The American University in Cairo

School of Global Affairs and Public Policy

THE ROLE OF INTERNAL CORPORATE SOCIAL RESPONSIBILITY IN PROMOTING EMPLOYEES’ COMMITMENT IN EGYPT

A Thesis Submitted to the

Public Policy and Administration Department

In partial fulfillment of the requirements for the degree of Master of Public Administration

By

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The American University in Cairo
School of Global Affairs and Public Policy

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DEDICATION

This thesis is really dedicated to my father who is the reason why I joined AUC in 2004 and did his best to place me in such reputable society and diverse educational culture. It was not for his devotion I wouldn’t have made it this far to my post graduate studies. Secondly, I would like to express my heartfelt passion to my great mother, my beautiful wife and my lovely daughter who all stood by my side to be able to achieve it to this level.

Last but not least, I would like to thank my work colleagues who truly supported me during those two years of academic study. People who loved me and wished me luck giving me strength to move on forward to achieve what I would have achieved on my own. Thanks for the good company of all people who really supported me and for that I am eternally grateful.
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THE ROLE OF INTERNAL CORPORATE SOCIAL RESPONSIBILITY IN PROMOTING EMPLOYEES’ COMMITMENT IN EGYPT

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ABSTRACT

This thesis highlights the importance of internal corporate social responsibility that can promote employees’ commitment to their workplace in Egypt. This study hypothesized that organizations that have high turnover rates fail to provide sufficient care towards their employees. This lack of attention comes in the form of no trainings, attractive incentives, and unsatisfactory health care insurances. Moreover, in some cases employees are forced to submit resignations at the first day of work as a condition to work. Organizations that look after their employees in terms of good health care insurance, staff trainings, continuous coaching, and employee activities engagement- turn to have very low turnover rates. The significance of internal CSR comes in the form of preserving staff commitment through maximum engagement of employees, transparency, positive working environment, and work life balance.

Interviews were conducted with 35 non-managerial employees in private organizations and five managerial level directors. The qualitative analyses of the findings reveal that most employees who left the company were looking after better packages and due to lack of organizational attention, whereas companies that heavily invest in its employees were able to retain and preserve them. The thesis concludes by providing some recommendations for companies to better retain its employees, such as having voice of the employees heard and reflected into the organization policies, provide transparency and access to information, foster positive working environment and finally to make work-life balance.
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Chapter 1: Introduction

Corporate social responsibility (CSR) is the loyalty of the industry to act morally and to add value to the economic progress of the society. (Baker, 2001, p.27) This is simultaneously with improving the quality of life of the workforce and their families as well. According to Baker (2001), some CSR applications can bring about the following benefits. First of all that it helps the attraction and retention of workforce. Secondly, it attracts green and ethical investment. Thirdly, it attracts customers with high conscious. Fourthly, it leads to cost reduction through recycling. Finally, it sets the organization out of the crowed and makes it unique in the competition of the market, as it could be a very strong privilege and source of power. It will also lead to more profitability on the long run. (Baker, 2001, p.27) He furthered explained that CSR has two different aspects usually stated as external CSR and internal CSR. The main aim of this research paper is to highlight the importance of internal CSR to retain employees, ensure their satisfaction and commitment to their workplace. Nowadays, there are companies that have high turnover rates in comparison to other comparable companies that has very low turnover rates. This study is investigating the organizations strategies trying to analyze how successful organizations were able to retain its employees while other organizations failed to do so. In order to understand this issue. This study explains the role of CSR in this context and analyzes how it plays a very crucial role in determining the success of operation of an organization. According to Ali et al (2010), the concept of internal CSR is relatively new in Egypt. This thesis will try to highlight the embedded values in the good relation between the employer and employees. Basically, Internal CSR addresses the factors that organizations should consider towards their employees to get the best out of them in terms of progress, work efficiency, development and better outcomes. In other words, private and public organization employees should feel appreciated at their workplace in order to be able to do the job efficiently and with good end results. (Ali et al, 2010, p. 2796)
According to Rayton (2013), the more organizations care about their own employees and provide them with vocational trainings, continuous coaching, and appreciation; the more they will earn their commitment and retain them from looking for jobs somewhere else. (Rayton, 2013, p.34) Organizations with high turnover rates tend to neglect employees’ interests. Most of the private organizations nowadays in Egypt hire workers on the basis of temporary contracts that do not provide work rights protection for the employees. (Jeremy, 2014, p.175). Temporary contracts do not comprise health care insurance, pension systems, nor social insurance in many of the cases.

The Egyptian labor law number 12 for year 2003, article 76 covers that employees should have their rights reserved, such as having proper working environment, normal working hours, and health care insurance. However, this is not the scenario in many cases, as the organizations have the upper hand and employees are in need for the job which pushes the employees and workers to accept the forced conditions no matter what they are. (Ali et al, 2010, p. 2797)

The situation of the Egyptian economy is very deteriorating especially after the two revolutions that took place since 2011. The current political situation is not very stable which has an impact on the flow of investments in Egypt. Ali et al (2010)

Reportedly private foreign investment in Egypt has been partially withdrawn from the country due to political instability, which led to the increasing unemployment and demand for work, resulting in the ability of more employers to set their own rules. Organizations impose their own terms and conditions on the workers who cannot reject in return and accept whatever terms applied on them since they are in need. (Ali et al 2010, p. 2800)

Here comes the role of internal CSR to protect the rights of the employees and workers. Internal CSR urges organizations not to exploit the employees and squeeze them due to their need of the job. It regulates the relationship between the employer and the employee. (Rayton, 2013, p.34)

According to Mark (1995), the entirety of CSR can be discerned from the three words contained within its title phrase: corporate, social and responsibility. Hence, in broad terms, CSR covers the
responsibilities corporations to the societies within which they are based and operate as well. (Mark 1995, p.40) More specifically, CSR comprises a business identifying its stakeholder groups and incorporating their needs and values within the strategic and day to day decision making process (Mark, 1995, p.41).

So why CSR is crucial?

