs is reciprocal in that labor is a necessary condition for labor intensive enterprises like the sugar factory to operate. Because, labor is substantial factor of production. Likewise, sustainable business enterprises play an important role for the implementation of labor practice issues in a socially responsible way by considering micro level/organizational variables identified by ISO26000 indicated in figure 1.

1.6. Outline of the Thesis

The study is structured into seven major parts. The first part provides an introduction to the research problem. It also addresses main research questions, purpose and analytical model developed for the study. The second part dwells on discussion of literature that is relevant to the topic of SRLPs and to the research questions. It also provides a conceptual and theoretical framework of the study. The third part justifies the methodological approach, knowledge claim and research strategy used. Besides, sample determination, data collection instruments, and data collection procedure, data analysis and presentation techniques are dealt. It also describes the ways through which validity and reliability of the results be ensured.

The four part addresses an overview of the context and dynamics of SRLPs in Ethiopia at macro and organizational level based on the discussion and analysis of the data from governmental and non-governmental organization experts. It mainly explains the level of conceptual understanding; the kind of initiatives, programs and actions related to SRLPs. It also address the nature and status of SRLP implementation in Ethiopia.

The fifth part mainly emphasizes on micro level analysis relying on the case-based research. It offers an overview on organizational profile, SRLP activities, management and implementation in the factory. It then analyses the five major SRLPs issues based on data obtained from survey of employees in *Metahara* Sugar Factory.

The sixth part recaps the major findings of the study in accordance with the three research questions. The final part reveals concluding remarks and proactive recommendations at macro and micro levels. It also addresses the academic and practical contributions of this study.

2. CONCEPTUAL AND THEORETICAL FRAMEWORK

Introduction

This part of the thesis focuses upon the review and assessment of related literature with regard to the concepts, theories, practical experiences and empirical evidence of SRLPs. The purpose is to provide a background that will clarify the main themes and help to develop an integrated comprehensive conceptual and analytical model for the study. The concepts and theories in relation to social responsibility, sustainable development goals, triple bottom line, labor practices as well as standard management system will be examined. Besides, the global, developing countries specific and Ethiopian practical experience and empirical evidence will also be discussed.

2.1. The Concept of CSR/Social Responsibility

It is agreed that CSR is an important topic, but lacking universally accepted definition. This is to mean that different scholars define the concept in quite different ways. Among others the following two definitions are vital in giving a flavor to my purpose and context.

> *'Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large Or 'CSR is a company's commitment to operating in an economically, socially and environmentally sustainable manner whilst balancing the interests of diverse stakeholders* (Pearson 2010, 633).

Similarly, Jeremy Moon noted that there are varieties and ranges of definitions given to social responsibility. He further explained that the variety of definitions addressing CSR exist reflecting underlying strategic purpose, substantive content and approach. Meanwhile, those ranges of CSR definitions are overlapping with context (nature of firm, owners, markets, suppliers, products, workforce, and customers) (Moon n.d). Despite the ranges of definitions given to social responsibility, it is neither the objective nor the scope of this study to explore the all such scholarly definitions and debates. Hence, the definition provided by ISO 26000 working group is adopted for the study. Accordingly, ISO define social responsibility as:

> *'the responsibility of an organization for the impact of its decisions and activities on society and the environment through transparent and ethical behavior that is consistent with sustainable development and the welfare of society; takes into account the expectations of stakeholders; is in compliance with applicable law and consistent with international norms of behavior; and is integrated throughout the organization' (ISO26000 2010).*

2.1.1. Dimensions of CSR

Different scholars conceptualized CSR differently on the basis of socio-economic, political and environmental perspective. There appeared no exceptional definitions for the last couple of decades which could be used for all purposes. Conversely, numerous explanations of CSR address several dimensions. Accordingly, table 1 demonstrates the five dimensions in a very precise manner. Out of these five dimensions, the social and stakeholder dimensions are more pertinent for the purpose of this thesis.

Table 1. The five dimensions and example phrases of CSR.

The 'dimensions' of CSR	What the definition refers to	Typical phrases used in the definition
The environmental dimension	The natural environment and 'sustainability' of business practice	'a cleaner environment' 'environmental stewardship' 'environmental concerns in business operations'
The social dimension	The relationship between business and society in general	'contribute to a better society' 'integrate social concerns in their business operations' 'consider the full scope of their impact on communities'
The economic dimension	Socio-economic or financial aspects, including describing CSR in terms of its impact on the business operation	'preserving the profitability' 'contribute to economic development'
The stakeholder dimension	Considering all stakeholders or stakeholder groups	'interaction with their stakeholders' 'how organizations interact with their employees, suppliers, customers and communities' 'treating the stakeholders of the firm'
The voluntariness dimension	Actions not prescribed by law. Doing more that you have to.	'based on ethical values' 'beyond legal obligations' 'voluntary'

Source: Pearson, (2010:634) 'Operations and CSR'

2.1.2. Social Responsibility, Sustainable Development Goals and Triple Bottom Line: the Nexus

In a nutshell, sustainability comprises economic growth, social equity and environment protection. In the UN report entitled 'Our Common Future', sustainable development is defined as a *"development that meets present needs without compromising the ability of future generations to meet their needs"* (WECD 1987). In recent years however, the post 2015 Sustainable Development Goals (SDGs) has set 17 goals out of which this research corresponds to Goal 8. This goal is concerned to '*promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all'*. The 8th goal has also ten

consecutive targets that help to operationalize or realize the stated goal. Out of the 10 targets, target 8 calls for the protection of labour rights and the promotion of safety and security at the workplace which are the main issues given attention in this case study. Of course, there might be a difficulty of monitoring whether labour rights are respected in every country or not. However, the '*ratification and implementation of fundamental ILO labour standards and compliance in law and practice*' can be used as ways of measuring this target (Loewe and Rippin 2015, 45). The UN identified six essential elements for delivering the SDGs (International Council for Science 2015*) (see Appendix B for the six essential elements).* Thus, achieving SDGs is the ultimate objective in the endeavor of governments, businesses and society thereby establishing the foundations for socially responsible practices.

Meanwhile, in 21st century business, John Elkington (1998) in his Triple Bottom Line (TBL) model, CSR resemble into three focuses; the 3Ps (People, Planet and Profit). He then argued that good companies are not just chasing mere economic profit but rather, they have the concern for the preservation of the environment (planet) and social welfare (people). The concept of TBL can serve as a conceptual bridge between social responsibility and sustainable development. Hence, social responsibility contributes to sustainable development of a country through the realization of financial, social and environmental returns of an organization (Suharto 2007).

2.1.3. Labor Standards and Practices

The notion of conceptualizing labor standards has got global and national dimensions. Encyclopedia of Trade, Labor and Politics defines labor standards as *"the national and international laws and regulations governing labor-market conditions as well as a range of agreements between workers and employers"* (Vaidya 2005). Labor is one of the most important and indispensable factor of production that determine the achievement of economic growth and development. In the case of developing countries where large scale construction and infrastructure projects prevails, "labor as a principal means of production is fundamentally important in employment-intensive activities". Good labor policies and practices are therefore critical for productive work and quality production (Tajgman and Veen 1998). It is in view of this that SRLPs are indispensable in the realization of sustainable development.

Although existing codified labor standards vary from country to country depending on the stage of development, per capita income, political, social, and cultural conditions and institutions,

efforts have been made to identify and achieve consensus on a group of core labor standards that ideally should apply universally (Stern and Terrell 2003).

According to the Organization for Economic Cooperation and Development (OECD), there are eight fundamental International Labor Organization Conventions that form the basis of consensus among the ILO's constituents. These include

> *"prohibition of forced labor (ILO Convention No. 29 and 105); freedom of association and protection of the rights to organize and to collective bargaining (No. 87 and 98); equal remuneration for men and women for work of equal value (No. 100); nondiscrimination in employment and occupation (No. 111); and minimum age of employment of children and abolition of the worst forms of child labor (No. 138 and 182)"* (OECD 2000, 20).

Agreement on the universality of these core labor standards derives ostensibly from adoption of the UN UDHR in 1948, and acceptance of the pertinent ILO Conventions that deal with human rights and labor standards and the ILO Declaration on Fundamental Principles and Rights at Work in 1998. In addition to the aforementioned core labor standards, currently, labor advocates are discussing issues relate to "acceptable conditions of work" which include a minimum living wage, limitations on hours of work, and occupational safety and health in the workplace. These core plus other standards are supported by many NGOs that deal with the international monitoring of labor rights.

Therefore, labor practices emanate from the above international labor standards. The European Investment Bank (EIB) handbook defines labor practices as a 'fair, safe and healthy working conditions' (EIB 2007). As labor practices pertain to providing a suitable working environment, whereas, work is the dynamics by which poverty alleviation and the realization of Millennium Development Goals is made possible. The basic themes of CSR come from international labor standards and regulations like ILO fundamental conventions, UDHR, OECD Guidelines. Theses conventions recommend contents of the standards should be in accordance with "the core labor standards identified by the ILO. The contents identified include, child and forced labor, discrimination issues, freedom of association and collective bargaining, health and safety, wage levels, working times and disciplinary practices" (European Commission 2004, 7).

Similarly, the UN Global Compact identified ten principles that enjoy universal consensuses. These principles requires companies to encompass, assist and endorse a set of core principles in the areas of human rights, labour standards, the environment and anticorruption within their

sphere of influence. From the ten principles labour standard (focus of this study) incorporates four principles mentioned from 3-6 in the compact that any businesses should uphold. These four principles include: *'freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation'* (UN Global Compact 2000). These principles of labour standards will be addressed in the case company in the light of ISO26000 guide.

ISO 26000 also uphold that the principles of ILO human right declarations are the founding principles of its SRLPs. It provides a comprehensive definition of labor practices as one of the core subject of SR. According to ISO 26000 *'the labor practices of an organization encompass all policies and practices relating to work performed within, by or on behalf of the organization, including subcontracted work'* (ISO 26000 2010). In determining the relationship between labor practices and social responsibility, the ISO 26000 standard stated that SRLPs are essential to social justice, stability and peace. This importance and significance of SRLPs originate from the fact that the realization of meaningful and productive work through the creation of jobs as well as wages and other compensation paid for work performed by organization SRLPs.

Feinberg (2011) in his seminal work demonstrated that implementing enhanced labor standards is advantageous for both the business as well as the employees. He argued, *'responsible labour practices produce 'the virtuous cycle' for companies, and if implemented widely, for countries businesses invest in responsible labour practices, experience a boost in productivity, which allows workers to be paid higher wages' (Feinberg et'al 2011, 9).*

2.1.4. Labor Market, Business Environment and Regulatory Framework

Labor market and business environment provide an important factor that affect organizations' SRLPs. ILO (2004) has identified areas of business environment that influence the performance of enterprises. The first is the enabling framework that refers to the broad policy, legal and regulatory framework in which markets operate. The second is market failure which refers to the operations of markets and the potential for failures and distortions in the market. The third is adverse power relations and market exclusions. This refer to the impact that imbalances in power relationships can have on the operation of the market, especially where certain groups are excluded from full and equal participation in the market. Finally, inter-market linkages which refer to the linkages that exist between markets and the social and political structures and processes in which they operate (ILO 2004).

Besides, the labor market institutions can have a huge influence on SRLPs in a particular country. The assessment of these factors entails a distinct feature to labor market within the larger business environment. In view of this, it is now well recognized that the labor market plays a central role in the development process: having access to stable and protected employment is the most sustainable path to exit poverty and promoting inclusion (ILO 2014). Thus, it is critical to consider the unique context of policy, legal and regulatory framework of a country in the study of SRLPs.

In most developing countries, labor markets continue to be characterized by persistent informality, low levels of productivity and pay and insufficient access to social security and employment benefits along with inequalities in outcomes for women, youth and specific groups in society (Cazes and Verick 2013). Thus, adopting SRLPs are considered to be an antidote that can play a critical role in the endeavors to poverty alleviation and sustainable development in the developing world.

2.1.5. Ethiopian Labour Policies: An Overview

Ethiopia endorsed a National Employment Policy and Strategy (NEPS) in an attempt to curb difficulties arising out of 'unemployment, underemployment, poor working conditions, and the lack of job protection' which are more pronounced in the informal sector. Since the inception of the 2005 Ethiopia's five year development plans, considerable attention has been given on employment issues, especially for the youth. Boateng and et'al (2013) argued that the 2005/6-2009/10 Plan for Accelerated and Sustained Development to End Poverty (PASDEP) was clearly designed to address labour market outcomes and unemployment among the youth. It also gave emphasis to create employment and income-earning opportunities for younger workers. The first phase (2010-2015) of Growth and Transformation Plan (GTP) deals with labour demand tacitly aiming at upgrading the performance of the numerous sectors in the economy. According to these authors, 'private sector development continues to receive special attention as a strategy for tackling unemployment' (Boateng et'al 2013).

2.1.6. A Glimpse on Ethiopia's Labour Market Institutions

Studies reveal that laws and labour market institutions in Ethiopia largely emphasis on the 'formal and wage employment sector'. In spite of employing enormous workers, the 'informal sector and self-employment' gained little focus in legislation or administrative regulations.
The year 1963 is a land mark regarding labour law in Ethiopia. The first "Labour Relations Proclamation" was introduced in this year that overlapped with the implementation of the civil

code. Such proclamation gave rules for the employment relationship and ratified the creation of workers' and employers' organizations. The military regime introduced another Labour Proclamation in 1975 that however, was replaced by Proclamation No. 42/1993 which brought important transformations in the labour market. De Gobbi, (2006) as cited in Boateng (2013) described some of the changes observed as a result of the new proclamation. The changes include: 'eradicating of central public sector employment; the facilitation of conditions permitting temporary employment; the shortening of probation contracts from 90 to 45 days; and widening the range of cases where dismissal is not unlawful'.

In 2003 an amendment was made on the 1993 labour Proclamation where Proclamation No. 377/2003 is currently in effect governing employment relationship. The principal difference of proclamation no. 377/2003 from its predecessor lays on the issues of international labour standards and constitutional provisions. While Proclamation No. 377/2003 regulates employment relationship in the private sector, Federal Servants Proclamation No. 262/2002 contains rules on the employment relationship in the public sector. Under Proclamation No. 377/2003, a labor contract can be for a definite or indefinite period or for a specific task. Since the Proclamation does not specify a time limit for which a temporary contract can be written, employers can repeatedly recruit employees for a limited duration thereby avoiding the application of the higher protection standards provided to workers recruited with contracts for an indefinite period. According to the Federal Civil Servants Proclamation, employees in the public sector can be hired either temporarily or for an indefinite period (Boateng 2013).

Accordingly, written contract must specify the nature and duration of the training, remuneration and the conditions of work to the trainees. The Proclamation also offers provisions for temporary job employment in the public sector. Proclamation No. 377/2003 also 'provides the legal basis for terminating employment contracts which relates to the conduct of the employee. Lawful dismissal requires a notice period between one to three months, depending on the number of years the employee serviced in the organization. The proclamation does not have provisions for a minimum wage. It stipulates that wages are to be negotiated between employers and employees at enterprise level' (Boateng 2013, 16).

According to MoLSA policy document, 'Ethiopia has very low unionization'. Members of workers in Confederation of Ethiopian Trade Unions (CETU) are very small in number compared with the total labour force (MoLSA, 2009). According to World Bank report, the

main factors for low levels of unionization is found to be the high proportion of agriculture as an employer and the informal nature of much of the economy (World Bank, 2007).

Boateng and et'al (2013) also identified further reasons for the low level of unionization, particularly in the formal private sector. These include excess supply of labour diminishes the bargaining power of employees in favour of employers due to the risk of job loss; little execution of collective bargaining provisions of the labour proclamation mostly in the private sector. As such, MoLSA involved in ensuring occupational safety and health for the employed. However, only public sector employees benefit from MoLSA's activities because of capacity problems.

2.2. SRLPs and ISO 26000

This part highlights the way ISO 26000 provides guidance to businesses and organizations on how they can operate in a socially responsible and transparent manner. It also deals how the management system standard operates based on seven fundamental principles. Furthermore, the standard divides the scope of social responsibility into seven core subjects with associated issues.

2.2.1. Management System Standards

Management System Standards (MSSs) are the standards that have experienced a greatest implementation and certification worldwide. A management system (MS) is a 'system to establish policy and objectives and to achieve those objectives' (ISO 2005). One of the major characteristics of MSSs is the operating principle underlying the Deming Cycle which is known as the Plan→Do→Check→Act (PDCA) Cycle (Deming 1982). This identifies a certain management strategy for certified firms in order to continuously improve their performance with respect to the issue addressed by the standard, i.e. environmental protection and employee right.
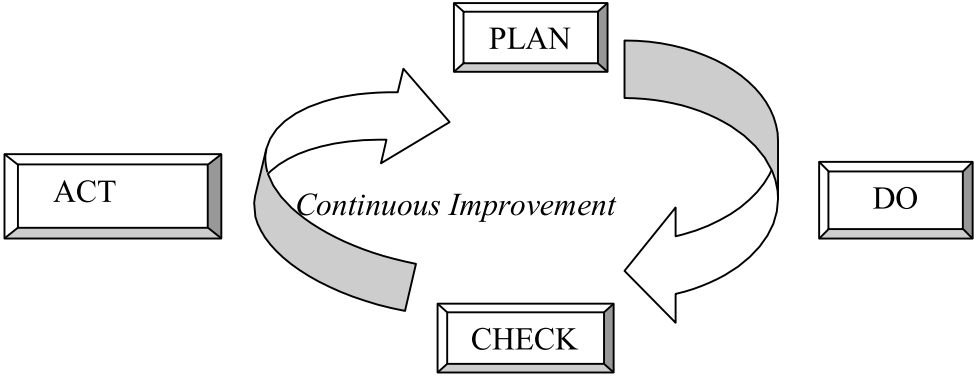
Figure 2. Operating Principle of MSS. Source: Deming (1982) 'The Deming Cycle'

The integration of management systems can be defined as "putting together different function specific management systems into a single and more effective integrated management system" (Beckmerhagen 2003). This implies that organizations need to take action for sharing tools, methodologies and systematic management of different areas and to comply with the different standards or models governing the management systems.

ISO 26000 provides guidance on how businesses and organizations can operate in a socially responsible and transparent way that contributes to the health and welfare of society. This would help clarify what social responsibility is and helps businesses and organizations translate principles into effective actions and shares best practices relating to social responsibility globally. It is aimed at all types of organizations regardless of their activity, size or location (ISO 2013). The standard is based on seven fundamental principles: accountability, transparency, ethical behavior, respect for stakeholder interests and respect for the rule of law, respect for international norms and behavior and respect for human rights (ISO 2010).

Furthermore, the standard has divided the scope of social responsibility into seven core subjects with associated issues. For every issue, a number of actions and expectations required are listed. The core subjects are: organizational governance, human rights, labor practice, the environment, fair operating practices, consumer issues and community involvement and development. The standard is commended for the integration of a wide-ranging aspects of SRLPs and devising of a management and implementation framework (ISO 2010).

The major focus areas of the study with respect to ISO 26000 are the management and implementation of labor practices. In this regard, evaluating the labor practice actions within the five labor practice issues of the organization are the first areas of focus in the research. The issues identified are: employment and employment relationship, conditions of work and social protection, social dialogue, health and safety at work and human development and training in the work place.

The second area of focus of the study is an assessment on the management, implementation and evaluation of SRLPs in an organization. ISO 26000 (2010) identified core management systems and practices that will guide the integration of social responsibility throughout the organization. These core activities are categorized under three areas for the purpose of this research. These include stakeholder identification and management, management and communication, and implementation and performance management.

2.2.2. Factors Influencing a Sustainable Business Enterprise

There are two potential factors that determine and influence the sustainability of a business enterprises. These are the external and internal factors. The external component will define the basic elements of the business environment that will enable to identify the national variables which includes socio-cultural context, labor market and enabling environment as well as the policy and regulatory framework for SRLPs. According to White (2005) any business environment is shaped by many elements: the policy and legal environment, market opportunities, the availability of resources and the cultural and social context in which the business operates. Existing institutions such as associations, NGOs, trade unions, particularly those providing advice and information can also influence the business environment (White 2005). The external elements identified are further explained here under.

The enabling and regulatory framework refers to the broad policy, legal and regulatory framework in which markets operate. A study by ILO (2009) revealed that enterprise takes place within and alongside a whole series of public or private policies, structures, institutions and initiatives can either help and hinder the establishment and growth of an enterprises. Whereas, socio-cultural and economic context refers to substantial evidence that underlines the importance of a range of traditionally embedded social, cultural, religious and economic factors that shape the nature, form and scale of enterprise development (Visser 2008). Thirdly, authors argued that business environment and labor market situations plays a central role in determining economic and social progress since employment status is one of the key determinants of exiting poverty (Cazes and Verick 2013). Hence, the economic situation of Ethiopia as well as labor market failure, asymmetric information and power relationships are identified as the necessary elements in studying the external environment of SRLPs in Ethiopia.

On the other hand, the internal components comprise the study of the elements of ISO 26000 issues and actions that define the major constituent elements of SRLPs. Besides, practices identified for the management, integration and implementation of SRLPs are selected to constitute the other major elements (ISO 26000 2010).

