

# IMPACT OF CORPORATE SOCIAL RESPONSIBILITY ON ENVIRONMENTAL CONSERVATION: INSIGHTS FROM SENSELET FOOD PROCESSING PRIVATE LIMITED COMPANY, HAGEREMARIAM, NORTH SHEWA ZONE, ETHIOPIA

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## Abstract

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This study aims to assess Senselet Food Processing PLC's corporate social responsibility (hereafter, CSR) activities and their effects on environmental conservation. Corporate social responsibility pertains to the accountability of businesses or corporations for their societal effects and outcomes. It emphasizes how their commercial operations should incorporate social, environmental, and economic considerations. Both a qualitative research method and a descriptive survey were used in the study. Thirteen key informants, including representatives from the local and federal governments, the company under investigation, and twenty-four focus group discussion (FGD) participants from the surrounding communities, were chosen through purposeful sampling techniques for scheduled interviews. Primary, secondary, and mixed data sources, along with quantitative and qualitative data, were employed in this study. Findings portray the need for Senselet to establish a structured CSR framework, enhance managerial capacity, and actively collaborate with local communities for environmental conservation. The study concludes that Senselet demonstrates potential in economic CSR, but its social and environmental contributions require significant improvement to achieve holistic sustainability. Recommendations include creating a dedicated CSR department, fostering community partnerships, and aligning with regulatory frameworks to ensure environmental conservation.

**Keywords:** Corporate Social Responsibility, Environment, Environmental Conservation, Food Processing

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## 1. Introduction

Corporate Social Responsibility has been a contentious topic since the 1950s. According to Secchi, 2007 and Lee, 2008, corporate social responsibility's definition and application have evolved. Philanthropic responsibility was not emphasized in the traditional understanding of CSR (i.e., a voluntary basis for CSR). Early discourses often associated the market performance of commercial enterprises with social performance.

Over the past 20 years, worries about corporate social responsibility have increased Campbell (2005). CSR involves numerous agreements or issues with both external stakeholders and within a company. Business and society have an implicit "social contract," which requires firms to uphold specific commitments. In addition, CSR requires businesses to address long-term societal demands

and maximize the beneficial consequences of their operations while minimizing the bad ones (Carroll, 1979).

Over time, corporate social responsibility (CSR) has moved from emphasizing the market and financial performance to becoming more important in business-society ties, especially regarding a company's or firm's commitment to resolving societal issues. Oliver (1923), regarded as the forerunner of this perspective, encouraged organizational management to advance social justice and moral standards through the ethic of economizing (i.e., economize the use of resources under the name of efficient resource mobilization and usage).

In the modern world, corporate social responsibility (CSR) is becoming necessary for modern businesses. It establishes a connection between the company organization and its social

surroundings, in which intense interactions occur. Employees who make conscientious efforts to better the local community have come to appreciate and comprehend the company's function, given their awareness of the conditions within the organization and the community at large (Audeh, 2018). According to Maimunah (2009), corporate social responsibility (CSR) is a tactic businesses use to conduct their operations morally and socially responsibly.

As noted by Maimunah (2009), Corporate Social Responsibility (CSR) can involve various activities, such as partnering with local communities, pursuing socially responsible investments, building strong connections with employees, customers, and their families, and engaging in efforts to promote sustainability and protect the environment. Socially conscious businesses are essential to boosting the country's economy and reducing unemployment and poverty (Audeh, 2018). Furthermore, according to Asamoah (2011), managers have been attempting to determine how they might assist organizations in contributing to the advancement of society and the economy for the past ten years. He defines corporate social responsibility as the set of guidelines that businesses follow in order to make a beneficial impact on society.

As stated by Bronn (2003), many firms are focusing on corporate social responsibility (CSR) later than is appropriate given its conceptual infancy. According to him, Corporate Social Responsibility (CSR) refers to a company's continuous commitment to operate ethically, foster economic development, and improve the quality of life for its employees, their families, the local community, and society as a whole.

