

Assessment of Corporate Social Responsibility in Private Hospitals

(A case study on Dessie city Hospitals, Ethiopia)

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Abstract

In recent years, Corporate Social Responsibility (CSR) has gradually become a leading issue in business. Heightened corporate attention to CSR has not been entirely voluntary. Many companies awake to it only after being surprised by public response to issues. They had not previously thought part of their responsibilities. But, despite their intent, the practice and what drives them to engage is not lucid. Thus, the prime essence of this study was to assess the practice of CSR in private hospital. The study used both qualitative and quantitative research approaches and it is mainly dependent on primary source of data in which two types of structured questionnaire were developed to get data from respondents composed of patient and employees while managers of the hospital were interviewed. Concerning to the sampling technique, a sample of 229 employees and patients were involved from two private hospitals that were selected by using stratified sampling and the data was presented by using tables and Graphs. The findings depicts that the employee's awareness towards concept of CSR is very low, but it is good to have basic knowledge about it. The Employees' perceptions on components of CSR include economic, ethical, legal, and philanthropic responsibilities. The prioritization of CSR to the hospital includes Ethical, next economical, then legal and finally philanthropic responsibilities. The hospital needs to allocate enough amount of budget and focus on training and developing mechanisms that help to communicate with the stakeholders.

Key Words: Corporate social responsibility, hospital, ethical responsibility, legal responsibility, philanthropic responsibility

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I. Introduction

Corporate social responsibility is an activity that focuses on business responsibility towards the society where the business is operating. The actual practice of CSR in the developing world is not widespread phenomena. The notion of CSR has been debated over a number of years in the business ethics literature. Even though most of CSR issues are included in various laws and policies of the country, their implementation is inevitably lagging behind. Some companies are also reluctant to implement such rules due to high costs. The literature on Corporate Social Responsibility has shown an increased interest and attention. Friedman [1962] argues that the sole social responsibility of a business entity is making profit. Business entities must work for profits, satisfaction of customers and employees. In his opinion, only persons may choose to support charity. Caroll [1979, 1991] mentions 4 different obligations that business entities like economic responsibilities (making profit), legal responsibilities (acting according to the law), ethical responsibilities (fulfilling expectations of society) and discretionary (volitional) responsibilities (philanthropic activities). Pogodzinska-Mizdrak [2010] stresses its interdisciplinary character, resulting from the fact that it is explained by a number of detailed and concrete fields of social studies and practice, such as business ethics, philosophy, law, ecology, management and accounting. Each of these fields deals with the issues of socially responsible management from a specific perspective. A hospital should be treated as a company, and one cannot forget about the economic character of this entity. However, its specific nature is reflected in the fact that generating profit is not the primary purpose for a hospital or it's maximizing, but the realization of a social mission, which is to provide high quality medical services [Macuda, 2013]. Wilmot [2009] emphasizes one major area of difference between hospitals and other business entities. Hence, the issue of CSR is increasingly relevant in the health care context and it is worth considering whether the specific nature of hospitals raises special questions around corporate social responsibility. This research focused on assessing the application of CSR by private hospitals and its effect on employees and communities' satisfaction in Dessie city.

Statement of the Problem

Shiferaw (2007), Robertson (2009) and PP Kumar et al. (2018) growing private sector adds growth for CSR. In a study carried out by Mouly and Temesgen (2008), Ethiopian companies expressed 100% positive attitude in implementing CSR but only 40% felt positive in a periodic disclosure to shareholders.

Bedada et al (2011) since Ethiopia is one of the developing countries, the philosophy on corporate social responsibility is not well developed and the governance system takes the form of mere control and decision-making rather than well-developed ethical code of conduct. The study also focused on three pillars of Corporate Social Responsibility economic, environmental and social sustainability. Tewelde (2012) Ethiopia and its interface with corporate social Responsibility have been illustrated using Carroll's model. Legal and ethical issues are least practiced in most of the African countries. It is also observed that there is a huge gap between employees and top management attitude and perception on CSR. Till now no study was conducted in the corporate social responsibility of private hospitals in Dessie city. In order to fill the gap the researcher takes private hospitals and assesses the corporate social responsibility of the private hospital in Dessie city.