Thus, understanding social responsibility practices require, stakeholder identification and engagement, integrating social responsibility throughout an organization, communication, enhancing credibility regarding social responsibility, reviewing as well as improving an organization's actions and practices related to social responsibility (ISO 26000 2010). The

themes of internal SRLPs actions include Management, Implementation and Performance Management and the five SRLP issues that well be addressed in my case study.

2.2.3. Drivers of CSR in Developing Countries

Despite the concept and practice of social responsibility (SR) has a long history, it has only gaining great prominence and focus in the 21st century. Studies revealed that there are overarching internal and external structural factors and dominant issues in the global system that drives the practice and implementation of social responsibility. On the one hand, globalization and global governance have been the two important structural factors that drive the implementation of SR. The idea focus upon the development of declarations, guidelines, principles and other instruments that outline norms for what they consider to be acceptable business conduct, advancement in communication and technology, flows of ethics and moral for responsible business, stakeholders increasing awareness and pressure of business to address relevant social and community issues are major derivers for CSR practices. The issue of sustainable development and the force of stakeholder perspective have been strong forces towards the implementation of SR (Henriques 2011). In his seminal work, Visser (2008) has broadly summarized drivers of CSR into internal and external each having distinct constituent elements.
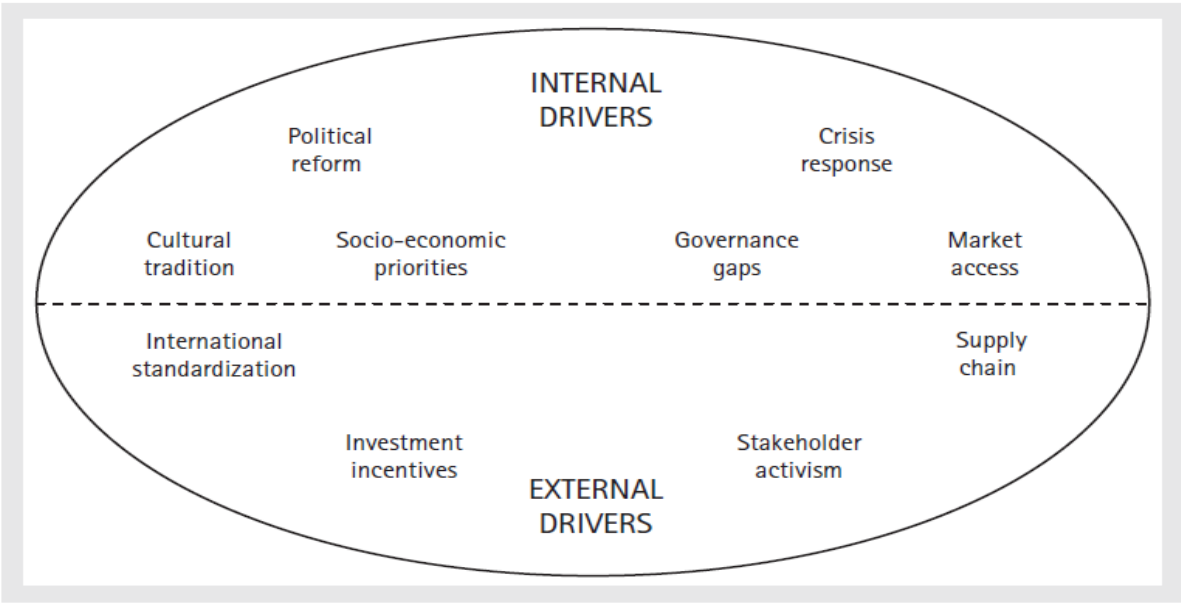
Figure 3. Drivers of CSR in Developing Countries. Source: Wayne Visser (2008:481)

2.2.4. Role of Government

It is a necked reality that governments should play a role if the business case for SR be successful. In the developed world, SR is considered to be the strategic solution for socio-environmental challenges and was officially adopted by member governments at the European Commission. Similarly, the agenda has been endorsed within the ASEAN member states aiming at developing viable public policy or legal CSR instruments for reference. This provides both conceptual and practical evidence that the role of the government is at the center of CSR (UNESCAP 2010).

In relation to this, IOB (2013) identified four distinct policies as constituent elements of the role of government in SR. The first is endorsing policies that provide political support to CSR efforts (e.g. endorsement of CSR labels, publication of best practices, and support to civil society transparency initiatives). Second, partnering of public and private CSR efforts (e.g. public-private partnerships, stakeholder dialogues, sector-wide agreements and conventions).

Thirdly, facilitating measures to enable CSR efforts (e.g. awareness rising campaigns, incentives, subsidies, capacity building and dissemination). Finally, mandating frameworks to enforce and guide CSR activities (e.g. legislation, regulation and inspection, fiscal and financial guidelines and safety standards) (IOB 2013). These elements can be considered as a substantial evidence that emphasize on the factors that influence public policy as a critical factor in establishing a context within which CSR practice can flourish. Figure 4 summarizes the above discussion pertaining to the distinctive roles government plays in promoting CSR based on hierarchy.
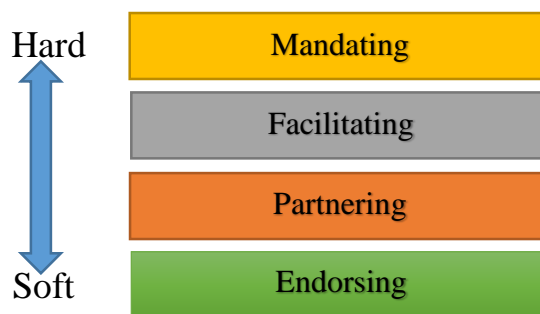
Figure 4. The Role of Government in Promoting CSR. Source: Based on Hajiyev, E. (2008)

2.3. Theories for Socially Responsible Labor Practices

There are a number of theories put forward in relation to CSR. Among others, stakeholders, social contract, legitimacy, agency, institutional, game, resource based theories can be mentioned as the major ones. However, the National Business System Approach, Stakeholder Theories, Institutional Theory and Globalization-Localization theories are selected for the conceptualization, study and analysis of the research questions outlined in the outset.

2.3.1. The National Business Systems Approach

This approach states that historically grown institutional framework of a country are determinants of national business system. The core idea in national business systems is that "different societies have developed different systems of markets, reflecting their institutions, customary ethics and social relations. Hence, differences are expected to exist in the ways in which corporations express and pursue their social responsibilities among different societies" (Matten and Moon 2008, 5). Figure 5 depicts the basic theoretical construct of this perspective.

Historically Grown Institutional Framework of a Country			
Political system	Financial system	Education and Labor system	Cultural system

"National Business System"		
Nature of the firm	Organization of market processes	Authoritative coordination and control systems
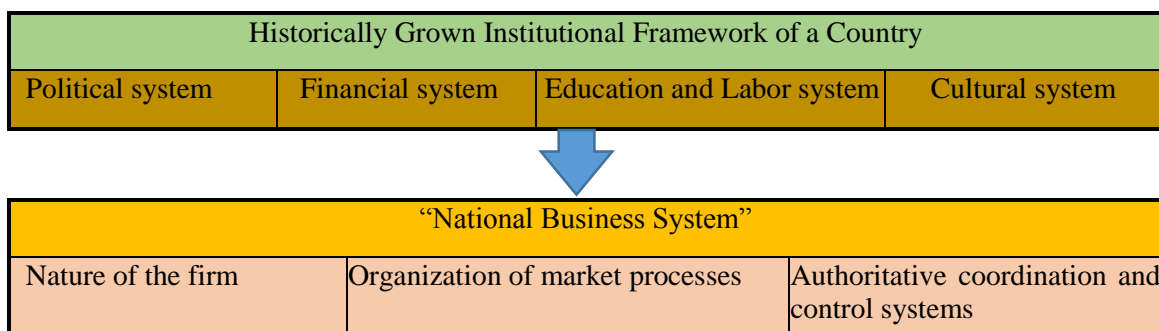
Figure 5. Key Elements of National Business Systems. Source: Based on (Whitley 2002)

2.3.2. Stakeholders Theory

The main focus of stakeholder's theory is organizations' relationship with the external environment. Stakeholder theory emphasizes the reactions of individual firms in the context of external stakeholder relationships. This perspective can explain the different strategic responses of firms to social pressures even in the same industry or country based on the nature of external relationships. A stakeholder is considered particularly important if the organization is dependent on the stakeholder for its continued survival (Freeman and Reed 1983; Jawahar and McLaughlin 2001) or the stakeholder can affect the business in some way (Clarkson 1995; Freeman 1984). So, the stakeholder theory will be utilized for the analysis of the roles and relationships of an organization with its labor practice related stakeholders.

2.3.3. Institutional Theory

One of the fundamental assumptions of institutional theories is that the environment exerts enormous influence on how organizations operate. The theorists assert that organizations are social systems shaped and influenced by the context of larger social and political frameworks of norms, values and rules (Meyer and Rowan 1977). An organization's environment may be divided into two categories: the task environment and the institutional environment (Oliver 1997).

Factors in the task environment include customers of the organization's output, suppliers of the organization's input, competitors of the organization and regulatory agencies. Institutional environment refers to the general environment composed of economic, socio-cultural, political/legal, technological, and demographic forces (Carroll and Huo 1986; Jones and George 2003). The study determined to utilize institutional theory to understand and analyze the impact of unique institutional context and framework on SRLPs in the country.

2.3.4. Globalization-Localization Theory

Globalization is a ubiquitous buzz word in the contemporary academia. It has got multiple definition from scholars of divergent discipline. This research however, adopted the definitions postulated by Scholte (2005) and Jordan (2013). While Scholte emphases globalization as universalization whereby thoughts and knowledge disseminate to all people worldwide consequently, desires and knowledges around the world become harmonized (Scholte 2005, 57). Whereas, Jordan defines it as the *'increasing flow of trade, finance, culture, ideas and people worldwide brought about by the sophisticated technology of communications and it is the local and regional adaptations to and resistances against these flows'* (Jordan 2013).

In order to balance the dilemmas of local values related to SRLPs in Ethiopia and global labor practice standards, integrating the two is relevant. In view of this, Jun and Zhiqiang (2008) argued the 'paradox of globalization and localization is a shared issue for Multinational Companies (MNCs) functioning and competing all over the world'. The authors forwarded two perspectives as antidote to global-local tension. Under the category of globalization perspectives-they described it as a progression where people of the world are integrated into a single society. The integration encompasses the combination of economic, technological, sociocultural and political forces. Whereas, under the category of localization perspective (opposite of globalization) they commended that companies should acknowledge national differences and resort to local

responsive in order to meeting local demands (Jun and Zhiqiang 2008). In the context of SRLPs in Ethiopia both perspectives might have their own merits and drawbacks. In this regard, keeping the balance between global standards and adaptation of local value would lead to a smooth transition towards universalization which is a vital antidotes to curb the dilemma of global-local divide in the implementation of SRLPs issues.

2.4. SRLPs: Countries Experience and Empirical Evidence

This topic addresses the various substantial empirical evidences indicating the practice of CSR categorically differ in developing countries as compared to developed countries. It also contends how the concept, context, drivers, issues and practices of CSR are quite unique in developing countries. It shows the way context of CSR is framed by socio-cultural influences that are a distinctive characteristics of developing countries. It also demonstrates how CSR pyramid in developing countries hold different order and priority in practicing CSR.

2.4.1. a Glimpse on Developing Countries

UN aspires "a world with less poverty, hunger and disease, greater survival prospects for mothers and their infants, better educated children, equal opportunities for women and a healthier environment" (UN 2006, 3). In line with this, Visser (2008) indicates that the challenge for CSR in developing countries is framed corresponding to the MDGs by the UN. Visser then establishes basic grounds for adopting CSR practices in developing countries. These include the rapidly changing nature of developing countries' economies, the existence of significant social and environmental problems and its dramatic social and environmental impact in developing countries. Other aspects such as globalization and economic growth are likely to have a different nature of CSR programs and challenges. In general, there are substantial evidences which contends that the concept, context, drivers, issues and practices of CSR are categorically different in developing countries as compared to developed countries. Such differences are due to historical and socio-cultural context, the prevailing enabling and operating business environment and regulatory framework and the existing development situation and challenges (Visser 2008).

In his seminal work Wayne Visser (2007) summarized distinctive characteristics of CSR in developing countries. He argued, CSR tends to be less formalized or institutionalized in terms of the CSR benchmarks commonly used in developed countries, i.e. CSR codes, standards, management systems and reports are informal. Second, formal CSR codes, standards and

guidelines that are most applicable to developing countries tend to be issue specific (e.g. fair trade, tackling HIV/AIDS, improving working conditions, provision of basic services, supply chain integrity and poverty alleviation) or sector led (e.g. agriculture, textiles, mining). Thirdly, in developing countries, CSR is most commonly associated with philanthropy i.e. investment in education, health and the environment.

Visser et'al (2007) also assert that many of the CSR issues in developing countries present themselves as dilemmas e.g. job creation versus higher labor standards, strategic philanthropy versus political governance. On the other hand, the spirit and practice of CSR is often strongly deep with traditional communitarian values and religious concepts in developing countries, e.g. African humanism (*ubuntu*) in South Africa, coexistence (*kyose*i) in Japan and harmonious society (*xiaokang*) in China (Visser, et'al 2007). Furthermore, CSR in developing countries differs from its typical expression in the developed world is that they build up a distinguishing picture of how CSR is conceived, envisage, and practiced in emerging economies (Visser 2008). Visser (2007) also identified major drivers that characterize CSR in these contexts and divided these drivers into internal and external. He considered the major internal drivers represent pressures from within a country, such as cultural tradition, political reform, socio-economic priorities, governance gaps and market access. Conversely, external drivers represent the international standardizations, investment incentives and stakeholder activism which tend to have a global origin (Visser et'al 2007).

CSR in an African context is framed by socio-cultural influences such as communalism, religious beliefs and charitable traditions (Burton et'al 2000). Accordingly, Visser (2007) suggested that the value-based traditional philosophy of African humanism is what underpins much of the modern inclusive approaches to CSR in the African continent. Carroll's CSR model was designed for the developed world (Visser 2006).

Figure 6. Carroll's Corporate Social Responsibility Pyramid. Source: Archie Carroll (1979)

2.4.2. CSR Pyramid for Developing Countries

Visser examined the state of CSR in Africa utilizing Carroll's (1979) CSR pyramid in his analysis. He criticized that the order of the pyramid does not apply in Africa. He then reversed Carroll's (1979) CSR pyramid (see figure 7 below) and replaced discretionary responsibilities with philanthropic responsibilities (Visser 2006). The revision on the pyramid was based on the economic category, forming the foundation upon which the other three categories rest.
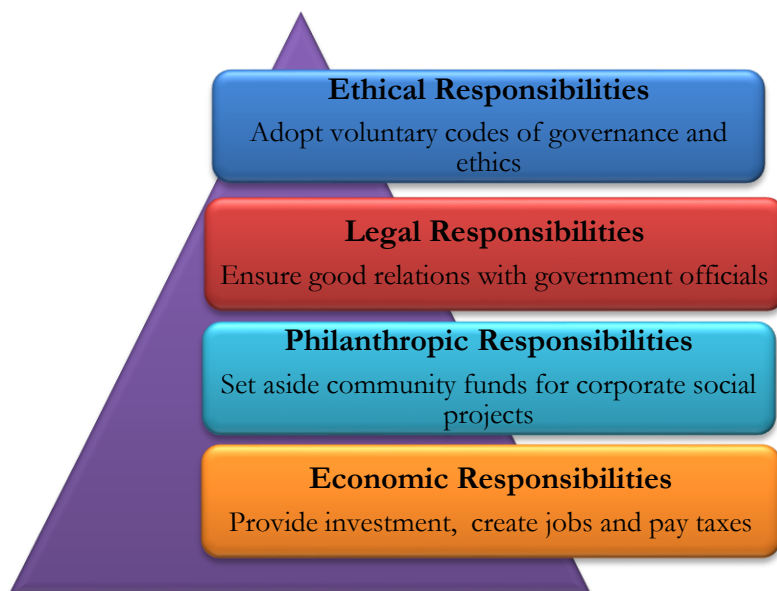
Figure 7. Visser's CSR Pyramid for Developing Countries. Source: Visser (2008:489)

As compared to the CSR Pyramid proposed by Carroll, Visser's pyramid shown in figure 7 above demonstrates a different order of four responsibilities respectively as economic responsibilities with the highest priority upon which the other three categories rest. Visser saw

philanthropic responsibilities to follow basic economic responsibility only then that legal and ethical responsibilities follow. He proposed several reasons why philanthropy should take precedence: Africa's socio-economic conditions, the dependence on foreign aid and the fact that CSR in Africa is still at an early stage, legal infrastructure is poorly developed in Africa; hence it is a less demanding driver of CSR. Visser concluded that CSR could not be generalized to different countries according to the order originally proposed in Carroll's pyramid model and that the relative priorities of the different types of CSR depend very much on the local cultural context (Visser 2006).

2.5. Experience and Empirical Evidence of CSR in Africa

There are substantial literature and empirical evidences that shows the concept and practice of CSR in Africa is categorically different from that of developed countries. Frynas (2009) identified two factors that clearly demonstrate the limits of universal standard application in any context. One is the failure of universal CSR standards to address specific national contexts and the other is capability of universal CSR standards to address some issues better than others. He also stated that the nature of an industry determines CSR concerns.

Muthuri (2012) also undertook a study on five African countries regarding CSR. She suggested that institutional context (laws, corruption; poor governance) explains corporate irresponsibility and complicity in Africa. These influences social, economic and environmental performance of firms (Muthuri 2012). Hence, the unique socio-cultural, economic context and regulatory framework of African countries influence the understanding and practice of CSR. In this regard, Visser and Tolhursts' (2010) assessment of the context of CSR in Africa reveals that CSR is still in its infancy in the continent and conclude that such unique contexts can shape and determine the understanding and implementation of CSR in the continent (Visser and Tolhurst 2010). While others argued that the realities of poverty and underdevelopment combined with weak public administration and service delivery have a significant impact on the drivers, role and function of CSR for companies operating in Africa (Visser et al 2006).

In terms of the Africa's cultural context, CSR activities are embedded in the communal cultural institutions and practices aspiring to resolve challenges faced by communities, which governments cannot fully address. By contrast, the environment, workplace issues, product quality and health and safety get much lower priority. As a result, *"CSR activities and projects in Africa are mainly focused on creating a positive corporate image, as well as addressing weak public sector service delivery in the areas of healthcare, education or labor skills*

development and the prevention of child labor'' (Visser and Tolhurst 2010,3). Moreover, CSR is characterized by ad hoc projects focused at the community level and driven by the dominant cultural context of the individual countries within the region which makes the definition of a comprehensive model for CSR in Africa problematic.

The argument by Coombs and Holladay parallels the above view in that the dominant CSR concerns vary from country to country as it is evident in the CSR practices of European countries (Coombs and Holladay 2012). In view of this, Katz's (2001) study on the types of activism revealed that variations in cultural dimensions and activism can help to explain some of the differences found between CSR practices in various countries.

The study conducted with respect to CSR and Occupational Safety and Health (OHS) in Africa also come up with massive evidence as to the importance of socio-economic and cultural context in the practice of CSR. Mari-Ripa and Olaizola (2012) in their study on CSR standards and instruments with respect to OSH and CSR in Africa indicated that the nature of socio-cultural, economic and political contexts in a particular country, the extent and level of cooperation between enterprise, government and society determine the priority issues and actions of CSR. They further showed their concern that most research and public initiatives on CSR come mainly from western countries that may lead to a potential mismatch between 'priorities' in Africa which can worsen implementation of responsible business practices (Mari-Ripa and Olaizola 2012).

The level of economic development and democracy is also identified to influence CSR in Africa. In connection with this, Werther and Chandler (2011) noted that democracy and economics are the two dimensions that consistently influence the visibility of CSR (Werther and Chandler 2011). At a final point of difference in the context of CSR in Africa is legal context which can be expressed in the adoption of laws or regulations that shape the conceptualizations and practice of CSR (Coombs and Holladay 2012).

The unique nature and disparity of CSR issues and priorities are another dimension of concern in the understanding and practice of CSR in Africa. Muthuri (2012) listed poverty reduction, community development, education and training, economic and enterprise development, health and HIV/AIDS, environment, sports, human rights, corruption, governance and accountability are mentioned as issues and priorities of CSR. Furthermore, the main CSR issues in the work place include working conditions, wages, health and safety, HIV/AIDS, employee privacy,

diversity and equal opportunity, corporate governance and sexual harassment. Codes of conduct, partnerships, employee volunteering and certification are the CSR processes utilized in the implementation of the issues. Visser and Tolbart (2010) also corroborated the above sequence of CSR major issues as prevalent in Sub Saharan Africa (SSA).