The concern about corporate social responsibility (CSR) is essentially expanding, and researches on CSR are becoming more and more popular. An organization's performance, dedication, and reputation are all impacted by corporate social

responsibility (CSR), as noted by Deyassa (2016). The fundamental tenet of corporate social responsibility, according to Robins (2008), is that businesses must acknowledge that they have a social responsibility beyond just making money. Waddock (1997) asserts that CSR is connected to local community relations, human rights, environmental preservation, workplace health and safety, and corruption (Waddock 1997).

A number of academics studying corporate social responsibility (CSR) may concentrate on fiscal responsibility, legal duty, employee well-being, environmental responsibility, and philanthropic responsibility. *Senselet* Food Processing PLC's environmental corporate social responsibility (ECSR) was the focus of this study to reveal the extent of the company's environmental responsibility. With these realizations, this study evaluated the impact of ECSR on the surrounding environment by using it as a parasol idea.

CSR is a matter of research for some scholars, specifically in Africa and Ethiopia. According to Tsoutsoura, 2004, many of the studies conducted at the global level in the past overstressed the financial aspect of CSR and paid little attention to environmental and social performance.

Studies on Corporate Social Responsibility (CSR) in African countries, particularly in South Africa, Ghana, Namibia, and Malawi, indicate that the predominant approach to addressing CSR issues is through philanthropic efforts, with a primary focus on education, health, and environmental initiatives. Kusku & Zarkada, 2012; cited in (Shibiru, 2018). As Visser et al. (2008), and Shibiru (2018) argued, CSR in Africa is restricted to certain activities, mainly charity, community development programs, and philanthropy.

Corporate social responsibility (CSR) studies examined various viewpoints on CSR in Ethiopia. To shed some light on the subject, some of the empirical studies that were consulted included Selam (2017) on the effects of corporate social

responsibility (CSR) on customer satisfaction, Yohannes (2014) on CSR practices in Ethiopian higher education institutions (the case of AAU), Rama and Fentaye (2016) on the environmental aspects of CSR, in the context of Ethiopian selective brewing firms; emphasis on employee perception, and Kassaye (2016) on beliefs regarding CSR in Ethiopia.

In terms of CSR's involvement in environmental protection, the researcher believes that comprehensive CSR can improve the state of the environment. The triple bottom line, which includes Profit, people, and the planet, is a well-known CSR model the researcher liked to use for this reason (known as the 3Ps). The triple bottom line, according to Barbara (2018), focuses primarily on the financial, social, and environmental facets of corporate social responsibility.

Therefore, the primary issue that motivated the researcher to carry out this investigation in the chosen study region and the organization is that the chosen location has seen a significant increase in the number of manufacturing businesses in recent years. Senselet Food Processing Company, Sino Steel, and Ever Green liquid fertilizer production are a few of them. Thus, the study identified several pressing issues, such as inappropriate waste management and environmental catastrophes. Last but not least, this study varies from previous CSR research in that it concentrates on the connection between environmental management and CSR. It differs from previous research as well, especially from the studies it consulted, because its focus is on evaluating organizational frameworks for corporate social responsibility. The goal of this research is to close the information gap about ECSR and how it affects environmental protection.

### **Conceptual and Theoretical Comprehensions of Corporate Social Responsibility**

#### **Concepts of Corporate Social Responsibility**

It isn't easy to put a single definition for corporate social responsibility (CSR), like many other social science terminologies. With this regard, William Frederick has written extensively on the subject for decades. Fredric stated that; "the definite meaning of CSR has continued to be debated from the beginning." He also stated, "The moral foundations of CSR are neither clear nor agreed upon" (Fredric, 2006).