According to Mark (1995), CSR is a crucial business component because, consumers want to deal with corporates and organizations they feel comfortable and trustworthy; vendors seek to generate business partnerships with organizations they can depend on. On the internal level, employees seek to get employed for organizations they feel trustworthy, and Non-governmental organizations will also admire to partnership with companies seeking good solutions and creations in common areas of same interest. (Mark, 1995, p.42)

The case is somehow different in developed countries in comparison with developing where one can see that employees in developed countries are aware of their rights. They feel secured and protected against any occupational diseases or accidents at the work place. However, in developing countries, there are substantial amount of workers who are working without a signed contract or even social insurance package from the employer. This is more of less how the scenario goes in the less developing countries where the employer runs after the best utilization of resources and maximize its profit even though if that comes on the expense of the human labor. (Jeremy, 2014)

On one side, there are organizations that ignore signing contracts with employees, and on the other side, there are workers who are not aware of their rights. But, also, it is due to that there is no job availability in the market, for most of the university graduates even, that is why most of the youth rush after the job opportunity without baring into consideration their legal and social rights that could protect them against the greed and exploitation of the employer as illustrated in Ali et al (2010).
Accordingly, the low-educated employees do not have the knowhow of laws and many of the biased treatment or violations they face at their workplace sounds like normal routine to them. Most of the companies might pretend that their agendas are looking after the welfare of its employee in the first place, whereas it could the one violating them in the first place.

According to Jeremy (2014), corporates should integrate social and moral values in their strategies that would grant equal rights to all employees. Strategies should ensure respect, transparency and fairness to all job seekers in order to maintain proper working environment clear from any discrepancies.

Most of the companies serving in Egypt, found that CSR as a policy is increasingly crucial for industry due to the altering social anticipations, as consumers and society assume more from the companies whose products they buy. This logic enlarged in the light of recent corporate scandals, which negatively impacted the public trust of organizations and reduced public confidence in their ability to be accountable for the community. (Jeremy, 2014, p.178)

Having stating the above issues about the different perceptions of workers and work rights as well, comes a very critical and profound subject which is the corporate social responsibility. Internal CSR is the field that deals with such issues. In other words, it addresses the responsibility of the corporate to both protect the employee and ensure successful mutual relationship between both the employee and the employer as well. The main purpose of the creation of the corporate is to generate profit but also to protect and retain its own employees as well. (Rayton, 2005)

CSR is the obligation by business to behave morally and add to economic development and bettering the standard of life of the labor force and their families as well as of their society. It is the responsibility of each business to safeguard the interest of the society at large and its own employees as well. (Van, 2003, p.44)
Some advocators such as Van, (2010), view that such controversial industries should adopt internal CSR initiatives within its operations to obtain legitimacy in the market. According to Hassan (2008), various strategies have been deployed from the type of those operating companies to get in contact with the society via cross-sector partnerships, social media channels and green policy implementation to make sure they are aligned with environmental policies and safety regulations that serve for both the interest of the internal working employees and external society stakeholder as well. (Hassan, 2008)

As Friedman was opposing the social responsibility of the business as he saw the only purpose of the business is to maximize profit, there were other advocators to the issue who strongly advocate the important role of the corporate CSR. Among them is Van Marrewijk, deserves special mention as he regards CSR as the remedy which will solve the global poverty gap, social exclusion and environmental degradation” (Van, 2003 p.44)

CSR of a business can be divided into two different areas. The first area is external CSR which targets benefiting the surrounding externalities and external stakeholders of the business and the second area is the internal corporate social responsibility towards the employees working in the corporate itself (Hassan, 2008).

There is a solid association between corporate acts and employees commitment. In other words, the more corporate is keen on preserving its own employees the more committed employees will be. As illustrated by Collier and Esteban, “Effective corporate social responsibility policies are a requirement for today’s companies policies to attract caliber employees” (Collier, and Esteban, 2007, p.33)

There is a strong connection between internal corporate set policies and the diversion of employee’s commitment. Collier and Esteban further interpreted that employee’s attitude and behavior will be influenced by the organizational philosophy and environment of the company, whether they do have real compliance with the firm values or it is just serving as a window-
dressing. Motivation and commitment of employees come directly from the policies each
corporate sets to itself. (Collier and Esteban, 2007)

Accordingly, it can be seen that the more organizations invest in the welfare of its own
employees, the more they provide them with vocational trainings, good healthcare packages,
social insurance the more they will be able to retain and preserve them. (Mark, 1995)

1.1 Research question:
Internal CSR is a strategy that enables the employer to retain and preserve its staff. It promotes
staff loyalty to their work places, increase motivation and improves their qualifications.
Organizations that strive to deploy successful internal CSR models have low staff turnover rates
in comparison to other comparable organizations that has very high turnover rates among its staff.
The more organizations pay attention to their employees and balance the interest of shareholders
with the stakeholders, the more those organizations gain in return. Based on this, the research
question of the study is:
"How can internal CSR not only protects employees’ rights but also promotes their sense of
commitment to their workplace?

1.2 Thesis objective
The main objective of this research is to understand the relationship between employee and
employer, in terms of mutual benefit. The thesis tries to illustrate how the accountability of
internal CSR from organizations side towards its employees can increase their work efficiency,
promote their commitment towards their work place as well.
1.3 Methodology

The researcher selected to use in-depth interview technique with open ended questions to create a room for extensive discussions. The interviews were conducted with 35 non-managerial employees in private organizations and five managerial level directors. The interviewees were selected purposively based on their operational level from different departments to make sure different perceptions are being covered from junior, intermediate, to managerial and senior level positions. Since the researcher is working at a multinational company that works in the real estate services field, he has access to lots of companies in the market. The researcher selected the two case studies based on his knowledge of the market, and there is no conflict of interest since the two case studies are far away from the researcher work. The researchers chose the qualitative research method as he is looking for explanations for factors and correlations that explain the importance of internal CSR. The researcher selected also the case studies as strategy of inquiry to best describe the theme from the information gathered.

1.4 Ethical Considerations

The researcher has been notified of the guideline of the AUC’s IRB requirements accordingly he has taken all the necessary regulations to fulfil the requested criteria of securing the participants and causing no harm to them. First of all, the participants were briefed about the reason of the interview, objectives, and the period of the interview. Secondly, all participants were instructed that all information gathered will be confidential and will their names will stay anonymous. Third of all, the participation was warranted to be on voluntary basis.
The researcher ensured to all participants that their responses will not be used for any other purposes than the research paper cause. They feared that their answers might be shared with their managers but the researcher ensured that their answers will be confidential and not shared among anyone.

1.5 Fieldwork and Data Collection

The researcher visited the two organizations (Case studies) and made the interviews on several stages and different timings as most of the participants were not always there in the workplace, either due to vacation or absence in some cases. The managers were briefed on the method and content of interviews as they requested to know in advance prior approving to accept to participate.

The non-managerial employees did not reject participating however, they were so welcoming the notion of having a channel to have their voices heard and even used in a research paper. That very much facilitated the job of the researcher and eased the data collection through very interactive interviews.