Objective of the Study

- To identify principles and policies of CSR in private hospital at Dessie city
- To explore stakeholders perception on CSR at private hospitals
- To examine the implementation of CSR on Stakeholders attitude
- To examine the attitudes observed on patient concerning CSR practice in private hospital

Significance of the Study

Health and Education are the essentials sectors for every country. Countries growth and development is mainly depends on these two sectors. Health care sector is one of the major sectors for any country. Practice of CSR is vital for hospitals since their inception. Management and workers are part of the community and dependent on customers. This kind of studies is very important for the organization to create smooth and beneficial relationship with its workers, customers and community. There are three major factors viz., economic, social and environmental that must be focused by the government. It can also be used as a reference material for future studies which enhance the practical knowledge of the researcher on the study area.

Scope of the Study

The study is delimited to in Dessie city. Conceptually, the study is focused on polices and principles of CSR, perception of stakeholders, patients attitude towards CSR in private hospital at Dessie city.

Limitation of the study

The study suffered from budget and time shortage. The respondents did not give required information, unable to return the questionnaires on time. In addition to this, the findings were not generalizable for other businesses in Ethiopia. So that it requires future research which broaden the sample size to include other businesses.

II. Related Literature review

Paul H. (2007) states that corporate social responsibility (CSR) is also known by a number of other names. These include corporate responsibility, corporate accountability, corporate ethics, corporate citizenship or stewardship, responsible entrepreneurship and "triple bottom line," to name just a few. Shafiqur R. (2011) proposed that various definitions of CSR cover various dimensions including economic development, ethical practices, environmental protection, stakeholder's involvement, transparency, accountability, responsible behavior, moral obligation and corporate responsiveness. This definition focused only on the dimensions of CSR despite other dimensions such as health and human rights were existed. Thus, it generalizes the meaning of CSR on its standards or dimensions. Business for Social Responsibility (2003) defines CSR: business practices strengthen corporate accountability respecting ethical values and in the interests of all stakeholders. Responsible business practices respect and preserve the natural environment. Helping to improve the quality and opportunities of life, they empower people and invest in communities where a business operates. The definitions of Global Corporate Social Responsibility Policies Project (2003) as well as World Business Council for Sustainable Development are also very similar with the definitions of Business for Social Responsibility. Hopkins M. (2011), in his concept of Corporate Social Responsibility, it is concerned with treating the stakeholders of a company or institution ethically or in a responsible manner. Ethical or responsible' means treating key stakeholders in a manner they deemed to accept according to international norms. European Commission (2002) describes CSR is a close relationship between companies and societies to tackle social and environmental concerns. They define CSR as a concept whereby companies integrate social and environmental concerns in their business operations. The Communication then states that: "To fully meet their corporate social

responsibility, enterprises should have in place a process to integrate social, environmental and ethical and human rights concerns into their business operations and core strategy in close collaboration with their stakeholders” (New EU definition on CSR mirrors Enterprise 2020 aspirations 2012). CSR practices should be treated beyond business operations and strategies. For instance, assisting the national team is beyond companies activities. Although CSR sometimes is obligatory, the European Commission definitions limit it as a voluntary activity. Meanwhile, as a reference to this study corporate social responsibility is the process by which an organization attempts to meet its economic, legal, ethical, and discretionary responsibilities towards society (Carroll, 1979).

Research Design and data sources

The research design used in this study was the descriptive design. Descriptive research studies ‘paint a picture’ using words or numbers and present a profile, classification of types, or an outline of steps to answer questions such as who, when, where and how (Neuman 2006, p. 35). Exploring new issues is less of a concern for descriptive researchers than describing how things are. In order to find sufficient and relevant information, both primary and secondary sources of data were used. The primary sources of data were obtained from questionnaires that include both open and closed-ended questions. On the other hand, the secondary source of data was collected from books, Internet and journals.

