

INNOVATIONS

Effects of Corporate Social Responsibility on Project Performance of Cooperative Bank of Oromia

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Abstract

This study intended to examine the effects of Corporate Social Responsibility on project performance of Cooperative Bank of Oromia (CBO) Projects and identify which corporate social responsibilities practices significantly predict project performance. This research made use of a mixed research approach along with descriptive and explanatory research designs. Interview and questionnaire were employed for qualitative and quantitative data respectively. The result from the interview; Descriptive as well as inferential analysis made by SPSS software version 26, shows that corporate social responsibilities has a significant effect on project performance. The study reveals that the R-square value is 0.53, which explains 53% of the variation in project performance is explained by corporate social responsibilities. From the total of five study variables, three variables; Ecological, Legal, and Philanthropic Responsibilities had a significant positive effect on Project Performance. Based on the findings, it is recommended that the bank should consider prioritizing the above-mentioned three significant corporate social responsibilities while conducting and implementing projects. However, further research is necessary to consider other factors in predicting project performance.

Keywords: 1. Corporate Social Responsibility 2. Economic 3. Legal 4. Philanthropic
5. Ethical and Ecological Responsibilities 6. Project Performance

1 Introduction

Volunteerism and sustainable development in developing countries such as Ethiopia plays a crucial part in poverty reduction and economic development. As a result, they are mostly addressed by governmental and non-governmental, and/or non-profitable organizations. It

is believed that the rapidly growing private sector, particularly financial institutions should participate in such kinds of practices through the concept called Corporate Social Responsibility (CSR). Corporate Social Responsibility (CSR) is an enlist duty of an organization for putting to good use of society and for benefiting the organization itself from the practice accordingly. It is the volunteer contribution of an organization to address common social problems through ethical and applicable laws [Schieg, 2009].

The goal of Corporate Social Responsibility is to pursue such pro-social objectives besides own business activities. CSR has several benefits to an organization, it enables organizations to exercise ethical behaviors, it provides good financial performance, and boosts organizational performance [Okwemba, 2014]. CSR can also be incorporated into projects [Schieg, 2009]. A project is a temporary organization that assists organizations in many different ways. It is a collection of tasks in a defined order with explicit beginning and end to achieve a certain outcome. They are a means to achieve the strategic goals of an organization. Project is very valuable to an organization, so maximizing project performance is valuable as it leads to a rise in the profitability of an organization. Corporate social responsibility as a management concept is growing more and more important also for project companies [Schieg, 2009].

According to United Nations Industrial Development Organization [UNIDO, 2021], CSR can be understood as a management concept and a process whereby companies integrate social and environmental concerns in their business operations and in their interactions with the full range of their stakeholders on a voluntary basis.

CSR is applicable to almost all organizations but the banks are keener to these practices as they have to do extrain order to satisfy their multiplicity of stake holders[Okwemba, 2014]. Banks, as they grow prompt with the society, have to give more effort to CSR practices that benefit the society and the bank itself. In Ethiopia, CSR is also applicable to many organizations, in which banks took most of the part and Cooperative Bank of Oromia (CBO) is no exception. CBO is a private bank that was registered commercially on October 29, 2004, in accordance with article 304 of the Commercial Code of Ethiopia. Currently, CBO has a total asset of more than ETB 70 Billion.

The bank has more than 470 branch networks, 7.4 million account holders, and has created a job opportunity for about 9,500 individuals. It is working to be the leading private banks Ethiopia by 2025. They involve in various social aspects via donations and sponsorships to sectors like public health, education, community development, environmental protection efforts, natural disasters, and others.

Cooperative Bank of Oromia implements many projects that contribute to the success of the company. The company's project team carries out the projects to attain a certain outcome with a definite beginning and end. As CSR has a huge benefit to organizational and financial performance [Okwemba, 2014, Bofo and Kokuma, 2016], there is no doubt about its benefit on the performance of projects - which highly contributes to the sustainability of an organization.

The special benefit of CSR in projects is to set up values such as integrity, credibility, and reputation.[Schieg, 2009]. CSR is dynamic and can be managed differently in projects [Meera Al-Reyaysa and Nicolopoulou, 2019]. Furthermore, it is important that the environmental issues in projects are addressed so organizations' brand image, reputation,

accountability, reliability, and trustworthiness are not unnecessarily risked or compromised [Schieg, 2009].

