Practices and Challenges of Corporate Social Responsibility (CSR) in the Hospitality Industry: The Case of First Level Hotels and Lodges in Gondar City, Ethiopia

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Abstract

Now a day, hospitality industry establishments especially hotels and lodges are the major component and come up with in the business area in Corporate Social Responsibility (CSR) concept, the major concern of 21 century business enterprise. Tourism and hospitality industry as a business sector this study investigates the question of what are the employee oriented CSR practices in the first level hotels and lodges in Gondar city. To investigate and identify the issues a descriptive type of research was applied with a survey design. As far as the data collection instrument; close ended questionnaire were used to collect primary data. Concerning to the sampling technique, a sample of 133 employees were involved from each ten hotels and lodge that were selected based on simple random sampling method with the judgment of one year and above service year. For the interview all the ten first level hotels and lodges managers was contacted. The finding of the study revealed, the first level hotels and lodges in the Gondar city practice gender equality acceptance, the commitment to balance the private and professional life, the employees freedom to go freely in sick and maternity were the highly practiced area while; reward and proper salary system, secure job and promotion of work were less practiced issues to the employees. Based on the finding of the study constructive recommendations including involve in employee related CSR practices especially in the practice of competitive salary and reward system, secure job adjustments for the long term, health and safety for the employees are forwarded.

Keywords: Corporate social responsibility (CSR); Stakeholders; First level hotel and lodge; Gondar

Introduction

Background of the study

According to United Nation World Tourism Organization (UNWTO) report of 2014 the number of international tourist’s arrival reached in 1.14 billion. It creates job for one in each 11 persons worldwide (277 million). This growth is only set to continue over a decade ahead, with the forecast of additional 74.5 million new jobs and a contribution of over US $ 11 trillion to the global economy by 2015 and the forecast for international tourist arrivals is to reach 1.8 billion by 2030.

The total number of international tourists arriving in Ethiopia is steadily increasing, as a gateway to all international inbound, outbound and transit tourists/passengers. According to a report released in June 2014 by Fast Market Research, a distributor of market research and business information, the number of domestic trips within Ethiopia has reached 8.1 million people while international trips were merely more than 660,000. The number showed a 12% increase from the previous year.

The hospitality industry is a multibillion-dollar industry, serving millions of people globally, and is expected to grow significantly within the next few years [1]. The global hotel industry is formed by various types of lodging structures and accommodation services from luxury hotels to bed and breakfast operations, inns. These establishments may be owned and/or managed by independent operators, multinational chains, insurance companies, pension funds, governments and other investors. These enormous industry, tourism and hospitality and hotel has considerable impact on social, economic, and environmental conditions around every destination in the world, and enterprises in this sector had the potential to substantially contribute to sustainable development [2].

Historically Ethiopians are hospitable and now we are also hospitable and we practice welcoming the travelers since ancient time we open our doors to foreigners. The hospitality of Ethiopians starts at every Ethiopian home [3]. The modern history of what is now known as the “Ethiopian hospitality industry” dates back to more than 100 years with the opening in 1895 of Taitu Hotel, the first hotel in Addis Ababa (previously Finfinee) by Empress Taitu. Located in the heart of the old city – Piassa [3]. According to unofficial estimates from the Addis Ababa Hotel Owners Trade Sector Association (AHA), approximately one hotel joins the market every month and that number may rise up in the coming few years in Addis Ababa [3]. Sustainable development and social issues have to represent a key strategy for the future of this economic sector [2]. As a result “Responsible tourism and CSR are no longer a luxury … but a necessity in the global marketplace” Harms [4]. The concept of responsible tourism and sustainability push the hotel industry to be socially responsible concept and development. Thus, corporate social responsibility gains a considerable business strategy in the world.

Corporate Social Responsibility gained emphases from the emergence of the sustainability movement in the late 1980s and 1990s in tourism sector [5]. Terminologically many terms exist to describe

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the responsibilities of business towards its stakeholders. The most interchangeably used terms to express corporate social responsibility (CSR) are: corporate citizenship, corporate responsibility, corporate social responsiveness, corporate social performance, corporate stakeholder responsibility, corporate integrity, organizational responsibility, responsible business practice and social responsibility. Corporate social responsibility is currently the best known term [6-8]. Thus, the researcher use the dominate term of CSR though out this research work.

Business for social responsibility "define the concept CSR as operating a business in a manner that meet or exceeds the ethical, legal, commercial and public expectations that society has of business... it is viewed as a comprehensive set of policies, practices and programs that are integrated throughout the business operations, decision making process that are supported and rewarded by the top management". Being socially responsible means not only meet legal obligations to which no doubt every company has to meet, but go beyond this performance by investing on human capital, environment and caring relationships with agents of interest (green paper of UE, as cited in Vazquez) [9]. While the government provide a regulatory framework governing issues such as environmental protection/law, employment right, fair operating practices; however CSR goes beyond the compliance of these legislative issues and create a shared value in collaboration with all stakeholders. Now it is the concern of any business organization and the business issue of twenty-first century (Justice, N.D). Lorraine Sweeney [10] in his research work found and conclude that CSR concept is described and expressed through the dimensions of environmental, community, workplace and marketplace practices…business only survive if they can show and be evaluated to show, a clear social responsibility in their continual treatment of their stakeholders…social responsibility will just be part and parcel of normal business practice [11]. Similarly Anderson also wrote in his book by saying: “Agree with it, disagree with it, like it, or dislike it, social responsibility and social responsiveness are here to stay and everyone must live with them...” [12]. Therefore, this study addresses the issues of workplace/employees dimension of CSR in the first level hotels and lodges in Gondar city.