1.6 Structure the thesis

The thesis is divided into five chapters. This chapter (1) introduces the topic of internal CSR and how it can protect the business continuity relationship between employer and employee. And it also introduces how internal CSR can promote employee’s commitment to their workplace.

Chapter 2 discuss the country profile in terms of economic conditions, the political situation and social issues that could hinder or impact the development of CSR in general whether it is external or internal. It will also comprise the legal frame work of Egypt. The declarations, rules and regulations of the Egyptian labor law and its latest amendments. It will also discuss how the political system in Egypt has been dealing with CSR activities specially the external activities.

Chapter 3 focuses on the conceptual framework of and the perception of the importance of
internal CSR. Chapter 4 covers the introduction of the case studies in depth along with the practices with its own internal employees and their relationship with their stakeholders. Chapter 5 covers the discussion and analysis of the conducted interviews to show the feedback of both the employer and the employees as well. The analysis will demonstrate the different perceptions of internal CSR in both companies and how better internal CSR policies influence employees commitment and stability as work.
Chapter 2: Literature Review

2.1 The History of CSR Concepts

The CSR notion appeared in professional operations as early as 1870s. (Vida 2012, p.49)

Main countries of CSR that witness rise of this concept were the USA and the UK, where it Rayton mentioned that the first introduced Internal CSR was found in the formal writings in the “Journal of Political Economy (Rayton, 2013, p.34) if men are responsible for the known results of their actions, business responsibilities must include the known results of business dealings, whether this have been recognized by law or not”. (Rayton, 2013, p.34)

According to Milton Friedman “few trends could so thoroughly undermine the very foundations of our free society as the acceptance by corporate officials of a social responsibility other than to make as much money for their stockholders as possible” (Friedman, 1962, P.39)

Whereas Dave Packard stated that “I think many people assume, wrongly, that a company exists simply to make money. While this an important result of a company’s existence, we have to go deeper and find the real reasons for our being. As we investigate this, we inevitably come to the conclusion that a group of people get together and exist as an institution that we call a company so that they could not accomplish separately- they make a contribution to society, a phrase which sounds trite but is fundamental”. (Rayton, 2013, p.34)

Accordingly, the operating business within any society should define its own stakeholders to which the business could have accountability towards them. That business should take into consideration their moral obligation towards their surrounding environment and also towards their society. The stakeholders of the business could be employees, supply chain vendors, and also customers as well. This is where the important role of CSR comes along to illustrate how businesses should behave within not only its narrow scale but also to consider its broader surroundings.
According to Hassan (2008), the ethical value for corporate social responsibility is that businesses should strive to do good impact in the society simultaneously with generating profit. Businesses heavily are in need of the infrastructure, roads, transportation and other services. Businesses can’t stand on their own with the help of the society within it is operating. The businesses will also hire from the human power of that society and accordingly it should be good role model to be able to attract good calibers and human resources. Hassan (2008) Advocates of CSR such as Martin Moser, Charles Handy, and Van Merewikj believe that, in general, the aim of any operating business systems should be to promote stakeholder benefits and also look for the social wellbeing. According to Iamandi (2008), advanced economies, the role of the business should cross the boundaries of achieving only profit, but it should also have some accountability towards the society within which the business is operating (Iamandi, 2008). The evolution process of CSR concept has undergone certain transformation by testing practices and conducting researches. After Bowen’s initial attempt in 1957, CSR concept entered another area, subject to alteration in form and content. According to Martin (2005, p. 34) CSR advocates claim that no organization can stand on its own, in separate zone from the community. They see that any business should give back to the community due to the mutual exchange relations that was mentioned previously. (Martin, 2005) The external side of CSR, scholars such as Bhushan Chandra, Muro Ana, Chan Anita covered the external side of CSR, scholars such as Bhushan Chandra, Muro Ana, Chan Anita covered whether CSR should be linked to real societal development or it is just more of a take than give.
to the organizations that benefit from CSR through advertisement for their products hidden in CSR campaigns. (Martin, 2005, p.38)

In their article, Barsoum and Rifaat (2015) talked about the challenges and obstacles CSR implementation is facing in Egypt, among which is the knowledge gap and undertaking projects that has no need for the society. They further illustrated that CSR could be seen as bad development when it is targeting to advertisement or public relations that would benefit the organizations rather than real stakeholders. Collier and Esteban (2007) argued that internal CSR is an essential part of the organization’s success. They conceptualized internal CSR as “socially responsible behavior by a company towards its employees. This behavior is mainly expressed through employee-oriented CSR activities such as fostering employment stability, a positive working environment, skills development, diversity, work-life balance, empowerment and tangible employee involvement”. (Collier & Esteban, 2007, p.24) The role of internal CSR in strengthening employee commitment is very crucial specially CSR initiatives and good human resources practices that can preserve employees through positive reputation and legitimacy.

2.2 CSR definitions:
To have a clear representation of CSR development. The researcher will combine in a table main figures that have contributed to enriching CSR literature both internally and externally.

**Table 1: CSR Definitions**

1960’s

<p>| <strong>Keith Davis (1960)</strong> | “Businesses ability to do good for the society and good for its own employees.” <em>(Collier &amp; Esteban, 2007, p.19)</em> |</p>
<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Quote</th>
<th>Source</th>
</tr>
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<tbody>
<tr>
<td>William C. Frederick (1967)</td>
<td>“Social Responsibility in the final analysis implies a public posture toward society’s economic and human resources and a willingness to see that those resources are used for broad social ends and not simply for the narrowly circumscribed interests of private persons and firms”. (Collier &amp; Esteban, 2007, p.21)</td>
<td></td>
</tr>
<tr>
<td>Joseph W. McGuire (1962)</td>
<td>Internal CSR is what drives business to success and continuity through caring for employees and offer them the best possible (Collier &amp; Esteban, 2007, p.21)</td>
<td></td>
</tr>
<tr>
<td>Keith Davis &amp; Robert Blomstrom (1968)</td>
<td>Corporate social responsibility is to cause no harm for the environment from which we acquire all our resources. We should also look for the welfare of our employees to best retain them. (Collier &amp; Esteban, 2007, p.23)</td>
<td></td>
</tr>
</tbody>
</table>
| Harold Johnson  
(1971) | “A socially responsible firm is one whose managerial staff balances a multiplicity of interests. Instead of striving only for larger profits for its stockholders, a responsible enterprise also takes into account employees, suppliers, dealers, local communities and the nation. (Collier & Esteban, 2007, p.24) |
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<tbody>
<tr>
<td>Henry G. Manne &amp; Henry C. Wallich: (1977)</td>
<td>To qualify as socially responsible corporate action, a business expenditure or activity must be one for which the marginal returns to the corporation are less than the returns available from some alternative expenditure, must be purely voluntary, and must be an actual corporate expenditure rather than a conduit for individual largesse”. (Collier &amp; Esteban, 2007, p.24)</td>
</tr>
<tr>
<td>Thomas Zenisek (1979)</td>
<td>“combination of moral and legal obligations is what successful internal CSR is” (Collier &amp; Esteban, 2007, p.25)</td>
</tr>
<tr>
<td>Author</td>
<td>Year</td>
</tr>
<tr>
<td>---------------------</td>
<td>------</td>
</tr>
<tr>
<td>Thomas M. Jones</td>
<td>1981</td>
</tr>
<tr>
<td>Peter Drucker</td>
<td>1983</td>
</tr>
<tr>
<td>Michael Hopkins</td>
<td>1985</td>
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</tbody>
</table>

