

A Study on
Corporate Social Responsibility Practices

In

Delbi Coal Mining Share Company

A Case of Oromia Regional State, Jimma Zone, Dedo Woreda, Delbi Site

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Declaration

I undersigned declare that this Research report is my original work and has not been presented for a degree in any other university, and all the materials used for this study have been duly acknowledged.

Name _____

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This Research report has been submitted for examination with our approval as a university advisor.

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Abbreviations

WBCSD: World Business Council for Sustainable Development

CSR: corporate social responsibility

NGO: Nongovernmental organization

ADB: African Development Bank

M.M.E: Ministry of mining and energy

DCM: Delbi Coal Mining S. Co.

EWCA: Ethiopian water work and construction authority

JU: Jimma University

CCL: Central Coalfields Ltd

R&R: Resettlement and Rehabilitation

SPSS: Statistical Package for Social Sciences

FTC: Farmers training center

Abstract

This study was conducted to observe, identify, investigate, and explain the overall Corporate Social Responsibility (CSR) practices in Delbi Coal Mining S. Co. which is located in Jimma zone, Dedo woreda and try to study its impact on the community and the operation area, through evaluating the company's CSR performance levels against the agreements made between the company and the concerned public authorities, identifying strength and weaknesses of the activities, and look for reasons of underperformance (if any) by the mining company with suggested possible measure for future improvement.

To undertake the study quantitative and qualitative data from primary and secondary sources was collected from total of 68 participants categorized in to five groups which constitutes 2 company high level officials, 12 company employees, 5 members of the woreda investment & environmental protection board, 3 kebele administration office executives, and 46 displaced and to be displaced communities using observation, interview questionnaire, focus group discussion and company and other relevant documents which were analyzed quantitatively and qualitatively depending on the nature of the data.

Even though the company has showed willingness to incorporate CSR policies in its documents, and there was participants awareness regarding CSR issues, the analysis of the collected data revealed as that the company's CSR related activities were practically poor and even those performed relatively well were not implemented on voluntary bases, rather they were issues that were forced by law and mandatory for operation of the company. The reasons for underperformance of the company's CSR related activities were indicated as lack of coordination and awareness, poor control mechanism, profit orientated management, company officials turn over, and budgetary problems respectively where suggested remedies for future improvement includes Stakeholders smooth and continuous relationship, Time bounded work schedule, Societal involvement and creation of feeling of belongingness, Integrated and strong awareness program, and Government enforcement /intervention respectively.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Corporate social responsibility means something, but not always the same thing to everybody. To some it conveys the idea of legal responsibility or liability; to others, it means socially responsible behavior in the ethical sense; to still others, the meaning transmitted is that of 'responsible for' in a causal mode; many simply equate it with a charitable contribution; some take it to mean socially conscious; many of those who embrace it most fervently see it as a mere synonym for legitimacy in the context of belonging or being proper or valid; a few see a sort of fiduciary duty imposing higher standards of behavior on business-men than on citizens at large, as Votaw (1972,p 25) cited by (D., 1972).

One of the most referred definitions is by The World Business Council for Sustainable Development (World business council for sustainable development, 2011) that defines CSR as "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. It also define CSR as a concept that embraces the integration of social and environmental values within a company's core business operations and [...] engagement with stakeholders to improve the wellbeing of society" (pavel castka & Sharp, 2004).

Wheeler & Elkington (2001) as cited by Markus J. (no date) said it is becoming clear that communicating effectively with stakeholders on progress towards economic prosperity, environmental quality and social justice i.e. the triple bottom line will become a defining characteristic of corporate responsibility in the 21st century. One thing is for certain. In the world of cybernetic reporting and communication of environmental, social and

economic information, the triple bottom line will come alive as never before, and it will do so not for moral or accountability reasons, important though these are. The triple bottom line will become vibrantly interactive because it adds real value for stakeholders and assists companies in successfully navigating their marketplaces.

The relationship between business and society has always been a much discussed topic. Since the mid-1950s, scholars have been examining and analyzing concepts and theories concerning the responsibilities of business in society. These social responsibilities of business are generally referred to as corporate social responsibility (CSR). "Clearly, a firm's social responsibility strategy, if genuinely and carefully conceived, should be unique, despite the sameness of the growing number of corporate reports on CSR, as well as a fit with industry characteristics, it should reflect the individual company's mission and values and thus be different from the CSR strategy of even its closest competitors" (seechii, 2007) .

Mining companies undertake CSR programs in order to build better relations with the local communities in which they operate and in response to demand from shareholders and consumers. CSR initiatives will need to be compared to the overall social and environmental impacts of the mining project. The role of the company's CSR related promises also needs to be considered, in that such promises may have powerful effects on local inhabitants' expectations, as well as the decision- making processes surrounding the project. For the mining industry, "CSR is about balancing the diverse demands of communities and the imperative to protect the environment with the ever present need to make a profit" (Jenkins, 2006).

CSR and sustainable development are both 'appraisive' in that they are considered as valued and are not simply empirical concepts. Thus, no one covets a reputation for being 'socially irresponsible' or 'unsustainable'. It is considered a good thing for an organization or an activity to be esteemed as socially responsible or as manifesting sustainable development. As a result, there is a danger that organizations or activity are

described in these terms simply for image-making purposes. Both concepts are 'internally complex'.

In CSR there is the tension of balancing different economic, legal, ethical and social responsibilities towards a range of stakeholders each bringing different values and expectations to their relationships with the corporation in question. Moreover, CSR is difficult to generalize across firms as they have differing social, environmental and ethical impacts for which they may be held responsible. Sustainable development is not simply the question of aligning two seemingly contradictory principles but doing so in a context that extends well beyond the human actors concerned. The sustainability agenda, by definition, addresses the implications of ecological dependency and planetary wide social impacts of local behaviors.

The rules or principles of the application of CSR and sustainable development are relatively 'open'. Neither can easily be codified. CSR is not simply a matter for individual firms to pronounce upon. Governments, business associations, business consultants, NGOs, shareholders, employees and consumers have all shown a propensity to attempt to define it as they seek to endorse, encourage or criticize its practical manifestations. Likewise, there is no single authority on the definition of sustainable development. There are controversies about its definition (and what defines threats to it) among scientists, let alone when governments, NGOs and businesses enter the fray (moon, 2007).

An article by the African Development Bank states a large number of resource-rich African countries are seeing little benefit from their mineral wealth. It also said some have not been accruing maximum benefit due to cushy deals for corporations. The international initiative, subscribed to by more than 70 countries, holds governments accountable for the management of revenues from the oil, gas and mining industries (Gajigo, et al., 2012). According to the report of the bank Ethiopia is planning to sign up to Publish What You Pay. Once fully signed up, Ethiopia will be expected to divulge all

company payments and government revenues from its extractive industries which can help the country to identify the contribution of mining industry in its development and thereby held the government accountable for the collected revenue from the sector.

Despite of the fact that Ethiopia is one of the countries with large mineral deposits in Africa the mining industry and its CSR practices in the country is underdeveloped and most of the stake holders awareness towards CSR activities is low compared to other countries with developed mining activities. "We expect our rich mineral wealth to contribute to economic development in Ethiopia," and "We want the mining industry to be for the people and not just for big business," says the state minister of mines, Tolesa Shagi. He further said "We have to be concerned about our community, our environment and the industry's contribution to the development of our nation.

Ethiopia's openness to foreign investment over the past decade is beginning to pay off, and "As an African country we have not had the knowledge or the resources until recent years," he says (Ministry of mining and energy, 2011).

"The Ethiopian Mining Proclamation 43/56 states that the government requests 5% free equity shares with every licensed mining company operating in the country, as well as 35% income tax and 8% royalties. Through letting more money to plough into development policies and by opening up the mineral wealth to foreign investment, Ethiopians could benefit from improved infrastructure, such as roads and greater employment opportunities". The new proclamation also makes provision for the adequate health and safety of employees, environmental protection, and for environmental and social impact assessments from which company employees, the community and the government bodies can benefit a lot (The Ethiopian Mining Proclamation, 43/56).

The proclamation also requires a community development program, guarantees the licensee's right to sell the minerals, provides exemption from customs duties and from taxes on the equipment, machinery and vehicles necessary for the mineral operations. The government also guarantees the opening and operation of a foreign currency account in Ethiopia, and the retention of portion of foreign currency earning and remittance of profits, dividends, principal and interest on foreign loans etc out of Ethiopia. The government allows losses to be carried forward for ten years, and dispute settlement is through negotiation and international arbitration. In return, the government requires the payment of relatively low royalties, ranging from 3% for construction materials to 8% for precious stones and minerals.

In Ethiopia modern gold mining methods have only been used since the 1930's in the Bedakesa Valley of the Adola area in Southern Ethiopia. Later exploration has resulted in the discovery of the Lega Dembi deposit and other minerals. Current mining activities also include the production of tantalite (50t/year) and soda ash (20,000t/year). The only formal tantalum mining operation is the Kenticha Mine, operated by Ethiopian Mines Development Share Company. Mining of kaolin, dimension stones (limestone, marble and granite) and small scale and artisanal mining of precious metals, gemstone, salt, industrial minerals and construction materials are the main mining activities in Ethiopia (Ministry of mining and energy, 2011).

Coal is a fossil fuel that contains the remains of plants which contains large amount of carbon. In the 20th century coal was an engine for the expansion of electricity and was responsible during the 1st decades of that century for supplying more than half of the energy demand of the planet.

Ethiopia possesses some coal reserves with the evidence of at least 15 localities, out of which Yayu, Delbi-Moye, and Chida are the main ones. Even though renewable energy resources such as hydroelectricity, geothermal, biomass, and solar energy projects are being carried out, the low grade indigenous energy resources like coal and oil shale are

given due attention in the five year's energy usage and transformation program with special emphasis for thermal stations. Very lately, intensive exploration programs for low grade energy sources like coal and oil shale are being implemented throughout the country.

In addition, the importance of re-assessment and reevaluation of the known deposits and their development on a small scale has been realized. As part of this nationwide search for indigenous energy resources, the Delbi-Moye coal and oil shale deposits have continuously been explored since 1984. As a result, significant coal and oil shale resources were reported and possibilities of locating others also exist. In 1989, about 800 tons of coal was mined from an open pit at Delbi (Ministry of mining and energy, 2011)

The study focused on the widely accepted CSR practices in this era and tried to observe how the issues were being undertaken by mining companies at different levels in general and Delbi coal mining company in particular with more emphasis to the coal mining sector which was the first by its type in the country. There were not enough researches conducted in relation to CSR activities by companies or individual researchers in Ethiopia except those done by Yonas Estifanose (2009) on Addis Ababa leather industry and Samuel (2012) on CSR in Addis Ababa tannery which indicated the availability of opportunities to conduct more and detailed researches in the sector.

1.2. Background of The organization

Ethiopia has located some coal reserves in three separate areas in the country estimated at containing 61 Million tons of coal (all lignite). Additional reserves have apparently been located in the Western part of the country (Ministry of mining and energy, 2011). One of the coal reserve areas is Delbi mine field which has 3 minable coal seams having 14 million tons of high quality coals with high volatile ash content and high calorific value. Delbi area was reported more promising and rich in coal and oil-shale deposit and the reserves and its quality were confirmed through detailed feasibility study performed by

the previous governments, the company and other institutions through drilling 26 bore holes with a total of 5171.5 meter length in the entire promising area including the 39.2 square kilo meters owned by the company.

Delbi Coal Mining S. Co. (previously known as Ethio-pak coal mining P.L.C.) was established in May 10, 2006 by Ezana mining development P.L.C, tradesmen engineering P.L.C, and Mesebo Building materials production P.L.C with subscribed and fully paid up capital of birr 100,000. According to the Company reestablishment document (2009) the company commenced operation in mining development on November 1, 2009 and has a head office located in Jimma town while the mining operation office is located at southwest of Ethiopia, Oromia region, Jimma zone, Dedo woreda, Delbi kebele.

The company was re-established on October 23, 2009, with a raised total initial capital of 60,000,000 (sixty million) birr consisting of 60,000 shares with a par value of birr 1,000 for the production of coal in southwest of Ethiopia, Oromia region, Jimma zone, Dedo woreda, Delbi kebele, about 50 km away from Jimma town. The company was renamed as Delbi Coal Mining S. Co. and the number of share holders in the company rose to eight. Delbi Coal Mining S. Co. is the only coal producing company in the country that was established very recently. Consequently there were no opportunities for other researches to be conducted previously in relation with CSR practices in the firm and the coal mining sector in the country.

Currently coal supplies 39% of world's electricity and to supply this energy to local and international markets the company has leased a 39.2 square kilometer of land from the federal Ethiopia ministry of mines and energy and start coal mining before four years using an open pit mining technique at two different locations known as block A and block B with a current daily production of 500 tones which is planned to be increased when the company will start coal production using the underground mining technique.