Mari-Ripa and Olaizola (2012) elaborated upon the disparity in the different CSR priority between African and developed countries. In this connection, Western priorities for Africa might be to combat corruption, improve governance and transparency, rainforest conservation and biodiversity and improve infrastructure. Whereas, local priorities might be to improve the terms of trading, create good jobs, transfer technology, poverty, poor education, bad housing, and scarce healthcare. Similarly, the priorities for the EU and United States are aimed at sustaining welfare, health, and labor standards in a global economy, defending of public health accessibility, social security or corporate governance. Latin American countries focus on the rich-poor divide, infrastructure or fighting corruption. Finally, Mari-Ripa and Olaizola (2012) reiterated Rasche (2010) and Frederick (2008) the gap and need for further research surrounding the aforementioned issues.

The distinguishing characteristics and unique feature of the internal and external drivers of CSR in Africa is one of the strong arguments in the difference between developed and developing countries. Overall, Muthuri (2012) concluded that the main factors that either hinder or support CSR in Africa are organizational specific internal challenges, external resource challenges, regulatory challenges, and lack of cohesive social movement to advance civil regulation. She remarked that even if CSR agenda is dominated by philanthropy, new norms and cognitive mindsets that favor strategic CSR are emerging. The national business systems including the African philosophies of communalism and *Ubuntu* shape the nature and extent of CSR.

Future trends, emerging issues and perspectives seem to promote the adoption of CSR in Africa. Muthuri's (2012) projection indicate that the increasing focus given to Africa and its indigenous philosophies are positive trends towards the adoption of CSR in Africa. Visser added that the growing attention paid to CSR by African trading groups and the development of local networks of the UN Global Compact in several African countries are the emerging trends in Africa. However, there is in total a negative trend in the future adoption of CSR in Africa, because, CSR is often seen as an 'add-on', peripheral to the core business (Imani Development 2009).

2.6. Experience and Empirical Evidence of SRLPs in Ethiopia

Like other African countries, the concept and practice of CSR is new in Ethiopia. There are limits in literature and empirical evidence regarding socially responsible practices. Research into this area is relatively scarce even compared with other African countries such as Nigeria, South Africa and Cameroon. To show the limits of literature on issue of SRLPs in Ethiopia, a brief review of three studies is provided here in under.

Firstly, a case study conducted with regard to the assessment of the Ethiopian floriculture industry from CSR and governance perspective raised serious concerns regarding the practice of CSR. The study noted that poor working condition, exposure to hazardous pesticides, sexual harassment and exploitation, low bargaining power of workers and safe working condition are identified as serious concerns in the floriculture industry. The study also shows that the inexistence of stock market leading to undeveloped corporate governance system is a major challenge of ensuring an effective and efficient labor practice in the sector. The study further indicated that the government is the major player in assuring ethical business practice in the industry by developing policy tools and the respective national laws to ensure the application of policies in regulating the ethical business practice. The study concludes that even though the government enacts the necessary regulation, it does not have the capacity to enforce the same (Samson, Eshetu, and Shiibre 2011).

Secondly, a study is conducted on the role, challenges, opportunities and performance of CSR on Dutch agri-business. It is indicated that the companies have made a substantial contribution in the provision of safe, healthy and productive work environment to their employees. It also revealed that the Ethiopian economy presents an attractive economic climate for investment and an enabling environment for the practice of CSR (Westen and Repapis 2013).

Thirdly, in a study conducted on Ethiopian textile industry, CSR has primary been initiated by Trans-National Corporations (TNCs) like Tesco and Primark when they start to outsource production to the Ethiopian factories. The study reveals that only a hand full of companies have CSR policies to follow when they outsource production. These include social criteria's such as controlling wages, working hours, safety equipment and instructions in the factory and environmental standards. The study has concluded that TNCs play a central role of initiating CSR in an Ethiopian textile industry. However, low wage payment by outsourced Ethiopian companies is a challenge of ensuring SRLPs. Cultural differences are also presented to affect

production which is explained as the fact that Ethiopia has never been colonized and has limited experiences integrating with other cultures and nationalities (Alderin 2014).

3. RESEARCH METHODOLOGY

Introduction

Under this section, the kind of knowledge claim the research pursue, the main research designs, data sources and collection instruments, sample size and sampling techniques, data collection and analysis procedures will be discussed. In accordance with the research purpose classification, this study is exploratory. Moreover, the study employ a deductive research approach as it first formulates research questions and then collects empirical evidence to arrive at conclusion (Neuman 2006).

3.1. Pragmatism as Knowledge Claim

According to Creswell (2003) pragmatism refers to the situation when researchers commence a project with some assumptions about 'how' and 'what' they will learn at the time of their study. Such claim may well be referred as 'paradigms, philosophical assumptions, epistemologies, and ontologies' (Creswell 2003, 11). He then categorized a typology of four schools of thought concerning knowledge claims. These include post-positivism, constructivism, participatory and pragmatism, each having their own specific features on the knowledge to be produced. This research however, relies on pragmatism and tries to produce pragmatist knowledge claim. Creswell argues pragmatist knowledge claim *'arise out of actions, situations, and consequences rather than antecedent conditions'*. In pragmatist knowledge claim Creswell explains, the '*most important thing is the problem and solutions than the method that the researchers use to understand the problem'* (Creswell 2003, 12).

My preference to pragmatic knowledge claim emanates from what Creswell calls crucial 'freedom of choice' it provides to the researcher. Pragmatism allows the researcher to select an appropriate methods, techniques, and procedures for the study that satisfy his/her 'needs and purposes'. According to proponents of this knowledge claim 'research always occurs in social, historical, political, and other contexts'. Croswell (2007) also viewed that researchers employing this worldview might get advantage of using numerous instruments to collect data that can better address the research questions. This knowledge claim also allows the researcher to *'engage both quantitative and qualitative sources of data collection, helps to focus on the practical implications of the research'* (Creswell 2007, 23). On the basis of Creswell's justification on the importance of using this knowledge claim to choose an appropriate methodology as well as to construct a kind of knowledge that 'arise out of actions and situations' in dealing SRLPs issues in Ethiopia in general and *Metahara* Sugar Factory in particular, a mixed research approach is chosen due to its multiple merits to handle the case.

3.2. Research Design

Many researchers combine both qualitative and quantitative designs 'in order to gather a breadth of data and to validate their results' (Marguerite 2010, 13). Accordingly, this study employed a mixed method of research approach for various reasons. Primarily, employing the combination of these methods can provide a better understanding of the research problem and question. It also allows to build on the strengths of both quantitative and qualitative data and then combine these data into the interpretation of the overall results (Creswell 2003).

Creswell and Clark (2012) also come up with different merits of combing quantitative and qualitative research designs. Among others, these authors prioritized the logic of triangulation as an important merit for the research. Triangulation according to them is the ability to fill in the gaps left when using one dominant approach. Accordingly, the use of quantitative research help to facilitate qualitative research and combining static and demonstrate features, gaining the perspective of the researcher and the researched to address the issue of generality and to study different aspects of a phenomena (Creswell and Clark 2012).

On the other hand, every method of data collection has its inherent limitations and biases. Information gathered in an in-depth interview helps to cancel or neutralize the response biases of survey research method. Besides, the mixed method approach enables to answer both confirmatory questions (survey research) and exploratory questions (in-depth interview) concurrently in the same study (Creswell 2003). Moreover, using multiple method of data collection helps the researcher to combine the strengths and amend some of the inadequately used instrument as a logic of triangulation. Hence, quantitative and qualitative data were obtained by using questionnaire and interview. Questionnaire was used to secure quantitative data, while interview was used to obtain qualitative data. In addition, relevant books, journals articles and policy documents were consulted to support the findings of the study.

In sum, employing mixed methods provides stronger inferences on the impacts of SRLPs on employees as survey research gives greater depth, while an in-depth interview gives greater breadth. In this study, it is found necessary to obtain the views of relevant stakeholders as they are believed to have an insight regarding the broad factors that affect the implementation of SRLPs. The research further employed method and data triangulation. Data triangulation has occurred at the data collection and analysis stages since information was collected from top organization officials, experts and individual employees.

Figure 8 shows the interface between the two research designs and different methods employed for the purpose of triangulating the data.
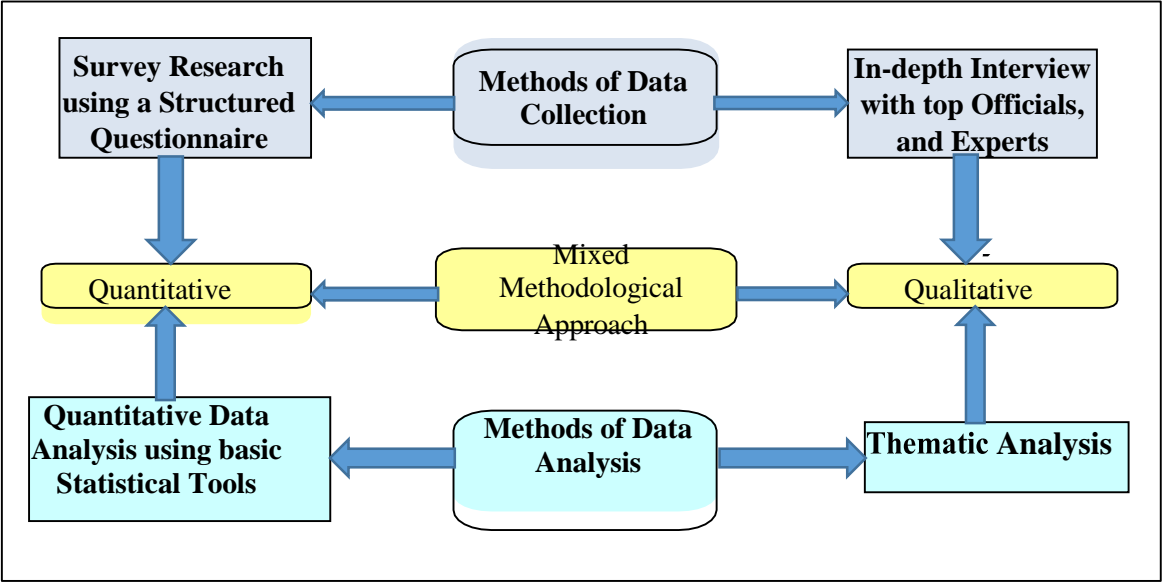
Figure 8. Interplay of Methods and Methodological Approach.

3.3. Research Strategy

There are abundant research strategies that can be employed for a particular research depending on the nature of the study. According to Yin, case study is a strategy used for carrying out research through empirical investigation of a phenomenon within its real life context by using multiple sources of evidence (Yin 2003). This research engages the strategy of a single case study.

3.3.1. Case Study

In the first place, the choice of case-based research for this investigation is driven by the fact that there is a lack of studies on SRLPs in Ethiopia. Secondly, Yin also noted that case-based research is a preferred approach when 'how' or 'why' questions are to be answered and when the researcher has little control over the event (Yin 2003). Owing to the under-researched nature of SRLPs in Ethiopia, this case-based research is believed to provide a comprehensive understanding of global standards recognized by Ethiopian top organizations and how they translate these actions and expectations into their own SRLP principles and implementations.

Case studies can be either single or multiple case designs. According to Yin, single cases are used to confirm or challenge a theory or to represent a unique or extreme case (Yin 2003).

Therefore, this study employed an embedded single case as described in Yin's classification, which considers *Metahara* sugar factory as a case in point. As indicated in the figure 9, this case study consists of three units of analysis; the top management, employees, and government which Yin prefers to calls an embedded single case.

Single Case Study		Methara Sugar Factory		
Units of Analysis	Top Managment	Employees		Government
Sub-Units of Analysis	Executives	Female or Male	Age Group (young/old)	Officals & Experts
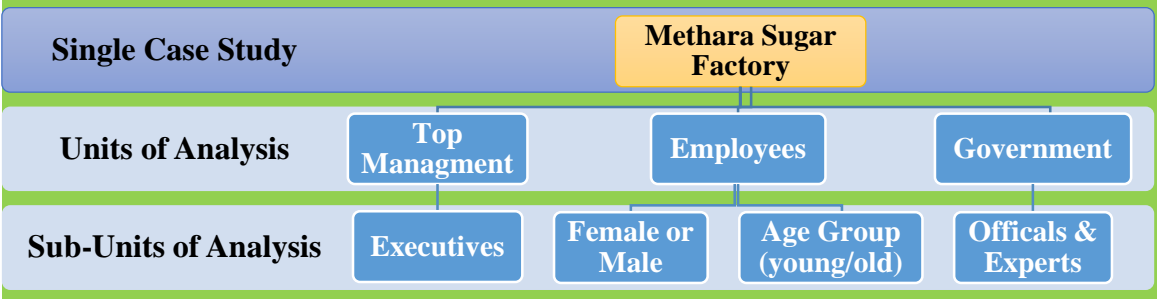
Figure 9. Simplified version of an Embedded Single-Case Design. Source: Based on Yin (2003)

Again, Yin (2003) noted that data for case studies can be collected from many sources of evidence. A good case study employs as many sources as possible such as personal interviews, observation, verbal reports and written reports. Yin (2003) also recommend that using many sources of evidence is important to create a full picture of the cases under study. Hence, the study employed multiple sources of data collection instruments.

3.4. Target Group and Sample Selection

Two different types of sampling were employed in the process of selecting the organizations to be studied, informants and respondent employees to be involved in the research.

Firstly, it is underlined by various research that the size of the organization has an effect in the implementation of SRLPs. In this regard, large companies which are supposed to have a high rate of implementation of SRLPs were identified. Secondly, the effect of SRLPs can be easily observed in organization which employ a high amount of labor. Besides, the inclusion of a criteria which pertain to a unique feature of a business organization (sector) in terms of the utilization of labor and employment situation also agreed to provide another pertinent criteria for further narrowing down the selection.

Thus, a purposive sampling technique was employed to select Ethiopian large firms in term of the total number of the employed staff and overall capital. Accordingly, two companies that have a specific characteristics of absorbing a large amount as well as utilization of labor with respect to labor and employment were identified. The construction sector and the sugar industry share these common characteristics.

Finally, Sur Construction and *Metahara* Sugar Factory were selected for the case study. Notwithstanding the lack of co-operation and unbreakable office bureaucracy by Sur Construction organization officials and employees yield an incomplete data that make it impossible to conduct any sensible study. As a result, only the case of *Metahara* Sugar Factory is considered. To obtain first-hand information regarding the macro level factors that might affect the development of SRLPs in Ethiopia, a total of ten (10) interviewees and key informants were selected purposively. These informants were both organization officials and experts whose selection was based on both the knowledge they have in relation to the subject under investigation as well as the position they hold in the respective organizations.

The organizations selected at the national level include; Ministry of Labor and Social Affairs (MoLSA); Ethiopian Standardization Agency; Addis Ababa Chamber of Commerce; Institute of Ethiopian Corporate Governance and Organization for Social Development. These organizations were selected purposively in terms of their relevance and engagement with respect to the development and implementation of SRLPs.

In terms of the selection of respondent employees, a random sampling procedure was used in the selection and administration of the survey questionnaire. A total of 95 questionnaires were randomly distributed to employees of *Metahara* Sugar Factory; out of which 53 were returned. Despite, the small number of individual respondent employees, the objectivity and representatives of the data is enhanced by undertaking in-depth interviews with two of the organization's experts as key informants.

3.5. Research Methods, Data Sources and Collection Procedures

The relevant data for the study were gathered from both primary and secondary sources. The primary sources were collected through survey questionnaire and in-depth interviews. In this regard, a structured questionnaire was distributed to employees of *Metahara* Sugar Factory to collect quantitative data. Likewise, an in-depth interview was conducted with officials and experts from governmental and non-governmental, civil society organizations as well as the private sector to obtain views on the macro level variables that determine the development and implementation of SRLPs. Similarly, an in-depth interview was conducted with experts of *Metahara* Sugar Factory to obtain information regarding the practical implementation of SRLPs. Whereas, secondary data were obtained from published and unpublished materials. The following multiple data collection and analysis methods have been employed to obtain an objective and unbiased data.

3.5.1. Unstructured and semi-structured Interviews

While doing a qualitative research, it is obvious that unstructured interviews are suitable if the purpose is to get in-depth information. Corroborating this, several writers justify using interview method benefit both the researcher and researched. Smith for instance argued that qualitative interviews are methodologically attractive because they enable '*a range of experience to be documented, voice to be heard, representations to be made and interpretations to be extracted*' (Smith 2001, 29). It has also been asserted that interviews ensure empowerment for participants, enables researcher to 'probe' the interviewee for further explanation on the issue at hand (Crang and Cook 2007).

For these reasons, an interview guide was developed focusing upon themes such as the understanding of the concept of SRLPs; derivers, the enabling and operating environment for the development and implementation of SRLPs, as well as the challenges and future prospects of SRLPs. Finally, an in-depth interview was conducted with experts (key informants) and officials from governmental, non-governmental and private organizations. The main purpose was to obtaining information regarding the broad national socio-cultural and economic factors that determine and affect the development and implementation of SRLPs in the country.

On the other hand, semi-structured interview was employed in this study as additional source of data collection. This method was employed to obtain rich and in-depth information regarding the understanding and practical implementation of SRLPs in *Metahara* Sugar Factory. Based on this relevance, the semi-structured interview was presented to officials who are in charge to issues related to labor practices.

3.5.2. Survey Research

A survey questionnaire was one of the quantitative methods employed in this study. Creswell (2012) elaborates that a questionnaire is a form employed in a survey research where respondents in a study complete and return to the researcher. According to Creswell (2012) one advantages of using questionnaire is that it tends to be more reliable because it is anonymous and it encourages honesty. A questionnaire is also advantageous to collect data from a large number of respondents. Based on these merits, I employed questionnaire to rank the status and extent of implementation of major actions relating to SRLPs issues in the factory. This will help to obtain an objective information as it is triangulated with the views of officials and experts.

3.5.3. Personal Observation

According to Yin (2012) observation is one of the most common methods of gathering qualitative data. Making direct observation in a field setting can focus on human action, physical environment or real-world events. For the purpose of this study, observation has been undertaken on the general organizational set-up and the working environment. Such observation helped to obtain a firsthand experience and knowledge on the readiness and capabilities of *Metahara* Sugar Factory to realize the global standard actions and expectations of labor practice issues put forward by ISO26000 guide.

3.5.4. Secondary Sources: Document Analysis

There is a substantial argument that examine documents could provide preliminary as well as additional information on the research context. Of course, this can be explored further through in-depth interviews and other methods. According to Crang and Cook (2007) a researcher has to develop his confidence related to the subject under study by rigorously exploring multiple perspectives and commonalities on the research problem through consulting earlier studies (Crang and Cook 2007).

Cognizant of such relevance, secondary sources were used from the library data-base via electronic search by using Scopus. Scopus is an accepted citation database of peer-reviewed literature that encompass scientific journals and books. One of the major rationale behind employing Scopus in this study is the fact that it is recognized for 'tracking and analysing' a wide-ranging impression of the global research output in relation to social responsibility and labour practices. Using this tool also helps to confirm that relevant research works related to SRLPs from all over the world is not neglected. In doing so, there is no doubt that the research would have an inclusive, global perspective and enhanced quality.

Besides, organization official documents including strategic and annual plans, reports, procedures and formats designed specifically for the purpose of management and implementation of SRLPs are consulted. Media and communication materials that are aimed at the creation of awareness and promotion of SRLPs were also reviewed to understand the concrete and practical implementation of SRLPs in the factory.

Table 2. Summary of Comprehensive Matrix of Research Methods

Research Method	Data Collection Instrument	Source of Data	Area and Theme of Enquiry	Level of Enquiry
In-depth Interview	Interview Guide	Government Officials	Drivers, status and nature of practice of SRLPs	National
Semi-structured Interview	Interview protocol	Top Organization Officials	SRLP activities, management and implementation	Organizational
Survey	Structured Questionnaire	Employees	SRLP activities	Individual
Document Analysis	Literature Review	Selected Data-base and Organizations sources	Drivers, status, nature, SRLP activities, management and implementation	National and Organizational

3.6. Data Analysis and Interpretation Procedures

Two types of data analysis were used in accordance with the nature of the (qualitative or quantitative) data collected. Thematic analysis was undertaken for the qualitative data obtained through interview. On the other hand, basic statistical tools (ratios, percentages, aggregation) were used to analyze the quantitative data obtained from questionnaire survey.

The qualitative data analysis was conducted following specific procedures. Initially, all the interviewed notes and tape recordings were transcribed into Microsoft word document. This ultimately reduce repeated and inappropriate data. This data reduction process helped to sort, focus, and organize the data. Secondly, with the completion of transcription process, the interviewed data was reviewed and organized into different SRLP thematic areas. This data display process implies taking the reduced data and display it in a compact organized manner in order to be able to draw conclusions. The final stage is drawing meaning through observation patterns, regularities and explanations from the data display.

Meanwhile, the quantitative data collected was first entered into a table that help to summarize the total number of respondents with their rating of the implementation of SRLP issue in the organization. Then, the responses as to the level of implementation of actions with in the five specific SRLP issues were added and a total aggregate ratio was drawn regarding the sum total of responses. This was made to obtain a total aggregated average level of rating of the SRLP issues. Finally, the total aggregated average responses with respect to each SRLP issues was also aggregated at the second level to obtain the overall implementation of SRLPs issues in the

Factory. It is possible to obtain an exact figure of rating of the level of implementation of SRLPs at three levels.