Although this is the case, this paragraph deals with some of the meanings and conceptual underpinnings brought to CSR by various international and regional organizations and scholars concerned with the issue. The Commission of the European Communities (2002) defined CSR as "a concept whereby companies voluntarily integrate social and environmental concerns in their business operations and interactions with their stakeholders". The dimensions included in this definition are voluntariness, stakeholder, social, environmental, and economic issues. Although this definition is comprehensive in context, it fails under criticism because it puts the issue of CSR on the voluntary basis of companies.

The World Business Council for Sustainable Development (2000) defines Corporate Social Responsibility (CSR) as "the commitment of business to contribute to sustainable economic development by working with employees, their families, the local community, and society to improve their quality of life." This definition included the stakeholders and the social and economic aspects.

Business for Social Responsibility (2000) defined CSR as "business decision making linked to ethical values, compliance with legal requirements and respect for people, communities and the environment". This definition weighs sound compared to the above as its dimensions of defining CSR seem fully pledged. It consists of

the economic, stakeholders, social, ethical, environmental and legal aspects of a company's decision-making. The definition of CSR in BSR (2000) also views CSR as “*operating a business in a manner that meets or exceeds the ethical, legal, commercial and public expectations that society has of business*”. Social responsibility is a guiding principle for every decision made and in every business area.

According to the International Business Leaders Forum (2003), CSR is an open and transparent business practice based on ethical values and respect for employees, communities, and the environment, which contribute to sustainable business success.

On the other hand, Khoury (1999) brought a form of meticulous definition for CSR as follows: “The overall relationship of the corporation with all of its stakeholders”. These include customers, employees, communities, owners/investors, government, suppliers and competitors. Social responsibility includes investment in community outreach, employee relations, creation and maintenance of employment, environmental stewardship, and financial performance. The definition included the stakeholder, social, environmental, and economic aspects within it. As defined by Hopkins (1998), CSR is concerned with treating the firm's stakeholders ethically or in a socially responsible manner. Stakeholders exist both within a firm and outside. Consequently, behaving socially responsibly increases the human development of stakeholders both within and outside the corporation.

In general, the analysis of different literature shows that there are many available definitions of corporate social responsibility, and they consistently contain the five major dimensions, i.e. social, economic, environmental, stakeholders, and voluntarism. The contemporary conceptions of CSR (likewise termed corporate responsibility, corporate citizenship, responsible

business, and corporate social opportunity) is a concept whereby corporations or companies consider the concerns of society by taking responsibility for the impact of their activities on customers, suppliers, employees, shareholders, communities and other stakeholders as well as their environment.

### **Theories of Corporate Social Responsibility**

In this research, a theory termed “The Triple Bottom Line” was adopted as it is a comprehensive theory towards CSR—this theory is also known as the 3Ps or the three pillars. It mainly states that a company should be responsible for three features: Profit, People and the planet, which encompasses economic, social, social and environmental responsibility (Barbara, May 2018). Accordingly, under this study, the “Triple Bottom Line” theory on CSR was favoured as it comprehensively states that the three main elements should be considered for the better continuity of corporations.

### **The Triple Bottom Line Theory**

Triple Bottom Line (TBL) is a concept that was introduced in 1987 by the Brundtland Commission and was officially named by John Elikngt in 1994. This theory identified three features for which a company should be responsible. These are Profit, people, and planet, encompassing a company's economic, social and environmental responsibilities (Barbara, May 2018).

According to this theory, these three elements are the basis for the sustainability of the company, the social well-being, and environmental sustainability. Caring for Profit and People makes a company equitable and fair, but neglecting environmental protection troubles the Planet. On the other hand, treating only the planet and people and forgetting about profit makes policy acceptable, but businesses need profits to survive. Again, if the company's attention is to discard the People, Cane (2013)

believes, but in the long term can lead to the fall of employees' morale and the breach of social contract. Conveniently, let us describe each element of the Triple Bottom Line (i.e., the 3Ps).