There are many frameworks developed for Corporate Social Responsibility. This research adopted five obligations of CSR, which are; philanthropic, legal, ethical, ecological, and economic. The obligations are selected from two frameworks of CSR, as they are relevant to a project.

Different authors [Boafo and Kokuma, 2016] and [Thanh et al., 2021] have given empirical evidences on CSR and organisational performance as well as financial performance [Tsoutsoura and Margarita, 2004]. There are also authors that put their empirical evidences on CSR and projects in general [Meera Al-Reyaysa and Nicolopoulou, 2019], [Schieg, 2009], [Peter and Krchova, 2019], [Macías and Enrique, 2020]. According to some theoretical approaches, the benefit of CSR activities for projects is hard to measure in cash, but some of the benefits include; image win, risk mitigation, cost-saving, trust-building, employee motivation, and growing social competence [Schieg, 2009].

CBO has been participating in various socio-economic developments, donations, memberships, and other social activities. However, the projects implemented by the bank are not enjoying the benefit that would have been gained from such roles. This case is the same for almost all organizations.

In addition, even if CSR have a huge impact on the performance of different sectors, where a variety of projects are implemented, there is not enough empirical evidence that proves if CSR has an effect on project performance, rather there are theoretical approaches which indicate that CSR can be systematically incorporated into projects, however, the papers either didn't provide a conceptual framework or doesn't measure the impact of CSR on projects. This clearly shows the need for empirical evidence that proves the effect of CSR on project performance.

The immense benefit of CSR activities to a society, a capacity of Cooperative Bank of Oromia to perform these activities, and the significance of a project to the bank have motivated the researcher to carry out this study. In addition, CBO's CSR activities and its implementation of various projects made it the ideal case company.

The main objective of this research was to study the effect of Corporate Social Responsibility practices on project performance, in the case of Cooperative Bank of Oromia. The specific objectives were; to examine the Corporate Social Responsibility practice of Cooperative Bank of Oromia, to examine the project performance level of the Cooperative Bank of Oromia, and to determine the effects of Corporate Social Responsibility practices (economic, legal, philanthropic, ethical, and ecological) on project performance.

2 Literature Review

2.1 Theoretical literature review

There are different theoretical approaches towards the concept of CSR and projects as well as the relationship between the two. There are three theories to this approach. Corporate Social Responsibility, Projects and their relationship.

2.1.1 Corporate Social Responsibility

Corporate Social Responsibility is a modern phenomenon of corporate governance in the developed world [Peter and Krchova, 2019]. CSR concept and practices emerged as a way for the company to be able to provide satisfaction to all parties interested in it, i.e., customers, shareholders, collaborators, suppliers, families, State, community, environment, among others [Macías and Enrique, 2020]. Different researchers have proposed theoretical approaches towards CSR practices.

Carroll's four-part definition of CSR stated as Corporate social responsibility encompasses the economic, legal, ethical, and discretionary (philanthropic) expectations that society has of organizations at a given point in time" [Carroll, 1979, Carroll, 1991]. The other one is The Triple-Bottom line concept by Martin [Schieg, 2009], according to the author the business performance should be balanced by ecological, social, and economic activities.

2.1.2 Projects

According to Project Management Institute (PMI), a project is temporary in that it has a defined beginning and end in time, and therefore defined scope and resources. And a project is unique in that it is not a routine operation, but a specific set of operations designed to accomplish a singular goal. So a project team often includes people who don't usually work together – sometimes from different organizations and across multiple geographies [PMI, 2021]. To show the performance of a project there are key performance indicators (KPI).

According to [Mundial and Banco, 1996] performance indicators are measures of project impacts, outcomes, outputs, and inputs that are monitored during project implementation to assess progress toward project objectives. [kpi.org, 2021] categorized KPIs into inputs, process, outputs, outcomes, and projects. [Wootton, 2020] has also put the types of KPI as a process, input, leading, lagging, outcome, qualitative, and quantitative key performance indicators.

2.1.3 CSR in Projects

There is little theoretical literature that covers the concept of CSR in projects. [Schieg, 2009] defines a project as a project organization, and it is a temporary organization completing project-related tasks, it will be staffed with people involved in the project who come from different permanent organizations and perform services for the project, or influence the project. He stated that introducing CSR to projects using existing standards improves cooperation between the project players for the benefit of more efficient project handling and trustful cooperation.