First, the rating of the level of implementation of specific actions of SRLPs has been categorized under the five core issues. Second, the rating of the total aggregate of SRLPs has been summarized under employment and employment relationship, conditions of work and social protection, social dialogue, health and safety at work as well as human development and training at the work place. Finally, the rating of the overall aggregated average ratio of the implementation of SRLP as whole were summarized under each rating scale.

3.7. Research Process

The research was conducted roughly between September and December 2015 in Addis Ababa and *Metahara* Sugar Factory. Initially, appointments were secured through emails and over the phone. In-depth interview with officials was usually conducted in the office of the interviewee that usually took from one hour to one hour and half. Interviews with officials of the selected organizations were conducted through the prepared unstructured interview guide. The survey questionnaires were distributed after the completion of the interview randomly to the employees of *Metahara* Sugar Factory. The interviews with the organizations officials were all conducted with the person in charge for the SRLP issues.

Prior to the interview, brief introduction about the purpose of the research was explained. Issues on confidentiality and permission to note-taking and recording the interview has come to consensus in advance. At the end of each interview, the main points made by the interviewee were summarized and reflected back for the purpose of clarification. This was made to avoid future confusion and misunderstanding. Interviewees were also be requested to reflect on the interview process. This helped the researcher to improve on the subsequent interviews.

3.8. Validity and Reliability

In order to ensure the quality of research, some steps have been taken to enhance the validity and reliability of the case study process. For instance, a triangulation approach has been used as an appropriate solution to increase the reliability and validity of the study. The utilization of combination of quantitative and qualitative methods as it helps to gain a broad overview and insight into what the data mean; the utilization of multiple sources of evidence and informant review and observations and analysis of documents has been used to verify the data can be mentioned. To ensure the reliability of the study, the tacit of case protocol suggested by Yin

(2008) was considered. A survey and case protocol, constituting of an overview of the study project, the field procedure, the case study questions and a guide for the case study report, were developed. The combination of all these would enhance the study to be valid and consistent.

3.9. Ethical Considerations

One of the basic components in research is to take into account the ethical aspects of human subjects. On the basis of this, ethical standards such as informed consent, privacy, confidentiality and anonymity were given due attention in this study.

Many scholars argued gaining informed consent is important *'as a critical prerequisite for all research'* (Darling 2014, 6*).*This procedure ensures the study has considered ethical issues and that all participants remain aware and informed about the study. It also encouraged the participants to feel more relaxed allowing them to contribute effectively. Accordingly, the researcher obtained individual informed consent prior to involving interviewees in the study. Effort has also been made to aware all participants on the fact that they can both take part or withdraw from the study (voluntarism was highly considered).

Privacy, confidentiality and anonymity are other aspects that require attention in research. There is a conventional agreement among scholars that information supplied by research subjects and the anonymity of respondents must be respected (Crang and Cook 2007). In accordance with this, the privacy and anonymity of participants has been considered in the study. Meaning, those individuals who involved in an interviews, their privacy, confidentiality, anonymity and consent to participate in the study has been fully respected. Theoretically, the anonymity of informants can be guaranteed by employing either *'pseudonyms or making other identifiable characters'* (Dowling 2000, 26).

In such logic, the researcher owes to give a special consideration in avoiding the possible social/psychological harm to research participants by refraining from revealing their names in the study, instead, the researcher used identifiable characters.

4. RESULT AND DISCUSSION: A QUALITATIVE ANALYSIS

Introduction

There are three external factors that determine the development and implementation of SRLPs at the broad macro-economic and socio-cultural level in view of the theoretical and practical relevance. The factors include the broad historical and socio-cultural, enabling environment and labor market situation and the policy and regulatory framework. ISO26000 has provided an important guide of social responsibility that every country may adapt to suit its purpose that in turn maintains the universality of the standard. The guide is so flexible that it acknowledges differences in culture and tradition that exist in different countries while carrying out social responsibility practices to society. This part of the thesis addresses the first and the second research questions that require macro level analysis. The main purpose of assessment at the macro level is to understand the significance of historical context, institutional culture, and economic and social makeup of Ethiopia for the development and implementation of SRLPs.

4.1. Context and Situation Analysis of SRLPs in Ethiopia

Empirical literature on historical, socio-cultural and economic development contexts strongly affirm that these unique contexts and circumstances play a role in the understanding and practice of SRLPs (Visser 2010). He claims that the pyramid of social responsibility is arranged differently in developing countries. In view of the above, a range of traditionally embedded social, cultural, religious and economic factors are identified to ensure whether they can determine the development and implementation of SRLPs in Ethiopia.

Secondly, the policy, legal and regulatory framework that exist at the development of labor policy and establishment of institutional framework provide the playing field for the development and implementation of SRLPs (ILO 2007).

Thirdly, the nature of the labor market and economic situation of a country are other factors that determine the prevalence of either challenges or opportunities for the implementation of SRLPs (ILO 2007). A thorough discussion is undertaken below with respect to the above macro level variables to assess the extent to which they can influence SRLPs in Ethiopia.

4.1.1. Historical, Socio-cultural and Economic Context

The broad socio-cultural and economic context can affect the development and implementation of SRLPs at macro level. This is indicated in the analytical framework. Ethiopia has more than 3000 years of recorded history. For much of this time, the cultural, social, political, economic and technological life has been subject to dynamic changes so long as the country endowed with a unique history, culture and psychological make-up. There are some salient aspects of the country's social and cultural history necessary for understanding the culture and practice of social responsibility. There are extremely rich, complex and wide ranging practices and traditions of disposing social responsibility. There are also a number of traditional institutions that can be taken as major external factors governing social responsibility practices in Ethiopia. These institutions have been instruments to organize socio-economic collaboration and mutual assistance among villagers (Poluha 1995).

Some of the most important practices include *'Senbete'*, which is a religious association to take care of church affairs. *'Idir'* is another form of association that provides financial assistance and other forms of aid for people in the same neighborhood or occupation. The main objective of *Idir* is to assist families financially during times of stress such as illness, death and property losses from fire or theft. Since recent years, *Idir* is involving in community development like construction of schools and roads. Thirdly, we have *'Debo'* which is the most widespread social welfare association in rural areas. If a farmer is having difficulty of tending his fields, he may invite his neighbors to help on a specific date. In return, the farmer must provide his labor when others in the same *Debo* (association/network) require help (A Global / Country Study and Report on Ethiopia 2011).

Fourthly, there is an institution called *'Iqub'*. This is a credit and savings collective financial institution which constitute shared revolving funds often invested in building assets to support members (MoLSA 2012). Finally, there is *'Zeker'* which entails the practice of providing food and other alms during religious holidays practiced by followers of Ethiopian Orthodox Church. Similarly, *'Zekat'* is a Muslim religious practice which can be translated as charity or alms to the poor by providing 10 percent of one's annual income (Vaughan and Tronvoll 2007). The above analysis qualifies the central argument of National Business System Approach indicated in the theory where historically grown national institutions determine social responsibility practices (Matten and Moon 2005).

On the other hand, Ethiopia has a long history of independence which instills pride in the mind of most of the population which somehow encouraged the government's age old mobilization of the community (labor force) for internal and foreign conflict ventures. The government continued to play the same role in the mobilization of labor for socio-economic development endeavor of the country. The implication is that, the absence of foreign/colonial influence might have an adverse impact on the reception of Western ideas like social responsibility. Corroborating my argument, a study by Jordan (2013) demonstrate how and why societies rejected the Western path to modernization clearly shows cultural values and historical relationships often bring individuals to desire non-Western paths (Jordan 2013).

From the above discussion one can argue that the unique socio-cultural context and life-style of the Ethiopian population at macro level seem to entail the notion that SRLPs are strongly associated with philanthropic endeavors. Surveys of CSR amongst businesses in Africa have also assert that the most common approach to CSR issues is through philanthropic support that focus on education, health and environment. At micro level the localization-globalization dilemma has clearly been witnessed in *Metahara* Sugar Factory while trying to carryout social responsibility practices to the pastoral society. The case is that the livelihoods of pastoralists living around *Metahara* are hit by the recurrent drought. As a social responsibility action, the Factory allocates budget in its annual plan for that purpose and distribute top-cane every year to let survive pastoralist's animals from the drought whenever it occurred. Hence, the Factory maintains a local way of carrying social responsibility instead of initiating a lasting global climate resilient solution to the recurrent drought that would curb the problem sustainably.

4.1.2. The Labor Market and Operating Environment

The labor market is another macro level factor that influence SRLPs. One of the key challenges facing the labor practice profession globally today is protecting workers' rights characterized by a marked decline in the development and enforcement of governmental workplace regulations (Brown 2005).

Ethiopia presents a particular labor market situation (economic situation entails the existence of similar challenges) that have a special significance in understanding the concept and implementation of SRLPs. The level of economic growth in the early 2000s was accompanied by fierce competition and capital accumulation which leads to irresponsible labor practices (ILO 2004). Recently, there is an accelerated economic growth which provided increased

employment opportunities in the country. Despite this, ILO report reveals that earnings of a large proportion of the Ethiopian households remain inadequate. Especially, the low pay rate for non-agricultural work indicates persistent wage inequalities between men and women (ILO 2014).

Similarly, the 1999 and 2005 survey results by Central Statistics Authority (CSA) on labor force showed that increasing shares of both men and women are working "excessive hours" in Ethiopia. That means they work more than 48 hours per week in the private sector and 39 hours in the public sector. Studies also reveal that child labor remains a problem in the country. For instance, the data obtained from CSA report reveal that, in 1999, a total of 19.6 per cent children aged 5 to 17 years were involved in productive activities in urban areas. In 2005, the proportion of paid employees engaged in "precarious work" (i.e. contract labor and temporary, seasonal and casual workers) was estimated to be 62.4 per cent (CSA 2005). Gender based labor market segregation persists largely due to religious, social and cultural norms and the resulting differences in expectations and roles ascribed to men and women. This is reflected in the occupational category and amount of wage provided to men and women.

Despite improvement in the provision of decent work in various aspects, Ethiopia faces serious challenges in ensuring a productive and healthy labor force, working conditions and employment. Had these issues been given due attention and resolved, it would have substantially contributed to poverty reduction and achievement of sustainable development (UNDP 2014 and World Bank 2014).

Challenges related with the development of labor market remain pronounced as reflected by the low rate of wage workers, undeveloped transaction systems and out-of-date information on the labor market (MoLSA 2012). From the above discussion one can argue and relate White's (2005) theorization used in the literature which support the idea that the presence or absence of enabling and operating business environment possibly influences the development and implementation of SRLPs at macro level.

4.1.3. Policy and Regulatory Framework

Policies and regulatory frameworks are another external components that affect the implementation of SRLPs at macro level. In the context of Ethiopia, labor market institutions are generally considered to be weak characterized by limitations of regulatory framework and lack of social dialogues among institutions themselves (trade unions and employer organizations). For instance, in terms of providing a safe work environment, the data on occupational injuries-fatal and non-fatal-obtained from local labor offices showed an increase from 1,013 in 2001 to 6,745 in 2010 (MoLSA 2012).

The major challenge related to the issue of safe work is the lack of financial and human resource to enact the law. Low level of awareness of workers and employers about the content of the laws and the inappropriate functions of labor inspectors are another challenges. In terms of social dialogue, the low prevalence on the coverage to right of labor force through collective bargaining and agreement, the low rate of gross trade union density, lack of trust, transparency and consultation towards labor-management relations are all cardinal challenges that adversely impact the implementation of SRLPs in Ethiopia.

Despite the enactment of employment related laws and regulatory framework, the Ethiopian government faced the challenge of contextualizing international labor standards into national policies and programs. Low awareness about these rights at all levels and lack of sufficient skilled manpower, finance and equipment are identified as chronic challenges persisting to date (ILO 2014). Hence, the above argument parallels what Boateng (2013) referred 'challenges surrounding Ethiopian Labor Market Institution'. Thus, the theoretical and practical relevance of the interface between the aforementioned external factors and internal/micro level components clearly shows the extent to which these variables determine the success and/or failure of SRLPs implementation in the country.

4.2. Discussion and Analysis of Interview Results

The main purpose of interview with GOs, NGOs and private sector officials was to obtain first-hand information regarding the macro level factors that might affect the development of SRLPs in Ethiopia. The themes dealt here include the general understanding of the concept of SRLPs, the nature and level of SRLPs implementation, the enabling environment and regulatory framework for the practice of social responsibility as well as drivers, trends and challenges that might affect the future development of SRLPs. A summary of the essence of interview is

presented below with in the auspices of the analytical model discussed in the introductory part of this thesis.

4.2.1. Level of Conceptual Understanding of SRLPs in Ethiopia

An open ended question was posed to individual informants to reflect their views about what social responsibility is. All of the interviewees agree that the concept and practice of social responsibility in Ethiopia is new and at its low level of development. Most of the interviewees additionally underlined that even organizations which are in some way concerned with the practice of social responsibility are not well aware of the main objective and purpose of the same.

One interviewee from MoLSA reiterated the trend in such way:

> *'Socially responsible practices are incorporated within the development strategy of the country. The promotion of the concept by an international NGO named Help Age International has also contributed to the Ministry's engagement and implementation of SRLPs'* (MM 18/09/2015).

The implication of the above verbatim is simple, as the concept is integrated with the country's development strategy, social responsibility could serve as an opportunity and supporting instrument for the Ministry as it enables organizations work towards the attainment of labor rights, fair and equitable economic development and environment friendly practices. Therefore, theoretically, informants argued that CSR tools are the main instruments that help the realization of an organization's efforts towards the implementation of SRLPs. Practically, however, socially responsible actions and expectations are nonexistent on the ground.

On the other hand, interviewees from the Addis Ababa Chamber of Commerce (a private sector) also revealed the general lack of proper understanding to the concept of social responsibility by most stakeholders in the country. Despite this contention, the sector claimed that social responsibility is 'an ethical business practices that respect existing national and international policies, legislations, standards that cover issues of environment protection and natural resource conservation'. It is also a practice that enables an organization to contribute to the development of society as a whole. However, there is significant level of misunderstanding and misconception on the part of Ethiopian business enterprises towards social responsibility.

One of the informants from the private sector describe the misunderstanding in this way:

'Stakeholder's misconception is expressed by attitudes such as, 'social responsibility is the same as the usual day to day proper and legal undertaking of any businesses and 'undertaking SRLPs is the duty of the government as long as any business pay tax' (Yngt Ab 20/10/2015).

The verbatim implies that government, NGOs or other sectors have weak link with business enterprises and lacks strong commitment towards creating awareness about the actual meaning and purpose of social responsibility.

4.2.2. Initiatives, Projects and Actions for SRLPs

There are a handful of local and international NGOs that engage in the implementation of SRLPs. But the trend shows a general low level of initiatives towards the implementation of same in the country by individual enterprises. According to informants, there is a tradition by the government to lobby and mobilize the private sector for the same purpose. While government efforts focus upon poverty alleviation and economic development issues that goes in tandem with the overall development objectives, the private sector and NGOs actions focus upon the protection of child labor, gender discrimination, and the rights of persons with disability as well as the building of social infrastructures with particular emphasis in the construction of hospitals, schools, and roads. Recently, the issue of protecting the labor rights of Ethiopians working abroad is area of emphasis by the government. The above analysis on the role of government clearly qualifies the distinct identification made in the literature part by UNECAP (2010) and IOB (2013) that a government should do to carryout social responsibility.

Other studies also indicate that the role of the government in the development and implementation of socially responsible practices should be very high in developing countries (Visser 2007 and Sharma 2013). However, the low capacity of developing countries governments in the face of many socio-economic challenges, private sectors are expected to fill this gap by involving in the promotion and implementation of SRLPs. The situation in Ethiopia also confirm this contention as few big companies are observed trying to implement international expectations related to the subject under investigation.

Parallel to the above notion, the interviewees from government organizations reiterated the age old (historical) tradition by the government to lobby and mobilize the various sectors of the country to involve and participate in social development issues. One of this is mobilizing

financial resources from employees of government organizations as well as from either owners or employees of private enterprises for the rehabilitation of disaster stricken population of the country. MoLSA has taken the leading responsibility in the implementation of this endeavor. In its effort to discharge this responsibility, one of the informants from MoLSA explains the experience in this way:

> *'the Ministry of labor and social affairs has opened a special bank account named social rehabilitation fund account with the national bank of Ethiopia where substantial amount of financial resource has been mobilized to the object of the activity'* (H.M. 19/09/2015).

Above all in 2014 the Ethiopian Standardization Agency took the initiative and synchronized the global guide-ISO26000 standards to social responsibility that go in tandem with the local values. This move qualifies Scholte's (2005) typology of 'globalization as universalization.' This harmonization will keep the balance between the local cultural values and the global standards in carrying out socially responsible practices.

On the other hand, informants from other sector revealed the existence of SRLPs initiatives by individual business organizations but in uncoordinated manner. For instance, the Institute of Ethiopian Corporate Governance has been engaged in various activities like the promotion and development of CSR initiatives throughout the private sector in the country. In this regard, the institute has developed and disseminated an ethical code of practice that can be adopted to the context of any organization. But, the institute lacks legal framework, specifically, the absence of a business licensing and registration category is a huge challenge that hinder the institute to carry out social responsibility related activities.

Nonetheless, all informants agreed that the absence of organic linkage and co-ordination among government and private organization is the main challenge that hamper such effort towards the implementation of SRLPs initiatives.

4.2.3. Nature and Status of SRLPs Implementation

The presence of an enabling and operating environment is the basic element to promote the practice of socially responsible labor and ensure the development of sustainable business enterprises (ILO 2007). Nelson (2000) identified four categories of mechanisms that can be used by governments in the creation of an enabling environment for socially responsible practices. These include the establishment of rules of the game, the building of public-private

partnership, the mobilization of public-private resources and the provision of public recognition to socially responsible practices.

Contrarily, informants reveal the absence of specific regulatory framework that adhere to the development and implementation of SRLPs in Ethiopia. There is also no clearly defined roles and responsibilities to either governmental or non-governmental organizations with respect to the development and implementation of SRLPs. Nevertheless, some interviewees from government organizations attempted to relate their institutions' role and function within the objective of SRLPs. For instance, one of the informants reiterate the roles and function of the Ministry of labor and social affairs in this way:

> *'the main role of MoLSA is the promotion and development of a healthy and productive labor force in the country by which setting up labor related legal framework is its main responsibility'* (F.G. 22/09/2015).

Labor Proclamation No. 377/2003 is mentioned as one of the specific accomplishment by the MoLSA where by this legislation was amended to suit the standards in a wake of the increasing number of foreign companies investing in the country. It is also argued that the Ministry took the leading responsibility for the implementation of the 22 ILO international conventions ratified by Ethiopia. The endorsement of a draft National Social Protection Policy in 2012 is another endeavor made by the Ministry in discharging its duties and responsibilities. Even if the policy is not yet put into practice, a mechanism for the implementation of the policy is underway.

The policy in general addresses issues of the creation of job opportunities, expansion and betterment of livelihood, reduction of vulnerability and poverty and promotion of productive livings. It is also noted that the provision of labor inspection service, the design and development of work place standards, ensuring the existence of productive employment opportunities, establishment of social dialogue to settle work place disputes and the inspection and implementation of labor laws in the work place are identified as the main activities of MoLSA in the promotion and development of a productive and healthy labor force.

Hence, interview with officials and document analysis confirm that MoLSA has carried out some practical measures to ensure the aforementioned activities. The first measure taken is designing a contextualized regulations and directives that enhance and facilitate the implementation of labor related legislations. Secondly, MoLSA developed stakeholder's guidelines that help the implementation of SRLPs. Thirdly, it provides tailor made trainings to

employees as to the amicable settlement of disputes and disagreements that may arise due to socially irresponsible behaviors and actions. These measures perhaps instigated some large companies to work in collaboration with MoLSA to establish a system in Ethiopian context. This enabled the implementation of socially responsible practices by designing specific projects for a particular target group, for instance children and the elderly.

Private organizations also confirm the lack of clarity in the policy and regulatory framework in the definition and enforcement of role and function of the sector to realize SRLPs. Despite the lack of clarity in the policy, informant from Addis Ababa Chamber of Commerce urges the need to do a lot from the chamber in the promotion and development of SRLPs. For instance, in 2012 the chamber developed a model code of business ethics to enterprises engaged in the trade, service and manufacturing sector. The interviewee commended the model developed by the Canadian International Development Agency (CIDA) entitled 'Corporate Governance for the Private Sector' which is adopted by its member organizations and endorsed at institutional level.

Institute of Ethiopian Corporate Governance is another private sector that has a leading responsibility towards enhancing the development and implementation of SRLPs. The principal function of the institute according to interviewee is to create know-how and understanding about corporate governance and management practices in every levels of leadership of a business enterprise. This includes informing corporate leadership and management practices at every level.

Awareness creation regarding fair, accountable and transparent business practices, capacity building to business organizations and creating forum and network are further specific functions of the institute. This would enable experience sharing among business organizations regarding socially responsible practices. To this end, the institute developed strategic and operational goals. In the short-term goal, it strives to do away with unethical practices that would inflict harm to the society. In the long-term, it envisions being a center that stands for the rights of the poor by engaging in the development of social infrastructure.