This paper intends to assess the impact of Corporate Social Responsibility on environmental conservation by Senselet Food Processing PLC, Located in the North Shewa Zone of Amhara National Regional State of Ethiopia. Besides the abovementioned general objective, the study has specific research objectives. These are: to evaluate the organizational frameworks of CSR of the company under study, to explore the CSR efforts by the selected study company, to identify the challenges behind the implementation of CSR by the PLC under study, and to explore the prospects for the operation of CSR for environmental conservation by the PLC under study.

## 2. RESEARCH METHODS

### Description of Study Area

The study was conducted on Senselet Food Processing PLC in Hagere Mariamna Kesem Woreda, North Shewa Zone of Amhara Regional State. Hagere Mariamna Kesem is one of the Woredas in the Amhara Region of Ethiopia. It is one of the Woredas in North Shewa Zone, which is bordered on the South by a river known as Germama (or Kesem), which separates it from Menjarna Shenkora [Woreda](#), on the North by Angolalla Tera [Woreda](#), on the West by Oromia Region, on Northeast by Asagirt [Woreda](#), and on the East by Berehet [Woreda](#). Shola Gebeya is the administrative town of this Woreda, and the other known town is Kesem Koremash. The Woreda is found at a distance of 125km far from the Capital, Addis Ababa (KRI 2, Feb 2020).

The data obtained from the company's official website indicate that Senselet Food Processing PLC was established in Ethiopia in 2015 in a place called "Tulofa," located 65 km from the capital,

Addis Ababa, to the North West. It has been inaugurated to produce SUN Chips snacks from local potatoes, targeting the Ethiopian and export markets. About its name, 'Senselet' is an Amharic word meaning "Chain" In English, the company establishes a linkage between potato-producing farmers and the market. In 2015, impact investor Veris Investments from the Netherlands set up *Senselet* Food Processing PLC to build a business that would contribute to developing the potato value chain and potato farmers in Ethiopia. Since then, the company has been in production and distribution. The company had opened a job opportunity for a total of 115 individuals, of which 67 are male and 48 are female.

### Research Design and Approach

A descriptive survey type of research design was used to describe the effects of CSR on the environmental conservations of the company under study. As stated (Kothari, 2004), descriptive studies are most concerned with specific predictions, with the narration of facts and characteristics concerning individuals, groups and situations. As this study intends to investigate the facts regarding the CSR

of the company under study and its impacts on the environment, a narration about the impacts of its operation are its central concerns; a descriptive research design is sound to apply.

## Sampling Procedure

### Population of the Study and Sampling Frame

The target population of this study included both an organization and individuals. Senselet Food Processing PLC was the organization under study, while the surrounding community played a crucial role in assessing the effects of Environmental Corporate Social Responsibility (ECSR). The sampling frame for this research consisted of personnel from Senselet Food Processing PLC, representatives of relevant government bodies at various levels (from Kebele to Federal/National), and selected residents living near and around the company.

### Sampling Technique and Sample Size

In this research, a non-probability sampling technique was employed. Due to the involvement of diverse stakeholders related to the issue under study, purposive sampling—a type of non-probability sampling—was applied to identify key informants and focus on specific aspects and situations in the study area.

The sample size for this study comprised a total of 37 informants. Using purposive sampling, 13 participants were selected and consulted as key informants, including officials from the relevant Kebele, Woreda, Zone, and federal/national government offices, as well as representatives from the company under study. Specifically:

- Two individuals from the Kebele administrative offices (the Kebele Manager and the Rural Land Development Coordination Official).
- Two individuals from the Woreda administrative offices (the Woreda Administrator and a representative from the

Rural Land Development and Agricultural Coordination Office).

- Two personnel from the Amhara Regional State Investment and Development Linkage Addis Ababa Head Office.
- Two individuals from the National Investment and Development Linkage Office.
- Three personnel from the company under study (one from the Human Resource Development Office, one Fieldwork Coordinator, and one Public Relations Officer).

