

# Peace through profit: Sri Lankan perspectives on Corporate Social Responsibility

JANUARY 2005



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# Foreword

International Alert is an independent non-governmental organisation committed to the just and peaceful transformation of violent conflicts. It has over 15 years' experience of conflict transformation work from field programmes in a number of conflict situations around the world, including the Great Lakes region of Africa, West Africa, Sri Lanka, the Caucasus and Colombia. To complement its field programmes, International Alert has thematic programmes that address issues relating to the root causes of conflict, and engages in policy dialogue with policy-makers in governments and international organisations.

Since 1999 International Alert's Business and Conflict programme has been working to contribute to conflict prevention and peacebuilding through engaging with economic actors and issues. To achieve this, we seek to engage local and foreign companies in conflict prevention and peacebuilding; understand and address the economic dimensions of conflict; and influence the policies of governments, inter-governmental organisations and companies with regard to links between business, economy and conflict.

We have projects in the South Caucasus and Sri Lanka, and work in development in West Africa and Nepal. Specific activities vary according to context but their common aim is to promote a more constructive role for business in partnership with other stakeholders in order to help unlock or prevent violent conflict. The Business and Conflict programme seeks to influence decision-makers and policies through a Global Policy strand.<sup>1</sup>

In Sri Lanka, the programme has been working since 2000 to support and extend a peacebuilding approach from private-sector actors, having identified three levels at which businesses can have an impact - district, provincial and national. Based in Colombo, the programme has recently opened an office in Batticaloa. One of its key projects, undertaken jointly with the United Nations Development Programme's 'Invest for Peace' project, is the Business for Peace Alliance (BPA), an alliance of Sri Lanka's regional business chambers.

This study into public and business perceptions of the role of business in Sri Lanka is part of an overall strategy for engaging Sri Lankan business in peacebuilding. It comes at a time when more and more businesses have begun to realise the importance of becoming engaged and have launched initiatives to support peace, either directly or indirectly.

There is evidence that the application of the principles and practices of Corporate Social Responsibility (CSR) by companies working in zones of conflict can contribute to better relations between conflicting parties, decrease tensions with stakeholders, address underlying conflict causes and, by extension, contribute to peace. This report investigates how the business community in Sri Lanka views its role in wider society; how it is currently engaging in CSR and what is broadly understood by CSR; and how to galvanise a more strategic uptake of CSR as a peacebuilding tool. Beyond businesses themselves, the report serves the wider, peacebuilding community by efforts to incorporate Sri Lanka's private sector more strategically in their work, and to understand better some of the opportunities and challenges involved.

Most importantly, we have noticed through our work with the private sector in Sri Lanka that stakeholders have different perceptions and attitudes towards the business community and its social and peacebuilding engagement, ranging from pragmatism to outright mistrust in some cases. This report seeks to shed light on these perceptions, to raise awareness of them among the business community and allow it to address some of the concerns the wider community may have about its role in society.

A premise of the report is that a commitment to the principles and practice of CSR can help the business community gain the trust of wider society. This is crucial if businesses are to win acceptance as genuine partners in peacebuilding.

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# Executive summary

This report investigates Sri Lankan perceptions of the role of business in society, and businesses' own perception of this role, including its potential in supporting social, economic and political development. It also explores whether Corporate Social Responsibility (CSR), as presently understood by businesses and the wider community, can be a useful entry point for Sri Lanka's private sector to contribute to peace.

The current war between the government and the Liberation Tigers of Tamil Eelam (LTTE) is two decades old. According to official figures, around 65,000 people have been killed, but the true total may be much higher. Despite fluctuations in the military balance of power, the situation appears to have entered a long-term stalemate with neither side capable of defeating the other. Norway's involvement as facilitator in November 2001 and the signing of a ceasefire agreement in February 2002, followed by peace talks, raised hopes of a negotiated political agreement. However, formal peace talks broke down in May 2003.

Since economic liberalisation in the late 1970s, the private sector has had an increasing impact on society in Sri Lanka. In the light of this, it is of strategic importance to explore ways in which business can be involved in addressing issues of social concern. The bombing of Colombo International Airport in July 2001 drove home the economic consequences of war and the vulnerability of Sri Lankan businesses to the conflict. This motivated them to launch initiatives that work towards building peace in the country.

One of today's most pressing social issues is the need for an inclusive, peacebuilding process that addresses not only the manifest conflict with the Tamil community and LTTE, but also latent conflict issues involving other groups in the rural south, Muslims, and the 'upcountry Tamils'. This is especially needed now, when the peace process is challenged and needs new ideas to move forward.

## Perspectives on CSR and peacebuilding

With the aim of better understanding the existing practice of CSR initiatives in Sri Lanka, an initial research to map existing approaches, activities and implementers was undertaken. The exercise looked at how interviewees defined CSR, the reasons for engagement in it, areas of engagement and the history behind them. This research focused on big businesses and other groups in Colombo. Two surveys followed. The first was an island-wide survey to ascertain public perceptions of CSR and the role of business in society. The second was a survey of businesses in 11 districts focusing on how the business community perceives its own role in society and in building peace.

## Key conclusions

### Perception of the role of business in society

The study indicates that most Sri Lankans do not have a clear understanding of the role they wish businesses to play in society. The public is unclear whether businesses should only focus on profits or also engage in social issues. While a slight majority feel that business should do more for the social good, they are mistrustful of companies' ability to handle this task and express fears that the private sector exploits consumers and destroys cultural values.

From the business point of view, most organisations feel they have a strong role to play in addressing social needs but, while there is a long history of charitable giving, most do not have a

strategy or policy for doing so. Nor do they have a clear direction on how or what to contribute towards society, or the benefits of doing so.

The study reveals that businesses view their CSR practices as genuine gestures of giving, though the public views them as self-interested and only designed to win publicity for commercial motives.

### Practice of CSR

Many businesses and business organisations in Sri Lanka practise some form of social activity, usually through charitable giving to religious or educational institutions. This is a positive base for future work and demonstrates the willingness of business to support social needs. Most businesses in Colombo have a broad understanding of CSR and are involved in initiatives, but without having an overall policy.

Regional businesses, most of which are small and medium enterprises (SMEs), struggle to offer the same benefits as Colombo-based firms to employees. Exposure to, and understanding of CSR is not as progressed in the regions. This is because Colombo businesses have greater capacity for human resource development, are in stronger competition for skilled employees, and under greater scrutiny by labour regulators.

### Business and peacebuilding

Though businesses do not have a clear understanding of CSR, especially its more substantial long-term benefits, the business community has clearly stated its desire to be involved in peacebuilding. There is a strong recognition that the state of the country directly affects their business and that peace is a pre-requisite for growth and sustainability. There have been a few efforts in Sri Lanka to address this issue, but many businesses feel they do not have the capacity, understanding or mandate to become involved in peacebuilding.

The concept and practice of CSR provides a useful entry point for business to become involved in peacebuilding. CSR is a framework for understanding how business success is tied to the prosperity and health of the community within which it operates. Indeed, most of a company's assets, from employees, suppliers and distributors to resources, infrastructure, customers and government, all lie beyond its doors. Business has connections to the community that gives it a unique opportunity to contribute to the needs of society. Sri Lanka's biggest need today is a stable social, economic and political environment, but that can only be realised if there is lasting peace.

The approaches adopted by Sri Lanka First and the Business for Peace Alliance are examples of the role of business in peacebuilding. Although most of the business organisations involved do not have formal CSR policies, social responsibility and the realisation that their own long-term survival depends on peace have spurred them on.

Corruption between the private sector and the government is a serious problem because it limits the ability of the government to meet the needs of the nation, putting private sector interests above those of citizens. It must be assumed that this realignment of needs is negatively affecting the peace process. Further, the relationship negates, practically and morally, any other social initiatives in which the private sector may engage. Business must become convinced that it is in its own long-term interest to build responsible government through the active transformation of the culture of corruption that currently exists.



## Recommendations

**DIALOGUE** is essential to taking these discussions further. This is best done by:

a) Multi-stakeholder dialogue

Dialogue is needed between all stakeholders including donor agencies, government, the business sector and civil society on:

- How to address the different economic visions that are present in the country, and how they relate to the role of business in society;
- How to identify priority areas for CSR initiatives for businesses, and how business can support and complement existing structures and initiatives;
- How to better enforce existing government legislation on employment practice, reporting and the environment;
- Identifying the particular roles that business can play in supporting peace.

b) Business/Civil society dialogue

- The business community should engage civil society in dialogue to determine the role of business in society;
- Business must work in partnership with civil society groups, especially religious leaders and NGOs, on more contentious issues such as peacebuilding;
- NGOs can assist the business community in analysing, developing and implementing social and environmental efforts, while business can enhance the efficiency, capacity and professionalism of NGOs.

c) Business/business dialogue

- Businesses should engage in dialogue with each other and adopt best practices through shared learning;
- Businesses need to explore the benefits of collaborative action;
- Dialogue with businesses outside of Sri Lanka can help develop best practice;
- Businesses in Colombo and the regions need to discuss how they can better complement each other.

**TRAINING** is essential to create awareness and to plan, formulate and implement CSR strategies and initiatives. The main areas to be covered are:

- a) CSR training: socially responsible business practices;
- b) CSR as an entry point for peacebuilding;
- c) Developing broader approaches in the curriculum of business schools, including business ethics, and social and environmental issues.

**FURTHER RESEARCH/STUDY** is recommended in the following areas:

- a) Role of the government in CSR;
- b) Applicability of CSR in the SME sector;
- c) Corruption;
- d) Increased capacity of NGOs on consumer and environmental issues.



# Introduction

## 1.1 Purpose and scope of report

The overall purpose of this research report is to shed light on how people in Sri Lanka perceive the role of business in society and how the business community perceives its own role. It is also intended to raise areas for further discussion, and to make process recommendations that target the business community, donor agencies, international and local NGOs and the government on how best to proceed in advancing these discussions.

Given the context of conflict in Sri Lanka, an analysis of existing perceptions of the social role of business provides important insights into its potential contribution toward achieving peace and public perceptions of this potential role. This question is explored in the light of the peacebuilding experiences of business communities elsewhere and in Sri Lanka.

Previous reports and surveys on the views of the business community in Sri Lanka have focused solely on large corporations headquartered in Colombo. This is the first to gauge the opinions of the population and business community in all regions of the island, and opens up new possibilities for future research and analysis.

By surveying all Sri Lanka's regions, we aimed to gain a countrywide perspective of the state of opinion regarding the role of business in society. By surveying the public and not only specialised civil society groups, we aimed to gain a truly representative view of popular feelings of the role companies play in their lives. Though large Colombo-based corporations are the country's biggest earners, they are few in number, represent a minority of the private sector's total contribution to Sri Lanka's GDP and employ a small proportion of the total workforce. This research sought to find out how both large corporations and small and medium enterprises (SMEs) perceive their role in society.

## 1.2 Corporate Social Responsibility

Companies are powerful actors, globally and within nations, in terms of their financial and material strength, their role as providers of jobs, services and infrastructure, and their often detrimental environmental and social impacts. There is now strong demand for companies to go beyond being financially answerable to their shareholders by integrating the interests of all stakeholders—those affected by a company’s conduct—and their social and environmental concerns into a company’s business policies and operations, in other words to be ‘socially responsible’.<sup>2</sup>

Today some regard Corporate Social Responsibility (CSR) as the business community’s contribution to national and international, sustainable development goals. While the practice of CSR may be frequently criticised for the absence of commonly accepted standards, its controversial impacts and the lack of universally applicable monitoring mechanisms, the CSR concept has firmly put the environmental and social impacts of business on the international agenda. Globally, interest in, and the uptake of CSR varies greatly from country to country. The biggest divergence exists between the Northern governments and companies, which have so far dominated the CSR debate, and those in the South. Attempts to roll out the CSR debate to the latter are relatively new.<sup>3</sup> At the same time, there are hugely divergent interpretations of what ‘social responsibility’ entails in different country contexts, depending on historical, cultural and other particularities, the actors who advocate CSR practice and differing national social and economic priorities.<sup>4</sup> The concept of CSR is fairly flexible, and can accommodate different country needs in terms of priorities and themes.<sup>5</sup> Section 1.5.3 presents the findings of a mapping exercise undertaken among big businesses and CSR practitioners in Colombo to obtain an overview of the existing understanding of CSR.

Thus CSR does not have a standard definition, or even a fully recognised set of specific criteria, but is an evolving term with a range of usages and meanings, depending on the context, interpretation and commitment of the company involved. A number of terms with similar meanings virtually interchangeable with CSR have been applied by business organisations, according to the acceptability of their connotations and implications for the audiences to which they are addressed. These include, but are not limited to, Corporate Citizenship, Corporate Sustainability, Business Responsibility and Sustainable Business. A number of related but distinct terms that are significant to understanding the concept of CSR are explained in box 1 below. For the purpose of this report we have adopted a definition of CSR in its broadest sense, while the output of the study may help to clarify what terminology is most useful in the Sri Lankan context.

It should be noted that while the survey of the business community covered big businesses as well as SMEs, the survey of public perceptions of CSR required respondents to focus on ‘businesses that operate on a large scale or prominent businesses’, and not small businesses or shopkeepers. However, the issues highlighted in this report are as relevant to SMEs as big businesses since we are looking at how businesses in general interact with society and support social needs.

There are terms related to CSR that have meanings that are significant to understanding CSR and require further explanation to avoid confusion.

## Box 1: Terms related to CSR

**Sustainable Development (SD)** First introduced in 1987 by the Brundtland report, SD was then defined as 'development which meets the needs of the present without compromising the ability of future generations to meet their own needs'. As with CSR, there are now several definitions of SD and it has evolved to include economic, environmental, social and human concerns. CSR is often referred to as the business community's contribution to achieving sustainable development.<sup>6</sup>

**Triple Bottom Line (TBL)** TBL was coined in 1997 to make Sustainable Development relevant to business by focusing on the familiar idea of the bottom line of a profit and loss statement. The 'triple bottom line' refers to the (i) economic, (ii) environmental, and (iii) social value that corporations can create or destroy through their operations. The term has since entered the language of business as a simplified and convenient way of thinking about how sustainable development can be applied to their activities.<sup>7</sup>

**Corporate Philanthropy** The term refers to the practice of companies engaging in activities voluntarily in order to have a positive impact on society, including cash contributions, contributions of products and services, employee volunteerism and other business transactions to advance a cause, issue or non-profit organisation. These charitable contributions may form a part of an overall CSR strategy, acting as the most visible link between the company and the community. However, they are often pragmatic gestures in favour of an inspiring cause or at a time of financial success, in which case any commercial benefit that accrues is viewed by the company as tainting the act of giving. Philanthropic initiatives of this kind are often first to be sacrificed when profits fall.

**Corporate Community Investment (CCI)** This term refers to a more strategic engagement with society than corporate philanthropy since it directly aims to achieve company growth at the same time as improving the community. A company views CCI as an 'investment' that will earn a long-term return. This is achieved by ensuring that contributions relate to the company's operating environment and, therefore, promote growth by addressing a social issue that has been interpreted as a business constraint. The form of such investments in the community can range from volunteering the skills or time of employees; gifts of cash, goods, services and company facilities; and matched-giving or micro-credit schemes. CCI can form part of an overall CSR strategy, but is also referred to as structured or context-based philanthropy.

**Socially Responsible Investment (SRI)** This concept refers to the selection and management of investments that integrate prudent, financial, decision-making processes with issues of social responsibility and environmental sustainability. SRI can be made by individuals or foundations, religious organisations, trusts, investment pools and pension plans. Those who manage SRI funds may choose not to purchase, sell or retain otherwise profitable investments in companies that have been identified as not meeting the required or established social and environmental guidelines. These guidelines can be set by individuals or organisations that hold shares in the fund or the particular stock exchange in which the investment is listed.

**Corporate Governance (CG)** The term refers to the system of ensuring that companies operate in a way that is both accountable and compliant with all the laws and regulations that apply to its operations. These range from those that regulate financial procedures, including the prevention of fraud, corruption and money laundering, to the recruitment of staff and their treatment according to existing laws concerning racial and sexual discrimination, human rights and working conditions. CG programmes have been criticised in the past for complying with the letter of the law, rather than its spirit, but they are now seen as covering a much broader spectrum of social and environmental interaction.

**Social Reporting** This is the practice of producing reports that monitor non-financial data relating to staff issues, community economic developments, stakeholder involvement, and social and environmental performance. It is undertaken through a process known as Ethical Accounting or Auditing by which a company regularly measures and documents its compliance with published policies and procedures, and uses the results as the basis for a dialogue with stakeholders on past activities with a view to shaping future ones. These procedures are advocated by projects such as the Global Reporting Initiative and are shaped by international standards on reporting corporate practice and human rights such as AccountAbility 1000 (AA1000) and Social Accountability 8000 (SA8000).<sup>8</sup>

### 1.3 The role of CSR in peacebuilding

Beyond any attempt to harness business strength for the achievement of sustainable development goals, the CSR concept provides valuable insights into mechanisms that can contribute to peacebuilding. There is no consolidated guidance so far on how local businesses could use CSR as a peacebuilding tool, but some of the evidence mentioned above, as well as other initiatives, suggest it can be a useful channel, and CSR best-practice recommendations on stakeholder consultation, for instance, are of value from a conflict perspective.<sup>9</sup>

Broadly, CSR can contribute to the positive impact of business on peace in two ways: in core business operations (through fair hiring practices, anti-corruption measures and ethical supply chains); and in their social investment activities (by addressing the root causes of conflict). It is unrealistic to expect companies to engage in something as sensitive as peacebuilding if they have not already adopted socially responsible business practices: assuming responsibility for the impact of their operations and the wider challenges facing their communities brings trust among other stakeholders that any company involvement in an issue that is traditionally seen as falling outside its mandate has a clear value-added. Businesses usually occupy influential positions in their communities, and the links that exist between them and political and civil society actors can be harnessed to advocate peaceful alternatives to violent conflict.

Beyond direct material and operational support to peacebuilding, companies can also engage in policy dialogue and peace advocacy. This is a sensitive area that requires impartiality and a careful approach to building relationships, but businesses elsewhere have successfully used their skills and connections to promote peace. In late 2001, the trade association Sri Lanka First harnessed the resources of the island's tourism, tea, garment and freight sectors to mobilise society to demand a peaceful end to the long-running conflict. In 1994, the Northern Ireland Confederation of British Industry widely publicised a 'peace dividend' paper that spelled out the economic costs of the conflict and projected the benefits of peace in terms of freeing up money for the provision of social services. It generated much discussion and other stakeholders subsequently adopted the term 'peace dividend'.

Some businesses have even engaged as brokers between the conflicting sides in ways similar to traditional conflict resolution. In South Africa, the business community engaged in a lengthy and patient period of relationship-building with both sides of the conflict, enabling it to play a key role in providing technical, logistical and administrative support to the peace process, an often underestimated need that speaks directly to the skills and resources of many companies.

### 1.4 Economic dimensions of conflict and the business case for peacebuilding

The economic dimensions of conflict are increasingly accepted as crucial to peacebuilding work by practitioners and policymakers alike. At an international level, the debate has principally focused

on war profiteering, the continued access to funding by combatants, legal and illegal trade links sustaining armed conflict, and the role of natural resource exploitation and multinational companies in zones of conflict. Most of the work done in these areas has been on the negative impacts that economic activities in conflict zones can have in further fuelling violence.<sup>10</sup>

The ways in which local business and conflict dynamics interact has been less explored to date, both in terms of negative impact, but crucially in terms of companies' potential to contribute to peace. To any legal business operating in the midst of violent conflict, it is clear that it imposes a huge variety of costs both to host communities and the business operators themselves. It is often this 'business case' that compels companies to become involved in issues of peace and conflict, coupled with concern for their own societies. The bombing of Colombo International Airport in July 2001 drove home the vulnerability of Sri Lankan companies to the conflict and motivated them to establish Sri Lanka First (see box 2). Regional businesses, which are more directly exposed to the conflict and can observe more directly the day-to-day difficulties of the local population, became actively involved in contributing to peace by forming the Business for Peace Alliance (see box 3 below).

It should be noted, however, that some businesses in Sri Lanka have also played an active role in the conflict by destroying the property of competitors during periods of communal riots. Anti-peace lobbies also consist of business owners. It is important to reach out to these groups, engage them and make a more effective 'business case' for peace.

## 1.5 The Sri Lankan context

### 1.5.1 The changing role of business in Sri Lankan society

Privatisation, the opening of Sri Lanka to foreign investment and increased, domestic private investment have transformed Sri Lanka's private sector into the country's largest employer and most important source of revenue, as has occurred elsewhere around the world. The way the private sector acts and performs, therefore, will have more impact on the development of the country and its people than any other area of society, including government, NGOs and religious organisations. The connection between business and social evolution has long been recognised and the private sector has become both the primary engine of financial growth and a major contributor to human resource development.

### 1.5.2. The Sri Lankan conflict

Violent conflict has plagued Sri Lanka for much of the last half-century. There have been several axes of conflict, some of which became militarised (the Janatha Vimukthi Peramuna insurgencies in the 1970s and 1980s, and the current war with the Liberation Tigers of Tamil Eelam, or LTTE), and some that remained latent (the grievances of the Malayaga or 'Hill Country' Tamils, for example). A legacy of militarised violence, assassinations, state repression and 'party political' violence has impacted on all aspects of Sri Lankan society. As a consequence, the socio-political and, to some degree, the economic fabric of the country is fragile at best. Violent conflict has become both the cause and effect of social, economic and political decline.

The current war between the government and the LTTE is now two decades old. According to official figures, around 65,000 people have been killed, but the true total may be much higher. Despite periodic fluctuations in the military balance of power, the overall situation is one of long-term stalemate with neither side capable of defeating the other. Norway's involvement in November 2001 as official third-party facilitator and the beginning of the peace process raised hopes of a negotiated political agreement. However, this process stalled in May 2003.

Given the increasing significance of private enterprises in Sri Lankan society, it is of strategic importance to explore ways in which they can be involved in attempts to address the conflict. One of the most pressing social issues today is the need for an inclusive peacebuilding process that will address not only the manifest conflict vis-a-vis the Tamil community and the LTTE, but also the latent conflict issues involving other groups, such as the rural south, Muslims and 'Hill Country' Tamils. This is needed at a time when the peace process is challenged and needs new ideas to move forward.

## Box 2 - Sri Lanka First campaign

In September 2001, a group of trade associations from the garment, tea, tourism and freight sectors joined together to launch a high-profile campaign urging citizens to voice their opinions on the urgent need for peace. Companies that had previously ignored the conflict had been stirred to action by the devastating LTTE attack on the country's sole international airport the previous July. The impetus for the campaign initially came from the tourism industry, which commissioned a team of marketing and PR specialists to reposition Sri Lanka on the global tourism map. This led to the creation of the Sri Lanka First (SLF) campaign in which a coalition of business leaders persuaded people to demonstrate for peace by forming a human chain across the island by holding hands.

SLF decided that its emphasis should be to raise public awareness of the costs of war and how peace would allow military budgets to be invested in social and economic infrastructure (the peace dividend). Its rallying call was the cost the conflict imposed on political, social and economic development. Well-known personalities were encouraged to endorse the campaign on television. In the run-up to the general election of 5 December 2001, SLF placed adverts asking the electorate to vote wisely and to vote for peace. A number of local organisations took out similar adverts.

The signing of the ceasefire agreement in February 2002 coincided with a lull in SLF's activities, prompted by the need to redefine its role once peace talks began (hitherto, it had concentrated on calling for an end to the hostilities). However, the breakdown of formal peace talks in May 2003 coupled with increased political instability in Colombo in late 2003, galvanised SLF's business-leader members back into action.

In late 2002 International Alert brought the CEO of the South Africa Business Trust to Sri Lanka to meet local business leaders. The visit generated the idea of an exchange visit by SLF to meet the business personalities who had been so instrumental in the South African peace process. To this end, International Alert facilitated a series of joint analyses with SLF and a group of 10 other business leaders to see how they might support the peace process. The participants identified two main challenges: the need for business leaders to better understand how they could support the peace process and the need to show unified Southern support for peace.

The delegation which visited South Africa in May 2004 included political players and journalists who, it was thought, could play a strong support and advisory role. It met a range of leaders critical to the South African peace process, including Rolf Mayer and Cyril Ramaphosa, respectively negotiators for the government and the African National Congress, and Theuns Eloff and Colin Coleman, leaders of the Consultative Business Movement which had facilitated the political/constitutional dialogues central to the peace process. Each meeting allowed for further exploration of South Africa's conflict-resolution experience and the development of ideas for the Sri Lankan context.

The trip provided delegates with a first-hand account of how business leaders had responded positively to the peace process in South Africa and encouraged them to show a sectoral display of support for policies and programmes that move the process forward. It also instilled the participants with the confidence to address issues previously thought to be too risky and created trust between them.

Since its return, the group's members have remained focused and cohesive, meeting almost weekly. Their main objective has been to promote inclusiveness in the peace process. In South Africa they learned of the need for broad political support for a strong peace process (Sri Lanka's southern polity and the general public have yet to be united behind the peace process). The group has met individually with representatives of political parties to better understand their needs and positions, and now hopes to act as a facilitator and convener so that the parties can better understand how to reconcile their differences over the formal peace process.

### Box 3 - The Business for Peace Alliance (BPA)

The BPA is a working group of representatives from 15 regional chambers of commerce, representing all Sri Lanka's provinces, which is fostering reconciliation, business-to-business links and regional inclusion in the peace process. They have convened 12 times in all regions of the country and have a series of ongoing practical projects that combine private sector interests with peacebuilding. They include chamber-to-chamber peace visits; a consortium of chambers from the north and east (the primary areas of conflict); an all-island regional business directory; Domestic Investors' Dialogue, a forum to channel regional opinions and needs to Colombo-based policy-makers; and a planned business hotel in Jaffna. The BPA, which has been operational since November 2002, is co-sponsored by International Alert and the UNDP.

The BPA's mission is to help build peace and reconciliation through the business community. In pursuit of this purpose, its objectives are:

- To generate peace dividends at the local level;
- To strengthen provincial and inter-province economic activity through chambers and other business associations;
- To lobby policymakers on key issues affecting peace and stability;
- To practise CSR principles in all BPA programmes and activities.

Individual members of the BPA have direct contact with, and are influential members of the local communities in which they operate. They are well connected socially and have access to politicians, officials, international organisations and other decision-makers in Colombo. They are, therefore, part of a network connected vertically to both the grassroots and the commanding heights. They also have horizontal connections with the conflicting parties. The core group of BPA founders were chosen because of their leadership qualities and commitment to the cause they believe in.

The BPA recognises that, to fulfil its mission and objectives, its institutional capacities must be strengthened through joint activities such as training workshops for members, joint projects between participating chambers and cooperation with civil society groups, international actors and donors. The alliance is working towards these goals in collaboration with sponsors and other partners.

The BPA's distinguishing characteristics are that it is:

- Non-hierarchical and non-partisan;
- Island-wide, province- and district-based;
- Committed to fostering links between business and peace;
- Composed of participants who are representative of their chambers or other business associations.

Some of the BPA's achievements and experiences are:

- Business exchange visits between chambers in the rest of the country and the Jaffna Chamber of Commerce. These visits are intended to create cross-regional economic activity, as well as community and inter-personal understanding.
- Peace visits. These were designed to replicate the reconciliation and cooperation that the BPA has provided to its own members. The BPA acts as a coordinator for members of regional chambers who wish to make business and peace visits to other areas of the island. The visits always contain a business dimension, such as finding sectoral matching for investors, suppliers or distributors, but they also promote understanding and reconciliation.
- The BPA coordinated the production of an island-wide directory of regional businesses that was distributed in late September in conjunction with the Ceylon Chamber of Commerce and the Federation of Chambers of Commerce and Industry Sri Lanka.
- In an independent venture, seven BPA members from across the country have secured property to develop a 'peace hotel' in Jaffna. The initiative aims to generate income for the BPA, support investment in



Jaffna and provide a symbol of cooperation and reconciliation between businesses across the island. The combination of the hotel with a business centre - an unprecedented idea in Sri Lanka - was proposed as a means of supporting business prospects in the Jaffna region. It will serve as an information portal for business people and investors looking for social, economic and political information about the area.

- BPA member chambers are acting as coordinators for local dialogues in the north and east that will identify economic and social development issues for the two regions.
- Two BPA members participated in an expert advisory panel for international Alert's London-based Local Business Research Project, 'Supporting National, Provincial and Grassroots Private Sector Actors in Peacebuilding'.
- Finally this report will be presented to the BPA and used as a basis for further identification of the role of CSR for Sri Lankan SMEs.

### 1.5.3 CSR and its application in the Sri Lankan context

With the aim of better understanding the practice of CSR initiatives in Sri Lanka, initial research was undertaken to map existing approaches, activities and actors. The organisations selected consisted of Colombo-based big businesses, business chambers, recently emerged business coalitions, training and service providers, NGOs and one government department. The exercise also helped establish contact with many of the businesses currently making a positive contribution towards society and was therefore valuable in guiding International Alert's project on CSR. The exercise looked at how interviewees defined CSR, their reasons for engaging in CSR, specific areas of engagement and the history behind them. For details on methodology and detailed individual answers, see annexes 1 and 2 respectively.

#### *Perceptions of CSR*

Definitions ranged from very comprehensive to vague. While some interviewees had general ideas of what CSR is, others were more precise, describing it for instance as the 'practice of transparency, accountability, good governance, business ethics and sustainability while conducting business profitably and responsibly'. The areas of engagement listed by one respondent included business conduct, employment practice, occupational health and safety, community involvement, customer and supplier relations, and monitoring and reporting performance. Respondents also mentioned that social responsibility extended beyond shareholders to all those affected by company operations.

Several respondents regarded CSR as a contribution to the well being of society; in one instance, the stability of host communities was mentioned. Some interviewees perceived this not just as beneficial to society, but to the businesses themselves. Respondents' answers reflected the wider CSR debates over the dichotomy between voluntarism and compliance, and the CSR capacity of companies of varying sizes (one respondent suggested that mere compliance should be considered as CSR in the case of SMEs).

#### *History of CSR engagement and policy background on CSR*

Sri Lanka has a long history of corporate philanthropy and large local companies practise it on an organised basis, though few have documented CSR policies. Most local business organisations felt that CSR was driven by conventions. They identified CSR as a historical practice that had been modernised to suit contemporary needs.

However, transnational corporations based in Sri Lanka tend to be guided by the more formal policies of the parent companies, with some flexibility to suit the local context.

*Reasons for engaging in CSR*

The reasons given for engaging in CSR included: corporate image-building; the long-term benefits from current investment; transparent relationship with society when dealing with controversial products so as to enhance public acceptance; and boosting the morale, confidence and commitment of employees.

Organisations interviewed understand some of CSR's benefits. The image-building achieved through CSR improves an organisation's ability to attract new customers through product differentiation and to increase market share over less responsible competitors. Transparent engagement with society, especially when dealing with controversial products, helps to manage risk more effectively. Building a better relationship with the community in which a company operates increases its chances of managing situations that arise from community or civil society protests. Studies confirm that employees in socially responsible organisations are more committed, motivated and loyal, which naturally increases productivity.

Some organisations felt that instability affects business growth and that company intervention in favour of social harmony and stability could result in an environment more conducive to growth and sustainability, making CSR an example of 'enlightened self-interest'.

Importantly, some respondents saw CSR as a means of gaining the community's trust and confidence, both locally and internationally. This resonates strongly with the point made above that the business sector needs to have the wider community's trust and backing if it wants to engage proactively in peacebuilding.

*Areas of CSR activity*

Some CSR activities were chosen to have a direct impact on companies' operating environments. One insurance company stated that raising public awareness on safety was selected since it would impact positively on the business by helping to reduce accidents. Another organisation said it was concentrating on improving the living conditions of the local community since a more positive relationship with it would facilitate expansion of company activities. Other activities, such as building the capacity of undergraduates and young entrepreneurs, would impact over the long term.

Some CSR activities involved extending the amenities provided to employees to the community surrounding the business location. These facilities included clinics, schools and infrastructure such as electric power, water and roads. Some chose to engage in areas related to the core business with a view of sharing their expertise with the community.

The variety of CSR engagements proved remarkably extensive. They included: capacity building of undergraduates and development of schools; afforestation programmes; sharing best practices with farmers; responsible marketing; raising safety awareness; health and environmental issues; providing housing; development of police stations; business initiatives to reduce unemployment; raising awareness and building a trust fund for the prevention of child abuse; development of information technology; improvement of local living conditions by providing water supply; setting up medical centres; providing entertainment facilities; sponsoring sports events; improving employee welfare; transparency in business; compliance with regulations in regard to safety and environment; empowering the vulnerable; and small business development.

Some of the activities that non-business organisations were involved in were: raising CSR awareness; CSR training for businesses to meet the criteria of the National Quality Awards; CSR seminars; CSR publications; directory of environment-friendly businesses; best-practice training programmes; and the promotion of organic farming. Research was also undertaken on the CSR

practised by Japanese companies in South Asia and some organisations were helping to formulate CSR policy. Another organisation was looking into developing assessment methods of the triple-bottom-line approach while others had promoted the official labour standards, the employment of differently abled persons, the peace process and activities related to the UN Global Compact.<sup>11</sup>

### *Summary of findings*

**PERCEPTION OF CSR** While perception varied from a concise understanding to only a vague awareness, there was lively debate as to what actually constituted CSR activities, and what did not. Some interviewees felt that it encompassed both regulation and voluntarism, while others excluded voluntarism. The response that trying to practise CSR initiatives without complying with regulations would be tantamount to covering up misconduct provided some food for thought.

**FORMAL/INFORMAL POLICIES** Though the large local businesses selected for interview tended to be involved in general, CSR-related issues, it was clear that few had formal CSR policies. If CSR is to be strengthened, more standardisation is required.

**BUSINESS CASE/BENEFITS** Most organisations interviewed were aware of the short-term benefits arising from the practice of CSR, such as improving a company's public image or boosting the morale of its employees. Fewer were aware of the long-term benefits, such as improving the workforce through building the capacity of students, better risk management by engaging the public or improving the business environment by promoting social harmony and stability.

**INITIATIVES WITHOUT PUBLICITY** Interestingly, a few businesses did not seek publicity for certain CSR-related activities because the initiatives had been 'guided by Sri Lankan culture' and publicity would 'take away from the spirit of giving'.

**NON-COMPLIANCE WITH REGULATIONS AND CSR INITIATIVES** A number of comments concerning perceptions of companies, and their attitudes to compliance and CSR were thought-provoking. The first was that statutory compliance had laid the first step for CSR, but that CSR called for further engagement in society that went far beyond compliance. The second was that companies that were not in full compliance with regulations tended to use their CSR activities as a means of 'covering up' their misconduct. This topic also came up in discussions with regulatory authorities which revealed that some large, well known businesses failed to conform to regulations and engaged in corrupt practices while continuing to maintain a public image as good corporate citizens.

**PLANNING AND IMPLEMENTATION** Most organisations interviewed had a theoretical understanding of CSR, but support is required in the practicalities of how to implement CSR activities. One organisation specifically requested that any training should look at strategising and planning CSR initiatives, rather than focusing on awareness raising. However it is important to bear in mind that this organisation was a large, Colombo-based company and raising awareness about CSR may still be necessary elsewhere in the regions.

## 1.6 Public and business perceptions of the role of business in Sri Lankan society

Social Indicator (SI), an independent, social research organisation that tests opinion on socio-economic and political issues, conducted two surveys on public perceptions of businesses and CSR, and on businesses' own perception of CSR and their engagement in it. Operating under the board of directors of the Centre for Policy Alternatives (CPA), SI was established in 1999 with the assistance of the Canadian International Development Agency (CIDA) which funds the Governance and Institutional Strengthening Project (GISP) in Sri Lanka, implemented by the Human Rights Research and Education Centre of the University of Ottawa (HRREC). SI uses its expertise in statistics, market research, sociology, political science and information technology to design and implement surveys.

The survey methodology is given in annex 1 and SI's independent results and analysis follow in the next chapter.

# Chapter 2: Survey findings

## 2.1 Public perception of CSR

### 2.1.1 Profile of the sample

**Table 1. Gender breakdown of total interviews conducted**

Gender	Frequency	%
Male	789	43.5
Female	1,025	56.5
<b>Total</b>	<b>1,814</b>	<b>100.0</b>

**Table 2. Religious breakdown of total interviews conducted**

Religion	Frequency	%
Buddhism	1,398	77.0
Hinduism	182	10.0
Islam	144	7.9
Christianity (Roman Catholic)	43	2.4
Christianity (non-Roman Catholic)	29	1.6
No response	19	1.1
<b>Total</b>	<b>1,814</b>	<b>100.0</b>

**Table 3. Age breakdown of total interviews conducted**

Age (years)	Frequency	%
18-25	288	15.9
26-35	455	25.1
36-45	471	26.0
46-55	378	20.9
56-65	217	12.0
No response	5	0.3
<b>Total</b>	<b>1,814</b>	<b>100.0</b>

**Table 4. Ethnic breakdown of total interviews conducted**

Ethnicity	Frequency	%
Sinhala	1,454	80.1
Tamil	164	9.0
Muslim	133	7.3
Burgher	5	0.3
Up-country Tamil	50	2.8
No response	8	0.4
<b>Total</b>	<b>1,814</b>	<b>100.0</b>

**Table 5. First-language breakdown of total number of interviews conducted**

First language	Frequency	%
Sinhala	1,460	80.5
Tamil	339	18.7
English	2	0.1
Malay	4	0.2
No response	9	0.5
<b>Total</b>	<b>1,814</b>	<b>100.0</b>

**Table 6. Occupation breakdown of total interviews conducted**

Occupation	Frequency	%
Executives, managerial and administrative professionals	15	0.8
Professionals	68	3.7
Technicians and associate professionals	61	3.3
Clerical	35	1.9
Travel, restaurant, protective service workers and sales workers	37	2.1
Agricultural and fisheries workers	240	13.2
Students	40	2.2
Housewives	545	30.0
Retired	50	2.7
Business	67	3.7
Self-employed	107	5.9
Elementary occupations	88	4.9
Unemployed	382	21.1
Others	69	3.8
No response	12	0.7
<b>Total</b>	<b>1,814</b>	<b>100.0</b>

**Table 7. Educational qualification breakdown of total interviews conducted**

Educational qualification	Frequency	%
Cannot read and write	56	3.1
Literate, but no formal education	69	3.8
Up to Grade 5	166	9.2
Grade 6-9	419	23.1
Up to 'O' Level	275	15.2
'O' Level	435	24.0
Up to Advanced Level	121	6.7
Advanced Level	214	11.8
Vocationally trained	7	0.4
Technically trained	7	0.4
Professional	6	0.3
Undergraduate	10	0.6
Graduate and above	27	1.5
No response	2	0.1
<b>Total</b>	<b>1,814</b>	<b>100.0</b>

**Table 8. Income breakdown of total number of interviews conducted**

<b>Total monthly income</b>	<b>Frequency</b>	<b>%</b>
<b>Below Rs. 5,000</b>	794	43.8
<b>Rs. 5,001 – Rs. 10,000</b>	206	11.3
<b>Rs. 10,001 – Rs. 15,000</b>	17	1.0
<b>Rs. 15,001 – Rs. 20,000</b>	586	32.3
<b>Rs. 20,001 – Rs. 25,000</b>	96	5.3
<b>Rs. 25,001 and above</b>	54	3.0
<b>No response</b>	62	3.4
<b>Total</b>	<b>1,814</b>	<b>100.0</b>

**Table 9. Number of interviews conducted within provinces**

<b>Province</b>	<b>Frequency</b>	<b>%</b>
<b>Western</b>	574	31.7
<b>Central</b>	237	13.0
<b>Southern</b>	222	12.2
<b>North Central</b>	107	5.9
<b>North Western</b>	212	11.7
<b>Uva</b>	109	6.0
<b>Sabaragamuwa</b>	178	9.8
<b>Eastern</b>	98	5.4
<b>Northern</b>	77	4.2
<b>Total</b>	<b>1,814</b>	<b>100.0</b>

**Table 10. Number of interviews conducted within the districts**

District	Frequency	%
Colombo	245	13.5
Gampaha	220	12.1
Kalutara	110	6.1
Kandy	126	7.0
Matale	44	2.4
Nuwara Eliya	67	3.7
Galle	98	5.4
Hambantota	50	2.7
Matara	74	4.1
Anuradhapura	72	4.0
Polonnaruwa	35	1.9
Kurunegala	145	8.0
Puttlam	67	3.7
Badulla	73	4.0
Monaragala	36	2.0
Ratnapura	99	5.4
Kegalle	79	4.4
Ampara	53	2.9
Batticaloa	28	1.6
Trincomalee	17	0.9
Vavuniya	13	0.7
Jaffna	64	3.5
<b>Total</b>	<b>1,814</b>	<b>100.0</b>

**Table 11. Number of interviews conducted within the local government bodies (LGBs)**

LGBs	Frequency	%
Pradeshiya Sabha	1,488	82.0
Urban councils	216	11.9
Municipal councils	110	6.1
<b>Total</b>	<b>1,814</b>	<b>100.0</b>

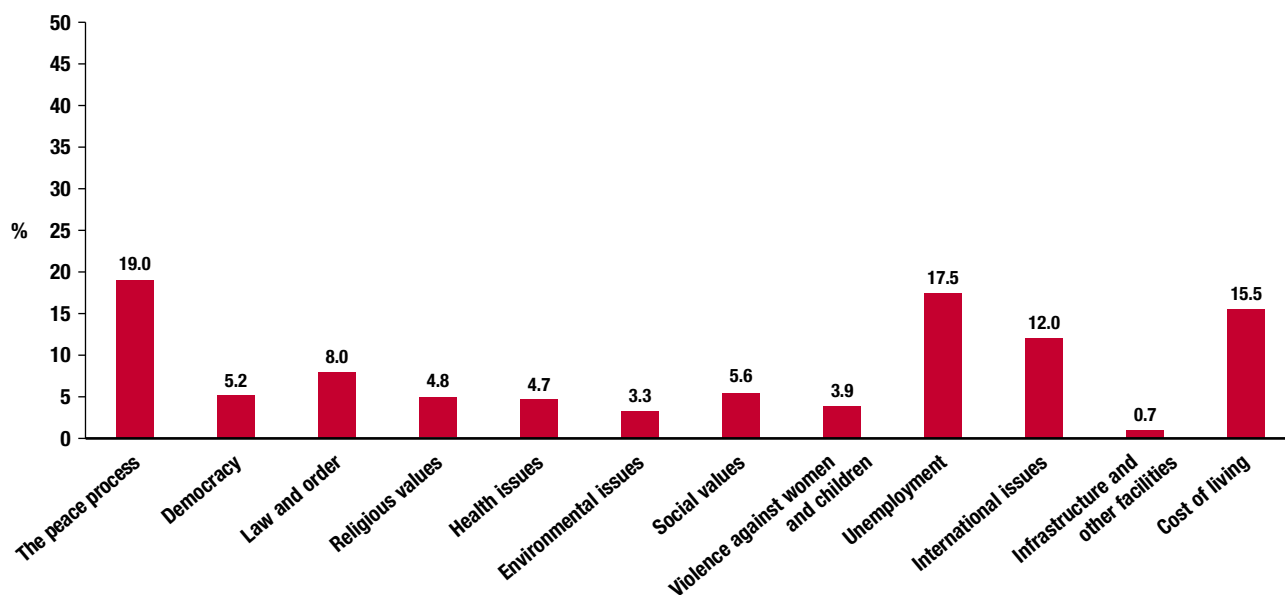
**Table 12. Urban/rural distribution of the total interviews conducted**

Location (Urban/rural)	Frequency	%
Urban	326	18.0
Rural	1,488	82.0
<b>Total</b>	<b>1,814</b>	<b>100.0</b>



### 2.1.2 Issues (non-personal) that concern Sri Lankans

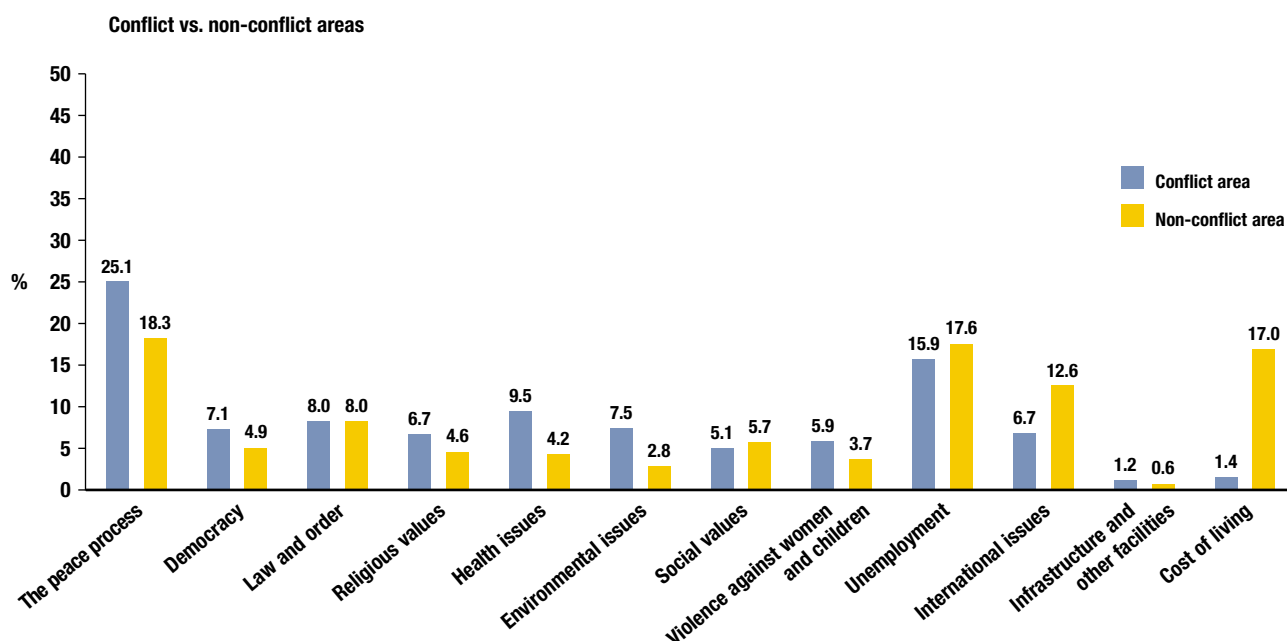
**Figure 1. Issues in society that respondents are concerned about**



The above graph shows the issues in society that respondents are most concerned about, apart from issues relating to their personal lives.