Target Population, Sample size & Sampling technique

Target population of the study was 104 employers, Manager and 125 users of two private hospitals Tossa and Bati Private Hospitals by considering their establishing dates. Tossa private hospital (which is recent hospital) was established in 2008 E.C while Bati (the first private hospital in Dessie) was established in 1997 E.C. In order to select these two hospitals the researcher used stratified sampling technique. Functional and capability managers are responsible for the implementation of corporate social responsibility.

Sample size determination

The sample size which framed on 229 employees’ and patients of Tossa and Bati private hospital in Dessie city is drawn by using the formula which was developed by C.R kothary, 2004.

$$n = \frac{z^2 N p q}{e^2 (N-1) + z^2 p q}$$

Where, n =sample size and N=size of population

p= expected standard deviation level and q=1-p

Z=z-value of the confidence level which is 95%

e=margin of error or the level of significance

Since the standard deviation is not known, the proportion is taken as equal of 50% for all target population groups .i.e., p=0.5 and q=1-0.5=0.5

The permanent Employee of Tossa hospital is 73 and permanent employee of Bati hospital is 71 total employed of two private hospital employees is 144

$$n = \frac{1.96^2 \times 0.5 \times 0.5 \times 144}{0.05^2 (144-1) + 1.96^2 \times 0.5 \times 0.5} = 104$$

And the researcher took one day (Monday) patients File from both Tossa and Bati private hospital in Dessie city randomly and had got 80 and 45 patients. Therefore, the sample size for the study is 229.

Pilot study

To test the validity of the questions, the questionnaires distributed to experts to comment on the clarity of the language, inclusiveness of the questions and to identify irrelevant questions. Based on comments from these experts corrections and modifications were made.

Reliability Test

Reliability is defined as be fundamentally concerned with issues of consistency of Measures. (Bryman and Bell, 2003). According to Hair, et al., (2006), if α is greater than 0.7, it means that it has high reliability and if α is smaller than 0.3, then it implies that There is low reliability. Cronbach alpha has been employed to evaluate the reliability Scale of construct and dimension of each construct. Reliability scale of the overall corporate social responsibility of private hospital was 0.842. This means that it has high reliability.

III. Results And Discussions

The aim of the study is to assess the practices of Corporate Social Responsibility in private hospital and its effect on the stakeholder’s attitude. The findings provided a better understanding of the practice of the hospital in relation to corporate social responsibility and its effect on the stakeholder’s attitude towards the hospital. The first type of questionnaire was distributed to 125 patients of two private hospitals, and 120 of them were completely filled and returned. The second type of questionnaires was distributed to 104 employees of two private hospitals but only 84 of them were collected fully.

Table 1 Demographic Characteristics of respondents

Demography	Gender		Gender	
	Sex	Male		Female
	45.8%		54.2%	
Age Group	18-28		29-39	>39
			25.8%	61.7%
	12.5%			
Responsibility in house hold	Father	Mother	Children	other
	39.2%	49.2%	11.6%	
Employment status	Employed	Self-employed	Un employed	student
	41.7%	35.8%	10.8%	11.7%
Income range	<2000	2001-4000	40001-6000	>6001
	21.7%	31.7%	36.6%	10%

(Source: own survey)