Additionally, the study included 24 participants who took part in four Focus Group Discussions (FGDs), with six individuals in each group. These groups were composed of people from various areas selected through purposive sampling. The researcher included segments of the community whose livelihoods directly interact with the study company, ensuring relevant and meaningful data collection.

### Data Collection Procedures

An interview guide and an FGD (Focus Group Discussion) checklist were prepared as essential tools for data collection. These tools were reviewed by peers and advisors to ensure their relevance and quality. In the data collection process, tape recording and photography were employed to capture detailed information.

Additionally, secondary data were gathered by reviewing significant documents. Permission was obtained from the relevant officials to access background information and other pertinent details about the study area, ensuring comprehensive coverage of the issue under investigation.

### Data Analysis and Interpretations

A qualitative method was employed for data analysis. The collected data were organized and systematically connected to identify patterns and themes. The data were then coded and analyzed to extract meaningful insights. Finally, a report was

prepared based on the analysis of these insights, providing a comprehensive understanding of the findings.

### 3. Results and Discussion

#### CSR *Senselet* Food Processing Plc

##### Organizational Frameworks of *Senselet* Food Processing Plc towards CSR

*Senseless* Food Processing PLC is a company that was established in Ethiopia, processing potatoes to produce potato chips since 2015. The company has targeted having potato processing as Ethiopia has a huge production opportunity of potato.



Plate 1 : Partial view of the study area with emerging manufacturing companies

Source: Researcher field Photo

Describing to the CSR of SFPPLC, the company's Managing Director raised some issues as part of their corporate responsibility. The interview with the managing director at SFPPLC indicates that the company had a primary goal of investing in the potato value chain and linking farmers to the market system. Even if it is not stated as a CSR, the Managing Director says; the company aimed to contribute to environmental conservation activities. According to the value chain management of SFPPLC, the company controls its corporate

responsibilities through the value chain management office till its establishment. Accordingly, its corporate responsibility focuses on the relationship between the potato-producing farmers and the company. In this way, the company conveyed training for farmers, brought better seeds a better storage system, and extended long-term off-take agreements to work with the farmers (KRI 7, Feb 25, 2020).



Plate-2: View of *Senselet* Food Processing PLC

Source: Researcher Field photo

#### CSR in *Senselet* Food Processing PLC towards the environment

The environment is a crucial aspect of CSR, as stated in the Triple bottom-line model of CSR. This theory has been presented in section two of this paper. In short, CSR comprises three major aspects: people, profit, and the planet. In this section, the issue of CSR and the environment has been examined. The table below concentrates on the survey participants' responses to the question, which focuses on the efforts and status of the target study company towards environmental protection and conservation.

##### Company- Community Coordination on Environmental Conservation

Regarding environmental issues, one of the key informants stated, as given hereunder

*“Since its establishment in 2017, our office has been mandated to make follow-ups on the company's environmental impacts. Experts from Hageremariam Kesem Woreda Rural Land Use and Management Office make a follow-up on issues like chemical use, storing and avoiding systems, raw materials, source of energy, and water usage mechanisms. These follow-ups were made yearly.*

In addition to this, the expert checks if there are liquid wastes and mechanisms to purify it, other dumped wastes in the compound and mechanisms to collect together and avoid, if there is odors in the compound and around, preparation of clear plans to avoid solid wastes, access of clean and closed ditches for flow of liquid wastes and sources of wastes in and around the company were among the issues which are taken into consideration in the annual follow-ups” (KRI 4, Feb, 28, 2020).

The responses with the aforementioned key informant affirmed that the company is on a worthy start regarding to the environmental impacts. For instance, the company had established a modern storage of solid waste.

#### **Environmental Conservation Efforts of SFPPLC**

A FGD conducted with the residents near the company revealed that the company's efforts in managing environmental harms are not visible and complete (FGD, 2020). For instance, the unfitting flow of liquid waste from the company could be one of evidence of the company's failures in waste management, as shown in the picture below.