The peace process (19%) is regarded as the most important issue in society, followed by unemployment (17.5%). Respondents identify ‘other’ issues that concern them, including the cost of living (15.5%), international issues (12%) and law and order (8%). There is less concern about social values (5.6%), democracy (5.2%), religious values (4.8%), health issues (4.7%), violence against women and children (3.9%), and environmental issues (3.3%). Infrastructure and other facilities that should be provided by the government (0.7%) are the issue of least concern.

**Figure 2. Issues in society that respondents are concerned about**

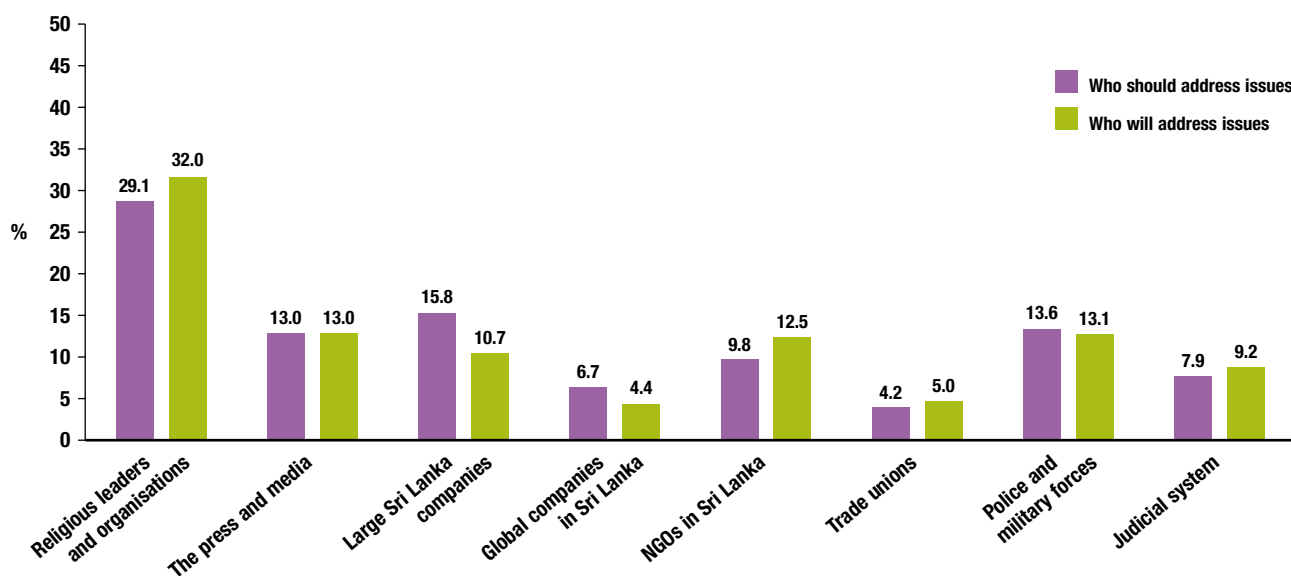


According to the above graph, 25.1% of those in conflict areas regard the peace process as the most important issue in society, while only 18.3% in non-conflict areas agree. Unemployment (17.6%) and the cost of living (17%) are important issues for those in non-conflict areas. Only 15.9% of those in conflict areas are concerned about unemployment. 12.6% of respondents in non-conflict areas are concerned about international issues, but the least concern in conflict (1.2%) and non-conflict (0.6%) areas is infrastructure and other facilities that should be provided by government. More people in conflict areas are concerned about health (9.5%) and environmental issues (7.5%) than those in non-conflict areas.

At a provincial level, more people in Northern province place importance on the peace process (27.1%) than in any the other. For those in Western province, the most important issue is the cost of living (20.8%). People in North Central province are most concerned about unemployment (27.3%) while 23.9% in Uva province are concerned about international issues. (Annex 3: table 1)

### 2.1.3 Who should and who will address (apart from the government) the above issues

**Figure 3. Who should and who will address issues in society**



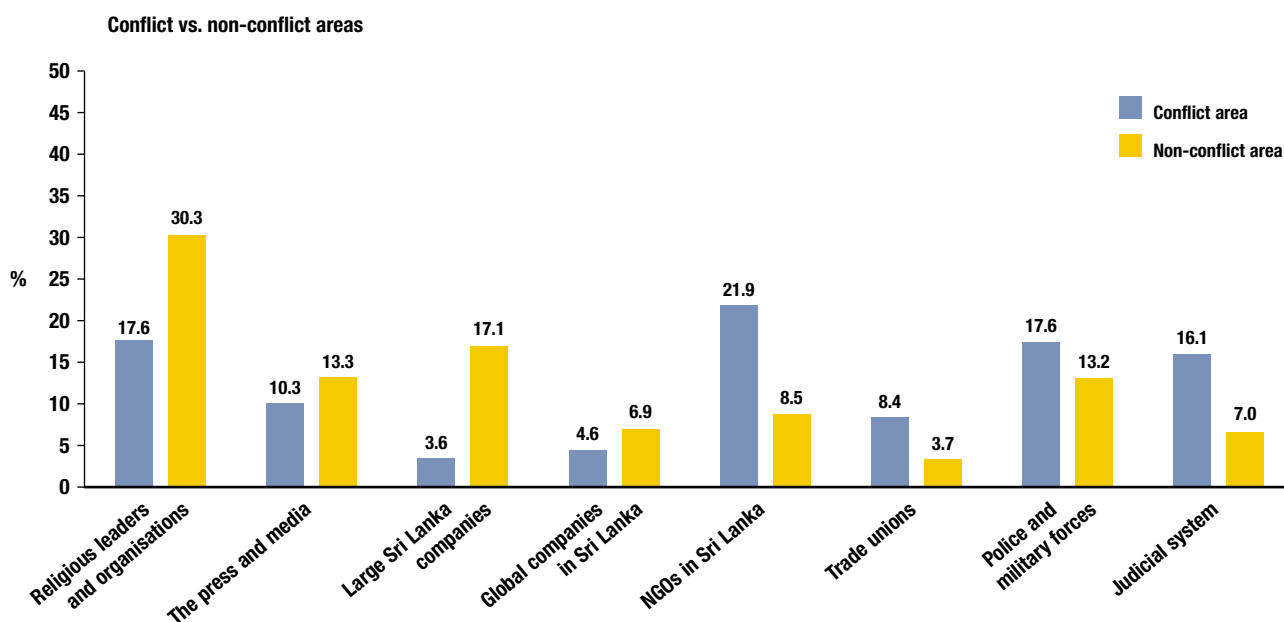
When asked who they think should and who they think will address social issues in general, apart from the government, a majority of respondents said that religious leaders and organisations should (29.1%) and will (32%) address issues in society. With regard to large Sri Lankan companies, though 15.8% say that they should address issues in society, only 10.7% say that they will address such issues. With global companies, the situation is the same with 6.7% saying that they should and 4.4% saying that they will address issues in society. 13.6% say that the police and military forces should address issues in society and 13.1% say that they will. With regard to NGOs, opinions vary with 9.8% saying that they should address issues and 12.5% saying that they will. This compares with the judicial system. 7.9% say it should address issues in society and 9.2% say it will.

When asked who should address issues in society, a majority of respondents in Western (31.7%), Central (27.2%), Southern (38.1%), North Central (41%) and Uva (32.1%) provinces said that it should be religious leaders and organisations. Those in North Western (31.6%) and

Sabaragamuwa (24.7%) provinces said that it should be large Sri Lankan companies, while those in Eastern (24.5%) and Northern (18.1%) provinces said that it should be NGOs. (Annex 3: table 3)

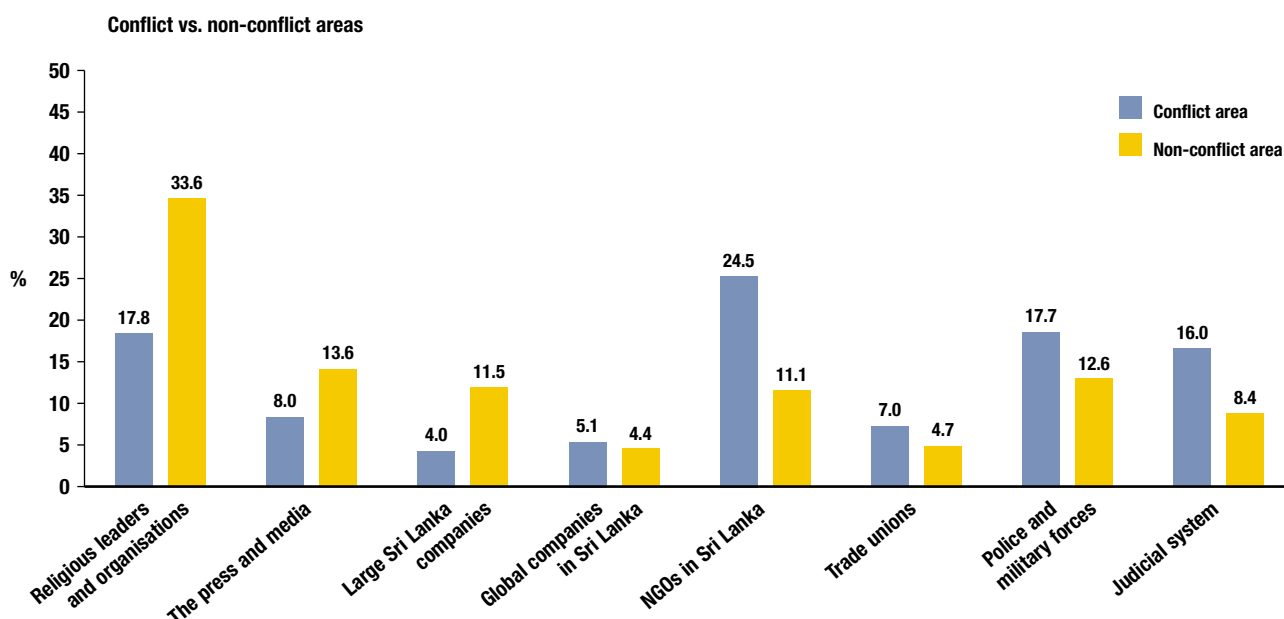
When asked who will address issues in society in general, apart from the government, a majority in all locations except Eastern and Northern provinces said religious leaders and organisations. Those in Eastern (27.8%) and Northern (19.3%) provinces said that it would be NGOs. (Annex 3: table 5)

**Figure 4. Who should address issues in society**



More people in non-conflict areas say that religious leaders and organisations (30.3%) and large Sri Lankan companies (17.1%) should address issues in society, while more people in conflict areas say that NGOs (21.9%), the police and military (17.6%) and the judicial system (16.1%) should address issues in society.

**Figure 5. Who will address issues in society**

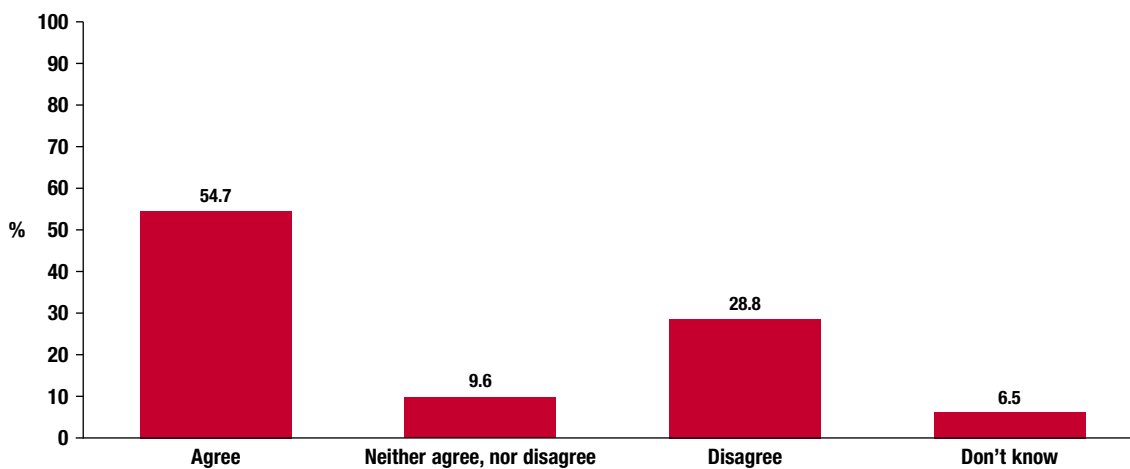


Similarly, 33.6% in non-conflict areas say that religious leaders and organisations will address issues in society, while 13.6% in these areas say that the press and media will address them. In conflict areas, 24.5% say that NGOs will address issues in society, 17.7% say the police and military will, and 16% identify the judicial system as the responsible actor.

### 2.1.4 Attitudes towards business organisations

To ascertain what respondents think about the role business organisations play in general, they were asked to give their opinion on a number of statements relating to large scale and prominent business organisations.

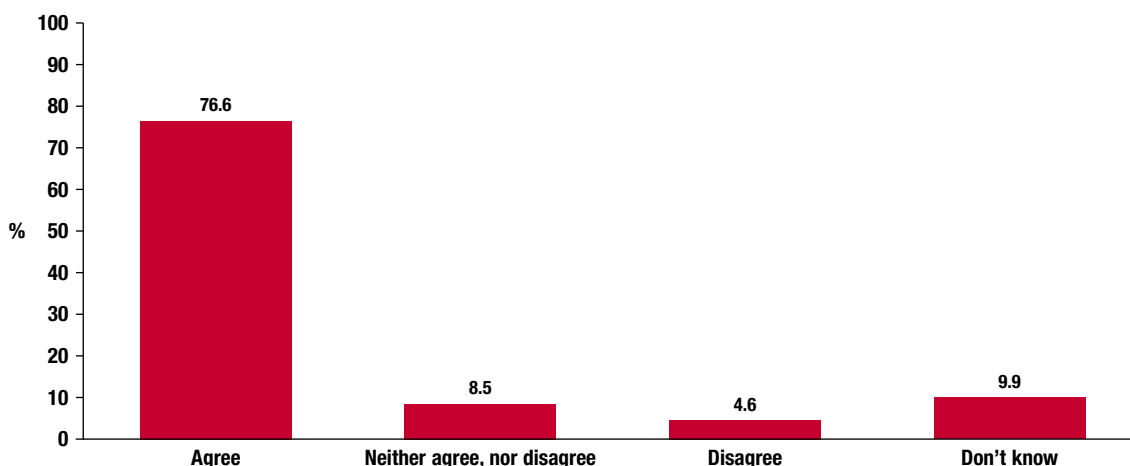
**Figure 6. Businesses have only one responsibility, to operate competitively and make profits**



A majority (54.7%) agreed that large-scale/prominent businesses’ sole responsibility was to generate profits but a significant proportion (28.8%) disagreed, 9.6% were undecided and 6.5% said they did not know.

When analysed on a provincial variable, North Central province shows the most disagreement (16.2%) while the most agreement (80.7%) was in Eastern province. In Western province, 54.1% agreed that businesses have only one responsibility, to operate competitively and make profits. (Annex 3: table 7)

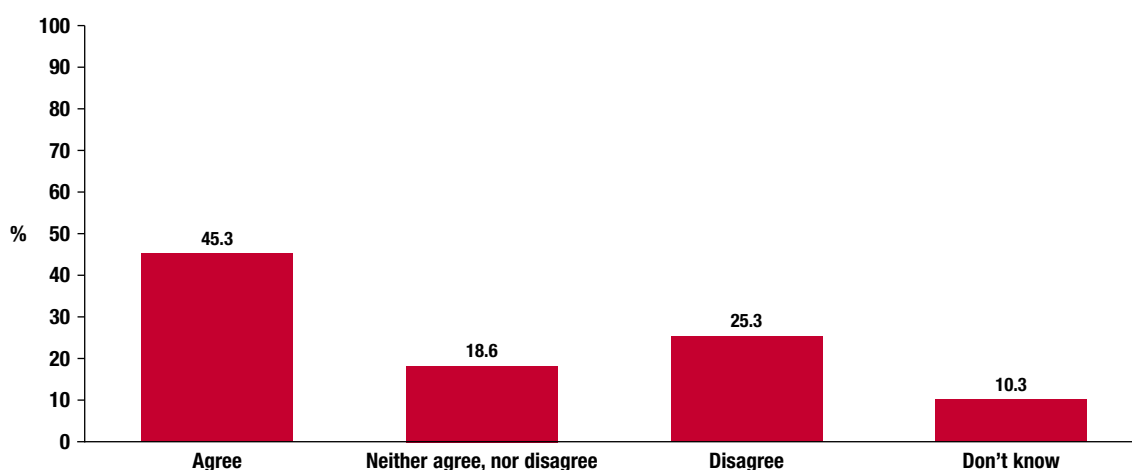
**Figure 7. Businesses have a responsibility to take into account the impact their decisions have on employees, local communities and the country, as well as making profits**



A significant proportion (76.6%) agrees that businesses should take into account the impact their decisions have on internal and external stakeholders while making profits. However, 4.6% say that they do not believe that businesses should be concerned about the impact of their decisions on stakeholders.

At a provincial level, 94.7% of those in Northern province agreed with the statement, while 62.3% from North Western province disagreed. In Western province, 68.6% say that they agree with the statement. (Annex 3: table 8)

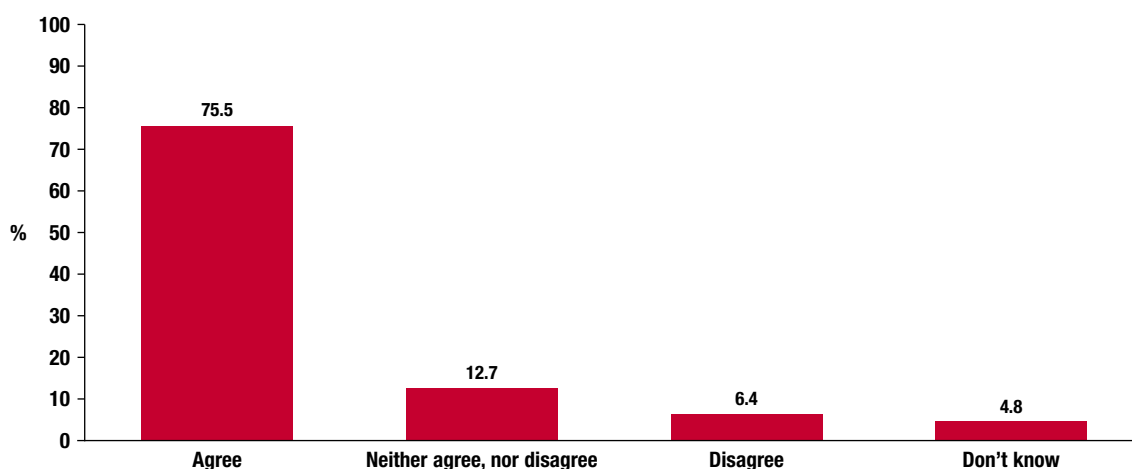
**Figure 8. By providing the community with goods and services, even at a cost, businesses help society**



While 45.3% agree with the statement, a significant proportion (25.3%) disagrees and a considerable 28.9% were either undecided, or did not know.

At a provincial level, those in North Central province agree the most (66.4%) while those in North Western province agree the least (29.8%). In Western province, 48.6% agree that by providing the community with goods and services, even at a cost, businesses help society. (Annex 3: table 9)

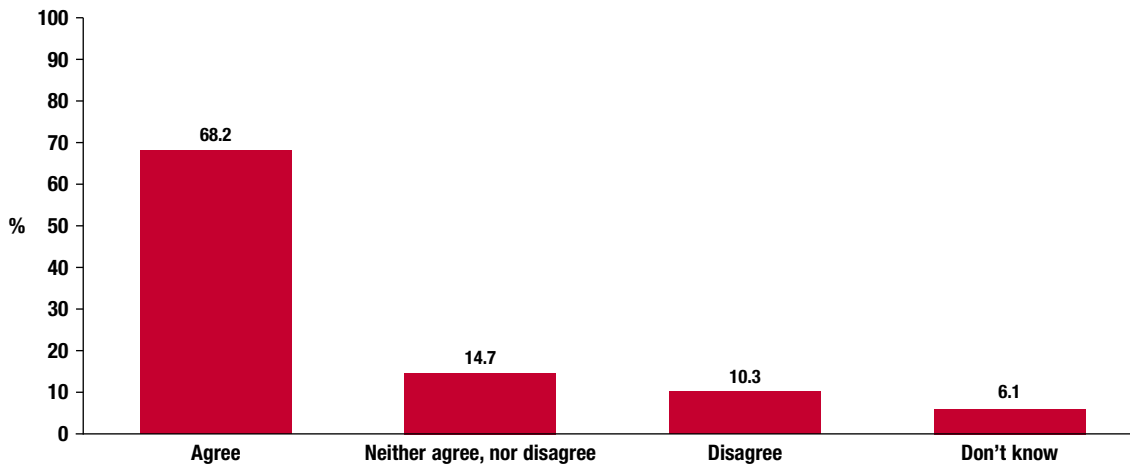
**Figure 9. By providing more employment opportunities businesses help society**



75.5% of respondents agree that businesses help society by providing more employment opportunities. 6.4% did not agree with the statement and 12.7% neither agreed, nor disagreed.

Locally, Southern province agrees the most (95.3%), while North Western province disagrees the most (65%) and 69.5% in Western province agree. (Annex 3: table 10)

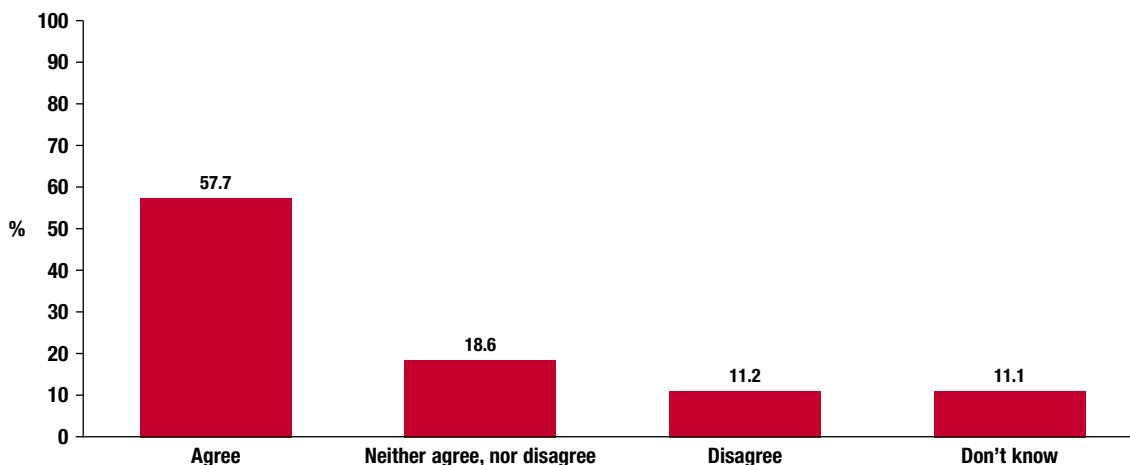
**Figure 10. Businesses are exploiting consumers**



A majority (68.2%) agrees that businesses exploit consumers, but a notable percentage (10.3%) did not.

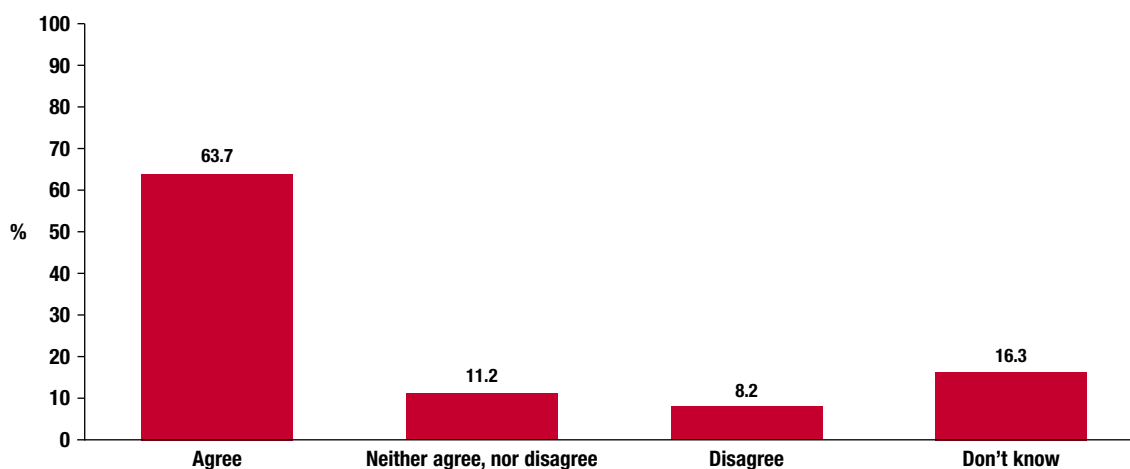
At a provincial level, Northern province shows most disagreement (47%), while the highest agreement (85.1%) was in Uva province. (Annex 3: table 11)

**Figure 11. Businesses destroy cultural values**



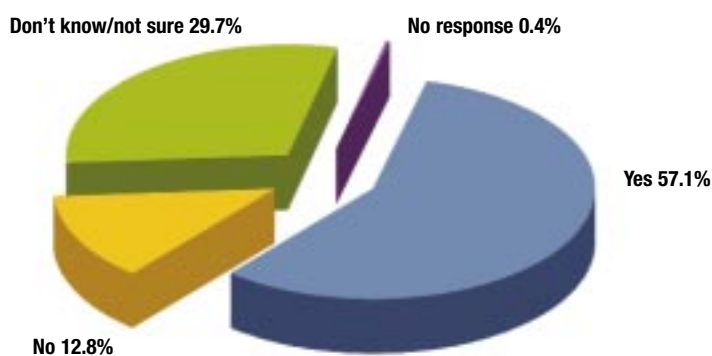
A majority (57.7%) agrees that large and prominent businesses destroy cultural values while 11.2% disagree. A considerable percentage (18.6%) is undecided.

Seen through the provincial variable, Sabaragamuwa province disagrees the most (44.9%) while the highest agreement (73.9%) comes from Uva province and 59.2% in Western province agree. (Annex 3: table 12)

**Figure 12. Business organisations have a big role in bringing peace to Sri Lanka**

Interestingly, a majority (63.7%) agrees that business organisations have a big role to play in bringing peace to Sri Lanka. However, 16.3% say they do not know and 8.2% disagree with the statement.

At the provincial level, people in North Central province disagree the most (48.9%), while the highest agreement comes from Northern province (83.3%). In Western province, 56.2% say that business organisations should be involved in bringing peace to Sri Lanka. (Annex 3: table 13)

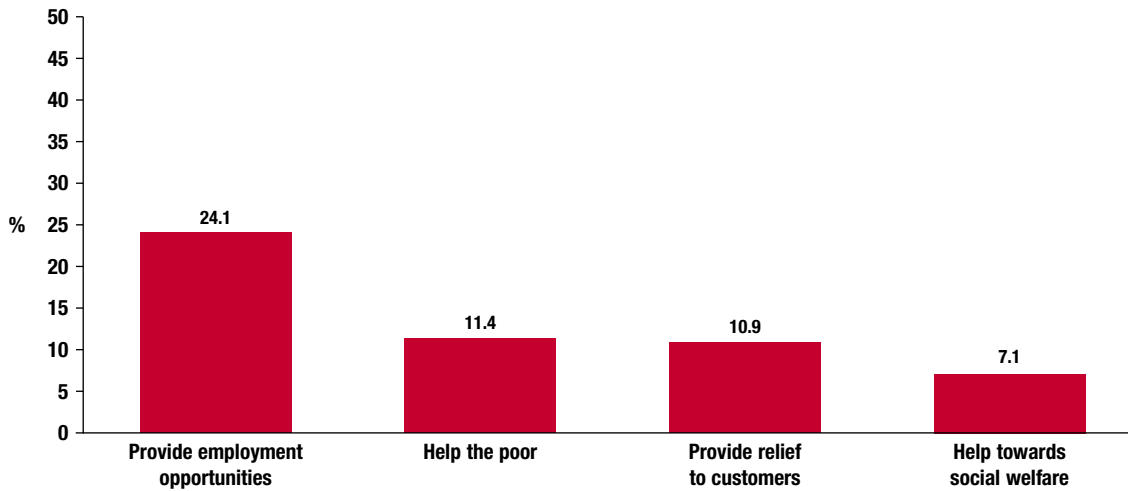
**Figure 13. Do you think there is a role for businesses to play in addressing social issues for the betterment of society?**

When asked if the people think that there is a role for businesses in addressing social issues for the betterment of society, a majority (57%) says that there is, 12.8% say there is not, while a significant 29.7% say they do not know.

92.7% of respondents in Sabaragamuwa province say that businesses have a role to play in addressing issues in the society, while only 27.3% from Uva province say they should play such a role. (Annex 3: table 14)

When asked to elaborate on what type of role businesses should play, many responses were obtained, but four were of particular importance, as illustrated by the following graph.

**Figure 14. Roles businesses should play in addressing social issues for the betterment of society**

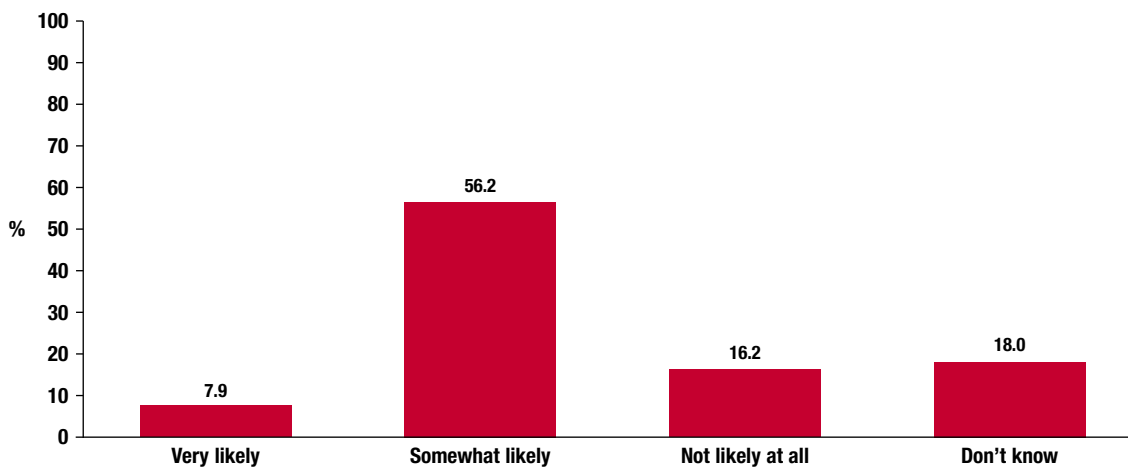


24.1% of those who say businesses should play a role for the betterment of society say they can do so by providing employment opportunities. 11.4% say business organisations can help the poor, 10.9% say they can provide relief to consumers and 7.1% say businesses can help towards social welfare.

Additionally, respondents say businesses can ‘resolve problems according to their capability’ (3.9%), ‘identify common needs of the country and act accordingly’ (3.8%), and ‘produce eco-friendly goods’ (3.1%). Apart from these prominent issues, respondents identified other roles that businesses can play in society, such as: promoting sports activities; road construction; developing rural areas; creating more responsible advertisements; developing agriculture; helping the self-employed; helping the disabled; providing health facilities; and abiding by the law.

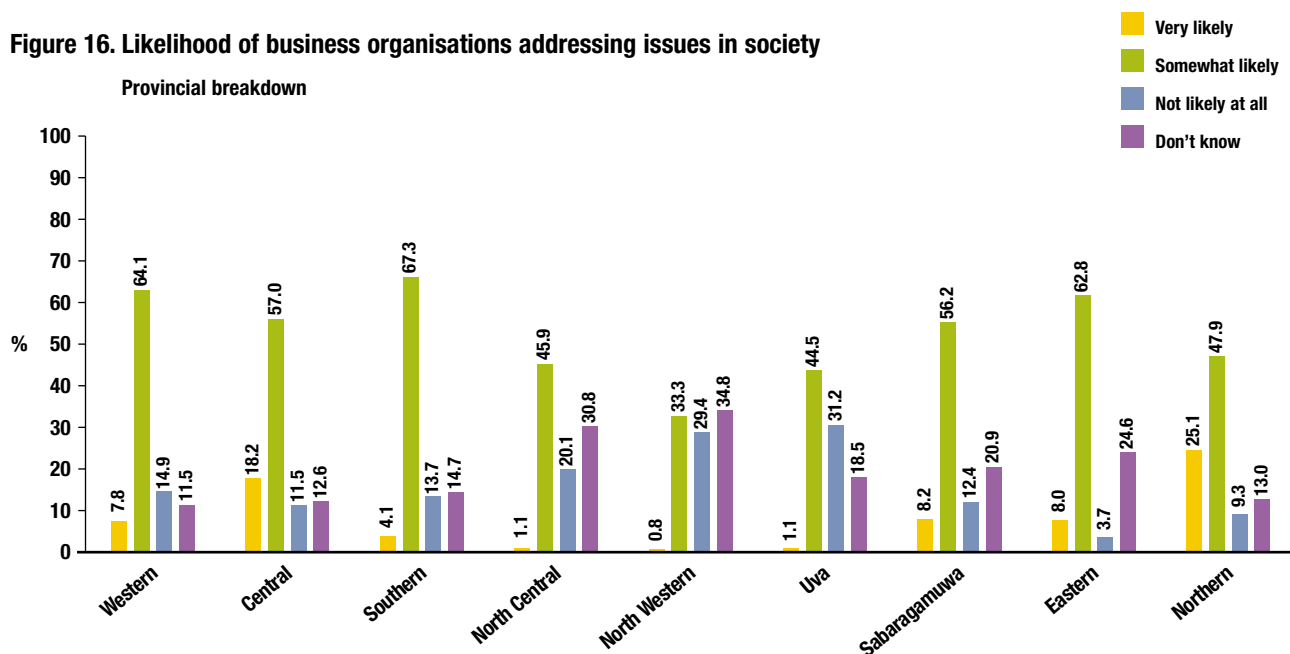
To determine the likelihood of business organisations engaging in activities for the betterment of the society, respondents were asked: ‘looking at the business organisations in Sri Lanka, how likely are they to engage in activities that address social issues for the betterment of society?’

**Figure 15. Likelihood of businesses organisations addressing issues in society**



56.2% say that it is ‘somewhat likely’ that business organisations in Sri Lanka will engage in activities that address social issues for the betterment of society. 7.9% say that it is ‘very likely’ that business organisations will engage in such activities while 16.2% say that it is ‘not likely at all’. 18% say they do not know whether business organisations in Sri Lanka will address issues in society.

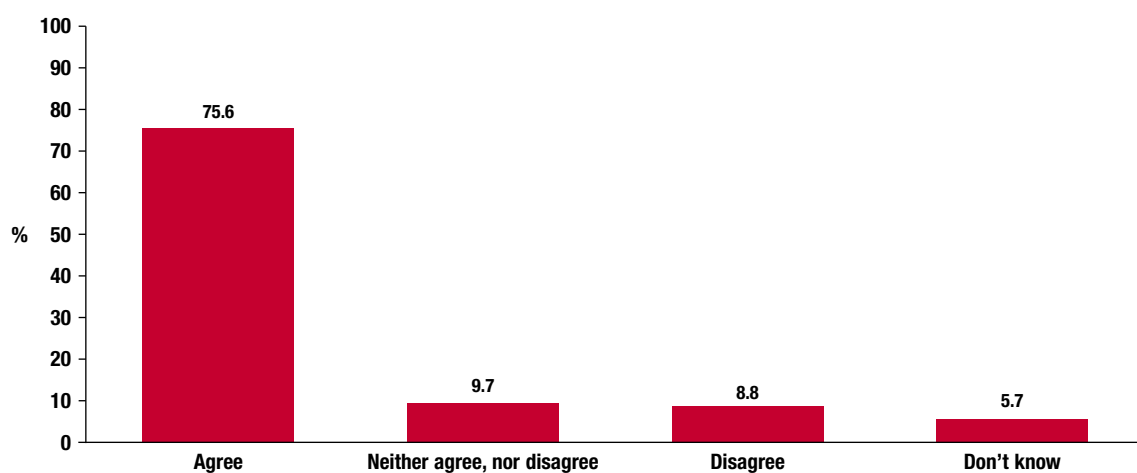


**Figure 16. Likelihood of business organisations addressing issues in society**

On a provincial basis, in all nine provinces a majority say that it is somewhat likely that business organisations will address issues in society. 25.1% in Northern province and 18.2% in Central province say that it is very likely that businesses will engage in activities for the betterment of society. 31.2% in Uva province, 29.4% in North Western province and 20.1% in North Central province say that it is not likely at all that business organisations will engage in activities for the betterment of society.

### 2.1.5 Purchasing attitudes

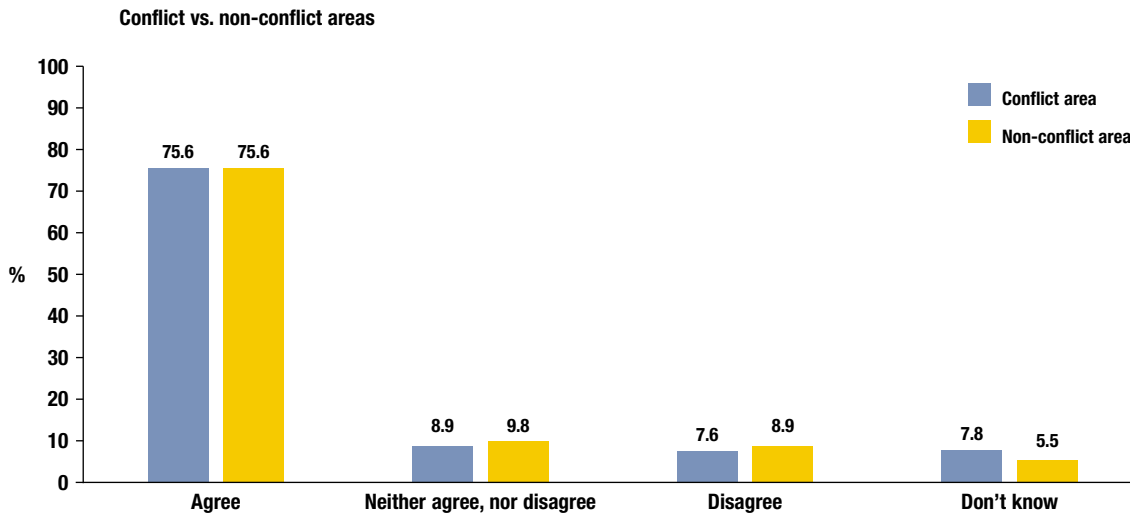
Respondents were asked to give their opinions of a number of statements relating to the buying behaviour of consumers based on 'business brand name/good will vs. the quality and affordability of the products'.

**Figure 17. Many people buy products or services based on the price and quality, not the reputation of the company**

A majority (75.6%) agrees that many people buy products based on price and quality rather than the reputation of the company. 8.8% disagree and say that people buy products based on the reputation of the company and not the price and quality of the products or services. 9.7% neither agree nor disagree.

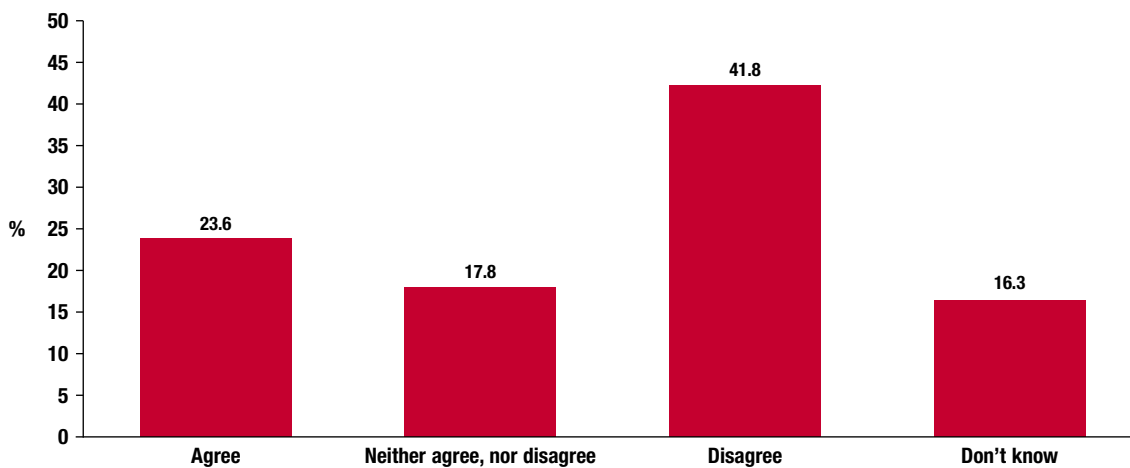
From a provincial point of view, 93.5% in Southern province agree, followed by those in North Western province (87.1%). The highest number that disagrees is from Sabaragamuwa province (21.8%). (Annex 3: table 17)

**Figure 18. Many people buy products or services based on price and quality, not the reputation of the company**



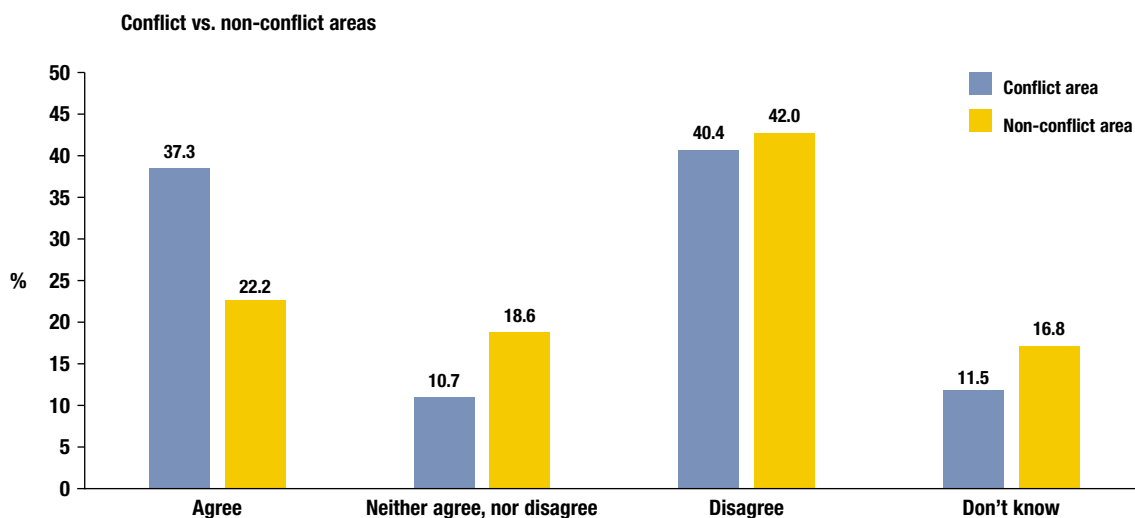
A majority (75.6%) from conflict and non-conflict areas agree that many people are concerned about the price and quality of the product or service they purchase, rather than the reputation of the company.