As clearly shown from the above Table–1, 45.8% of the respondents are male and the remaining 54.2% are female. So, it is observed that most of the users of private hospital are female. 39.2% of the respondents are fathers and 49.2% of them are Mothers. From the remaining 11.6% of them are children’s. This implies that most of the respondents are responsible for their family since they are fathers and mothers. It is observed from the above table dominant age groups 61.7%. area above 39 years, followed by 25.8% of respondents between 29 and 39 and remaining 12.5 % are between 18 and 28 years. This shows that majority of the respondents included in the study were above the age of 39. Occupation of the respondents is concerned, 41.7 % are employed, 35.8% are self-employed Unemployed and students are 10.8% and 11.7% respectively. This implies that most of the users of private hospitals have employment status. 21.7% of respondents earn below 2000 birr per month, 31.7% earn between 2001birr-4000 birr, 36.6% earn between 4001 birr-6000 birr and 10% earn monthly income of above 6000 birr. Majority of the respondents earn 4001-6000 birr it is concluded that most of the respondents are found higher and middle income and working in government and private offices. Patients of two private hospitals were asked about their perception towards CSR in relation with the services, advertisement, charity and other points.

Table – 02 patient Awareness towards CSR at private hospital

Statement	Total	Yes		No	
		Frequency	Percentage	Frequency	Percentage
Do you trust bati/tossa private hospital services are safe to patient?	120	70	58.3%	50	41.7%
Do you see bati/tossa private hospital strive to improve the quality of its service?	120	120	100%	-	-
Does bati/tossa private hospital quickly respond and address to patient problems?	120	120	100%	-	-
Do you think advertisements of the hospital are made in social responsible way?	120	120	100%	-	-
Do you know any social development/donation activity of the hospital?	120	-	-	120	100%
Do you know any environment damaging activity of the hospital?	120	-	-	120	100%
Do you aware of any unethical behavior of the hospital?	120	70	58.3	50	41.7

(Source: own survey)

Safety and culture in hospitals is built upon shared values. Table 4.2 shows 58.3% of respondent’s agreed and 41.7% are disagreed about hospital services are safe. This implies that most patients agreed that two hospitals providing safe services to its patient and build good confidence on their mind. 100% patients agreed that hospitals are improving quality day by day, working for the welfare of the patients and attend complaints on time. Patients were asked, hospital’s advertisements are designed in socially responsible way and most of the patient 120 (100%) agreed with the idea. This implies patient aware that the hospital is working very well in case of advertisements. 100% of respondents do not aware about donation activities of the hospitals. About damages to the environment 100 % respondents agreed that hospitals are not damaging environment. From the respondents 58.3% of them thought that the hospital is running unethically on the way that can affect the norms and values of the country while the remaining 41.7%of them confirms that the hospitals are completely ethical. It implies that the patient aware on the activities the hospital which are unethical.

Table – 3: Knowledge about CSR

Knowledge about CSR	Response	Percentage
Little Knowledge	22	26.1
More knowledge	57	67.9
No knowledge	5	6
	84	100

(Source: own survey)

Respondent’s knowledge towards CSR shows that out of 84 respondents 22 of them confirm that they have little knowledge accounts to 26.2%. 57 (67.9%) have no idea about CSR. Remaining 5 (6%) they are well aware of CSR and consider it as the aim of the hospital. Majority of the respondents don’t have an idea about CSR.

Table – 4: Source of CSR Knowledge

Source of knowledge about CSR	Response	Percentage
Media	10	11.9
Training programmes	3	6
Workshops	5	6
Internet	10	11.9
Not doing any effort to know	56	66.7
	84	100

(Source: own survey)

Table -4 represents sources of CSR knowledge. 10(11.9%) and 3(3.6%) rely on media and training courses and/or seminars, 5 (6%) and10 (11.9%) respondents have got participation in workshop and research and about 56(66.7%) not been doing any effort to gather knowledge on the subject matter of CSR. Employee awareness towards corporate social responsibility was asked about different perspective of CSR. Results of their answer are discussed below in table 5.