2000’s
<table>
<thead>
<tr>
<th><strong>European Commission</strong>&lt;br&gt;(2000)</th>
<th>“CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (Collier &amp; Esteban, 2007, p.28)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The World Business Council for Sustainable Development (WBCSD)</strong>&lt;br&gt;(2002)</td>
<td>“CSR is the continuous involvement of business with the stakeholder’s interest to ensure successful relationships between the two pillars. (Collier &amp; Esteban, 2007, p.28)</td>
</tr>
</tbody>
</table>

CSR Development:

The previous table shows the various definitions of both internal and external CSR. Over time the main core of CSR interpretation shared a lot in common. Most of the scholars defined internal & external CSR as the company obligations towards their employees and their societies at large. They have addressed how caring about employees and outer societies will foster employee’s commitment and stability simultaneously.

2.3 Correlation of Internal CSR & External CSR in promoting employees’ Commitment:

According to Lamandi (2008), there is a strong connection between employees’ engagement in external CSR projects and their commitment to their work place. As employees’ commitment and loyalty to their corporate increase when they participate in external CSR volunteering their time and effort in community service. This establishes a strong connection between the company internal CSR and its societal activities that employees become part of. (Lamandi, 2008)

2.4 Internal CSR components:

According to Baker (2001), internal CSR components includes attractive factors companies should abide by in order to best retain their employees, ensure their satisfaction and commitment to their work place. Components of internal CSR does not only comprise company internal activities but also it comprises employee’s participation in the external CSR activities of the company as both sides contributes to the staff commitment to their work place.

2.4.1 Employees maximum engagement:

According to Rayton (2005), employees’ maximum engagement in the social activities and day to day operation of the company should be the main concern of the organization as this will have a
very positive impact on employees’ perceptions of their company. He also added that the more integrated they are, the more valued they feel. (Rayton, 2005, p.22)

2.4.2 Promotion of decent work and decent life

According to Rayton (2005), in order for companies to promote decent work and decent life standard for the employees, they should provide safety in the workplace; offer proper working conditions and respect human rights. No discrimination between employees due to race, religion, color or personal views. (Rayton, 2005, p.34)

He furthered explained that all employees should have equal opportunities to get promoted based on their effort and efficiency showed from their side, not based on favoritism or personal connections. According to Tarique & Belal (2008), companies that invest in its employees trying to offer them proper work standard, positive working environment and skills development tend to have more stable staff. (Tarique & Belal, 2008)

2.4.3 Community involvement through philanthropic activities:

Tarique and Belal (2008), further explained that community engagement comes in the form of NGO’s partnerships, society activities, awareness campaigns that some organizations can do such as pharmaceutical companies that do awareness sessions and TV adds to enlighten people of certain hazardous. Such involvement positively influence the reputation of the firm and increases its credibility in the market. (Tarique & Belal, 2008)
2.4.4 Promotion of social dialogue

According to Rayton (2005), the promotion of social opinions exchange can be through stakeholder exchange of ideas and open channels that can provide two way feedback. Imposing transparency and frequency of reporting whether it is good or bad results at the end greatly enriches the notion of credible relationship between the organization and its both internal and external stakeholders. (Rayton, 2005)

2.5 Literature Gap:

The researcher explored the literature written on internal CSR and most of the literature covers only external CSR and shareholders benefits. Various topics have been covered addressing CSR in general and how companies do benefit from their engagement in external CSR activities or projects. Very few literature addresses the issues of internal CSR and its influence to promote staff commitment to their workplace. The researcher is exploring the correlation between employees loyalty to the corporate and the benefits they get from the corporate is not well examined through evidence, and this is the contribution of this research.

The value of this thesis lies in its trial to fill in the literature gap between external CSR and internal CSR, as it explores the importance of internal CSR to the organization and to the employees as well, since maintaining healthy and mutual benefit relationship between both the employee and employers is what internal CSR is about. Accordingly, the researcher tries to fill in this gap via exploring the secondary data published and primary data sources through interviews conducted and case studies investigated.
Chapter 3: Conceptual framework

3.1 Introduction

The reason of using a conceptual framework is to explicitly demonstrate how internal CSR can positively influence the commitment level of employees towards their own company. This researcher work in private company in Egypt that granted access to various companies working in Egypt which exposed him to various companies working in different fields and services. The selection of the case studies were based on a criteria of factors such as capacity building and number of employees’ head count. Both companies are as the same size in the market. They both deliver the same product. This research will focus on the internal packages that include, financial benefits, medical insurance, social insurance, pension system, life insurance, and vocational trainings and investment. This selection is mainly because each case represents the opposite to each other, as company A implements the internal CSR model, Company B is heavily deploying the for profit model solely leaving behind the importance of taking care of the employees. One Model is stable in the market and has very low turnover, while the other model has high turnover and loosing clients as well due to lack of investment in employees’ motives that can retain them and earn their loyalty.

3.2 Employees’ commitment and development barriers:

According to Welford and Frost (2006), though the conditions of the private sector organizations might seem good to most people, but the real thing is that most of the private sector employees suffer from various conditions. Most of The private organizations in Egypt violate workers’ rights through various forms (Welford & Frost, 2006, p.166). Violation comes in the form of working without signing contracts, in some cases no social insurance nor medical care insurance. Welford and Frost (2006), furthered explained that the general conditions of the country heavily burden employees, as they are suffering from bad circumstances and conditions”.
According to Baker (2001), employees lack as well many of the qualifications that can enable them to do better at their jobs. They Lack vocational trainings, proper health care and social insurance, temporary contracts, and last but not least low salaries as well.