Plate-3: Improper Liquid Waste Management at Senselet Food Processing PLC



Plate 4: Inadequate Liquid Waste Handling by Senselet Food Processing PLC

#### **Company's Frameworks on Energy Use, Water Use and Waste Management**

An informant from Senselet Food Processing PLC mentioned that the company is working to establish appropriate frameworks for energy use, water use, waste management, and recycling mechanisms. As per the researcher's observation, the company's efforts in environmental management are still on the researcher, the company researcher's observation, and the company's efforts in environmental management are still in their early stages.



## **Challenges on CSR in *Senselet* Food Processing PLC**

CSR is a problematic issue to deal with in both conceptual and practical sense. As discussed in previous portions of this paper, there are difficulties in conceptualizing and determining the implementation of CSR because it is a multidimensional and complex concept. There is a huge debate on the importance, degree, and framework of implementation of CSR. Under this section of the data analysis and interpretation, the challenges of CSR from the *Senselet* Food Processing PLC angle can be described. Accordingly, a few elements of organizational strategies and frameworks on CSR, managerial willingness for CSR, managerial skills and experiences on CSR, perception and willingness of the community around, and CSR culture of the company were prepared in the form of survey questions. The responses and, their interpretations are presented and discussed in the table below. The table below and the following paragraphs present and discuss their interpretations.

### **Organizational Strategies and Frameworks as a Challenge on CSR in SFPPLC**

An interview with the Managing Director of the company reveals that the organizational strategies and frameworks towards CSR were not properly defined as part of the strategic plan. The lack of such organizational strategies and frameworks for the practice of CSR had led to a weak implementation of CSR by the target study company.

In addition to the lack of organizational strategies and frameworks of the company under study, managerial willingness, managerial skills and experiences, community perception and willingness, culture, and philanthropic view towards CSR are among the identified challenges towards CSR.

The identified challenges towards Corporate Social Responsibility (CSR) include the absence of organizational strategies and frameworks within the

company under investigation and issues related to managerial willingness, skills and experiences, community perception and willingness, culture, and philanthropic view towards CSR.

### **Opportunities of CSR in *Senselet* Food Processing PLC**

In recent years, Corporate Social Responsibility (CSR) has increasingly become a global practice, with businesses in different countries adopting approaches that align with their unique combination of political, regulatory, and financial systems, as well as their culture, history, and resources (Steurer, 2010). Additionally, other studies suggest that the applicability of CSR is influenced by a country's socio-cultural and economic context, and in some cases, by its political system and prevailing beliefs. The advancement of CSR in the study area in other enterprises and corporations in Ethiopia is mainly determined by the efforts of both companies and state interventions. This could be the way forward because the prevailing philanthropic view of CSR in Ethiopia needs to be replaced with some regulatory frameworks with some regulatory framework on the issue. In the previous chapters of this research, particularly under chapter two, the literatures had indicated the voluntary basis of practices and perception of CSR in Ethiopia and concerning the prospects of CSR, one of the key informants at the ARSIACO mentioned that even if the country's economy is primarily based on industrialization and privatization, the traditional conceptions and practices of CSR need to be improved. He stated that some of the legal aspects of CSR were stated in the constitution and the investment proclamations. The issues include the right to labour and live in a healthy environment. According to this informant, the government needs to devise regulatory frameworks separately, which help advance CSR in the expansion of industrialization in Ethiopia.

Corporate social responsibility (CSR) is spreading worldwide as companies with global operations seek methods that emphasize their unique combination of political, regulatory, and financial

systems and their culture, history, and resources (Steurer, 2010). Furthermore, further research demonstrates that its application is influenced by the political system and beliefs of a certain nation and the social, sociocultural, and economic circumstances within that nation. The primary drivers of corporate social responsibility (CSR) advancement in Ethiopian businesses and corporations include company initiatives as well as government initiatives in the research area. This may be the best course of action because Ethiopia has to replace its current charitable perspective on corporate social responsibility (CSR) with a legal structure. The literature had already mentioned the voluntary nature of CSR activities and perceptions in Ethiopia in the earlier research chapters, especially under chapter two. One of the major informants at the ARSIACO stated that, despite the fact that industrialization and privatization represent the bulk of the nation's economy, conventional ideas and practices of corporate social responsibility (CSR) still require improvement. According to him, the investment proclamations and the constitution both specify some legal components of corporate social responsibility. The rights to work and to live in a healthy environment are among the concerns mentioned. This informant claims that in order to promote CSR in Ethiopia's industrialization, the government must create different regulatory frameworks.