Table 5: Employees awareness towards CSR

Statement		Strongly Disagree	Disagree	Neutral	Agree	Strongly agree	total
Being as profitable as possible	frequency	-	-	-	58	26	84
	%age	-	-	-	65.2	29.2	94.4
	Mean	4.31					
	Std. Dev.	0.465					
Maintaining strong competitive position	frequency	-	-	-	64	20	84
	%age	-	-	-	71.4	27.5	94.4
	Mean	4.24					
	Std. Dev.	0.428					
Provide service that meet minimum legal requirement	frequency	22	48	-	14	-	84
	%age	24.7	53.9	-	15.7	-	94.4
	Mean	2.07					
	Std.Dev.	0.967					
Perform with expectations of social morals and ethical norms	frequency	-	-	-	52	32	84
	%age	-	-	-	58.4	36.0	94.4
	Mean	4.38					

	Std. Dev.	0.489					
Benefits and charitable expectation for the society	frequency	29	55	-	-	-	84
	%age	32.6	61.8	-	-	-	94.4
	Mean	1.65					
	Std.Dev.	0.478					
Developing solutions on work and life balance for employees	frequency	-	-	-	59	25	84
	%age	-	-	-	66.3	28.1	94.4
	Mean	4.30					
	Std.Dev.	0.460					

(Source: own survey)

With regard to the first issue 58 (65.2%) respondents agree on this issue, 26(29.2%) strongly agree to consider CSR to maximize earnings. 64 (71.4%) agree and 20(27.5 %) strongly agree. With regard to provide services that meet legal requirement 22(24.7%) responses strongly disagree, 48 (53.9%) disagree 14(15.7%) agree. It also showed that 52(58.4%) and 32(36.0%) of respondents agree and strongly agree on the issue of performing with expectations of societal morals and ethical norms. "Benefits and charitable expectations of society ", strongly disagree 29(32.6%), disagree 55(61.8%). In relation with developing solution on work and life balance 59 (66.3%) of them strongly agrees with the idea followed by 25(28.1%) represented by agree. The mean value of these issues 4.3 shows to us that the respondents are well aware that these items can express CSR views in business hospital. Among the four highest mean scores from above table 5 shown that four high ranking statements (Q1, Q2, Q4, and Q6) are found in Employees awareness towards CSR of six questions. The mean range was (1.65 -4.38), the highest mean was for the item “perform with expectations of social morals and ethical norms” with a mean of 4.38 and STD of (0.489) reveals that significant number of respondents tend to agree that hospital perform with expectations of social morals and ethical norms, “the hospital benefits and charitable expectation for the society” with a mean of 1.65 and STD of (0.478). In general both the lowest and highest mean under perform with expectations of social morals and ethical norms has shown that all respondents have agreed high and very high that all in private hospital practitioners should implement it. When making the interpretation easy and clear the mean value is 3.42-4.21 is good/ high for agree, 4.22-5 is considered very good for strongly agree (Best, 1977). Respondents have agreed that perform with expectations of social morals and ethical norms has importance for hospital practitioners in connection to CSR. Lowest mean value has high standard deviation while highest mean value has low standard deviation. Q1and Q6 have same that all respondents have supported positively but different standard deviation. That is response of respondent has varied from the mean by STD. Since mean has measured the distance from each items while STD has measure the variability of items from the mean. Employees awareness towards CSR in hospital are Being as profit as possible, maintaining strong competitive position and perform with social morals and Ethical norms.

Table 6 Economic Perception

Statement		Strongly disagree	Disagreed	Neutral	Agree	Strongly agree	Total
Hospital is committed to being as profitable as possible	frequency	-	-	-	46	38	84
	%	-	-	-	54.8%	45.2%	100
	mean	4.45					
	Std. Dev	0.501					
Hospital strive to maintain a strong competitive position	Frequency	-	-	-	47	37	84
	%	-	-	-	56.0	44.0	100
	Mean	4.41					
	Std. Dev	0.499					
Hospital strive to maintain high level of operating efficiency	frequency	-	-	-	60	24	84
	%	-	-	-	71.4	28.6	100
	Mean	4.29					
	Std.Dev	0.454					

(Source: own survey)