3.3 Concepts and their analysis:

Good internal CSR practices, can increase employee’s engagement for more creative, comprehensive and well-organized work. To generate a modest and unbiased office work environment, rewarding strategy can be implemented leading to a dynamic and constructive working conditions. According to Carroll and Lee (2011), when employees’ interests are fulfilled they would give the best they have back to their work and we will have high productivity in return. (Carroll & Lee 2011). Moreover, the more care and intention given to employees the more commitment, productivity and high profit the company will accomplish.

First of all in order to precisely analyze to what extent whether a company have good internal CSR or not, the research refers back to Moser who interpreted the CSR model and how it better works. (Martin, 2005 p.69) Moser further explained that in order to assess whether a company has good CSR or not both internally and externally they should be fulfilling the following model;

CSR= (Law, Intent, salient information, efficiency)

3.3.1 Conceptual analysis of CSR?

According to the various literature on CSR, the best description for the term CSR, is the continuous commitment of a business to give back to the stakeholders and surrounding society. (Baker, 2001, p.32) The researcher perceived the concept of CSR, during his field work and the interviews made with the CSR projects initiators, that CSR does in fact influence the motivation of employees to do something good for their society. Most of the companies open the door for the voluntary employees’ participation in external CSR projects which enriches their sense of commitment and belonging to their companies. Their participation promotes their sense of loyalty as they serve their societies back. The work
routine that most of the employees might complain from is relieved via helping the other. Accordingly, as cited in (Carroll & Lee 2011) CSR not only delivers the good intentions of the organizations, most of the time, but also it integrates the employees and engages them in community work that gives them sense of added value to their societies, which William C. Frederick covered in the literature review and many other scholars talked about CSR. (Carroll & Lee, 2011)

3.3.2 Internal CSR perceptions:
The researcher perceives internal CSR as the organization’s strategy to invest in its employee through various approaches, such as vocational trainings, employees’ engagement activities, social integration and improvement plans. Such approaches enable the organization to retain its staff and promotes their commitment leading them to give the best they can at their workplace, which was illustrated in the literature review of Carroll and Lee (2011). According to, Gkorezis and Petridou (2008), internal CSR helps promote the sense of commitment and ownership at the employees, which requires a lot of work to be done from the organization’s side to embed those feelings into the employees. (Gkorezis & Petridou 2008, p. 20)

3.3.4 External CSR perceptions:
The researcher perceived external CSR as the commitment of the organizations to look after its externalities which comes in the form of good use of resources, causing no harm to the environment, to behave towards better economic and social development through partnerships with NGO’s or society stakeholders to better preserve their interest. This definition goes along the arguments of the literature review that external CSR looks for the interest of the outer surroundings.
The below figure demonstrates how relevant internal CSR is not only to promote employee’s commitment but also strengthen the company productivity. Organizations that invest in its employees in terms of vocational trainings whether its onsite trainings or off site trainings, taking care of their stakeholders, and outer society, proving their staff with required qualifications to improve and develop, gain back their staff loyalty in return. The arrows of the below figure describes how each component leads to the other.
Chapter 4: Case Studies

4.1 Introduction:

As previously mentioned, the researcher is working at a multinational company that works in the real estate field, he has access to a reasonable number of companies in the market. The researcher selected the two case studies based on his knowledge of the market. The two companies requested to be anonymous, accordingly, the researcher refers to both companies as company A and Company B.

Company A is the one that has low turnover rates, stable staff and deploys the internal CSR model, while company B is the one that has high turnover rates and focuses only on profit maximization without focusing on its employees.

Below is the selection criteria upon which the researcher selected his case studies.

**Table Three:**

<table>
<thead>
<tr>
<th>The selection of the case studies was based on the following criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- capacity building and Head count of employees</td>
</tr>
<tr>
<td>2- Both companies are as the same size in the market</td>
</tr>
<tr>
<td>3- They both deliver the same product</td>
</tr>
<tr>
<td>4- This selection is mainly because each case represents the opposite to each other</td>
</tr>
</tbody>
</table>
5- Company A implements the internal CSR model, Company B is heavily deploying the for profit model solely leaving behind the importance of investing in its employees.

6- Company A has very low turn over rates/ has stable client-relationship

7- Company B has high turnover rates/ losing contracts with clients

4.2 Company A: Introduction:

Company A is a private organization in Egypt works in the field of hardware and software services. They are supplying the public sector with a lot of services, such as supplying network connections, printers network setup, data cables setup and telephones systems networks. They also supply the Egyptian government with the electronic ships needed for many industries and major data cabling in the big projects run by the government

4.3 Financial Statements transparency:

The multinational organization has clear transparency regarding their financial statement which is published on yearly basis in their annual report. Last year it published that their net revenue worldwide for fiscal year 2014 was $111.5 billion. From the previous mentioned revenue company A dedicates 5% to its external and internal CSR projects.

4.4 Organization A Philanthropy:

Organization A has various operations all over Egypt. Along with their t major operations in Egypt, there is a very crucial factor which is their societal integration and giving back to the community from their side towards their customers, stakeholders and their employees as well.
In other words, company A has a very strong corporate social responsibility both internally and externally which was clearly stated in their CSR reports” (company Report)

CSR rests as the fundamental value of the organization and CSR, they have initiatives that targets many of the poor places and slum areas in Egypt. They have participated in various projects that offer financial aid to poor villages in Upper Egypt and other governorates such as AL Mansoura, Qalyoibya and Port Said. (Company Report)

Organization A has CSR projects that serve many places in Egypt. They have assigned five percent of their net profit value to the charity works and partnerships with various NGO’s serving in many governorates in Egypt. In case the Company fails to spend the above targeted amount in that particular financial year, the CSR department reflects the money back to the designated account of CSR and they are kept on hold to subsidize any upcoming projects that would serve the society. (Company Report)

4.5 Internal CSR Level:

Organization A was able to integrate their employees within their business charity activities both externally and internally. On the external level, they encourage the employees to participate in the charity projects, such as Ramadan campaigns, voluntary teaching lesion to school students, blood donations campaigns etc. most of the employees come from different places in Egypt, they come from various governorates. Most of the charity external CSR projects are located where the employees live, so the sense of loyalty and giving back to their societies increases significantly. (Company Report)

The organization also has social innovation activities includes partnership with many NGOS in Egypt to better alleviate societal problems in multiple governorates in various fields such as Medical, environmental, and poverty reduction through offering employment opportunities for
the youth) via employees engagement in social activities such as Ramadan Bags packing, organizing orphans events, offering interpersonal skills sessions for the youth, visiting hospitals. The organization also perform other projects such as recycling plastic parts and shredded paper in to raw materials to be reused once again in other purposes. (Company Report)

4.6 Legal Framework:

According to Company A legal Department, “Legally, the corporate is listed in the commercial registration I Egypt for the law no 159 for the year 2000 ending in 2031 to be renewed” the corporate laws abide by the national law of Arab Republic of Egypt.