The coals have reasonably high heating values comparable to other energy sources currently being used in the industrial and domestic sectors (M.M.E., 1991) as indicated below:

- Fuel wood 3500 kcal/kg
- Electricity 8600 kcal/kg
- Diesel oil 9300 kcal/kg
- Charcoal 6900 kcal/kg
- Dung 3300 kcal/kg
- Fuel oil 10200 kcal/kg
- Delbi.-Moye coals 5000 - 7000 kcal/kg

Industrial uses of Coal

- Cement factories
- Urea Production Companies
- Brick Making Plants
- Electricity production

Prior to studies undertaken by the department of hydrocarbons very little detail of the geology was known about the project area. Occurrence of a 3 m thick coal was first reported by EWWCA (Ethiopian water work and construction authority) in 1984 while drilling for drinking water. Systematic studies with production of several unpublished reports were conducted since 1984 with successive studies of variable nature including

geological mapping (at reconnaissance, regional and detail scales), geochemical analyses, and drilling (on preliminary and detail scales) were undertaken. Geological mapping during 1984 to 1987 indicated significant coal and oil shale occurrences at Delbi and Moye localities and this information initiated the need for further investigation through drilling. The relatively low rank and the results of ultimate analysis of Delbi coals indicate that the coals are best suited for thermal combustion rather than cooking purpose.

This research has focused on study of the company's CSR activities which the company during its prior and reestablishment period (2006 and 2009) has entered into an agreement with the regional government and the local public authorities to undertake certain CSR activities. The agreements/promises has incorporated such activities like infrastructure development (construction of schools, roads, health facilities, farmers training centers, mosques, churches and water development), environmental protection, resettlement of the local communities displaced due to the mining operation, creation of employment opportunities, and compensation payments for displaced communities to be undertaken by the company.

Therefore, the rationale behind the study is to identify the extent to which the company is currently addressing these social responsibility issues within its policies and practices, areas of emphasis, problems encountered while implementing the policy, and the possible remedies. The study was conducted by gathering information through reviewing publicly available documents, interview questionnaires and focus group discussions with different group of respondents, annual and special reports of the company and personal observation.

The outcome of this study is believed to fill the gap between the way companies make agreements/promises with concerned bodies and their actual performances and add value to the existing knowledge of companies' promises to discharge different CSR practices based on observable achievements of the company which could be compared with

previous researches on coal mining conducted in other countries and in the mining industry in general.

It is also believed as it can serve as an input for future researches to be conducted in the company and the country specific to coal mining companies and thereby propose feasible policy and operational interventions to overcome the challenges and constraints that affect the effective practice of the CSR program in the company and the mining industry in general.

1.3. Statement of the problem

According to the World Business Council for Sustainable Development (World business council for sustainable development, 2011) Corporate Social Responsibility (CSR) refers to voluntary actions undertaken by mining companies to either improve the living conditions (economic, social, and environmental) of local communities or to reduce the negative impacts of mining projects. By definition, voluntary actions are those that go beyond legal obligations, contracts, and license agreements. Opponents of CSR, on the contrary, envisioned much more segregated roles of economic and political actors. They argued that corporate managers' first and foremost responsibility was to maximize shareholder wealth, and thus should leave the social problems to politicians and civil society to deal with (Lee, 2008).

There have long been conflicting expectations of the nature of companies' responsibilities to society. According to (p.hartman & rubin, 2006) the distinction between the citizenship and economic approaches becomes blurred and there is presently little debate relating to whether CSR is an important business strategy since it seeks to address the concerns of most of its stakeholders: consumers, employees, suppliers, non-governmental agencies, and others.

In case of mines their harmful influence on the environment has also to be noticed. Thus, it is necessary to increase involvement of extraction corporations in minimizing or eliminating these harmful activities (Mining facts, 2012). Mining is a hazardous and risky business which requires huge amount of investment and interactions with different stakeholders. Delbi Coal Mining S. Co. is the pioneering company in coal production in the country and in the company's establishment and working documents there are some CSR related plans and agreements /promises/ made with the regional and local public authorities which needs to be evaluated for their implementation as per their previous agreements.

By reviewing different theories and other research results pertaining to CSR practices discussed under this study the researcher will try to pay more attention to the 'social' dimension of the equation unlike most of CSR researches which has examined CSR from the perspective of corporations only and will try to evaluate the effects of the mining operation on the displaced farmers and the surrounding indigenous community, the existence and extent of CSR plans and practices in the company with its identified areas and performance levels, look for observed problems, and try to forward suggestions and remedies in relation to CSR practices based on standard CSR views and well functioning coal mining Companies.

In recent years based on the government's initiation towards the five years growth and transformation plan it was observed that more and more foreign entities are entering and doing their business in different sectors and regions in Ethiopia. Those entities one way or the other are involving in a series of activities which are against the wishes of local community. To name a few, the Indian owned firm known as Kanuri in Gambella region is the one which resulted in displacement of local communities residing in operation areas of the newly emerging business entities which needs to be evaluated in relation to the company's activities against the social, economic, and environmental impacts created due to their operation in the area (fortune, January12, 2013).



Hence as a researcher with due consideration of the above said information and also by reviewing some other researches on the CSR practices I felt that there is a dire need to undertake the study at present which may roughly reflect the present situation in Ethiopia in general and the mining sector in particular.

In particular, the study addresses the following questions: 1) Does DCM company incorporate CSR practices in its strategic plan, if yes which areas are given emphasis and why? 2) What are the underlying determinants of CSR implementation programs in the company? 3) Do the outcome levels of the activities congruent with the agreements made between the concerned parties and other related issues?

1.4. Objectives of the study

1.4.1. General objective

The general objective of this research is to identify and observe the overall CSR practices in Delbi Coal Mining S. Co. and evaluate its performance level within the last three years against the agreements made between the public authorities and the mining company using stake holders approach.

1.4.2. Specific objectives

The specific objectives of the study are:

- a) To identify the respondents awareness to CSR programs and the agreements made between the public authorities and the mining company
- b) To investigate which areas were given emphasis in the company's CSR program
- c) To evaluate the outcomes and levels of the activities incorporated in the CSR program of the coal mining company.
- d) To reveal the underlying determinants (root factors) of CSR implementation program in the company

- e) To propose operational interventions that can be used by all the stakeholders to overcome the challenges and constraints that affect the effective practice of the CSR program in the company and the mining industry in general.

1.5. Scope of the Study

The study will try to cover the issues related with stakeholders who have a direct and indirect relationship with the company's operation in delbi area with the major emphasis on the displaced community, their resettlement and compensation program, infrastructure development, and the relation the company has with the community and the public authorities based on initially signed agreements. To bring more structure to the discussion, the stakeholders are divided into five categories; company high level officials, company employees, woreda investment and environmental board members, kebele executives, and displaced and to be displaced local community members.

The stakeholders like suppliers, and customers, are not included in this study due to their relative low impact and involvement in the company's CSR activities and time and cost constraints were also the other issues considered while under taking the study. The research has been undertaken from February to May 2013 based on the academic calendar of Jimma University.

1.6. Significance of the Study

In view of the problems stated in the statement of the problem via the completion of the study, the research paper was expected to benefit the company by identifying its strengths, weaknesses and areas of complaints in implementing its CSR policy, and thereby can make improvements which will enhance the company's acceptance, reputation and credibility by the community and the public authority through creation of smooth relationship community around the mining operation.

In the second place the community will benefit from different activities like appropriate compensation payments due to their displacement, infrastructure development, employment opportunities, environmental protection and proper resettlement & rehabilitation programs which will contribute to generally improved economic, social, and environmental livelihood of the society at large.

Last but not least the government bodies (if they found it beneficiary) can benefit as a measure of the degree to which CSR related promises and practices are practically being undertaken by mining companies and make additional inputs for its policy and procedures implementation and follow up programs which will assist them in proposing feasible policy and operational interventions to overcome the challenges and constraints that affect the effective practices of the CSR programs in the coal mining company in particular and the mining industry in general.

1.7. Limitations of the study

The study was limited mainly by the absence of empirical studies conducted in mining sector in general and coal mining in particular within the country and a small number of study participants which arises from company's nature and its existence at the introduction stage that constrained the researcher to use those statistical tools which are not complex, but could support the intended study to attain its objective satisfactorily, where cost and time constraints were also recognized as other limitations faced during the study.

CHAPTER TWO

LITERATURE REVIEW

2.1. Empirical Literature

As the present enquiry is concerned with CSR practices in DCM S.C., an attempt was made here to review the earlier studies on CSR practices, so that an insight in to the subject can be obtained. Those studies were reviewed here briefly so that the present enquiry may take it bearings.

This research has been undertaken with a belief that business organizations should take care of the society's wellbeing and benefit while discharging their duties in attaining their organizational objectives. Delbi coal mining is one of the pioneering mining companies which is involved in the production of coal and oil shale products in the country and it has certain agreements as promise with concerned authorities to undertake CSR activities which is going to be evaluated for its proper implementation as per the agreement in this study. Mining by its nature is a risky but lucrative business which involves different stakeholders with conflicting interests, and as a result studies and researches have been undertaken in relation to their overall activities and the newly emerging CSR practices.

Central Coalfields Ltd (CCL) a Mini Ratna Category I Central PSU in the family of Coal India Ltd, CCL has always been sensitive of its corporate social responsibilities and such issues have always been taken up as priority areas. During the foundation day celebrations, company has given focus on five aspects of Social responsibility: Health, Education, Environment, Community, and Culture. In the year 2007-08, Community Development and Welfare have been given special attention by taking up new initiatives, increased activities, and budget. The primary objective of such activities is to improve the quality of life of people living in and around the coalfields and create an excellent ambience for work-life balance.

Till 2007-08, CCL has planted more than 6 million trees and has given welfare as priority area in which 125 Km of colony road was constructed. Besides this, repair of 310 welfare buildings such as School, hospitals / dispensaries, rest shelters etc in different areas completed. As per report submitted in May 2005 by World Bank sponsored NGO Xavier Institute of Social Service, Ranchi about 75% to 80% people have constructed bigger, stronger and higher houses as compared to their houses before shifting. All the persons trained as driver for self employment have been engaged by local contractors and transporters and all has regular income. This shows that jobs offered by the company are greatly accessible to the poor and weaker section of the society. (Jagannath, n.d)

Cichorzewska of the polish university showed that in order to ensure better functioning of the coal mining industry ecological and social aspects are becoming increasingly significant, including health and work safety aspects. It can be concluded that there is awareness in the Polish mining system of the necessity to undertake actions compliant with sustainable development and social responsibility. It is necessary for mines to consciously incorporate social responsibility into activities both in the external and internal environment.

Considering the material collected here it can be concluded that in both these areas/ external and internal environment/ the current level of activities in coal mining companies is satisfactory. The results from surveys, reports from health and safety regulations' courses and accidents as well as public information on website seem to prove it. Nevertheless, it seems that there is a lot to be done to see the effects of these activities in practice. To sum up, we can notice that both internal factors (miners themselves) as well as economical situation (competition, new trends, privatization, emphasis on profit) do not make this task any easier. (cichorzewska, n.d)

Banerjee (2004), in his study on Iron Ore mining industry in Goa showed that many large mining companies have their own initiative towards environmental and social development. However, a structured CSR policy and planning is generally missing,

especially among the small and medium players in the industry. CSR has not yet emerged as an important theme among the mining community in Goa.

He also mentioned that for carrying mining activity in the future, adequate attention should be given to the social dimensions of mining. He has mentioned the commendable community development work done by many mining companies and to disseminate the knowledge generated, for example, the progressive Resettlement and Rehabilitation (R&R) policy adopted by Coal companies and the transfer of lessons learnt from the World Bank's Coal Sector Environmental and Social Mitigation Project to other mines. This has the potential to bring in a major change to the social dimensions of the mining sector in countries.

The indigenous group wayüu in Colombia showed as that it became obvious that the social projects implemented through the CSR program by Cerrejón with the participation of the Departmental Government of La Guajira, contributed to the sustainable development of the indigenous community wayüu. These projects not only contributed to improve living standards in the fields of health care, agricultural production, drinking water, basic sanitation and education; but also aimed to maintain and develop cultural identity of the wayüu community. It results that without public control these projects are implemented on voluntarily bases by Cerrejón. For this very reason, they show all topical problems of all Corporate Social Responsibility projects developed on voluntary bases in the world: lack of comparable information, long-term planning, and organized public-private cooperation, which leads to failures in real social impact, self-sustainability and lack of control respectively.

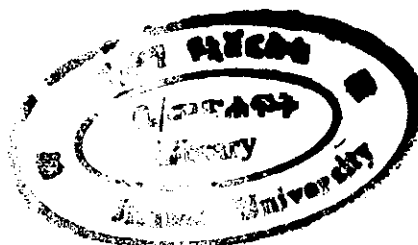
How to resolve the above questions and problems? As analyzed before, declaring obligatory Corporate Social Responsibility is not the way. The recommendation is to implement concepts such as Sustainable Governance. It can create composite responsibilities for private and public sector actors. It might result in the modernization of

not only public policy making based on public-private cooperation but in the modernization of the State. (ildikoszegedy-maszak, 2008)

Ralph Hamann and Paul Kapelus argue that Corporate Social Responsibility (CSR)-related narratives and practices can be fruitfully assessed with reference to accountability and fairness as key criteria. Brief case studies of mining in South Africa and Zambia suggest that there are still important gaps between mining companies' CSR activities, on the one hand, and accountability and fairness, on the other. The conclusion is that companies' CSR-related claims, and particularly the reference to a business case for voluntary initiatives, need to be treated with caution.