Since the concept of CSR is new in business sector especially in the hotel industry [13,14]; it is not considered as a large company and lacked an extensive research works But it has a good position to practice corporate social responsibility whatever the sizes it [15]. Especially in the workplace/employee any business organization needs to be addressed.

Statement of the problem

Now a day’s tourism and hospitality organizations have a considerable interest in Corporate Social Responsibility. Engaging in CSR practices is important for any business organization to support the country’s sustainable development or initiation to sustainable development and for the organization too. Especially in the hotel industry CSR is gaining ground; possibly because hotels are of manageable size, and committed hotels can achieve a lot. Many writers (Garay and Font [15]; Inoue and Lee [16]; Baltruschat [17]; Argandona [18]; Efiong [19]) indicated that hotel industry in the tourism industry is the best actor for the achievement of corporate social responsibility ideology in their business practice.

Through effective CSR practices, organizations will achieve a balance between economic, environmental and social imperatives, address stakeholders expectations, demands, and influences, (Justice, N.D). The stakeholders are also expecting what they observe in this technology driven world. In the age of social media the customers, the employees, the community’s access information and more democratized and empowered. He or she expects businesses to reinvest in the communities where they have earned a profit [20] most of the writers and organization [7,11,15,18,19] agreed that not only the large multinational companies are the responsible to the wider communities but also the national small and medium enterprises are also have an ideal place to undertake CSR locally and more important than the larger companies. In support to this Tom Fox wrote “from an individual street hawker (seller) to a complex multinational enterprise, every business entity has its stakeholders and its impacts on society, both positive and negative”. Thus for their impact they take some responsibility based on their limit and power.

According to Amaeshi, as cited in Efiong, several studies have been done on corporate social responsibility of firms and organizations in Africa [19]. A number of these studies indicate that the understanding and practice of corporate social responsibility is related to the social and cultural life of the people, however the research works in related to CSR in African case is not investigated in well manner, even the available studies are conducted in multinational company that resides in African land. Cheruiyot and Maru, indicates the low level of study of CSR in African context in their research work [21]. For tourism sector, the more comprehensive role of CSR has been rarely investigated [17]. In addition to these, the available studies in Africa focused the CSR issues in the corporate level by asking the chief executive officers (CEO) or the managers what done in their organization. But this study different from these studies because it sees the issues in the ground what happened or see the issues of CSR from the perspective of the employees of the hotels and lodges.

In Ethiopia there is a lack of research work in CSR concept and practices. Some researchers studied issues that are related to CSR but most of them are restricted to large corporations. For example, Rajasekhar Moully Potluri and Zelalem Temeseg [22] studied the attitude of Ethiopian corporate towards CSR. The nature of CSR in Ethiopian business context by Tewelde Mezgebo [23] and Abey Abebe [24] also studied the practices of CSR in sugar industry. Asfaw Tilahun studied the effect of CSR on customer’s loyalty: In case of Deshen brewery factory in Gondar city, Ethiopia [25]. However, this research work is different from these because of it, investigate specific employee oriented CSR practice in the case of first level hotels/lodges in Gondar city from the point of view of the employees themselves and the managers. More importantly the expansion of the hotel industry calls for a research work into what are their socially responsible practices in hotel industry in specific issues of workplace/employees and the major aim identifying employee oriented CSR practices in the case of Gondar city first level hotels/lodges, the researcher identified and investigated the issue at hand.

Review of Related Literature

The concept of corporate social responsibility (CSR)

There is no commonly agreed definition at the moment to CSR. It also defined by any organization in different ways. For example civil society organizations define it in different way and the political organizations also define it in different way, the business organizations as well define in different way [6,26].

Most of the time, the idea of CSR is used in the large company that operated in the multinational sphere. The term is not confined only in the multinational company it also applicable in any business organization
in any size. The international standardization organization 26000 (ISO 26000), used the term social responsibility for any organization [7].

Historically, it is the phenomena of 1950s in the academic literature. Efiong, associate it the Holy Bible book [19], The Holy Bible in Leviticus 19: 9-10, has this to say: When you reap the harvest of your land, you shall not wholly reap the corners of your field, nor shall you gather the gleanings of your harvest. And you shall not glean your vineyard, nor shall you gather every grape of your vineyard; you shall leave them for the poor and the stranger: I am the Lord your God. When we see this biblical word is social responsibility practices that ordered by God.

ISO 26000 define the term corporate social responsibility in general term for all type of organization and whatever size of the organization: An organization expresses social responsibility in the way it assumes the impacts (positive and negative) of its decisions and practices on society and the environment through transparent and ethical behavior that: contributes to sustainable development, including health and the welfare of society, takes stakeholder expectations into account, complies with the applicable law and is consistent with international norms of Behavior is integrated throughout the organization and practiced in its practices and its relationships with all players on which it is able to exert an influence.

The Union of Industrial and Employers’ Confederations of Europe (UNICE) defines as CSR is voluntary and business-driven; CSR is inextricably linked to the three pillars of sustainability relating to economic, social, and environmental considerations; CSR is not about shifting public responsibilities on to private companies; CSR needs to be seen in a global rather than a purely European context [27].