In Egypt, Company A doesn’t have a separate CSR department so there is no hierarchical structure entailed. They are not familiar with the term of CSR or aware of the global CSR initiatives, even though there is annual Company Report that is published on their website portal. (Company Report)

4.7 Moral Framework (ethical):

On internal scale, Company A not only comply with hiring the 5% handicapped employees but offering them with flexi- working system that allows them to work from home for more than two days a week. Company A offers very good health packages for their employees that covers their whole family members as well.

They provide their employees with comprehensive medical care that is covered by an insurance company that has worldwide network not just local network.

4.8 Company B: Introduction:

Organization B is a private organization that has network joint ventures in Egypt. It has branches and joint ventures in many countries worldwide. It is serving in the field of infrastructure, IT
software and hardware products for many countries around the globe. Major product line is networks setup for most of the major well-known companies. It is based in Egypt since 2002 registered as private company. (Company Report)

4.9 Financial Statements transparency

Company B has clear transparency regarding their financial statement which is published on yearly basis in their annual report. Their total revenue of 7.697 billion EUR (2014). They participated in various external CSR projects such as Green environment projects which aims to use recyclable materials that would do no harm to the environment. They embarked on a project that would aim to receive back old computers and other spare parts to be recycled by the company in case the customer decides to sell his/her used laptops or spare parts. (Company Report)

4.10 Company B Philanthropy

Company B is not engaged in any external philanthropic activities nor engagements with any NGO’s nor civil society associations. In searching for their corporate social responsibility it turned to be that they don’t have CSR department nor CSR statements that is targeting any giving back to the community. However, they do have separate initiatives in various parts of the world. For instance, they do solid waste recycling process in Germany that takes back any used obsolete spare parts to be recycled. But in the context of Egypt though the company is operating worldwide with a slight CSR initiatives and activities, there is no signage for any CSR activities for the company Branch in Egypt. On the internal scale level, the company manages to abide by the Egyptian labor law in employment terms and conditions, but to the minimum level which will be explained further in the coming chapter.
The company had individual endeavors to mingle societal attention with the main operations of the company but it was opposed from the company senior management. According to the interviewees responses “the company does not care too much about the external surrounding. Whatever is outside their territory of investment is not one of their interests”.

4.11 Legal Framework:

As mentioned before the company has no CSR department that work with any NGO’s. the company is registered under the Egyptian investment law of foreign trade 12 /1991. The company employs foreigners as well as Egyptians.

4.12 Moral Framework

Company B applies to the minimal level of obligations imposed by the Egyptian labor law. So, they provide the workers with signed contracts, agreed working hours, job descriptions. They also provide them with their social insurance, annual paid vacations, and minimal health care insurance.
Chapter 5: Internal CSR Qualitative Analysis:

5.1 Introduction

On internal scale, Company A not only comply with hiring the 5% handicapped employees but offering them with flexi-working system that allows them to work from home for more than two days a week. Company A offers very good health packages for their employees that covers their whole family members as well. (Organization A HR Director)

In an interview with the HR Director of company A asking about how it views its Human resources, she interpreted that they heavily focuses its major attention to its calibers who form their actual wealth.

“Here our employees are our major focus of concern. We exert our best effort to retain our best calibers and preserve their continuous satisfaction through various channels to maintain their commitment and make them feel home” (Organization A HR Director)

Company A has good internal CSR towards its employees. They offer various attractive packages that go beyond the obligations of the Egyptian labor law. As article 39 of the labor law of 2012 states that employees should be covered socially with the minimal requirements of social and medical insurance as well.

Company A looks after its stakeholders to retain them and in return benefit the corporate as well. On the vocational level, it provide its employees with online training courses such as interpersonal skills, commination skills, business management skills, that strengthen their vocational skills and their interpersonal skills as well, as informed by the HR director.

“We offer our employees with not only vocational trainings that directly promote and develop their practical skills, but we also provide them interpersonal skills
that make them qualified both personally and professionally, that includes presentation skills, communications skills and how to manage work-life stress” (Organization A HR Director)

Company A provides its employee with full comprehensive medical packages that not only cover the employees themselves but also cover their whole family members from the first degree. The medical package includes 100% fees coverage for medical checkups. Two hundred US Dollar on yearly basis for manufacturing eye medical glasses, and open edge for serious surgery or work accidents. “Last year we covered a surgery that did cost 700,000 EGP for one of our employees due to work accident while going back home” (Organization A HR Director)

On the family level, the company bares the cost birth delivery and even the maternity monthly follow up for the female employees and for the male’s employee’s wives with no limit on number of children.

“My wife gave birth in one of Egypt’s reputable hospitals, I bared no cost even for the medicines prescribed I bought them and then submitted them to Buba representative for a refund” (Organization A employee)

The previous example of company A employee’s wife who had child birth costs covered, was so grateful to his corporation. “Such activities not only strengthen the employee’s commitment to their organization but also it helps retain our employees from going to other competitor in the market” (Company A HR Director)

Company A launches various social activities that intents to bring along all employees with their senior management together to not only break the ice-barrier but also to help spread the feeling of unified team. Recently, they have launched the bicycling run-way activity and coffee talk hall every month to listen to the employees’ voice and business engagement that all employees participated in including the senior management levels. (Company A HR Director)

“I was so excited riding my bicycle with my colleagues next to our head department, whom I heard was very harsh and not lenient the time I joined company A. However, this activity showed me how friendly and sociable he was” (Organization A employee)
The above example illustrates how employee’s engagement activities could be so useful to break the ice between new comers and their direct managers or even colleagues.
COMPANY B Analysis:

Company B employees are not happy at all with their company strategy nor with its performance in the market. There is a very high turnover among employees and this is due to their lack of care for their internal employees as evidenced from the following comments of one of the interviewees.

“We have asked for training and education development programs that would benefit the core of our jobs and increase our competitive level in the market, but it is always confronted with rejections or ignorance, they don’t understand how much this will promote our professional level” (company B employee)

In an interview with the HR director of company B the HR director said that they have very limited budget set for the vocational trainings of employee. And that most of the time the budget assigned is used for other business operational purposes. (Company B HR director)

Ignoring the potential powers within these human resource is a huge drawback in business operations in the market. As this will force the employees to look for another opportunities in the market and might have valid reasons to leave their current company. Company B didn’t care to look after its own employees and they rushed after winning the external clients. They didn’t think that by ignoring the importance of successful internal CSR it will be impacted on their competing level in the market.