CSR is not necessarily or only green wash, but there is a need to engage business critically towards more sincere versions of CSR. This short article introduced CSR as an increasingly prominent discourse also in southern Africa, particularly among mining companies. In contrast to the business case argument for CSR, critical perspectives argue that CSR is primarily about green wash, or the projection of a caring image without significant change to socially or environmentally harmful business practices. Bearing in mind this critique, this article identified accountability ^ the emphasis on identifying and mitigating the impacts of core business practices ^ and fairness ^ the emphasis on helping the most vulnerable ^ as key criteria for any assessment of CSR policies and practices (Kapelus, 2004).

Regarding sustainability reporting (dong, 2011) said that sustainability reporting has been put on the agenda of mining companies in China as shown by the increasing number of reporting companies via different reporting medium. However, the quantity and quality of disclosures need considerable improvement. The current sustainability reporting practice in China's mining and minerals industry could be characterized as a high level concern with the issue but a low level engagement with improving the reporting substance. Therefore, it is doubtful that the ascertained level of disclosures could satisfy the information demands of various stakeholders.



As the Chinese state government's advocacy of CSR as the key component of constructing a "harmonious society" and China's entry into the world economic market, the current institutional environment provides an opportunity for Chinese companies' improvement of awareness and the high level of engagement with adopting sustainability reporting practice. In the current Chinese context, sustainability disclosures are largely used by Chinese companies as way of maintaining legitimacy in the eyes of the global community and responding to institutional pressures. However, other internal stakeholders, such as employees and shareholders, still have weak power to influence sustainability reporting practice in China's mining and minerals industry.

Therefore, to improve the comprehensiveness and usefulness of sustainability reporting, the lower level municipal governments, which act as the state's agents, local communities, and internal organizational factors, such as corporate governance procedures, supervisory board, managers' attitudes, and corporate resources should play significantly complementary roles (dong, 2011).

Most of the studies presented here revealed that no sufficient or any research has been undertaken on the CSR and its related activities in Ethiopia in general and in the study area in particular. As CSR is expected to play vital role in improving the living conditions of the community, and also to reduce the negative impact of the mining related activities, it is essential to conduct an in depth study on its impact and efficiency in the study area.

Generally speaking there is a difference between companies' CSR activities, what the companies has planned to do and their actual performance in relation to their CSR programs and promises. Their strengths, weaknesses and the reason behind their performance is the issue which needs continuous evaluation by the concerned bodies and which can benefit all the stakeholders involved in the operation of the company in the area if properly followed and evaluated and can lead to better remedial actions for the observed problems due to mining companies operation in certain areas.

2.2. Theoretical Literature

Mining all over the world is risky and dangerous activity. The mining and minerals industry is not only a fundamental part of today's world, providing essential energy and raw materials for global development but also a vital sector in countries economic and social development. However, the industry fuels various social and environmental issues. The conceptualization of CSR has been steadily evolving and expanding, ever since it was introduced by Bowen (1953) and cited by (Godfrey & Hatch, 2007; Lee, 2008), which makes the field of CSR theories difficult to overview.

Social Corporate Responsibility is the concept in which enterprises voluntarily incorporate different ethical, social and ecological aspects into their policy. The enterprises operating in the contemporary globalized world and ever increasing competition should, apart from main economic goals, include also social and ecological goals. This issue is open for discussion and, as we know, not everyone agrees with such views. However, in the era of the increasing social awareness and various legal restrictions, there is no other way of conduct.

According to Porter and Kramer "social responsibility of enterprises can be something more than merely an extra costs, a duty or a good deed – it can be a source for opportunities, innovations and competitive edge" (Kramer & Porter, 2007, pp. 76–95). If strategic corporate social responsibility activities are to be understood in this way, they can be a source of significant social progress. It is very important in the case of mining industry. The specific, finite nature of coal, which is a non-renewable good, and the environmental impact associated with its extraction and use, in addition to the economic importance of mining industry (in some countries), as well as the social impact on the local areas, have led to the situation that the mining industry is amongst the most prolific disclosers of social and environmental information (Yakovleva, 2009, p. 9).

CSR programs usually invest in infrastructure (potable water, electricity, schools, roads, hospitals, hospital equipment, drainage repairs, etc.), building social capital (providing information on HIV prevention, workshops on gender issues, information on family planning, improving hygiene, etc.), and building human capital (providing high-school and university education, training local people to be employed by the mining enterprise or to provide outsourced services, promote and provide skills on micro business, aquaculture, crop cultivation, animal rearing, textile production, etc.). The social dimension, together with the environmental and economic dimensions, shape the triple bottom line (Kleine and Hauff, 2009), which is at the basis of Corporate Social Responsibility (Elkington, 1997).

We agree that social progress, production and consumption are important for human well-being. It has been pointed out by Becker (1997) however that scoring systems including social, economic and environmental components have the problem that the choice of components and the assignment of weight are subjective and that the aggregation of different dimensions is often not meaningful. We agree with this observation. We also think that more criticism may be levelled against the construction of sustainability indicators for countries that cover environmental, social and economic aspects of human.

In seeking to fulfill their CSR obligations, firms might be expected to engage directly with their stakeholders. One such form of contact with stakeholders is labeled 'stakeholder dialogue'.

Such a dialogue could offer firms and their stakeholders an opportunity to identify and debate what each of them regard as 'appropriate business behaviour' in relation to economic, social and environmental matters (Fairbrass, 2008).

CSR is about balancing the diverse demands of communities for the mining industry, perhaps more as the industry is often operated in remote locations with indigenous peoples and their potential negative social and environmental impact is significant (Jenkins, 2004). Therefore, it requires those companies to respond to community demands and expectations, and develop good relationships with the communities.

To secure the long-term financial viability and the „social license to operate, mining companies yearn to be recognized as sustainable by measuring, assessing their sustainability performance, and demonstrating continuous improvement over the long term (Azapagic 2004; Jenkins 2004). Practitioners continue to struggle with ways to assess corporate social performance. Thus, CSR Europe (2000, p. 46) states “in order to measure their overall performance as well as their performance on specific CSR issues, companies use *input, output, outcome and process indicators*”.

This influence is expressed most of all by introducing a long-term management strategies, owing to which mining enterprises can increase their competitive advantage, improve the quality of work and limit at the same time the risk of emergency situation. In the long run, it is connected to positive influence on the external environment in a broad sense of this world. In India, which is the third biggest producer of hard coal in the world (after China and the USA) the environmental situation is very bad. Mining has caused displacement, pollution, forest degradation and social unrest.

The increasing economic development and a rapidly growing population that has taken the country from 300 million people in 1947 to more than one billion people today is putting a strain. In 2011, India has been ranked as seventh most environmentally hazardous country in the world (Brazil was the worst on environmental indicators, United States second worst, China – third) (<http://www.gits4u.com/envo>). So the Union government in India is considering making it mandatory for coal mining companies to spend a part of their net profit on the welfare of local people affected by the activities. It

is possible that government will make spending on Corporate Social Responsibility (CSR) by companies mandatory in the bidding policy.

Similarly to China, the situation is bad not only in the area of environmental protection but also in human rights and health in many trades and also in the coal mining industry. Coal is fueling China's economic expansion, but also leaving behind a trail of devastation. They are currently the biggest consumer of the electrical power, which in 70 % is produced from coal. This consumption is expected to be growing. It is also anticipated that in the next few years energy consumption will grow by 50 %. At the same time China is breaking the records in the number of accidents happening in coal mines. For instance, according to the State Work Safety Supervision Administration in 2006, around 4,749 Chinese coal miners were killed in thousands of blasts, floods, and other accidents.

Some western investors warn their Chinese business partners they will only sign joint venture agreements with Chinese companies if they can show a willingness to comply with Western standards on human rights, as well as environmental protection. Ethiopia's mining activity is not far from these facts and needs further studies to disclose all issues related to mining and its CSR performances. Finally without objective and behavioral indicators of CSR, research in CSR will not have the capacity to predict the direction of the socially responsible business practices of a corporation. After all, what counts in CSR are the actions, not the words. Therefore, it is critical to develop objective and behavioral indicators that could verify whether corporations are 'walking the talk'.

According to most of Corporate Social Responsibility theories some of the core issues which the companies should deal in relation to CSR practices include:

- (a) Rehabilitation and Compensation issues should be dealt with equitably. The company should provide all infrastructure facilities to the rehabilitation colony. They should take into consideration the plight of landless households.
- (b) Proper care of environmental quality: Concerns about air pollution, water pollution and degradation of lands and forests should be given proper emphasis.
- (c) The company should invest in improving human and physical capital of the region. Education, basic amenities, health care, training opportunities should be provided not only to the employee's family but for the community as a whole.
- (d) Issues of post-mine closure like unemployment, income potential, migration, environmental cleanup should be discussed much in advance.
- (e) Effective administration, rule enforcement and accountability should be keywords in the process of rehabilitation as well as the functioning of the mines. (Jagannath, n.d)

In general common threads in the literature involve establishing principles for action and using stakeholder analysis and engagement as a way of determining precise activities. Nevertheless, there is an increasing focus both by business on CSR and also by society on the actions of business which can be observed based on different theories like;

Stakeholder theory; it is used as a basis to analyse those groups to whom the firm should be responsible. As described by Freeman (1984), the firm can be described as a series of connections of stakeholders that the managers of the firm attempt to manage. Freeman's classic definition of a stakeholder is "any group or individual who can affect or is affected by the achievement of the organization's objectives" (Freeman, 1984, p. 46).

Social contracts theory; as described by Gray *et al.* (1996) society is “a series of social contracts between members of society and society itself”. In the context of CSR, an alternative possibility is not that business might act in a responsible manner because it is in its commercial interest, but because it is part of how society implicitly expects business to operate.

Legitimacy theory Suchman (1995) defines legitimacy as “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs and definitions”.

The Third Dimension Perspective: The third dimension addresses the fact that there are multiple stakeholder groups evaluating NMS’s social behavior in any given context. As opposed to trying to generate a discrete list of the most important stakeholder groups (as was done for content domains in the second dimension), we borrow the three perspectives suggested by Zenisek (1979) in his model of CSR. They are as follows:

1) The ideological (I), or what a firm's managers believe the firm should be doing;

2) The societal(S), what a firm's external stakeholders expect or demand of the organization; and 3) the operational (O), observation and measurement of what the firm actually does. The advantage of Zenisek’s (1979) model is that it highlights the critical points of conflict regarding CSR in general. I imagine the three perspectives as the three points of an equilateral triangle, and the three edges of the triangle as double headed arrows. Each arrow then embodies the tension between:

* I versus S: What the firm's leaders believe the firm should be doing versus what the firm's external stakeholders expect or demand.

* I versus O: What the firm's leaders believe it should be doing compared to its actual practices

* S versus O: What society expects of the firm versus what it is actually doing. (Arthaud-Day, 2005)

The theoretical framework against which corporate social responsibility is discussed in this study is the stakeholder theory. It illustrates the way the relationship between business and society is understood by stressing the mutual dependence between a business and its stakeholders, and the interwovenness of their relationships. Stakeholder theory provides an appropriate framework for studying the construction of the meaning(s) of CSR, as it embeds the business within the larger web of social and community relations. Accordingly, corporate social responsibility is understood as a result of an ongoing process of communication and social interaction through which managers, together with stakeholders, discuss and define the role of their businesses in society (Lahdesmaki, 2012).

CHAPTER THREE

METHODS AND INSTRUMENTS

The approach for the study is stakeholder's approach which can encompass almost all parties who have direct or indirect relation with the coal mining activities being performed in the company and its peripheries. Freeman (1994) defines stakeholders as those groups who have a stake in or a claim on the firm. Specifically he includes suppliers, customers, employees, stockholders, and the local community as well as management in its role as agents for these groups. But this study gives special emphasis to the social dimensions of the stakeholders and try to evaluate issues related with employees, stockholders representatives (company management), the displaced and to be displaced local community members as well as public authorities (woreda and kebele management bodies) .