CSR is a method of effective strategic business management. For project management, this means the systematic combination of the interest in the project with the interest in public well-being [Peter and Krchova, 2019].

Salazar et al., [Salazar et al., 2012] makes clear that CSR activities need to be managed through projects. [Macías and Enrique, 2020] by reviewing different papers from renowned databases and books, provided theoretical approaches that relate the concepts of CSR, project, and Project Management (PM). The paper proposed a social responsibility management model for project management.

Project Management Institute makes a case for CSR and demonstrated how a project manager can be a critical factor in its execution, it is not necessarily the chief executives who must always initiate and implement CSR. Project managers have the ability to introduce Corporate Social Responsibility in their work and promote social good within their firm [Tharp and Chadhury, 2008].

2.2 Empirical literature reviews

Several Researchers have placed their empirical evidence about CSR and relevant factors. [Solomon and Birhanu, 2021] determines the effect of corporate social responsibility on the financial performance of 11 commercial banks in Ethiopia, the researcher concluded that CSR is an expense with no return for now but if implemented properly and disclosed consistently the outcomes will be different. [Boafo and Kokuma, 2016] has studied the impact of CSR on the organizational performance of Vodafone Ghana Limited, they concluded that CSR has a substantial and positive impact on all performance indicators which are: finance, organizational performance overtime, reputation, employee commitment, and brand differentiation. [Thanh et al., 2021] have evaluated CSR on firms' performance by exploring the role of mediating variables such as corporate reputation (CR) and customers' purchasing intention (CPI), their findings suggest a positive and significant impact of corporate social responsibility on firms' performance. Furthermore, [Okwemba, 2014] found out that CSR plays a very important role in organizational performance, they have concluded that the philanthropic responsibility of a bank has an impact on bank performance.

There are also studies that put their empirical evidence on CSR and Projects in general. [Meera Al-Reyaysa and Nicolopoulou, 2019] investigates capacity building for CSR in organizations and examines the research question as to whether the project management of CSR can contribute to increasing levels of awareness, engagement, and implementation.

They have concluded that the use of project management to organize, implement, align, and monitor CSR activity supports capacity development in CSR and can contribute to its sustainability.

On the other hand, [Peter and Krchova, 2019] gives an overview of the research of project management from applying the Corporate Social Responsibility towards employees in the specter of the project management standards in the small, medium, and big enterprises in the Slovak Republic from the project manager point of view. The paper brings empirical shred of evidence on how project managers in the selected locally based companies have been applying the social aspects into the concept of their own project management. 60% of the monitored enterprises apply CSR activities to their employees in the response spectrum almost always. They have recommended that it's better to increase the knowledge and involvement of social problems in the projects of the companies to increase the effect of CSR on employees.

Despite the above-mentioned empirical approaches, no researcher has given empirical evidence on the effects of corporate social responsibility on project performance.

3 Research Methodology

3.1 Research approach and design

The study employed a mixed-method approach, i.e, it made use of both quantitative and qualitative methods because the mixed-method explores a research problem better. Mixed research methods represent research that involves collecting, analyzing, and interpreting quantitative and qualitative data in a study that investigates the same underlying phenomenon [Creswell, 2014]. Both descriptive and explanatory research design was employed. The target population of this research was project teams, project managers, and employees related to a project and CSR activities, within the head office of Cooperative Bank of Oromia. The number of study population considered in this research was 250.

3.2 Sample Size

The sample size was determined using the sample size determination method provided by [Yamane, 1967].

Where;

- **n** is the sample size to be calculated.

$$n = \frac{N}{1 + N(e)^2}$$

Figure 1: Sample size determination.

Source: [Yamane, 1967]

- **N** is the population size, which is 250.
- **e** is the level of precision, the desired precision is 5%, thus $e = 0.05$.

Therefore, using the above formula, the sample size of the study was found to be 154, because the total study population is 250, with 5% acceptable error in the estimate.

3.3 Data sources and collection techniques

3.3.1 Data source

In order to achieve the stated objectives, this study used appropriate data collection techniques. The data was collected from both primary and secondary sources.

3.3.2 Data collection techniques

An in-depth interview, which helped to explore the underlying theory further, was employed with 5 project managers, which was selected by purposive sampling. Most of the interview questions were constructed as open-ended questions.