In the business area World Business Council for Sustainable Development (WBCSD) provides another useful definition:

Corporate social responsibility is the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life [28].

**Stakeholder theory in CSR concept**

In the field of CSR there are a number of theories emerged and developed through time. The major dominate theories are shareholder/ instrumental theory, social contract theory and stakeholder theory. In this part we see the stakeholder theory concept in CSR issue.

Before seeing the stakeholder theory it is better to explain what stakeholders mean. There are many definitions are given for the term stakeholder. Edward Freeman [29], the founder of stakeholder theory, described a stakeholder of a company: “A stakeholder in an organization is … any group or individual who can affect, or is affected by, the achievement of the organization’s objectives” [29]. Stakeholders are those groups without whose support the organization would cease to exist live in group or individual or in groups [30]. From this definition we can get a lot of individual or group considered as the stakeholder of an organization. These stakeholders include managers, employees, customers, shareholders, investors, suppliers, society at large, local community government, environment, and the future generation as well. Based on the above listed stakeholders; stakeholder theory emerged in the business sector. For much of the twentieth century, the academic community has explored the wider impacts of business it also continued in the 21st century. Stakeholder theory systematically analyses the impacts that companies (and all kinds of organization) have on those who 'affect them or are affected by them'. For companies, the term ‘stakeholder’ therefore typically includes consumers, suppliers, shareholders, staff and others. It has also become central to almost all practical approaches to organizational responsibility [31-33].

The theory is emerged in the business sector in the mid-1980s due to the publication of Edward Freemans: Strategic Management; a Stakeholder Approach in the academic literature. According to Freeman every corporation has complex involvements with stakeholders who have an interest in its actions and outputs. Thus, managing and involving the stakeholders in the day to day business operation is very important for the success of the organization and the stakeholders as well.

**The concept of CSR in tourism and hospitality industry**

Tourism is one of the most important economic practices in the world in terms of revenues and generation of employment [5]. The industry has also both negative and positive impact on the environment, the socio cultural life of the people and the economy as well. Therefore the tourism companies and enterprise clearly take some responsibility for decision they have made on human, environment and social consequences of those decisions [5,18,34,35].

When the companies operated in the specific area it is the expected thing to be ethical and act as a good citizen; who take the responsibility for the community, employees and the environment; undoubtedly, it is the responsibility of the company. This is true at the same time for firms operating in tourism and hospitality industry [36]. The hotel industry and the environment, community, workers and suppliers and consumers is integrated the daily business [37,38].

The long-term success of tourism companies depends on the ability to address the needs of those affected by the operations of a tourism company. To alleviate poverty, to guide the tourism and hospitality in the sustainable way practicing corporate social responsibility practices is play one of the wing of sustainable tourism development [13, 26,28].

Rodriguez and Cruz [39] shows the hotel industry use of CSR in its corporate strategy and daily practice is imperative due to symbiotic nature of its relationship with the surrounding natural, economical, social and cultural environment. Green hoteliers describe the importance of CSR in the hotel industry whether for small establishment or the large international and national chain hotel:

There can be no doubt that the corporate social responsibility programs of large hotel groups have a substantial reach and impact on the local and global environment and upon surrounding communities world-wide. But the collective efforts of smaller scale establishments are no less significant [40].

**Corporate social responsibility (CSR) and the workplace/ employees**

Lorraine Sweeney develops the four dimensions of CSR for his research work [10]. In his dimensions the stakeholders who are involved in these dimensions are listed and involved. These dimensions are environment, community, workplace and marketplace. Local community and the environment by itself considered as a stakeholder in CSR agendas, they are also considered as the “silent” stakeholders where as the market place area of CSR practices include the suppliers and customers from the stakeholder’s point of view. The workplace CSR practices include the employees of the organization. The work of Sweeney was also accepted by Polasek and these four dimensions are the scope of his research work. However, this research work was based only on the dimension workplace/employee related CSR practices.
The success of the business is depending on the employee’s commitment and its positive relation with the workers of the business sector. When the organization or the business sector has a good relation and positive impacts for the workers, the organization or the business sector considered as the socially responsible organization or enterprise. The social responsibility practice of the hotel sector expresses in the areas of employment and employment relations, human resources management, communication with employees, conditions of work and social protection pay and benefits, workplace climate, health and safety at work, human development and training in the workplace, work-life balance lifelong learning, empowerment of employees, better information flow throughout the company, better balance between work, family, and leisure, greater work force diversity, equal pay and career prospects for women, profit sharing and share ownership schemes, and job security, active follow up and management of employees who are temporarily off work due to disabilities or injuries [41]. In addition to these the work place CSR activities are expressed equal opportunity without regardless of their gender, sex and other social identifiers, employee involvement through the flow of information management principle development.

Research Methodology

The researcher followed a descriptive type of research with survey design. This descriptive type of research was studied in cross sectional because the information was collected from the sample only once [42]. Descriptive analysis enables to simply, and logically interpret results [43]. The main characteristic of this method is that the researcher has no control over the variables; he/she can only report what has happened or what is happening [42,43]. Descriptive research aims to discover, describe … in areas which have not previous studies [44].