3.1 Description of the study area

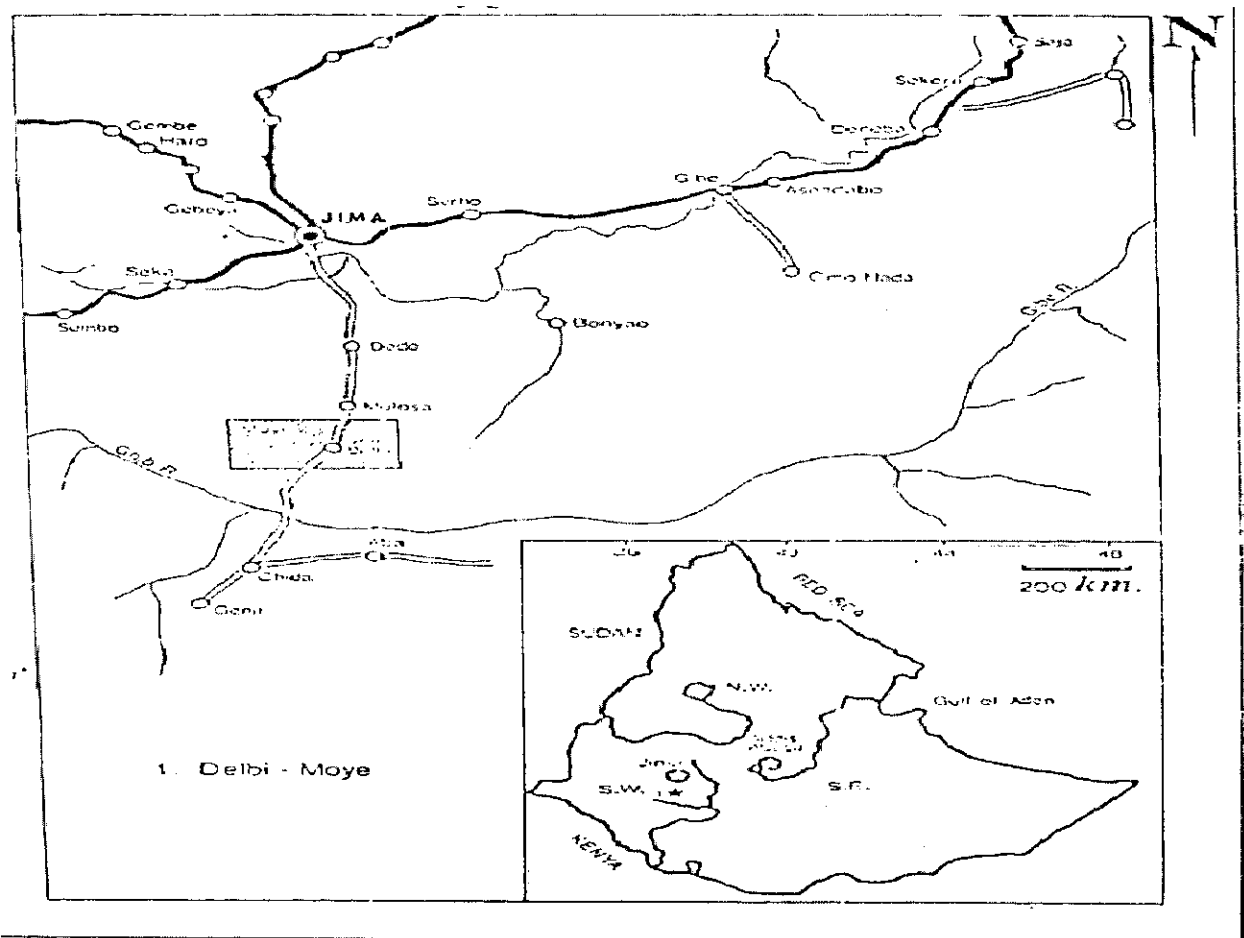
The study was conducted in Dedo Woreda of Jimma Zone, Oromia Regional State which is bordered on the south by the Gojeb River which separates it from the Southern Nations, Nationalities and Peoples Region, on the west by Gera, on the north by Kersa, and on the east by Omo Nada. The major town in Dedo is Sheki.

The altitude of this woreda ranges from 880 to 2400 meters above sea level. A survey of the land in this woreda shows that 63.1% is arable or cultivable (38.4% was under annual crops), 13.6% pasture, 9.3% forest, and the remaining 14% is considered swampy, degraded or otherwise unusable. Teff, corn and vegetables are important cash crops.^[1] Coffee is also an important cash crop for this woreda; over 50 square kilometers are planted with this crop.

Industry in the woreda includes 35 grain mills. Iron, coal and oil shale deposits are known in Dedo, but have yet to be developed. There were 53 Farmers Associations with 29,781 members and 10 Farmers Service Cooperatives with 18,429 members. About 73% of the urban and 5.7% of the rural population has access to drinking water.

The 2007 national census reported a total population for this woreda of 288,457, of whom 143,935 were men and 144,522 were women; 5,755 or 2% of its population were urban dwellers. The majority of the inhabitants were Moslem, with 92.98% of the population reporting they observed this belief, while 5.42% of the population said they practiced Ethiopian Orthodox Christianity, and 1.47% was Protestants.

Based on figures published by the Central Statistical Agency in 2005, this woreda has an estimated total population of 308,544, of whom 155,596 are men and 152,948 are women; 7,718 or 2.5% of its population are urban dwellers, which is less than the Zone average of 12.3%, With an estimated area of 1,571.72 square kilometers. Dedo has an estimated population density of 196.3 people per square kilometer, which is greater than the Zone average of 150.6.

Figure1**Fig. 1 . 1**Location map of Delbi - Moyo Basin.

3.2 Study design and approach

The paper was designed to study the actual corporate social responsibility practices of DCM S.C. against the agreements made between the company and concerned government bodies, to identify areas of strength and weaknesses, and look for corrective measures wherever possible. The approach used to conduct the study was a mixed methods research that combines both quantitative and qualitative research methods in collection and analysis of the required data for the desired study.

3.3 Sources of Data

The study was conducted using a mixed methods research which involves the collection of quantitative and qualitative data so that information can be analyzed and subjected to non statistical and statistical treatments using primary data from participants [displaced farmers and to be displaced local community, different management bodies (company high level officials /representative, concerned woreda and kebele public authorities) and employees].

The secondary data was collected from company documents related with CSR program activities (agreements made, company financial and CSR related reports), books, journals internet sources and observations which gave the student researcher to evaluate the company's CSR activities in non quantified and quantified terms using a descriptive research approach that examines the situation as it exists in its current state (Williams, 2007).

3.4 Sample design

3.4.1. Population

The population chosen for the study includes different stakeholders who have a direct or indirect relationship with the company's CSR activities within the scope of the agreements, their implementation and evaluation. These stakeholders are company higher officials/representatives, company employees, the woreda administrator and woreda administration sector offices heads who are members of the woreda investment & environmental protection board, kebele administration office executives, and displaced and to be displaced communities due to company's mining operation which provided an opportunity for the researcher to entertain different views from each group based on their experience and perception in relation to company's mining operation and its CSR activities.

The total population for each five group includes 3 company higher level officials, 43 company employees, the woreda administrator and 5 woreda administration sector offices heads who are members of the woreda investment & environmental protection board, 3 kebele administration office executives, and 166 displaced and to be displaced communities which gave us a total of 221 populations for the study.

However, there are some key terms and concepts that need to be understood. The 'theoretical population' is the population you may want to generalize your research to (e.g. internet users across the world). The study population is the population you can acquire access to (e.g. computer users within the UK). The 'sampling frame' is the reference point that will allow you to select appropriate people for your study (e.g. a telephone book) (Adams, 2008).

3.4.2. Sampling frame

Five sampling frames were identified for the study constituting the following frames. The first sample frame constitutes 2 company high level officials (the third official could not be included due to the company's current reform program and replacement of previous officials with the new once) , the second sample frame includes one woreda administrator and 4 woreda administration sector office heads who are members of the woreda investment & environmental protection board with the absence of the revenue and custom authority head due to meeting schedule outside the area, the third sample frame has 3 kebele administration office executives.

The fourth sample frame constitutes 12 permanent company employees with the absence of one employee due to his annual leave schedule, where the rest 30 employees could not be included because they were temporary employees which were laid off due to current unstable situation in the company and the resulted temporary closure and from the fifth sample frame which constitutes 166 displaced and to be displaced communities only 15 displaced communities who are currently residing in the resettlement area prepared by the

company and 31 to be displaced communities found in the company's leased territory in which the mining operation is not currently active which gave us a total of 46 participants in this sample frame and which gave us a total of 68 participants in the five sample frames used for the study.

The rest displaced community members were not in the settlement area prepared by the company as a result of the selected area's inconvenience and inappropriateness for human and livestock health (presence of mosquitoes and tsetse flies in the area) which is still the source of complaint and dispute between the company, local public authorities, displaced and to be displaced community members.

**Table 3.1 showing the assumed population for the study versus
the available sample frame**

Participants	Assumed population	Sample frame	Reasons for exclusion
Company high level officials	3	2	Due to company's reform program one position is currently vacant
Company employees	43	12	30 temporary employees were laid off temporarily, & 1 employee is on annual leave
Woreda board members	6	5	The revenue and custom authority head was not around due to meeting schedule
Kebele executives	3	3	All are included
Displaced and to be displaced local community members	166	46	120 displaced community members were not in the resettlement area prepared by the company.
Total	221	68	

Source: survey, 2013

3.4.3 Sampling Techniques

For the methodology to be effective census sampling technique which may help to overcome some of the disadvantages found within different procedures was used for quantitative data collection using interview questionnaires. Where as members of the first focus group discussion were selected on judgmental/ base due to the position they held in their offices and being members of the woreda investment and environmental protection board members, and members of the second focus group discussion were selected from displaced and to be displaced community members using a lottery system of simple random sampling.

The researcher approached the study using the entire sample frame as the sample of the study. Although cost and time considerations make it difficult for large populations, a census is attractive for small populations similar to this study which eliminates sampling error and provides data on all the individuals in the population to achieve a desirable level of precision.

3.5 Sample Size Determination

The number of sample frames constitutes different groups which were believed to be a source for entertaining different views for comparison and provide an optimum efficiency, representativeness, reliability and flexibility as input for the study and which can increase reliability and decrease bias of the research.

The total sample frames for each five group includes 2 company higher level officials, 12 company employees, the woreda administrator and 4 woreda administration sector offices heads who are members of the woreda investment & environmental protection board, 3 kebele administration office executives, and 46 displaced and to be displaced community members which gave us a total of 68 participants for the study.

3.6 Methods of Data Collection

The required data were collected from primary sources through interview questionnaires and focus group discussion, and secondary sources from company's work documents and personal observation. The methods used for collecting the data were categorized in to two categories:

- 1) **Interview questionnaires:** Under this method the enumerators were appointed and given training. They were provided with a schedule of pre-prepared questionnaires containing relevant points. These enumerators went to respondents with these questionnaires. Data were collected by filling up the questionnaires using enumerators on the basis of replies given by respondents. This method was used through well developed interview questionnaires which begins with easy to answer to general questions which helped the participant feel at ease.

A well developed and detailed interview questionnaire helped to focus on the research topic which enables to think about all the areas which need to be covered and also alert the researcher to any sensitive or controversial issues which could arise while collecting the required data.

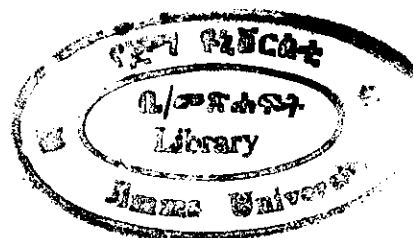
The method can provide a flexible and participatory approach that contextualizes users' perceptions and experiences and more detailed and thorough information on a topic than might be gleaned from a questionnaire. Since the issue of CSR is a new and controversial idea it needs explanation of the concept even to the so called educated groups and the preference of this method gave an opportunity to the researcher/data collectors to explain the concept to the respondents while collecting the required data which gave high reliability to the collected data through clarifying the vague issues instantly in a way that didn't lead them towards some predetermined outcome.

2. **Focus group discussion:** two comparative focus groups were used as supplementary method to compare responses with each other constituting one group of randomly selected five people from displaced and to be displaced community members due to company's operation, and the another group from woreda administrative bodies /members of the board/ jointly. Though the method has some disadvantages it helps the researcher to collect a useful data in a shorter span of time than that required by one-to-one interviews and in receiving a wide range of responses during one meeting, participants can ask questions of each other, the group effect and participant interaction is a useful resource in data analysis and lessening impact of researcher bias.

Participants in focus group discussion were the woreda administrative bodies /members of the board/ selected judgmentally and five /5/ people from the displaced and to be displaced community members using simple random sampling in which each one of the possible samples had the same probability of being selected from the samples under the study using lottery system.

3.7 Methods of Data Analysis and Interpretation

For quantitative data analysis after the data was collected a number of closely related operations such as establishment of categories, the application of these categories to raw data through coding, tabulation, and drawing statistical inferences and computation have been performed with the help of descriptive statistics such as frequency, cross tabulation, and percentage which were analyzed using Statistical Package for Social Sciences (SPSS) version 16 where the qualitative data was analyzed qualitatively.



CHAPTER FOUR

DATA ANALYSIS, DISCUSSION AND INTERPRETATION

The researcher used a carefully prepared interview questionnaire and focus group discussion points to collect the necessary data from a total of 68 sample frames which were grouped into five categories known as high level officials, company employees, woreda administrator and sector offices heads, kebele executives, and displaced and to be displaced local community members. Each group constitutes 2 high level official, 12 company employees, one woreda administrator and 4 sector offices heads, 3 kebele executives, and 15 displaced local communities and 31 participants from to be displaced local community members.

The response rate was 100% as a result of usage of interview questionnaire and focus group discussion methods and these responses after thoroughly investigated and analyzed has been presented with the major findings of the study as follow.

4.1. Data analysis and interpretation

The analysis of the data was performed using frequency and percentage values of the responses from different groups which were computed and interpreted using statistical package for social sciences /SPSS/ and is presented as follow:

4.1.1. Demographic characteristics of the respondents

Respondents' demographic back ground based on the collected data from the five groups was analyzed and summarized using tables as follow. Among the demographic characteristics discussed in the study participants' category, age, sex, and educational status of the total participants were observed and analyzed based on different categories included in the study.

a) Study participants' proportion in category

The total participants incorporated in the study were 2 (2.9%) high level official, 12 (17.6%) company employees, 5 (7.4%) woreda investment and environmental protection board members, 3 (4.4%) kebele executives, and 46 (67.6%) displaced and to be displaced local community members as it is shown in the table below.

