

Corporate Social Responsibility (CSR) And Community Development (CD)- Case Study of Roshan Telecom Afghanistan

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Abstract

The Corporate Social Responsibility or know as CSR phenomena idealized and indicates to business, firms and corporations who should handle their business in an open friendly, ethical and social environment both for internal and external customers in terms of development. Afghanistan has been stated as a least developed country therefore, CSR is a new idea in Afghanistan due to lack of CSR knowledge and practices. This paper examines the role of CSR on community with context to Afghanistan Telecom industry-Roshan GSM Company. CSR plays an important role in community development. The research paper demonstrates the impact of CSR in the development of community.

Key words: Corporate Social Responsibility, Community Development and Roshan Afghanistan

Introduction

Corporate Social Responsibility (CSR) has been debated since 1950s. CSR definition and explanation vary and explained differently around the globe by various scholars. CSR raised quickly within past three decades due to wanted demand of all stakeholders from corporations. In the classical era of



CSR, it was used as philanthropic practices and then gradually in modern era it has been shifted to business and social relations. CSR now days have been considered responsible practices for the impact of their business operations on different stakeholders around (both internal and external customers, business shareholders, communities and environment). CSR indicates to firms or companies who should perform their day to day business practices in a friendly and ethical consideration. CSR has been accepted globally a fruitful practices towards community. This research paper defines CSR, its practices, community development and CSR impact on community development within Afghanistan private firm Roshan Telecom Development Company Afghanistan (TDCA).

Objectives of the study:

There are two objectives for conducting this particular research paper.

1. To study CSR practices of Roshan telecom towards community development.
2. To examine Roshan's CSR practices impact on community development.

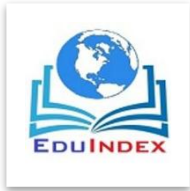
Literature Review

Corporate Social Responsibility (CSR)

The philosophy of CSR is not new now in corporate world and academics. It is continuously debated since 1950s till today. Moreover, CSR has been well-defined differently by scholars based on their experience and knowledge. Almost there are similarities in defining the CSR where Maimunah, 2009 explains "CSR is the combined phenomena of ethical, legal, economical practices of an organization to serve in the development of the community". Davis in 2001 said that CSR is to pay equal attention to all stakeholders in sociable and ethical way. Actually CSR aims to give back to society.

In addition, World Business Council for Sustainable Development (WBCSD) stated about CSR, "CSR is the ongoing promise by the business to act in an ethical way which leads to economic growth and it helps to create a qualitative life of the employees and their family members in the local community and the whole society"¹. Similarly, Carroll in 1996 recommended four fundamentals of CSR which are: Economic, Legal, Ethical and Philanthropic. These all four modules of CSR are crucial to achieve sustainable development in the community. Below chart defines CSR pyramid by Carroll concisely.

¹(WBCSD Stakeholders Dialogue on CSR, The Netherlands, Sept 6-8, 1998)



Pyramid of Corporate Social Responsibility



In the above ²pyramid, it explains, any business institute has four responsibilities to implement, the first one is Economic Responsibility – it demonstrates the profit of a business. The second one is Legal Responsibility- a firm should obey rules set by the society where they operate. The third one is Ethical Responsibility- it shows to act honestly with stakeholders and the fourth one is Philanthropic Responsibility elaborate beyond the traditional rules and regulations of an organization for the profit of society³.

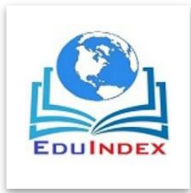
Community Development⁴

Community

²Source: Carroll (1996)

³<https://www.growyourgiving.org/giving-blog/pyramid-corporate-social-responsibility>

⁴<http://www.hrdc-drhc.gc.ca/community>



Community in terms of geography is our hometowns, where we get together and live. A group of people living in a place having common relations with their specific characteristics is termed as community. Community in a different way to define is, it is a social hub with mutual views and norms which could be religiously and socially acceptable by all members. These members create relationships among each other to fulfil their interests. They might have interdependency on one another. Every community consists of their community leaders who are keen and responsible ones to take responsibilities for taking care of their community in terms of events, gatherings, negotiations and community related dispute solving issues. Ismail (2009, p.5) generally defined community as: "A group of people sharing a common purpose, who are interdependent for the fulfilment of certain needs, who live in close proximity and interact on a regular basis" (Ismail, 2009, p.5).

Development

The word "development" defines: the act of growing, moving on and or creating something new to become larger or advanced. It assumes the progress and growth. In another term, the word development simply means the change.