In general, by concurring the nature and status of SRLPs implementation, it is logical to contend that the proportions of initiatives and practical actions taken by organizations such as Addis Ababa Chamber of Commerce and Institute of Ethiopian Corporate Governance is found to be insignificant.

4.2.4. Summary of Challenges to the Development and Implementation of SRLPs

There are numerous challenges that influence the implementation of SRLPs ranging from structural to organizational levels. Information from the public and private sectors revealed the prevalence of emerging issues and trends that might affect the development and implementation of SRLPs. The issues and emerging trends identified varied from the general understanding of the concept of social responsibility and the policy and regulatory framework to the practical implementation of SRLPs in the country.

One of the informants from MoLSA identified the following issues and trends as cardinal challenges that hamper the implementation of SRLPs in Ethiopia:

> '.....there are no guidelines, action plans and frameworks that would enable the implementation of existing laws. Labor inspectors are not only very small in number but also they are poorly empowered. Labor inspection process is so complex and bureaucratic. Labor inspection experts are mostly susceptible to corruption compounded by the low payment, selfishness, rent-seeking behavior, disrespect to regulation, the absence of check and balance mechanism to ensure the utilization of financial resources allocated only for the implementation of SRLPs (F.G. 22/09/2015).

The verbatim implies labor inspector's lack both proper understanding and awareness to the concept of social responsibility and commitment to handle individual cases. This is partly due to the incapacitation of the person in charge and the bureaucratic nature of the system in the sector (*to understand the bureaucratic nature of Ethiopian labor inspection see Appendix B).* It also implies the susceptible nature of the sector and labor inspectors to corruption in the process of operation and implementation of SRLPs. The prevalence of limited overall implementation capacity of MoLSA which in turn leads to inconsistency and absence of sustainability towards realizing SRLPs in the country are further implications. The quote also shows GOs failure to integrate SRLP actions and initiatives among business organizations as national agenda.

Interviewees from both private sector and NGOs on their part identified further challenges. Among others, the low level of awareness creation endeavors made by the different stakeholders and the absence of supporting rules and regulation that would enable to establish a strong independent institute are major once. Furthermore, lack of trust towards the institute of corporate governance from the business sector regarding the functions and specific activities undertaken and the low financial capacity of the institute, the inexistence of legal registration

and licensing provision within the Ethiopian legal framework are mentioned as prime challenges that deter the implementation of SRLPs. Above all, the general belief and attitude that the private sectors are 'a collection of thieves' by the society deter business organizations from playing their roles in socially responsible practices.

4.2.5. Drivers, Trends and Prospects of SRLPs in Ethiopia

The study has come up with a number of drivers, trends and emerging issues that would enable the further promotion and development of SRLPs in the country. The main driving forces found out that enhance the development and implementation of SRLPs includes, the adoption of legislations by the government, the proliferation of international standards, the strengthened promotion of SRLPs by international development organizations and the increased awareness of the public regarding SRLPs as a result of the development of internet and communication.

Besides, the present low level of implementation of international labor standards and the existing labor related malpractices (the use of child labor, gender discrimination and human right abuses) by some organizations is also mentioned as another trigger towards the development and implementation of SRLPs in the coming future. Lastly, the intensification in the flow of foreign direct investment to Ethiopia is another factor that is creating pressure on responsible actors to push for the implementation of SRLPs. The identification of these drivers to social responsibility concur Henriques's (2011) categorization of global-local drivers.

Furthermore, the interviewees point out a series of measures that would enhance the development of SRLPs in Ethiopia. Firstly, education and capacity building trainings via joint venture that includes GOs as well as NGOs is the first practical step to improve the understanding and implementation of SRLPs. Secondly, the establishment of policy and regulatory framework that would create an enabling and operating environment for SRLPs is identified as a main role entrusted to the government. In this regard, revising the Ethiopian labor law within the context of SRLPs and providing institutional capacity building to government organizations involved in the development, implementation and enforcement of SRLPs are mentioned as critical measures and expectations needed to happen for the better future.

Finally, the realization of practical measures such as the provision of incentives, certificates and awards to business organizations that involve in the implementation of SRLPs and the creation of genuine and competent leadership are identified by informants as important future

trends that would work for the promotion and development of SRLPs. Establishing discussion forums and workshops regarding SRLPs are illustrated as good measures for the better improvement of SRLPs implementation in the future.

4.3. Implementation of SRLPs in *Metahara* Sugar Factory: Extent and Status

The sugar industry in Ethiopia is one of the most important economic sectors that has received greater government attention recently as it is identified to have immense potential in income generation and employment creation. The first Growth and Transformation Plan (GTP) of the Ethiopian government which has been implemented from 2009/10 to 2014/15 as well as the draft second phase of GTP designed to be implemented from 2015/16 to 2020/21 identified the sectors as one of the main pillars of the government overall development strategy (MoFED 2009). As a labor intensive sector, the extent and status of the management and implementation of SRLPs in *Metahara* Sugar Factory is thoroughly discussed below in view of stakeholder identification and engagement. This part therefore addresses the third research question that focus on micro level analysis.

4.3.1. Identification and Engagement of Stakeholders by the Factory

Actions such as stakeholder identification and engagement, communication and credibility, performance management, governance and management, and strategic management and leadership are internal factors central to address organization's SRLPs indicated in the analytical framework,. In order to evaluate the Factory's effort in performing these actions for better implementation of SRLPs, interview was conducted with selected experts who are identified to have a special relevance to the issues. The result reveals that the factory does not have a specific department and human resources assigned for the management and implementation of SRLPs.

The other fundamental question addresses company's strategy in the identification and engagement of stakeholders as indicated in the analytical framework. The two experts provided different answers regarding the company's strategy. One of the interviewees indicated that '*corporate advisory panel, community consultation panels and collective bargaining as system used by the factory to facilitate the participation of stakeholders'* (Wbs. G. 17/11/2015)

The other informant identified collective bargaining and employee representatives as an answer to the same question. But similarity in their answer is observed on the issue of partners by

identifying employees and the government as potential partners the organization involved in its SRLP initiatives. However, one of the interviewee added NGOs as potential partners. Furthermore, attraction of investors, customers and employees, maximizing profit and improving company's image as well as engaging in the socio-economic development efforts of the country are identified as driving forces for the implementation of SRLPs in the Factory. The effort made by the Factory to identify and engage its stakeholders best validates the relevance of employing stakeholder's theory put forward by Jawahar and McLaughlin (2001) that argue organization's relation with external environment determines practice of social responsibility internally.

4.3.2. Management and Implementation of SRLPs in the Factory

Question was posed to experts as to how the factory is managing and putting into practice important labor issues. Primarily, the interviewees identified fundamental labor practice issues such as employment and employment relationship; conditions of work and social protection; health and safety at work and human development and training as main areas of focus that the factory is working on. Then informants continued arguing that the needs, interests and expectation of beneficiary communities as well as resource requirement or provision are factors influencing the implementation of SRLP initiatives by the Factory.

On the other hand, both of the interviewees concur on the existence of policy and strategy in the Factory that can help realize SRLPs. They exemplified:

> '*labor proclamation number 377/1996, ILO convention regarding labor and human rights, collective agreement, child and gender related policies as the specific government and international conventions the factory adhere to in the management of labor practices*' (Wbs. G. and Drg. M. 10/11/2015)

Both informants indicate the Factory usually undertake assessment to determine the relevance and significance of SRLP issues. Besides, setting contractual provisions or incentives as well as engagement with the community, political leaders and other stakeholders are outlined as the main mechanisms by which the Factory exercise its influence in managing and implementing SRLPs. The inclusion of SRLPs in the vision and mission statement of the Factory is an indication of mechanisms employed to integrate strategy management, governance and operations.

The other internal component indicated in the analytical framework is conducting regular meetings with stakeholders and team activities focused on integrating social responsibility throughout the Factory system. Such action is used as the main communication mechanisms utilized to exchange information regarding SRLPs.

Meanwhile, the Factory is employing mechanism to increase its credibility, another internal factor that help to implement SRLPs, in which dialogues are undertaken with stakeholders to periodically review and monitor the performance and commitments of the Factory. Similarly, informants noted that disagreements between Factory and its stakeholders (mainly employees) is resolved through direct discussions.

The existence of clearly documented and well managed goals, objectives, timelines and the regular communication and consultation between all stakeholders are identified as internal factors that determine the successful implementation and management of SRLP actions. However, the response rate from employee survey indicates different contention for the above claims. They stressed that the existing policies and strategies are referred to only for the sake of reporting and image building and hence, have superficial value.

On the other hand, the inexistence of a proper and written agreements between all stakeholders (company, beneficiaries, service providers, and partners) as well as the absence of sound governance, management and accounting practices on the side of beneficiaries are identified as list of challenging factors that limit the successful implementation and management of SRLP projects. Regarding the performance management, another micro-level factor that can influence the implementation of SRLPs, informant's reveal that the Factory carries an internal regular monitoring and evaluation and reporting on SRLPs by its staff.

In relation to the internal components of the Factory, Jordan (2013) in his case study demonstrated the extent to which research focuses on the processes internal to the organization, overlooking the influence of globalization that has become a persistent theme negotiated in the workplace. The argument is that currently the majority of organizational transformations are influenced by global forces such as *'globalization* and *modernization'* (Jordan 2013).

From this argument I draw a conclusion that it is problematic, if not impossible, to either comprehend the change processes occurring in *Metahara* Sugar Factory or envisage the path of the Factory's change without considering the influence of globalization and modernization as

potential forces of the change in the factory. This qualifies the argument of balancing globalization-localization divide (Zhiqiang 2008) indicated in the theory part.

5. INTERPRETATION AND ANALYSIS OF EMPLOYEE SURVEY: MANAGEMENT, IMPLEMENTATION AND PERFORMANCE MANAGEMENT OF SRLPs IN *METAHARA* SUGAR FACTORY

Introduction

This chapter provides an overview of profile on *Metahara* Sugar Factory. The chapter also mainly concerned with the thorough discussion on the survey of five SRLPs issues obtained from employees. It specifically addresses the demographic characteristics of respondents, the general response rates on the five labor practice and a distinctive analysis on each of the five labor practice issues focusing on the factory in the light of ISO26000 actions and expectations.

5.1. Organizational Profile in Brief

Prior to the interpretation of the survey result, having a birds eye view on the physical setting, socio-economic condition, basic assets and production capacity of the Factory is pertinent to have a mental sketch on the study area. *Metahara* Sugar Factory is located at about 200 km southeast of the capital Addis Ababa, within the Upper Awash Valley. Its establishment goes back to 1965, when Hangler Vondr Amsterdam (HVA), the Dutch company, surveyed the area for sisal development. Meanwhile, HVA's interest to the area has changed towards sugarcane plantation due to the growing demand for sugar in Ethiopia and the suitability of the land for sugarcane farming. In the same year an accord was signed between the Ethiopian Government and HVA. Accordingly, the Dutch company acquired a concession of 11,000 hectares of land for sugar plantation. In 1969 the Factory started producing plantation of white sugar with crushing capacity of 1,700 tons of cane per day. In 1975 the military regime nationalized the plantation and organized it under the Ethiopian Sugar Corporation (Michael and Sileshi 2007). In 1991, the incumbent government established Sugar Corporation as state owned company headed by the Ethiopian Sugar Development Agency. At present the Factory has 14,733 hectares of land covered by cane and fruit plantation (Desta 2014).

Concerning activities and products, currently *Metahara* has a manufacture volume of 1.3 million quintals of sugar per year (Sutton and Kellow 2010). Looking into the socio-economic circumstances, the main marketable products of the enterprise are sugar, molasses and different types of fruits. Sugar is supplied to local and international markets. The transactions volume per year stands at 120,000 tons. Out of this, the local market consume 65 percent while the remaining is exported (Michael and Seleshi 2007).

Metahara Sugar Factory has full operational autonomy (the mandate of the organization and management) but require the approval of the board (senior government officials) for strategic and policy decisions. The Factory also believes that having good production systems and more effective labor use could make the Factory internationally more competitive irrespective of technical personnel and know-how problem (Sutton and Kellow 2010).

As far as the supply and marketing chain of the Factory is concerned, the major inputs are sugar cane, fully sourced from its own farm. Agricultural chemicals, supplies, farm machinery and equipment are usually imported from foreign suppliers. Now a days, these have been shifted to local importers and distributors with the objective of cutting lead times. Recently, the factory is designing to renovate and update its existing irrigation system on the Awash River (Sutton and Kellow 2010).

With regard to employees, the Factory encompasses 186 professionals, 830 semi-professionals and 8,685 clericals and manual laborers. During high cultivation, the labor force reaches 11,000 of whom 3,700 are permanent employees and the remaining are seasonal workers (Michael and Seleshi 2007). At last, the Factory envisioned development agenda by expanding new project aimed at enhancing current output which is already underway at the cost of evicting the indigenous pastoral society.

5.2. Demographic Characteristics of Respondents

Drawing upon the experts and top organization official's interview, a survey was conducted with individual employees of *Metahara* Sugar Factor to gain their perception on the level of implementation of SRLPs by the Factory.

Table 3. Demographic Characteristics of Respondents

Demographic Characteristics of Respondents							
Age Group	< 20	21 to 31	32-40	41-49	>= 50	Incomplete	Total
	1	18	22	3	6	3	53
Percentage	2	34	42		6	11	6	100
Gender	Female		Male			Incomplete	0
	22		23			8	53
Percentage	42		43			15	100
Marital Status	Single	Married	Divorced	Widowed		Incomplete	0
	14	37	0	0		2	53
Percentage	26	70				4	100
No. of Children	0	1 to 2	3 to 5	>= 6		Incomplete	0
	16	28	5	1		3	53
Percentage	30	53	9	2		6	100
Educational Status	1 to 10	10 to 12	>=12	Degree and above		Incomplete	0
	1	3	16	30		3	53
Percentage	2	6	30	57		6	100
Occupation	Professional		Clerks	Elementary		Incomplete	0
	27		15	3		8	53
Percentage	51		28	6		15	100

The first part of the survey questionnaire depicts the gender, age, education level, marital status, number of children and type of occupation as indicated in table 3. These key backgrounds are important mediating variables that might affect perception and understanding of SRLPs as well as determine the extent to which employees and their households benefit from the Factory SRLPs.

5.2.1. General Overview of SRLP Actions

The discussion and analysis on the five labor practice issues in the Factory is presented on the basis of the fundamental ISO labor standards, the examination of the ILO's fundamental rights at work and the Ethiopian National Labor Code No. 377/2003 as points of references. To see the fundamental practices of social responsibility at work with the core subjects of labour practice actions and expectations, *(refer to Appendix D)* which provides an overview of ISO 26000 outlining the relationship between the various clauses of the standard.
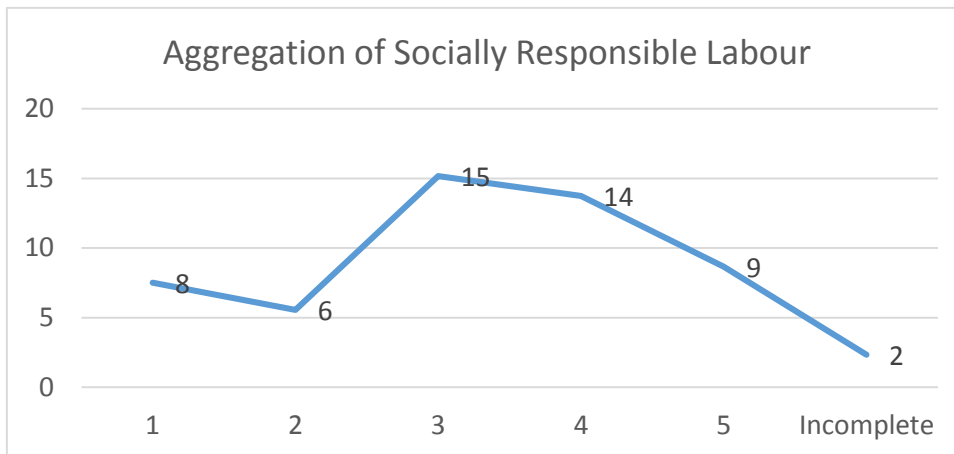
Figure 10. Socially Responsible Labor Practice Aggregation

Out of the total respondents, (29 %) 15 respondents provided a rating of 3 which is interpreted as neither agree nor disagree as to the implementation of specific SRLP actions in the Factory. Meanwhile, 23 of the total respondents (43%) rated 4 or 5 which is interpreted as either agree or strongly agree as to the implementation of SRLPs in the Factory. Finally, 2 of the respondents (4 %) provided an incomplete response to the rating of specific SRLP actions as indicated in figure 10.

The incomplete responses indicates either respondents do not understand the question or they do not have proper understanding of SRLPs at all. Generally speaking, the summarized rating ratio of employee survey result revealed the Factory's low level of implementation and engagement in SRLPs issues.

5.2.2. General Overview of Employee Rating Scale on the five SRLPs Issues

The rationale behind presenting the rating of specific issues in table 4 is to obtain an overall understanding of the level of implementation of SRLPs in *Metahara* Sugar Factory.

Table 4. Employee Rating Scale on the five SRLPs Issues

No.	ISO 26000 Extended Framework Core Socially Responsible Labor Practice Issues	Employee Rating Scale of SRLPs					
		1	2	3	4	5	Incomplete
1	Employment and Employment Relationships (EERs)	5	7	12	14	10	3
2	Conditions of Work and Social Protection (CWSP)	9	5	14	12	11	1
3	Social Dialogue	8	5	14	14	9	4
4	Health and Safety at Work	5	4	16	17	9	2
5	Human Development and Training in the Workplace	10	6	20	12	4	1

Moderate numbers of respondents (16) rated either disagree or completely disagree on the extent to which SRLP actions implemented by the Factory. On the other hand, the highest number of rating (26) of the respondents goes to either agree or totally agree on 'health and safety at work' related actions indicates the Factory's promising level of engagement towards implementation of the issue. However, there is also a rating of 3 which is 'neither agree nor disagree' by a large number of respondents in each of the 5 SRLP issues.

The highest number of respondents rated on the extent to which 'human development and training in the workplace'; health and safety at work' and 'conditions of work and social protection' i.e. 20, 16, 14 respectively as 'neither agree nor disagree'. Such objection of employees' responses partly imply either employee's low level of understanding towards the issues or the absence of any meaningful action by Factory to implement the same.

5.2.2.1. Employment and Employee Relationship

Theoretically, any firm as an employer should contribute to the improvement of standard of living of its workers by providing full and secure employment and decent work (ISO26000 2010). In light of this standard, the extent and status of *Metahara* Sugar Factory's effort to practically implement the actions and expectations related to this issue is being evaluated under table 5 below.

Table 5. Rating of Employment and Employment Relationship Actions

1.Rating of Employment and Employment Relationship Actions						
Employment and Employment Relationship Actions and expectations	1	2	3	4	5	IC
All work is performed by legally employed workers.	11	5	11	13	13	0
Use active work force planning to avoid the use of work performed on an informal basis or the excessive use of work performed on a temporary basis.	2	7	14	19	9	2
Provide reasonable notice and timely information when considering changes in its operations, such as closures that affect employment.	6	12	10	13	10	2
Ensure equal opportunities for all workers and not discriminate either directly or indirectly in any labor practice.	8	12	14	13	6	0
Protect personal data and privacy of workers.	1	6	15	17	11	3
Take steps to ensure that work is contracted or sub-contracted only to organizations that are legally recognized or are otherwise able and willing to assume the responsibilities of an employer & to provide decent working conditions	5	4	13	13	9	9
Not benefit from unfair, exploitative or abusive labor practices of its partners, suppliers or subcontractors, including home workers.	4	3	10	13	15	8
Aggregated Number of Respondents	5	7	12	14	10	3

In terms of SRLP actions related to employment and employment relationship, table 5 shows an aggregated number of 24 respondents providing a rating of either agree or totally agree as to the implementation of actions. In this regard, 'protection of personal data and privacy of workers' as well as 'use of active work force planning to avoid the use of work performed on an informal basis or the excessive use of work performed on a temporary basis' related actions are rated to be the highest (28 responses) amount of SRLP actions realized by the Factory. However, my personal observation confirm that most of the workers in the sugarcane farm are employed as daily laborers or as fixed-term employees and officials claim that it is due to the seasonality of production.

Nevertheless, the tactic of employing temporary labor means employers can hire and fire easily. In other words, the Factory targets minimizing labor cost by not paying the same benefits as permanent workers are eligible.

On the other hand, SRLP actions related to 'the ensuring of equal opportunities for all workers and indiscrimination in any labor practice' are rated by (20) of the total respondents. From this it can be inferred that *Metahara* Sugar Factory has weak links in managing SRLP actions related to the 'provision of reasonable notice and timely information when considering changes in its operations such as closures that affect employment'.