Table 4.1 showing study participants' proportion in categories

Study participants	Frequency	Percent	Cumulative Percent
Company high level officials	2	2.9	2.9
Company employees	12	17.6	20.6
Woreda board members	5	7.4	27.9
Kebele executives	3	4.4	32.4
Displaced and to be displaced local communities	46	67.6	100.0
Total	68	100.0	

Source: survey, 2013

b) Age of the total respondents

Age of the total participants involved in the study was categorized in to five groups and the proportion is presented as follow;

Table 4.2 showing study participants and their age category using

Cross tabulation

Study participants	respondent age					Total
	< 25	25-35	35-45	45-60	>60	
Company high level officials	--	0	2	0	0	2
Company employees	--	7	2	2	1	12
Woreda board members	--	1	3	0	0	5
Kebele executives	--	2	2	0	0	3
Displaced and to be displaced communities	--	10	19	12	5	46
Total	--	20	28	14	6	68

Source: survey, 2013

From the summary shown in the above table, out of the total respondents categorized in five age groups, no respondents were found to be less than 25 years of age, 20 respondents (29.4%) of the total were in the age category of 25-35, 28 respondents which accounts for 41.2% of the total were in the age category of 35-45, and 14 respondents (20.6%) were in the age category of 45-60, where only 6 respondents (8.8%) were above 60 years. From the table it can be deduced as majority of the study participants 48 (70.6%) were within the two consecutive age ranges of 25-45 showing that they were a combination of matured working class.

The aggregate summary in terms of a group of participants indicates 2 (100%) of Company high level officials, 2 (17%) of company employees, 3 (60%) of woreda administrator and sector office heads, 2 (67%) of kebele executives, 19 (41%) of displaced and to be displaced community members which accounts for 28 (41%) of the total participants fall in the age group of 35-45 showing that majority of the participants were experienced and matured except for permanent employees groups in which only 17 % of them were in this age category.

c) Respondent's sex proportion

The respondents' sex proportion as per the collected data was summarized using table of descriptive statistics as follow:

Table 4.3 showing Respondent's sex proportion

Study participants	Sex of respondent		Total
	Female	male	
Company high level officials	0	2	2
Company employees	4	8	12
Woreda board members	0	5	5
Kebele executives	0	3	3
Displaced and to be displaced communities	3	43	46
Total	7	61	68

Source: survey, 2013

The analysis based on each category of the respondents' sex proportion indicated that 2 (100%) positions of company officials were occupied by males, and out of the total 12 Company employees 8 respondents were males which constitute for 67% of the total where the rest of 4 Company employees representing 33 % were found to be females. All

5 (100%) of the Woreda investment and environmental protection board members and 3 (100%) of Kebele executives were male participants. From the total of 46 displaced local communities 43 of them which accounts for 93 % were males and the rest 3 participants which is 7 % of the total were female participants. The total participants' sex proportion analysis indicated that 61 participants out of the total 68 which constitutes for 89.7 % of the study were male participants where the rest of 7 (10.3%) were female participants. The result indicated that majority of the participants in different categories were males depicting the risky and tediousness of the mining business which invites for more males than females and the reflection of occupation of most positions which is dominantly held and performed by males in the country as a whole.

d) educational status of the respondents

Table 4.4 showing educational status of the respondents using Cross tabulation

Study participants	Level of education					Total
	< 12	Diploma	Bachelor	Masters	Others	
Company high level officials	0	0	0	2	0	2
Company employees	3	4	5	0	0	12
Woreda board members	1	2	2	0	0	5
Kebele executives	2	1	0	0	0	3
Displaced and to be displaced communities	34	0	0	0	12	46
Total	40	7	7	2	12	68

Source: survey, 2013

As it is shown in the table above 40 (58.8%) of the participants were below grade 12, 7 (10.3%) of the participants were Diploma holders, 7 (10.3%) of the participants were

Bachelor degree holders, 2 (2.9%) of the participants have Masters Degree, and the rest 12 (17.6%) of the total participants were illiterate.

The analysis based on the participants category showed as that 2 (100%) of the company high level officials have Masters Degree indicating that this category constitutes well educated and fit professionals, the analysis of company employees showed as that 3 (25%) of company employees were below grade 12, 4 (33%) were Diploma holders, and the rest 5 (42%) of company employees have Bachelor degree which showed that 9 (75%) of company employees are diploma and degree holders and are appropriate for the position they occupied in the company activities.

The woreda administrator and sector office heads / board members/ category constitutes 1(20%) member who is under grade 12, 2 (40%) of the members who have diploma and 2 (40%) of the members who have Bachelor degree which indicated that board members are educated and fit to their position. The kebele executives' category summary indicated that 2 (67%) of the members are below grade 12, and 1(33%) of the members was a diploma holder who is acting as kebele manager depicting that they are not at all illiterate and can discharge their duties accordingly to their level. From the displaced and to be displaced local communities 34 (74%) of the members were below grade 12, and 12 (26%) of the members were illiterate indicating that the group members were farmers who had no access to further education.

4.1.2. Participants' awareness to CSR programs and prior agreements

Table 4.5 indicating participants' awareness to CSR programs and prior agreements using Cross tabulation

Study participants	Yes	No	Total
Company high level officials	2	0	2
Company employees	10	2	12
Woreda board members	5	0	5
Kebele executives	3	0	3
Displaced and to be displaced communities	46	0	46
Total	66	2	68

Source: survey, 2013

The respondents incorporated in all categories of the research which accounts for 97.1 percent of the total participants unanimously responded as that they were fully aware and had general information regarding prior agreements made between the company and the concerned authorities where the remaining 2 (2.9%) of the total from employees category responded as they were not aware of the issue. Out of the category which includes the permanent company employees, two employees (17%) who were newly employed by the company responded as that they were not aware of the issues under study as a result of their short stay in the company. These results indicated as that almost all (97.1 %) of the stakeholders included in the study were fully aware of the CSR programs and prior agreements made between the company and the concerned public authorities which is encouraging and to be appreciated.

4.1.3. CSR issues incorporated in the program

The next question raised to those who were aware of the CSR programs and prior agreements was which issues were incorporated under company's CSR program. This question was responded at different levels by different groups in the study depending on their access to get the required information.

Group I: this group incorporates all the categories under the study excluding the company employees. The members of this group responded as that they were aware of the issues like infrastructure and social service development, compensation payments, environmental protection, employment opportunities, and resettlement of displaced local communities through the agreements made between the mining company and the concerned public authorities at different levels, discussion forums and meetings held at different times with each other regarding the company's CSR programs and activities.

Group II: Out of the second group which constitutes the company's 12 permanent employees 2 (16.7%) of them as previously discussed responded as that they were not aware of the types of CSR programs and prior agreements made between the two parties as a result of their short stay in the company, and 6 (50%) of the permanent employees responded as that they had information as that the company had the CSR programs and prior agreements made with the concerned public authorities but had no clear information regarding which issues were included in the agreements and other details of the CSR programs and agreements made between the parties.

The rest 4 employees (33.3%) responded as that they were fully aware of the CSR programs and prior agreements made between the parties which arises as a result of the position they held in the company's organizational structure. The details of the issues they were aware about includes infrastructure and social service development, compensation payments, environmental protection, employment opportunities,

resettlement of displaced local communities, and employee safety and protection programs.

Table 4.6 showing group 2 respondents' awareness towards types of CSR issues

Awareness level	Frequency	Percent	Cumulative Percent
Fully aware	4	33.3	33.3
Partially aware	6	50.0	83.3
Not aware	2	16.7	100.0
Total	12	100.0	
Missing System	56		The rest 4 categories
Total	68		

Source: survey, 2013

4.1.4. Company's relationship with stakeholders

Regarding this case all the participants of the study categories including the newly appointed company high officials responded as that there wasn't a regular discussion forum among the mining company management and its employees, the local public authorities, displaced and to be displaced community members concerning the company's CSR program plan, its implementation and observed effects which depicted the absence of good communication and smooth relationship among all the stake holders leading to dissatisfaction, boredom, and complaint of each group on the other based on one sided information and self interest which is against Wheeler and Elkington (2001) that advocates effective communication with stakeholders towards economic prosperity, environmental quality and social justice has been recognized as a defining characteristic of corporate responsibility in the 21st century.

Table 4.7 depicting company's relationship with stakeholders

using Cross tabulation

Study participants	Yes	No	Total
Company high level officials	--	2	2
Company employees	--	12	12
Woreda board members	--	5	5
Kebele executives	--	3	3
Displaced and to be displaced communities	--	46	46
Total	--	68	68

Source: survey, 2013

4.1.5. Successfully implemented CSR programs

For the question which CSR programs and prior agreements made between the company and concerned public authorities were being under taken successfully, the responses of all the categories included in the study regarding the issues incorporated in company's CSR programs and prior agreements were summarized using table as follow;

Table 4.8 showing successfully implemented CSR programs

CSR Issues Participants	Compensation payments	Employment opportunities	Employee safety and protection	Total
Company high level officials	2	2	2	2
Company employees	12	12	12	12
Woreda board members	4	5	5	5
Kebele executives	3	3	3	3
Displaced and to be displaced communities	43	46	32	46
Total	64 (94%)	68 (100%)	54(80%)	68 (100%)

Source: survey, 2013

i) **Compensation payments**

As shown in the table out of the CSR programs and prior agreements /promises/ made between the company and concerned public authorities the analysis made on the compensation payment program indicated that 64 participants which accounts for 94% of the total participants of the study responded as that compensation payments promised by the company were paid reasonably and satisfactorily.

One respondent from Woreda investment & environmental protection board and three respondents from displaced and to be displaced local community members responded to the issue as that the compensation payment made by the company was delayed for two

years without being paid to the community after all their properties were estimated and was also unsatisfactory in its amount for few of the members.

From this we can deduce as that majority /almost all/ participants of the study were satisfied with the compensation payments made by the company for the concerned people except for few members which constitutes for 6% of the totally displaced and to be displaced local communities which has complained for its delay and amount.

Table 4.9 showing compensation program implementation level response

Implementation response	Frequency	Percent	Cumulative Percent
Successfully implemented	64	94.1	94.1
Poorly implemented	4	5.9	100.0
Total	68	100.0	

Source: survey, 2013

ii) **Creation of employment opportunities**

The issue of company's creation of employment opportunities for the surrounding community was responded unanimously (100%) by all stakeholders included in the study positively showing that the company has created good employment opportunities for the surrounding community as long as it gets the required human power which fits to its vacant positions from the surrounding community as per the previous agreement made between the concerned parties.

Table 4.10 showing employment opportunity implementation level response

Implementation response	Frequency	Percent	Cumulative Percent
Successfully implemented	68	100.0	100.0
Poorly implemented	0	0	100.0
Total	68	100.0	

Source: survey, 2013

iii) Employee safety and protection

The employee safety and protection condition was one of the issues responded as performed well by all the four groups fully except the displaced and to be displaced local communities which responded as that they had no sufficient information regarding the issue to respond positively or negatively and chosen to stay neutral and as a result the total participants became only 22 of the whole participants included in the study. This result showed that all the stakeholders who had access to observe the employee safety and protection conditions in the company responded unanimously the existence of good employee safety and protection mechanisms such as availability of suitable work environment, proper residential areas, standard employee canteen service, water and electricity supply, proper safety materials / protective devices/, satisfactory payment system, and applicable training and development programs which were described in the company's human resource management manual and employment agreement signed between the company and its employees. In general compensation payments, employment opportunities, and employee safety and protection issues were the duties which were discharged by the company better than other issues incorporated in the agreements made between the company and the concerned public authorities at different levels.

Table 4.11 showing employee safety program implementation level response

Implementation response	Frequency	Percent	Cumulative Percent
Successfully implemented	22	32.4	100.0
Missing system	46	67.6	100.0
Total	68	100.0	

Source: survey, 2013

4.1.6. Poorly implemented CSR programs

Table 4.12 showing poorly implemented CSR programs

CSR Issues participants	Infrastructu re and social service	Environmental protection	Resettlement program	Total
Company high level officials	2	-	2	2
Company employees	12	10 (71%)	12	12
Woreda invest. protection board	5	5	5	5
Kebele executives	3	3	3	3
Displaced and to be displaced communities	46	31 (67.4%)	46	46
Total	68 (100%)	49 (72%)	68 (100%)	68 (100%)

Source: survey, 2013

i) Infrastructure and social service development

Regarding which CSR programs and prior agreements were being under taken by the company poorly, all the stakeholders included in the study 68 (100%) agreed on the non performance of the Infrastructure and social service development programs which included the agreements made by the company to construct health post, farmers training center /FTC/, elementary school, mosque, church, and gravel road in resettlement area for displaced community due to company's mining operation and which resulted in

company's dispute with the local public authorities and the displaced and to be displaced local community members which opposes CCL that has planted more than 6 million trees and has given welfare as priority area in which 125 Km of colony road was constructed. Besides this, repair of 310 welfare buildings such as School, hospitals / dispensaries, rest shelters etc in different areas completed. As per report submitted in May 2005 by World Bank 75% to 80% people have constructed bigger, stronger and higher houses as compared to their houses before shifting. All the persons trained as driver for self employment have been engaged by local contractors and transporters and all has regular income. This shows that jobs offered by the company are greatly accessible to the poor and weaker section of the society. (Jagannath), n.d)

Table 4.13 showing infrastructure development performance level

Implementation response	Frequency	Percent	Cumulative Percent
Successfully implemented	0	0	0
poorly implemented	68	100.0	100.0
Total	68	100.0	

Source: survey, 2013

ii) Resettlement program

Out of the issues incorporated in the agreements made between the company and the concerned public authorities, resettlement of the community members who were displaced due to company's mining operation in the surrounding was the one which seeks attention of the majority of the respondents. The program includes the agreements made by the company to construct health post, farmers training center /FTC/, elementary school, mosque, church, and gravel road in resettlement area for displaced community of which even one portion of the agreement was not undertaken till now. The other controversial issue raised by almost all stakeholders regarding this resettlement program was the selected area's inconveniency for human and livestock of the settlers which leads to dispersed displaced local community members to different parts of the surrounding

kebele and other small towns in the vicinity of the mining operation. Recently the newly assigned company manager issued an official letter which states the company's board plan and decision to construct a health post this year in the resettlement area and to continue with other issues in the remaining six years of the initial contractual agreement signed by the company, which could be considered as the first initiative result of this study that incorporates well studied and time bounded schedule as one of the remedies for future CSR practices improvement.