About the prospects of CSR in the study area, an interview at the Woreda level revealed that there are increasing interest to engage in CSR issues and activities by the community, some civic groups, civil servant, and a few companies. Related to the affairs follow-up to the created job opportunities, the employees in various companies are asking for the establishment of strong workers and labor affair to hear their complaints and follow up their rights.

To ensure a promising future for CSR in Ethiopia, key informants at ARSIACO highlighted the existence of joint efforts between the state, NGOs, and private sectors. CSR plays a crucial role in

shaping the contributions of private entities to address the interests of various stakeholders, including the broader society. Enhanced state and NGO interventions in CSR initiatives within private firms could help align the interests of businesses, the government, and society at large.

State intervention is particularly important as public engagement by businesses ultimately benefits society both directly and indirectly. To advance CSR, some developing countries, including Ethiopia, are calling for the adoption of soft policies, hard policies, or a combination of both to guide CSR public policies (KRI 11, Feb 12, 2020). However, as Nelson (2008) pointed out, CSR should not be confined solely to private business entities. One of the major challenges for responsible firms arises in contexts where governance gaps or institutional failures exist, making it difficult to fully implement CSR initiatives.

According to the United Nations Industrial Development Organization (UNIDO), sustainable and equitable development underscores the critical role of public policy in advancing Corporate Social Responsibility (CSR). Over the past few decades, governments have increasingly joined other key stakeholders in driving CSR initiatives (Moon, 2004). In many developed countries, CSR has become an integral part of public policy.

Fox et al. (2002) identify four primary public policy approaches to CSR development: mandating, facilitating, partnering, and endorsing. While most scholars and institutions advocate for softer government interventions—such as facilitation and partnership—over mandatory regulations to achieve sustainable outcomes, both voluntary guidelines and binding policies are effective tools for conveying the government's stance on CSR. These approaches have the potential to shape corporate behavior and encourage responsible business practices (Ascoli & Benzaken, 2009).

The United Nations Industrial Development Organization (UNIDO) states that equitable and sustainable development strongly emphasizes improving the viability of public policy's role in corporate social responsibility. For the past few decades, governments and other pertinent stakeholders have driven corporate social responsibility (CSR) (Moon, 2004). In most developed nations, CSR is starting to feature in governmental policies. According to Fox et al. (2002), requiring, facilitating, cooperating, and supporting are the most popular public policy alternatives for CSR development. Most authors and organizations support less aggressive government CSR intervention instead of enforcing sustainable results. However, the government's stance on CSR is publicly communicated through both mandatory laws and voluntary recommendations in a way that can potentially affect how businesses behave (Ascoli & Benzaken, 2009).

Governments employ various intervention instruments to promote CSR practices in business enterprises, including informational, economic, and legal tools (Steurer, 2010).

Informational instruments focus on moral persuasion by raising awareness about CSR through campaigns, training programs, and other educational modalities aimed at encouraging businesses to adopt responsible practices.

Economic instruments leverage financial incentives and market mechanisms to promote CSR. These include rewards such as tax breaks, subsidies, and recognition awards that motivate businesses to engage in socially and environmentally responsible actions.

Legal instruments involve enforcement mechanisms that guide businesses toward compliance with CSR principles. These are typically implemented in a "soft" manner, using

directives and guidelines rather than strict regulations.