The study was conducted in Gondar city, Ethiopia. Gondar is located in Amhara national regional state with an elevation of 2133 meters above sea level, 738 kilometers North West of Addis Ababa (North Gondar Zone culture and Tourism Department [45]). It was founded by Emperor Fasiledes in 1632 and served as a political center for more than 200 years and was the third permanent capital city in Ethiopia next to Axum and Lalibela respectively [46]. Years before the selection of as a capital city, Gondar served as a commercial center. Starting from its establishment as an imperial center, Gondar served as a center of optimism and renaissances of the golden days of Aksum and Lalibela, Architecture, literature, education, music, painting and commerce. The Gonderian period was also popular by the construction of castles, churches and bridges. This contribution is one of the lasting impressions of this generation and contributed for the tourism development of the city in particular and for the country in general [45].

Today the presence of outstanding historic heritage of Fasiledes castle (1632-1667), Yohannes I castle (1667-1682), Iyasu I castle (1682-1706), Dawit III castle (1716-1721), Bekafa castle (1721-1730), Iyasu II castle (1730-1755) and beautiful churches like Debre Birhan Sellassie and other age-long heritages make Gondar rich in cultural heritage. Besides this tangible heritages Gondar is known by intangible heritage and served as tourist attraction like Timqet (epiphany). Generally, these heritages are considered as the world heritage since 1979, registered by UNESCO (United Nation Education Science and Culture Organization) [47].

Currently, Gondar served as the capital city of North Gondar Administration Zone, which is one of the eleven Zones found in Amhara Regional State. There are 32 major hotels that are leveled in to three (first level hotels and lodges, second level hotels and lodges, and third level hotels and lodges).

**Population, sample size determination and sampling technique**

In Gondar city there are ten (10) first level hotels and lodges (the level and the list of hotels taken from Gondar city culture and tourism office). The researcher surveys all the ten (10) first level hotels and lodges.

For the questionnaire method of data collection (from the employees), the samples were selected first by the purposive judgment of the researcher by considering their years of services, those who serve in the hotel/lodge more than one year are included in this research. The researcher believes those who did not serve the hotel/lodge less than a year may not able to observe the whole practices of the hotel/lodge. The employees who were involved in this research are the permanent employees. The researcher gives equal chance of selection to avoid sampling bias problem by using simple random sampling method (to select the permanent employees of the hotels as a sample who serves the hotel more than one year). The researcher use the fraction of 3/10 or 30% of the employees of the hotels/lodges who serve more than one year. This determination of the sample is based on the logic of 10% and above is satisfactory for one research work [19]. Thus using of 30% for this research work was satisfactory (Table 1).

**Method of data collection**

Primary data were collected through questionnaire and interview method.

To know the issues from the primary sources more structured and detail questionnaire was prepared and disseminated. The nature of the questionnaire was close ended questions. The questionnaire was prepared firstly in English language then it translated with great care in to Amharic language, the working language of Ethiopia.

For this research work the researcher identify the common and important issues that any organization needs to address in the workplace/employees dimensions with five point Likert scale questionnaire [48]. For this research work the score of strongly agree and agree combined to form a single score “agree” while, the total score of strongly disagreed and disagreed were combined to form “disagree” as indicated by Folami and Adeoye in their research work [49]. Most the research works in CSR area done by asking the managers of the organization [10,19,50]. Because the researchers believed that the

<table>
<thead>
<tr>
<th>No.</th>
<th>Hotels/Lodges Name</th>
<th>Employees number, who serve more than 1 year</th>
<th>Samples (30%) or 3/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>AG Hotel</td>
<td>38</td>
<td>10</td>
</tr>
<tr>
<td>2</td>
<td>Florida International Hotel</td>
<td>79</td>
<td>22</td>
</tr>
<tr>
<td>3</td>
<td>Goha Hotel</td>
<td>71</td>
<td>19</td>
</tr>
<tr>
<td>4</td>
<td>Jantekel Hotel</td>
<td>39</td>
<td>11</td>
</tr>
<tr>
<td>5</td>
<td>Kino Hotel</td>
<td>21</td>
<td>7</td>
</tr>
<tr>
<td>6</td>
<td>Landmark International Hotel</td>
<td>41</td>
<td>12</td>
</tr>
<tr>
<td>7</td>
<td>Milyko Lodge</td>
<td>16</td>
<td>5</td>
</tr>
<tr>
<td>8</td>
<td>Mintwab Lodge</td>
<td>16</td>
<td>5</td>
</tr>
<tr>
<td>9</td>
<td>Quara Hotel</td>
<td>83</td>
<td>23</td>
</tr>
<tr>
<td>10</td>
<td>Taye Hotel</td>
<td>71</td>
<td>19</td>
</tr>
<tr>
<td><strong>Total Ten</strong></td>
<td><strong>473</strong></td>
<td><strong>133</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Table 1:** Number of hotel/lodge and the respective sampled numbers of respondents.
managers of the organization or the enterprises are more familiar with
the internal and external practices of the organization in the issues of
CSR. However these researchers recommend working any research
beyond asking the managers in order to identify and understand deeply
the CSR practices of the organization/ enterprises. In this research
work the researcher not develops questionnaires to the manager of the
hotels rather interview them. For this research work a total of 11 CSR
related items were identified based on the literature review on the CSR
dimensions to achieve the stated objective and give an answer for the
research questions.