Table 4.14 showing resettlement of displaced local community

Implementation response	Frequency	Percent	Cumulative Percent
Successfully implemented	0	0	0
poorly implemented	68	100.0	100.0
Total	68	100.0	

Source: survey, 2013

iii) Environmental protection

From table 4.5 the issues regarding the company's environmental protection activities were responded differently by different stakeholders as follow;

A) Company high level officials and Company employees

The company high level officials and only two company employees responded to the environmental protection issue as that the company has planned to undertake environmental protection activities step by step as per the agreements made between the concerned parties in a way that can sustainably reduce the effect of the mining operation on the environment and the society at large through activities like soil reservation and planting of indigenous trees and is doing the first phase of the activity to discharge its duties and keep its promises.

The rest 10 employees responded as that though the company is performing some environmental protection activities, it wasn't at an expected and satisfactory level by the stakeholders.

To show the efforts made by the company these supporting few members described the following activities as evidences;

- a) The presence of environmental protection unit with professional expert in position.
- b) Collection and germination of the seedlings of indigenous plants in the compound of the company at Delbi site.
- c) Removal and dumping of the excavated material to refill the areas in which the mining operation was already completed.
- d) Covering of the excavated area with indigenous plants which they agreed that the dumping and compacting was not performed by the contractor which was responsible for the excavation, transporting, dumping and compacting of the overburden material.

From their responses we can conclude that out of the total 14 respondents (2 company high level officials and 12 company employees), 2 company high level officials and only two company employees responded as that there are some / satisfactory/ promising environmental protection activities being undertaken by the company where the remaining 10 (71%) company employees responded as that there was no as such satisfactory environmental protection activities as per their expectation, indicating that majority of the respondents agreed on the overall poor performance of the company's environmental protection activities in general.

B) Woreda investment and environmental protection board and Kebele executives

The category of local public authorities unanimously responded to the environmental protection issues as that the company's activity towards this program was not satisfactory at all and those activities which were explained by the company as performed were not done in well studied and sustainable manner.

To support their ideas they presented the following evidences;

- a) The dumped overburden materials were not well compacted and intact enough to reuse the land for other purposes.
- b) The dumped overburden materials were sliding and creating dangers to the surrounding community.
- c) Water pollution and poisoning from the dumped overburden materials was the other point raised by these group members.

This category strongly argued against the company high level officials and two company employees category indicating that the overall performances of the company's environmental protection activities were poor and even endangering the environment and the surrounding community.

C) Displaced and to be displaced communities

The displaced and to be displaced community members were divided into two groups known as displaced community members who were already displaced from their land and other properties and the other group is the to be displaced community members who are currently residing in the territory of the mining company but are to be displaced in the future as per the company's program.

The already displaced community members 15 (32.6%) were not in the mining territory and were dispersed to different areas of the surrounding and resettlement areas which could not respond fully to the issues of environmental protection activities being undertaken in the mining territory by the company. The 31 (67.4%) to be displaced community members who are currently residing in the territory of the mining company responded that the activities were not that much satisfactory and its overall performance is poor and below their expectation. In general as indicated in the table the overall environmental protection activities of the company was responded as poor by 49 participants out of the total 68 which accounts for 72% of the total participants involved in the study.

Table 4.15 showing environmental protection performance level

Implementation response	Frequency	Percent	Cumulative Percent
Successfully implemented	19	27.9	27.9
poorly implemented	49	72.1	100.0
Total	68	100.0	

Source: survey, 2013

In aggregate the company's performances related with the social dimension issues were responded as poor that opposes Banerjee (2004) who stated that for carrying mining activity in the future, adequate attention should be given to the social dimensions of mining. He has also mentioned the commendable community development work done by many mining companies and to disseminate the knowledge generated, the progressive Resettlement and Rehabilitation (R&R) policy adopted by Coal companies, and the transfer of lessons learnt from the World Bank's Coal Sector Environmental and Social Mitigation Project to other mines. This has the potential to bring in a major change to the social dimensions of the mining sector in countries.

4.1.7. The underlying reasons behind company's poor performance

Table 4.16 showing reasons behind the company's CSR programs poor performance

Participants \ Reasons	Budgetary problems	poor control mechanism	Lack of coordination and awareness	Profit orientated management	Company officials turn over
Company high level officials	2	2	2	--	--
Company employees	3	11	11	2	3
Woreda invest. protection board	---	5	5	2	2
Kebele executives	-	3	3	2	2
Displaced and to be displaced communities	-	39	41	36	30
Total	5 (7.4%)	60 (88.2%)	62 (91.2%)	42 (62.6%)	37 (54.4 %)

Source: survey, 2013

From the descriptions in the tables the reasons given by different stakeholders for company's poor CSR programs performance were summarized using descriptive statistics of statistical program for social sciences /SPSS/ as follow;

i) Budgetary problems

The budgetary problem was responded as one of the reasons for company's poor CSR programs performance only by 5 respondents which accounts for (7.4%) of the total participants which includes two company high level officials and three company employees, where the rest 63 (92.6%) of the total participants didn't consider the budgetary problem as a reason for company's poor CSR programs performance indicating that majority of the participants were not convinced with the budgetary problem to be a cause for company's poor CSR activities within the last four years.

Table 4.17 showing study participants' response to budgetary problems as cause for underperformance using Cross tabulation

Study participants	No./ %	Budgetary problems		Total
		Yes	No	
Company high level officials	No.	2	0	2
	% within study Groups	100.00%	0.00%	100.00%
Company employees	No.	3	9	12
	% within study Groups	25.00%	75.00%	100.00%
Woreda board members	No.	0	5	5
	% within study Groups	0.00%	100.00%	100.00%
Kebele executives	No.	0	3	3
	% within study Groups	0.00%	100.00%	100.00%
Displaced and to be displaced communities	No.	0	46	46
	% within study Groups	0.00%	100.00%	100.00%
Total	No.	5	63	68
	% within study participants	7.40%	92.60%	100.00%

Source: survey, 2013

ii) Poor control mechanism

Among the reasons chosen by all category respondents, poor control mechanism was the second highly rated cause for company's poor CSR programs performance which constitutes 60 (88.2%) of participants out of the total 68 who were incorporated in the study. This showed that majority of the respondents agreed on the company's poor control system for planned and under execution CSR activities which lead to poor performance of CSR issues like environmental protection, resettlement program, and to some extent to compensation payments which were in the agreements made between the company and concerned public authorities, where the rest 8 (11.8%) responded as no to poor control mechanism as a reason for company's CSR activities.

The outcome the analyzed data were summarized using descriptive statistics as shown below;

Table 4.18 showing study participants response to poor control mechanism as cause for underperformance using Cross tabulation

Study participants	Poor control mechanism			Total
	No./ %	Yes	No	
Company high level officials	No.	2	0	2
	% within study Groups	100	0	100
Company employees	No.	10	2	12
	% within study Groups	0.83	0.16	100
Woreda board members	No.	5	0	5
	% within study Groups	100	0	100
Kebele executives	No.	3	0	3
	% within study Groups	100	0	100
Displaced and to be displaced communities	No.	40	6	46
	% within study Groups	0.87	0.13	100
Total	No.	60	8	68
	% within study Groups	0.882	0.118	100

Source: survey, 2013

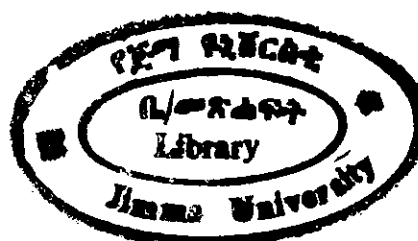
iii) Lack of coordination and awareness

Lack of coordination and awareness was the first reason of choice by all category respondents for company's poor CSR programs performances. As shown in the table 62 (91.2%) participants out of the total 68 responded as that lack of coordination and awareness was the major reason for company's poor CSR programs performances. Lack of coordination and awareness was responded as a major cause by 2 (100%) company high level officials, 11 (91.7%) company employees, 5 (100%) woreda investment and environmental protection board, 3 (100%) kebele executives, and 41 (89.2%) of displaced and to be displaced local communities, where only 6 (8.8%) participants disagree with this choice, depicting that there was poor communication between the company and the other stake holders which leads to unwanted disputes and unnecessary roomers among all the stakeholders.

Table 4.19 showing study participants' response to Lack of coordination and awareness as cause for underperformance using Cross tabulation

Study participants	Lack of coordination and awareness			Total
	No./ %	Yes	No	
Company high level officials	No.	2	0	2
	% within study Groups	100	0	100
Company employees	No.	11	1	12
	% within study Groups	0.91	0.08	100
Woreda board members	No.	5	0	5
	% within study Groups	100	0	100
Kebele executives	No.	3	0	3
	% within study Groups	100	0	100
Displaced and to be displaced communities	No.	41	5	46
	% within study Groups	0.89	0.10	100
Total	No.	62	6	68
	% within study participants	91.2	8.8	100

Source: survey, 2013



iv) Profit orientated management

The other reason raised by all the participants' category with the exception of company high level officials was the previous company management's high profit oriented attitude and low perception to CSR programs. The participants of the study which includes 2 company employees, 2 woreda investment and environmental protection board members, 2 kebele executives, and 36 displaced and to be displaced local communities totaling 42 which accounts for (61.7%) of the total participants agreed on the old company management's high profit oriented attitude which ignores the societal well being and proper implementation of the company's CSR programs indicating that the previous company management team gave more emphasis to economic /profit/ aspects of the business ignoring the social aspects from which the company could benefit a lot and create a sustainable business environment for its future operation in the surrounding where the 26 (38.3%) of the respondents responded as that the previous management team was not that much profit oriented.

Table 4.20 showing study participants' response to Profit orientated management as cause for underperformance using Cross tabulation

Study participants	No./ %	Profit orientated management		Total
		Yes	No	
Company high level officials	No.	0	2	2
	% within study Groups	0	100	100
Company employees	No.	2	10	12
	% within study Groups	0.16	0.83	100
Woreda board members	No.	2	3	5
	% within study Groups	0.4	0.6	100
Kebele executives	No.	2	1	3
	% within study Groups	0.66	0.33	100
Displaced and to be displaced communities	No.	36	10	46
	% within study Groups	78.2.	0.21	100
Total	No.	42	26	68
	% within study participants	0.617	0.383	100

Source: survey, 2013

v) Company officials turn over

Company officials' turnover was responded as a reason for company's poor CSR programs performance by 37 participants from the four categories except the company high level officials category which constitutes 54.4% of the total participants involved in the study. The respondents includes 3 company employees, 2 woreda investment and environmental protection board members, 2 kebele executives, and 30 displaced and to be displaced local communities. The rest 31(45.6%) participants responded as that company official's turnover was not the major cause for underperformance. The company high level officials turn over which took place about four times within the last four years of company operation contributed a lot in company's poor CSR programs performance showing that the higher the turnover of the officials the lesser they can understand all the company activities and the lesser they are stable to analyze the situations and make appropriate decisions which could benefit all the stakeholders related with the issues.

Table 4.21 showing study participants response to Company officials turn over as cause for underperformance using Cross tabulation

Study participants	No./ %	Company officials turn over		Total
		Yes	No	
Company high level officials	No.		2	
	% within study Groups	0.00%	100.00%	100.00%
Company employees	No.	3	9	12
	% within study Groups	25%	75%	100.00%
Woreda board members	No.	2	3	5
	% within study Groups	40.00%	60.00%	100.00%
Kebele executives	No.	2	1	3
	% within study Groups	66.70%	33.30%	100.00%
Displaced and to be displaced communities	No.	30	16	46
	% within study Groups	65.00%	35.00%	100.00%
Total	No	37	31	68
	% within study participants	54.40%	45.60%	100.00%

Source: survey, 2013

- ❖ The other reasons raised mostly by the new company management include;
 - 1) Delay in the initial payment of the capital
 - 2) Inappropriate mining design which costs the company more money at an initial stage of operation
 - 3) Poor leadership of the old management.