A questionnaire was for 149 employees that are selected by simple random sampling to complete quantitative data. The questionnaire was close-ended questions using a 5-Point Likert scale. The questionnaire incorporated demographic information, with the specific purpose of drawing comparisons between CSR and project performance. The questionnaire was prepared in English through Google Forms. Google Forms is a cloud-based data management tool used for designing and developing web-based questionnaires; it is provided by Google and freely available on the web to anyone to use and create web-based questionnaires [Vasanth Raju and Harinarayana, 2016].

The researcher then distributed the questionnaires that are prepared through Google forms to the target population using their email. The emails are collected directly in person from respondents. The researcher finally collected the responses from the google form.

3.4 Data analysis technique

Data were analyzed using Statistical Package for the Social Sciences (SPSS) software version 26. Descriptive statistics such as frequencies and percentages were used. An attempt was made to employ interpretive analysis for the qualitative data obtained through interviews. Furthermore, inferential statistics such as correlation and regression statistics were used. The validity and reliability of the data were checked carefully.

4 Data Analysis and Presentation

Qualitative data are presented first to explore the underlying theory further, then quantitative data is analyzed and presented next. Qualitative data is analyzed nearly based on thematic analysis. Based on the methodologies specified to get responses from a sample size of 154, 5 interviews and 149 questionnaires were distributed. From the total of 154, 144 questionnaires were returned and all of 5 interviews were conducted, totaling 149 responses, which yielded 93% response rate.

To test reliability the study used Cronbach's alpha so as to assess the internal consistency of variables in the research instrument. Cronbach alpha measures the extent to which item responses obtained at the same time correlate highly with each other and the widely accepted social science cut-off is that alpha should be 0.70 or higher for a set of items to be considered a scale [Field, 2009]. The overall result from the study showed a 0.93 value of Cronbach's alpha, which is above the minimum cut-off alpha of 0.7. The calculated Cronbach's alpha coefficient for each study variable was found to be reliable.

4.1 Respondents Profile

Demographic characteristics of respondents of this study are summarized and major findings of each of the demographic variables are presented below.

Table 1: Demographic characteristics of respondents

Variables	Category	Frequency	Percent	Cumulative Percent
Gender	Male	107	74.3	74.3
	Female	37	25.7	100
Age Group	18 - 29	93	64.6	64.6
	30 - 49	49	34	98.6
	50 - 70	2	1.4	100
Position	Project	129	89.6	89.6
	CSR	15	10.4	100
Education Level	Bachelor Degree	91	63.2	63.2
	Master's Degree	53	36.8	100
Work Experience	Less than 2 years	63	43.8	43.8
	2 - 5	61	42.4	86.2
	5 - 7	10	6.9	93.1
	7 - 10	6	4.1	97.2
	More than 10	4	2.8	100

Source: Survey Data, 2021.

From a total of 144 respondents, 107 (74.3 %) were found to be Males and the remaining 37(25.7 %) of the respondents were Females. Basing the findings, the majority of the respondents are Male. The highest percentage of respondents that accounts for 93 (64.6 %) constitutes people of 18-29 years of age. Thenexthighergroupsof34%ofrespondents were within the age of 30-49 and 1.4 % of respondents were within the age of 50-70. There are no respondents above the age of 70. The age of respondent's shows that majority of the respondents were young.

The majority of respondents 129 (89.6 %) are related to a project. The remaining 15 (10.4 %) are from the corporate social responsibility departments of the Bank. With regard to educational background, B.A/B.Sc. Degree holder respondents constitute the highest number 63.2 % (91), followed by masters degree 36.8 % (53). 63 (43.8 %) of the total respondents have less than 2 years of experience, followed by 2-5 years of experience 61 (42.4 %). 10 (6.9 %) have 5-7 years of experience while 6 (4.2 %) have 7-10 years of work experience. The remaining 4 (2.8 %) have more than 10 years of experience. The result shows that majority of the respondents have less experience.