The questionnaire was administered personally, by the human
resource department of the hotels and lodges and with manager of
the hotels/lodges during giving the questionnaires to the sampled
employees. The researcher put the questionnaire in envelopes and
orients them, after filling the questionnaire and closed. Based on
this the questionnaires are returned in the closed envelope. These
and other mechanisms that were used by the researcher increase the
response rate of the questionnaires with in the short period of time
and decrease the social desirability bias (SDB). For this research work
a total of 133 sampled enveloped questionnaires administered and
given to 133 sample employees of the hotel/lodges that have a service
year of more than one year. Out of 133 administered questionnaires
126 questionnaires are returned. Four questionnaires are not fully
responded because of this the researcher remove them and not use
in the analysis. Thus, a total of 122 questionnaires were used for the
analysis of this research work. Therefore, 91.72% of the questionnaire
was used for the analysis of this research work. This percentage is very
high and enough for the research analysis with high survey response
rate.

The reliability of the measures were examined through the
calculation of Crobach’s alpha coefficient, the most widely used
methods to test the reliability of the questionnaire [43]. Based on this
the reliability of all of these items/ attributes is 0.776. According to
professor Yalw in his book, to measure and understand the respondent’s
idea for one particular issue, it cannot create a problem and satisfactory
up to the reliability test number 0.65. At the same time he indicated that
if the research objective is going to understand the general issues
of the problem, the research work is used as a benchmark for further
research work and the result will not use for policy and program issuing
and making decision it is satisfactory up to 0.55 reliability number.
Therefore, the reliability number of this research work is very good. The
reliability score of the research questionnaires (0.776) implied that each
items in the questionnaires were well understood by the respondents
and also the items measure what they had intended to measure or the
items used to measure CSR practices of the hotels/lodges in this study are
reliable

Therefore, as understood from the reliability score it is reliable because of the reliability score above 0.67 is reliable for any research
measurement items [51].

In order to extract basic and important data from managers of
the first level hotels and lodges the researcher conduct interview. The
interview type that used in this research was semi structured interview
type. For this research, the researcher approached all the managers
but 2 managers were failed for face to face interview rather they prefer
the written form of interview. Therefore, based on their preference the
researcher gives a written questionnaire for the 2 managers.

Data analysis and validity procedures

The data was analyzed by using simple statistical packages by
applying descriptive statistics. Statistical package for social science
(SPSS) version 20 software packages was used for computations.
The analysis of the research work presented in aggregate level from
the response. It may arise some question from the reader of this
research work. The question is CSR practices are varied from hotel/
lodge to hotel/lodge; one hotel/lodge practice the lot and the other
involve in small case of CSR issues; therefore it is logical to merge the
two extreme points and undermine the best hotel/lodge by the lower
achiever. Basically it holed some convincing issues from this point and
the researcher also expects this. But the researcher understood that the
aim of the research is identification of CSR practices in the first level
hotels/lodges. Furthermore, in related to this one researcher give a
convincing issues in hospitality industry “hospitality industry or hotel
can represent an independent organizational units but it often happens
they are fall under a common umbrella company in legal sense” [52].
By considering this situation in methodological and the subject matter
of the study CSR the researcher decided to focus in the first level hotels/
lodges and analysis the response of employees in aggregate rather than
the individual analysis for each hotel/lodge since these hotels/lodges
found in the common umbrella of hotel and first level hotel in the city.

To ensure validity, the following strategies were employed: Triangulations of data was one of the strategies to validate the result
of this study. The content validity of the questionnaire items were also
validated to confirmation with the literature review in qualitative way
and with the thesis advisors and with colleagues. At the same time the
researcher test the reliability of the questionnaires by using Cronbach
alpha.

To enhance the validity and reliability the questionnaire items were
given to 9 employees in two second level hotels in the city before the
items used for final survey. Based on the comment and understanding
the questionnaires were modified, reduced, reworded and ordered to
increase the response rate.

Data Analysis and Discussions

Demographic characteristics of the respondents

In Table 2 the percentage and frequency of the gender of the
respondents are shown. 52.5% (Frequency=64) of the respondents
are males while the remaining 47.5% (Frequency=58) are females. This
figure shows us the number of male and female respondent are almost
proportional.

<table>
<thead>
<tr>
<th>Questions/Items</th>
<th>Category</th>
<th>Number/ Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>64</td>
<td>52.5%</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>58</td>
<td>47.5%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>122</td>
<td>100%</td>
</tr>
<tr>
<td>Age</td>
<td>18 up to 25</td>
<td>78</td>
<td>63.9%</td>
</tr>
<tr>
<td></td>
<td>26 up to 33</td>
<td>27</td>
<td>22.1%</td>
</tr>
<tr>
<td></td>
<td>34 up to 41</td>
<td>10</td>
<td>8.2%</td>
</tr>
<tr>
<td></td>
<td>42 up to 49</td>
<td>3</td>
<td>2.5%</td>
</tr>
<tr>
<td></td>
<td>over 50</td>
<td>4</td>
<td>3.3%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>122</td>
<td>100%</td>
</tr>
<tr>
<td>Length of stay in the hotel/lodge</td>
<td>1 up to 5 year</td>
<td>105</td>
<td>86.1%</td>
</tr>
<tr>
<td></td>
<td>6 up to 10 year</td>
<td>11</td>
<td>9.0%</td>
</tr>
<tr>
<td></td>
<td>over 16 year</td>
<td>6</td>
<td>4.9%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>122</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: survey data (2015)

Table 2: The Gender, Age and Length of stay of the respondents in the first level hotels/lodges.
As shown in the Table 2 the majority (63.9% Frequency=78) of the respondents are found in the age limit of 18 up to 25 year. 22.1% (Frequency=27) of the respondents are found in the age limit of 26 up to 33 year, while the remaining 8.2% (Frequency=10), 2.5% (Frequency=3) and 3.3% (Frequency=4) of the respondents are found in the age interval of 34 up to 41, 42 up to 49 and over 50 years respectively.