**Figure 19. Many people buy products or services only from companies that are regarded as society-friendly**

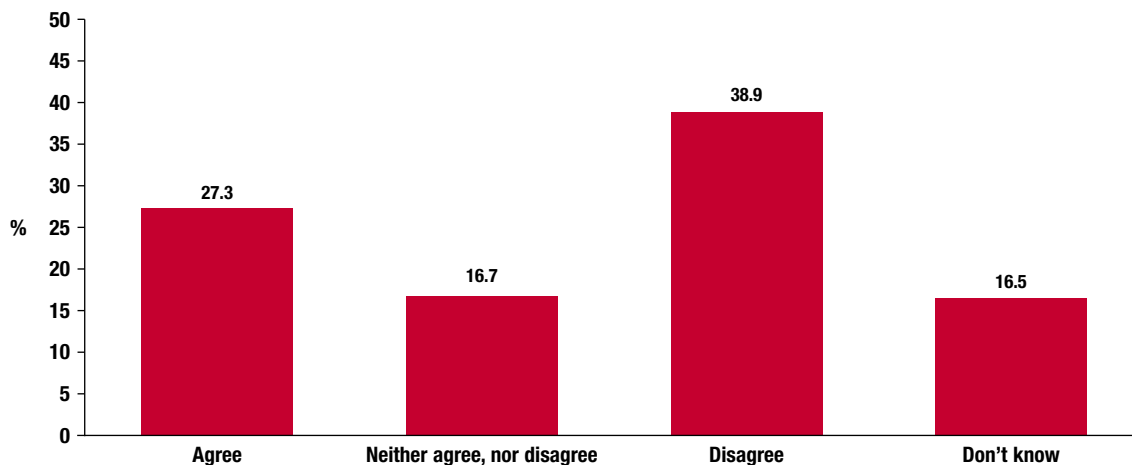


When asked if they think that many people buy products or services only from companies that are regarded as society-friendly, a majority (41.8%) disagree while 23.6% agree. 17.8% neither agree nor disagree and 16.3% do not know if people buy goods and services only from companies that are society-friendly.

Provincially, the highest proportion that disagrees with the statement came from Sabaragamuwa province (66.6%) while the lowest proportion was in Central province (26.3%). Those in Uva province (42.6%) agree most with the statement. (Annex 3: table 19)

**Figure 20. Many people buy products or services only from companies that are regarded as society-friendly**

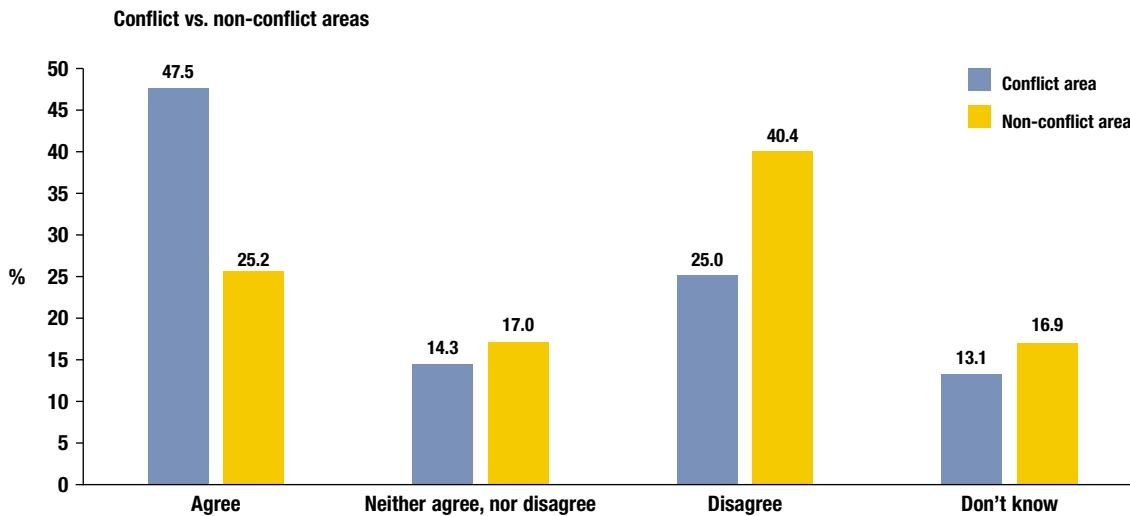
A majority from both conflict (40.4%) and non-conflict areas (42%) do not believe that people would buy products or services only from companies that are regarded as society-friendly. However, of those who agree that people would buy products or services only from companies that are regarded as society-friendly, a majority are from conflict areas (37.3%).

**Figure 21. Many people would pay more for products or services from companies that are society-friendly**

When asked if they think people would pay more for products or services from companies that are society-friendly, 38.9% disagree, 27.3% say that people would pay more, and 16.7% say that they neither agree nor disagree.

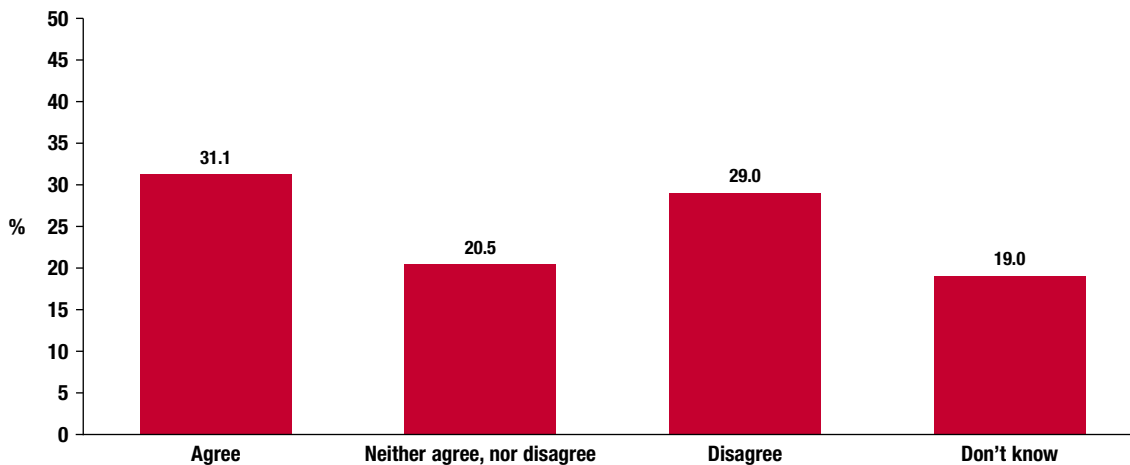
Most respondents who disagree that people would pay more for products from companies that are society-friendly are from Sabaragamuwa province (67.9%) and most who agree with the statement are from Uva province (64.1%). (Annex 3: table 21)

**Figure 22. Many people would pay more for products or services only from companies that are society-friendly**



47.5% of those in conflict areas agree that people would pay more for products or services from companies that are society-friendly. However, 40.4% of those in non-conflict areas do not agree with the statement.

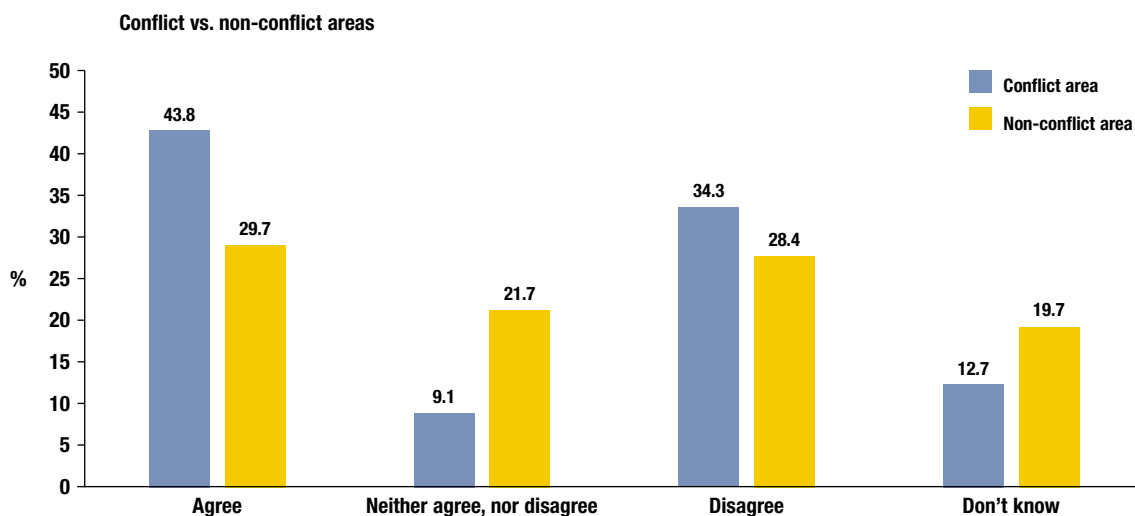
**Figure 23. People should not buy goods and services from businesses that do not engage in society-friendly activities**



Though a majority of respondents say people do not buy products and services only from companies regarded as society-friendly (figure 20), a majority (31.1%) say people should not buy goods and services from businesses that do not engage in society-friendly activities. However, a significant proportion (29%) disagrees with the statement and 20.5% are undecided.

Uva province (61.3%), followed by Northern province (59.5%), had the largest proportion of people who agree that people should not buy products from companies that do not engage in society-friendly activities, while 54.1% in Southern province disagree with the statement. (Annex 3: table 23)

**Figure 24. People should not buy goods and services from businesses that do not engage in society-friendly activities**

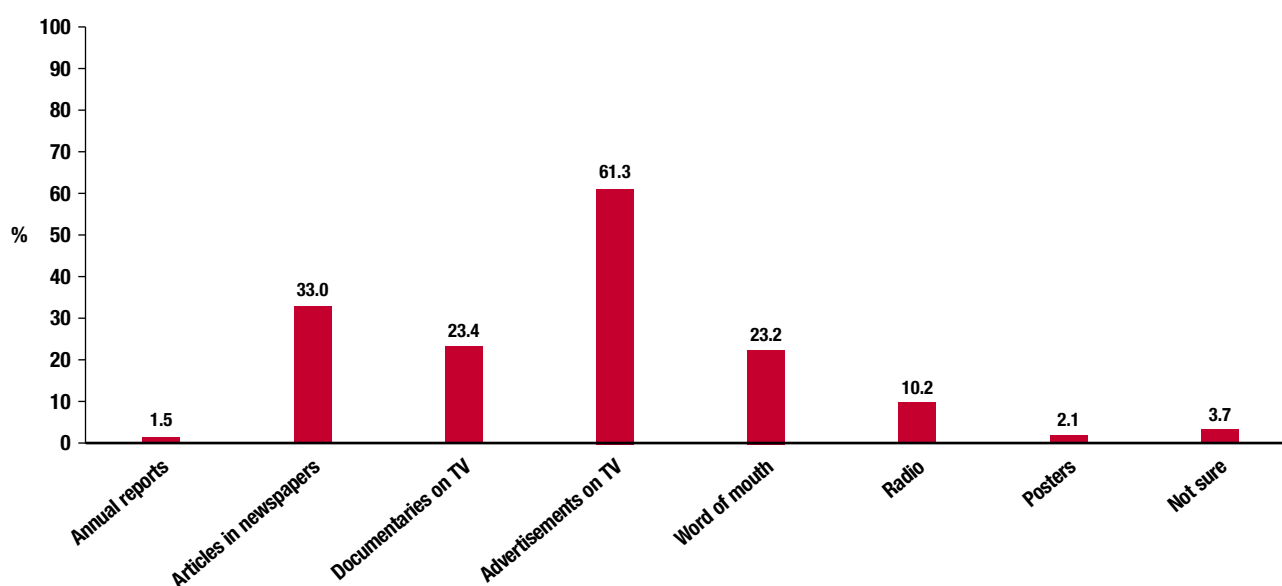


47.5% of those in conflict areas agree that people would pay more for products or services from companies that are society-friendly. However, 40.4% of those in non-conflict areas do not agree with the statement.

### 2.1.6 Information services

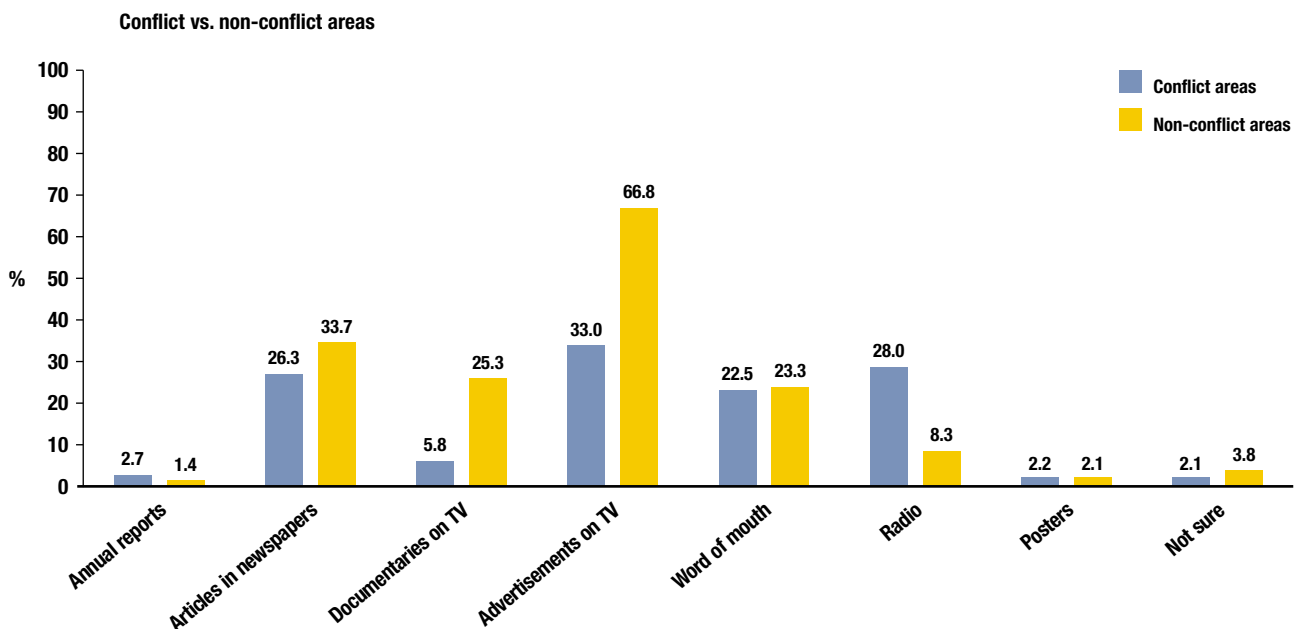
Asked from which media sources the public derives its information about a company's activities, 35.4% say through TV advertisements, followed by newspaper articles (32.3%), TV documentaries (11.6%) and word of mouth (9.9%). The annual report, a key corporate communications tool, is cited by only 1.5% respondents.

**Figure 25. How do you normally get to know about the activities of business organisations?**



Provincially, respondents in Uva (78.7%) and North Western provinces (73.4%) have the highest TV advertisement preference while Northern province (29.9%) has the least. The most common method of obtaining information in Northern province is by word of mouth (36.4%), followed by articles in newspapers (33.4%). The highest preference for newspaper articles are in Southern (43.7%) and Uva (43.5%) provinces while the least preference for them is found in North Central (6.2%). The highest preference for TV documentaries is Central province (34.3%) while the least is in Eastern (5.2%). The highest use of posters as a medium of communication is reported from North Western province (5.7%). When it comes to annual reports, Northern (4.7%), Central (3.1%) and Western provinces (2.5%) reported the highest use. In Western province, the leading information source is TV advertisements (71%), followed by newspaper articles (36.9%) and TV documentaries (30.1%). A similar pattern is seen in Southern province. Eastern province has the highest number of people who use the radio as a source of information about business activities (41%). (Annex 3: table 25)

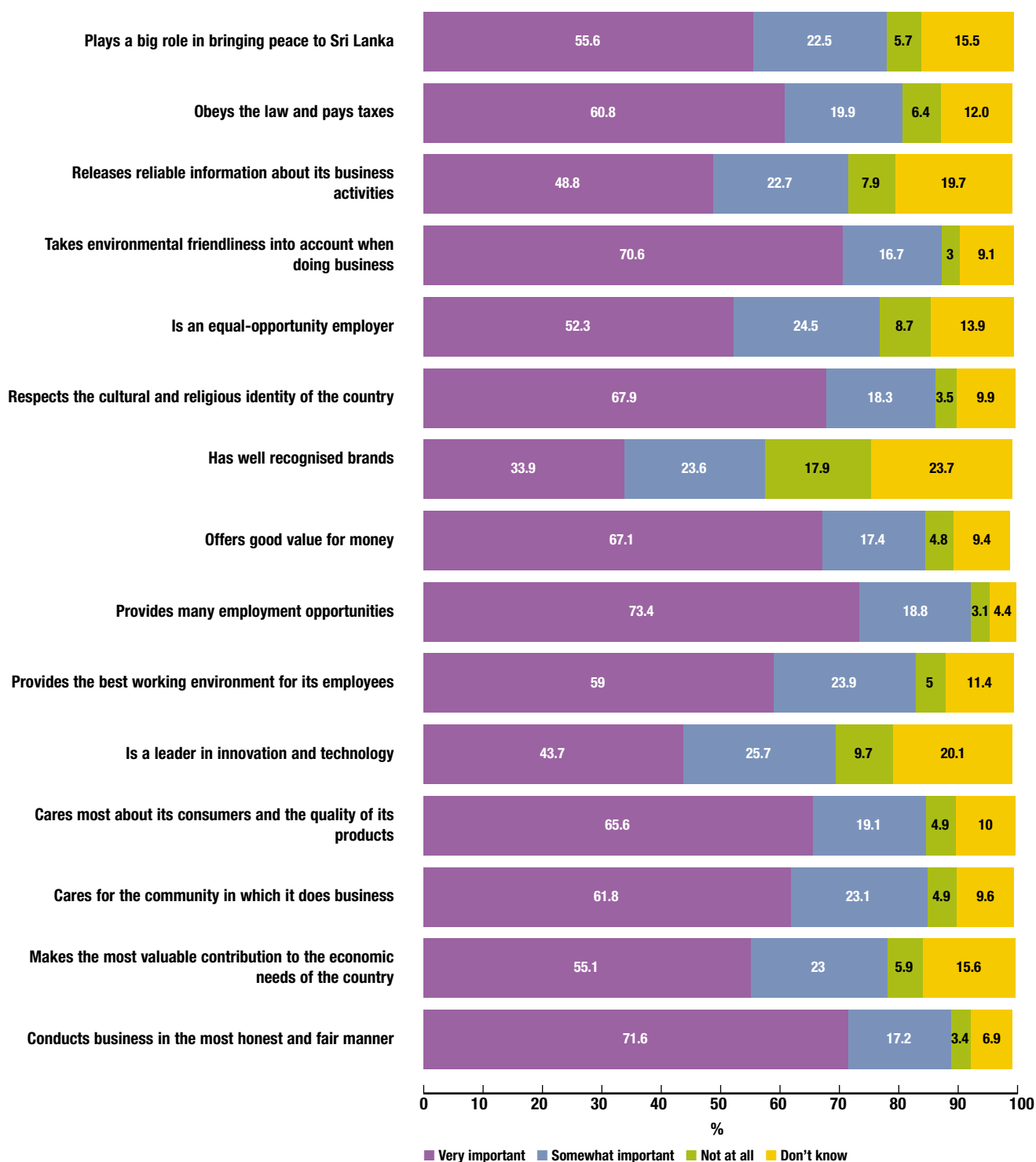
**Figure 26. How do you normally get to know about the activities of business organisations?**



TV advertisements are the most common media source for the activities of business organisations in both conflict (33%) and non-conflict areas (66.8%). 28% of respondents in conflict areas obtain information about business organisations through radio, compared to 33.7% in non-conflict areas who obtain it through newspaper articles. 25.3% of respondents in non-conflict areas obtain information about the activities of business organisations through TV documentaries.

### 2.1.7 What makes businesses society-friendly

To determine how people identify a business as one that ‘contributes to the betterment of society’, respondents were asked to rate the relative importance of a set of attributes about business organisations, their activities and the environment they operate in. The attributes ranged from the honest conduct of business affairs to issues such as being an equal-opportunity employer and a business’ attention/care towards the community in which it operates.

**Figure 27. Attributes of business organisations**

'Providing many employment opportunities' (73.4%) is given the highest prominence by respondents, followed by 'conducting business in the most honest and fair manner' (71.6%) and 'taking environmental friendliness into account when doing business' (70.6%). Having well recognised brands (17.9%), being an equal-opportunity employer (8.7%) and releasing reliable information about business activities (7.9%) are attributes that were listed as 'not important at all' by a majority. Providing the best working environment for employees (23.9%) and being a leader in innovation and technology (25.7%) were said to be 'somewhat important' when rating a

business organisation’s social responsibility. ‘Caring for the community in which it does business’ was considered ‘very important’ by a significant 61.8%, indicating that the respondents expect some form of CSR activities by business organisations. ‘Respecting the cultural and religious identity of the country’ was also listed as ‘very important’ by 67.9% of respondents.

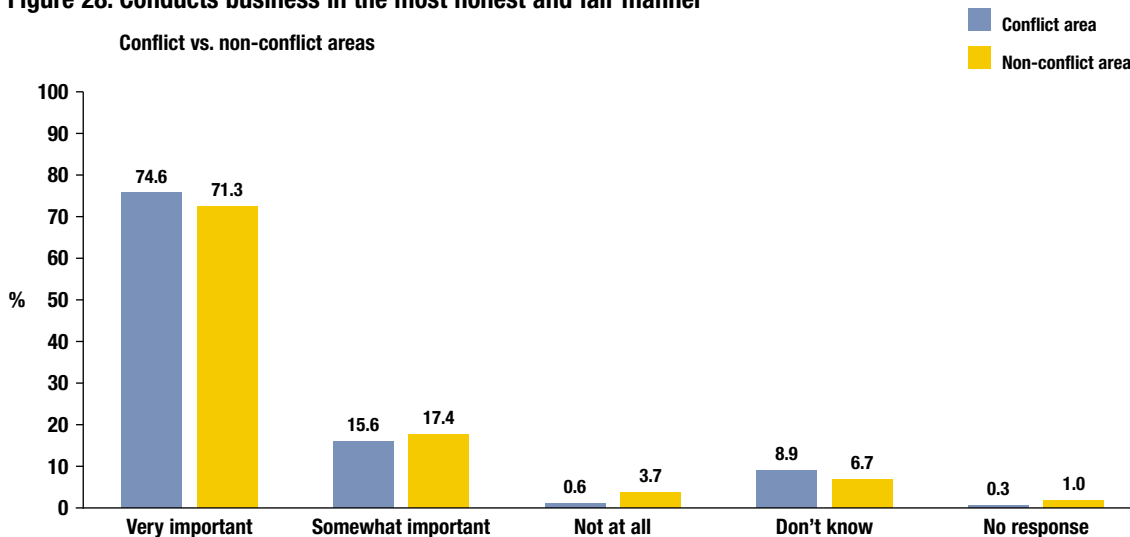
When these attributes are analysed from a provincial point of view, ‘providing many employment opportunities’ was seen as very important by those in Southern province (95.5%), followed by Sabaragamuwa (90.5%). Only 8% of respondents in Central province say that providing many employment opportunities is ‘not important at all’. In Northern province, the highest importance is placed on ‘being an equal-opportunity employer’ (85.4%). (Annex 3: tables 32 and 36)

In Central province, the highest importance is placed on taking environmental friendliness into account when conducting business (73.2%). In Western province, the highest importance is placed on ‘providing many employment opportunities’ (70.3%), followed by ‘taking environmental friendliness into account when doing business’ (65.4%) and ‘respecting the cultural and religious identity of the country’ (62.6%). (Annex 3: tables 32, 35 and 37)

‘Conducting business in the most honest and fair manner’ (93%) and ‘taking environmental friendliness into account when doing business’ (91.4%) are considered ‘very important’ by respondents in Southern province. (Annex 3: tables 26 and 37)

The greatest number of people who say that ‘having well recognised brands’ are ‘not at all important’ are from North Western province (31.8%). (Annex 3: table 34)

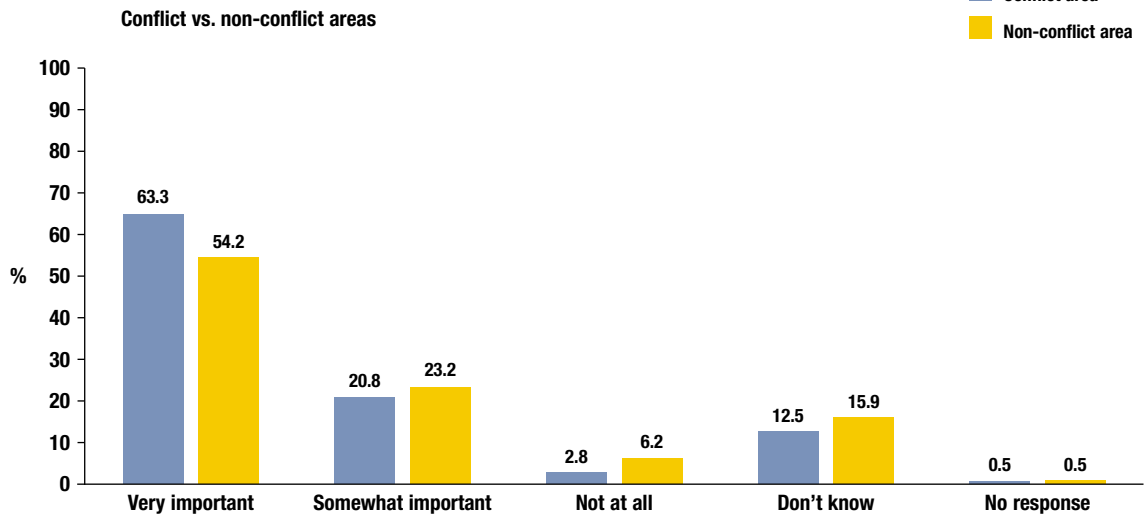
**Figure 28. Conducts business in the most honest and fair manner**



A majority in both conflict (74.6%) and non-conflict (71.3%) areas agreed that organisations that want to be considered as contributing to the betterment of society have to ‘conduct business in the most honest and fair manner’.

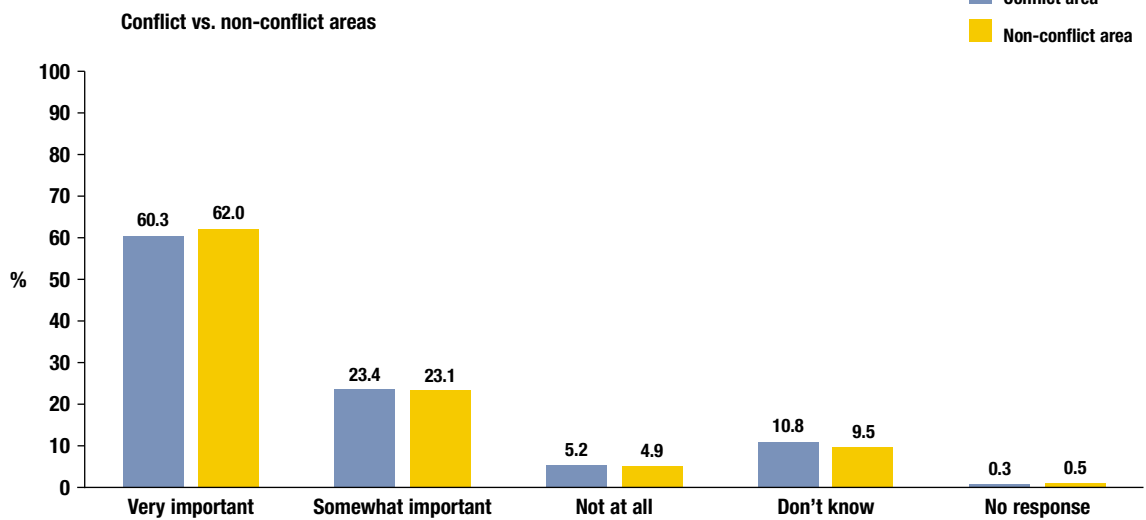


**Figure 29. Makes the most valuable contribution to the economic needs of the country**



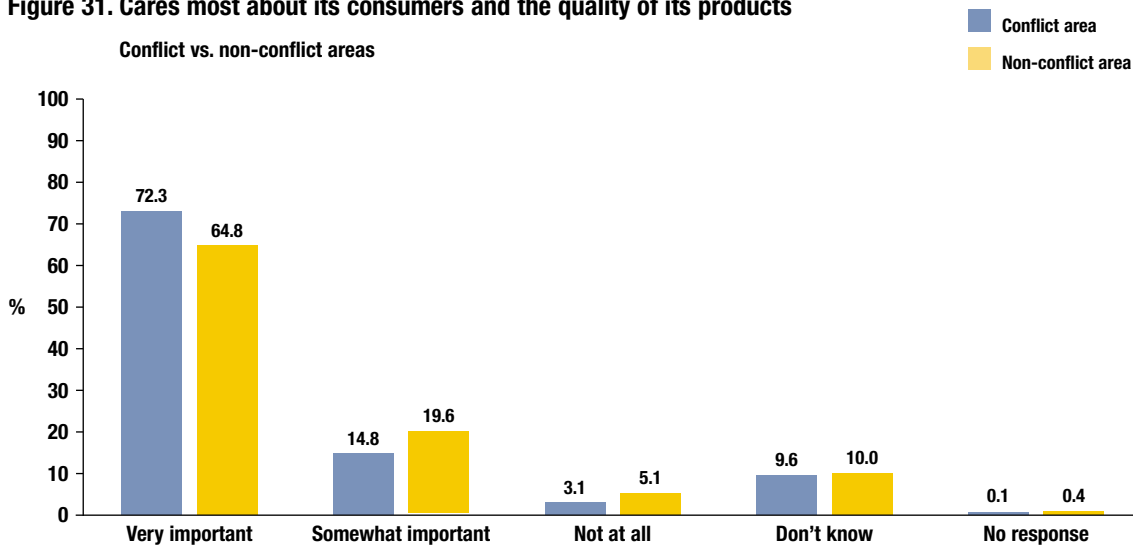
When asked whether making the most valuable contribution to the economic needs of the country is an important attribute, less people in non-conflict areas (54.2%) thought it was than in conflict areas (63.3%). 23.2% of respondents in non-conflict areas and 20.8% in conflict areas consider it 'somewhat important'.

**Figure 30. Cares for the community in which it does business**



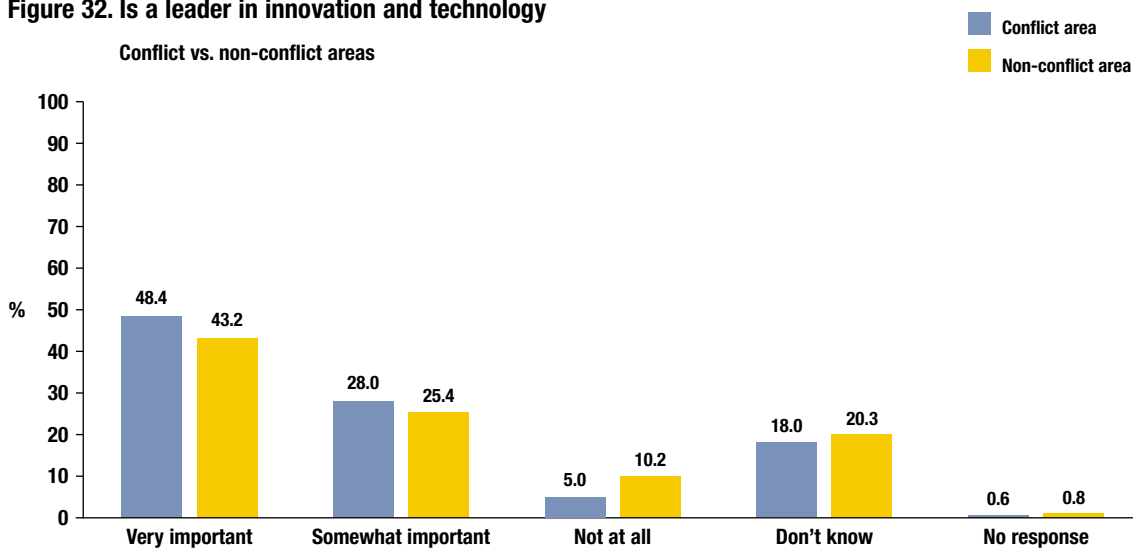
Caring for the community in which a company does business is considered 'very important' by those in both conflict (60.3%) and non-conflict (62%) areas, while 23.4% and 23.1% in conflict and non-conflict areas, respectively, consider it 'somewhat important'.

**Figure 31. Cares most about its consumers and the quality of its products**



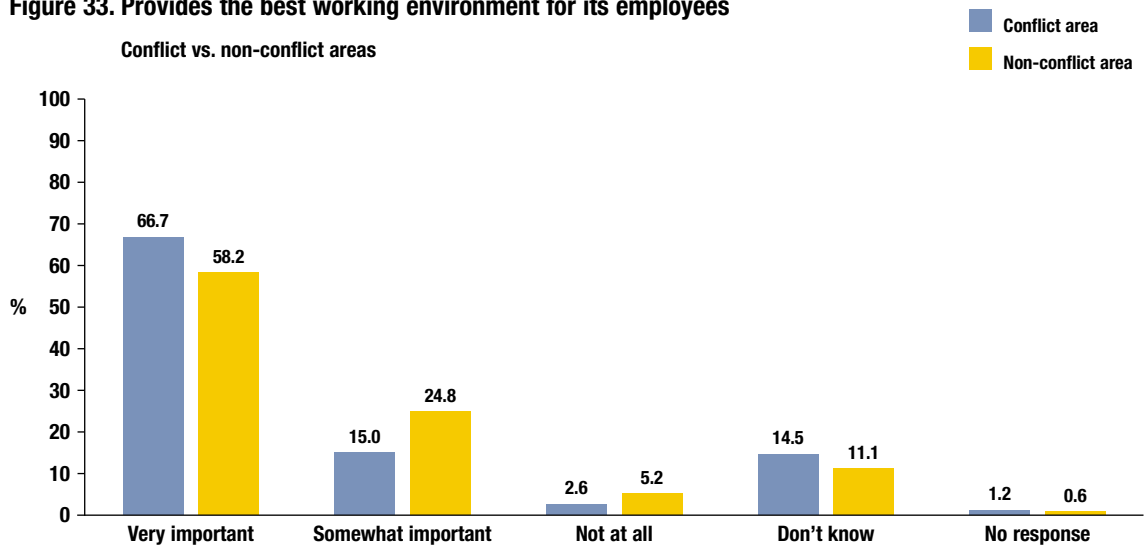
More people in conflict areas (72.3%) say that ‘caring most about consumers and the quality of its products’ is ‘very important’ for them to identify an organisation as contributing to the betterment of society, than in non-conflict areas (64.8%).

**Figure 32. Is a leader in innovation and technology**



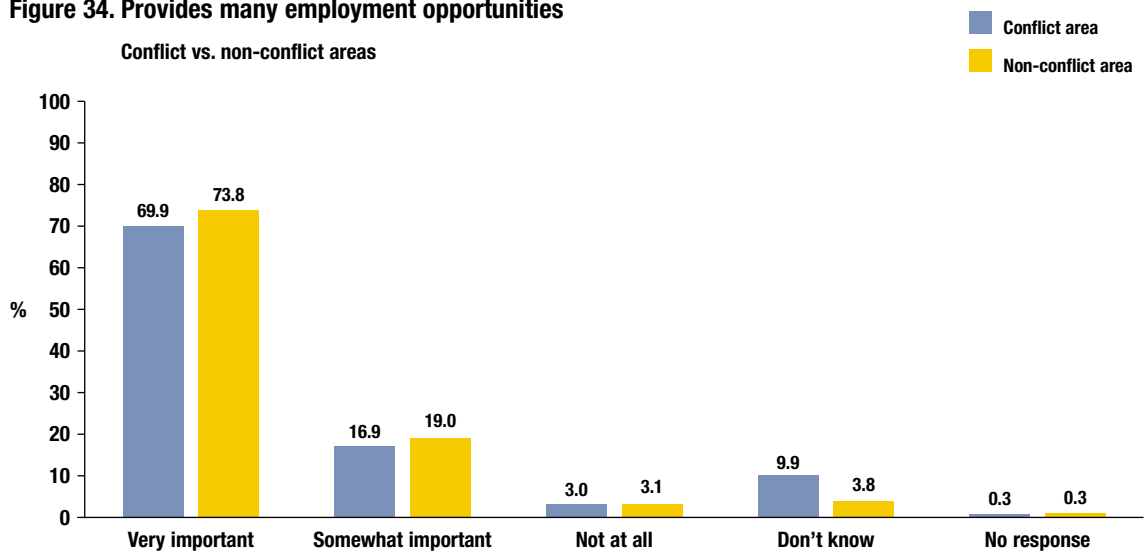
Being a leader in innovation and technology is considered ‘very important’ by those in conflict (48.4%) and non-conflict (43.2%) areas, but 28% in conflict areas and 25.4% in non-conflict areas say it is only ‘somewhat important’.

**Figure 33. Provides the best working environment for its employees**



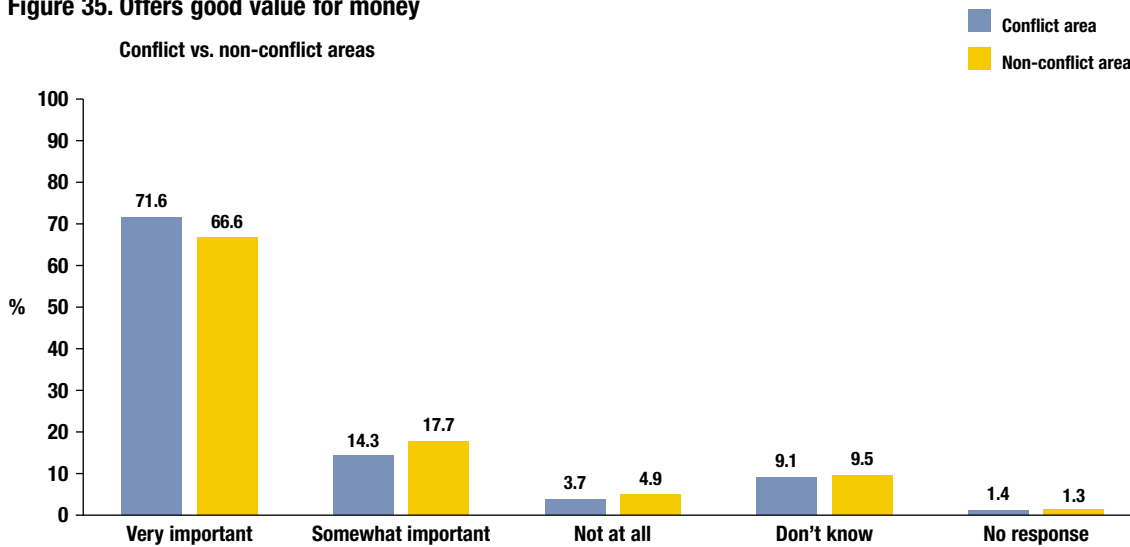
66.7% of respondents in conflict areas and 58.2% in non-conflict areas consider that providing the best working environment for its employees qualifies an organisation as contributing to the betterment of society. However, 24.8% in non-conflict areas say that it is only ‘somewhat important’.

**Figure 34. Provides many employment opportunities**



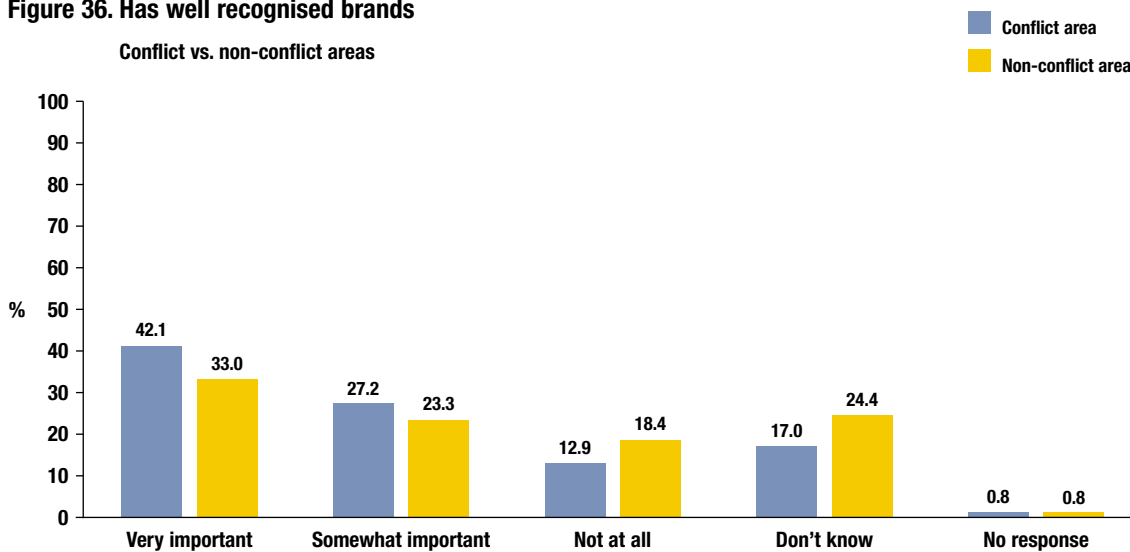
‘Providing many employment opportunities’ is considered ‘very important’ by more people in non-conflict areas (73.8%) than in conflict areas (69.6%) as an attribute of a business organisation that contributes to the betterment of society.