4.1.8. Satisfaction with the overall CSR performance

To wind up the issues related with CSR activities being undertaken by the company, a question which evaluates the study participants' satisfaction level towards company's CSR performance was forwarded and the results were analyzed, interpreted, and presented using descriptive statistics as follow:

Table 4.22 showing Overall satisfaction with company's CSR practices using Cross tabulation

Study participants	Satisfied	Unsatisfied	Total
Company high level officials	-	2	2
Company employees	--	12	12
Woreda board members	--	5	5
Kebele executives	--	3	3
Displaced and to be displaced communities	--	46	46
Total	--	68	68

Source: survey, 2013

As it is shown in the above table the other critical issue that needs to be evaluated was the overall satisfaction level of the stake holders involved in the study. For the question raised by the researcher as whether the study participants were satisfied with the overall company's CSR activities performance or not, all the five category participants incorporated in the study unanimously 68 (100%) responded as that they were not satisfied with company's previous and current CSR performances which was expected to be seen based on the promises and agreements made between the company and the

concerned public authorities during the company's arrival as the pioneering company in their surroundings.

This depicted that even the company high level officials and employees were eager to accomplish certain CSR activities on voluntary bases and show the company's devotion to address the societal problems to their best possible level. The woreda investment and environmental protection board members, the kebele executives, and the displaced and to be displaced local community members were expecting a lot from the company which they eventually found it to be below their expectation and even which leads to discouragement and sense of hopelessness in the public authorities and the surrounding community in general.

4.1.9. Suggestions for company's CSR activities improvement

Table 4.23 showing suggestions for future CSR improvement

suggestions participants	Government enforcement /intervention/	Time bounded work schedule	Stakeholders smooth and continuous relationship	Societal involvement and creation of feeling of belongingness	Integrated and strong awareness program
Company high level officials	2 (100%)	2 (100%)	2 (100%)	2 (100%)	2 (100%)
Company employees	2 (17%)	11 (91%)	10 (83%)	11 (91%)	12 (100%)
Woreda invest. & environmental protection board	1 (20%)	5 (100%)	5 (100%)	4 (80%)	4 (80%)
Kebele executives	1 (33%)	3 (100%)	3 (100%)	3 (100%)	3 (100%)
Displaced and to be displaced community	11 (24%)	42 (91.3%)	44 (96%)	32 (70%)	30 (65%)
Total	17 (25%)	63 (92.6%)	64 (94.1%)	52 (76.4%)	51 (75%)

Source: survey, 2013

From the responses given to the question intended to assess what would they suggest for company's CSR activities improvement and for newly entering companies in the future, participants involved in the study responded to different suggestion alternatives differently as shown in the tables which was analyzed and presented as follow;

i) Government enforcement /intervention/

For company's future CSR activities improvement and newly entering companies' agreement, government enforcement /intervention/ was chosen as an alternative by 17 participants out of the total 68 which accounts for 25% of the total participants. The assessment of this alternative based on respondents' category showed that 2 (100%) of company high level officials, 2 (17%) of company employees, 1 (20%) of woreda investment and environmental protection board members, 1 (33%) of kebele executives, and 11 (24%) of displaced and to be displaced community members suggested government enforcement /intervention/ as a solution for future CSR activities improvement. From this we can understand that majority (75%) of the study participants were not in favor of this alternative indicating that CSR activities should be performed on voluntary base than using rules and regulations to enforce their implementation.

Table 4.24 showing participants' response for government enforcement /intervention/ as remedy for future improvement using Cross tabulation

Study participants	Yes	No	Total
Company high level	2	0	2
Company employees	2	10	12
Woreda board members	1	4	5
Kebele executives	1	2	3
Displaced and to be displaced communities	11	35	46
Total	17	51	68

Source: survey, 2013

ii) Well studied and time bounded work schedule

The second suggestion alternative forwarded to the participants was whether a well studied and time bounded work schedule that showed the details of which CSR activities are going to be performed, when, by whom, and how they will be performed could help in future company's CSR activities improvement or not. Regarding this alternative 63 (92.6%) of the total participants responded as that this alternative if properly implemented can improve company's CSR activities. The response rate analysis to the alternative based on the respondents category indicated that 2 (100%) of company high level officials, 11 (91.6%) of company employees, 5 (100%) of woreda investment and environmental protection board members, 3 (100%) of kebele executives, 42 (91.3%) of displaced and to be displaced community members chosen the implementation of a well studied and time bounded work schedule as a best alternative that can improve company's CSR activities in the future.

From this result we can deduce that majority of the study participants which includes 92.6% of the total agreed up on a well studied and time bounded work schedule alternative as a solution to improve company's CSR activities in the future which is congruent with Jenkins (2004) which states the role of the company's CSR related promises also needs to be considered, in that such promises may have powerful effects on local inhabitants' expectations, as well as the decision- making processes surrounding the project. From this it can be inferred as the agreements /promises/ made between the two parties were in bulk with no mutually identified problem areas, prioritizing of the issues, and clearly indicated time schedule which lead to over expectation of the society concerning the issues to be performed by the company.

The newly assigned company management accepting this alternative as remedy for the identified problems started the activity to construct one health post this year and to continue with the others step by step in the future.

Table 4.25 showing participants response for well studied and time bounded work schedule as remedy for future improvement using Cross tabulation

Study participants	Yes	No	Total
Company high level officials	2	0	2
Company employees	11	1	12
Woreda board members	5	0	5
Kebele executives	3	0	3
Displaced and to be displaced communities	42	4	46
Total	63	5	68

Source: survey, 2013

iii) Stakeholders smooth and continuous relationship with each other

The collected response rate based on participants' category showed as that 2 (100%) of company high level officials, 10 (83.3%) of company employees, 5 (100%) of woreda investment and environmental protection board members, 3 (100%) of kebele executives, and 44 (95.6%) of displaced and to be displaced community members responded as that the stakeholders smooth and continuous relationship with each other can improve company's CSR activities in the future.

Out of the total 68 participants incorporated in the study 64 of them which accounts for 94.1% of the total responded as that the stakeholders' smooth and continuous relationship with each other can make an improvement in company's future CSR activities and thereby can reduce the complaints and disputes arising as a result of company's operation in the surrounding showing that majority of the participants believed as that the company should work hard in creation of smooth and continuous relationship with other

stakeholders which in turn can lead to improved, satisfactory and all encompassing CSR activities in the future.

Victoria (2009) shared similar idea with the above result saying, Literature and empirical evidence has shown that a partnership between business corporations and the community in which they operate has been quite fruitful. Lack of partnership coupled with inadequate consultations in the implementation of CSR policies could have detrimental and unsustainable effects on the community. One way to effectively implement CSR is through a partnership between corporate bodies and the community concerned. This approach when well done has the potential of ensuring sustainability of projects and the community having a sense of ownership of products done by the business organization.

Table 4.26 showing participants response for Stakeholders smooth and continuous relationship as remedy for future improvement using Cross tabulation

Study participants	Yes	No	Total
Company high level officials	2	0	2
Company employees	10	2	12
Woreda board members	5	0	5
Kebele executives	3	0	3
Displaced and to be displaced communities	44	2	46
Total	64	4	68

Source: survey, 2013

iv) Societal involvement and creation of feeling of belongingness

The other alternative discussed by the participants was whether the creation of increased societal involvement and feeling of belongingness can improve company's CSR activities in the future or not. Majority of the participants which constitutes 52 (76.4%) of the total responded as that the company can improve its CSR activities in the future through creation of increased societal involvement and feeling of belongingness. The response in terms of category depicted that 2 (100%) company high level officials, 11 (91.6%) of company employees, 4 (80%) of woreda investment and environmental protection board members, 3 (100%) of kebele executives, and 32 (70%) of displaced and to be displaced community members responded as that the company still has a chance to improve its CSR activities through participating the society in different CSR programs which can create feeling of belongingness in the community.

This was the other alternative started to be implemented by the company after the discussions made with the researcher through using students and associations in planting the indigenous trees in the affected areas which can create feeling of belongingness in the society and better societal involvement in the company's CSR activities.

Table 4.27 showing participants response for Societal involvement and creation of feeling of belongingness as remedy for future improvement using Cross tabulation

Study participants	Yes	No	Total
Company high level officials	2	0	2
Company employees	11	1	12
Woreda board members	4	1	5
Kebele executives	3	0	3
Displaced and to be displaced communities	32	14	46
Total	52	16	68

Source: survey, 201

v) **Integrated and strong awareness program**

As it is shown in the table below integrated and strong awareness program was selected as one of the solutions to improve company's future CSR activities by 2 (100%) company high level officials, 12 (100%) of company employees, 4 (80%) of woreda investment and environmental protection board members, 3 (100%) of kebele executives, and 30 (65.2%) of displaced and to be displaced community members. The overall study result showed as those 51 participants which accounts for 75% of the total responded in favor of integrated and strong awareness program as a remedial action for improvement of future company's CSR programs.

Table 4.28 showing participants response for Integrated and strong awareness program as remedy for future improvement using Cross tabulation

Study participants	Yes	No	Total
Company high level officials	2	0	2
Company employees	12	0	12
Woreda board members	4	1	5
Kebele executives	3	0	3
Displaced and to be displaced communities	30	16	46
Total	51	17	68

Source: survey, 2013

In aggregate out the total 68 participants included in the study only 17 (25%) responded as that government enforcement can be taken as a solution for company's future CSR activities improvement, where the rest 63 (92.6%), 64 (94.1%), 52 (76.4%), and 51 (75%) responded as that well studied and time bounded work schedule, Stakeholders smooth and continuous relationship, Societal involvement and creation of feeling of

belongingness, and Integrated and strong awareness programs were chosen as alternatives respectively.

The responses gathered from the total participants through focus group discussion and personal observation regarding DCM S.C.'s CSR activities resulted in a qualitatively analyzed outcome that was totally congruent with the results obtained using company documents and interview questionnaire responses which was analyzed and presented quantitatively in the previous section of this paper. At the beginning of focus group discussions with the two groups, there were minor differences in the degree of responses given by respondents in relation to issues raised for discussion by the facilitator, on which they came to agreement after discussions and elaborations made on the issues with each other.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

The final part of the study which aimed at concluding the results obtained on the overall CSR practices being undertaken by Delbi Coal Mining S.C incorporate the major findings of the study, their strong and weak parts together with possible remedial actions to be taken for future improvements regarding company's CSR activities in the surrounding in particular and the mining sector in general.

5.1. CONCLUSIONS

In today's competitive business environment for companies' long term existence and sustainable development, discharging CSR activities which has a mutual benefit for both the company and its stakeholders is one of the crucial issues to be considered seriously. A company which incorporates CSR programs in its strategic plans based on societal needs through creation of awareness, and implemented these programs in a responsible and ethical manner benefits a lot than those not involved in the program. Identifying and prioritizing the problem areas, acting timely and as per the agreement, integrated and strong awareness program and societal involvement and creation of feeling of belongingness will help for company's success better than its competitors.

This study and its outcome on corporate social responsibility practices of Delbi Coal Mining S.C has tried to assess the real CSR activities being performed by the company which could be the base for other studies to be conducted in the country by other researchers in relation to mining in general and coal mining in specific. The major findings of the study were concluded as follow:

1. The study participants except the displaced community members were high school, diploma, first degree, and second degree holders which are appropriate for the position they held in the company's different activities.
2. Despite the fact almost all stakeholders participated in the study were aware of the availability of company's CSR policy, agreements made between the company and the concerned public authorities (through meetings and the position they held) and the CSR issues incorporated in agreements at different levels, the company has no a formal way of introducing the issues /CSR plans/ to its new entering employees and the surrounding public at large.
3. The company has no a formal forum for communicating its CSR plan, its implementation and the observed effects with its stakeholders which depicted the absence of good communication and smooth relationship among concerned parties leading to dissatisfaction, boredom, and complaint of each group on the other based on one sided information and self interest.
4. The company has performed relatively well in areas like compensation payments (though not satisfactory and timely), employment opportunities, and employee safety and protection programs which were parts of the agreements made between the company and the concerned public authorities and employees' contractual agreement documents which can be seen as company's accomplishment towards discharging its duties of CSR activities but are more of legal duties than voluntary actions aimed at improving the livelihood of the community in the mining area.
5. Even though the company has performed somewhat better in some sectors, its performances in areas like infrastructure and social service development, environmental protection, and resettlement programs which seek public attention, reduce cost of transportation for the company, and can assist the public at large in establishing improved and better life were not good and even issues like

environmental protection and resettlement programs are still in danger and are the causes for disputes and dissatisfaction by public authorities and the displaced and to be displaced community members.

6. The major reasons for the program's under performance by the company were identified as lack of coordination and awareness, poor control mechanism, profit orientated management, company officials turn over, and budgetary problems consecutively indicating that lack of coordination and awareness and poor control mechanisms were the leading causes for company's underperformance regarding the CSR issues.
7. The study outcome depicted as that the overall satisfaction of participants by company's CSR activities was below their expectation indicating that the company was not performing well in addressing the societal problems as per their agreements and even was leading to discouragement and sense of hopelessness in the public authorities and the surrounding community in general.

5.2. RECOMMENDATIONS

The study on Delbi Coal Mining S.C's performance regarding its CSR activities has analyzed and identified strengths and weaknesses of the company in implementing its CSR programs and presented the following recommendations for company's betterment in accomplishing its tasks in the future.

- I. The company should work hard in creating integrated and strong public awareness program regarding its CSR programs /plans/, its implementation, and evaluation for its stakeholders through establishing a formal communication forum rather than introducing it informally and when forced by problems and by law which can help the company to identify its strengths and weaknesses early and can prevent unnecessary rumors and complaints which could arise as a result of lack of awareness and communication about the program.