The Concept of Community Development (CM)

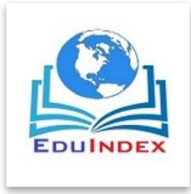
Community Development chains the concept of "community with development. This concept is defined by many scholars. CM is explained as number of individuals who share their mutual interest and are dependent on one another for their wants and needs. There are always community leaders who are responsible for the community's accountabilities for the success of targeted objectives.

Community development means for dealing with change. Community development is a practice where fellows in the community come together and collaborate for solving their mutual problems. CM actions involve social, economic, environmental and traditional practices.

There should be CM ideas and events that would enable a community to work finding their own basic needs. For example, a community may develop societies helping needed people in their own community in some economic necessities. These efforts would attract external people and create a positive impact in the community. Jenking and Obara (2008) proposed three basic elements of community development economic, social and environment which are importing components for the smaller communities.

⁵*The United Nations defines community development as "Community brings all members of the community together to take mutual steps for solving common problems. Community is an ideal concept, having public leaders, social activists, citizens, and experts to make the community better*

⁵https://en.wikipedia.org/wiki/Community_development



and peaceful where they live, aim to build stronger and united resident communities and its members”

Furthermore CD refers to actions considered by community with help of external firms or companies enabling the community members with needed skills which empowers them to create a better community environment.

CD defines as fairness, justices, equality, responsibilities, opportunity, choice, contribution, sympathy, and education. Educating and empowering and awareness are main chunk of CD.⁶

CD is the shared progresses or plans, and actions that make a community supportable as likened to economic development. CD practices need to be processed in locations where all levels of society and people are engaged with sense of community unity (Community Glossary, 2009).

Role of CSR in Community Development (CD)

Any profit making firm is responsible to initiate CSR practices which should impact positively a host community, in the society they work, its people and surroundings (environment). Most reputable companies around the world have rich CSR commitment values. CSR by definitions and explanations clearly states its impact on community development.

In this paper, the author demonstrated the role of CSR in community development and explains how a firm is performing to make better its community. There are lots of CSR practices i.e. the firm's own employee voluntarily help community in term of cleaning the society, blood donations campaign, free education and many more. These CSR practices impact positively in the community. Here in this paper the researcher further elaborated Katie Russell (June 6, 2018) company's internal community development outcomes⁷.

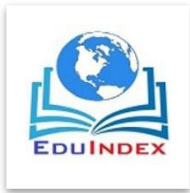
CSR Boost Employees Job Satisfaction

It is an acceptable saying that; “Happy employees bring happy customers”. If employees are being supported in their job and respected by management will perform their job productively and actively with interest and joy. Providing them with volunteer opportunities where they can help the community people, will make good relations among them in the organization as a team and externally in the community too. These employees will be highly motivated involved in such activities.

- **Create Good Public Image**

⁶(Federation of Community Development Learning, 2009)

⁷<https://www.fronetics.com/csr-four-benefits-corporate-social-responsibility/>



CSR implementation is not only to invest in the community for free or a mandatory competitive tool but CSR can be used as a good marketing strategy to increase a firm's image in the market. It increases the firm's brand reputation which will benefit the company in long term. Most of the customers buy products and services from a friendly environment company.

- **Improve Customer Loyalty**

CSR practices are preferred methods to encourage loyalty between the company and customers. The CSR and customer loyalty are both dependent on each other. Many study shows that; the more CSR activities practiced by a company the more customers retain for long term. As a result the customers build a loyal relationship with the company.

- **Develop Creativity**

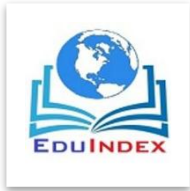
Being actively engaged in CSR activities and the community, the company's employees will have an opportunity to study, analyze and seek for new ideas which will bring new innovation to the company. Employee's involvement in CSR activities enhances employee engagement.

Roles of ROSHAN in Community Development

ROSHAN telecom is one of the GSM Company in Afghanistan established in January 2003. Roshan telecom has its existence in all 34 provinces of the country and claims one of the top companies in the sector among other companies. Roshan has been built with the help of Aga Khan Development Network and Monaco Telecom. Roshan has been recognized a CSR company at the GSM sector in Afghanistan.