Additionally, partnerships between firms and state entities are a crucial strategy for fostering CSR engagement. Collaborative efforts, such as stakeholder forums, negotiated agreements, and public-private partnerships, serve as vital policy tools to advance responsible business practices (Fox et al., 2002).

More specifically, CSR practices in corporate businesses are promoted by the government through the installation of intervention mechanisms. These comprise legal, financial, and informational forms (Steurer, 2010). The informative function, which is based on the theory of moral persuasion, entails educating firms about corporate social responsibility through several channels, including training and campaigns. Economic instruments, such as rewards, tax breaks, subsidies, and the like, combine market dynamics and financial incentives to promote responsible behavior. The alternative is to use legal tools (sticks) like directives applied softly by governmental entities to enterprises. Another means of encouraging CSR involvement is through partnerships, in which businesses and government agencies collaborate on ethical business practices. Crucial CSR policy tools include public-private partnerships, negotiated agreements, and stakeholder forums (Fox et al., 2002).

Besides all those possible ways, the hybrid application of instruments can also foster CSR practices. Finally, the key informants from the North Shewa Zone Rural Land Use and Management Office stated that CSR is an issue that gained concern from academicians, civic societies, and workers in manufacturing companies, industries, and corporations. Academicians influenced the government to consider CSR as part of investment policy or regulation. Civic societies also took the issue of CSR as part of their campaign. Large numbers of workers are raising their concerns directly related to their employers'

responsibility. So, these are all alarming indicators for taking severe measures towards CSR of increasing companies in the study area (KRI 9, Feb 18, 2020).

#### 4. Conclusion

The organizational frameworks of CSR in Senselet Food Processing PLC, the study's findings show that the company occupies itself in a few CSR activities. For instance, the company established a routine linkage with the potato-producing farmers through market systems, provided training, and selected potato seeds for the farmers. The company failed to have an established dependent department for CSR because of its short-term establishment, and it runs some of its CSR activities through the value chain management office.

Moreover, ECSR was the other theme of the objectives of this study. In this regard, the findings show that Senselet Food Processing PLC does nothing regarding environmental conservation activities in collaboration with the local community. The company's efforts to avoid waste through a modern mechanism were also found to be very little. The finding also shows that the energy use, water use, waste management, and recycling mechanisms were in the poorest condition.

The absence of a dedicated CSR department, limited environmental conservation initiatives, and weak waste management strategies highlight significant gaps. Additionally, challenges such as managerial limitations, insufficient organizational frameworks, and limited community engagement hinder the full realization of CSR potential.

However, the study also identified opportunities for CSR advancement, including growing interest among local communities, increased awareness by civic societies, and the potential for regulatory frameworks to address CSR practices. This suggests a promising pathway for improving CSR implementation in Ethiopia, with a focus on aligning business practices with sustainable

Finally, based on the above-outlined findings, the practices of the company under study partially fit

been beneficial with one of the CSR aspects mentioned in the Triple Bottom Line theory of CSR stated under the introduction part. In this regard, the economic aspect of CSR is to be better achieved in the strong linkage of the company with the potato-producing farmers and through the employment opportunities created for the local youths—the remaining two aspects (i.e., the social and environmental aspects of CSR were found to be low-slung in practice.

#### 5. Recommendations

In order to ensure better implementation of CSR by the selected company in the study area, the researcher made the following recommendations. The company management should rearrange its structures could allow it to have its own CSR department and system for the adoption and implementation of CSR. Owners of the company are expected to restructure the management configuration to create harmonious relationships with local communities, particularly the rural community and the environment. Local communities and administrators should establish a system to work with the company on many things, particularly environmental conservation. On the other hand, researchers and scholars interested in the field of CSR should strengthen their efforts for better improvement, and researchers and scholars interested in the field of CSR should strengthen their efforts to improve the implementation of CSR by companies in Ethiopia. Civic society organizations should also contribute to a better implementation of CSR by influencing the government to have a strong and independent legal framework towards CSR.

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