- II. The agreements or promises entered with the society should be strictly followed by the company, not only for public benefits but also for the company's stable, sustainable, and long term existence in this competitive business world and the surrounding.
- III. Most of the CSR issues performed relatively well are those supported by law and which benefits more of the company's side, whereas the other CSR issues like infrastructure and social service development, environmental protection, and resettlement programs were neglected by the company which implies the company's unwillingness to discharge its duties in areas that needs a voluntary action that can alleviate the social, health, educational, economic, environmental and cultural issues. Therefore it is strongly recommended for the company to act in these areas which give emphasis to social dimensions of the program and thereby can create feeling of belongingness and full support from the community at large.
- IV. The environmental protection program which was claimed by company officials as being implemented should be revised in a well studied way that includes transporting and dumping of the excavated material in a properly selected area, compacting of the dumped material before plantation, protection of the area from land sliding, and prevention of water pollution from the dumped materials in the surrounding.
- V. The company has prepared a resettlement program in askira (name of the settlement zone) area which was not well discussed and studied before site selection, is not convenient for human and live stock, far away from other society members and has no any infrastructural facilities, so the company should revise this program in its all aspects based on discussion with all concerned stakeholders.
- VI. The company rather than making an agreement in bulk should develop a time bounded work schedule that clearly indicates which of its CSR program will be performed when, where, and how and thereby can eliminate the over expectation by

the society towards company's CSR programs and their implementation in the mining area and its surrounding.

- VII. The company should work hard in societal involvement such as participating students (accepted by the newly assigned company officials and started to be implemented this year), farmers associations, and unions to implement its CSR programs in the surrounding which will help in cost reduction, developing mutual benefit for both parties, and can create feeling of belongingness for implemented programs in the society.
- VIII. The company's CSR activities needs a strong and well coordinated work among stakeholders at all levels through creation of smooth and continuous relationship with them based on mutual respect and understanding which will assist the company in achieving its goal peacefully and within relatively short period of time.
- IX. The local public authorities and the community should be empowered and be able to play significantly complementary roles in planning, implementing, evaluating and controlling the overall CSR activities being undertaken in their surroundings.

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APPENDICES

**Appendix I: interview questionnaire on CSR practices of delbi coal mining, Oromia
regional state, jimma zone, dedo woreda**

A) FOR COMPANY HIGH LEVEL OFFICIALS

Part I Demographic characteristics

1- AGE- < 25 ☐ 25-35 ☐ 35-45 ☐ 45-60 ☐ >60 ☐

2- SEX- MALE ☐ FEMALE ☐

3- EDUCATIONAL STATUS;

Below grade 12 ☐ Diploma ☐ Bachelors degree ☐ Masters Degree ☐ ☐
others

4- CURRENT POSITION IN THE COMPANY-----

Part II CSR related issues

5- Does the company have an agreement to undertake a corporate social responsibility program which is incorporated in its strategic plan? Yes ☐ No ☐

6- If yes which areas are included in the agreements and the company's CSR program?

1. Infrastructure and social service development 2. Compensation payments

3. Environmental protection 4. Employment opportunities

5. Resettlement of displaced local communities 6. Employee safety and protection

7- In which areas of the CSR program the company performed well?

1. Infrastructure and social service development 2. Compensation payments

3. Environmental protection 4. Employment opportunities

5. Resettlement of displaced local communities 6. Employee safety and protection

8- In which areas of the CSR program the company performed poorly?

1. Infrastructure and social service development 2. Compensation payments
3. Environmental protection 4. Employment opportunities

5. Resettlement of displaced local communities 6. Employee safety and protection

9- What do you think would be the reasons for poor performance?

1. Budgetary problems 2. poor control mechanism
2. Lack of coordination 4. Others specify-----

10- Do you have a good relationship with local community and public authorities?

Yes ☐

No ☐

11- If yes, have you a regular meeting schedule? Yes ☐ No ☐

12- If yes how often?

1. Weekly ☐ 2. Monthly ☐ 3. Quarterly ☐
2. 4. Semiannually ☐ 5. Annually ☐ 6. Others specify-----

13- For problems encountered with company operation in the localities solutions will be given by;

- a) Company management only b) local public authorities only
c) Through discussion of company management with local public authorities and the community
d) No specific way of giving a solution to encountered problems
e) Others specify-----

14- How do you relate the company's CSR activities with its economic dimension/profit maximization/ objective?

1. Controversial to decide on ☐ 2. Totally unacceptable ☐ 3. Fairly acceptable ☐
 4. Totally acceptable ☐ 5. others specify ☐

15- Are you satisfied with the overall company's CSR activities performance?

Yes ☐ No ☐

16- What will you suggest/ future plan/ to improve the company's CSR activities in the future?

- a) Government enforcement /intervention
- b) Time bounded work schedule
- c) Continuous and smooth relationship among all stakeholders
- d) Creation of societal involvement and feeling of belongingness
- e) Others specify

Appendix II: interview questionnaire on CSR practices of delbi coal mining, Oromia regional state, jimma zone, dedo woreda

B) FOR COMPANY EMPLOYEES

Part I Demographic characteristics

1- AGE- <25 ☐ , 25-35 ☐ , 35-45 ☐ , 45-60 ☐ , >60 ☐

2- SEX- MALE ☐ FEMALE ☐

3- EDUCATIONAL STATUS;

Below grade 12 ☐ Diploma ☐ Bachelors degree ☐ Masters Degree ☐ ☐
 others

4- CURRENT POSITION IN THE COMPANY-----

Part II CSR related issues
 5- Are you aware of CSR programs being under taken by your company?

Yes ☐ No ☐

6- If yes which CSR activities are being under taken by your company?

- | | |
|--------------------------------------------------|-----------------------------------|
| 1. Infrastructure and social service development | 2. Employment opportunities |
| 3. Environmental protection | 4. Compensation payments |
| 5. Resettlement of displaced local communities | 6. Employee safety and protection |

7- Please respond to the following issues related with company's CSR activities related to employee conditions.

8-) The level of creation of suitable work environment by the company

1. Highly satisfactory ☐ 2. Satisfactory ☐ 3. Unsatisfactory ☐ 4. Others ☐

9- The level of Availability of proper residential areas

1. Highly satisfactory ☐ 2. Satisfactory ☐
3. Unsatisfactory ☐ 4. Others ☐

10- The level of Availability of standard employee canteen service

1. Highly satisfactory ☐ 2. Satisfactory ☐ 3. Unsatisfactory ☐ 4. Others ☐

11- The level of Availability of water and electricity supply

1. Highly satisfactory ☐ 2. Satisfactory ☐
3. Unsatisfactory ☐ 4. Others ☐

12- Availability of fair employment and employee safety materials/ protective devices/

1. Highly satisfactory ☐ 2. Satisfactory ☐

3. Unsatisfactory ☐ 4. Others ☐

13- Are you satisfied with the company's payment system? Yes ☐ No ☐

14- Is there an employee training and development program? Yes ☐ No ☐

15- Are you satisfied with the overall company's CSR activities performance? Yes ☐ No ☐

16- If Not which areas do you think are performed poorly?

1. Infrastructure and social service development 2. Resettlement of displaced local communities

3. Environmental protection 4. Employment opportunities

5. Compensation payments 6. Employee safety and protection

17- What do you think would be the reason for under performance of the activity?

1. Budgetary problems 2. poor control mechanism

3. Lack of coordination 4. Others specify

18- What will you suggest to improve the company's CSR activities in the future?

a) Government enforcement /intervention

b) Time bounded work schedule

c) Continuous and smooth relationship among all stakeholders

d) Creation of societal involvement and feeling of belongingness e) Others specify

**Appendix III: interview questionnaire on CSR practices of delbi coal mining, Oromia
regional state, jimma zone, dedo woreda**

C) FOR DISPLACED AND TO BE DISPLACED COMMUNITIES

Part I Demographic characteristics

2- AGE- < 25 ☐ 25-35 ☐ ,35-45 ☐ 45-60 ☐ >60 ☐

2- SEX- MALE ☐ FEMALE ☐

3- EDUCATIONAL STATUS;

Below grade 12 ☐ Diploma ☐ Bachelors degree ☐ Masters Degree ☐
others ☐

Part II CSR related issues

4- Are you aware of any prior agreement made between the mining company and the local public authorities in relation to CSR programs?

YES ☐ NO ☐

5- If yes which CSR activities are currently being undertaken successfully by the company?

- | | |
|--------------------------------------------------|-----------------------------------|
| 1. Infrastructure and social service development | 2. Compensation payments |
| 3. Environmental protection | 4. Employment opportunities |
| 5. Resettlement of displaced local communities | 6. Employee safety and protection |

6- If no which CSR activities are currently being undertaken poorly by the company?

- | | |
|--------------------------------------------------|-----------------------------|
| 1. Infrastructure and social service development | 2. Compensation payments |
| 3. Environmental protection | 4. Employment opportunities |

5. Resettlement of displaced local communities 6. Employee safety and protection

7- Are you satisfied with the compensation paid by the mining company?

1. Highly satisfactory ☐ 2. Satisfactory ☐

3. Unsatisfactory ☐ 4. Others ☐

8- Are you satisfied with the Resettlement condition of displaced local communities by the mining company? YES ☐ NO ☐

9- If not what are the observed problems?

- a) not convenient for human and livestock health
- b) the selected settlement area has no infrastructure
- c) the area is too far from the town
- d) lack of sufficient investigation before selection
- e) others

10- Have you a regular discussion forum with the mining company and the local public authorities concerning the CSR program implementation and its effects?

Yes ☐ No ☐

11- If yes how often?

1. Weekly ☐ 2. Monthly ☐ 3. Quarterly ☐
4. Semiannually ☐ 5. Annually ☐ 6. Others -----

12- Generally are you satisfied with the performance level of the CSR activities currently undertaken by the company? ☐ YES ☐ NO

13- If no, what do you think would be the reasons for/your dissatisfaction/ poor performances?

- | | |
|-------------------------|---------------------------|
| 1. Budgetary problems | 2. poor control mechanism |
| 2. Lack of coordination | 4. Others specify----- |

14- What will you suggest to improve the company's CSR activities in the future?

- a) Government enforcement /intervention
- b) Time bounded work schedule
- c) Continuous and smooth relationship among all stakeholders
- d) To increase societal involvement and feeling of belongingness
- e) Others specify

**Appendix IV:) Focus group discussion points on CSR practices of delbi coal mining,
Oromia regional state, jimma zone, dedo woreda**

**D) FOCUS GROUP DISCUSSION POINTS FOR WOREDA INVESTMENT AND
ENVIRONMENTAL PROTECTION BOARD MEMBERS AND SELECTED 5 DISPLACED
MEMBERS**

General information was forwarded for discussion in relation to the company and its CSR activities by the modulator

1. What do they know about the issues included in the company's CSR plans and the agreement made between the company and local authorities? -----

2. Which CSR programs/plans are being implemented at satisfactory level and which are not?

3. Is there any regular and formal communication channel between the company and the public authorities to evaluate the implementation of the company's CSR plans?

3.1 Which type and how often?

4. Have you any information regarding the performance levels of issues included in the company's CSR activities against the plan?

5. Finally what would you say concerning the company's overall performance of CSR activities

6. What could be the reason for the outcome observed in the above question?

7. Would you please suggest the possible remedies for the observed problems?

Appendix V: interview questionnaire on CSR practices of Delbi coal mining, Oromia regional state, jimma zone, Dedo woreda

E) FOR DISPLACED AND TO BE DISPLACED COMMUNITIES

Part I Demographic characteristics

1. AGE- < 25 ☐ 25-35 ☐ ,35-45 ☐ 45-60 ☐ >60 ☐

2- SEX- MALE ☐ FEMALE ☐

3- EDUCATIONAL STATUS;

☐

Below grade 12 ☐ Diploma ☐ Bachelors degree ☐ Masters Degree ☐
others ☐

4. CURRENT POSITION IN THE OFFICE-----

Part II CSR related issues

5. Are you aware of any prior agreement made between the mining company and the local public authorities in relation to CSR programs?

YES

☐

NO

☐

6- If yes which CSR activities are currently being undertaken successfully by the company as per the agreement made?

1. Infrastructure and social service development 2. Compensation payments

3. Environmental protection 4. Employment opportunities

5. Resettlement of displaced local communities 6. Employee safety and protection

7- If no which CSR activities are currently being undertaken poorly by the company?

1. Infrastructure and social service development 2. Compensation payments

3. Environmental protection 4. Employment opportunities

5. Resettlement of displaced local communities 6. Employee safety and protection

8- Have you a regular discussion forum with the mining company and the local public concerning the CSR program implementation and its effects? Yes ☐ No ☐

9- If yes how often?

1. Weekly ☐ 2. Monthly ☐ 3. Quarterly ☐

4. Semiannually ☐ 5. Annually ☐ 6. Others -----

11 Generally are you satisfied with the performance level of the CSR activities currently undertaken by the company? YES ☐ NO ☐

12- If not what do you think would be the reason for under performance of the activity?

- | | |
|-------------------------|-----------------------------|
| 1. Budgetary problems | 3. . poor control mechanism |
| 2. Lack of coordination | 4. Others specify |

13- What will you suggest to improve the company's CSR activities in the future?

- a) Government enforcement /intervention
- b) Time bounded work schedule
- c) Continuous and smooth relationship among all stakeholders
- d) To increase societal involvement and feeling of belongingness
- e) Others specify