**Figure 35. Offers good value for money**



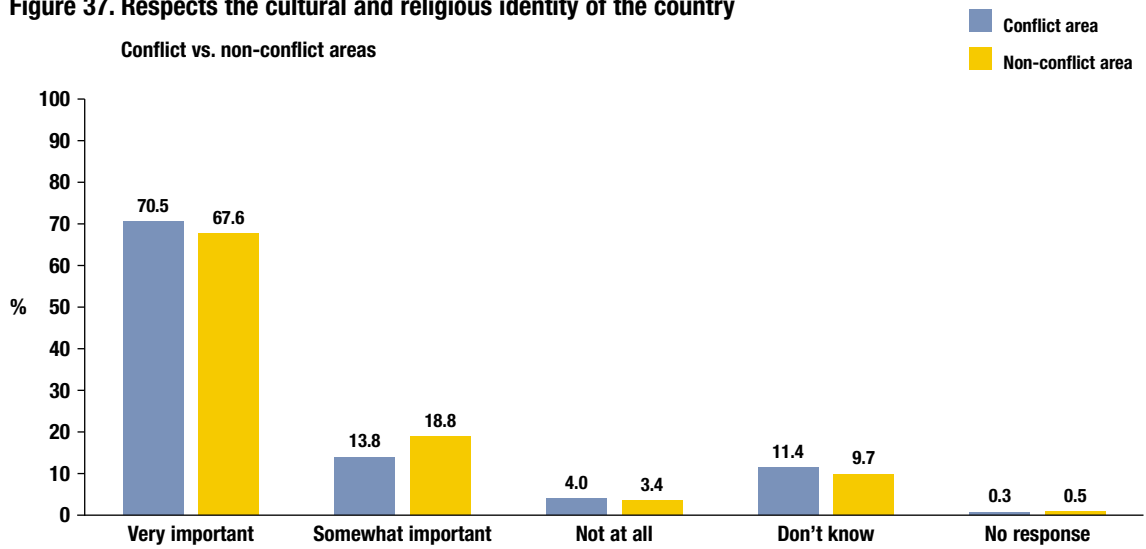
A significant majority in both conflict (71.6%) and non-conflict (66.6%) areas say that ‘offering good value for money’ is ‘very important’ in defining a business organisation that contributes to the betterment of society, while 17.7% in non-conflict areas say that it is only ‘somewhat important’.

**Figure 36. Has well recognised brands**



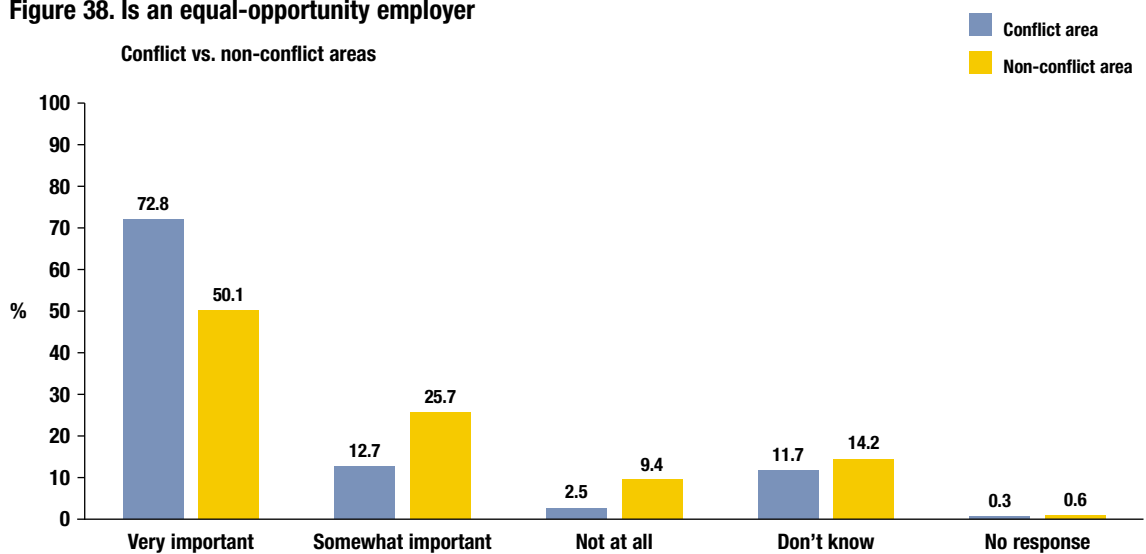
In conflict areas, 42.1% say that ‘having well recognised brands’ it is ‘very important’ in identifying a company that contributes to the betterment of society, while 27.2% say it is ‘somewhat important’. In non-conflict areas, only 33% say it is ‘very important’, 23.3% say it is ‘somewhat important’ and 18.4% say it is ‘not important at all’.

**Figure 37. Respects the cultural and religious identity of the country**



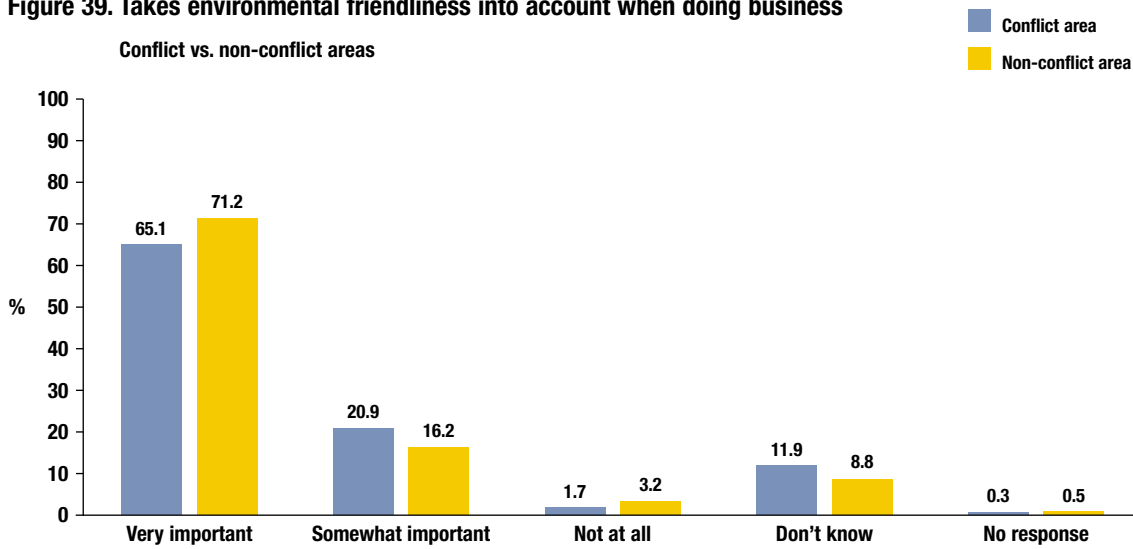
‘Respecting the cultural and religious identity of the country’ was considered a ‘very important’ attribute by respondents in both conflict (70.5%) and non-conflict areas (67.6%).

**Figure 38. Is an equal-opportunity employer**



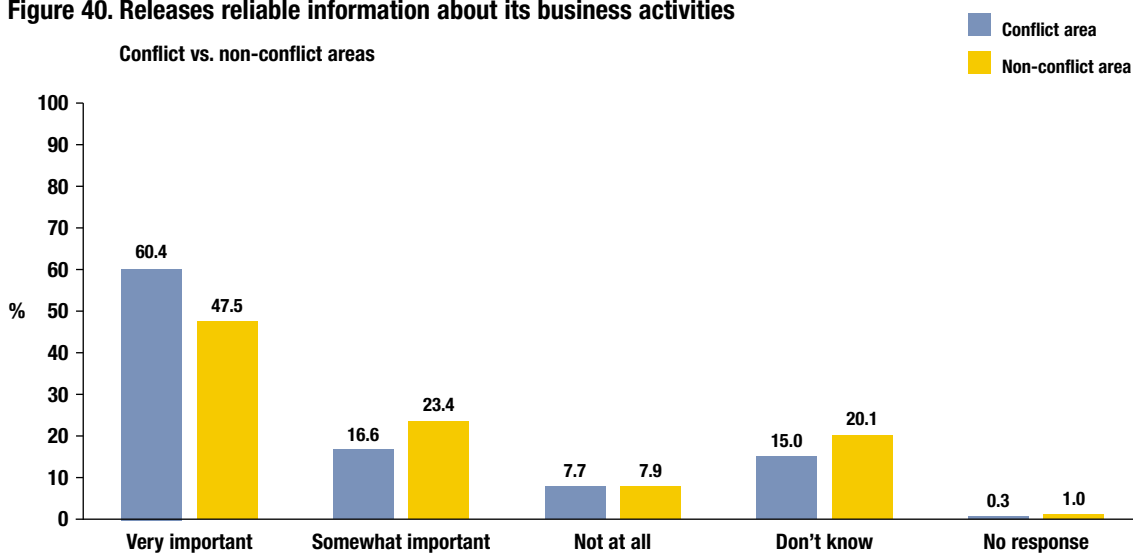
With regard to being an equal-opportunity employer, those in conflict and non-conflict areas hold differing views. 72.8% in conflict areas say that being an equal opportunities employer is ‘very important’, but only 50.1% in non-conflict areas agree. 25.7% of those in non-conflict areas say that being an equal-opportunity employer is only ‘somewhat important’.

**Figure 39. Takes environmental friendliness into account when doing business**

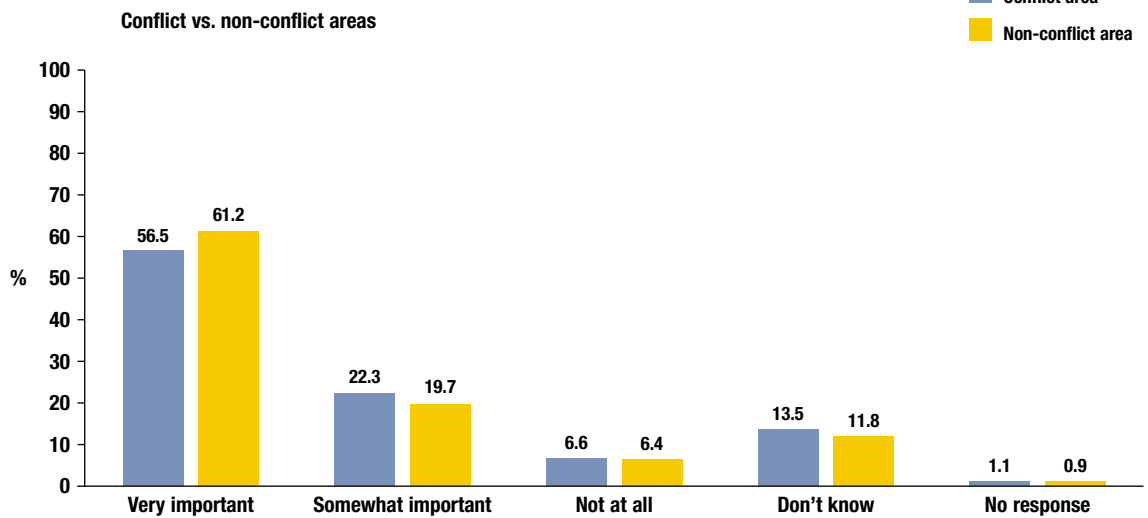


More people in non-conflict (71.2%) zones place importance on ‘taking environmental friendliness into account’ than in conflict (65.1%) areas.

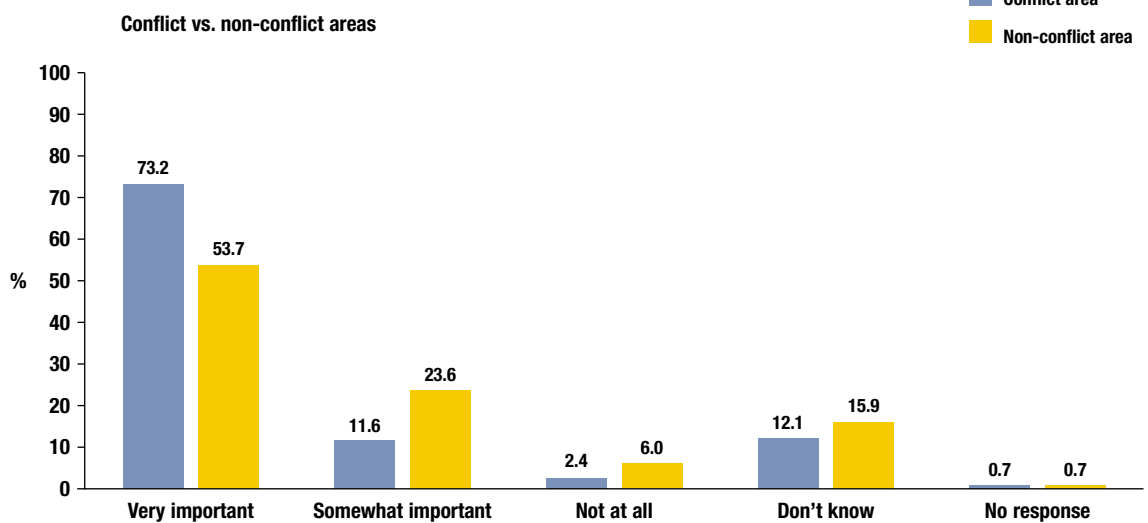
**Figure 40. Releases reliable information about its business activities**



More people in conflict (60.4%) areas believe organisations that release reliable information about their businesses contribute to the betterment of society, compared to 47.5% in non-conflict areas.

**Figure 41. Obeys the law and pays taxes**

Obeying the law and paying taxes are considered 'very important' by 61.2% of respondents in non-conflict areas and 56.5% in conflict areas. However, more people in conflict areas (22.3%) say that this is 'somewhat important' if they are to regard a business as contributing to the betterment of society.

**Figure 42. Plays a big role in bringing peace to Sri Lanka**

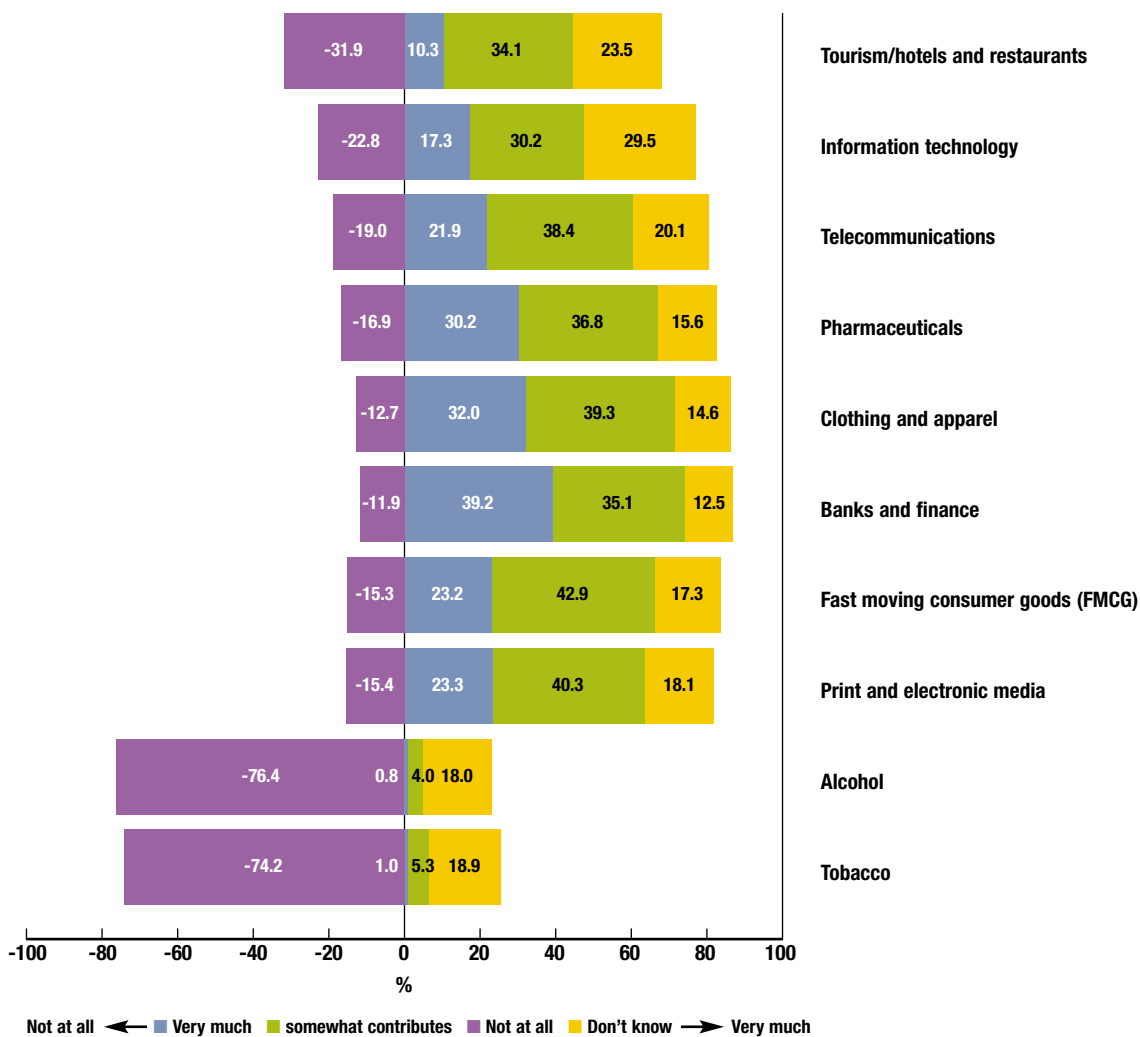
The other attribute people in conflict and non-conflict areas disagree about is the relative importance of 'playing a big role in bringing peace to Sri Lanka'. 73.2% in conflict areas say this is 'very important' if a company is to be considered as contributing to the betterment of society, compared to only 53.7% in non-conflict areas. For 23.6% of respondents in non-conflict areas, it is only 'somewhat important'.

### 2.1.8 Business sectors that are society-friendly

Respondents were asked to give their perceptions of ten major business sectors and their contributions towards the betterment of society.

The banking and finance sector rates highest with 39.2% saying they contribute towards the betterment of society, followed by the clothing and apparel (32%) and pharmaceuticals sectors (30.2%). The sectors considered as ‘not contributing at all’ are alcohol (76.4%) and tobacco (74.2%).

**Figure 43. Which business sector contributes to the betterment of society?**



The opinion that sectors ‘somewhat contribute’ towards the betterment of society is seen primarily in FMCG (42.9%), with print and electronic media (40.3%) closely following. After the alcohol and tobacco sectors, people see the tourism/hotel and restaurant sector (31.9%) and information technology (22.8%) as offering least to the betterment of society. It should be noted, however, that while the banking and finance sector rated highly overall in contributing to the betterment of society, 11.9% of respondents felt it did not contribute at all.

Provincial analysis shows that banks and financial institutions are regarded as contributing ‘very much’ to society in Northern province (55.5%), while the sector’s negative rating is highest in North Western (19.9%). (Annex 3: table 46)



The clothing and apparel sector is regarded as contributing very much by respondents in Central province (47%), but the sector's negative rating is highest in North Western (20%). (Annex 3: table 45)

Alcohol is most favoured as contributing to the betterment of society by respondents in Northern province (4.7%), followed by Eastern (2.7%), while tobacco is most favoured by respondents in Eastern (5.4%) and Northern (4.2%). (Annex 3: table 49 and 50)

Information technology (IT) is most favoured as contributing to the betterment of society by respondents in Northern province (46.1%), but its negative rating was highest in North Western (39.5%). Telecommunications is most favoured as contributing to the betterment of society by respondents in Northern province (50.7%), but least rated in North Western (39.6%). In Western province, IT (35.8%) and telecommunications (47.9%) are seen as 'somewhat contributing' to the betterment of society. (Annex 3: table 42 and 43)

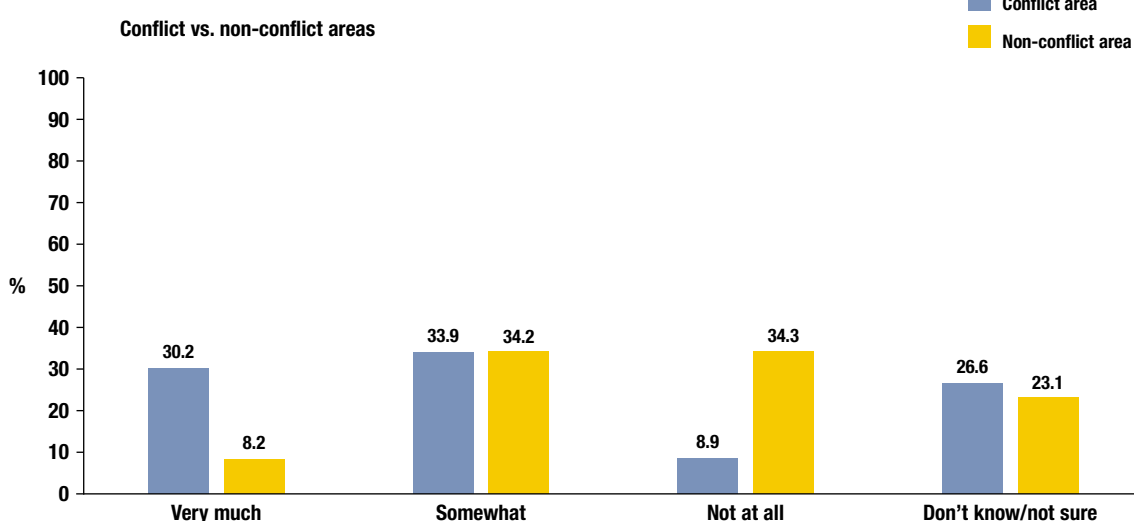
The highest approval rating for the tourism sector was given in Eastern province (32%) and the lowest in Southern province (43.6%). (Annex 3: table 41)

The pharmaceuticals sector is said to contribute 'very much' to the betterment of society by respondents in Central province (58.7%), while its lowest rating was in North Western (35.5%). (Annex 3: table 44)

FMCG are regarded as contributing highly to the betterment of society in Eastern province (54.1%), while respondents in North Western are least impressed (27.3%). (Annex 3: table 47)

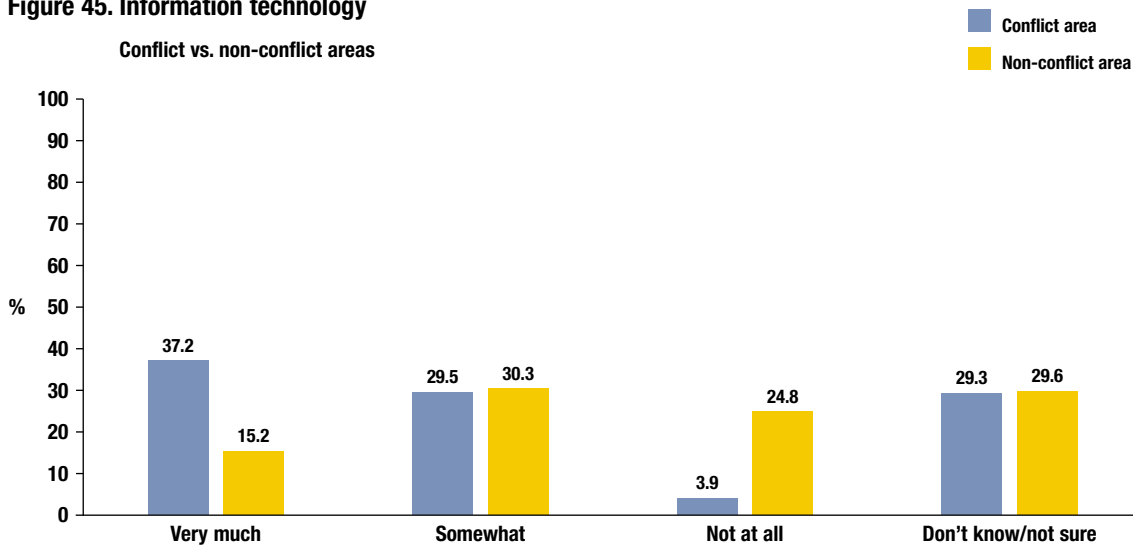
The opinion that print and electronic media contribute highly to the betterment of society is jointly held by respondents in Central and Uva provinces (35%), while it is more negatively rated by North Central province (25.6%). (Annex 3: table 48)

**Figure 44. Tourism/hotels and restaurants**



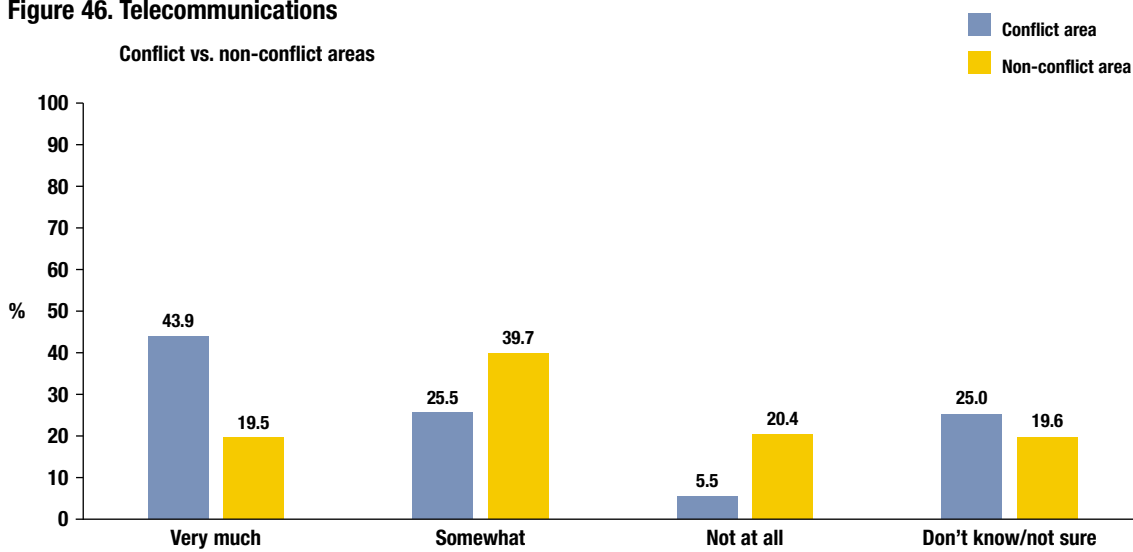
Roughly equal numbers of respondents in conflict (33.9%) and non-conflict (34.2%) areas say that the tourism/hotels and restaurants sector 'somewhat contributes' to the betterment of society. However, only 8.2% in non-conflict areas agree that it contributes to the betterment of society compared to 30.2% in conflict areas.

**Figure 45. Information technology**

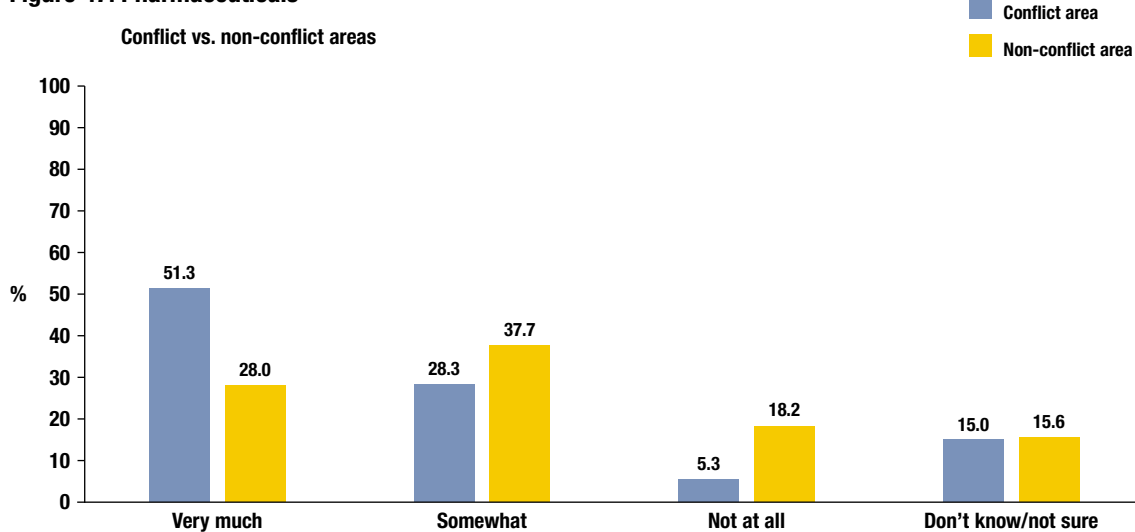


Similarly, a majority in conflict areas (37.2%) agrees that the IT sector contributes ‘very much’ to society, while only 15.2% of those in non-conflict areas agree.

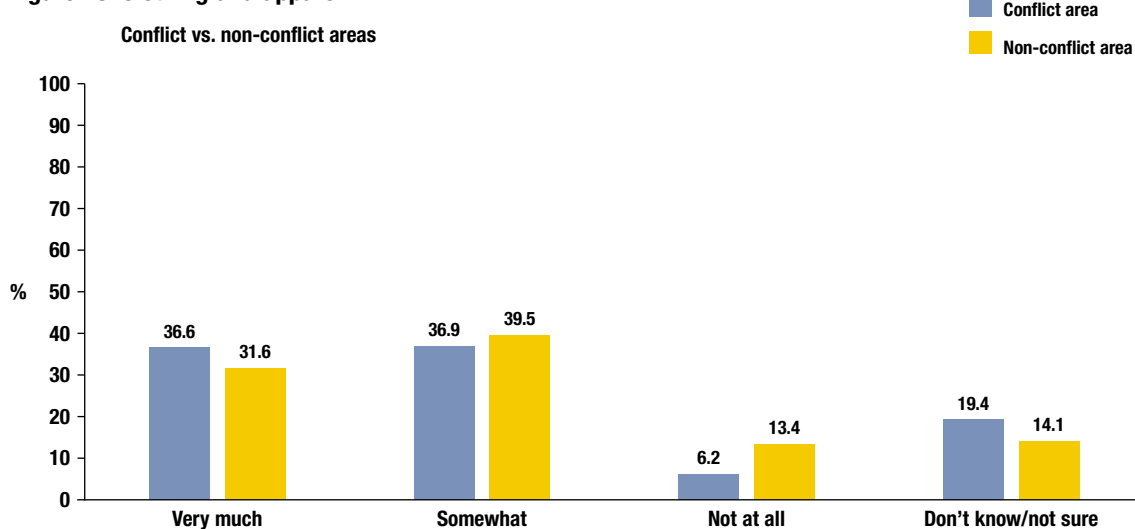
**Figure 46. Telecommunications**



With regard to telecommunications, 43.9% in conflict areas say that it contributes to the betterment of society, but only 19.5% in the non-conflict areas agree.

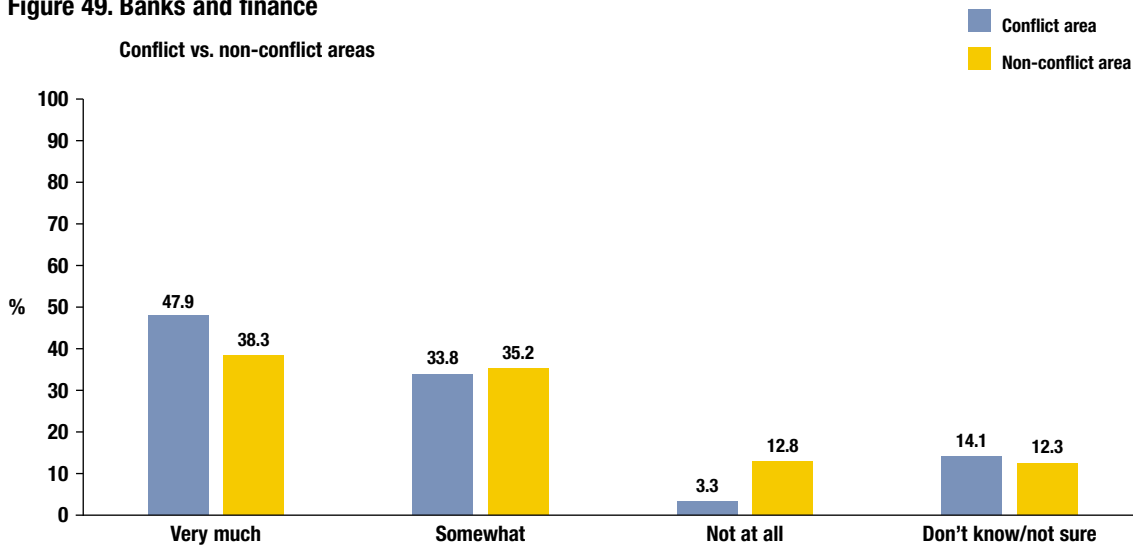
**Figure 47. Pharmaceuticals**

A majority in conflict areas (51.3%) agrees that pharmaceuticals ‘very much contribute’ to society, while a majority in non-conflict (37.7%) areas agrees that the sector ‘somewhat contributes’ to society.

**Figure 48. Clothing and apparel**

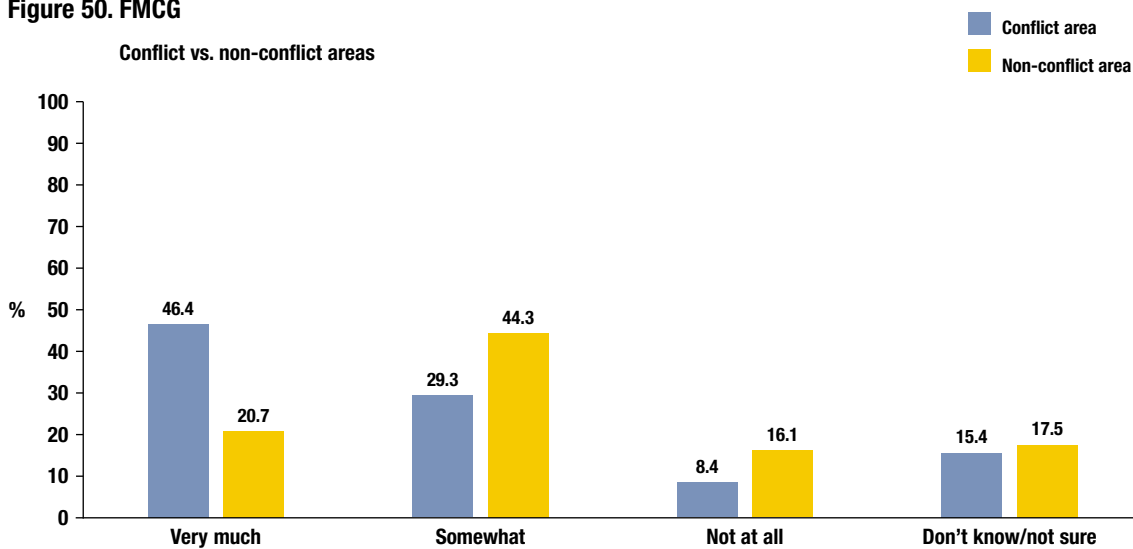
Relating to the clothing and apparels sector, opinions differ between those in non-conflict areas (31.6%) who believe it contributes considerably less to society than those in conflict areas (36.6%).

**Figure 49. Banks and finance**



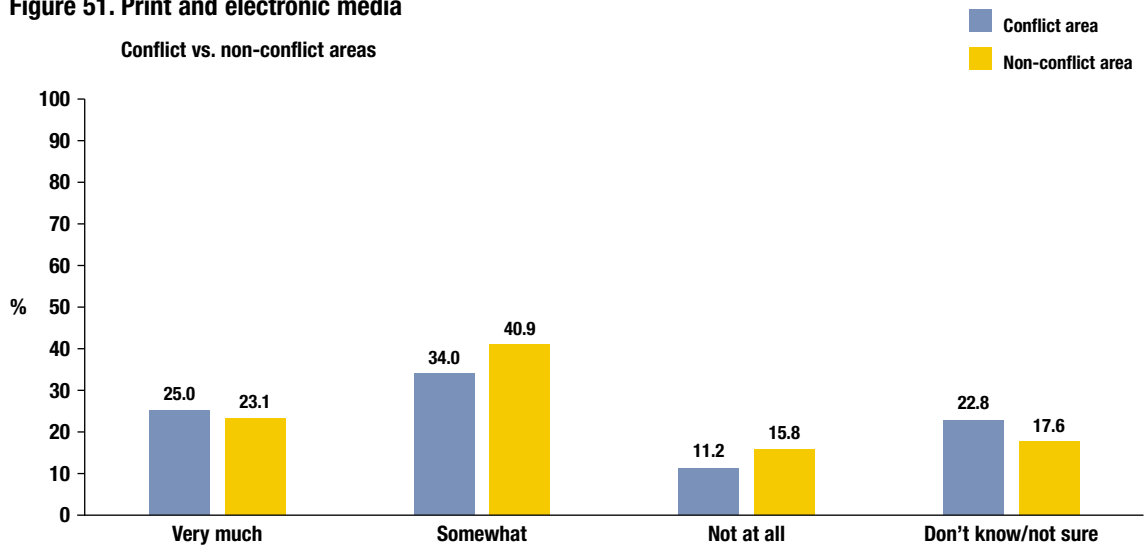
A majority in conflict areas (47.9%) and non-conflict areas (38.3%) believes that banks and financial institutions very much contribute to the betterment of society.

**Figure 50. FMCG**



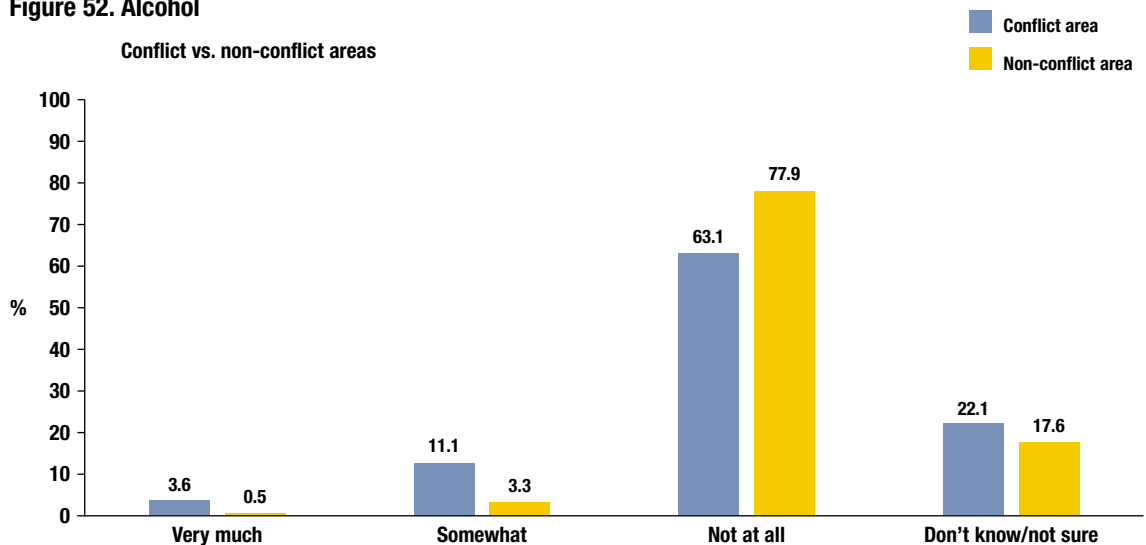
A majority in conflict areas (46.4%) says that FMCG manufacturers contribute very much to the betterment of society, while a majority in non-conflict areas says that this sector only ‘somewhat contributes’ to the betterment of society.

**Figure 51. Print and electronic media**



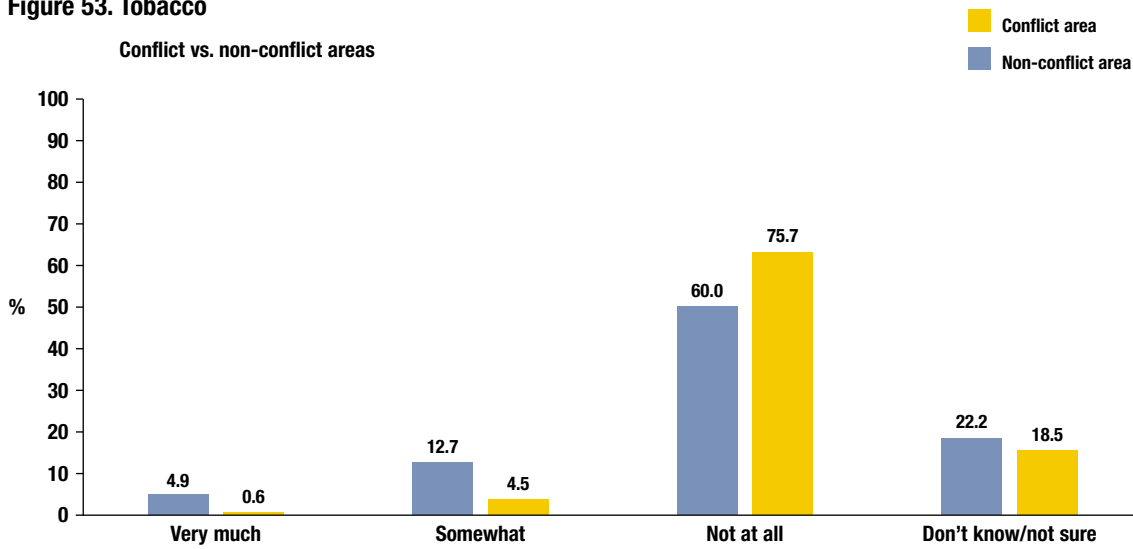
With regards to print and electronic media, a majority in both conflict (34%) and non-conflict (40.9%) areas says that they only ‘somewhat contribute’ to the betterment of society.

**Figure 52. Alcohol**



A significant number of respondents consider that the alcohol sector ‘not at all’ contributes to the betterment of society, regardless of whether they live in conflict (63.1%) or non-conflict (77.9%) zones. Interestingly, 3.6% in conflict areas say the alcohol sector ‘very much’ contributes, and 11.1% say that it ‘somewhat contributes’ to the betterment of society.

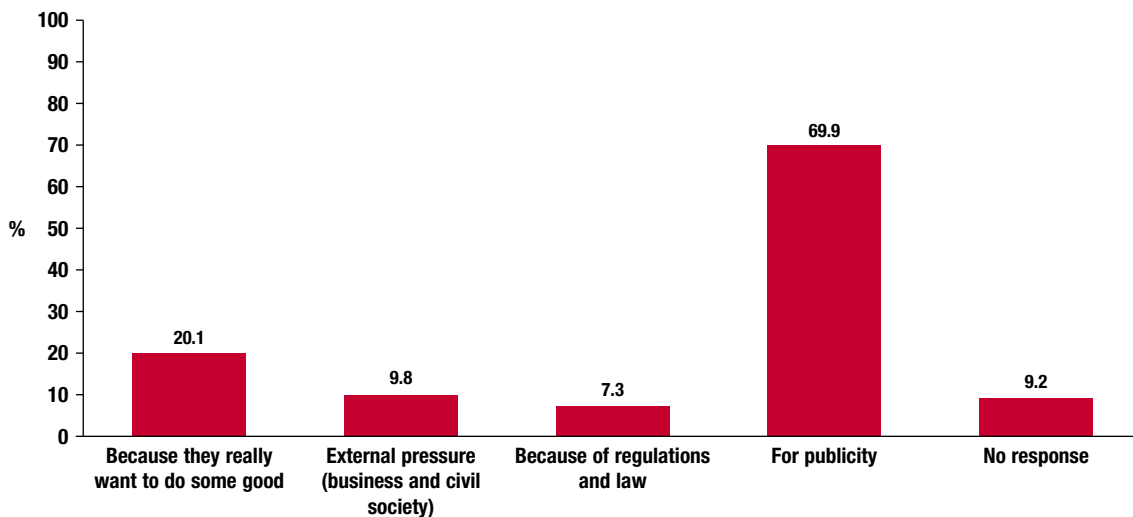
**Figure 53. Tobacco**



The tobacco sector is regarded as ‘not at all’ contributing to the betterment of society by 60% in conflict areas and 75.7% in non-conflict areas. 12.7% in conflict zones say that the tobacco sector ‘somewhat contributes’ to the betterment of society, while 4.9% in the same areas say that the tobacco sector ‘very much contributes’ to the betterment of society.