“We have lost many of our clients because simply the company when contracted with new clients are so successful with attractive presentations but when it comes to real implementation of the contract service level agreements, they fail to implement and deliver high level of trained employees as promised in their presentations to the clients” (Company B department Head)
The company B strategy is to offer the best they have to the external clients to attract them but they fail to comply with what they promise because they do not have qualified employees who can do the after sale service or follow up. Applying the CSR assessment model we will find that an important factor is being left behind which is efficiency of the employees. Company B does not focus on employee’s trainings or their engagement to best hear their voices and integrate their comments in their action plans. (Company B managerial level employee)

On internal scale, Company B failed to retain and preserve its own employees. The company strategy was moving towards achieving maximum profit at the expense of its own employees which trigger them tremendous losses and bad reputation in the market according to one of the employee’s statements:

“We reached a conclusion that our company is moving ahead toward achieving the maximum profit they can on our expense. The fact that they promise their clients too much not based on factual ground cost them a lot of loses and subject them to many contract breaches with client’s deals which we witnessed a lot in this company”

The company is suffering a lot of drawbacks in running its human resources. They do not link their success as a company with the strategies they set for their employees. One of the issues we came across while addressing the issues of this company was the turnover rates. Company B has very high turnover rates compared to Company A. tracing the root cause of such high turnover rate was sort of clear from the responses of the interview who still work in the company:

“The only investment the company is caring for is increasing the revenue of its shareholders ignoring the interest of its major stakeholders who are the backbone of its operations, we the employees”. (Company B managerial level employee)

Most of the interviews reported negative feelings about their company and they claimed that the only reason they continued working for it is that they did not find another alternatives yet. And
the time they get another option from another competitor they go for it without second thoughts as conveyed from their responses:

“My colleague who spent 5 years in this company got a very good offer from a well know company. He promptly accepted the offer which had much more privileges than our current status. I knew from him that they are getting comprehensive medical packages, flexible time attendance, travel options and even entertainment corporate deals with special rates”

(Company B mid-management level employee)

The interviewee implied that the offer accepted by his colleague has more social responsibility from the firm than their current firm. Such indication from the employees interpret the frustration level they reached as many of the resigned employees who got better offers outside the company are helping their ex-colleagues to share their CV’s with the new companies they went to.

This is a very critical indication as the company B has shut down many contracts with various clients due to loosing many of their employees. Some of the current employees even reported that many of their colleagues who left the company work for direct competitor which is very bad from their opinions as they knew how many of the day to day operation were running and most of the company secrets are now shared with competitor as they call it.

Most of interviewees feel very disappointed from their company. Two female participants claim that on their maternity leave they faced many problems getting the leave approval which is 3 months paid and covered by the law. One of them stated that the HR director told her she can’t get the maternity leave due to work load and no backup available to cover up for her absence.

“I can’t believe that we fight to get our basic work rights that is granted by the Egyptian labor law and well known for everybody. On my maternity leave I was forced to fight through approval channel to make sure I can go for my leave safely and to ensure that my place will not be taken by someone else. And yet, when I came back from my maternity leave I found that I was deprived from my bonus that everybody in the company took except me. Most probably that is due my confrontation with the HR director who put me in his mind apparently”

(Company B female interviewee)
As we can see how small things in company B was so personalized and employees had to suffer just to get their basic rights that is granted by the law. Going through another example of bad treatment to internal employees is the hiring of the handicap percentage that is imposed by Egyptian labor law. According to the Labor law, companies are forced to hire 5 percentage of the handicapped people in their corporates. I have met with the only handicapped employee in the company who really had very bad experience in both the first interview and in the work day to day activities after being accepted and hired. This employee was hired 3 years ago as a call center agent for external clients and as a receptionist front desk as well. The handicapped employee stated that being a handicap requires sort of flexibility that he didn’t find in company B.

“I have suffered a lot and still suffering from my work here. I first signed the contract agreement to work as a call center agent. A desk work that doesn’t require me to move a lot as I have problem in my right leg that doesn’t allow me to move a lot. At first I was hired as call center agent, but I actually end up doing external company errands which is very hectic physically to me and it is against my initial agreement with the company”

The fact that working against the favor of the employees especially the handicapped greatly affect the progress of the company and affects its position in the market. (Rayton, 2013.)
Chapter Six: Conclusion

In comparison of the two companies A and B it can be seen that the stronger internal CSR organizations have towards its employees the stronger employee’s commitment to their organization will be. The results of analysis of internal CSR in private organizations were applicable to public and nonprofit organizations for the following reasons:

both private and public sector employees share in common unsatisfactory working conditions. They both lack many factors of effective internal CSR such as employee’s activities engagement, vocational training, developing interpersonal skills and communication skills as well. Also, they lack continuous coaching and providing feedback every now and then so the employees would be aware if they were on the right track or not.

One of the major obstacles public organization employees face in Egypt is the daily slow routine that not only waste time but also kills innovation and creativity in the employees themselves. According to Vida (2012), most of the public sector employees in Egypt were also not well trained and lack many of the vocational skills that could make them up to standard to serve the public sector. Public sector employees suffer a lot of drawbacks due to various factors. They suffer from the very low salaries they were getting which drive them to take bribes to subsidize themselves and have better life standards. Though this was not a motive to justify accepting bribes as a source of living but this is one of the consequences of corruption. (Vida, 2012, p.53).

Organizations that left behind the investment in its own employees are subject to huge loses in terms of weak employees commitment to their corporate, losing reputation in the market, and low productive outcome; Such corporates lost their calibers and had them hunted by other competitors in the market. From the interview’s answers of company B employees, it could be seen that the common answers they all agreed on were that company B policies works against the favor of the internal employees which decreased their productivity and commitment level. It also triggers high turnover rates and instability among current employees who were still in the company.
Among the factors that hinder their productivity is the very low packages offered to them, especially the medical insurance that only covered them and excluding their families. Even the medical package they were offered excluded most of the crucial matters such as dental, child birth expenses and any optical operations. The interviews conducted reflects how company B practices negatively impacted the employee’s business continuity and influences their loyalty to their company. The strategy of the company was heading towards profit maximization on the expense of retaining its own employees. They did not relate the fact they were losing clients with their deficiency improving the standard of their own employees and provide them with the quality of vocational trainings needed to better build up their professional productivity. Accordingly, it could be seen that most they focus on only on profit making the more they lose in return. In comparison, Company A has successfully achieved very low turnover rates among its own employees. They managed to strengthen their position in the market and to gain the trust of the clients, having long-term business relationships with them.