Issues define stakeholders' perceptions on economic responsibilities of the hospital. Majority of respondent 54.8% agreed and 45.2% have strongly agreed about hospital is striving to increase its profitability. The mean value of the respondents indicates as 4.45 indicate employees were able to see the hospital's commitment towards profitability. From above table 47 and 37 agree and strongly agree for hospital is striving for maintain strong competitive positions. The mean 4.41 also represents that hospital is committed to keep up strong competitive position for the hospital to meet economic responsibility for their stakeholders. Towards high level of operating efficiency 71.4% and 28.6% have agree and strongly agree, mean value of the respondents for the issue is 4.29.This means that employees were able to appreciate the commitment of the hospital on

maintaining its operating efficiency. All three get high level of attention by the hospital. The reasons for the high degree of agreement among the respondents might be that they understand that the key to a successful corporation related to these economic responsibilities. Managers of the hospitals cover under interview method revealed that, the hospital is always striving to fulfill its economic goal in socially responsible way.

Table 7 Legal Components

Statement		Strongly Disagree	Disagree	Neutral	Agree	Strongly agree	Total
Hospital acts in a manner consistent with expectations of the Government.	Frequency	-	-	-	81	3	84
	%age	-	-	-	95.3	3.5	98.8
	Mean	4.04					
	Std. Dev.	0.187					
Hospital tried to be a law-abiding corporate citizen	frequency	-	-	-	49	35	84
	%age	-	-	-	57.6	41.2	98.8
	mean	4.42					
	Std. Dev	0.496					
Hospital makes every effort to fulfill their legal obligation	frequency	-	11	-	45	28	84
	%age	-	12.9	-	52.9	32.9	98.8
	Mean	4.07					
	Std. Dev	0.929					

(Source: own survey)

The first point in the above table show that 95.3% and 3.5% respondents agree and strongly agree that the hospital is doing business in the way consistent with government expectation is important. 57.6% and 41.2% were agreed and strongly agree that the employees of two private hospitals believe that their employer is law abiding citizen and involve in legal businesses. 52.9% respondents, strongly agree 32.9% and 12.9% disagree with the idea of hospital is operating in its best ability to fulfill its legal obligation. Mean of employee's response is 4.07 represents that the employees are satisfactory with hospital's act and deeds in terms of fulfilling legal obligation. From the mean one can understand fulfilling government requirements and legal obligations are supported by the employees, which is represented by 4.04, 4.42 and 4.07 respectively. In summary of the above discussions use to find out the stakeholders' perceptions on the legal components of CSR. The table 8 deals with employee's view about ethical responsibility of the hospital. It is described in four variables.

Table 8: Ethical responsibilities of employees

Statement		Strongly disagree	disagree	neutral	agree	Strongly agree	total
Hospital always acts in a manner consistent with societal ethical norms	Frequency	-	-	-	62	22	84
	%age	-	-	-	72.9	25.9	98.8
	Mean	4.26					
	Std Dev	0.442					
Hospital prevent ethical norms from being compromised in line with achieve corporate goal	Frequency	-	18	8	41	17	84
	%age	-	21.2	9.4	48.2	20.0	98.8
	Mean	3.68					
	Std Dev	1.032					
Hospital tries to do what is expected morally or ethically	Frequency	-	-	-	64	20	84
	%age	-	-	-	75.3	23.5	98.8
	Mean	4.24					
	Std Dev	0.428					

(Source: own survey)

From the above table 62% agree and 22% of them strongly agree about importance of ethical norms. It is because of high value that the society gives to the moral norms. Managers also confirm that hospital is striving to understand and respect societal ethical norms. Hospital prevents ethical norms from being compromised in line with, 9.4% neutral, 48.2% agree and 21.2% disagree, 17% strongly disagree ethical behavior goes beyond respecting rules and regulations. Among the total 75.3% said that hospital is aware of this point which followed by 23.5% strongly agree. The mean is in moderate situation in terms of ethical responsibility which is represented by 4.26, 3.68 and 4.24. Managers were told there is not proper mechanism and procedure but planning to have in future. Table 9 represents the employees in relation with philanthropic responsibility of the company. It includes charity to the society, supporting and helping projects that help to reduce poverty.