In addition to the demographic characteristics of the respondents in Table 2 the length of stay of the respondents in the hotel/lodges are found. Among the respondents the majority (86.1% Frequency=105) of the respondents are stayed in their respective hotels/lodges less than five year and greater than one year (1 up to 5 year). The remaining 9.0% (Frequency=11) have a service year in the hotel between 6 up to 10 year. Only 4.9% (Frequency=6) of the respondents have a service year over 16.

As found from the hotels/lodges document of the employees profile the majority of the respondents educational background was certificate and above including technical and vocational education graduates (TVET), diploma graduates and degree graduates. The maximum educational background was identified master’s degree level. All the respondents of this research work have a basic education level with the educational background was identified master’s degree level. All the respondents are found in the age limit of 18 up to 25 year.

Demographically all the interviewed manager of the hotels and lodges are male. All the managers are stayed in the hotels/ lodges less than five year. However, most of the managers are served as the manager and different department heads in the hotel industry and other related service delivering industry in differ part of the country.

The numbers of employees (both permanent and temporal workers) in all the first level hotels/lodges are currently reached 747. The employment opportunities in the hotel industry increased in alarming rate and it increases in double fold as compared to the previous years as indicated by the managers. In related with the ownership scheme all the surveyed hotels/lodges are owned privately. The majority (7 hotels/ lodges) have an operation year below five year while, the remaining three hotels are in operation above five year. This figure indicated that the majority (70%; Number=7) of the hotels and lodges that was surveyed for this study were below five years operation period.

According to the survey result on five- point scale, in Table 3 the respondents indicated that their hotels/lodges engaged in specific CSR practices related to employees; the highest mean value scored in the issues of; acceptance of gender equality (mean value=4.01; SD=0.98), an opportunity to the employees to go freely when employees are sick and maternity leave (mean value=4.25; SD=0.99) and balance the private and professional life example adjusting flexible working hour (mean value=3.75; SD=1.15). In terms of percentage description all the three items were agreed by more than 78% of the respondents while, the remaining respondents strongly disagreed, disagreed and unsure. Therefore, in the above three statement the first level hotels and lodges involved and practiced in a high level because the mean value is high and the majority (more than 78%) of the respondents are agreed for the statements. For the statement of the existence of constructive cooperation and mutual support the respondents indicated that their hotel/lodge involve in high level with the response percentage of 64.7% (Frequency=79) agreed. And, the respondents SD value from the mean is no significantly large. That means the respondents response for the statement is almost similar tendency or the respondents response is closer to the mean value on average.

Relatively as compared to the above listed highly practiced CSR activities the respondents indicated that their hotel/lodge engaged in the clear and understandable management decision (mean value=3.24; SD=1.25), the opportunity to continue training and capacity building
program (mean value=3.29; SD=1.28) and the procedure that help to
insure the health and safety at work (mean value=3.26; SD=1.36) in
moderate level. This figure shows that the first level hotels and lodges in
the city involved in opportunity for capacity building and training
program, understandable management decision, health and safety
for the workers in some good level because almost around half of the
respondents were agreed for the statements.

56.7% (Frequency=69) of the respondents are agreed for the
statement ‘there is the opportunity to continue training and capacity
building program in their hotels/lodges the remaining 44.3%
(Frequency=53) of the respondents are disagreed, strongly disagreed
and unsure for the statement. Thus, it indicated that there is something
needs to be developed and involve in this practice. Because of in a
service-oriented business training and capacity building program for
the employees for their improvement of skill and perpetual development
are essential due to; customer’s trends and expectations constantly
changed [21,53]. Therefore, providing employees with the possibility
develop their individual potential to the maximum contributes to
the success and competitiveness of the enterprise is the basic thing. At
the same time, 33.6% (Frequency=41) of the respondents are disagreed
for the statement ‘there is a procedure to help the employees for their
health safety at work while the remaining 62.4% (Frequency=76)
agreed. This figure indicated that somehow it is good involvement, but
it needs some involvement to improve the health and safety at work for
the employees.

The respondents indicated that their hotel/lodge practice the
following specific CSR issues to a lesser extent/low involvement. These
specific issues are; the possibilities for job development and promotion
in the hotel/lodge (mean value=2.87; SD=1.33), secure job on the
long term (mean value=2.87; SD=1.06), proper salary system (mean
value=2.38 SD=1.23) and a reward in the hotel/lodge (mean value=2.70
SD=1.27). In related to the possibilities of job development and
promotion and for the secure job condition 43.4% (Frequency=53)
of the respondents are disagreed. For the two statements i.e. proper salary
(67.2% Frequency=82) and reward system in the hotels
(51.1% Frequency=66 disagreed).The deviation of the respondents on
these low involvement areas of CSR by the hotels is relatively high or
the response of the respondents are relatively far from the mean value.
In related to the salary, reward and promotion of work in the hotel and
secure job on the long term, Cheruiyot and Maru [21] also found that
the Kenyan hotels involved in this issues at low level; “wage level is not
competitive enough and does not satisfy employee basic needs”.