5.2.2.2. Conditions of Work and Social Protection

Condition of work and social protection according to ISO26000 guide generally encompasses wages and other forms of compensations and all legal guarantees and organizational policies and practices to mitigate loss of income in case of employment injury. It is based on this perspective that the performance of *Metahara* Sugar Factory's implementation status on the actions and expectations related to the issue is analyzed.

The highest proportion of respondents (23) rated for either 'agree' or 'totally agree' as to the implementation of 'conditions of work and social protection' actions. On the other hand, a proportion of (14) responses entail the low level of implementation of SRLPs by *Metahara* Sugar Factory. Another 14 responses indicate a rating of neither agree nor disagree as to the same action. Among all of the responses made, the highest number of response is observed in this SRLP issue. A total of 35 responses provided a rating of 5 as to the Factory's 'observance of national or religious traditions' related practices as clearly indicated in table 6.

Table 6. Rating of Conditions of Work and Social Protection

2.Conditions of Work and Social Protection Actions and Expectations	1	2	3	4	5	IC
Make sure that conditions of work comply with national law and regulations and international labor standards	10	7	16	13	7	0
Respect collective agreements	13	8	16	7	7	2
Provide decent conditions of work with regard to wages, hours of work weekly rest, holidays, health and safety, maternity protection and ability to combine work with family responsibilities	6	7	18	12	9	1
Observance of national or religious traditions/customs	2	0	5	10	35	1
Provide wages and other forms of remuneration in accordance with national laws, regulations or collective agreements.	13	7	3	18	11	1
Usually pay for work of equal value	17	7	11	15	2	1
Comply with any obligation concerning the provision of social protection for workers in the country of operation.	8	6	20	10	8	1
Respect the right of workers to adhere to normal or agreed working hours established in laws, regulations or collective agreements. Provide workers with weekly rest and paid annual leave.	7	4	15	9	15	3
Respect the family responsibilities of workers by providing reasonable working hours, parental leave and, when possible, childcare and other facilities that can help workers achieve a proper work-life balance	6	3	23	12	8	1
Total Number of Responses	82	49	127	106	102	11
Total Rating Ratio of actions and expectations	9	5	14	12	11	1

The provision of wages and other forms of remuneration in accordance with national laws, regulations or collective agreements is another SRLP issue which received a total number of 29 responses confirming their 'agreement' or total agreement. On the other hand, actions related to the 'usual payment for work of equal value' received a total 24 responses. Whereas, action related to 'respect for collective agreement' received a total of 23 responses. As a result, it was evidenced that the majority of the respondents have revealed a negative feeling towards the existing union and representatives agreeing that they did not represent workers interest adequately.

This implies that the Factory has accomplished not only low level of engagement and implementation towards these actions but also has little respect to usual payment for work of equal value and respect for collective agreements.

5.2.2.3. Social Dialogue

Any type of negotiation, consultation or exchange of information between employer and worker representatives on matters affecting their interest is generally known as social dialogue (ISO26000 2010). In this connection, the efforts made by *Metahara* Sugar Factory to put actions and expectations into practice would be determined from the vantage point of the above standard based on the survey response of table 7.

Table 7. Employee Rating on Social Dialogue Actions and Expectations

3	Social Dialogue Actions and Expectations	1	2	3	4	5	IC
3.1	Respect the right to form/join organizations and bargain collectively	10	6	11	15	11	0
3.2	Not Specify authorities of measures leading to major employment impacts	8	2	16	11	12	4
3.3	Provide worker representatives with access to authorized decision makers, to workplaces, to the workers they represent, to facilities necessary to perform their role and to information that will allow them to have a true and fair picture of the organization's finances and activities	6	5	15	16	5	6
3.4	Refrain from encouraging governments to restrict the exercise of the internationally recognized rights of freedom of association and collective bargaining.	8	6	12	14	7	6
	Total Number of Responses	32	19	54	56	35	16
	Total Rating Ratio of Social Dialogue	8	5	14	14	9	4

An aggregated number of (23) responses indicate the Factory has maintained high level of SRLPs implementation. On the other hand, an aggregated total of 13 responses shows either 'disagreement' or 'total disagreement' regarding Factory's implementation of actions related to social dialogue. Meanwhile, a total of 14 respondents 'neither agree nor disagree'' to the implementation of actions related to the same issue. While looking at the detail specific responses, 26 of the respondents provided a high value of rating to the Factory's implementation of actions related to social dialogue like 'respect the right to form/join organizations and bargain collectively. On the contrary, a total number of 16 respondents rating indicate Factory's low level of engagement in the practice of respecting employee's right to form/join organizations and collective bargaining. All the response rates are indicated in table 7.

5.2.2.4. Health and Safety at Work

The other most important aspect of SRLP issue is health and safety at work. This issue relates to the protection of workers from risks to health and the adaptation of occupational environment to the physiological and psychological needs of workers (ISO26000 2010). Figure 11 depicts the experience of *Metahara* Sugar Factory in realizing the actions and expectations of the same.
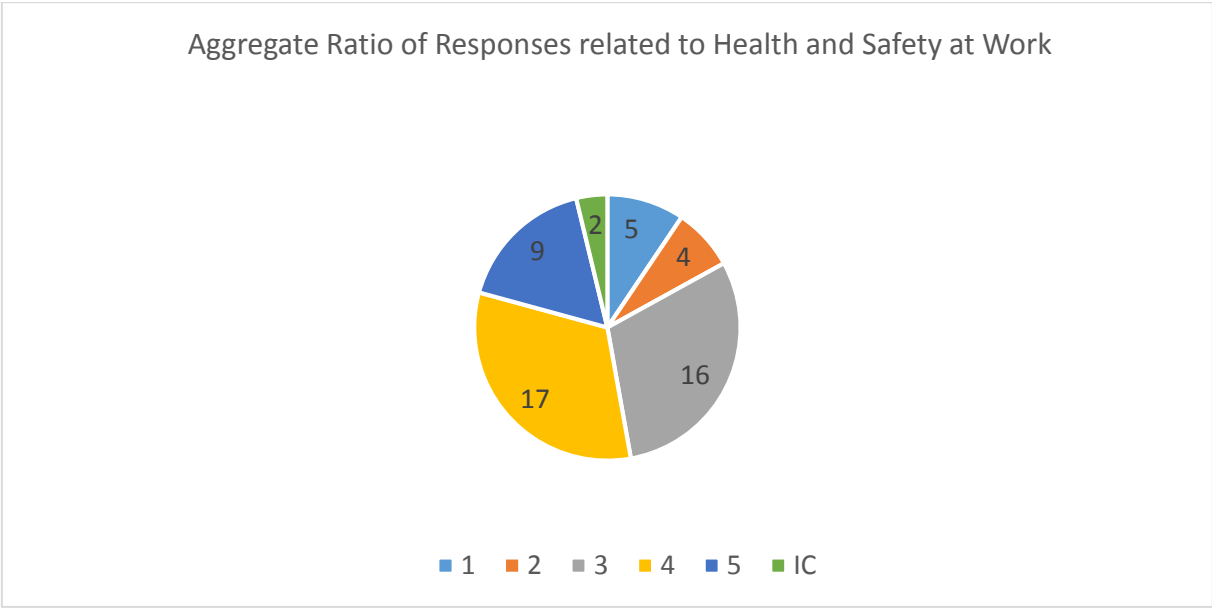
Figure 11. Aggregated Ratio of Responses on Health and Safety at Work

Out of the total respondents, 26 responses assert either their agreement or total agreement pertaining to Factory's implementation of 'health and safety at work' related actions. Meanwhile, 16 of the responses indicated neither their agreement nor disagreement of the same actions. On the other hand, 9 of the responses either opted for disagreement or total disagreement' for actions to the same issue in the Factory. Hence, employee's objection and disagreement in their responses can be interpreted from the vantage point of either lack of proper understanding or awareness towards the issue or the Factory is negligent to implement actions and expectations of the same issue.
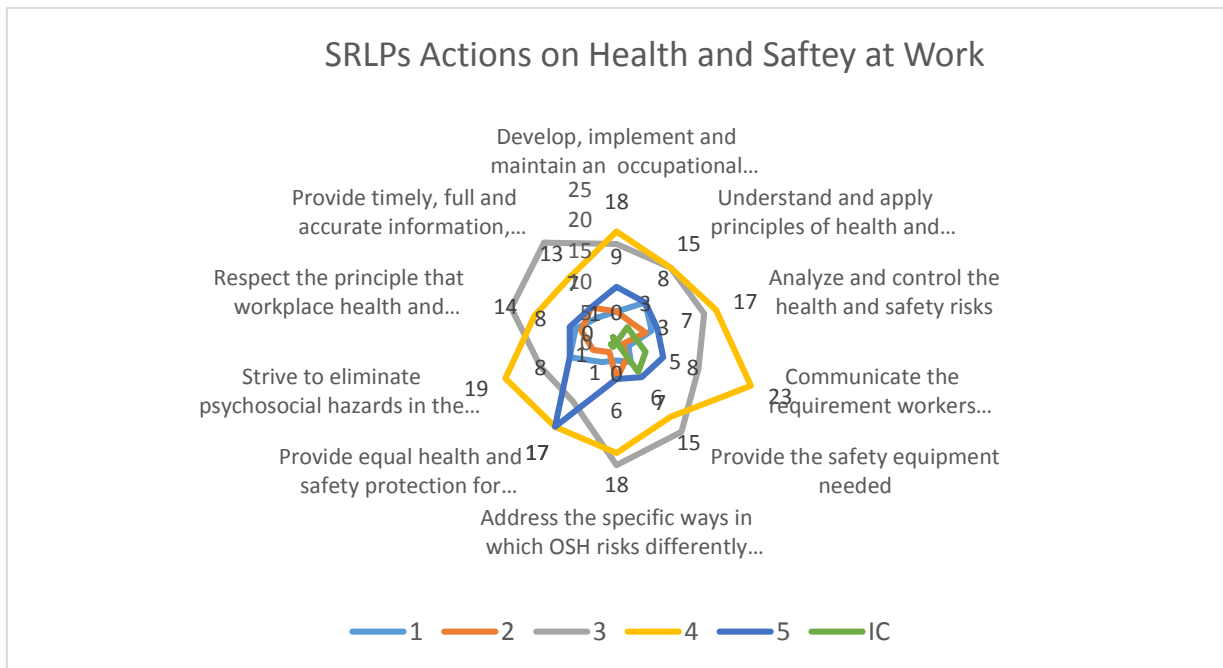
Figure 12. Employee Response on Health and Safety Actions

The provision of equal health and safety protection for temporary and sub-contracted workers received 17 responses as shown in figure 12. Whereas, the required communication that workers should follow all safe practices and ensure that workers follow the proper procedures received 23 responses. This shows that the Sugar Factory has achieved moderate level of engagement and performance to realize the actions and expectations.

On the other extreme, the understanding and application of principles of health and safety management, work procedures, personal protective equipment and Factory's determination to eliminate psychosocial hazards in the workplace received a total number of 15 responses which shows a low level of rating.

This low level of rating implies that the Factory is less determined to execute such principles and actions related to health and safety at work. Even though, it is a critical responsibility for the Factory to take caution for the health and safety of its employees, the survey result indicates the Factory is not devoted to provide a safe atmosphere for all employees' health and safety and to balance the employees' work and life.

5.2.2.5. Human Development and Training in the work place

The last but not the least SRLP issue is work place human development and training. According to ISO26000, human development should encompass creating access to political, economic and social opportunities for being creative and productive thereby enjoy self-respect and sense of belonging to community. On the basis of this standard, the performance of *Metahara* Sugar Factory's implementation of actions and expectations will be evaluated relying on employee responses indicated in table 8.

Table 8. Employee Response on Human Development and Training in work place

5.Human Development and Training in the Workplace Actions and Expectations	1	2	3	4	5	IC
Provide all workers at all stages of their work experience with access to skills development, training and apprenticeships, and opportunities for career advancement, on an equal and non-discriminatory basis.	11	5	23	9	4	1
Ensure that, when necessary, workers being made redundant are helped to access assistance for new employment, training and counseling.	10	9	16	13	4	1
Establish joint labor-management programs that promote health and well-being.	9	5	20	13	5	1
Total Number of Responses	30	19	59	35	13	3
Aggregated Ratio of Responses	10	6	20	12	4	1

The aggregated average total number of responses confirm an equal number of (16) responses which signifies that the Factory is witnessing both high and low level of implementation related to this issue. Notwithstanding, an aggregated average of 20 responses indicated that they 'neither agree nor disagree' as to the implementation of SRLPs actions. This clearly shows the fact that either the Factory provide training for only some sections of position holders or the majority of employees did not have any understanding or awareness about the issues at all.

In the recognized merit based management system, job positions and related wage system is determined by education level and work experience, and hence, training is an essential element of one's career life.

As such training or performance- based appraisal system has been identified by *Metahara* Sugar Factory as key to enhancing output, value and effectiveness. As a result, the establishment of joint labor-management programs that promote health and well-being' actions received 18 responses. The result indicate *Metahara* Sugar Factory has accomplished good progress in

implementing training and human development related actions even though it is not inclusive of all workers in the Factory.

Conversely, actions related to the 'ensuring of workers being made redundant are helped to access assistance for new employment, training and counseling' received 19 responses. This indicates that the Factory is reluctant to assist and guarantee workers for different occupation during career loss.

Based on the survey result on this issue, it is possible to argue that the Factory is moderately active in expanding its workers' individual development space on the one hand and providing them with appropriate channels that would enable its staffs to realize their own value together with the Factory's value based on individual interests and special skills on the other hand.

6. SUMMARY OF FINDINGS

The process of data analysis has been guided by a clear analytical model/framework developed in the outset. The model helps to interpret the main internal and external determinants of SRLPs in the Factory and connecting the fieldwork to the key research questions and issues. Each of the two empirical chapters focused on one of the main determinants of SRLPs dealing with particular questions and details.

Research Question 1

What is the status and nature of conceptual understanding and practice of social responsibility and labor issues in Ethiopia?

The concept of social responsibility and its practice is found to be new in Ethiopia. Discharging social responsibility practices is highly influenced by the socio-cultural and religious practices in the country. The unique socio-cultural context and life-style of the Ethiopian population and SRLP related activities entail the notion that such practices are considered as philanthropic support or spiritual endeavors. Equating the concept of social responsibility to a mere philanthropy clearly shows the newness of the subject as well as the low level of conceptual understanding by public, private and Civil Society Organizations (CSOs). Hence, the research result commends the integration of local values with the international standardization can bring better implementation of SRLPs in the country.

The study also unearths structural problems such as the absence of specific policy as well as regulatory framework and lack of strong co-ordination among stakeholders determine the level of understanding and implementation of SRLPs. The result also shows the low level of institutional implementation capacity at every level of governmental and non-governmental organizations. Thus, developing a contextual meaning and practical implementation mechanism is an important rubric of the future progress of SRLPs in Ethiopia.

Research Question 2

What are the drivers and the challenges of SRLPs at macro and micro level?

This research has identified the proliferation of international standards and the increasing consciousness of the public about social responsibility as the main driving forces that enhance the development and implementation of SRLPs. The impact of globalization and modernity

plays a huge role to this end. Conversely, the present low level of implementation of international labor standards and the existing national labor related malpractices are found out to be another triggers. Lastly, the tremendous increase in the flow of foreign direct investment to Ethiopia has also put pressure in the increased implementation of SRLPs. The aforementioned substantive drivers clearly reveal the prevalence of progressive initiatives, programs, trends, actions and prospects in the development and implementation of SRLPs at macro level.

At micro level, *Metahara* Sugar Factory customers and employees are found out to be part of the deriving forces that put pressure for the development and implementation of SRLPs. The Factory has no comprehensive and efficient system of management strategy that is capable of integrating the actions and expectations pertinent to the five labor practice issues. There appeared also structural factors that influence SRLPs in the Factory. Furthermore, the Factory pursues inconsistent strategies in the identification and engagement of stakeholders. Factory's vulnerability to globalization and modernization forces has found out to be a potential in changing organizations performance towards the implementation of SRLPs.

This research has found out that the rapid economic growth and attractive business environment registered in Ethiopia in the past few years has twofold impact in the labor industry. It created a wide range of employment opportunities on the one hand and the existence challenges related to the decency of the employment opportunities on the other. The study also revealed that providing a safe work environment remains problematic whereby the major challenge is the lack of financial and human resource to enact the law at macro level.

In *Metahara* Sugar Factory, the low prevalence in the coverage of the labor force through collective bargaining and agreement remains a major challenge. The existence of weak labor market institutions with low implementation capacity necessitates the need for SRLPs in the Factory. The fact that *Metahara* Sugar Factory is endowed with sufficient amount of financial, human, manufactured, natural and social capital assets (the five capitals) that has developed with its nearly half century operation, it is far from using these potentials to successfully develop and implement SRLPs actions and expectations.

Research Question 3

What is the extent and practice of the five labor practice issues in Metahara Sugar Factory?

As far as the management and implementation of the five labor practice issues are concerned, the Factory has clearly documented and well managed goals together with the regular communication and consultation between all stakeholders. Contrarily, the absence of appropriate and codified contracts between all stakeholders as well as the lack of sound governance and management concerning beneficiaries are visible bottlenecks for the implementation and management of SRLPs in the Factory.

Important findings from the five SRLPs issues are worth mentioning here. In connection with employment and employee relationship, the aggregate survey result indicates that the Factory is recognized for implementing specific expectations such as 'protection of personal data and privacy of workers'. However, some sort of partiality also prevail in the area of ensuring equal opportunities for all workers in labor practice. Hence, it is found that the Factory has weak links between the actions and expectations of labor practices in the policy and the actual performance on the ground.

The research also indicate that the composition of respondents on the prospect of conditions of work and social protection who rated as high level of implementation is significantly greater than those respondents who entail the low level of implementation of the actions and expectations by the Factory. The Factory also performed low level of engagement and implementation in areas related to 'usual payment for work of equal value' and 'respect for collective agreement'.

The research identified a huge implementation gap in the Factory on the issue of social dialogue actions and expectation. As the survey result indicates, the Factory has nominal labor unions that failed to ensure the prevalence of the right to collective bargaining for workers' rights.

The actions and expectations related with health and safety at work, the survey result indicates the Factory follow appropriate actions in providing equal health and safety protection for temporary and subcontracted workers. But the lack of internal capabilities in the application of principles of health and safety management and elimination of psychosocial hazards in the workplace are found out to be areas that require improvement.

As far as human development and training in the work place is concerned, the various awareness creation sessions for some staffs on such specific actions as establishment of joint labor-management programs indicate Factory's enthusiasm to promote the capability of its staffs. Counterfactually, the factory lacks ensuring mechanisms to promote and guarantee workers for different occupation during job insecurity.

In sum, the vast array of empirical facts on the five core SRLPs actions and expectations brought to bear on the side of low level of implementation argument, despite, promising starts in few of these issues and the respective expectations implemented by *Metahara* Sugar Factory.

7. CONCLUDING REMARKS AND THE WAY FORWARD

The study examines issues of SRLPs and their implementation process in Ethiopia, considering both nationwide viewpoint and company-centered perspective. The study intends to gain a thorough understanding about how the concept of SRLPs is integrated into *Metahara* Sugar Factory (one of the large public companies in Ethiopia). Pragmatism as an alternative knowledge claim was adopted for this research as it gives freedom for the researcher to choose an appropriate methodology. Accordingly, the study employed the combination of qualitative and quantitative approaches. Generally, due to the under-researched nature of SRLPs in Ethiopia, engaging mixed method is believed to provide stronger implications of the impacts of SRLPs on employees. As such, survey research gives greater depth and validates the results, while an in-depth interview gives greater breadth. Single case-study strategy was employed assuming that it provides a comprehensive understanding of global ISO standards recognized by large companies in Ethiopia (*Metahara* included) and how they translate these actions and expectations into their own SRLP principles and implementations.

7.1. Concluding Remarks

This study therefore, concludes that the unique socio-cultural context of Ethiopia developed for centuries has the potential to shape and determine the understanding and implementation of SRLPs. Such conclusion parallels institutional theory that assumes external environment/ context exerts huge influence on the way organizations operates. Thus, SRLPs are understood as philanthropy or a divine exercise in which a duty of an individual is bestowed upon him by God. Hence, the sympathy to the concept and practices of social responsibility in Ethiopia is still in its enfant stage. The dilemma between the global standards and the local cultural practices towards implementing SRLPs can be balanced by universalizing the local values through culturally appropriate way. This conclusion reflects the presumption of globalization-localization theory.

The study also concludes that the promotion of SRLPs in Ethiopia requires multidimensional and mutually interrelated government roles. One is through creating an enabling environment that would ensure the basic conditions for the development of SRLPs by implementing and enforcing labour standards. Secondly, launching proactive programmes and policies to create encouragements for organizations to develop and behave in a socially responsible and sustainable manner through the dissemination of best practice. Hence, the Ethiopian government has integrated dimensions of social responsibility within its national, political,

social and economic framework using various instruments like Social Welfare, National Social Protection Policy, and the Growth and Transformation Plan. However, the focus given for food security and poverty reduction has a downturn impact on the move to the prominence of social responsibility engagement in labor practice issues. There appears prevalence of intermittent engagement of government in awareness raising on issues like employee rights and occupational safety and health. But in terms of developing social responsibility legislation and implementation, there exists visible and systematic gaps in government capacity. This conclusion corroborates how National Business System Approach is operating in this context that hypothesizes different societies advance distinct systems of market that reflect their specific institution and customary practices.