### 2.1.9 Why are businesses society-friendly?

**Figure 54. In your opinion why do you think business organisations engage in activities that are regarded as society-friendly?**

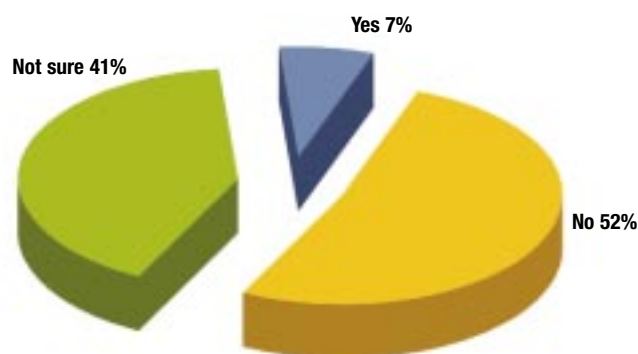


When asked why respondents think that businesses engage in activities that are regarded as society-friendly, only 20.1% believe it is because businesses ‘really want to do some good’. A majority (69.9%) say that businesses engage in such activities for ‘publicity’; 9.8% say they are responding to ‘external pressures from business or civil society organisations’; and 7.3% say that it is ‘because of regulations and laws’.

Respondents listed other reasons why they believed businesses engage in activities regarded as society-friendly: because they want to increase profits; contribute to the development of the country; evade paying income taxes; to mislead the consumers; increase ties with the international community; or win political favour.

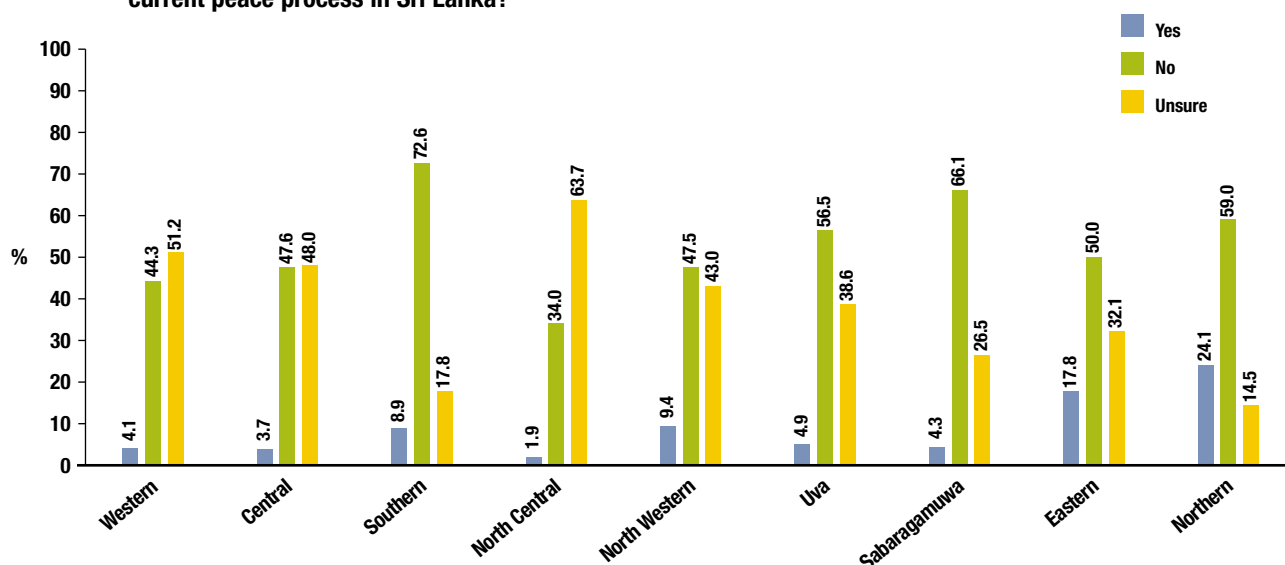
### 2.1.10 Business organisations and the Sri Lankan peace process

**Figure 55. Please tell me if you are aware of any business leaders or organisations getting together to promote the current peace process in Sri Lanka?**



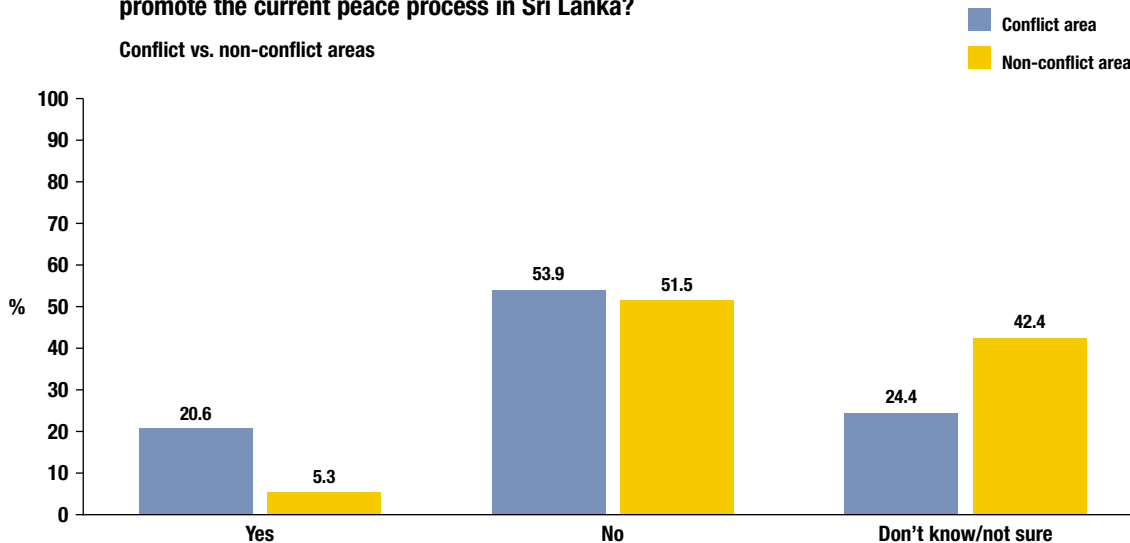
When asked about their awareness of business leaders or organisations getting together to promote the current peace process, a majority (52%) say that they are unaware of any such initiatives, while 7% say they are aware of such initiatives. 41% say they are ‘not sure’.

**Figure 56. Please tell me if you are aware of any business leaders or organisations getting together to promote the current peace process in Sri Lanka?**



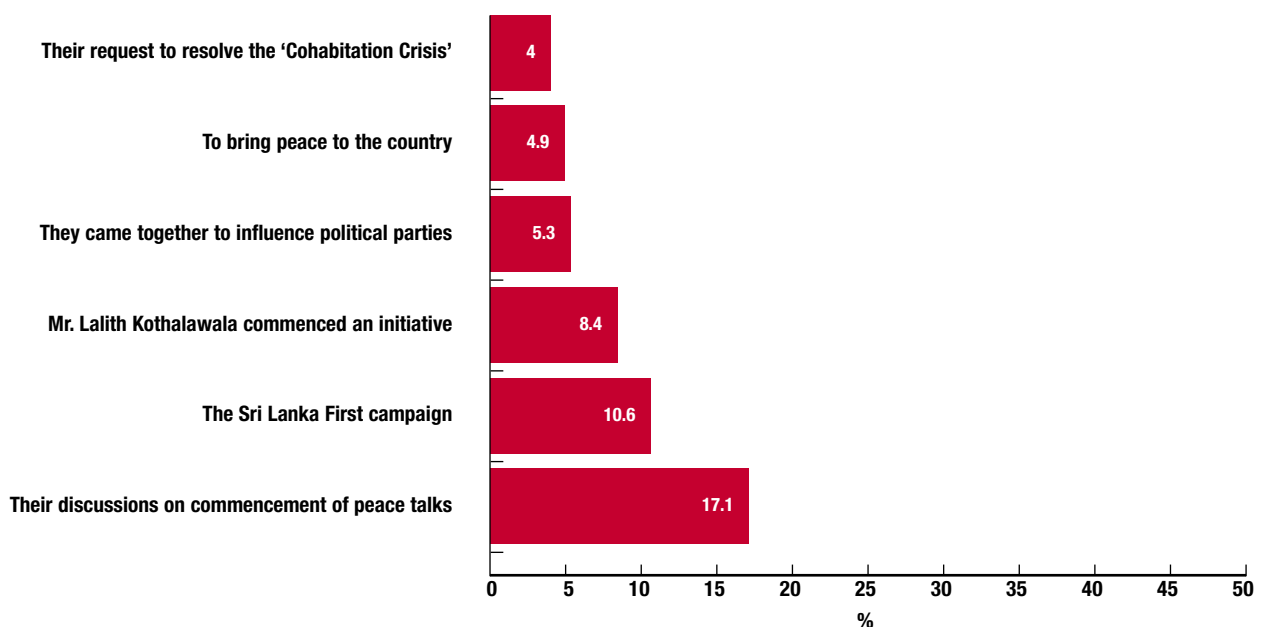
As the graph shows, most respondents who say that they are aware of pro-peace activities by business organisations and leaders are from Northern province (24.1%), followed by Eastern (17.8%). Only 4.1% in Western province say they are aware of such initiatives. The lowest awareness of pro-peace activities by business organisations is in Southern province (72.6%), followed by Sabaragamuwa (66.1%). In North Central province, a majority (63.7%) say that they are ‘not sure’ if they know of any such initiatives, while 51.1% in Western province and 48% in Central province are also ‘not sure’.

**Figure 57. Please tell me if you are aware of any business leaders or organisations getting together to promote the current peace process in Sri Lanka?**



When asked about their awareness of any business leaders or organisations getting together to promote the peace process, a majority from both conflict (53.9%) and non-conflict (51.5%) areas says that they are unaware of such initiatives. But 20.6% in conflict areas say that they are aware of business involvement in the peace process, while 42.4% of those in non-conflict areas are not sure.

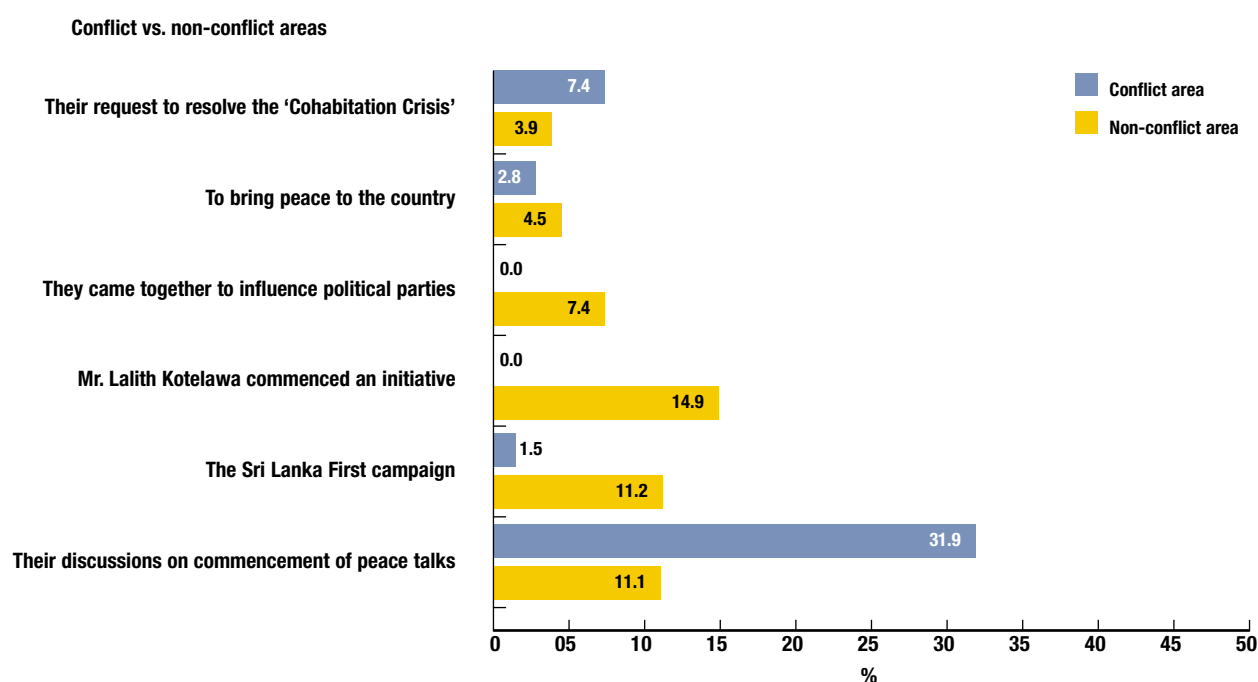
**Figure 58. Activities by business leaders or organisations in promoting the current peace process in Sri Lanka**





When those who were aware of business engagement in the peace process were asked about the nature of that engagement, the largest proportion (17.1%) said that they were aware of business leaders' discussions on the commencement of peace talks; 10.6% said that they were aware of an initiative by Mr. Lalith Kotelawa;<sup>12</sup> 8.4% said they were aware of the Sri Lanka First campaign; 5.3% said that business leaders came together to influence political parties; 4.9% said they were aware of business leaders' requests to resolve the 'Cohabitation Crisis' between the president and former prime minister;<sup>13</sup> and 4% said that they were aware of business leaders and organisations getting together to 'bring peace to the country'.

**Figure 59. Activities by business leaders or organisations in promoting the current peace process in Sri Lanka**



Of those who were aware of the activities of business organisations in promoting peace, a majority in conflict areas (31.9%) said they were aware of business leaders' discussions on the commencement of peace talks. The majority in non-conflict (14.9%) areas said they were aware of an initiative by Mr. Lalith Kotelawa, which no one from conflict areas was aware of. More people in non-conflict areas have heard of the Sri Lanka First campaign (11.2%) than in conflict areas (1.5%), while 7.4% of respondents in conflict areas knew of business leaders' intervention to resolve the Cohabitation Crisis, as opposed to 3.9% in non-conflict areas. Unlike respondents from conflict areas, those from non-conflict areas knew of business leaders getting together to influence political parties (7.4%).

## 2.2 Survey of the business community on CSR

### 2.2.1 Profile of the sample

**Table 1. District breakdown of total interviews conducted**

District	Frequency	%
Colombo	18	12.2
Kandy	19	12.9
Galle	11	7.5
Hambantota	14	9.5
Matara	10	6.8
Ratnapura	11	7.5
Ampara	12	8.2
Batticaloa	10	6.8
Trincomalee	10	6.8
Vavuniya	11	7.5
Jaffna	21	14.3
<b>Total</b>	<b>147</b>	<b>100.0</b>

**Table 2. Type of ownership breakdown of total interviews conducted**

Ownership	Frequency	%
Sole proprietor	75	51.0
Partnership	25	17.0
Joint venture	4	2.7
<b>Company</b>		
Private	30	20.4
Public	10	6.8
State-owned	2	1.4
<b>Business association</b>	1	0.7
<b>Total</b>	<b>147</b>	<b>100.0</b>

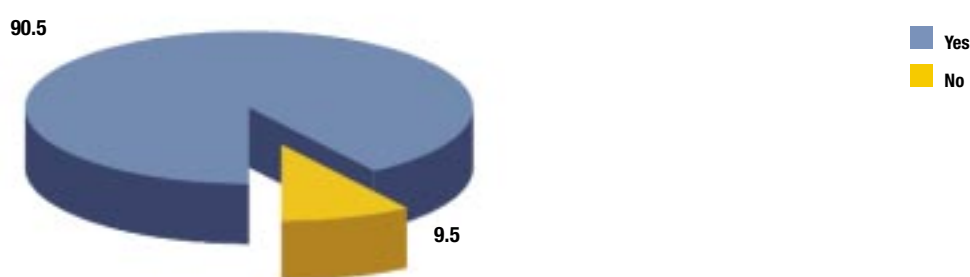
**Table 3. Age breakdown of total companies interviewed**

Age	Frequency	%
Below 5 years	22	15.0
6 – 10 years	23	15.6
11 – 15 years	21	14.3
16 – 20 years	24	16.3
21 – 30 years	27	18.4
Above 30 years	27	18.4
No response	3	2.0
<b>Total</b>	<b>147</b>	<b>100.0</b>

**Table 4. Staff size breakdown of total interviews conducted**

Staff size	Frequency	%
Below 10	54	36.7
11 - 50	49	33.3
51 - 150	20	13.6
151 and above	24	16.3
<b>Total</b>	<b>147</b>	<b>100.0</b>

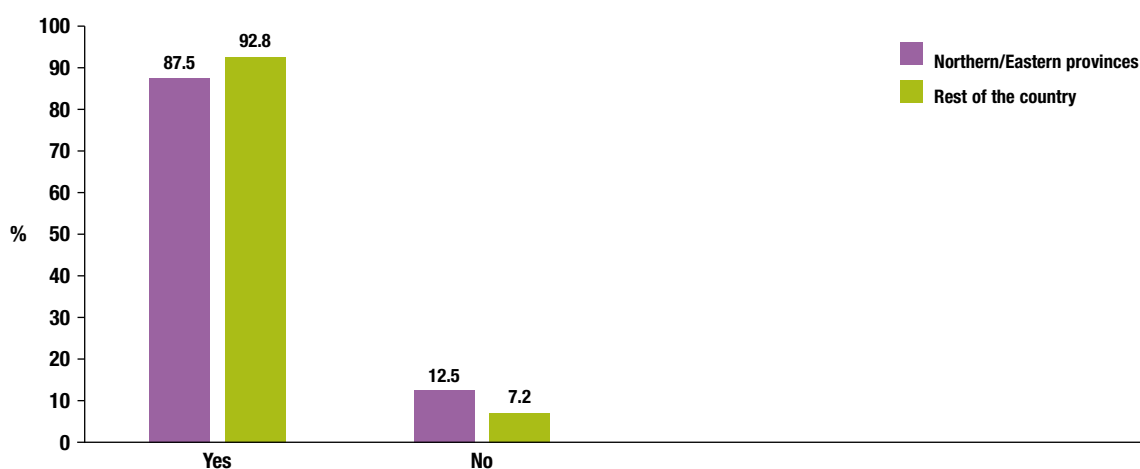
### 2.2.2 State of the country and business

**Figure 1. Do you believe that the state of the country affects your business?**

When asked if they thought that the state of the country generally affected business organisations in their daily activities, 90.5% of the 147 respondents interviewed were of the view that it did. However, 9.5% said that the state of the country did not affect their business.

**Figure 2. Do you believe the state of the country affects your business?**

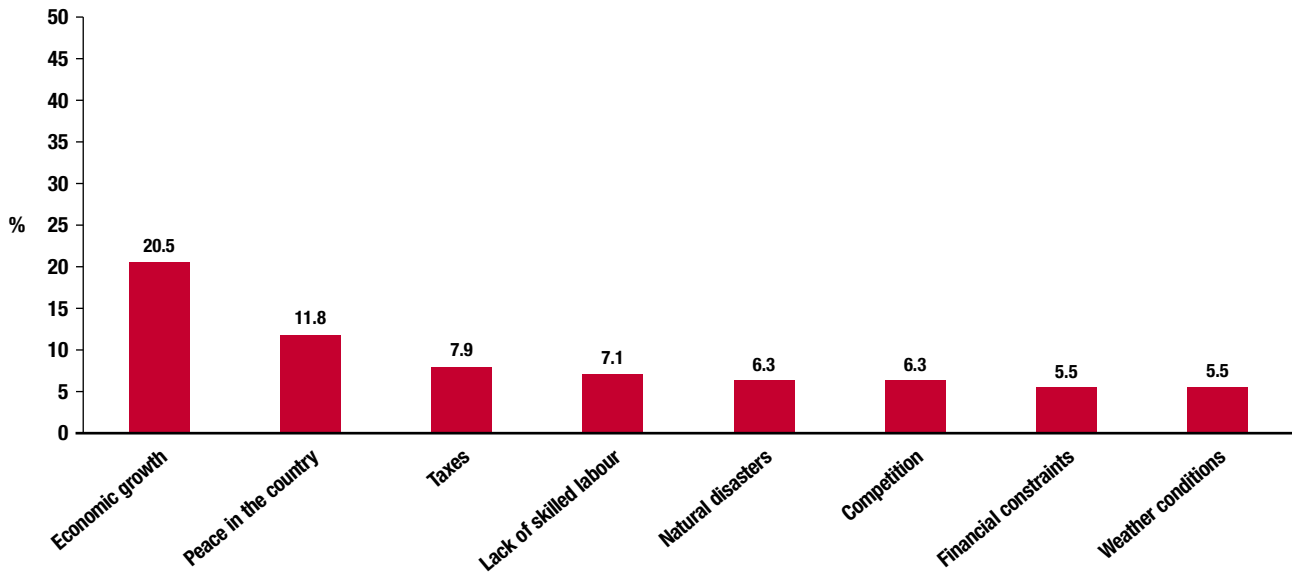
Northern/Eastern provinces vs. rest of the country



92.8% of those in areas other than the conflict zones in the north and east believe that the state of the country affects their business, while 87.5% in the north and east agree.

Aside from the state of the country and whether it has an effect on their business or not, respondents were asked to state what other factors affected the growth of their businesses.

**Figure 3. Factors affecting the growth of business**

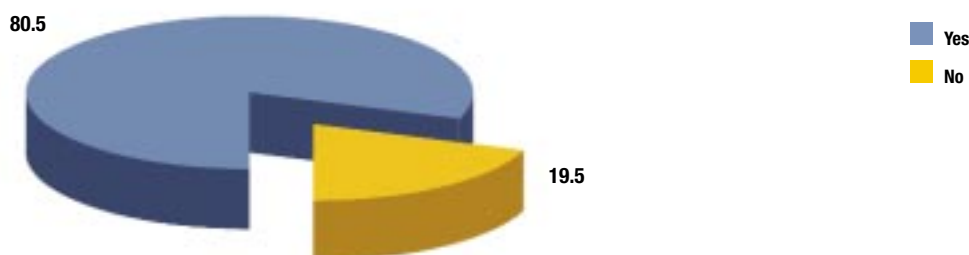


While some respondents said no other factors affected the growth of their businesses, 20.5% stated Sri Lanka’s economic growth affected the growth of individual businesses and 11.8% said that peace has an impact. Taxes and the lack of skilled labour were identified by 7.9% and 7.1% respondents, respectively, as factors impeding business growth. Similar percentages identified natural disaster (6.3%), competition (6.3%), financial constraints (5.5%) and weather conditions (5.5%) as affecting their growth.

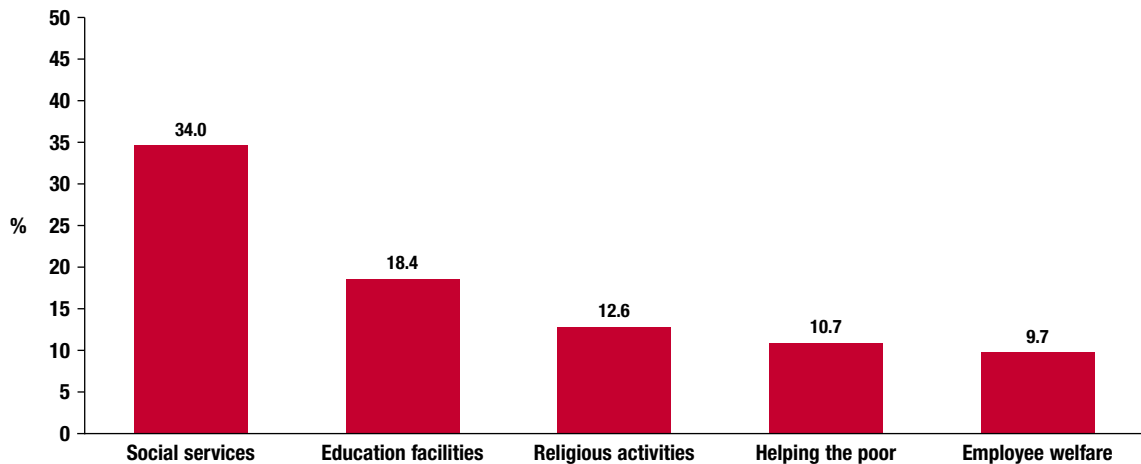
Respondents identified other factors affecting the growth of their business: increasing prices of raw materials and the resulting increase in production costs; inflation; government economic policies; restrictions imposed by developed countries on exports from Sri Lanka; the inability to obtain new technology; the economy’s agricultural base; lack of infrastructure; the political environment; and the lack of government support for the business community.

Respondents were asked if their business organisations engaged in activities other than profit making, to which 80.5% replied that they did. 19.5% said they only carried out activities related to making profits.

**Figure 4. Does your company engage in any activities other than profit making?**



Those who said they carried out activities other than those related to making profits were asked what these activities were.

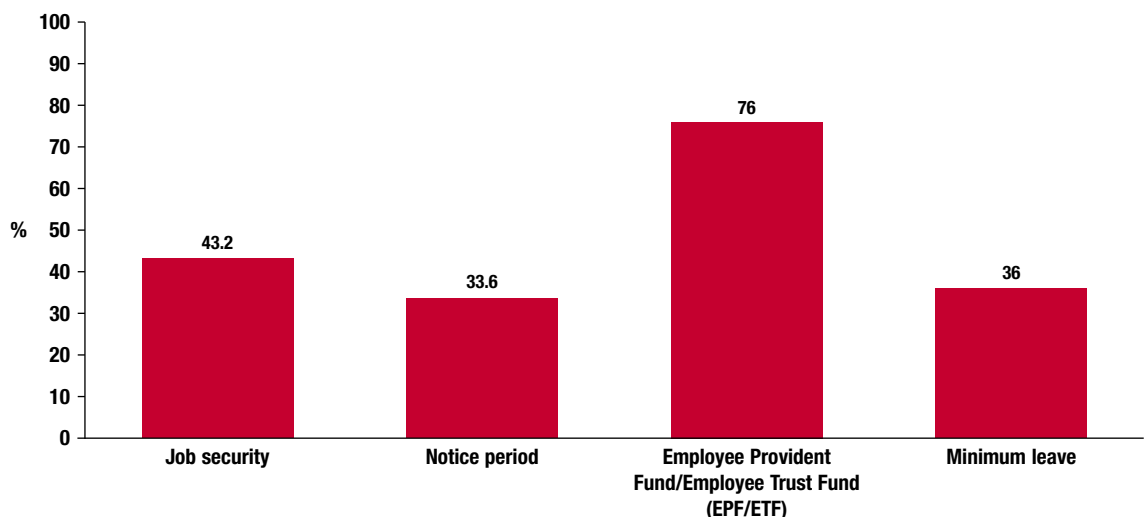
**Figure 5. Activities other than profit making**

A majority (34%) said they were involved in various social service projects, while 18.4% said they are committed to improving education facilities and providing schools with equipment. 12.6% said they were engaged in religious activities and 10.7% said they help the poor. 9.7% said that they assisted and extended support to their employees and carried out other employee welfare activities.

Apart from the above activities, employers also provided skills training; distributed free spectacles; maintained libraries; helped people with low education levels; gave relief to those affected by natural disasters; prevented environmental pollution; provided students with access to the Internet; helped the peace process through the 'Business for Peace Alliance'; developed rural communities; helped children's homes; increased awareness by conducting seminars and workshops; set up IT training centres in rural areas; and developed English-language proficiency.

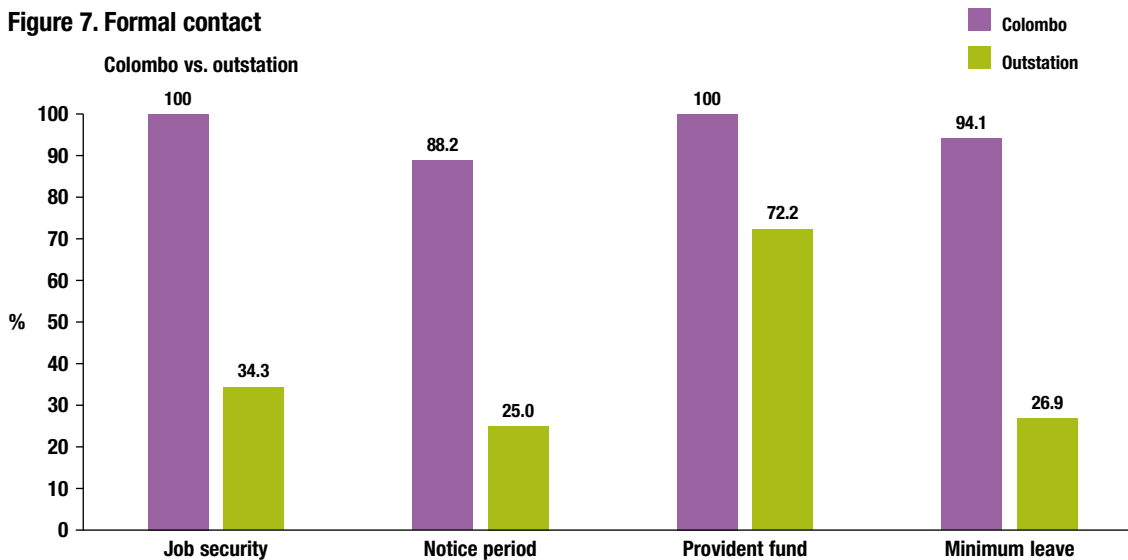
### 2.2.3 Benefits offered to employees

When respondents were asked if their business organisations offered any benefits to their employees other than the basic wage, all answered that they did. They were asked to itemise the additional benefits offered to employees.

**Figure 6. Formal contact**

With regard to the benefits offered to employees represented in figure six, respondents were asked if their employees were offered a formal written contract. 43.2% said that their organisation gave employees job security in a formal written contract describing the terms of employment. 33.6% said employees were given a formal notice period. 76% said that employees were entitled to participate in the Employee Provident Fund (EPF) and the Employee Trust Fund (ETF), and 36% said that employees were entitled to minimum leave (sick leave, maternity leave and holidays).

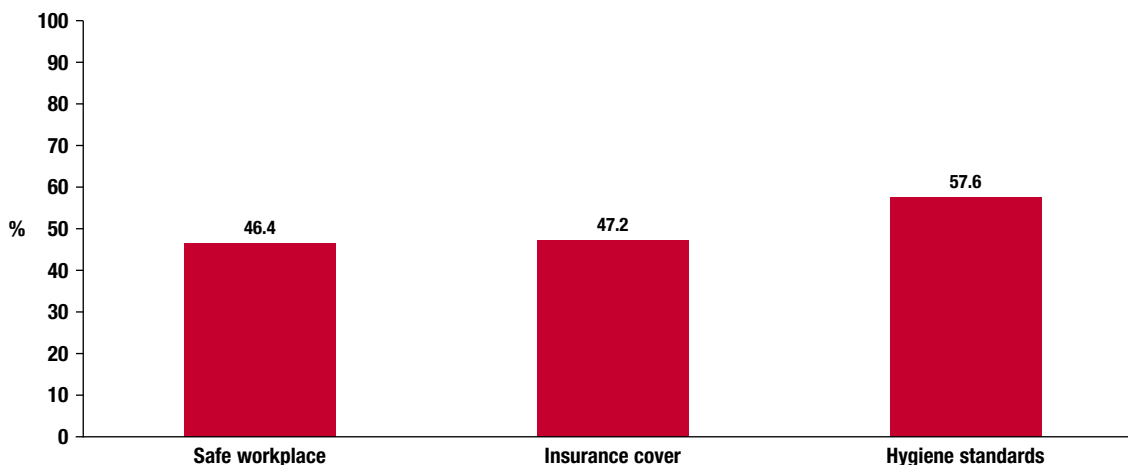
**Figure 7. Formal contact**



In Colombo, most business organisations provide employees with job security and provident funds, but only 34.3% of regional business organisations provided job security and 72.2% provide provident funds. 88.2% of businesses in Colombo give employees a notice period and 94.1% provide minimum leave.

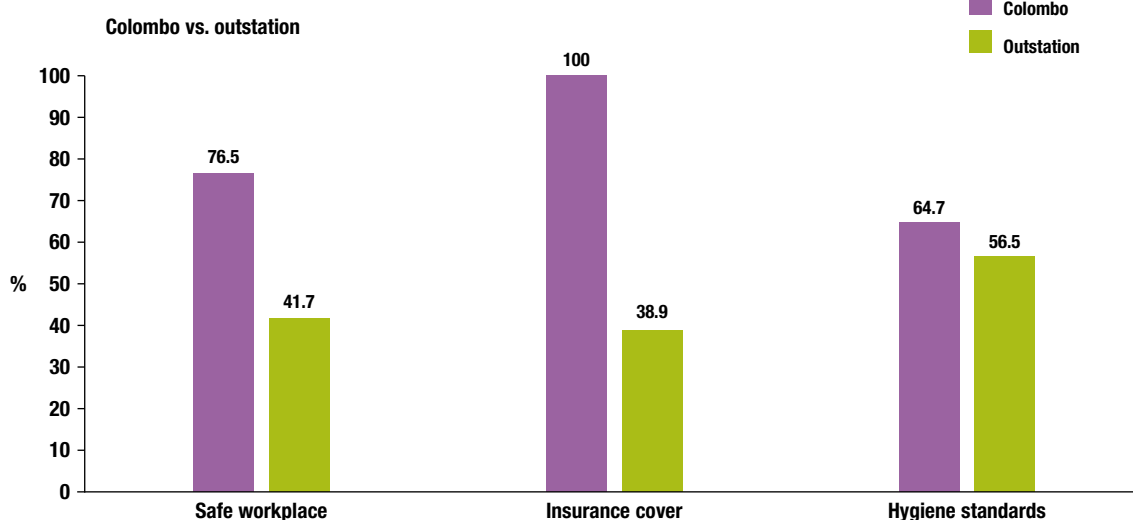
On a district basis, only in Colombo do all respondents say they provide job security and EPF/ETF for their employees. In Kandy (94.7%), Galle (54.5%), Hambantota (64.3%), Matara (90%), Ratnapura (90.9%), Ampara (83.3%) and Trincomalee (90%), the majority of organisations provide employees with EPF/ETF. In Kandy (63.2%) and Matara (60%), a majority also offers employees job security. With regard to notice period and minimum leave, only a few organisations in districts other than Colombo offer these benefits. (Annex 4: table 5)

**Figure 8. Good working conditions**



Only 46.4% of respondents say their organisation provides employees with a safe workplace that meets government health and safety regulations. 47.2% provide insurance cover for accidents in the workplace and 57.6% say their employees have a work environment with good hygiene standards, such as clean toilets.

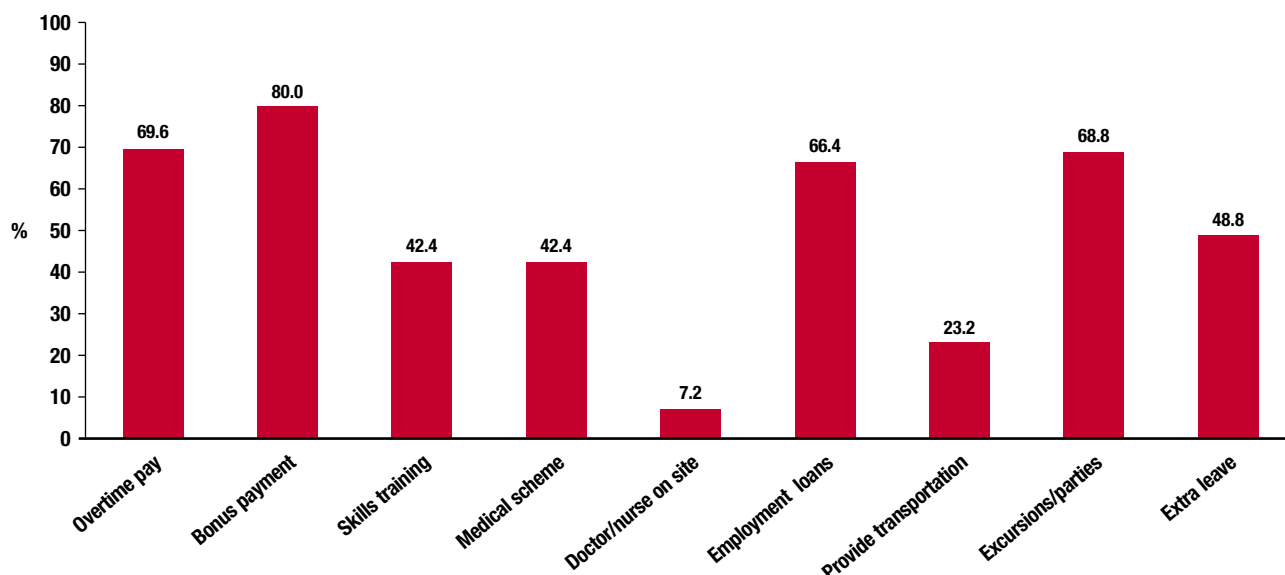
**Figure 9. Good working conditions**



Only 38.9% in outstation areas say their organisations provide employees with insurance cover. 56.5% of outstation employers look into their hygiene standards, compared to 64.7% of respondents in Colombo. 41.7% of outstation employers are keen to provide employees with a safe workplace.

All respondents from Trincomalee district say that their organisations provide employees with a safe workplace, while a majority of those in Colombo (76.5%), Batticaloa (70%) and Vavuniya (81.8%) say the same. All respondents in Colombo say their organisations offer employees insurance cover, as do a majority in Ratnapura (72.7%) and Trincomalee (60%). A majority in Colombo (64.7%), Kandy (84.2%), Ratnapura (63.6%), Batticaloa (80%) and Trincomalee (100%) maintain good hygiene standards. (Annex 4: table 5)

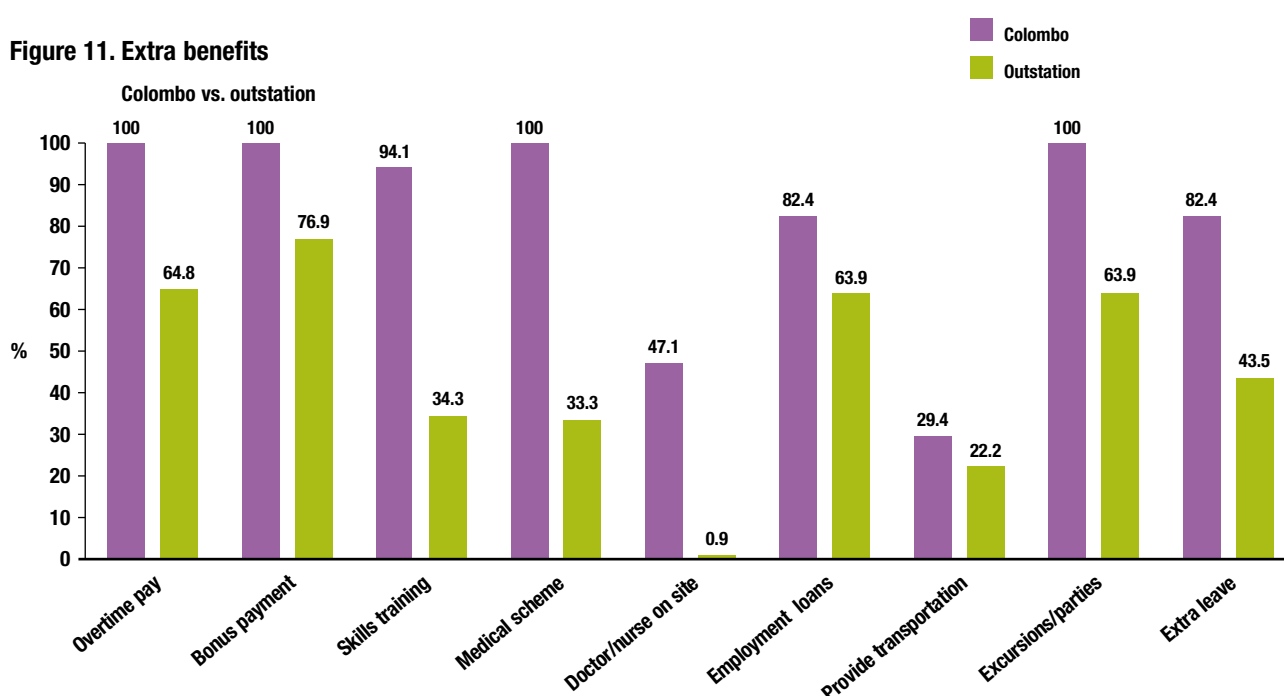
**Figure 10. Extra benefits**



69.6% of respondents say their organisations provide overtime (OT) payments and almost all say they are paid to all employees, except those in managerial and executive categories. 80% say their organisations make bonus payments and have incentive schemes. Half that amount says their organisations have skills-training programmes (42.4%) and provide medical facilities for employees and their families (42.4%). However, only 7.2% of business organisations have a doctor/nurse at the company or factory, of which eight are located in Colombo and one in Kandy. 66.4% of organisations give employees advances or loans; 23.2% provide them with transport to work; and 68.8% organise excursions/parties for them. 48.8% of respondents say their organisations have extra leave entitlements for employees.

Apart from these benefits, a few organisations provide employees with refreshments, uniforms, death donations and accommodation facilities.

**Figure 11. Extra benefits**



In outstation areas, 64.8% of business organisations pay OT, 76.9% offer bonus payments, 33.3% provide medical schemes and 63.9% arrange excursions for employees.

On a district basis, a majority of business organisations make OT and bonus payments. With regard to skills training, a majority in Colombo (94.1%), Matara (60%) and Vavuniya (63.6%) carry out such activities. All organisations in Colombo (100%) and a majority in Matara (50%) and Trincomalee (50%) also offer employees medical schemes. Apart from Ampara and Batticaloa, the majority of organisations offer loans/advances and organise excursions or parties. (Annex 4: table 5)

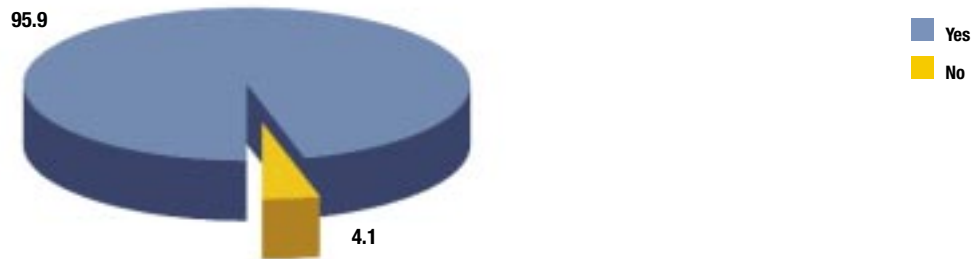
Respondents were asked why they provided benefits to their employees and different answers were given. Most respondents say they wanted to encourage employees to perform better and have greater job satisfaction. Since the growth of an organisation depends on its employees, employers say it is important to develop their capacity and productivity, and to ensure that they are satisfied. Some say they offer benefits as welfare measures and because they want a reliable workforce. In certain cases, however, it is because of laws and regulations. Some respondents believe that the provision of benefits strengthens the relationship between employer and employee



and that, if employees' families are well looked after, productivity is enhanced. Some believe that providing benefits is an employer's duty, while others say they want to contribute to their employees' career development.

#### 2.2.4 The business community's role in society

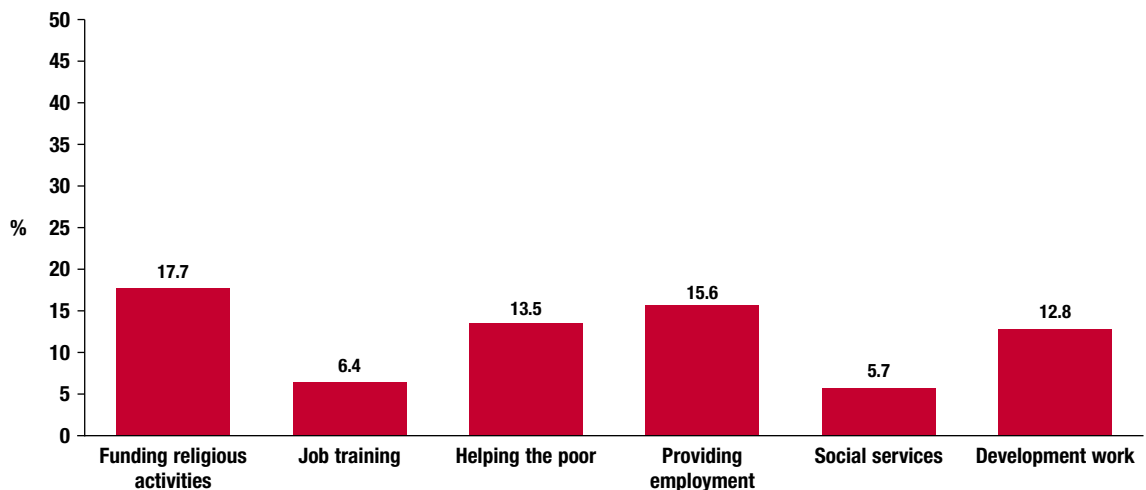
**Figure 12. Do you think there is a role for the business community to play towards the betterment of society?**



When asked if they think that the business community has a role to play towards the betterment of society, 95.9% say it does, while 4.1% say that the business community has no such role.