Roshan TDCA provided almost 800-1,000 direct employments with 20% of women participation with careful consideration in Afghanistan. Roshan community treats their staff with equal employment opportunities, providing private universities higher studies scholarships, free pick and drop facilities, health insurance and staff caring services. They provided community based assistance projects for needed civilians in the country. The Company reported many CSR projects and respond many Afghan poor people basic needs such as providing them with basic life stuffs (food, drinking water, electricity, health care, sports, learning institutions and women empowerment projects facilities. There were 10 schools build by Roshan in Afghanistan and furnished many more educational institutions around the country. Roshan in Afghanistan has lots of CSR projects which have many community development programs.

For instance, it's Telemedicine Project which connects multi-hospitals at a time, Faizabad hospital with the Bamyan Hospital in Afghanistan, the French Medical Institute for Children in capital of country Kabul and the Aga Khan University Hospital in Karachi, Pakistan, providing them with remote diagnosis and different medical trainings.



This company also provided financial and events management (sponsorships) assistance to sports in the country.

Awards Received by Roshan⁸

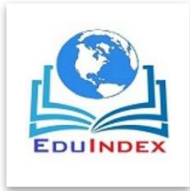
- Social Practices Involvement Award, Asia Communications Awards, 07, 2014
- Innovative Business of The Year In the East and Africa, CSR Program Of The Year In The Middle East And Africa And Customer Service Department Of The Year, Stevie International Awards, 11, 2013
- Sustainability Commercialized, Ethical Business's Responsible Corporates Awards, 08, 2013
- CSR Program of The Year in The Middle East And Africa, Stevie Awards October 2012
- Best Community Development Project, Telecommunication World Asia, 04, 2011
- Best CSR Contribution, Telecommunication World Awards Middle East Awards, 11, 2008

Research Methodology

The research design was qualitative in nature to satisfy the objectives of the research paper and the method was exploratory research where the researcher explores the CSR knowledge of the GSM sector specifically ROSHAN, a private telecommunication company in Afghanistan. This research paper was designed to study CSR practices and examine community development activities done by Roshan in Afghanistan. Different case studies of the firm regarding community development have been explored and described for the purpose of the paper.

The study was administered in the community of Kabul city (capital of Afghanistan) where CSR activities have been implemented by the selected firm. The data for the research has been collected through both methods i.e. (a) Secondary Data Collection – data collected from different social accounts, websites, journals and published articles. (b) Primary Data Collection- data was collected through in depth interviews from customers, community local people (Beneficiaries) and firm authorities. The researcher used non-probability sample technique to test the sample size of 95 individuals as population from total 250 people, to achieve the quoted objectives of the research.

⁸<https://www.roshan.af/en/business/community/recognition/>



Conclusion, Findings and Recommendations

The gathered data was analyzed through content analysis method as this method seems to be a good approach to measure qualitative data. This technique helps to achieve established objectives of the research. The sample size for the study was too small and a bigger sample size can help to explain the relevant phenomena in a vague environment.

Roshan TDCA implemented 152+ community developmental activities for the improvement of the community members, all those activities are related to women income development, youth's empowerment and digging the well for clean water. This company created 23 e-learning centers for poor family members to get basic and higher educations. It built 26 playgrounds and sponsors different sports events including cricket, football, skie, volleyball and cycling. Roshan connected four rural hospitals with international medical institutions (Telemedicine) helping access to diagnoses and teaches from experts to far and unreached local societies. Roshan in collaboration with an NGO established Women's Public Call Offices (WPCOs). The activity assisted local women an opportunity to make revenue and in the meanwhile learning business skills too. Roshan provided each woman business equipment (box) at a low rate. The box contains a receiver, charger, SIM card, antenna, a few minutes Roshan Business signboard folks.

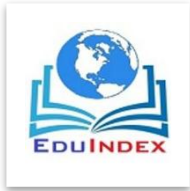
CSR is a broader concept which benefits all stakeholders including community. The CSR activities are probably necessary and demanded everywhere in the business world and same as in Afghanistan to help poor and needed people. Every profit business must contain CSR policies and implementation plan in their business objectives. The Government of Afghanistan with help of Afghanistan Telecom Regulatory Authority (ATRA) must take initiative to create CSR policies and regulations and motivates private businesses in CSR activities especially in community developmental programs. This research paper described Roshan CSR activities, Community Development, Roshan CSR Developmental programs and explained the link between CSR and community developmental programs.

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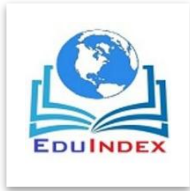
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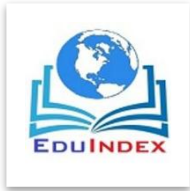
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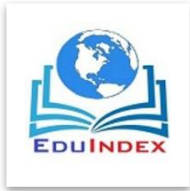
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