The study also concludes labor market situation does not comply with the national and global standards in that an aggregate segments of men and women are working excessive hours in a week in both private and public sectors. The proportion of under-aged population involved in productive activities as well as paid employees engaged in precarious work has shown a dramatic increase from year to year.

The research also concludes that society's negative attitude and lack of trust towards private sector and business organizations adversely affected the initiatives they carried out towards the implementation of SRLPs. The lack of strong government efforts to bridge the weak public-private partnerships has its own implication on the effective implementation of SRLPs in Ethiopia. This notion ascertains how the roles and relationships of an organization with external stakeholder determines an effective enactment of SRLPs which is the central premises stakeholder theory.

In *Metahara* Sugar Factory, the earnings of the major proportion of workers remain inadequate characterized by low pay rate which indicates persistent wage inequalities between men and women. Despite the 'unwritten' drive to support SRLPs issues to the community and the employees, such activities often lack proper integration within the policy document of the Factory.

The long term goals and short term strategies of the Factory are not translated into action in a way to guarantee workers benefit and fulfill the expectations of the five labor practice issues. The reason behind is the lack of implementation capacity and strong leadership. In spite of the continuous attempts to develop, integrate and implement SRLPs throughout the

Factory, the lack of clear and efficient system of management and specific strategy made the realization of such issues futile.

7.2. Study Limitations and the Way Forward

Although the research questions of this study seems to be answered, the findings are not generalizable. As mentioned in the research methodology section, case studies do have these limitations. Therefore, to get a broader picture about the implementation of social responsibility subjects and labor practice issues, more companies should be analyzed and general conclusion should be made about the overall realization of the issues. Regarding the case study, there might be a bias towards the implementation of SRLPs behavior as the Factory would like to increase its goodwill by emphasizing positive image building actions. The experiences of the Sugar Factory seem to validate this contention as some informants show a far more positive picture about the Factory's endeavor to realize the labor issues.

Based on my personal observation and field research results, it is pertinent to suggest the following proactive recommendations.

At the macro level, firstly, government should actively support and engage to initiate a more systematic application of SRLPs like work place gender inequality, social discrimination and respect for employee rights. In realizing this, consumers, stakeholders, NGOs, global institutions such as ILO or UN play an important role in promoting these issues. This can be realized through public social responsibility engagement and participation by adhering to employee safety, health and security regulations by institutionalizing a more inclusive social responsibility framework at all level of the society.

Secondly, formulating contextualized policies that comply with the global expectations of labor issues should be prioritized. In addition, supplementary strengthening of labour and social affairs offices answerable for implementing national labour laws, via training of officials, could also contribute to the realization of SRLPs.

Thirdly, government should support and strengthen greater social responsibility front-runners such as NGOs, CSOs and philanthropists to maximize the activation of others to implement SRLPs. Such partnership would bring improvement in that endeavor.

At organizational level, firstly, social responsibility subjects should be an integral part of core Factory strategy that would pave the way to coordinate around communities so that individuals are properly galvanized to support social responsibility initiatives and recognizes the due diligence to labor practice.

Secondly, as a cornerstones of social responsibility, the trend in transparency and accountability should be improved by conducting periodic dialogue about ethical, social and operational management practices. Providing accountability for core SRLPs activities and issues will make employment and employment relationship smooth in the Factory.

Last but not least, the Factory needs to establish functional labor unions that represent and work towards safeguarding the labor rights and occupational health and safety of workers.

7.3. A Brief Contribution of the Study

This part addresses the contribution of this study in terms of its academic and practical implications.

7.3.1. Academic Contribution

This study contributes to the body of knowledge related to SRLPs in two ways. Firstly, the analytical model development for the Ethiopian context in the study of SRLPs is main contribution to knowledge. The absence of SRLPs literatures related to the Ethiopian context proposed the necessity to develop an appropriate SRLPs framework. The study result show that *Metahara* Sugar Factory is striving to implement SRLPs. In doing so, the factory needs an appropriate social responsibility structure to implement SRLPs actions, activities and expectations so as to be able to identify the merits for itself and its potential stakeholders.

Secondly, as indicated in the fourth part of this thesis, SRLPs of the factory has been well-defined by its stakeholder identification and relationships. Accordingly, stakeholder theory which is complemented by other theories used offers the theoretical foundations of this study. According to Freeman (1983) companies should take in to account not only their shareholders, but also the interests of their stakeholders. Further merits linked to the implementation of SRLPs are already discussed in part two of this research. Therefore, this study confirmed the significance of stakeholder theory to the compassion of SRLPs in Ethiopia.

7.3.2. Practical Contributions

From a practical view point, this study provides feedback to company managers in that implementing SRLPs activities and actions are helpful for them, despite managers are encouraged to implement SRLPs activities based on their will.

Initially, compulsory requirements (like global standards) are needed to increase the implementation of activities (labour practice issues) such as employment and employment relationship, condition of work and social protection, health and safety at work, social dialogue and training and development for employees. Since SRLPs framework has yet to be identified in the emerging countries, the analytical model developed in this study offers a valuable tool that can possibly be used to facilitate the argument of SRLPs in similar less developed countries.

Secondly, *Metahara* Sugar Factory and other public as well as private companies in Ethiopia that did not yet implemented programmes related to SRLPs will be aware about the ideas and expectations of their stakeholders in relation to SRLPs issues and activities.

Thirdly, in the face of the present Ethiopian economic growth which provided ample employment opportunities as well as challenges with respect to working conditions and environment; there is an obvious existing and potential demand for information that will contribute to the utilization of opportunities as well as the curbing of challenges. However, there is limited information and research regarding the concerns, issues and challenges of businesses and employees with respect to responsible labor practices. Hence, the research can provide the perfect channel to improve the flow of information to the benefit of Ethiopian labor force.

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List of Interviewees

| No	Pseudonyms of informants	Sex	Dates interviewed	Place & time of interview	Organization/Position Hold
1	M.M.	Male	18.09.2015	Own office 9:00-10:30	Director, Social Welfare Development Promotion
2	H.M.	Female	19.09.2015	Own office 10:00-11:00	Officer, Legal and Public Relations
3	F.G.	Male	22.09.2015	Own office 16:00-15:30	Expert, Labor Inspection Service
4	E.Tkl.	Male	01.10.2015	Cafe 9:00-11:00	Independent Researcher and expert in the area of labor
5	T.W.	Male	09.10.2015	Own office 8:30-9:30	Addis Ababa Chamber of Commerce
6	T.Adm.	Female	11.10.2015	Own office 9:40- 10:50	Ethiopian Institute of Corporate Governance
7	Yngt.Ab	Female	20.10.2015	Own office 15:30-16:45	Expert, Organization for Social Development (OSD)
8	Ysm. G.	Male	25.10.2015	Own office 9:00-10:35	ISO advocacy, Ethiopian Standardization Agency
9	Wbs. G.	Male	07.11.2015	Own office 14:00-15:45	Expert, Human Development and Employee's Affairs
10	Drg. M.	Male	10.11.2015	Own office 9:00-11:05	Expert, Legal Affairs and Workers Rights

Appendix A. Most well-known International Business Principles Pertaining to CSR

Government and Intergovernmental Initiatives	Place & Date	Main Issues
ILO Tripartite Declaration on TNCs	Geneva,1977 revised March 2000	Employment
OECD Guidelines	Paris, 1976, revised June 2000	Multi-stakeholder including employment and triple bottom line
UN Global Compact	New York, July 2000	Human rights, labour and environment
UNEP Financial Statement	Paris, 1992, revised May 1997	Environment
EU Principles	Brussels, 2001 ; revised 2002	Multi-stakeholder
Voluntary Principles on Security and Human Rights, US & UK Govt	Washington. DC and London, December 2000	Security and Human Rights for Extractive and energy industries
US Model Business Practices	Washington. DC, 1996	Health and safety, labour, environment, corruption, community, law
Ethical Trading Initiative, UK Gov and NGO	London, September 1998	Labour practices essentially on trade links
Company-led initiatives	**Place & Date**	**Main Issues**
Caux Principles	Minnesota, 1994	Multi-stakeholder
Fair Labor Association (FLA)	US California, Nov 1998	Labour practices
Global Sullivan Principles	USA, Nov. 1999	Mainly external stakeholders
ICC Business Charter for Sustainable Development	Brussels, 1991	Environment, health and safety
World Economic Forum	Davos/Geneva, 2002	Corporate governance and socio-economic
NGO-led Initiatives	**Place & Date**	**Main Issues**
AccountAbility – AA 1000	London, 1999; revised 2002	Social and ethical, Stakeholder model
Amnesty International HR guidelines	London, Sept. 1998	Human rights and security
CERES Principles	USA, 1989 ethical standards	Environmental ethical standards
Global Reporting Initiative (GRI)	Boston, 1997; revised 2002	Multi-stakeholder, triple bottom line indicators
ICFTU Code of Labour Practice	Brussels/Geneva, 1997	Labour and trade union issues
Social Accountability – SA8000	London, 1998; revised 2002	Says CSR, but is mainly labour
Interfaith Center Global Codes of Conduct	New York, 1995	Collective issues of CSR on religious basis
Social Venture Network Standards	Brussels, 1999	CSR multi-stakeholder, corporate governance
Sigma Sustainability Principles	London, 1999	Multi-stakeholder bias toward Environment
Q-Res Codes of Ethics	Italy, 1999	Multi-stakeholder
Governance Initiatives	**Place**	**Main Issues**
General Motors Board Guidelines	Detroit	Management
OECD Principles/Millstein Report International	Paris	Management
Bosch Report	Australia	Management
Merged Code Recommendations	Belgium / Brussels	Management
Turnbull Report	London, UK	Management
King Report, South Africa	Johannesburg, 2002	Management and ethics
King Report, Commonwealth	London, 2001	Management and ethics
World Bank Corporate Governance Forum	Washington D.C., 2000	Management and finance

Source: Jye Ying, Lu (2013:241) An Exploratory Study on Corporate Social Responsibility (CSR) in Malaysia: National and Organisation-Centric Perspectives
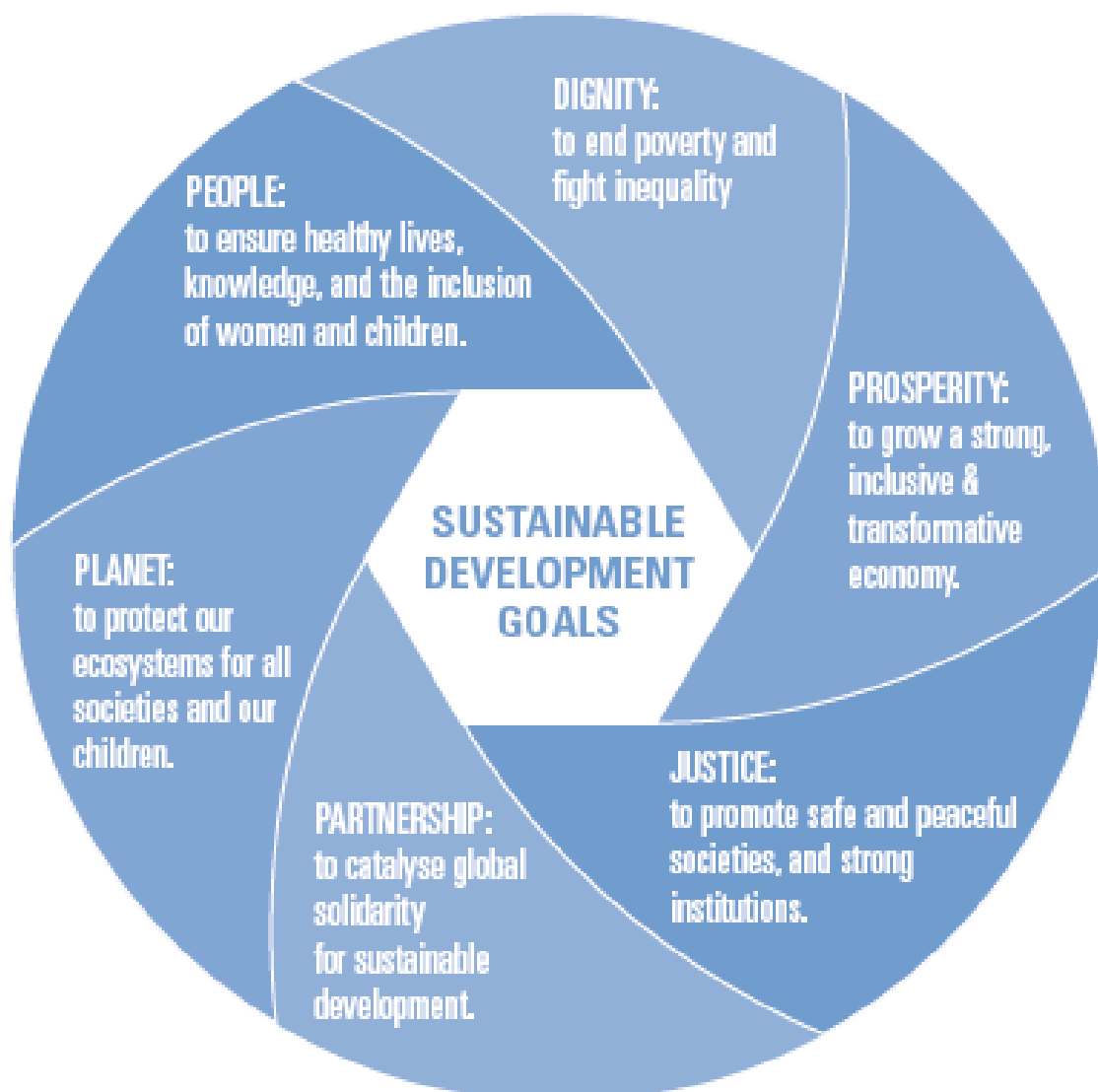
Source: International Council for Science (ICSU) (2015:11)

Appendix C. Bureaucracy of Labor Inspection Process (Labor Proclamation, Sec. 179-185)
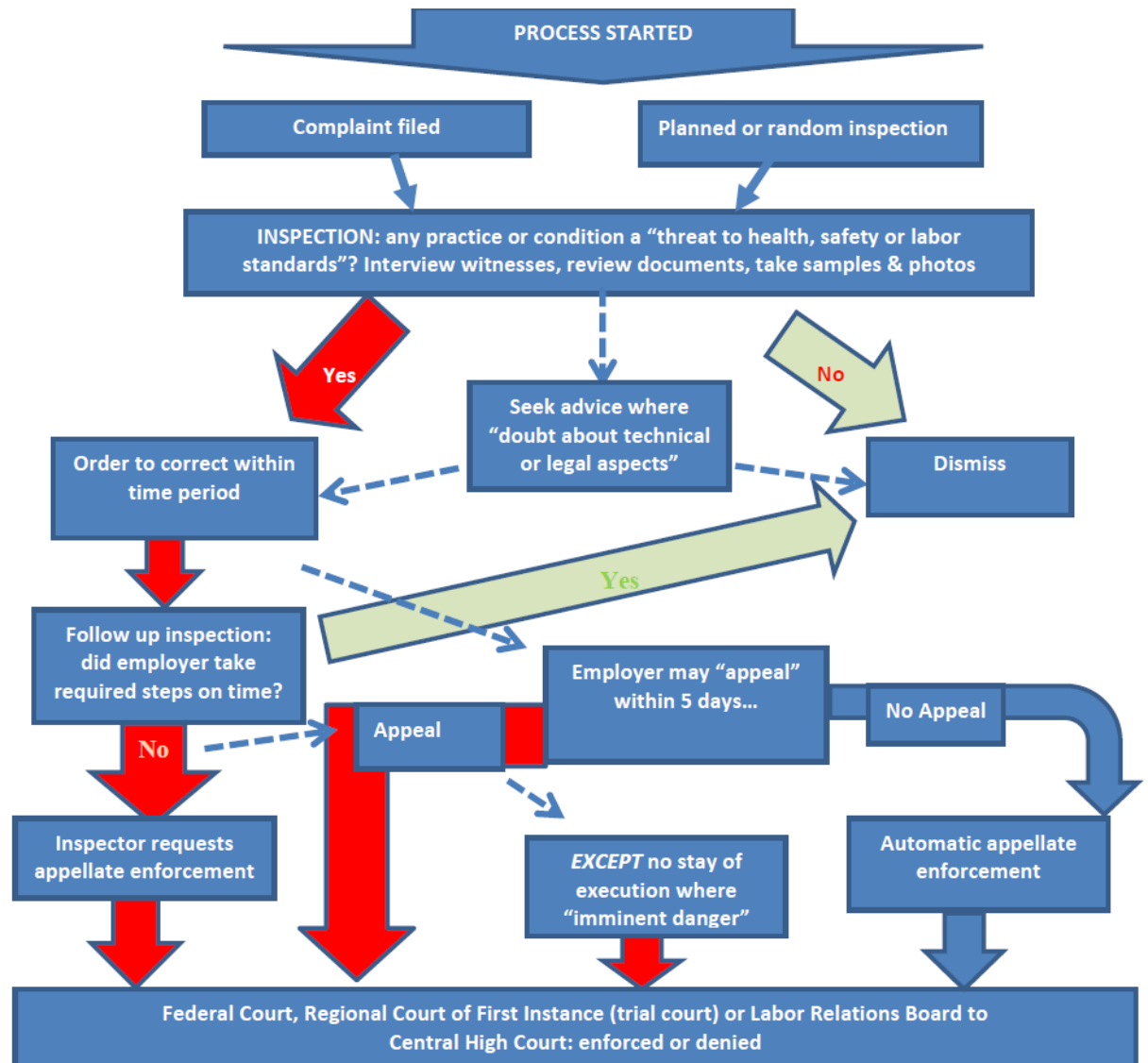
Source: Wheeler, J. and Goddard, K. (2013:8) 'Assessment of Ethiopia's Labour Inspection System' Ministry of Labour and Social Affairs (MoLSA): Addis Ababa, Ethiopia

Appendix D. Schematic Overview of ISO 26000
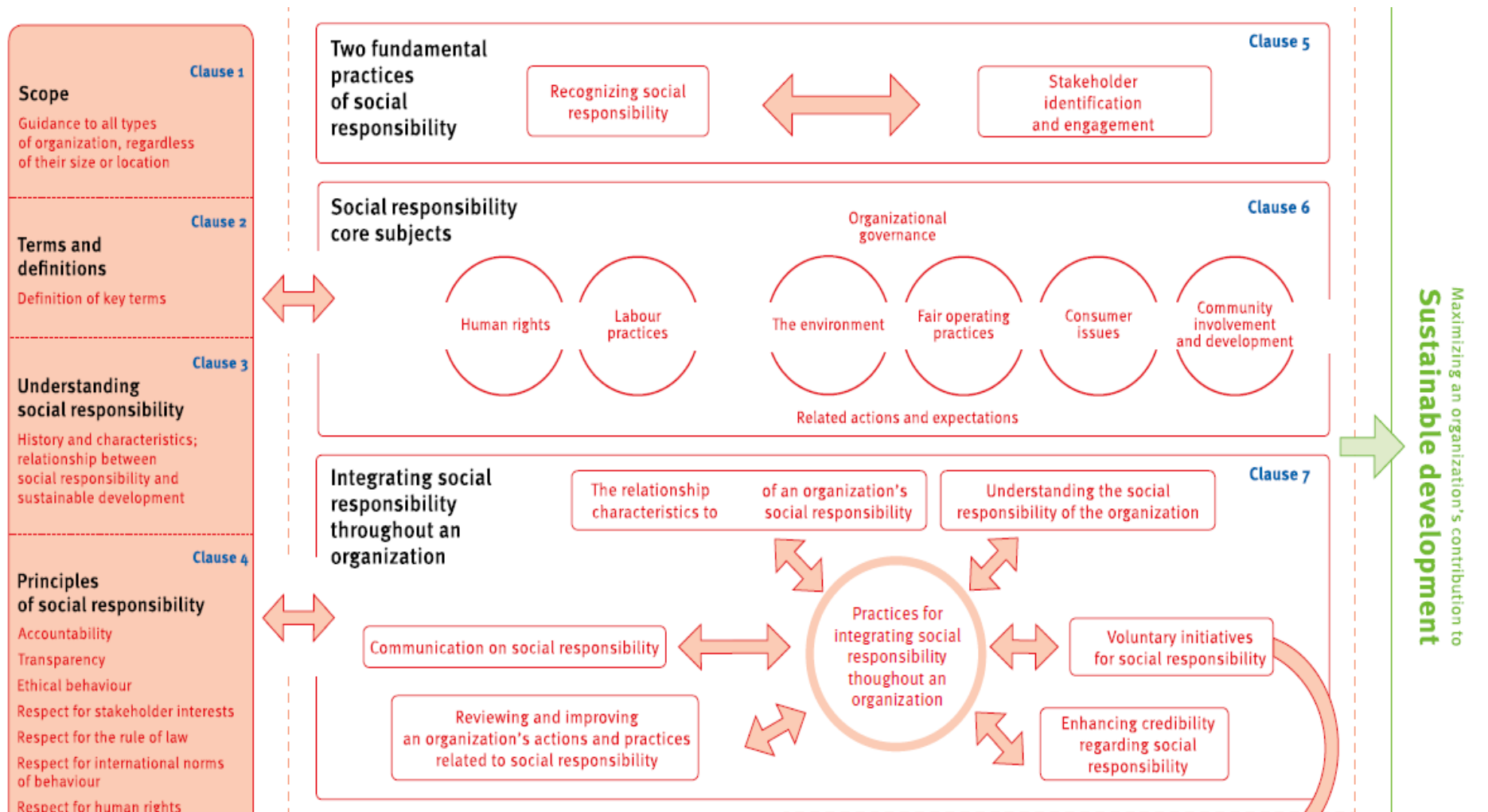
Source: ISO26000 (2010, 15) Guidance on Social Responsibility

Appendix E. Unstructured Interview Guide for Organization Officials and Experts

1. How do you/your organization understand and define SRLP in Ethiopia?

2. What is the role of your organization in relation to SRLPs?

3. Are there any enablers and/or challenges in the legal & regulatory environment in relation to SRLPs?

4. How do your organization implement the following labor practice issues?
   a. Employment and employment relations
   b. Conditions of Work and Social Protection
   c. Social Dialogue
   d. Health and Safety at Work
   e. Human Development and Training in the Workplace

5. What are the main challenges you encounter while implementing these issues?

6. How do you react to the challenges in the practice of SRLPs in Ethiopia/your organization?

7. What do you think is the future prospect for the practice of SRLPs in Ethiopia/your organization?

8. What do you think should be done to enhance the practice of SRLPs in Ethiopia/ your organization?

Appendix F. Semi-structure questions for Sugar Factory Experts

The purpose of this Semi-structured Question is to collect information regarding the understanding and practice of SRLPs in Ethiopia. Your cooperation in providing genuine answers to the following questions is highly important for the success of this study. Your responses will be kept confidential. It will only be used for academic purpose.