Company A strategic management was keen on preserving its own employees because they realized how crucial it was to protect and improve their employees skills. Company’s wealth was not the assets or stocks they had, but rather their human resources treasure. The interviews conducted reflects how good company practices complied with the conceptual practices of CSR. Internal CSR should look for the best interest of the employees as stakeholders. It was addressed in the literature that companies treasure lies in its ability to retain its calibers, which company A met and company B failed to accomplish.

Accordingly, it could be seen that most of the more focus and care employees have the more commitment and appreciation they have towards their own company. Actually, during the interview with the HR director, she stated that Company A management was always keen on preserving its calibers to avoid competitors in the market to attract them. Since corporate’s values lies in its manpower (Van 2003, p.34) While company B HR director was always referring to the
company senior management and how it was crucial to go by their variable policies that change every now and then. It was crystal clear that they were not caring too much about its own internal employees as much as caring to abide by the laws and policies set from the top management even though it might conflict with the employees benefit and interests.

The below table compares the benefits of internal CSR in the two companies A & Band how it leads to employees’ commitment.

<table>
<thead>
<tr>
<th>Company A Internal CSR</th>
<th>Company B Internal CSR</th>
</tr>
</thead>
<tbody>
<tr>
<td>► Has transparency and access to information</td>
<td>► Though company B financial statement is published on their website, internally project Managers do not have access to projects budgets nor access to information except with written approval from the GM. (Interviews responses)</td>
</tr>
<tr>
<td>Maximum level of employees engagement and participation</td>
<td>No employees’ engagement activities nor participation.</td>
</tr>
<tr>
<td>Hold monthly coffee talk meeting to listen to employees complaints, problems, escalations, their opinions about services provided to them, work processes.</td>
<td>No social gathering nor staff-board meeting to listen to employees opinions, or problems</td>
</tr>
<tr>
<td>Initiate monthly surveys on their web-portal to all employees to express their opinions in their direct managers- all anonymous</td>
<td>Job descriptions can be changed frequently based on the business needs.</td>
</tr>
<tr>
<td>Flexible work time that gives employees free room to customize their presence at work.</td>
<td>Rigid attendance time that can extend to 12 hours continuous work which is contradicting with their initial signed contracts.</td>
</tr>
<tr>
<td>Organize social activities where all employees meet once a month with their managers and GM as well to build a strong bond between team members.</td>
<td>Employees do not have channel to express their opinions, needs, escalations as their voice is not heard.</td>
</tr>
<tr>
<td>Transportation services that covers Cairo and other governorates</td>
<td>No transportation service or allowance given to people who live far away.</td>
</tr>
<tr>
<td>Employees organize charity bazar at their work place where they invite poor families and small producers to display their products and employees buy from them.</td>
<td>No external CSR activities</td>
</tr>
<tr>
<td>Company A also invites blood donation campaigns with coordination of the ministry of health so employees can donate blood</td>
<td>No societal engagements</td>
</tr>
<tr>
<td>Comprehensive health care insurance that includes family members from first degree. Paid child birth operations up to 3 children</td>
<td>Very basic health care and social insurance to abide by the labor law to a minimum level</td>
</tr>
<tr>
<td>Life insurance- critical surgeries coverage open ceiling.</td>
<td>No life insurance- surgeries expenses are not covered.</td>
</tr>
</tbody>
</table>
- They arrange for doctor visits on site once a week to see if any employee has health issues to raise with the doctor for advice.

- They arrange onsite sessions from professionals to talk about social issues such as marriage stress, anger management, work stress etc.

- Employees stability & commitment

- Most of the employees leave the company with the first opportunity they find.
From the interview answers of company employees, it could be seen that the common answers they all agreed on was that company A had great social responsibility that preserve and strengthen their commitment to their company. Among the factors that best serve their interest was the packages offered to them, especially the comprehensive medical insurance that not only covers them but also covers their families as well. Most of the employees stressed the benefits they gain from company A in the form of good working environment, good medical insurance and social insurance that goes beyond the boundaries of labor law according to the Company A director.

The interviews conducted reflects how Company A practices comply with the literature written on CSR and CSR Model. Most of the literature entails how internal CSR should look for the best interest of the employees as stakeholders. It was addressed in the literature that companies treasure lies in its ability to retain its calibers, which Company A has been practicing to preserve its own employees. Though there were no employee unions formed to speak on behalf of the employees, Company A doors are open to any requests, recommendations or complaints through the coffee talk hall gathering on monthly basis which left the chances always available for employee to participate and convey their messages.

Company A stakeholders get direct benefit return in the form of employees’ engagement and participatory approach that deliver their voices to top management and in return result in better policies outcomes. Employees families as well do benefit from company A employees care policies through free medical care access to all first degree family members. On the social level, company A provides its employee with full comprehensive medical packages that not only cover the employees themselves but also cover their whole family members from the first degree. The medical package includes 100% fees coverage for medical checkups, a 200 US Dollar on yearly basis for ophthalmological glasses, and open edge for major surgery or work accidents.
On the family level, Company A bares the cost of birth delivery and even the maternity monthly follow-up for the female employees and for the male employee wives with no limit on number of children. (Company Report) As Company A Egypt has a very strong internal social responsibility towards its own employees, they offer various attractive packages that go beyond the obligations of the Egyptian labor law, as Company A follows the national legal regulations and procedures. Company A heavily focused on its stakeholders to retain them and in return benefit the corporate as well. On the vocational level, Company A provided its employees with online training courses that strengthen their vocational skills and their interpersonal skills as well. (Company report)

6.1 Recommendations:

In light of the literature and field work that the researcher did about the importance of internal CSR, there could be number of important recommendations companies can pursue to achieve high level of internal CSR, such as having voice of the employees heard and reflected into the organization policies. Secondly, to engage employees into the external CSR activities as well to motivate their sense of belonging not just to their organization but to their nation as well. Provide transparency and access to information. Enthusiasm and motivation is a crucial factor behind employees’ productivity and efficiency, respect and appreciate employees- foster positive working environment-and finally balance between work life commitments. Ensure to look after employees’ social issues and make them feel supported. Only then companies can ensure high level of commitment from their employees, and thus can earn their trust and satisfaction.
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