4.2 Analysis of Corporate Social Responsibility Practices

Regarding Corporate Social Responsibility practices of Cooperative Bank of Oromia, different interview questions were employed with 5 selected project managers of the bank. According to the respondents, the bank mostly participates in philanthropic and ecological CSR activities - helping people in need and serving a society displaced from their residences, specifically donation of 23.7 million birr for communities displaced from border conflicts in the year 2017 and participating in the green legacy initiative, which helps to

tackle environmental issues. The next most practiced activities according to the key informants are legal and ethical responsibilities; The bank follows the values of the Gada system which supports most of the ethical values in addition to complying with all kinds of rules, laws, and regulations of the country and the national bank of Ethiopia's. The least activity that the bank participates in according to interview respondents is economic responsibility, where the bank plays a constructive and meaningful role in promoting the financial inclusion of the country. Furthermore, according to its website, the bank mostly participates in philanthropic, ecological, and economic affairs. In conclusion, basing the interview the bank participates in all of the CSR activities mentioned by the researcher.

On the other hand, for quantitative analysis of each activity of CSR, a set of questions has been presented to the respondents to rate their perception, knowledge, feelings, and attitudes about different CSR activities of the company on a five-point Likert scale ranging from one (strongly agree) to five (strongly disagree). Thus the five CSR variables are ordinal variables. Under this analysis, the mean scores of each practice of corporate social responsibility as well as the mean scores of each item under each dimension were calculated and presented in table 2 along with their respective minimum, maximum, and standard deviation. The mean score values of corporate social responsibility practices of Cooperative Bank of Oromia were found to be in the range 1.64 to 2.3 with a standard deviation ranging from 0.35 to 0.56.

Accordingly, Ecological responsibility is the most practiced because it has the highest mean value of 2.3 and standard deviation of 0.56. Legal and Philanthropic responsibilities follow with a mean of 1.79 and a standard deviation of 0.44 and a mean of 1.85 and standard deviation of 0.43 respectively. The last is Ethical responsibility with a mean value of 1.64 and a standard deviation of 0.43 preceded by economic responsibility which has a mean of 1.65 and a standard deviation of 0.35. The overall result shows that there is a good practice of corporate social responsibility by the company in an effort to boost the performance of a project.

Table 2: Frequency and Descriptive Statistics of Corporate Social Responsibility.

Economic Responsibility	Number	Minimum	Maximum	Mean	Std. Deviation
	144	1.00	4.00	1.6583	.35232
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	293	389	29	9	-
Legal Responsibility	Number	Minimum	Maximum	Mean	Std. Deviation
	144	1.00	5.00	1.7875	.44200
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	292	315	88	24	1
Ethical Responsibility	Number	Minimum	Maximum	Mean	Std. Deviation
	144	1.00	4.00	1.6417	.43154
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	209	422	74	14	1
Philanthropic Responsibility	Number	Minimum	Maximum	Mean	Std. Deviation
	144	1.00	5.00	1.8556	.43384
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	328	324	66	2	-
Ecological Responsibility	Number	Minimum	Maximum	Mean	Std. Deviation
	144	1.00	5.00	2.2972	.55971
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	111	344	206	58	1

Source: Survey Data, 2021.

4.3 Analysis of Project Performance

Regarding the project performance of Cooperative Bank of Oromia, different interview questions were also employed with 5 selected project managers of the bank. Key informants presented that project by the bank is implemented to support activities, gaps, and needs of the bank, thus a project has huge importance to the bank. According to most of the respondents, the project performance of the bank is expressed by how much it achieved its tasks per a milestone and by how much it follows the Terms Of Reference (TOR) given for the project before its commencement. It is also expressed by its scope and time achievement. As for recent implications of project performance, the respondents confer that two projects are recently completed with high-performance ratings based on the evaluation of concerned bodies. In regard to project performance level, it is measured by feedback from higher officials after completion of the project, based on the agreement found on TOR, which mostly emphasizes on time of completion of the project, scope, and the budget of the project.

Above all, according to the respondents, the factor that impacts the project performance level of the bank is the benefit of a particular prior project compared to other projects. To improve project performance, continuous meetings and engagement with project staff are held to make sure what is defined on the project proposal are met per a milestone.

On the other hand, for descriptive analysis of project performance, a set of questions have also been presented to the respondents to rate their perception, knowledge, feelings, and attitudes about project performance of the company on a five-point Likert scale ranging from one (strongly agree) to five (strongly disagree), same as in Corporate Social Responsibility section. Under this analysis, the mean scores of each indicator of project performance (Input, Process, Output, and Outcome) as well as the mean scores of each item under each indicator were calculated and presented in table 3. The researcher wants to make clear that there is only one dependent variable, project performance, what is presented under the dependent variable are indicators, categorized to give the best understanding of the variable.