Part One-General Profile
    1.1. Name of the respondent's organization …………………………………………………..
    1.2. Position of the Respondent…………………………………………………………………..
    1.3. Total Number of Employees…………………………………………………………………...
    1.4. Legal Form ………………………………………………………………………………….
    1.5. Type of Organization……………………… ………………………………………………….
    Private ☐ Public ☐ Multinational ☐
    1.6. Core Products or Services …………………………………………………………………….

Part Two-SRLP Understanding, Policy, Drivers and Stakeholder Engagement
(please circle the most appropriate answers)

2.1. Does your company have a SRLP policy/Strategy?

Yes	
No	

2.2. What are the specific government policies or/and legislations do your organizations abide or strongly adhere in the management of labor in the organization?
    a. …………………………………………………………………………………………………
    b. …………………………………………………………………………………………………
    c. …………………………………………………………………………………………………

2.3. Which three of the following reasons best describe your company's rationale or driver for doing SRLP? (circle please)
    a) To attract investors, customers, and/or employees
    b) To increase profit and/or improve the image of the business
    c) To comply with legal requirements
    d) To engage in socio-economic development
    e) To enhance the implementation of core business activities
    f) Other (Please specify) …………………………………………………………………………

2.4. Which systems do you have in place to facilitate the participation of internal-employees and external stakeholders in the SRLP decision-making process of the company? (You may select more than one)
    a) Corporate advisory panel and community consultation panels
    b) Collective bargaining
    c) Employee representation
    d) Other (Please specify)…………………………………………………………………………

2.5. Which of the following potential partners have you involved in your SRLP initiatives? (*You may select more than one.*)
    a) Employees
    b) NGO's
    c) Government
    d) Donors

e) Academia

2.6. How do you create cooperation with, consult and manage relationships with the following SRLP stakeholders?
   a) Employees that are affected by your business decisions and operations:
   b) Beneficiaries (communities, organizations and/or programs) that gain from your SRLP initiatives:
   c) Partners such as government, NGO's, other companies and specialist service providers that you cooperate with in the implementation of your SRLP initiatives

2.7. Specify the global agreements known to have an impact on your company's SRLP strategy, policies and practice?

………

………

Part Three-SRLP Projects and Actions

3.1. Please provide three brief examples of SRLP projects in the development and implementation of which the company has been involved in the following issues?
   a) Employment and employment relations
   b) Conditions of Work and Social Protection
   c) Social Dialogue
   d) Health and Safety at Work
   e) Human Development and Training in the Workplace

3.2. Please choose three factors that have the biggest influence on your selection and design of SRLP projects in relation to the above choices?
   a) Global and/or national frameworks or guidelines
   b) The company's core business (products, services, markets)
   c) The company's SRLP policy
   d) National and/or industry priorities
   e) The needs, interests and expectations of beneficiary communities
   f) The involvement of and consultation with other (corporate) role-players doing business and/or
   g) Investing in the same communities
   h) Resource requirements and provision

3.3. To what extent do you agree with the following statement regarding SRLPs and actions undertaken by your Organization?

   ❖ **Note that** *1 = Totally Disagree, 2= Disagree, 3 =neither disagree, nor agree 4= Agree and 5=Totally Agree (mark with "X")*

No.	Core Socially Responsible Subject , Issues and Actions	Rank				
		1	2	3	4	5
3.3.1.	**Employment and Employment Relationships**					
a)	All work is performed by legally employed workers.					
b)	Use Active work force planning to avoid the use of work performed on a casual basis or the excessive use of work performed on a temporary basis.					
c)	Provide reasonable notice and timely information when considering changes in its operations, such as closures that affect employment.					
d)	Ensure equal opportunities for all workers and not discriminate either directly or indirectly in any labor practice.					
e)	Eliminate any arbitrary or discriminatory dismissal practices.					
f)	Protect personal data and privacy of workers.					
g)	Take steps to ensure that work is contracted or sub-contracted only to organizations					

	that are legally recognized or are otherwise able and willing to assume the responsibilities of an employer and to provide decent working conditions					
h)	Not benefit from unfair, exploitative or abusive labor practices of its partners, suppliers or subcontractors, including home workers.					
3.3.2.	**Conditions of Work and Social Protection**					
a)	Ensure that conditions of work comply with national law and regulations and international labor standards					
b)	Respect collective agreements					
c)	Provide decent conditions of work with regard to wages, hours of work, weekly rest, holidays , health and safety, maternity protection and ability to combine work with family responsibilities					
d)	Allow observance of national or religious traditions/customs					
e)	Provide wages and other forms of remuneration in accordance with national laws, regulations or collective agreements.					
f)	Equal pay for work of equal value					
g)	Comply with any obligation concerning the provision of social protection for workers in the country of operation.					
h)	Respect the right of workers to adhere to normal or agreed working hours established in laws, regulations or collective agreements. Provide workers w i t h w e e k l y r e s t a n d p a i d a n n u a l leave.					
i)	Respect the family responsibilities of workers by providing reasonable working hours, parental leave and, when possible, child care and other facilities that can help workers achieve a proper work-life balance					
3.3.3.	**Social Dialogue**					
a)	Respect the right to form/join organizations and bargain collectively					
b)	Notify authorities of measures leading to major employment impacts					
c)	Provide worker representatives with access to authorized decision makers, to workplaces, to the workers they represent, to facilities necessary to perform their role and to information that will allow them to have a true and fair picture of the organization's finances and activities					
d)	Refrain from encouraging governments to restrict the exercise of the internationally recognized rights of freedom of association and collective bargaining.					
3.3.4.	**Health and safety at work**					
a)	Develop, implement and maintain an occupational health and safety policy					
b)	Understand and apply principles of health and safety management, including the hierarchy of controls: elimination, substitution, engineering controls, administrative controls, work procedures and personal protective equipment					
c)	Analyze and control the health and safety risks					
d)	Communicate the requirement workers should follow all safe practices and ensure that workers follow the proper procedures.					
e)	Provide the safety equipment needed					
f)	Record and investigate all health and safety incidents					

g)	Address the specific ways in which occupational safety and health (OSH) risks differently affect women (such as those who are pregnant, have recently given birth or are breast feeding) and men, or workers in particular circumstances such as people with disabilities, inexperienced or younger workers.				
h)	Provide equal health and safety protection for temporary and subcontracted workers				
i)	Strive to eliminate psychosocial hazards in the workplace				
j)	Respect the principle that work place health and safety measures should not involve monetary expenditures by workers				
k)	Provide timely, full and accurate information, adequate training , allow to enquire and report about health and safety issues , participate in decisions				
3.3.5.	**Human Development and Training in the work place**				
a)	Provide all workers at all stages of their work experience with access to skills development, training and apprenticeships, and opportunities for career advancement, on an equal and non-discriminatory basis.				
b)	Ensure that, when necessary, workers being made redundant are helped to access assistance for new employment, training and counseling.				
c)	Establish joint labor-management programs that promote health and well-being.				

Part Four- Socially Responsible Labor Practices Management and Implementation

4.1. Does your organization undertake an assessment to determine SRLP issues, their relevance and significance to your organization?
  a. Yes
  b. No.

4.2. How does your organization exercise influence in managing and implementing SRLPs?
  a. setting contractual provisions/ incentives and/or promoting good practices
  b. public statements by the organization and/or making investment decisions
  c. engaging with the community, political leaders and other stakeholders or forming partnerships with sector associations, organizations and others
  d. sharing knowledge and information and/or conducting joint projects
  e. undertaking responsible lobbying and using media relations

4.3. Does your organization provide training or capacity building activities with respect to socially responsible labor practices (SRLPs)?
  a. Yes
  b. No

4.4. How do you integrate and build SRLPs in your organization strategy management, governance and operations? *(please circle)*
  a. Including in the organization's vision/ mission statement
  b. Adopting written codes of conduct that specify the organization's commitment to social responsibility
  c. Including social responsibility as a key element of the organization's strategy, through its integration into systems, policies, processes and decision-making behavior
  d. Translating the priorities for action on core subjects and issues into manageable organizational objectives with strategies, processes and timelines.
  e. Ensuring established management practices reflect and address the organization's social responsibility;
  f. Identifying the ways in which the principles of social responsibility and the core subjects

and issues apply to the various parts of the organization;

    g. Establishing departments within the organization to review and revise operating procedures that keep consistency with the principles and core subjects of socially responsible labor practices

    h. Incorporating social responsibility into purchasing and investment practices, human resources management and other organizational functions.

    i. Others …………………………………………………………………………...............

4.5. Which one of the following represents the type of communication the organization uses to exchange information regarding SRLPs? (*Please circle*)

a. Meetings or conversations with stakeholders and/or communication with stakeholders on specific issues of social responsibility related to the organization's activities (i.e. internal review and assurance and stakeholder feedback)

b. Communication between the organization's management and employees or members to raise general awareness on social responsibility.

c. Team activities focused on integration of social responsibility in the organization

d. Communication with suppliers about procurement requirements related to social responsibility

e. Communication to the public about emergencies that have consequences for SRLPs.

f. Articles on aspects of social responsibility in magazines or newsletters aimed at peer organizations

g. Advertisements or other public statements to promote aspect of social responsibility;

h. Submissions to government bodies or public inquiries

i. Periodic public reporting with opportunities for stakeholder feedback

j. Posting in web-sites

k. Public events, forums reports, newsletters, magazines, posters, letters, voicemail, video, websites,

l. O t h e r s ………………………………………………………………………….….

4.6. Does your organization undertake one of the following activities to enhance the credibility of Socially Responsible Labor Practices?

    a. Undertaking dialogue with stakeholders to periodically review

    b. Participate in specific certification schemes: If so please specify?…………………………………………………………………………

    c. Creation of advisory committees/review committees consisting of persons who are credible.

    d. Join associations of peer organizations to establish or promote socially responsible behaviour within their area of activity

    e. Making relevant commitments regarding the impacts of SRLPs, taking appropriate action and assessing performance and reporting on progress and shortcomings.

    f. Making reports about performance on social responsibility comparable both over time and with reports produced by peer organizations

    g. providing a brief explanation of why SRLP related topics are omitted from reports are not covered,

    h. using a rigorous and responsible process of verification,

    i. U s e e x t e r n a l i n d e p e n d e n t p a r t i e s to undertake verification of the report process;

    j. Use stakeholder groups to provide a determination that SRLPs report reflects the relevant and significant issues for the organization, is responsive to the needs of stakeholders, and cover the issues addressed;

    k. Providing extra information regarding SRLPs reports

4.7. What kind of mechanism does your organization use to resolve conflicts or disagreements between an organization and its stakeholders –especially among

employees and between the organization and an employee?
a. direct discussions with affected stakeholders;
b. provision of written information to address misunderstandings;
c. forums with stakeholders and the organization can present their view and look for solutions;
d. formal complaints handling procedures;
e. mediation or arbitration procedures;
f. systems that enable reporting of wrong doing without fear of punishment; and
g. Other types of procedures for resolving grievances.

4.8. Below are the list of factors that have been determining the successful implementation and management of SRLP projects. Referring to your organization SRLPs, please indicate three factors that you have the most success and three that you are most challenged with in implementing and managing your SRLP projects? (*write by saying Successes/Challenges in front of each sentence*)
a. Clearly documented and well managed goals, objectives and timelines
b. Proper and written agreements between all stakeholders (e.g. company, beneficiaries, specialist service providers, partners, etc)
c. The provision and effective utilization of financial resources by the company
d. The provision and effective utilization of human resources provided by the company
e. The availability and effective utilization of service providers in areas of your projects
f. The involvement and empowerment of beneficiaries in terms of project design and implementation
g. The provision and effective utilization of volunteer staff involvement by the company
h. Sound governance, management and accounting practices on the side of beneficiaries
i. Assurance of ownership and commitment towards the agreed objectives and outcomes of the project on the side of beneficiaries
j. Assurance of sufficient capacity and competence for project resource delivery on the side of beneficiaries
k. Regular communication and consultation between all stakeholders
l. Other (Please specify)……………………………………………………………………………

Part Five- SRLPs Performance Management
5.1. Do you conduct regular monitoring and evaluation on your SRLP projects?
a. Yes
b. No
If yes, how often do you do it?
a. Once per quarter
b. Once per semester
c. Annually
If yes, by whom is such Monitoring and Evaluation done?
a. Internally by own staff
b. Externally by an independent agency
If yes, please indicate at least five key factors that you and/or an independent evaluator take into account when doing such assessments
1…………………………………………………………………………………………………..
2…………………………………………………………………………………………………..
3…………………………………………………………………………………………………..
4…………………………………………………………………………………………………..
5…………………………………………………………………………………………………..
5.2. Do you do Socially Responsible Labour Practices reporting?
a. Yes
b. No
If no, please briefly specify
why ………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………

If yes, which of the following constituencies does your report to? (*Mark by circling*)
   a. Staff
   b. Management and/or Board
   c. Beneficiary communities and/or organizations
   d. Partners and/or third party providers
   e. The general public
   f. National and/or local government
   g. International bodies
   h. Other (please specify) ……………………………………………………………………

Part Six- Success Stories, Best Practices and Challenges

6.1. What SRLP initiative do you currently regard as your biggest disappointment or even failure, the one that represents for you the worst expression of what an effective and sustainable SRLP project should look like?
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………

6.2. What do you regard as five key positive and negative factors that contribute to the success or failure of your company's SRLP initiatives?

Positive Factors
1……………………………………………………………………………………………………
2……………………………………………………………………………………………………
3……………………………………………………………………………………………………
4……………………………………………………………………………………………………
5……………………………………………………………………………………………………

Negative Factors
1……………………………………………………………………………………………………
2……………………………………………………………………………………………………
3……………………………………………………………………………………………………
4……………………………………………………………………………………………………
5……………………………………………………………………………………………………

Part Seven-SRLP Future Trends and Development Needs

7.1. What do you anticipate/expect the focus of SRLP in your company to be in the future?
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………

7.2. To what extent do you experience yourself as suitably equipped to give direction to your company's SRLP practice?(*circle your choice*)
   A. Highly equipped
   B. Moderately equipped
   C. Under equipped

7.3. In relation to your SRLP experience, which instruments and services do you think would be of benefitial to you and your company? (*circle your choice*)
   a. Specific training
   b. Briefings
   c. Publications
   d. Workshops
   e. Conferences
   f. Case studies
   g. Consultation
   h. Policy dialogue

      i.   Strategy formulation
      j.   Learning forums
      k. Internet platforms
      l.   Peer exchange
      m. Exchange in networks
      n. Research
      o. Impact assessment development
      p. Other (Please specify)……………………………………………………………………………………………

7.4. Why are the above instruments and services important for your company? Please specify your concrete needs in this regard.

……
……
……
……

7.5. What role should the government play to foster SRLP in your company? How would your company be willing to assist the government in that?

……
……
……
……

Appendix G. Survey Questionnaire for Employees of *Metahara* Sugar Factory

The purpose of this questionnaire is to assess the extent and status of SRLPs implementation in *Metahara* Sugar Factory. Your cooperation in providing genuine answers to the following questions is highly important for the success of this study. Your responses will be kept confidential. It will only be used for academic purpose.

Part One-Basic Information			
Date		Educational Status	
Age		Type of Business Sector	
Marital Status		Occupation	
No. of Children		Work Experience	
Gender –Male or Female		Work Position	

❖ **Note that 1 = Totally Disagree, 2= Disagree, 3 =neither disagree, nor agree 4= Agree and 5=Totally Agree (mark with "X")**

No.	Core Socially Responsible Subject , Issues and Actions	Rank				
		1	2	3	4	5
1	**Employment and Employment Relationships**					
1.1	All work is performed by legally employed workers.					
1.2	Use active work force planning to avoid the use of work performed on an informal basis or the excessive use of work performed on a temporary basis.					
1.3	Provide reasonable notice and timely information when considering changes in its operations, such as closures that affect employment.					
1.4	Ensure equal opportunities for all workers and not discriminate either directly or indirectly in any labor practice.					
1.5	Protect personal data and privacy of workers.					
1.6	Take steps to ensure that work is contracted or sub-contracted only to organizations that are legally recognized or are otherwise able and willing to assume the responsibilities of an employer and to provide decent working conditions					
1.7	Not benefit from unfair, exploitative or abusive labor practices of its partners, suppliers or subcontractors, including home workers.					
2	**Conditions of Work and Social Protection**					
2.1	Make sure that conditions of work comply with national law and regulations and international labor standards					

Part Two-Socially Responsible Labor Practices

To what extent do you agree on the following statements?

2.2	Respect collective agreements					
2.3	Provide decent conditions of work with regard to wages, hours of work weekly rest, holidays, health and safety, maternity protection and ability to combine work with family responsibilities					
2.4	How observance of national or religious traditions/customs					
2.5	Provide wages and other forms of remuneration in accordance with national laws, regulations or collective agreements.					
2.7	Usually pay for work of equal value					
2.8	Comply with any obligation concerning the provision of social protection for workers in the country of operation.					
2.9	Respect the right of workers to adhere to normal or agreed working hours established in laws, regulations or collective agreements. Provide workers with weekly rest and paid annual leave.					
2.10	Respect the family responsibilities of workers by providing reasonable working hours, parental leave and, when possible, childcare and other facilities that can help workers achieve a proper work-life balance					
3	**Social Dialogue**					
3.1	Respect the right to form/join organizations and bargain collectively					
3.2	Specify authorities of measures leading to major employment impacts					
3.3	Provide worker representatives with access to authorized decision makers, to workplaces, to the workers they represent, to facilities necessary to perform their role and to information that will allow them to have a true and fair picture of the organization's finances and activities					
3.4	Refrain from encouraging governments to restrict the exercise of the internationally recognized rights of freedom of association and collective bargaining.					
4	**Health and Safety at Work**					
4.1	Develop, implement and maintain an occupational health and safety policy					
4.2	Understand and apply principles of health and safety management, including the hierarchy of controls: elimination, substitution, engineering controls, administrative controls, work procedures and personal protective equipment;					
4.3	Analyze and control the health and safety risks					
4.4	Communicate the requirement workers should follow all safe practices and ensure that workers follow the proper procedures.					
4.5	Provide the safety equipment needed					
4.6	Address the specific ways in which occupational safety and health (OSH)risks differently affect women(such as those who are pregnant, have recently given birth or are breastfeeding) and men, or workers in particular circumstances such as people with disabilities, inexperienced or younger workers.					
4.7	Provide equal health and safety protection for temporary and subcontracted workers					
4.8	Strive to eliminate psychosocial hazards in the workplace					

4.9	Respect the principle that workplace health and safety measures should not involve monetary expenditures by workers					
4.10	Provide timely, full and accurate information, adequate training , allow to enquire and report about health and safety issues , participate in decisions					
5	**Human Development and Training in the Workplace**					
5.1	Provide all workers at all stages of their work experience with access to skills development, training and apprenticeships, and opportunities for career advancement, on an equal and non-discriminatory basis.					
5.2	Ensure that, when necessary, workers being made redundant are helped to access assistance for new employment, training and counseling.					
5.3	Establish joint labor-management programs that promote health and well-being.					