Those who say that the business community can contribute to bettering society were asked what kind of activities they should engage in. Some of the more prominent activities suggested by respondents are seen in figure 13, below.

**Figure 13. Business activities for the betterment of society**



17.7% of respondents say that the business community should fund religious activities and 15.6% say that businesses can contribute to society by providing employment opportunities. 13.5% say that businesses can help the poor, displaced and war widows, while 12.8% say that businesses can engage in development work, such as contributing to economic growth and 'getting together' in times of national concern and developing rural areas. 6.4% say that providing job training to employees and their children, as well as providing the community with training in the latest

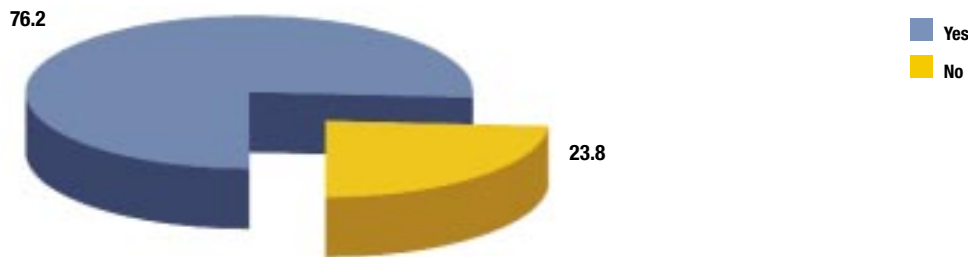
technology, are other areas where business can intervene benevolently in society, while 5.7% say businesses should engage in the provision of social services.

Other areas of intervention cited by respondents were: protecting the environment by reducing the use of polythene bags; providing schooling for children who have learning disabilities or are differently abled; marketing goods responsibly; providing consumers with good quality products; helping the needy to build houses and access medical treatment; purchasing products from farmers at reasonable prices; assisting people to set up small businesses; developing infrastructure facilities; and participating in the peace process.

### 2.2.5 The business community and CSR

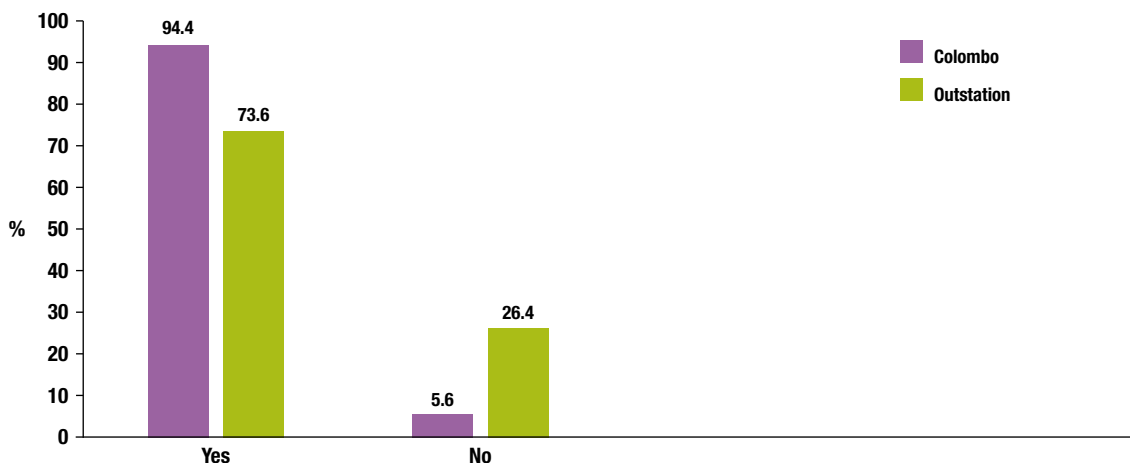
When asked if they had heard of the concept of CSR, 76.2% of respondents said they were aware of the concept, but 23.8% had never heard of it.

**Figure 14. Have you heard of the concept of CSR?**



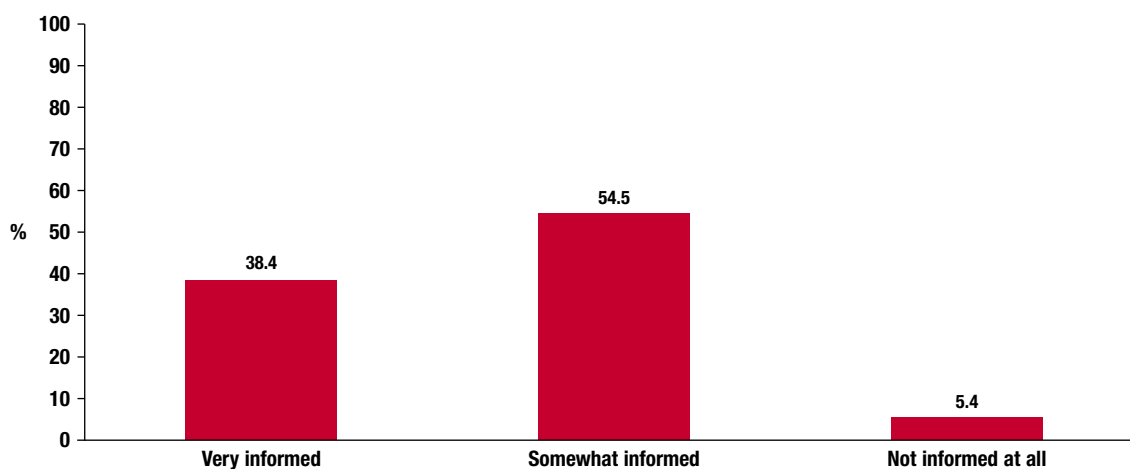
**Figure 15. Have you heard of the concept of CSR?**

Colombo vs. outstation



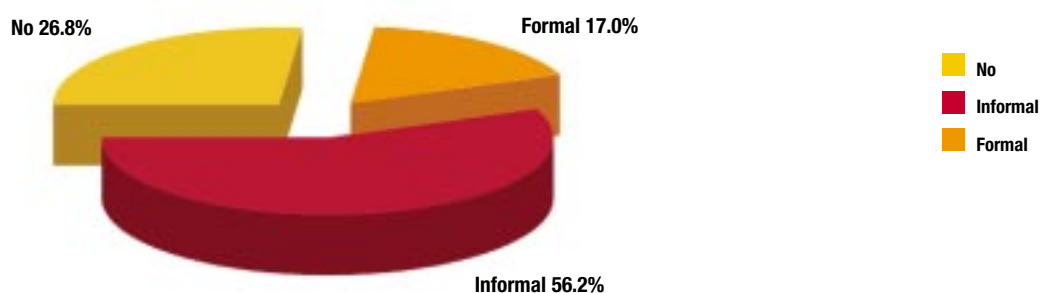
94.4% of respondents in Colombo said that they had heard of CSR, but only 73.6% of those in outstation areas. 26.4% in outstation areas had not heard of CSR.

In the district breakdown, the majority of respondents in Ratnapura (54.5%) and Ampara (58.3%) were unaware of CSR. In Kandy (26.3%), Galle (27.3%) and Hambantota (28.6%), a significant number have not heard of CSR. (Annex 4: table 8)

**Figure 16. To what extent are you informed about this concept?**

Among respondents who had heard of CSR, only 38.4% are ‘very informed’ while 54.5% say that they are ‘somewhat informed’. 5.4% of the respondents were ‘not informed at all’, though they had heard of the concept.

#### 2.2.6 Business organisation and CSR policy

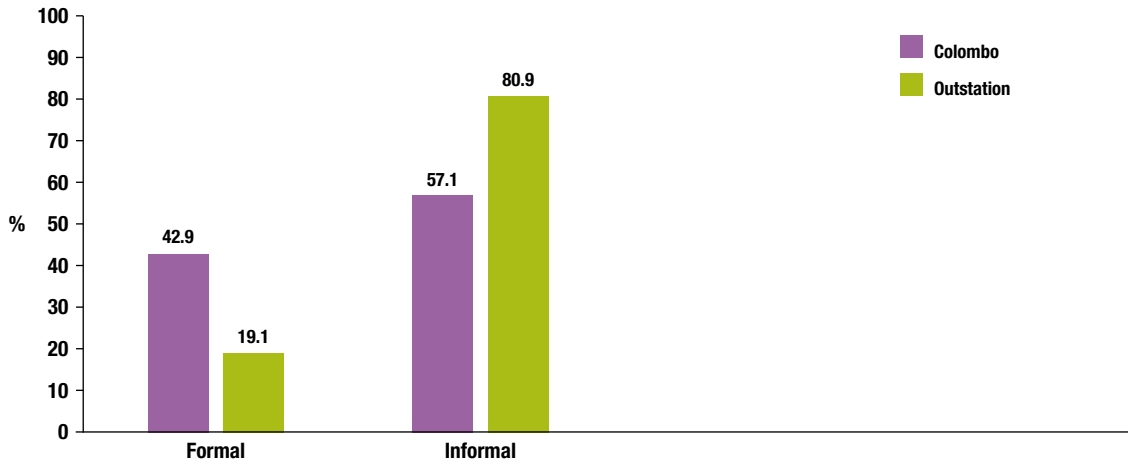
**Figure 17. Does your company have a CSR policy at present and is it a formal or informal policy?**

73.2% of respondents said their companies have a CSR policy at present but 26.8% said there was no such policy. When those with a CSR policy were asked whether it was formal or informal, 17% said their organisations had formal, written policies and 56.3% said that their CSR policy was informal and unwritten.

In Batticaloa (50%) and Vavuniya (66.7%) a majority of respondents said their companies did not have a CSR policy at present (Annex 4: table 11). In Colombo, 42.9% of sampled organisations had formal CSR policies. In Kandy (81.8%) and Jaffna (84.2%), the majority of companies had informal policies. (Annex 4: table 14)

**Figure 18. Is the CSR policy in your organisation a formal or informal policy?**

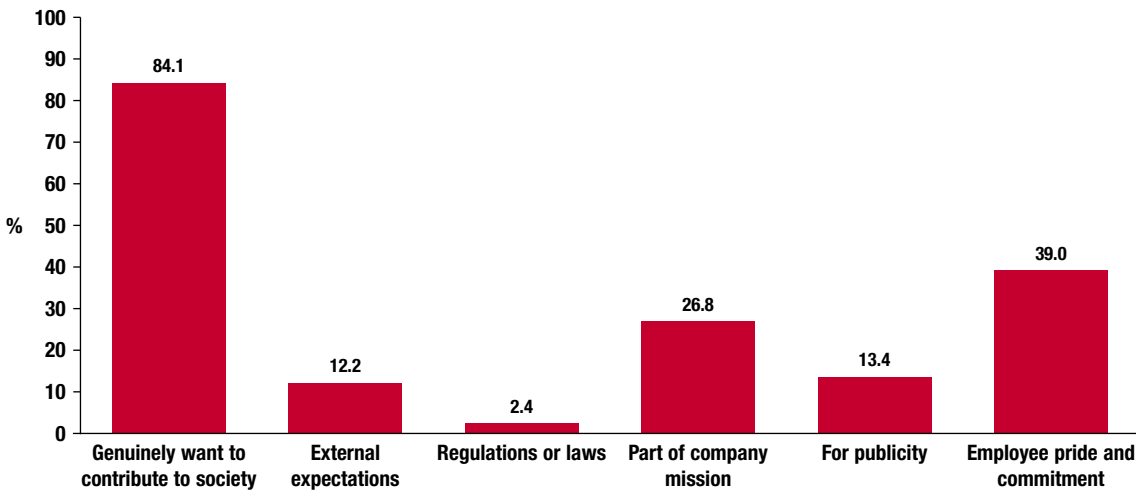
Colombo vs. outstation



In both Colombo (57.1%) and outstation areas (80.9%), a majority of business organisations have informal CSR policies.

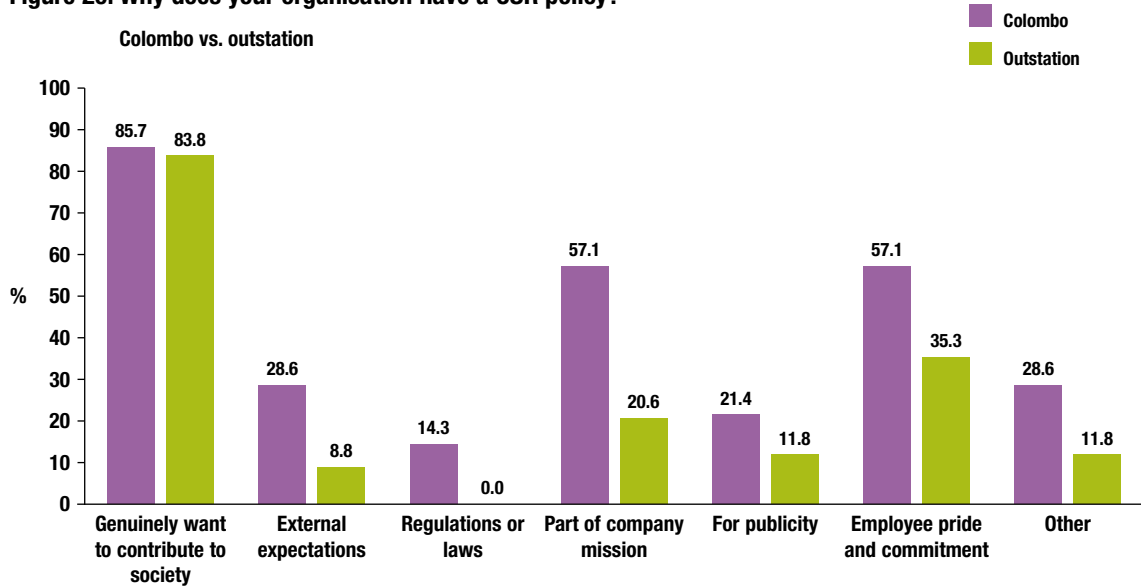
Those who say that their companies have a CSR policy were asked why their companies have adopted such a policy.

**Figure 19. Why does your organisation have a CSR policy?**

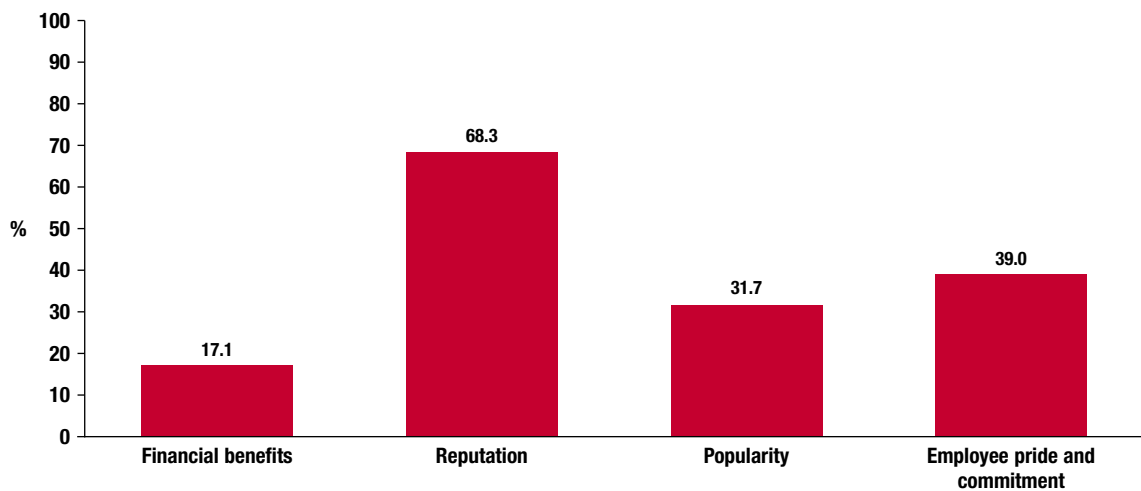


The majority (84.1%) say it is because they genuinely want to contribute to the betterment of society, while 39% of respondents say such policies help to build employee pride and commitment. 26.8% of respondents say CSR is part of their company mission; 13.4% say they adopt it for publicity reasons; 12.2% say it is because of the expectations of other businesses and civil society; and 2.4% say it is because of regulations and laws.

Some respondents say it is the duty of business organisations to engage in socially responsible activities and build better lives for employees. Others say their organisations adopted CSR policies because other companies are doing so, because it is part of a global trend or because they want to change the public’s negative perceptions of their company.

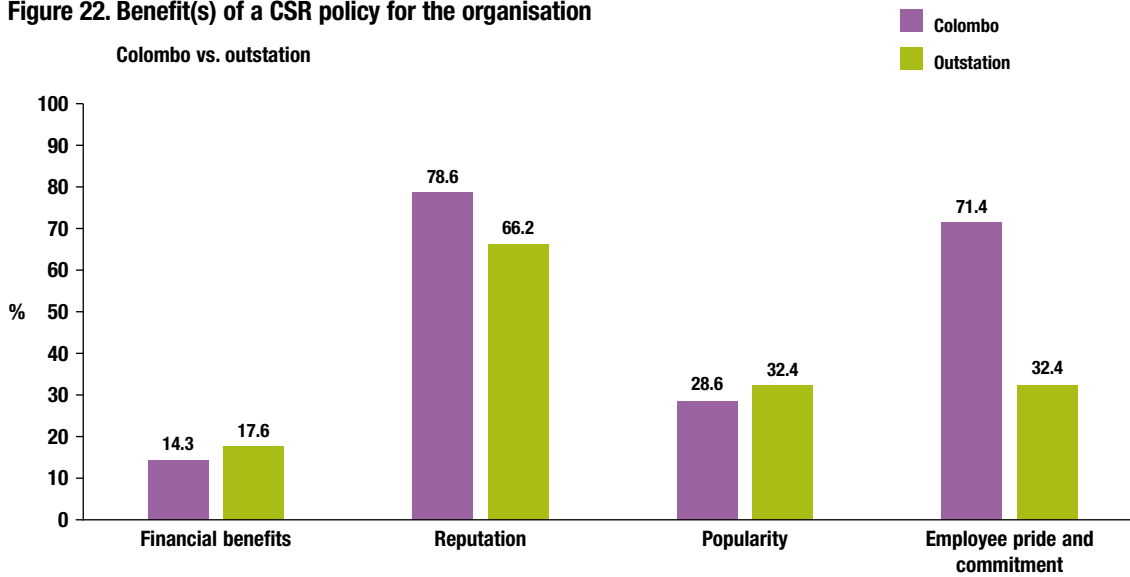
**Figure 20. Why does your organisation have a CSR policy?**

A majority in Colombo (85.7%) and outstation areas (83.8%) say they adopted a CSR policy because they genuinely want to contribute to the betterment of society. Equal numbers in Colombo say that adopting a CSR policy is part of their company's mission (57.1%) and that it helps build employee pride and commitment (57.1%). In outstation areas, 35.3% say that adopting a CSR policy helps build employee pride and commitment, and 20.6% say that it is part of their company mission.

**Figure 21. Benefit(s) of a CSR policy for the organisation**

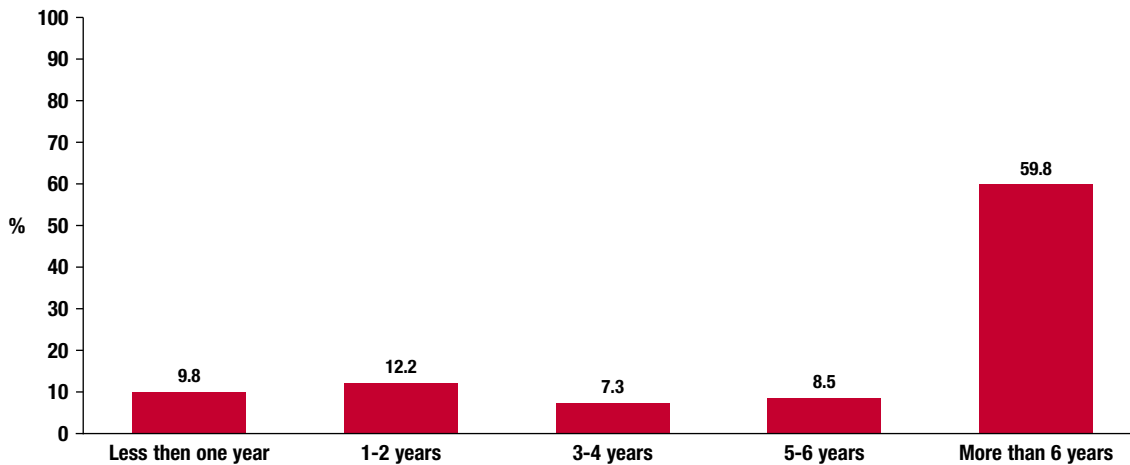
A majority of respondents (68.3%) say their organisations expect to acquire a good reputation in return for performing CSR activities. Apart from a better reputation, 39% say they expect employee pride and commitment to increase, while 31.7% believe their organisation will become more popular. 17.1% say that there is financial benefit from engaging in CSR. Some respondents expect other benefits, such as competitive advantage, satisfied stakeholders and progress in society.

**Figure 22. Benefit(s) of a CSR policy for the organisation**



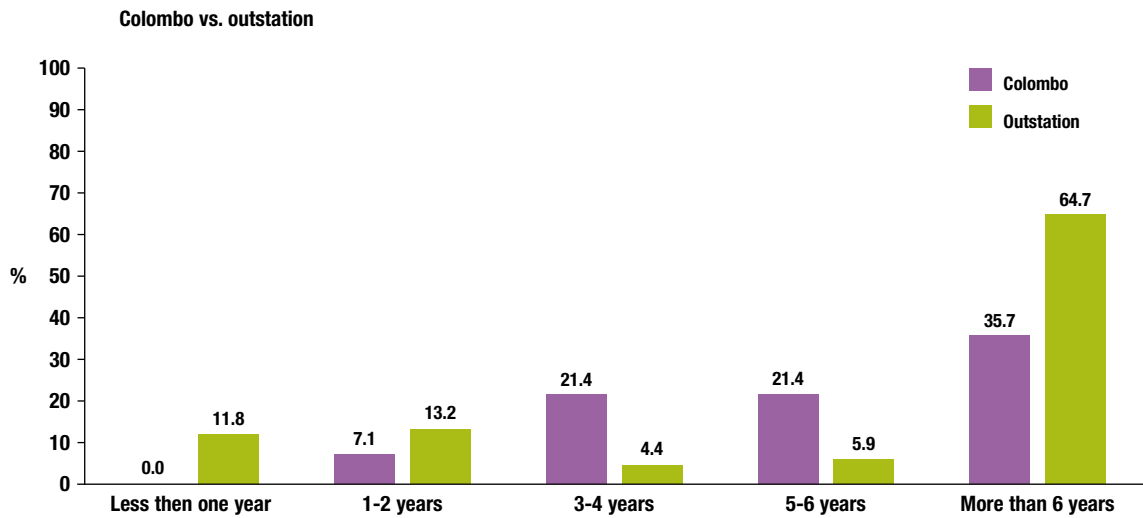
78.6% in Colombo and 66.2% in outstation areas say they engage in CSR activities because they expect a good reputation for their organisations. 71.4% in Colombo believe that it increases employee pride and commitment, but only 32.4% in outstation areas believe the same.

**Figure 23. How long has your organisation been involved in this policy?**



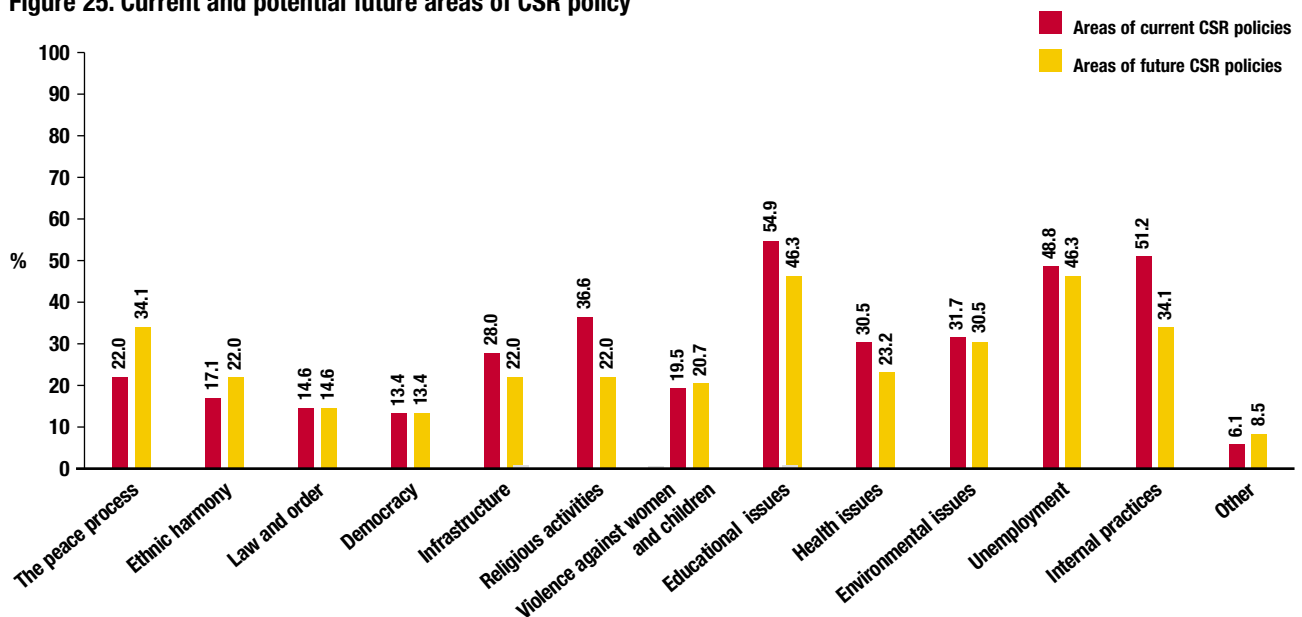
When asked how long their organisations have been involved in specific (formal/informal) CSR policies, 59.8% of respondents say that they have been actively involved for more than six years. Seven organisations have had CSR policies running for more than 30 years and one has been involved in the concept for 65 years. 9.8% say that their organisations have been actively engaged in CSR activities for one year; 12.2% say that they have been practising it for one to two years; 7.3% for three to four years; and 8.5% for the past five to six years.

**Figure 24. How long has your organisation been involved in this policy?**



A significant 64.7% of respondents in outstation areas say they have been involved in CSR policies for more than six years, compared to only 35.7% of respondents in Colombo. In Colombo, 21.4% say that they have been involved in CSR policies for three to four years, while a similar proportion say they have been involved for the past five to six years.

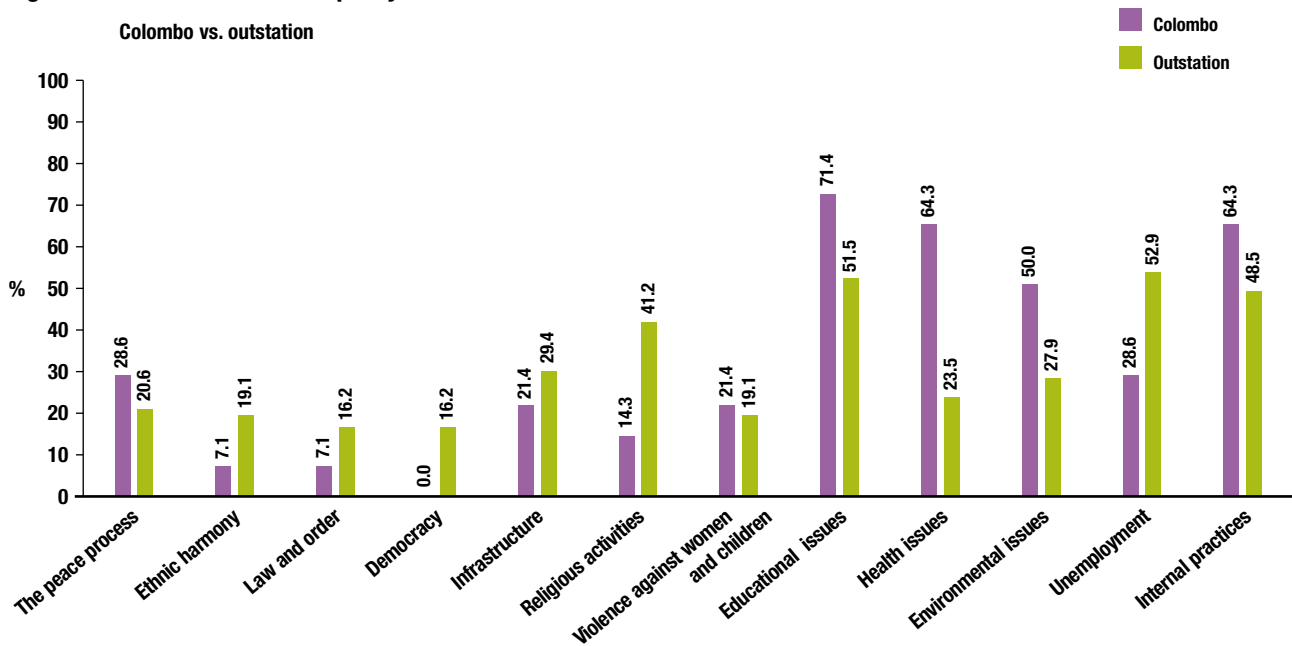
**Figure 25. Current and potential future areas of CSR policy**



As the above figure shows, the majority of organisations engage in CSR activities relating to education (54.9%) but significant numbers focus on internal practices, such as employee welfare (51.2%) and unemployment issues (48.8%). A notable number of organisations engage in religious activities (36.6%), environmental concerns (31.7%), health (30.5%) and the provision of infrastructure facilities (28%). 22% of the organisations sampled say they are conducting CSR activities related to the peace process. Other organisations conduct CSR activities related to youth and sports, disabled people, early childhood development, women’s empowerment and economic growth.

When asked what type of activity or area will be a priority when organisations draw up future CSR plans, most state that they will continue their investments in the areas where they are currently working. As a result educational issues (46.3%) and unemployment (46.3%), as well as internal practices (34.1%) and environment (30.5%) are likely to remain priorities for most organisations. However, more organisations say they would like to engage in activities related to the peace process in future (34.1%), compared to the 22% who are currently working in the area according to the graph. There is a slight increase in the number of organisations who say that they want to work towards building ethnic harmony in future.

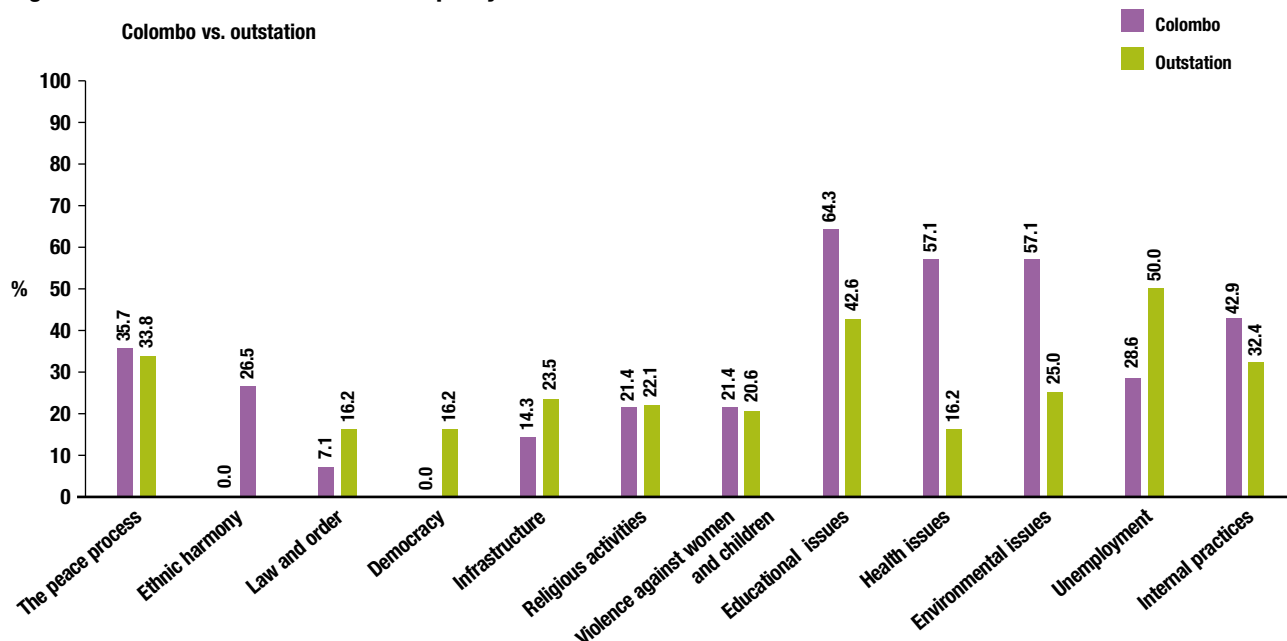
**Figure 26. Current ares of CSR policy**



More respondents in Colombo are engaged in health (64.3%) and educational issues (71.4%), while outstation organisations are more concerned with unemployment (52.9%) and religious activities (41.2%). 64.3% of respondents in Colombo and 48.5% in outstation areas are involved in internal practices, while 28.6% in Colombo and 20.6% in outstation areas are engaged in activities related to the peace process.

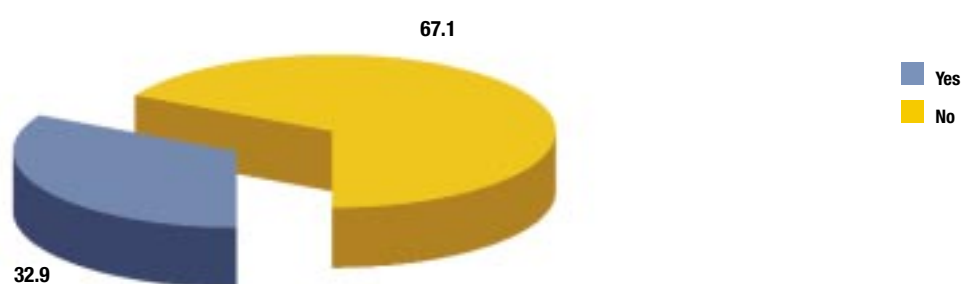


**Figure 27. Potential future areas of CSR policy**



A majority of business organisations in Colombo consider education (64.3%), health (57.1%), environment (57.1%) and internal practices (42.9%) as important areas to develop future CSR policy plans. In outstation areas, a majority of organisations say that they would consider unemployment (50%), education (42.6%), the peace process (33.8%) and internal practices (32.4%) for future CSR policy planning.

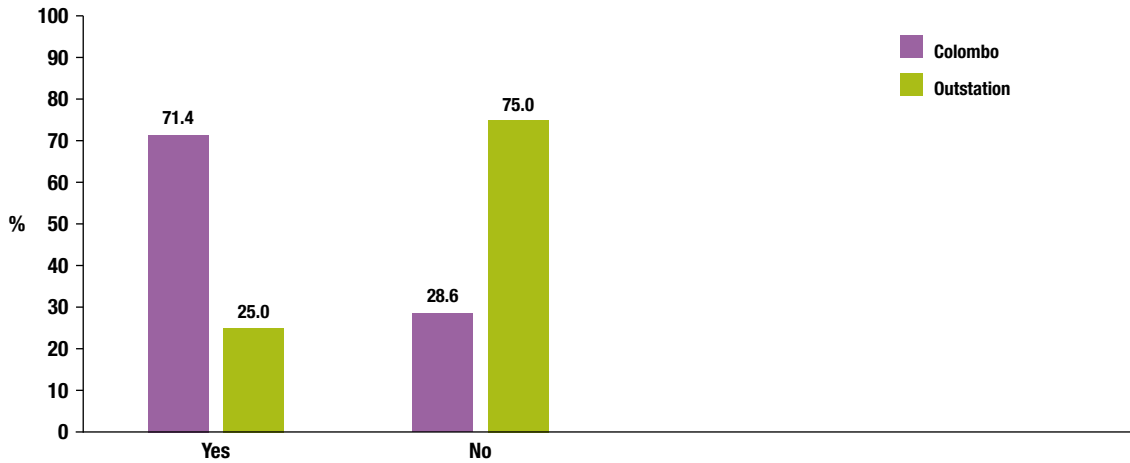
**Figure 28. Is there a specific person responsible for handling the CSR policy and activities?**



When asked if there was a specific person responsible for handling companies CSR policy and activities, 32.9% said their organisations did have a designated person in charge of CSR, while 67.1% say that there was no specific person to handle CSR activities. Of those organisations with a specific person responsible for CSR activities, the majority is from Colombo (71.4%), Kandy (36.4%) and Jaffna (36.8%). (Annex 4: table 18)

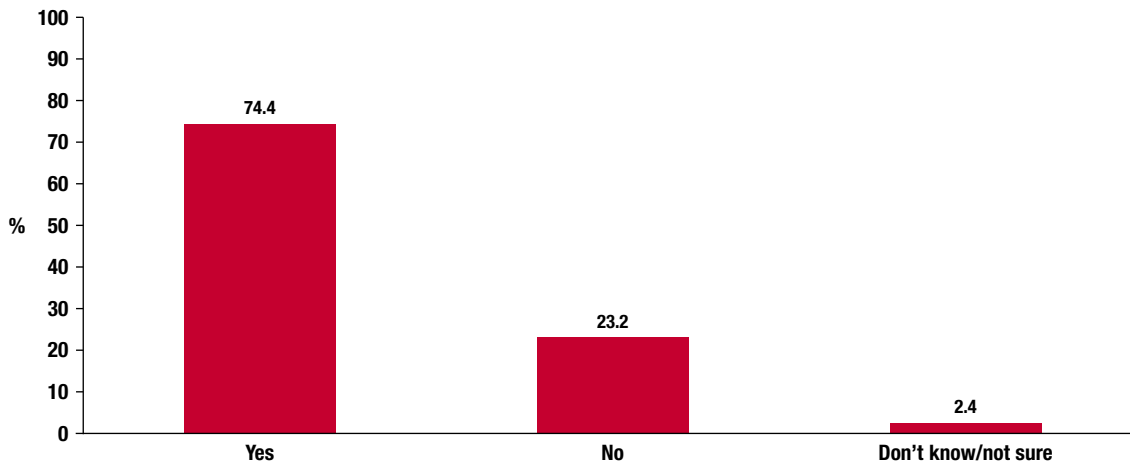
**Figure 29. Is there a specific person responsible for handling CSR policy and activities?**

Colombo vs. outstation

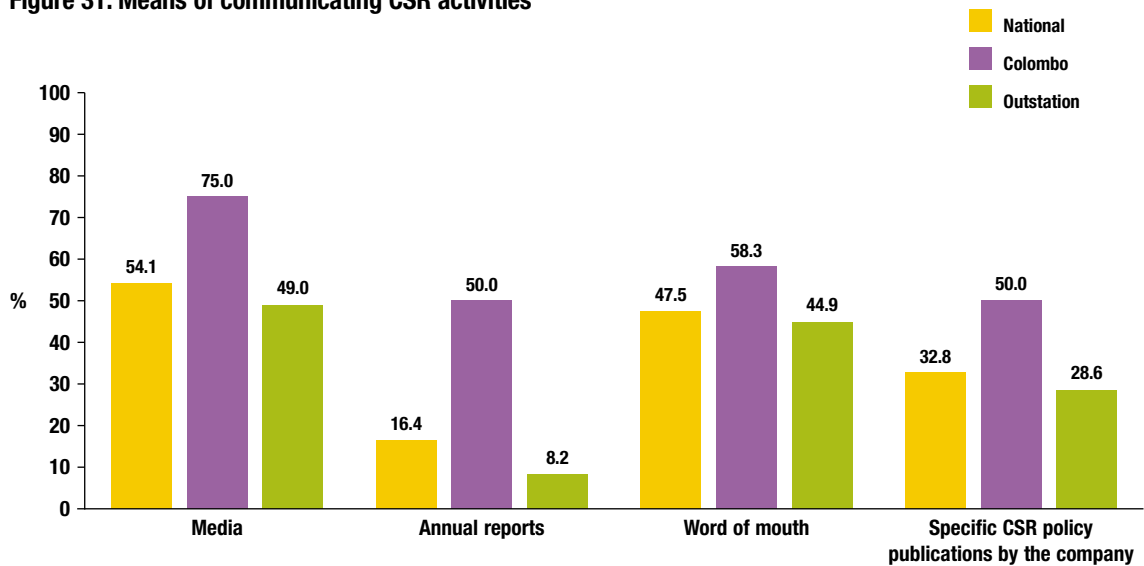


75% of business organisations in outstation areas do not have a specific person responsible for handling CSR policy and activities, compared to 71.4% of the Colombo-based organisations that do have specific person to handle CSR.

**Figure 30. Should the general public be made aware of CSR activities?**



When asked if they think the general public should be made aware of their CSR activities, 74.4% say that they should. However, 23.2% disagree, saying that only the direct beneficiaries should be made aware of the CSR activities carried out by their organisation. Those who say that the general public should be made aware of CSR activities conducted by their organisations were asked by which mode of communication the information should be relayed.

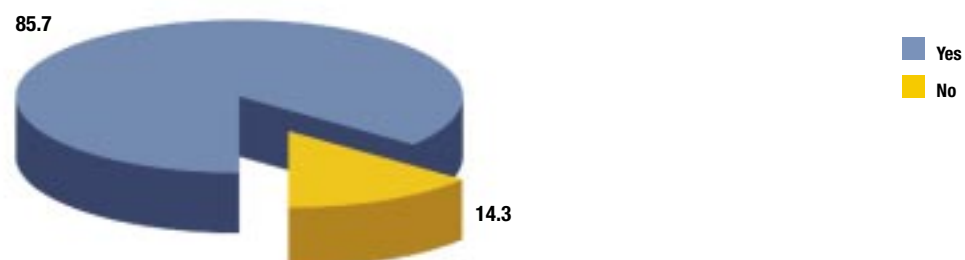
**Figure 31. Means of communicating CSR activities**

On a national level, 54.1% say that they would use the media (TV, radio, press) as a means of communicating their CSR activities to the public, 47.5% would rely on word of mouth, and 32.8% would use specific CSR-policy publications by the company. 16.4% of respondents say that they would communicate CSR activities to the public through their annual reports.

More business organisations in Colombo (75%) would prefer to communicate through the media than in outstation areas (49%). While 50% of organisations in Colombo would rely on annual reports as a means of communicating their CSR activities, only 8.2% in outstation areas rely on this means. 28.6% of business organisations say that they would use specific CSR-policy publications to communicate their activities.

### 2.2.7 Business organisations that do not have a CSR policy

Those who said that they had not heard of the concept of CSR were given an explanation and asked if their organisation would consider adopting such a policy.

**Figure 32. Would you consider adopting a CSR policy in your organisation?**

Of the respondents who said that they were not aware of CSR, 85.7% were willing to adopt it as a policy after it was fully explained to them. 14.3% of respondents, were unwilling to adopt a CSR policy.