Table 3: Frequency and Descriptive Statistics of Project Performance.

Input	Number	Minimum	Maximum	Mean	Std. Deviation
	144	1.00	4.00	2.3000	.52623
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	99	368	191	62	-
Process	Number	Minimum	Maximum	Mean	Std. Deviation
	144	1.00	5.00	2.3556	.55844
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	93	347	218	59	3
Output	Number	Minimum	Maximum	Mean	Std. Deviation
	144	1.00	5.00	2.3125	.47876
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	80	399	178	62	1
Outcome	Number	Minimum	Maximum	Mean	Std. Deviation
	144	1.00	5.00	2.1014	.48357
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	115	437	148	20	-

Source: Survey Data, 2021.

The mean score values of project performance of Cooperative Bank of Oromia were found to be in the range 2.1 to 2.35 with a standard deviation ranging from 0.47 to 0.56.

There is a good practice of performance indicators of a project in the bank. The overall result shows that the project performance of the bank, despite that the project implemented is not independent of the bank, is well achieved. Finally, before moving into referential analysis the researcher found it convenient to present a qualitative analysis of both CSR and project performance of the bank according to the view of key informant project managers.

When asked about the benefit of CSR to a project, most of the respondents explained that CSR has a huge benefit to a project directly and indirectly. Directly; CSR will help increase the implementation of the project by building reputation, reducing risk, and or playing a significant role in risk sharing. Nevertheless, in CBO since the projects implemented are

exclusive and not independent of the bank, CSR sometimes might not have a direct impact on projects. One respondent insisted that CSR had no direct impact on the project of the bank that he is involved in, what so ever. Contrastingly, all respondents agreed that CSR has an immense benefit to the bank indirectly in such a way that, since CSR has a huge benefit to the bank, that benefit pushes the bank to concentrate more on the performance of the projects as well as on the implementation of more projects.

4.4 Correlation Analysis

Correlation is the most basic and useful measure of association between two or more variables [Marczyk et al., 2010]. Correlation coefficient (r) closer to -1 or +1 means that variables are negatively and positively strongly related respectively; in contrast, when r is close to 0, it means the two variables are weakly correlated [Sheridan, 2005]. Therefore, the correlation coefficient (r) was examined to see if there is a strong or weak relationship between the variables.

As we can observe from table 4, there is a positive relationship between the study variables. Accordingly, philanthropic responsibility was the most correlated variable with the dependent variable (project performance) with a coefficient value of ($R=0.6$, $p \leq 0.01$). The result of the Pearson correlation analysis also showed that there is a strong relationship between project performance with ecological and legal responsibilities. Ethical and Economic responsibilities are also found to be positively correlated with Project performance and therefore there is a moderate relationship between project performance and the two independent variables, with economic responsibility having the lowest correlation.

Table 4: Correlation Analysis.

		Correlations					
		Economic Responsibility	Legal Responsibility	Ethical Responsibility	Philanthropic Responsibility	Ecological Responsibility	Project Performance
Economic Responsibility	Pearson Correlation	1	.315**	.514**	.529**	.326**	.445**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	144	144	144	144	144	144
Legal Responsibility	Pearson Correlation	.315**	1	.438**	.605**	.199*	.529**
	Sig. (2-tailed)	.000		.000	.000	.017	.000
	N	144	144	144	144	144	144
Ethical Responsibility	Pearson Correlation	.514**	.438**	1	.555**	.532**	.478**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	144	144	144	144	144	144
Philanthropic Responsibility	Pearson Correlation	.529**	.605**	.555**	1	.351**	.597**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	144	144	144	144	144	144
Ecological Responsibility	Pearson Correlation	.326**	.199*	.532**	.351**	1	.538**
	Sig. (2-tailed)	.000	.017	.000	.000		.000
	N	144	144	144	144	144	144
Project Performance	Pearson Correlation	.445**	.529**	.478**	.597**	.538**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	144	144	144	144	144	144

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Source: Survey Data, 2021.