Table: 9 Philanthropic responsibilities

Statement		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Hospital always act in a manner consistent with philanthropic and charitable expectation society	frequency	15	52	12	5	-	84
	%age	17.9	61.9	14.3	6	-	100
	Mean	2.08					
Hospital assists projects that enhance a communities quality of life and poverty alleviation	frequency	22	57	5	-	-	84
	%age	26.2	67.9	6	-	-	100
	Mean	1.80					

(Source: own survey)

Out of the total 61.9% of respondents disagree, 14.3% said neutral, 17.9% strongly disagree and 6% agree with the idea of indicating hospital is acting in a way that meets the expectation of the society in terms of charity. On the other 6% of the respondents neutral, 67.9% disagree and 26.2% strongly disagree about hospitals should not have high involvement in charitable and philanthropic expectations of the society. From the mean values average ranges between 1.80 and 2.08 can represents hospital is very weak in terms philanthropic responsibilities. The importance levels in implementing of CSR responsibility in organizations is show using four components of CSR. These components of CSR include economic responsibility related to profitable (provide investment, create jobs, and pay taxes etc.), legal responsibility include obey the law, ethical responsibility related to doing of business (adopt voluntary codes of governance and ethics) and philanthropic responsibility be a good corporate citizen (set aside funds for corporate social/community projects).

Table: 10. Importance of CSR Responsibility (components)

Statement		Not-all-important	Not important	Neutral	Important	Very Important	Total
Economic responsibilities	frequency	-	-	-	48	36	84
	%age	-	-	-	56.5	42.4	98.8
	mean	4.43					
Legal responsibilities	frequency	-	-	-	49	35	84
	%age	-	-	-	57.6	41.2	98.8
	mean	4.42					
Ethical responsibilities	frequency	-	-	-	47	37	84
	%age	-	-	-	55.3	43.5	98.8
	mean	4.44					
Philanthropic responsibilities	frequency	9	38	12	15	10	84
	%age	10.6	44.7	14.1	17.6	11.8	98.8
	mean	2.75					

(Source: own survey)

Economic responsibility components represent 42.4% and 56.5% of respondents represent very important and important. This means respondents believed that it is important and crucial to the hospital achieving economic responsibility of CSR considered as fundamental part of CSR. Legal Responsibility components represents that 57.6% and 41.2% of respondents feel important and very important for legal responsibility respectively. Legal responsibility of CSR is important to the hospital, to meet the corporate goals of business. They are expected to obey the law of federal, regional state and local. Ethical responsibility describes about the importance of ethical responsibility to the organization CSR activities. 55.3% important and 43.5% are very important for the hospital in attain the CSR goals. Ethics is important for narrowing the gap between the legal business activity and the reality exist in the society. Philanthropic responsibility of the organization, 11.8% of the respondents believe that it is very important supported by 17.6% of saying important, 44.7% and 14.1% feel that not important and not at all important. Above table can be summarized as follows based on its Mean value. Higher values from the components are 4.44 which represent Ethical responsibility of the hospital. This means that respondents relatively believe the part is highly important in determining of CSR activities by hospital to their stakeholders. Ethical responsibility followed by Economic responsibility which is represented by the mean of 4.43. The remaining legal responsibility and philanthropic responsibilities take the remaining rank by the mean of 4.42 and 2.75 respectively.

IV. Summary, Conclusion and Recommendations

Summary of Major Findings

- Patient 58.3% feel that they are safe with the services of two private hospitals. This is clearly indicating that patients thought the hospital is striving to improve the quality of its services.