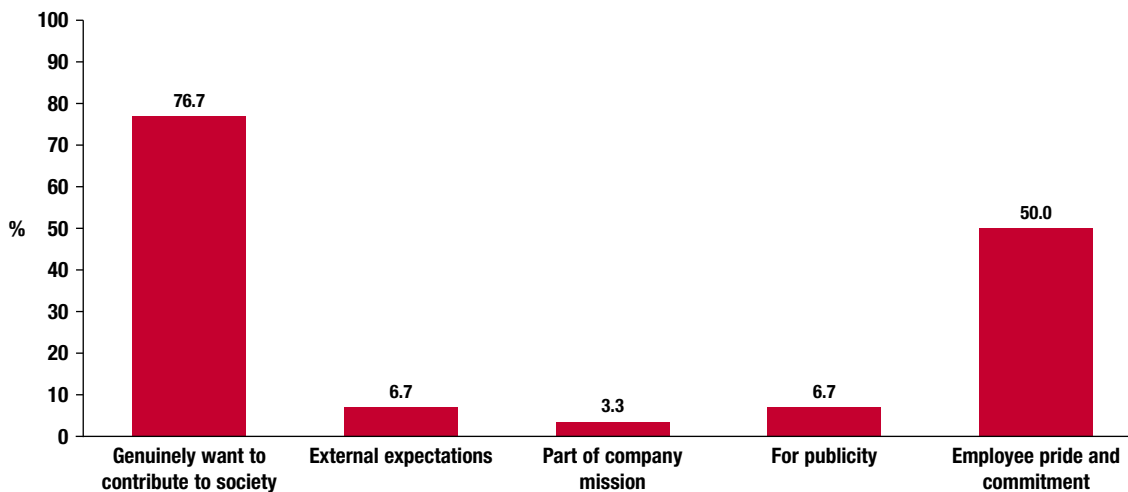
Those who had not heard of CSR and were unwilling to adopt it as a policy after it was explained to them (figure 32), and those who had heard of the concept but still did not have such a policy in their organisation (figure 17) were asked what prevented them from adopting such a policy.

A majority said their organisations were still in their growth stages and they could not consider adopting a CSR policy at the present time. A significant proportion said their knowledge of CSR was insufficient to adopt such a policy, while others said their businesses were too small to adopt CSR. Some said they had neither the ability nor the assets to be of service to society. Many said they had engaged in activities for the betterment of society since the inception of their businesses and did not see the need to adopt a specific CSR policy. Some respondents said that their organisations make decisions about CSR activities depending on the ‘need of the hour’, so a particular policy was not required.

A large number of respondents did not state what factors prevented them from embedding a CSR policy in their organisations, but gave other reasons than those already stated for not doing so. Some considered CSR activities a waste of time, while others say they simply do not have time because of business demands. Some believe it is the government’s duty to look after the welfare of society and others say that, because CSR activities do not contribute to increased profits, they will not engage in them.

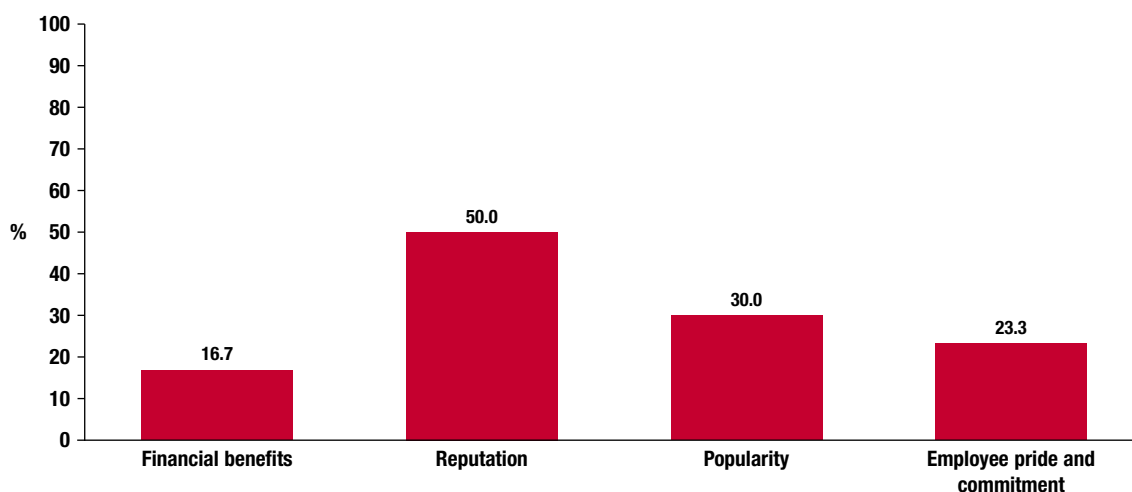
Those who are willing to adopt CSR as a policy were asked for their reasons.

**Figure 33. Why would your organisation adopt a CSR policy?**



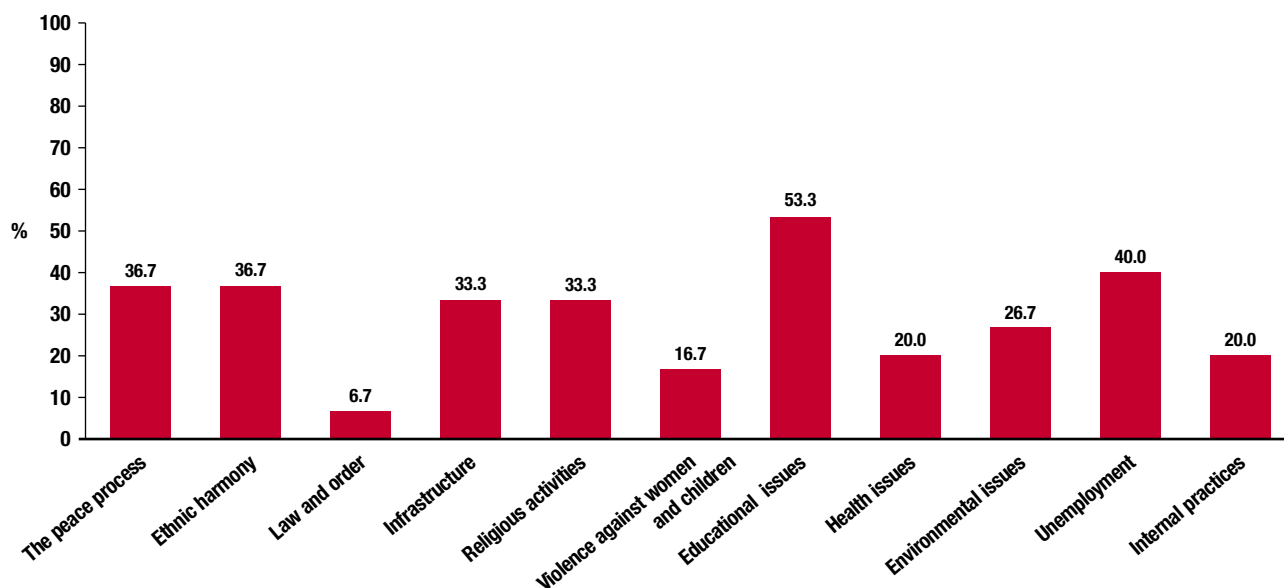
A majority (76.7%) say that they would adopt a CSR policy because they genuinely want to contribute to the betterment of society and 50% say they expect employee pride and commitment in return.

Some stated that they would adopt a CSR policy because they want to develop their business further or because they would like to contribute to the progress of their villages.

**Figure 34. Benefit(s) of a CSR policy to the organisation**

When asked what benefit(s) if any, they could expect by adopting a CSR policy, 50% of respondents say that they expected their organisation's reputation to be enhanced, 30% say that their popularity will grow, but only 16.7% expect any financial benefits.

When asked what areas they would consider when developing a CSR policy, a majority (53.3%) said that they would like to be involved in educational issues.

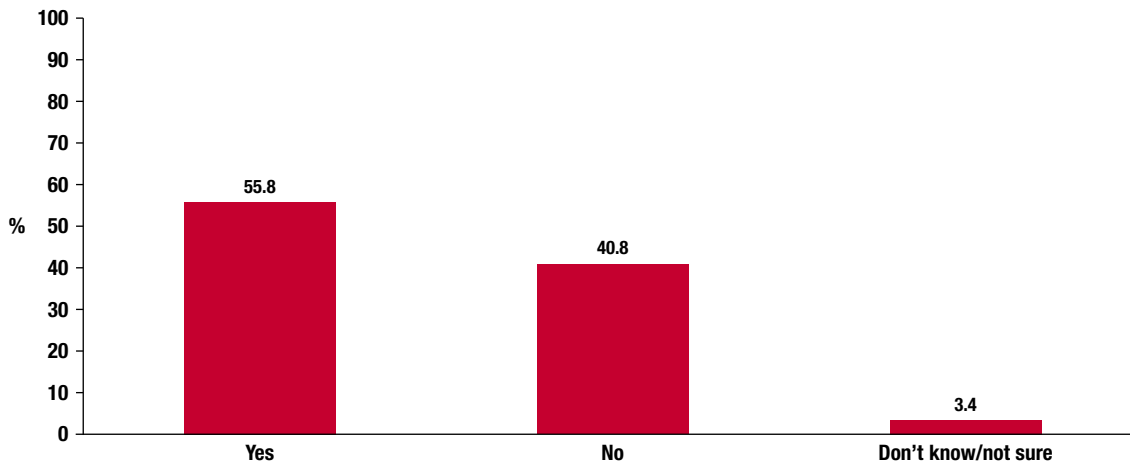
**Figure 35. Areas that some organisations would consider for CSR policy plans**

40% of respondents say that they would like to adopt a CSR policy that addresses unemployment issues, while an equal number say they would like to be involved in the peace process (36.7%) and ethnic harmony (36.7%). An equal number of respondent said that they would consider adopting a CSR policy that involved providing infrastructure facilities (33.3%) and religious activities (33.3%).

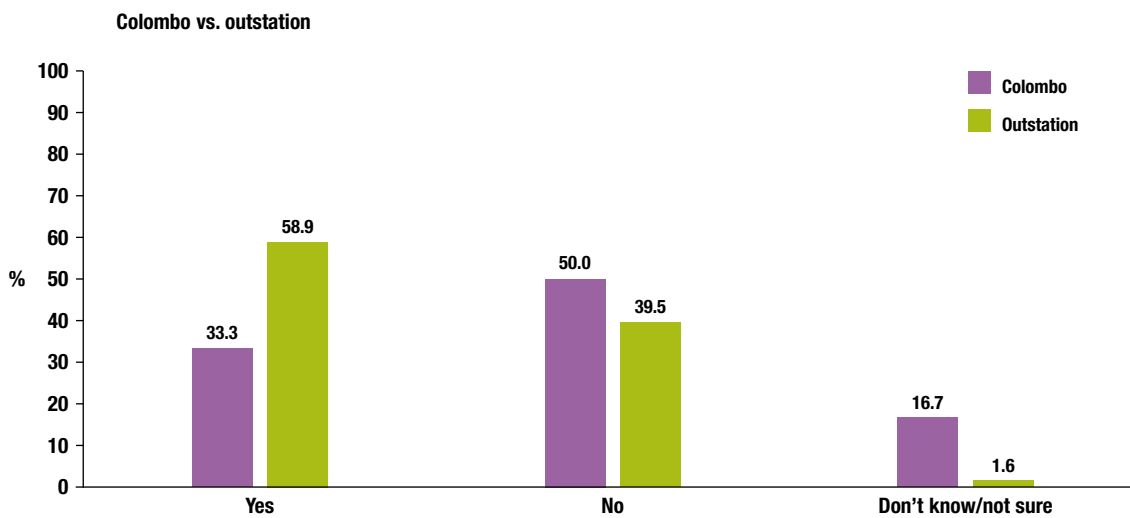
### 2.2.8 Goods and services, and the business community

When asked whether people will consciously buy goods and services from a company that adopts a CSR policy, 55.8% agreed. However, 40.8% said people would not buy goods and services specifically from a particular company because it has a CSR policy.

**Figure 36. Will people consciously buy goods and services from a company that adopts a CSR policy?**



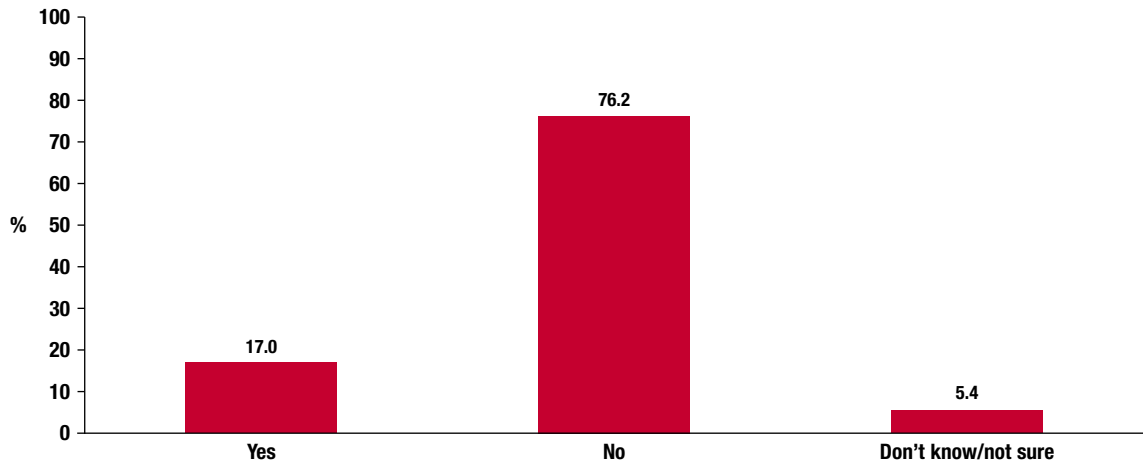
**Figure 37. Will people consciously buy goods and services from a company that adopts a CSR policy?**



58.9% of respondents in outstation areas say that people will consciously buy goods and services from a company that adopts a CSR policy, while only 33.3% of those in Colombo believe the same.

More respondents in Colombo (50%), Kandy (57.9%), Ratnapura (63.6%) and Vavuniya (54.5%) say that people will not consciously buy goods and services from a company that adopts a CSR policy. (Annex 4: table 29)

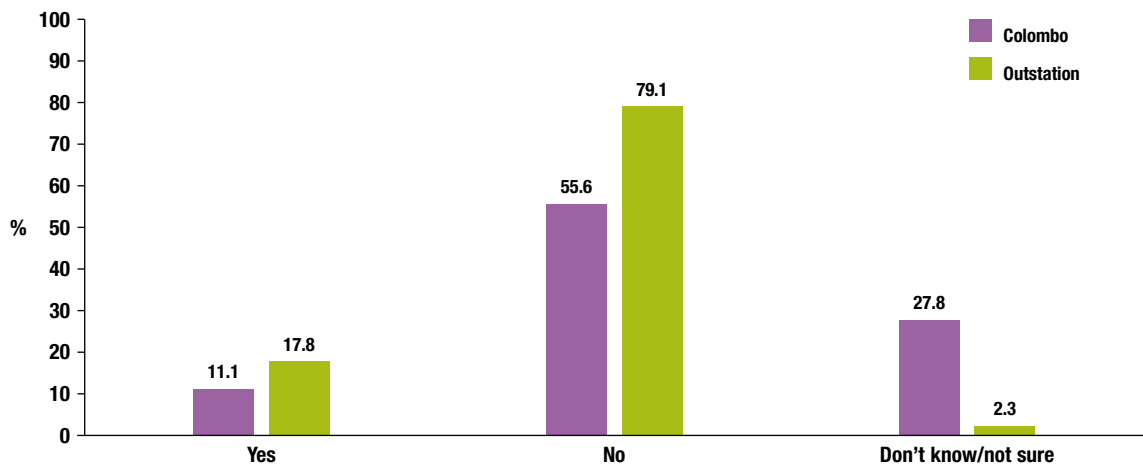
**Figure 38. Will people pay more for a product or service from a company that they know has a CSR policy?**



76.2% of respondents say that they do not think people will pay more for a product or service from a company that they know has a CSR policy, while 17% say that people will pay more if they know that a company that adopted a CSR policy has supplied it.

**Figure 39. Do you think people will pay more for a product or service from a company that they know has a CSR policy?**

Colombo vs. outstation

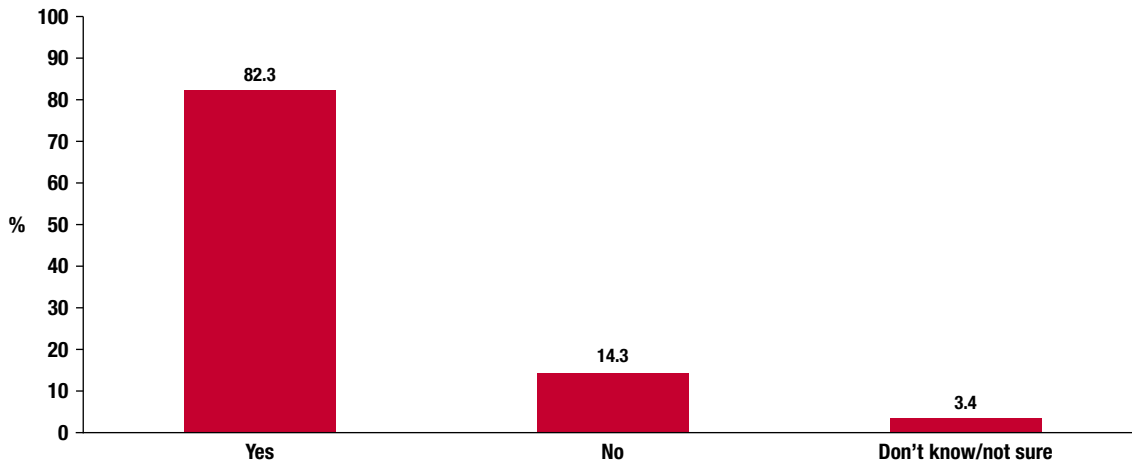


79.1% of respondents from business organisations in outstation areas say they do not believe people will pay more for a product or service that they know was offered by a company with a CSR policy. 55.6% of respondents in Colombo agree, but 27.8% of them are not sure.

### 2.2.9 The peace process and the business community

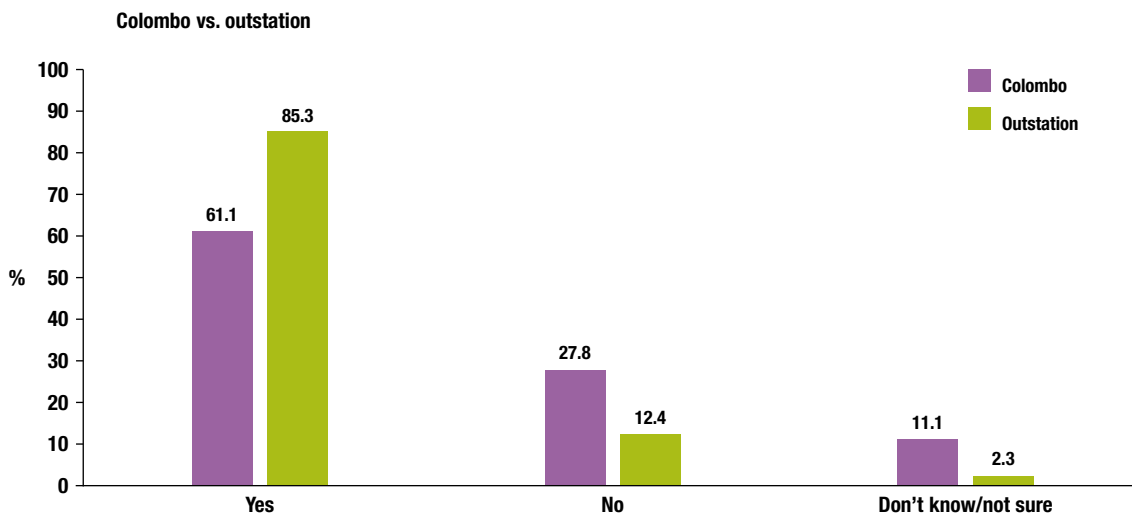
Respondents were asked if they think their business organisations should have a role to play in the process of achieving peace.

**Figure 40. Do you think that your business should have a role to play in the process of achieving peace?**



Interestingly, 82.3% of respondents believe their business organisations should play a role in the process of achieving peace, while only 14.3% believe the opposite.

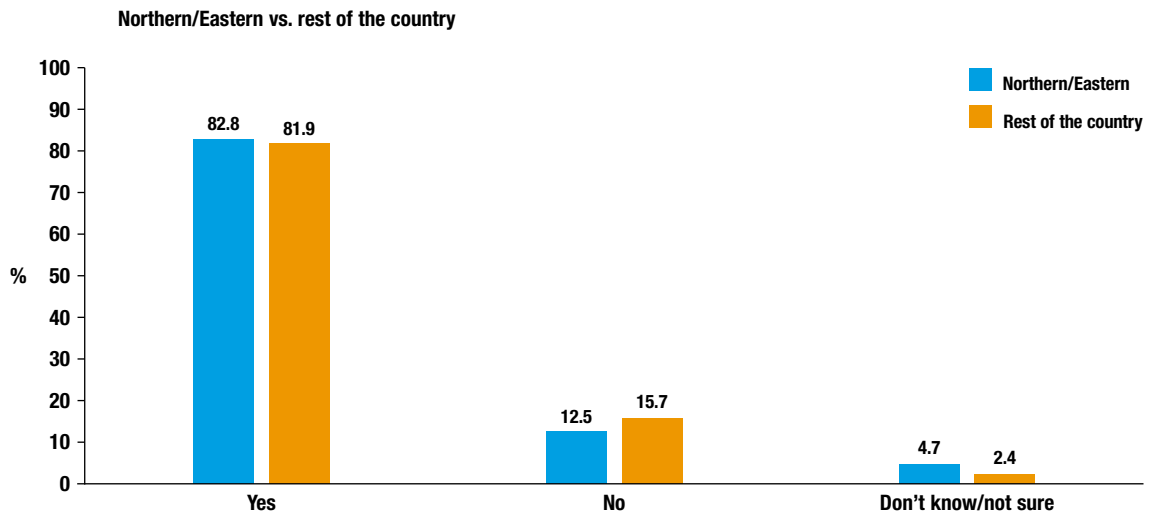
**Figure 41. Do you think that your business should have a role to play in the process of achieving peace?**



More respondents in outstation areas (85.3%) believe that business organisations should have a role in the process of achieving peace, compared to respondents in Colombo (61.1%). 27.8% of Colombo-based organisations say businesses should not play a role in the process of achieving peace, but only 12.4% in outstation areas agree with the statement.



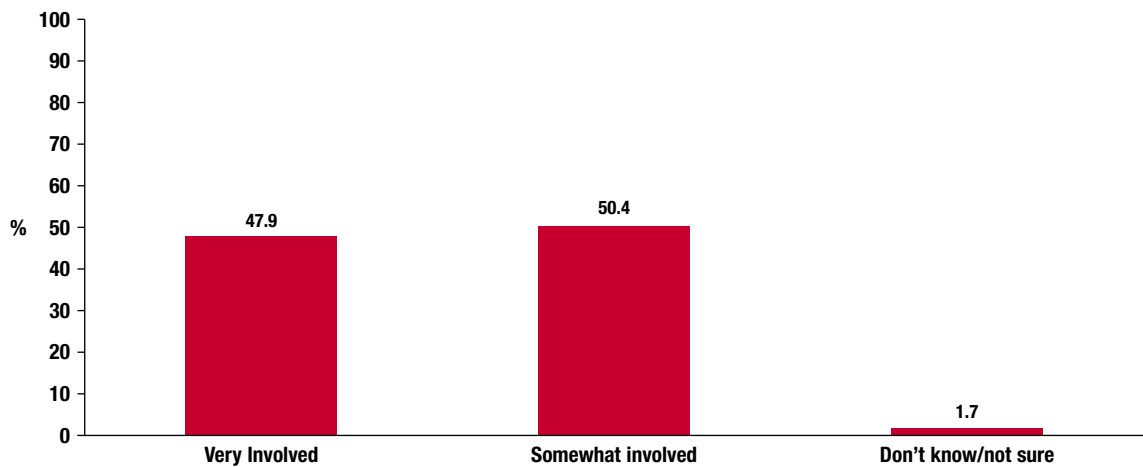
**Figure 42. Do you think that your business should have a role to play in the process of achieving peace?**



Comparing the rest of the country to the conflict areas of the north and east, a majority in both think businesses should play a role in the process of achieving peace.

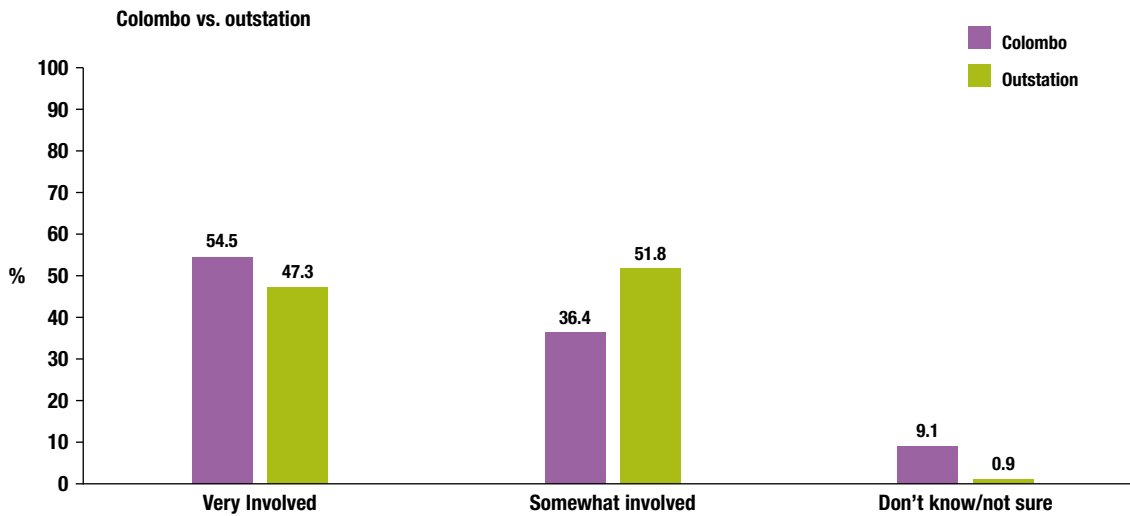
Those who say that their business organisations should play a role in the process of achieving peace were asked how they should be involved in the process.

**Figure 43. How involved should your company be in the process of achieving peace?**



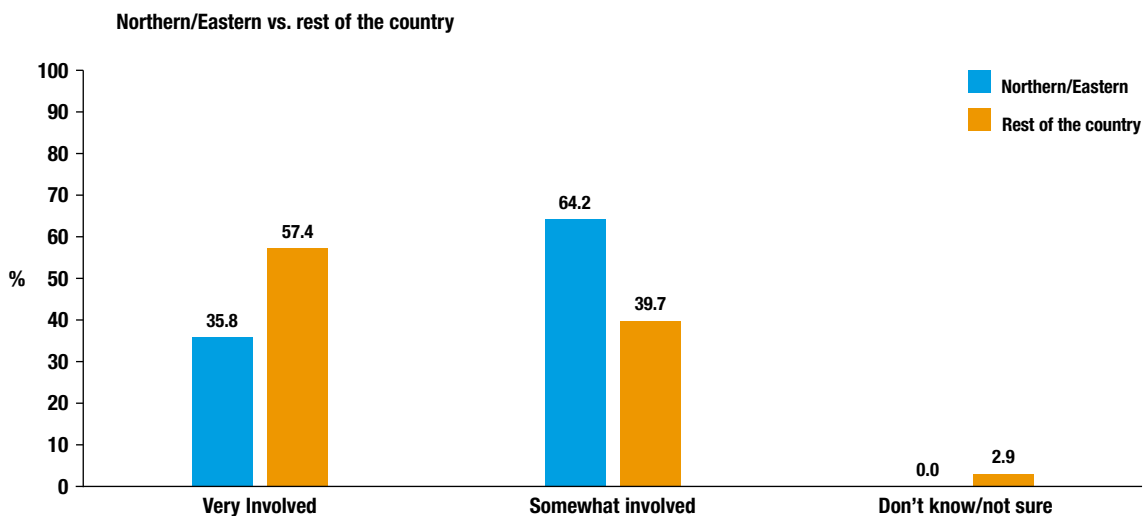
While a majority (50.4%) believe that business organisations should be ‘somewhat involved’, a significant 47.9% believe that their business organisations should be ‘very involved’.

**Figure 44. How involved should your company be in the process of achieving peace?**



A majority in Colombo (54.5%) believe their business organisations should be ‘very involved’ in the process of achieving peace, while a majority in outstation areas (51.8%) believe that they should be ‘somewhat involved’.

**Figure 45. How involved should your company be in the process of achieving peace?**

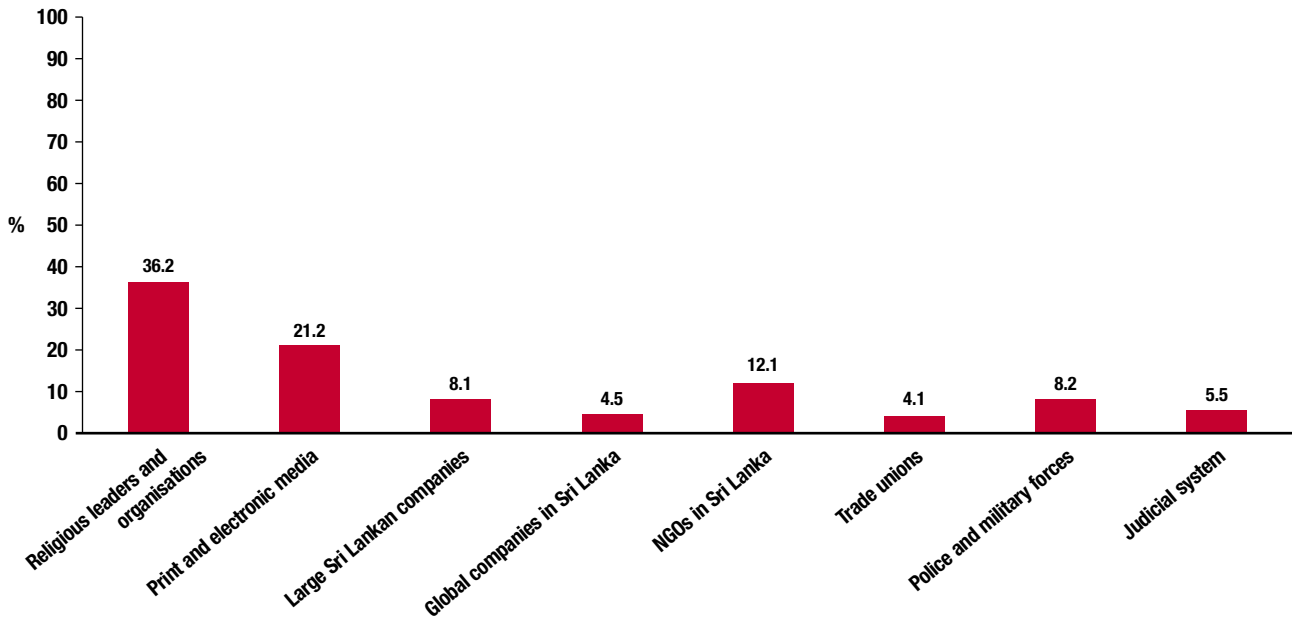


Most respondents from the north and east (64.2%) say they think their business organisations should be ‘somewhat involved’ in the process of achieving peace, whereas a majority from areas in the rest of the country (57.4%) say that their organisations should be ‘very involved’ in the process.

Looking at the district breakdown, a majority in Colombo (54.5%), Kandy (57.1%), Galle (54.5%), Hambantota (61.5%) and Matara (70%) believe business organisations should be ‘very involved’ in the process of achieving peace. (Annex 4: table 35)

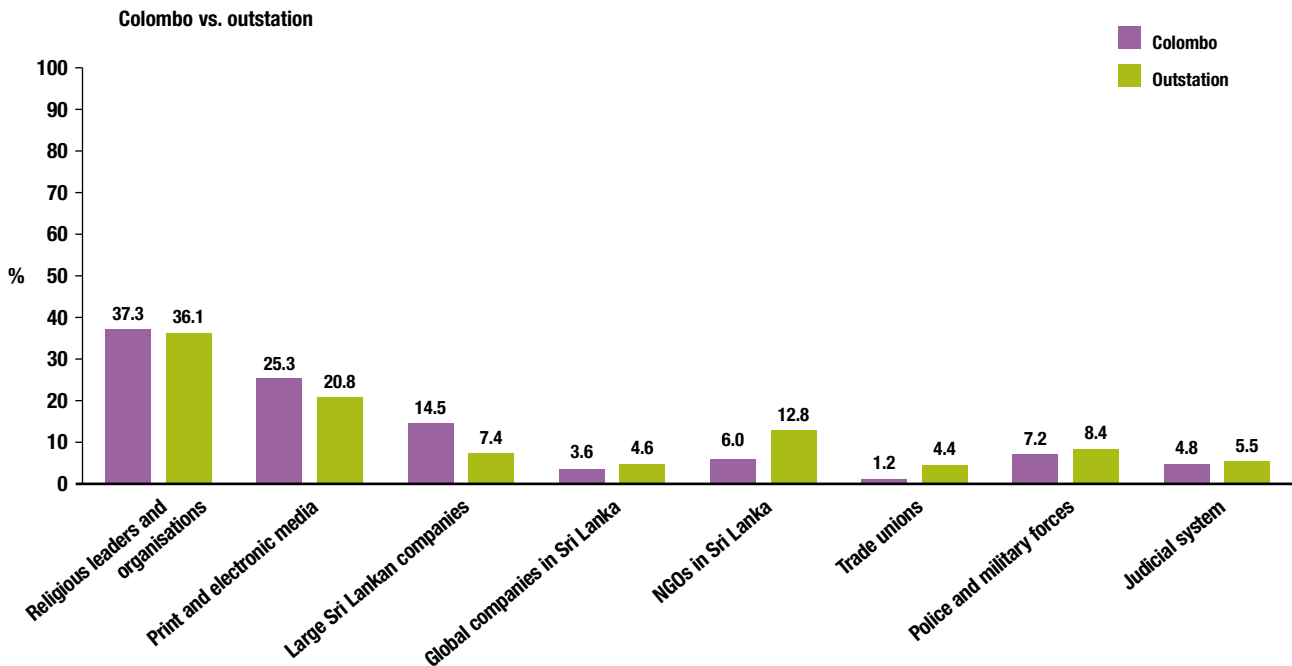
Respondents were asked to identify organisations or persons, aside from government, that they think should play a role in the process of achieving peace.

**Figure 46. Who should play a role in the process of achieving peace?**



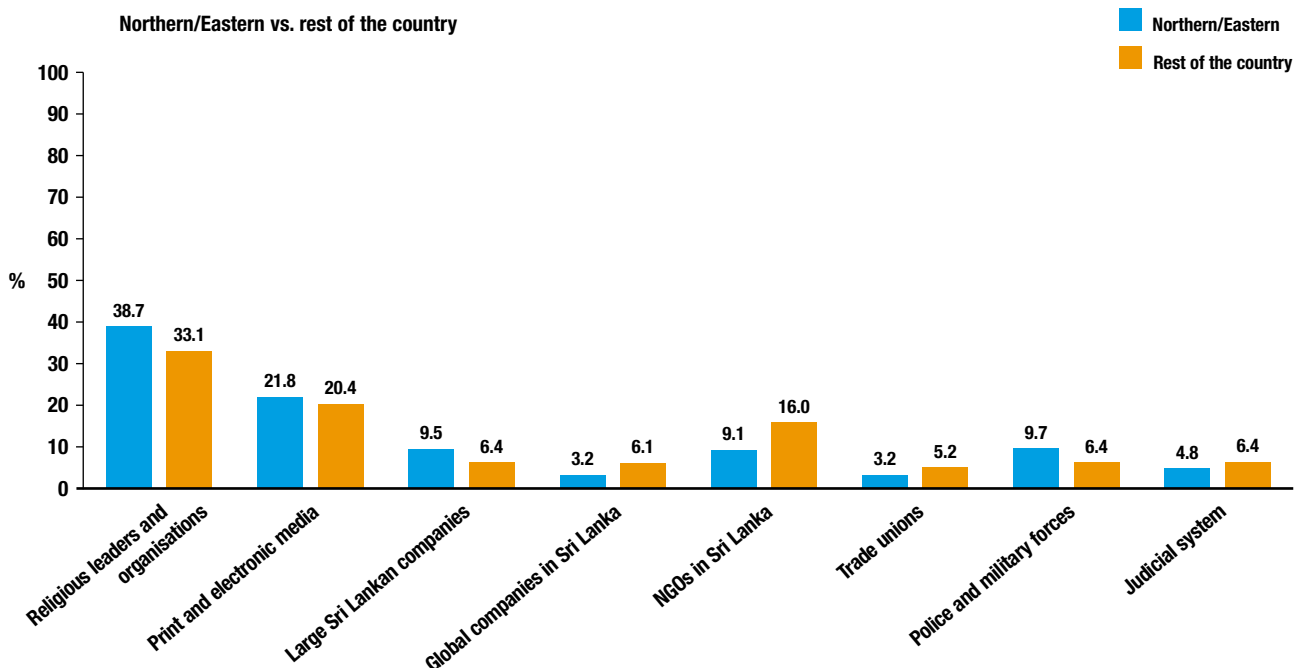
36.2% of respondents believe that religious leaders and organisations should play a major role in the process of achieving peace; 21.2% believe it should be the print and electronic media; 12.1% believe the role should be played by NGOs; 8.1% say large Sri Lankan companies should play the role; and 8.2% say the police and military forces should.

**Figure 47. Who should play a role in the process of achieving peace?**



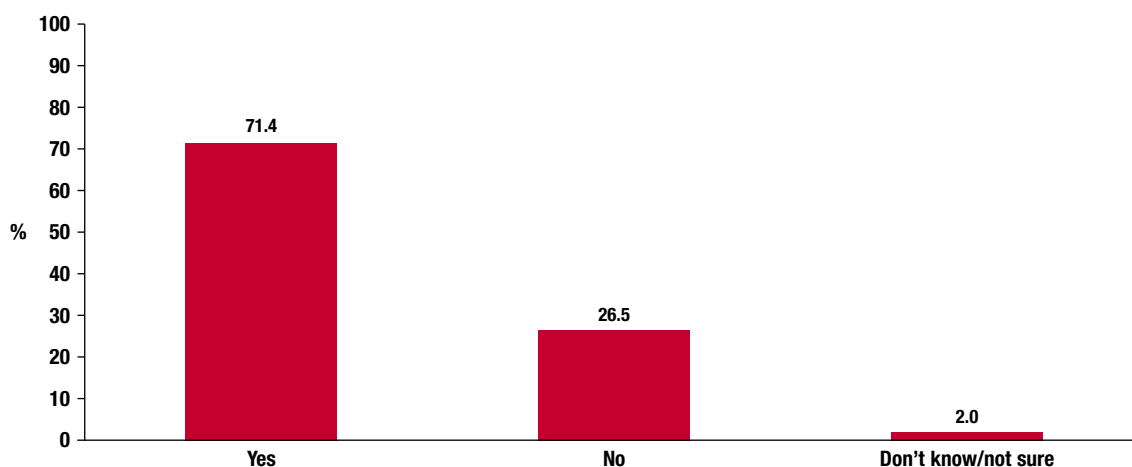
Religious leaders and organisations are favoured by a majority of respondents, regardless of whether in Colombo (37.3%) or outstation areas (36.1%). Print and electronic media are expected to play a role in the process of achieving peace by 25.3% in Colombo and 20.8% in outstation areas. More people in Colombo expect large Sri Lankan companies (14.5%) to play a role in the process of achieving peace, while more people in outstation areas expect NGOs (12.8%) to do the same.

**Figure 48. Who should play a role in the process of achieving peace?**



Less people in the north and east (33.1%) say that religious leaders and organisations should play a role in the process of achieving peace compared to the rest of the country (38.7%). More people in the north and east (16%) say that NGOs should play a role in the process.

The district breakdown shows that religious leaders and organisations are most favoured by respondents in Kandy (43%), Hambantota (40.5%) and Matara (43.3%). The print and electronic media is favoured by 25.3% in Colombo, 27.4% in Hambantota, 26.8% in Ratnapura and 28.4% in Jaffna. 25.8% in Galle say that NGOs in Sri Lanka should play a role in the process of achieving peace. (Annex 4: table 37)

**Figure 49. Awareness of any activities by the business community regarding the process of achieving peace**

71.4% say that they are aware of certain activities by the business community regarding the process of achieving peace, while 26.5% say that they are not aware of any.

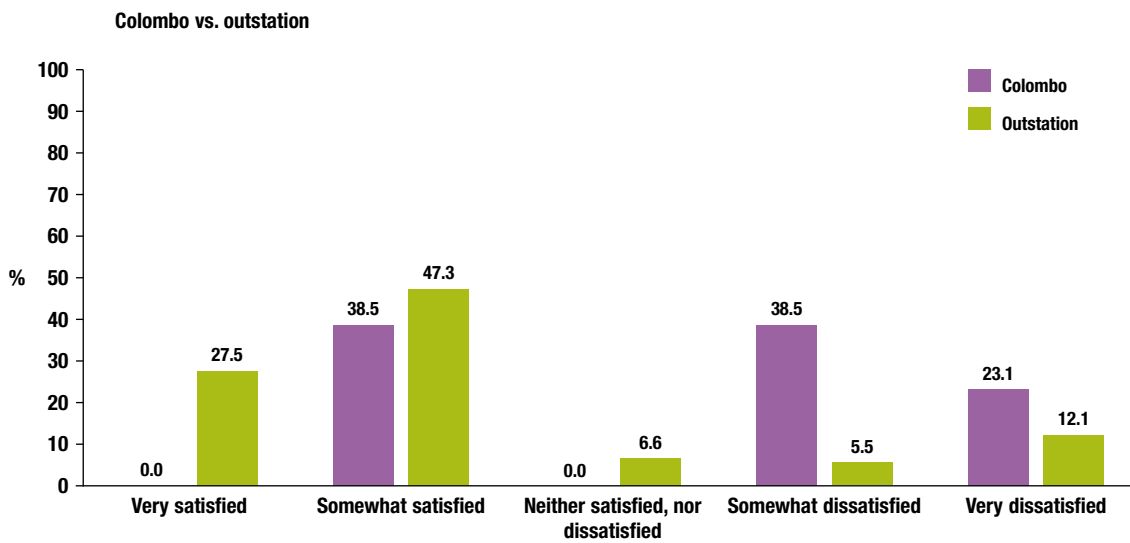
On a district basis, in Matara all respondents are aware of activities by the business community regarding the peace process, and the lowest awareness is seen in Ampara (58.3%) and Vavuniya (45.5%). (Annex 4: table 38)

Respondents who are aware of activities by the business community regarding the process of achieving peace were asked how satisfied they are with them.

**Figure 50. How satisfied are you with the activities that are currently being undertaken by the business community?**

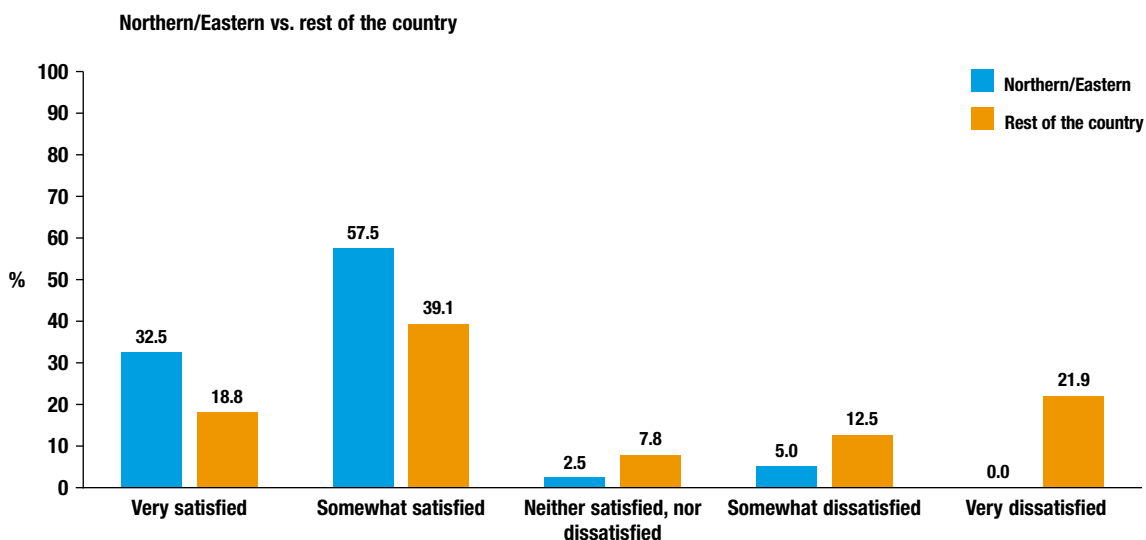
A majority (46.2%) of respondents say that they are 'somewhat satisfied' with the activities that are being undertaken at present by the business community regarding the process of achieving peace, while only 24% say that they are 'very satisfied'. However 23.1% have a negative attitude towards the extent of involvement of the business community regarding the process of achieving peace, 9.6% say they are 'somewhat dissatisfied', and 13.5% say they are 'very dissatisfied'.