4.5 Regression Analysis

Regression analysis is a statistical method to deal with the formulation of a mathematical model depicting relationships amongst variables which can be used for the purpose of prediction of the values of the dependent variable, given the values of the independent variable, [Kothari, 2004]. Before regression analysis, a number of assumptions have been checked to ensure that the data meets the necessary prerequisites for the analysis to be reliable and valid. Accordingly, five diagnostic tests of assumptions of the classical linear regression model (CLRM) were checked. The five assumptions are Linearity, Homoscedasticity, Auto-correlation, Multicollinearity, and Normality.

Consequently, the researcher examined the collected data using multiple linear regression models and found all of the five assumptions of the classical linear regression model valid and appropriate. In addition to correlation analysis, multiple linear regression analysis is applied in this research to explain the association between CSR and project performance. The result of multiple regression is presented since the above five assumptions of CLRM have been met.

- i) **Model Summary:** In model summary, project performance was used as the dependent variable while activities of corporate social responsibility were used as the independent variables. The finding of the R-square value is 0.537, which shows the goodness of the model. This explains, 53.7 % of the variation in the dependent variable, project performance, is explained by the independent variables, the five CSR practices. Adjusted R-square of 0.52 reveals that the model has accounted for 52 % of the variance in the criterion variable. This implies that there exist other factors and constructs that influence project performance; hence further research is essential in this regard.

Table 5: Regression Model Summary.

Model Summary ^b									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			Sig. F Change
						F Change	df1	df2	
1	.733 ^a	.537	.520	.29625	.537	31.996	5	138	.000

a. Predictors: (Constant), Ecological Responsibility, Legal Responsibility, Economic Responsibility, Ethical Responsibility, Philanthropic Responsibility

b. Dependent Variable: Project Performance

Source: Survey Data, 2021.

- ii) **Test on Individual Regression Coefficients:** It's, so far, presented that there is a relationship between the dependent variable and the independent variables. Furthermore, the hypotheses test on the individual regression coefficients are presented, because it is helpful in determining the value of each of the independent variables in the model.

It can be shown from table 6 that four practices of Corporate Social Responsibility significantly predicted project performance of Cooperative Bank of Oromia.

Table 6: Test on Individual Regression Coefficients.

		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model		B	Std. Error	Beta		
1	(Constant)	.480	.150		3.197	.002
	Economic Responsibility	.151	.087	.124	1.726	.087
	Legal Responsibility	.274	.072	.283	3.817	.000
	Ethical Responsibility	-.054	.081	-.055	-.672	.503
	Philanthropic Responsibility	.253	.083	.257	3.036	.003
	Ecological Responsibility	.291	.053	.381	5.515	.000

a. Dependent Variable: Project Performance

Source: Survey Data, 2021.

The contribution of the two independent variables; ecological and legal responsibilities of the bank respondents view has a very strong significant relation with project performance as exhibited in the p-value ($p = 0.000$). Philanthropic dimension of CSR practices also significantly predicted project performance with ($B = 0.257, p = 0.003$). However, economic responsibility has no significant effect on project performance. Unlike the other four CSR practices, ethical responsibility had a negative effect ($B = -0.055, p = 0.503$). The beta value implies a negative result, which means for every 1-unit increase in ethical responsibility there is a 0.055 decrease in project performance. Thus ethical responsibility has no significant effect on the dependent variable.

5 Conclusion

The study has examined the effect of corporate social responsibility practices on project performance of Cooperative Bank of Oromia (CBO). The findings from the Interview, descriptive as well as inferential statistics showed that there is a significant relationship between Corporate Social Responsibility practices and project performance of Cooperative Bank of Oromia. Correlation and Regression inferential statistics are carried out. As for correlation, there was a positive and statistically significant relationship between the dependent variable and independent variables. In the case of multiple linear regression, the output of the regression analysis showed all the five CSR dimensions explained 53.7% of the variance in project performance.

The fact that the five predictor variables explain 53.7% of the variance on the outcome variable implies that other factors and constructs could potentially influence project performance in the bank; hence further research is essential in this regard. Looking at the beta and p values of the three corporate social responsibility practices (Legal, Philanthropic and Ecological responsibilities) proved to have a significant positive effect on project

performance except for Economic and Ethical responsibilities; Which infers that driving sustainable growth, maintaining a strong competitive position, promoting financial inclusion, organizational norms, work ethics and code of conduct may not be the key to increase the performance of a project in the bank? Subsequently, the findings are supported by [Schieg, 2009, Macías and Enrique, 2020].

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