The research finding from interview with the manager of the
hotels/lodges in related with employee's related CSR issues revealed
that their hotel/lodge engaged in employee issues of CSR practices.
For example, in related with the safety and security issue of the employees
one manager explained that "We believe that our employee’s health
and safety is our great priority because if our employees are not
healthy they are not engaged in the work with their full potential…
thus we provide our employees free laundry and hygiene service and
recommend to take healthy food and provide other facilities what we
have". In related to this one hotel manager also added that "In our
hotels we help the employees to minimize their unhealthy habits like
smoking cigarettes and over drinking by educating them…in addition,
we arrange the possibility to use our hotel facilities in free of charge
like laundry service to improve their health status”. In contrary to this
one respondent of the questionnaire give a suggestion for the safety
and security of their working environment “in order to understand the
health and safety of our hotel you have to observe our uniform and
working environment in the kitchen (I am a worker in food preparation
department)…you observe how much our uniform and kitchen area
is dirty and unclear …it is so bad health and safety condition in
this hotel”. In addition to this one respondent in the questionnaire
suggested as “I am a good swimmer but our hotel cannot invite me to
use it” and even some times we cannot get a free launder service and
we cannot get other complementary things for our personal hygiene”.
Thus, what understood from here there is some controversial issues
from the employees and managers point of view in related with health
and safety issue.

In related with the proper salary and reward system the managers
accept and understood that; “the salary is relatively low” as compared
to the government salary level scheme and with other manufacturing
industries. Here, one manager explained the reason for the “low”
level of hotel industry salary system “unlike that of manufacturing
industries (manufacture and sell with a fixed price with profit) the
hotel industry is differ; it sells the service and products to the seasonal
customers with a huge amount of fixed investment (not returned by
short time) …if we pay a high salary for the employees the industry
going to be bankrupt and does not return its investment for a short
period of time (the owners need the investment to return). However,
I want to say confidently the “money” that pays for the employees is very
competitive and even sometimes high with other sector including the
service charge and other complimentary benefits”. On the researcher
point of view and evidence from different information sources for this
statement there are a lot of arguments. In one point the reason that is
given for the low salary level of the hotels and lodging industry is low
somewhat convincing and good focus (on the view of the researcher).
However, the argument and controversy is related with the concept
of service charge, tips and other benevolent complementary thing. The
first is "the money they get is higher than the other sector” is not a well
convinced. Because of its justifications are the shareholders standpoint
and few individuals well to lower the salary of the employees. In addition
to this; the money they get high, if it is high is not matched with the
principle and ideas of service charge and tips in the hotel and lodging
industry. Because service charge is a fixed amount of money that added
to the bill that used to remunerate the staff (sometimes in percent, in
most case an average of 10%) that distributed “fairly” to them. And
most of the time service charge and tips are the two justifications of the
hotel industries to lower the wage of the workers throughout the world,
according to tourism concern report of 2004 for tourism. At the
same time tips are also a discretionary. According to the tourism concern
report of 2004 for tourism, these two benefits (service charges and tips)
are mostly criticized negatively because it creates over dependency
on service charge and tips. The over dependency is also has a negative
consequence in the life of the workers and customers service due to
the fluctuations in time span that means when tourism is good service
charges and tips are likely to be good, and when tourism is bad the
workers are forced to live on basic salaries, mostly below a living wage.
Service charges are mostly ad-hoc, covert way of hotel management to
tsiphon off/ embezzle/steal income that is not taxed, not properly
documented and transparent and reported. In the researcher point of
view, it is better to adjust the pure salary/ wage system rather saying the
money they get is “high” with other benefits including service charge
and tips because the researcher believed that the extra opportunities are
not last long and the benevolent action of the customers.

On the researchers point of view and based on their motives of the
hotels and lodges, when the hotels/lodges involved in specific issues of
employees that are use full for them. Because, if the employees able
to get competitive salary and got a good reward for work they will be
a highly committed employees to their organization. The managers also indicated that their motive to engage in employee related CSR activity was to increase the satisfaction of the employees and for the satisfaction of their customers through employees indirectly. Thus, the establishments are engaged in more competitive salary and reward for the employee’s satisfaction and loyalty. In support to this Manzoor found that in his research work money is the fundamental magnate to maintain and motivate the employees to the higher performance. Manzoor also noted that no other incentives or motivational technique comes closer to money in regarding to influential value to the employees work performance. Manzoor again found that; one of the employee’s motivational factors for the employee’s satisfaction and work performance is competitive salary [53]. Logically, employees who perceive their jobs to be secure and competitive, it offers very committed workers and be “happier” and contribute for the financial and the overall performance of their hotels/lodges. In addition to this the researcher believed that job commitment is a crucial ingredient in the service delivering industry including the hotels and lodges because service delivering industries deals with people; communicate with people for better business not machinery efficiency. They manage peoples; serve people in face to face contact and just other people oriented industry. Therefore, to deal with people the employees are found on the heart and in front page of the industry. Thus, the employees are the major tool for the success of the business. More importantly, as a strategic framework of approach the employees secure job approval and competitive wage and reward system has a good opportunity. In principle and practice, when the employee’s salary and reward system and secure job is well in the organization it is important for the long stay of the employees or the staff turnover decreases. Directly when the staff turnover is low it is a great opportunity for its organizational culture continuity and lower the training costs to the new recruits.