- Compliant management system plays an important role to get feedback from patients. Results of study show that there is proper compliant management system developed by the hospitals to encourage the patients need to forward some ideas.
 - Discretionary responsibility of the hospital, charity and environmental protection are the major factors for maintain good relation with patients. Based on the responses got from the patients and employees of the Hospital, the hospital seems not providing support for charity but also intensively involves in environmental protection activities.
 - Majority of the employees (67.9%) have no idea about the concept of CSR activities. Of course, the concept of CSR is new, since it is vital or important it needs to be understood by the employees.
 - Employees were also asked to rate the importance of the four components of CSR. Ethical responsibility takes the first place followed by Economical responsibilities. Legal and philanthropic components of CSR take the third and fourth place respectively.
- . Whereas the perceptions of employees towards their hospital's CSR activity in four components are ethical and economic components takes the lead followed by legal and philanthropic responsibilities. 100% of the patient known that the two private hospital not engaging in a structured Corporate Social Responsibility programs. 61.8% of the employees disagree with the idea that indicated the Hospital is acting in a way that meets the expectation of the society. Providing full information about CSR activities of hospital to their stakeholders is important. This creates clear understanding between hospitals and stakeholder about CSR which in turn will count on hospital good will and business update dynamism.
- Pay back that needs a hospital to act in a socially responsible way differs from hospital to Hospital. The employees also focus on improving hospital image by giving quality services. If hospital consider as "socially irresponsible", patient and community can make influence through not using the hospital and shifting to other alternatives.

V. Conclusion

Though it is very encouraging out come to be known as "Safe to patients", almost all the stakeholders agree it is imperative and make sure this will sustain forever. One of the important parameter that would guarantee long lasting best quality of the services is to have a proper quality improvement program in place of routine business operation. Needless to know the extent, management of private hospitals have given attention to its quality improvement programme, more than 50% of employee's recognizes their hospital activity in relation to its improvement program. This will give confidence and guarantee for the sustainability of the current achievement. Besides the above point on quality improvement program, it is also observed that the hospital has fastened compliant management on its services. The hospitals have relevant and reliable compliant management program. It is observed and recorded in the interview sessions every hospital management confirmed that there are social and philanthropic functions carried out by private hospitals viz., free medical service for poor people, blood donations activities to the Red Cross, helping HIV affected people by supporting money. Amongst the basic classification of corporate social responsibility categories, employees concluded that the hospital is not doing well philanthropic responsibilities despite the fact, they know the above mentioned responsibilities are more important to the hospital than the other two categories that is economic and legal.

VI. Recommendations

To build the patient's and society's confidence towards the hospital's image, it is better to improve the quality of its services and also highly participate on donation activities for the society. For any news or improvements, it is better if the hospital establish a formal network to inform the patient and the community about it. This can be done through different advertisements in due respect the norms and ethics of the society. It will help the hospital to build good image on the stakeholders mind and show the hospital's commitment level towards different perspectives and so help understand each other. Even if it is judged by stakeholders that hospital's engagement in CSR is minimal, it doesn't seem that there is a mechanism that stakeholders clearly know what is being carried out by the hospital in relation to CSR. Thus there must be a communication channel that cascades information and updates across and down up to the shop floor level. This can be done through the local intranet communication, notice board announcement, or through bi-monthly in house magazine. Extending intensive workshop or training programs to the employees scoping around CSR how it works in modern world, in Ethiopia and in different organizations will increase the level of knowledge that the employees have on CSR. This can also be given along with different trainings or can be done through small gatherings like cookies and cake club in the organizations. So that employees can have access to grasp what CSR means. Finally, to perform CSR activities are not satisfactorily, private hospital is expected to be more serious on their day by day CSR function and should incorporate CSR as one of its main objective to be accomplished.

This can be manifested though

- Allocate enough fund to the sole purpose of CSR applications,
- Establish committee that incorporate members from each stakeholders category
- Provide training and awareness creating activities;
- Prepare policies and rules to controller CSR implementation.
- Most importantly focus on society major problems and can reduce the life cost, and make their socially responsible activities by communicating stakeholders.

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