In theoretical assumption, as Maslow [54] pointed in his theory of motivation of need; if the employees are not provided adequate and safe working conditions, the social interaction among employees in the work place will not be satisfied. The social interaction among the employees is not in good conditions in the work place through different causes like inadequate wage system and unsafe working environment there is no effective communication, empowerment, social exchange, and such like other social interaction dimensions. In connection to this Cheiruyot and Maru [21] indicated that effective communication, empowerments, training and capacity building programs are the key dimensions of successful service industry. Therefore, for the indirect and direct importance of adequate salary scheme, reward, training and continuous capacity building program (not satisfactory level in this research) for the hotels and lodges industry it needs to be developed and be part of the culture of the establishments.

Strategically some hotel managers indicated that their hotel has a safety and security practices. In related to this three (3) hotel managers shows their hotel has a written strategic plan and agreement with the hospitals to cover the medical expenses and health check-up every three months for the health of their employees. These hotels also plan to establish life insurance policy.

Respondents of the hotels/lodges from the employee view point indicated less involvement of their hotels with mean value of 2.87 for the promotion and job development practice However, the some managers inclined to contradict with this issue. For this issue 4 managers indicated that they have a program and practice to develop and give a promotion to their employees when they accept it as necessary through education and based on their performance and experiences.

Besides these the managers indicated that their hotels involved in CSR practices to their employees. Among these practices they pointed out that; initiate and support the employees to organize in union, honestly paying their overtime and service charge, treat them equally without any back ground.

Generally, employees are the true asset of the organization … even the better of technology and best infrastructure would not be much use if employees don’t perform up to the mark and are not satisfied with their current profile. At the same time there is also a convincing way “charity always begins at home”; employees are the immediate and the internal stakeholders who live in and around the enterprise. And there is also a prediction of 80% of the samples of 1800 13-25 years old wants to work for a company that cares about how its impact and contributes to society. More than half said they would refuse to work for irresponsible corporations in the 2020 [55]. Now a day employees want from their employer more than a pay check they want a sense of pride and personal fulfillment from their work and value creation for their own [55]. At the same time Brooke [56] wrote that more than 80% of the surveyed respondents are indicated that they consider the social and environmental concern when they decide where to work (employees), what to buy, where to shop and which product and service recommend to others.

In addition to these; the researcher wants to say and use the word of or explanation of Anderson in his book to balance the needs and relation between employees and employers to win in business… “Employees deserve decent incomes and working conditions; the stockholders deserve a reasonable return on their investments; the business must stay competitive; and the community expects some form of support from the business. This is a balancing act that each business must evaluate for itself as a part of its total social responsibility commitment” [12]. Thus, it is better to be a responsible enterprise to get competitive, skill full employees, loyal, feel proud employees and loyal customers and “satisfied” employees.

Conclusion and Recommendation

Conclusion

This research work set to describe employee oriented CSR practices in first level hotels/lodges in Gondar city, Ethiopia. The finding revealed that the most common practices of the hotels/lodges involved are gender equality acceptance, the employees are free to go freely when they are sick and maternity leave, constructive cooperation and mutual support working environment and the commitment of the hotels/lodges to balance the private and professional life example flexible working hour. As compared to the highest practiced areas in related to the employees the establishments are involved in somehow good level in the issue of opportunity for capacity building and training program, health and safety for the workers. To a lesser extent, the first level hotels/ lodges in the city involved in job development and promotion, secure job on the long term, proper salary system and reward system.

Recommendations

Recommendation to the first level hotels and lodges in Gondar city

1. The first level hotels and lodges in Gondar city should introduce and engage more in employee’s related issues especially in the implementation of competitive salary and reward, secure job on the long term, employee promotion and job development, healthy and safe working environment in their establishment.
The management decision should be clear and understandable to the employees that are developed by the first level hotels and lodges in Gondar city.

Training and capacity building programs should be put in the center of the first level hotels and lodges in Gondar city organizational culture.

Culture and tourism office of Gondar city should evaluate and follow up the first level hotels and lodges in Gondar city in related with the employee’s issue of the establishment such as working condition, health and safety issues.

Future research direction: Further research employ a response customers, investors/ owners, local community, suppliers, government body, media and other governmental and non-governmental institutions

There is also a possibility of applying longitudinal study to the concept of social responsibility in the hospitality industry of first level hotels and lodges in Gondar city. Furthermore, this CSR related practices replicated in the other hospitality establishments/ second and third level hotels and lodges, restaurants, cafes …) and other service delivering institutions in the city of Gondar and in Ethiopia.

Since, it has not yet been proven whether there is positive or negative relationship between employees oriented CSR practices and financial performance and employee loyalty. It is possible to conduct a study on the relationship between employee oriented CSR practices and financial performance, employee loyalty in Ethiopian hospitality industry context in general and Gondar city in particular.

References


54. Maslow’s Hierarchy of Needs.