**Figure 51. How satisfied are you with the activities that are currently being undertaken by the business community?**



27.5% of those in outstation areas are ‘very satisfied’ with the activities undertaken by the business community, but none in Colombo are. A majority (47.3%) of respondents in outstation areas say they are ‘somewhat satisfied’ and equal numbers in Colombo (38.5%) say that they are either ‘somewhat satisfied’ or ‘somewhat dissatisfied’.

**Figure 52. How satisfied are you with the activities that are currently being undertaken by the business community?**



More respondents in the north and east are ‘very satisfied’ (32.5%) and ‘somewhat satisfied’ (57.5%) than in the rest of the country with the activities by the business community with regard to achieving peace. 21.9% of those in the rest of the country say that they are ‘very dissatisfied’ with the present activities by the business community.



# 3

## Conclusions and recommendations

THIS SECTION WILL consolidate the most important findings from the two surveys and the mapping research. These findings will then be used to inform stakeholder recommendations that would support a more complementary and mutually beneficial relationship between business and Sri Lankan society.

Initially, the chapter attempts to shed some light on how Sri Lankan people perceive the role of business in society and how the business community perceives its own role; how the concept of CSR is understood and how it is practised will then be assessed. A third section examines the more complex role of businesses in peacebuilding in Sri Lanka. Sri Lankan society has been ravaged by decades of violence and it is recognised that any private-sector effort to address social needs should include peacebuilding. Put simply, a durable peace is a prerequisite for long-term, social and economic stability, and growth.

The final section consists of recommendations and highlights areas for further discussion. It will make process recommendations targeting the business community, donor agencies, international and local NGOs, and the government on how best to proceed in implementing further discussions.

### 3.1 Conclusions

#### 3.1.1 Perception of the role of business in society

The study indicates that most Sri Lankans do not have a clear understanding of the role they wish businesses to play in society. The public is uncertain whether business should focus solely on profits, or engage in social issues. While a slight majority of people feel that business should do more for the social good, they mistrust corporations and express fears that the private sector exploits consumers and destroys cultural values.

In the business community, most respondents feel that they have a strong role to play in addressing social needs but, while there is a long history of charitable giving in Sri Lanka, few

companies have a strategy or policy for doing so. They do not have a clear direction on how and what to contribute to society, and the benefits from doing so.

One contributing factor is that, outside trade unions (which are politically aligned for the most part), civil society has had little engagement with the private sector on issues such as internal practice, environment, consumer needs and social development. The promotion of consumer needs and environmental protection has been limited because of the shortage of NGOs focusing on these issues. Even in areas where there is experience, NGOs, by and large, have avoided lobbying or engaging with the private sector. NGOs need to work with business on these issues to balance the social and environmental interests of business with the broader community. One definition of CSR calls it ‘a public movement, which has gained more momentum as citizens demand corporations to be accountable for their impacts. Consumers, investors and employees alike are recognising the power held by corporations and efforts are being made on several levels to create global change with the hope that the earth will become a better place.’<sup>14</sup>

In the light of Sri Lanka’s economic history, this state of affairs is hardly surprising. Recent liberalisation means that the government, the public, civil society and the private sector itself are still evolving ideas about the potential role of business and, at a macro level, the country’s economic framework. Should it be a *laissez-faire* approach, a closed economy or something between? Alternatively, these approaches could produce a self-regulating business sector that has to practise high standards of social responsibility, a highly regulated business sector that focuses on the business of making profits, or a model that has yet to be clearly defined.

As stated in section 1.5.1, privatisation, Sri Lanka’s opening to foreign investment and increasing domestic investment have turned the private sector into the country’s largest employer and source of revenue. Though it is unclear how fast and to what degree change will occur, Sri Lanka is undoubtedly becoming a more open, globally integrated economy.

The general public and civil society have to take account of the significance of these changes in the economy. As they do so, they will begin to demand from the private sector the same welfare measures and socially responsible behaviour that they once required of government. As argued elsewhere, businesses have good intentions towards society and want to be socially responsible, but they are unclear how to set about it in a coordinated fashion. This presents civil society with a powerful opportunity to provide navigation on these issues, while offering business an opportunity to win the trust of their stakeholders by developing strategies that are both economically and socially profitable.

The two studies reveal that while businesses regard the practice of CSR as a genuine gesture, the public views it as self-interest. The majority of businesses say the main reason for their CSR policies is genuine concern for society, but a minority cites publicity as the primary purpose. The majority public view, by contrast, is that businesses practise CSR policies for motives of publicity and only a minority believe that they have a genuine concern for society. Engagement between the private sector and civil society over these issues could stimulate the private sector’s aspirations to do good, while building greater trust with the public.

### 3.1.2 Practice of CSR

Many businesses in Sri Lanka practise some form of social activity, usually through charitable giving to religious or educational institutions. This is a positive foundation for future work and shows the willingness of business to support social investment. However, most businesses have only a general understanding of CSR and have become involved in initiatives without an overall policy.



This may be due to the fact that most organisations have only a limited understanding of the outputs of CSR. Some are conscious of the immediate benefits, such as improved public image or more motivated employees, but few perceive the longer-term return, for example, of investing in capacity building of young people to produce a more skilled workforce, or promoting social harmony to create a more conducive environment for growth. The short-term vision that seeks to boost brand recognition or corporate image can result in initiatives that are poorly planned, not integrated with community or government strategies and which, more often than not, are either ineffective or unsustainable. The private sector needs support to understand the long-term benefits of CSR, as well as their own potential in supporting such developments.

The good intentions of Sri Lankan business and its interest in serving society contain the potential to transform informal practices into more structured and integrated initiatives. However, there is little or no engagement with civil society and government at present, no coordination of effort and little exposure to best practice to catalyse change. Engagement is required to help the private sector understand how its long-term interests are linked to the development of society around it. This engagement is essential to the definition and implementation of sustainable CSR efforts because individual businesses rarely have the experience to address challenges that lie outside the scope of their core business activities.

There is limited coordination of socially responsible practices in the private sector, although it enjoys a history of philanthropy. The latter has sparked a growing interest in CSR and led to some business organisations in Colombo actively building up their knowledge of its practice. These organisations have shown signs of moving towards a focus on more strategic CSR programmes and overall policy. However, a more cooperative approach is needed to strengthen CSR practice. The organisations at the forefront of CSR need to engage others in dialogue to provide opportunities for shared learning and the development of best practice. Anecdotally, the opposite appears to be happening. The short-term view of the benefits of CSR has created an insular and competitive approach which is healthy at one level—because there is a limited history of CSR in Sri Lanka—but which desperately requires shared learning if it is to evolve into best practice. There are some encouraging signs that this is changing but more formal interaction is needed. The private sector should consider cooperation on initiatives of mutual concern. Effectiveness, especially on national or regional issues, can be greatly improved through the pooling of resources and integration with government and other development objectives.

Regional businesses, most of which are SMEs, struggle to offer the same benefits as Colombo-based firms in areas such as job security, provident funds, notice periods for termination, minimum leave entitlements and overall working conditions. Exposure to, and understanding of CSR principles are not as advanced as in the capital. This is because Colombo-based businesses have greater capacity for human resource development, are in stiffer competition for skilled employees and face greater scrutiny by labour regulators. This has produced better working conditions leading to the migration of workers from the regions, especially by those with professional skills. Regional businesses—and regional development—have been severely damaged by this trend. The regions must develop ways to become more competitive on this issue and more needs to be understood about how CSR can be better applied to SMEs so as to strengthen core practice and improve worker retention.

### 3.1.3 Business and peacebuilding

As stated in 3.1.2, businesses do not have a clear understanding of CSR, especially the long-term benefits, nor the benefits of collaborative initiatives. However, the business community as a whole

has stated its desire to be involved in peacebuilding. There is a strong recognition that the state of security directly affects business and that peace is a pre-requisite for growth. Many business people also express a sincere desire to alleviate the suffering that the conflict has caused. As a result, there have been efforts to address this issue, although many businesses feel they have neither the capacity nor the understanding to become involved.

The concept and practice of CSR are a valuable entry point for business involvement in peacebuilding. CSR provides a framework for understanding how business success is tied to the prosperity and health of the community within which it operates. Indeed, most of a company's assets—employees, suppliers, distributors, resources, infrastructure, customers and government—all lie beyond its doors. Business has unique and necessary connections to the community that provide it with a special opportunity to contribute to society's needs. The biggest need for Sri Lanka today is a stable social, economic and political environment, but that can only be realised if there is sustained peace. This is a new goal for business that can involve traditional responsible practice, as well as innovative approaches.

In Sri Lanka, there is a recognised need to build peace at a variety of levels from political agreement to village reconciliation, and this provides peacebuilding opportunities. The development and implementation of sound internal corporate policies and standards are easy and accessible ways for business to contribute to peacebuilding through CSR, whether by addressing corruption or embedding fair employment practices in areas where nepotism and discrimination may have been factors in the conflict. Encouraging a diverse workplace contributes to reconciliation in settlements where communities are divided. A business can re-evaluate connections with its host community, suppliers and distributors, or its areas of production and distribution to find out how it could promote integration and reconciliation. For example, businesses could seek out new suppliers or distributors in previously inaccessible regions and communities, or work with these same regions or communities to develop new ventures. The workplace can also be a place for discussion, education and the sharing of information about national or community issues related to the conflict.

Business also has a role to play in the kind of social investments that can address conflict issues. Social investment must be done with an understanding of the conflict's dynamics. Education, health programmes and enterprise development can be very productive, but only if they are targeted in ways that focus on groups or issues pertinent to the conflict itself, and which speak to the added value of the private sector. To be truly effective, this approach requires cooperation and/or collaboration with civil society and government. Additionally, the private sector has strong organisational skills, such as planning, management and implementation, that can be used to increase the capacity of government and NGOs to reintegrate the country.

Though avoided by many in the business community, policy promotion can also be a strong peacebuilding tool. If a business is genuine and transparent, it can play a leadership role that allows it to promote the good policies needed for building peace that often become politicised when sponsored by politicians. Because of its skills and linkages, business has the capacity to act as a neutral, third party to facilitate dialogue at a national and local level, especially when it acts collectively. Public education can also be a strong component in supporting the peace process. Most people do not have an understanding of the documents and agreements related to the current peace process, inhibiting informed discussion.

At the local level, research has shown that a strong civil society, including business associations and chambers of commerce, can assist in the prevention of community violence and

political instability. Local violence is often made possible when breakdowns in communication allow information and events to be manipulated by individuals or groups. Local business associations, which tend to be multi-ethnic and inclusive, can help to promote community communication and act quickly in times of unrest or emergency when misinformation or rumour cause small events to spin out of control.

The approaches adopted by groups like Sri Lanka First and the Business for Peace Alliance provide two models of the role business has so far played in peacebuilding in Sri Lanka. Though most of the organisations involved do not have formal CSR policies of their own, a shared sense of social responsibility and the realisation that their own survival depends on the restoration of peace have spurred them on.

#### **UNEMPLOYMENT AND THE COST OF LIVING**

Unemployment and the cost of living have been identified as two of the three most important issues of concern to the general public (the other being the peace process).

People living in non-conflict areas are highly concerned by unemployment and the cost of living and would feel aggrieved if an international and NGO focus on the north and east led to their being overlooked. The danger exists that people in the south would feel left out of a peace process that only benefited those living in conflict areas. While the business sector cannot be held directly responsible for unemployment, it is in its interests, through dialogue with the government and civil society, to ensure that all Sri Lankans feel that they benefit from the peace process.

#### **COLLABORATION BETWEEN BUSINESS AND OTHER CIVIL SOCIETY ORGANISATIONS**

Business organisations identified religious leaders and organisations as the main group it trusts to play a role in achieving peace. While the public outside the conflict zones of the north and east feels this same trust towards religious leaders, those living in the conflict zones have more confidence in the capacity of NGOs to resolve social issues. This is an indication of the importance attached to these key groups and their influence. Businesses interested in CSR and peacebuilding should consider engaging these groups to better understand regional needs and to identify what role the private sector might have in addressing them.

#### **CORRUPTION**

The issue of corruption was raised in discussions with stakeholders, including those in government involved in regulatory functions and during the mapping phase of existing CSR practices in Colombo. It was widely felt that a number of businesses sought to give the impression of social responsibility by becoming involved in social activities while not complying with statutory regulations.

Corruption between the private sector and government is a critical problem because it limits the government's duty to meet the needs of the nation and places private sector interests above those of its citizens. It must be assumed that this realignment of needs negatively affects the peace process and negates, both practically and morally, any social initiatives in which the private sector is engaged. Business must be persuaded that it is in its long-term interest to build responsible government through the active transformation of the culture of corruption that exists in Sri Lanka today.

## 3.2 Recommendations

Based on the studies and the resulting conclusions, we recommend the following measures to target the business community, donor agencies, international and local NGOs, and the government.

### 3.2.1 Dialogue

Dialogue is essential in taking these discussions further. This is best done by:

#### A) MULTI-STAKEHOLDER DIALOGUE

Dialogue is needed between all stakeholders including donor agencies, government, the business sector and civil society on:

- How to address the different economic visions present in the country and how they relate to the role of business in society;
- Identifying priority areas for CSR initiatives for businesses, and how business can support and complement existing structures and initiatives;
- How to better enforce existing legislation regarding employment practice, reporting and the environment;
- Identifying the particular roles that business can play in supporting peace.

#### B) BUSINESS/CIVIL SOCIETY DIALOGUE

- There is now an opportunity for the business community to engage civil society in dialogue to determine the role of business in society. The chances of a healthy business/civil society engagement will be less in future if anti-business sentiments emerge among the general public.
- Civil society is generally trusted to address social issues more than business. If business is to be effective in its social activities, it must work in partnership with these groups, especially religious leaders and NGOs, on the more contentious issue of peacebuilding.
- Business and civil society have unique skills that can complement each other's work and build increased capacity. NGOs and other civil society groups can assist the business community in analysing, developing and implementing social and environmental efforts, while business can greatly enhance the efficiency, capacity and professionalism of NGOs.

#### C) BUSINESS/BUSINESS DIALOGUE

- Businesses should engage in dialogue with each other and adopt best practices through shared learning, especially on core practices. NGOs could play a role by facilitating this exercise.
- Businesses need to explore the benefits of collaborative action. Pooling resources and integrating their activities with the objectives of government are especially important given Sri Lanka's enormous development needs.
- Dialogue with businesses outside Sri Lanka could help develop best practice on the model of other countries with similar cultural and economic histories.
- Businesses in Colombo and the regions need to discuss how better to complement one another. There is a centre-periphery divide in Sri Lanka that limits the understanding and integration of communities, economically, politically and socially.

### 3.2.2 Training

Training is essential to create awareness and to plan, formulate and implement CSR strategies and initiatives.

#### A) CSR TRAINING

More formal, independent and inclusive structures are needed to promote socially responsible business practices. Training should take advantage of the experience that has been gained in the field internationally. This does not mean that these policies and practices are necessarily appropriate for Sri Lanka, but they provide a starting point. For now, business leaders who are implementing socially responsible initiatives should, in collaboration with outside specialists, promote and extend their knowledge to others. NGOs can work with business to promote this training.

#### B) CSR AS AN ENTRY POINT FOR PEACEBUILDING

NGOs and other organisations specialising in peacebuilding should work with businesses to develop ways that business can contribute to society through activities that support peace.

#### C) DEVELOPING BROADER APPROACHES IN THE CURRICULUM OF BUSINESS SCHOOLS

Businesses and NGOs should work with business schools to introduce broader approaches to understanding how the private sector relates to its community, including categories such as business ethics, the effects of globalisation, environmental and social impact, sustainable development and conflict analysis.

### 3.2.3 Further research/study

#### A) ROLE OF THE GOVERNMENT IN CSR

Further research is required on the role of the state in promoting CSR. Some of the roles government can play are: identifying the needs of society and facilitating the identification of areas of initiative for interested businesses; how to reward socially responsible businesses; and leading through example by implementing best practice.

#### B) APPLICABILITY OF CSR IN THE SME SECTOR

Considerable debate is taking place on the applicability of CSR to SMEs. SMEs have difficulty responding to the demands of CSR and the principles of CSR should not undermine SME development. However, SMEs do have to take a share of responsibility, for example, in preventing the environment from being adversely affected by their activities. Further research and study is recommended on how CSR principles could be applied to SMEs in Sri Lanka.

#### C) CORRUPTION

Corruption between the private sector and the government is a serious problem because it limits the ability of the government to meet the needs of the nation, putting private sector interests above those of citizens. This realignment negatively affects the peace process, making the issue of corruption critical enough to warrant further study.

#### D) INCREASED CAPACITY ON CONSUMER AND ENVIRONMENTAL ISSUES

NGOs need to build capacity on consumer and environmental issues. There is a lack of experience in these sectors and NGOs can provide a valuable, independent resource both to the community and to business.

# Annex 1 - Methodology

## 1. Mapping exercise

Though an initial sample of 20 was envisaged, this was eventually raised to 25. A convenient sample of possible, Colombo-based practitioners and others who it was felt were knowledgeable enough about Corporate Social Responsibility (CSR) initiatives to contribute to the research, were selected. The 25 organisations interviewed consisted of Colombo-based big business organisations, business chambers, recently emerged business coalitions, training and service providers, NGOs and one government department. Since this was not an exercise to see if organisations were practising CSR, but to study existing approaches and initiatives, we selected business organisations on the basis that they had existing CSR programmes. Hence the findings indicate what some selected organisations are doing in the area of CSR and should not be seen as large-scale practice of CSR initiatives. At the same time, a fair number of organisations that are also practising CSR initiatives to varying degrees may have been left out of the mapping exercise. Some of the views expressed may represent the individuals interviewed, rather than the organisation for which they work.

## 2. Surveys

### 2.1. Survey on public perception of CSR

An island-wide household survey was conducted to ascertain the perceptions of the public on CSR. The survey was conducted with the aid of a semi-structured questionnaire, administered through face-to-face interviews with individuals from all age categories between 18 to 65 years, including both men and women.

**QUESTIONNAIRE DESIGN** The questionnaire was designed in several stages. In addition to initial desk research, Social Indicator (SI) research staff held brainstorming sessions both internally and with field researchers to develop the questionnaire. Given that CSR is a relatively new concept to Sri Lankans, a focus group discussion was conducted to enhance the quality of the questionnaire. Discussions were held with International Alert staff and their input was used to further develop the questionnaire. The draft was pre-tested among 20 randomly selected respondents from Anuradhapura, Matara, Kurunegala and Colombo. During the process of finalising the questionnaire, members of the business community were also approached, using contacts provided by International Alert, to obtain their input. The questionnaire was translated into Sinhala and Tamil before being sent into the field.

**FIELDWORK** A total of 45 field researchers were employed to conduct the interviews. Field researchers were given an intensive briefing on how to administer the questionnaire properly and two sessions were held in Colombo on 3 February 2004 and Jaffna on 9 February 2004. Fieldwork continued for 17 days from 3 – 20 February 2004. Ten interviews were allowed per day and field researchers were instructed not to skip a household after an unsuccessful call without at least two call-backs. Households were selected using the systematic random sampling technique (right-hand rule). Within households, respondents were chosen using the 'KISH' grid to ensure that each member had an equal chance of being selected to the survey sample. One tenth of the fieldwork was back-checked, in addition to accompanied visits to ensure the quality of the work.

**SAMPLE** The survey was conducted in 22 districts: Colombo, Gampaha, Kalutara, Kandy, Matale, Nuwara Eliya, Matara, Galle, Hambantota, Ratnapura, Kegalle, Badulla, Moneragala, Kurunegala, Puttalam, Trincomalee, Batticaloa, Ampara, Anuradhapura, Polonnaruwa, Jaffna and Vauvniya. The survey was only carried out in government-held areas of Northern and Eastern provinces. The total sample size was 1,814, distributed across the country, with 1,454 Sinhala, 214 Tamil and 133 Muslim respondents. In the sampling distribution, urban areas were over-sampled to capture the diversity. However, data was weighted to reflect actual Sri Lankan locality composition before data analysis. This sample plan allowed SI to compare the results across provinces, while producing national results subject to a 3% error margin.

**DATA ANALYSIS** The collected data was analysed using the statistical package for social science (SPSS), a specialised tool used by social researchers the world over. The collected data was weighted before being analysed in order to reflect the actual provincial population proportion of the country.

### 2.3. Survey of the business community

The study was conducted with the aid of a semi-structured questionnaire, administered through face-to-face interviews with individuals from the business community.

**QUESTIONNAIRE DESIGN** Relevant questions from the survey on public perceptions of CSR, combined with further desk research, brainstorming sessions by SI research staff and regular discussions with International Alert, helped to develop a more comprehensive questionnaire which was translated into Sinhala and Tamil.

**SAMPLE** The study was conducted in 11 districts: Colombo, Kandy, Matara, Galle, Hambantota, Ratnapura, Trincomalee, Batticaloa, Ampara, Vavuniya and Jaffna. A total of 147 individuals from the business community were interviewed. International Alert coordinated the interviews in all districts except Colombo, where SI conducted them. Because local chambers of commerce in all districts except Colombo facilitated the interviews, a proper sampling technique was not used when selecting the sample. In Colombo, the sample was selected to represent large-scale and prominent business organisations covering 10 specific industrial sectors.

**FIELDWORK** Senior SI researchers conducted the interviews in Colombo while field researchers conducted the interviews in the other districts with the assistance of at least one senior researcher. Field researchers received an intensive briefing on how to administer the questionnaire. Fieldwork was conducted for a period of about two months from 3 March – 7 May 2004.

**DATA ANALYSIS** The collected data was analysed using SPSS.

# Annex 2 - Detailed findings of the mapping exercise

## 1. Perceptions of CSR

The detailed views expressed by respondents on their perception of CSR are enumerated below.

- Two transnational corporations (TNCs) interviewed defined CSR by identifying the practices that they sought to implement in a relatively comprehensive manner. For instance, CSR was defined as the ‘practice of transparency, accountability, good governance, business ethics and sustainability while conducting business profitably and responsibly’.
- Another TNC broadly defined CSR in terms of what it entails: business conduct, employment practices, occupational health and safety, community involvement, customer and supplier relations, and monitoring and reporting performance.
- One TNC and a large Sri Lankan business defined the practice of CSR as responsibility towards shareholders, customers, employees, the community in which it works and the environment.
- Three business organisations interviewed tried to define CSR by drawing a distinction between philanthropy and corporate social responsibility. They identified charity as ad hoc activities carried out to fulfill various needs, with the intention of goodwill, and believed that no publicity or ‘corporate mileage’ should be gained through these activities.
- Two business organisations saw CSR as their responsibility to contribute to the well being of society, while a third specifically mentioned ‘contributing to the stability of the community’ in which it operates.
- One local bank described CSR as ‘working towards the mutual prosperity of society and business’.
- Various business organisations perceived the relationship between compliance with statutory regulations and CSR differently. One believed that compliance with laws and regulations relating to business was the practice of CSR, while others argued that statutory compliance laid the first step for CSR, but that CSR called for further engagement in society, beyond basic compliance. These organisations supported their argument with the fact that, if companies were not complying with regulations, their CSR activities would be perceived as ‘cover-up activities’ to conceal misconduct.
- A national organisation saw CSR as responsibility towards the public, engaging in ethical behaviour and supporting community welfare. They included such activities as assessing products’ impact on the public, addressing public concerns regarding the product, complying with regulations and supporting the community in terms of health, education or other welfare provisions.
- An organisation promoting SME development stated that CSR entails the triple-bottom-line approach, propagating responsibility towards shareholders, environment and social responsibility.
- Also presented was the view that CSR is a responsibility of the business owner that is embedded in the morality and ethics of Sri Lankan culture.
- Another organisation laid emphasis on compliance with regulations regarding employees, customers, environment and community as being fundamental to the practice of CSR.



- An NGO representative said CSR could be considered a long-term investment by the private sector in state-managed sectors, while a few perceived CSR as the engagement of business in the well being of society and social issues, while a member of a business coalition described CSR as ‘enlightened self-interest’.
- Views were also expressed that CSR could have different meanings at various levels of business, and that the nature of activities and the extent of engagement would differ with the size of the business. For instance, SMEs could consider compliance with regulations as the practice of CSR.

## 2. History of CSR engagement and policy background

The views expressed by respondents on the history of CSR engagement and CSR policies are enumerated below.

- Most local business organisations felt that CSR was driven by conventions. They identified CSR as a historical practice that had been modernised to suit contemporary needs.
- However, one business organisation recognised the absence of, and need to, formulate a written policy on CSR that, if needed, could be adopted by other local companies.
- Subsidiaries of TNCs were generally guided by overall company policy that could be adapted to suit the local context when necessary.
- One business organisation seems to have practised CSR initiatives since its inception and a few others have incorporated teams of consultants for planning CSR activities.

## 3. Reasons for engaging in CSR practices

The views expressed by respondents on reasons for engaging in CSR initiatives are enumerated below.

- Interviewees cited many incentives for engaging in CSR, the most common of which was that it could transform the image of the business in the eyes of the public.
- Three organisations stated that CSR was an indicator of business’ commitment to social welfare.
- Two business organisations felt that transparent engagement with society enhanced public understanding of their activities, especially when they were considered controversial.
- Four organisations and a business development organisation expressed the view that CSR was a pro-active measure to win the community’s trust and confidence, locally and internationally.
- Four organisations argued that it made good business sense to engage in CSR. They felt that instability affected the growth of business, and private sector intervention on behalf of social harmony and stability could result in an environment that was more conducive to growth and sustainability.
- Two organisations said that, since the role of the state was diminishing, the private sector had been called upon to take over sectors that formerly had been state-run. Such a takeover could be seen as a long-term investment in the creation of skilled labour and an expanded market, enhancing business sustainability.
- Five business organisations and a business chamber were of the view that CSR practice creates a positive sentiment among employees by fulfilling their need to share with society the benefits that accrue from business growth. One organisation explained that the need to give something to society in return is entrenched in Sri Lankan culture and such practices boost morale, confidence and commitment among employees.

- A business chamber expressed the view that companies engage in the practice of CSR because it is an easy path to the ‘hall of fame’.
- One business said that its CSR approach was guided by Sri Lankan culture and that it does not use its activities to build image. This is credible since this company gives hardly any publicity to an important CSR initiative it has undertaken in the south.
- Another Sri Lankan business with foreign connections has split its activities into two categories: the first, which it uses for image building, and a second, comprising contributions to medium-sized schools, religious organisations and other worthy causes, for which it does not seek any publicity, saying that it believes that publicity would take away from the spirit of charity.

## Annex 3

# Public perception of CSR: provincial tables and selected results by ethnicity

**In your opinion, in addition to issues relating to your personal life, what other issues in society concern you the most?  
Please tell me the top 5 issues that you are most concerned about.**

**Table 1**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabaragamuwa	Eastern	Northern	
The peace process	17.8	16.7	23.4	12.7	17.7	21.4	16.1	24.2	27.1	19.0
Democracy	5.1	10.4	4.8	2.2	2.5	4.1	0.9	3.6	14.3	5.2
Law and order	8.1	4.3	12.0	9.5	3.8	9.8	8.8	7.2	9.5	8.0
Religious values	4.1	6.6	1.8	9.2	4.6	3.4	5.5	6.1	7.7	4.8
Health issues	3.8	5.1	3.7	2.4	2.8	5.8	5.3	12.6	3.1	4.7
Environmental issues	4.1	4.4	0.9	0.6	1.1	3.7	1.9	9.0	4.4	3.3
Social values	8.1	4.0	4.1	12.5	4.2	1.6	4.5	2.3	10.8	5.6
Violence against women and children	3.8	5.4	2.0	8.3	1.3	3.4	3.4	6.1	5.4	3.9
Unemployment	16.0	15.5	18.7	27.3	19.0	18.4	17.3	19.5	8.5	17.5
International issues	8.0	14.8	10.4	14.8	13.2	23.9	15.6	6.8	6.7	12.0
Infrastructure and other facilities that should be provided by the government	0.3	2.0	0.3	0.2	0.0	0.8	0.5	0.5	2.5	0.7
Cost of living	20.8	10.7	17.8	0.3	29.8	3.7	20.2	2.1	0.0	15.5
<b>Base</b>	<b>569</b>	<b>235</b>	<b>222</b>	<b>87</b>	<b>210</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>69</b>	<b>1,777</b>

**Table 2**

	Ethnicity					Total
	Sinhala	Tamil	Muslim	Burgher	Upcountry (UC) Tamil	
The peace process	18.0	26.1	22.4	20.3	15.6	19.0
Democracy	5.0	8.4	4.2	0.0	2.8	5.2
Law and order	8.0	8.0	9.6	0.0	5.3	8.0
Religious values	4.3	5.0	7.6	4.7	6.6	4.8
Health issues	3.8	9.0	6.4	1.6	9.0	4.7
Environmental issues	2.3	6.8	8.4	0.0	3.3	3.3
Social values	5.9	5.7	3.1	14.1	4.8	5.6
Violence against women and children	2.9	4.0	11.4	10.4	6.8	3.9
Unemployment	17.6	16.0	16.5	20.9	20.7	17.5
International issues	12.7	6.8	6.5	25.7	21.5	12.0
Infrastructure and other facilities that should be provided by the government	0.5	1.4	1.0	0.0	2.8	0.7
Cost of living	19.0	2.8	2.9	2.4	0.8	15.5
<b>Base</b>	<b>1,427</b>	<b>155</b>	<b>132</b>	<b>5</b>	<b>50</b>	<b>1,777</b>

**With regard to social issues in general, apart from the government, please rank (the top 3) who you think should address those issues.**

**Table 3**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabaragamuwa	Eastern	Northern	
Religious leaders and organisations	31.7	27.2	38.1	41.0	26.5	32.1	17.9	20.5	13.4	29.1
Press and media	14.4	15.5	14.6	14.1	12.2	12.0	6.2	6.3	16.1	13.0
Large Sri Lankan companies	14.0	11.5	13.1	13.2	31.6	20.4	24.7	3.9	3.1	15.8
Global companies in Sri Lanka	6.3	5.0	4.6	1.5	9.1	10.0	12.5	1.9	8.4	6.7
NGOs in Sri Lanka	4.6	9.5	6.3	6.3	9.7	15.0	18.3	24.5	18.1	9.8
Trade unions	2.8	5.0	7.5	6.8	2.0	1.7	2.1	4.6	14.0	4.2
Police and military forces	17.4	17.0	8.2	9.9	7.8	6.1	12.3	22.6	10.4	13.6
Judicial system	8.8	9.4	7.6	7.3	1.2	2.7	6.0	15.6	16.6	7.9
<b>Base</b>	<b>542</b>	<b>233</b>	<b>211</b>	<b>77</b>	<b>197</b>	<b>109</b>	<b>169</b>	<b>94</b>	<b>70</b>	<b>1,703</b>

**Table 4**

	Ethnicity					Total
	Sinhala	Tamil	Muslim	Burgher	UC Tamil	
Religious leaders and organisations	30.98	14.08	32.54	29.46	14.70	29.1
Press and media	13.20	11.55	9.88	12.35	19.55	13.0
Large Sri Lankan companies	18.37	5.20	3.73	10.27	12.09	15.8
Global companies in Sri Lanka	7.06	5.13	4.14	0.00	8.83	6.7
NGOs in Sri Lanka	8.60	22.95	8.74	17.56	6.80	9.8
Trade unions	3.65	8.14	3.32	0.00	9.14	4.2
Police and military forces	12.09	16.05	24.81	22.47	14.20	13.6
Judicial system	6.05	16.91	12.84	7.88	14.69	7.9
<b>Base</b>	<b>1,358</b>	<b>150</b>	<b>132</b>	<b>5</b>	<b>50</b>	<b>1,703</b>

With regard to social issues in general, apart from the government, please rank (the top 3) who you think will address those issues.

**Table 5**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabaragamuwa	Eastern	Northern	
Religious leaders and organisations	34.5	32.3	37.3	34.5	32.4	31.2	29.0	19.6	15.0	32.0
Press and media	12.8	16.1	16.4	11.0	16.8	13.8	3.4	5.7	11.7	13.0
Large Sri Lankan companies	12.4	7.3	7.5	2.7	19.9	13.4	15.8	4.5	3.1	10.7
Global companies in Sri Lanka	4.2	3.2	2.2	1.0	6.0	9.9	5.6	2.7	9.0	4.4
NGOs in Sri Lanka	6.1	8.0	11.5	22.5	11.4	19.3	23.2	27.8	19.3	12.5
Trade unions	3.3	3.4	8.5	17.6	2.5	1.7	4.6	3.0	13.5	5.0
Police and military forces	15.5	19.1	6.9	4.3	9.1	7.8	13.0	22.0	10.7	13.1
Judicial system	11.3	10.6	9.6	6.5	1.9	2.8	5.3	14.8	17.7	9.2
<b>Base</b>	<b>489</b>	<b>233</b>	<b>213</b>	<b>70</b>	<b>184</b>	<b>108</b>	<b>140</b>	<b>91</b>	<b>60</b>	<b>1,588</b>

**Table 6**

	Ethnicity					Total
	Sinhala	Tamil	Muslim	Burgher	UC Tamil	
Religious leaders and organisations	34.4	15.3	32.1	29.8	20.6	32.0
Press and media	13.8	8.9	8.6	19.4	16.4	13.0
Large Sri Lankan companies	12.6	5.6	2.9	0.0	3.8	10.7
Global companies in Sri Lanka	4.4	4.6	4.8	0.0	4.2	4.4
NGOs in Sri Lanka	11.8	27.3	7.3	3.9	4.2	12.5
Trade unions	4.9	7.3	2.7	3.9	5.0	5.0
Police and military forces	10.8	14.6	27.6	19.9	25.3	13.1
Judicial system	7.3	16.4	14.0	23.2	20.5	9.2
<b>Base</b>	<b>1,264</b>	<b>136</b>	<b>126</b>	<b>5</b>	<b>50</b>	<b>1,588</b>

I am going to read a number of statements about business organisations and I would like you to tell me whether you strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree, strongly disagree, or don't know.

**Table 7: Businesses have only one responsibility, to operate competitively and make profits.**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Agree	54.1	74.1	61.0	16.2	36.5	76.6	31.5	80.7	76.1	54.7
Neither agree nor disagree	15.9	16.0	1.7	2.3	11.2	0.6	5.2	4.1	2.4	9.6
Disagree	23.1	8.7	32.3	71.9	37.8	18.6	57.6	4.9	16.3	28.8
Don't know	6.7	0.5	5.0	9.6	14.5	3.9	5.7	10.0	4.2	6.5
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 8: Businesses have a responsibility to take into account the impact their decisions have on employees, local communities and the country, as well as making profits.**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Agree	68.6	80.9	80.8	76.2	62.3	88.3	91.7	80.3	94.7	76.6
Neither agree nor disagree	13.6	12.4	3.5	5.2	11.2	2.5	0	5.5	2.4	8.5
Disagree	5.7	6.3	6.3	1.4	0.8	5.7	6.3	1.8	0	4.6
Don't know	11.4	0.5	9.4	17.2	25.7	1.1	2.0	12.4	1.8	9.9
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 9: By providing the community with goods and services even at a cost, businesses help society.**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Agree	48.6	40.4	59.0	66.4	29.8	32.8	29.9	49.7	56.4	45.3
Neither agree nor disagree	21.9	24.1	7.1	6.5	32.7	27.8	7.7	13.7	7.0	18.6
Disagree	21.4	28.9	26.9	11.4	18.9	34.7	38.3	25.4	33.7	25.3
Don't know	7.8	5.5	7.0	15.9	18.4	2.2	24.2	11.2	1.1	10.3
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 10: By providing more employment opportunities, businesses help society**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Agree	69.5	70.0	95.3	81.0	65.0	75.9	78.3	82.7	84.1	75.5
Neither agree nor disagree	19.5	16.6	0.9	1.9	22.5	5.6	8.3	3.8	2.9	12.7
Disagree	5.6	11.8	1.5	4.7	4.1	16.1	7.6	3.2	6.3	6.4
Don't know	4.5	0.9	2.2	12.5	8.5	0	4.8	10.4	5.7	4.8
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 11: Businesses are exploiting consumers**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Agree	72.4	54.8	67.6	50.8	72.9	85.1	76.6	68.7	47.0	68.2
Neither agree nor disagree	13.3	25.8	21.4	16.1	15.6	4.9	4.0	15.1	6.2	14.7
Disagree	9.2	16.6	8.5	2.2	4.6	2.5	14.2	6.2	40.0	10.3
Don't know	4.7	1.6	2.4	30.4	6.6	4.6	5.2	10.0	5.7	6.1
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 12: Businesses destroy cultural values**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Agree	59.2	64.0	54.1	60.8	55.0	73.9	44.9	59.1	47.1	57.7
Neither agree nor disagree	17.0	18.5	33.9	8.1	20.3	11.1	17.8	19.2	9.3	18.6
Disagree	15.7	11.7	5.4	3.7	2.2	8.2	12.4	8.4	34.4	11.2
Don't know	7.4	3.2	4.8	27.1	22.3	4.3	23.9	11.0	8.1	11.1
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 13: Business organisations have a big role to play in bringing peace to Sri Lanka.**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Agree	56.2	72.6	70.5	48.9	50.0	71.3	73.0	75.2	83.3	63.7
Neither agree nor disagree	16.2	11.9	11.3	10.5	14.5	7.1	0.1	5.8	2.9	11.2
Disagree	12.8	8.1	9.8	2.5	0.8	4.3	11.1	1.2	6.5	8.2
Don't know	14.4	6.5	8.3	38.2	34.8	13.8	15.8	17.9	6.3	16.3
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Now I am going to ask you about your perception of businesses. Do you think there is a role for businesses to play in addressing social issues for the betterment of society?**

**Table 14**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Yes	56.5	50.9	50.6	30.6	61.4	27.3	92.7	66.1	73.9	57.1
No	13.6	10.5	22.4	9.1	5.7	33.3	2.0	7.7	13.8	12.8
Don't know/not sure	29.9	38.7	27.0	60.3	33.0	34.7	5.3	26.2	9.7	29.7
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**If 'yes', please tell me what you think should be their role in society.**

**Table 15**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Help towards social welfare	5.3	8.8	16.5	17.8	4.6	14.8	4.1	1.6	5.8	7.1
Help the poor	8.1	23.6	3.5	8.9	5.2	7.2	23.7	1.2	14.5	11.4
Provide employment opportunities	27.6	37.1	21.7	52.7	24.5	7.4	17.5	1.6	17.9	24.1
Provide relief to consumers	11.2	6.4	20.5	7.5	7.9	7.2	11.6	12.9	5.4	10.9
Other	66.4	111.6	58.2	46.2	75.6	89.1	58.7	82.6	64.5	71.7
<b>Base</b>	<b>325</b>	<b>119</b>	<b>113</b>	<b>31</b>	<b>130</b>	<b>33</b>	<b>160</b>	<b>65</b>	<b>59</b>	<b>1,034</b>

**Looking at business organisations in Sri Lanka, how likely are they to engage in activities that address social issues for the betterment of society?**

**Table 16**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very likely	7.8	18.2	4.2	1.1	0.8	1.1	8.2	8.0	25.1	7.9
Somewhat likely	64.1	57.0	67.3	45.9	33.3	44.5	56.2	62.8	47.9	56.2
Not likely at all	14.9	11.5	13.7	20.1	29.4	31.2	12.5	3.7	9.3	16.2
Don't know	11.5	12.6	14.7	30.8	34.8	18.5	20.9	24.6	13.0	18.0
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>



**Table 17**

	Ethnicity					Total
	Sinhala	Tamil	Muslim	Burgher	UC Tamil	
Very likely	7.2	18.1	4.5	0.0	5.5	7.9
Somewhat likely	54.8	59.4	66.0	58.9	57.0	56.2
Not likely at all	18.1	6.9	6.5	41.1	17.5	16.2
Don't know	18.4	12.2	21.6	0.0	18.7	18.0
No response	1.6	3.4	1.4	0.0	1.3	1.7
<b>Base</b>	<b>1,454</b>	<b>164</b>	<b>133</b>	<b>5</b>	<b>50</b>	<b>1,814</b>

I am going to read a number of statements regarding the buying behaviour of the public and I would like you to tell me whether you strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree, strongly disagree, or don't know.

**Table 18: Many people buy products or services based on the price and quality, not the reputation of the company.**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabaragamuwa	Eastern	Northern	
Agree	64.9	76.8	93.5	74.5	87.1	83.5	68.5	76.9	73.9	75.6
Neither agree nor disagree	16.1	14.5	0.2	8.0	3.4	7.1	5.4	6.1	12.6	9.7
Disagree	11.9	6.4	3.0	6.9	1.9	5.8	21.8	6.2	9.4	8.8
Don't know	7.1	2.3	3.0	10.7	7.5	1.1	4.4	10.8	3.9	5.7
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 19**

	Ethnicity					Total
	Sinhala	Tamil	Muslim	Burgher	UC Tamil	
Agree	75.2	80.9	78.3	61.6	66.6	75.6
Neither agree nor disagree	9.8	7.7	6.8	6.2	21.1	9.7
Disagree	9.2	9.5	5.6	32.2	0.7	8.8
Don't know	5.6	1.6	9.1	0.0	10.9	5.7
No response	0.2	0.3	0.2	0.0	0.7	0.2
<b>Base</b>	<b>1,454</b>	<b>164</b>	<b>133</b>	<b>5</b>	<b>50</b>	<b>1,814</b>

**Table 20: Many people buy products or services only from companies that are regarded as society-friendly.**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Agree	30.0	30.3	15.8	7.0	7.3	42.6	8.4	35.1	40.2	23.6
Neither agree nor disagree	20.6	34.6	7.3	24.0	18.6	18.3	2.1	13.5	7.0	17.8
Disagree	35.1	26.3	60.7	37.8	46.7	29.2	66.6	37.2	44.5	41.8
Don't know	14.3	8.2	15.9	31.2	26.8	7.5	23.0	14.2	8.0	16.3
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 21**

	Ethnicity					Total
	Sinhala	Tamil	Muslim	Burgher	UC Tamil	
Agree	20.8	38.3	32.5	41.1	28.0	23.6
Neither agree nor disagree	16.4	8.8	31.3	58.9	53.0	17.8
Disagree	44.3	45.4	24.2	0.0	9.6	41.8
Don't know	18.2	7.2	11.1	0.0	8.8	16.3
No response	0.3	0.3	0.9	0.0	0.7	0.2
<b>Base</b>	<b>1,454</b>	<b>164</b>	<b>133</b>	<b>5</b>	<b>50</b>	<b>1,814</b>

**Table 22: Many people would pay more for products or services from companies that are society-friendly.**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Agree	27.9	40.2	11.3	4.6	17.0	64.1	12.2	43.7	52.4	27.3
Neither agree nor disagree	24.8	19.0	7.1	31.6	11.8	10.2	3.1	19.8	7.2	16.7
Disagree	32.4	30.1	66.5	27.3	48.0	5.8	67.9	18.4	33.4	38.9
Don't know	14.9	10.7	15.0	36.6	22.8	15.2	15.7	18.1	6.8	16.5
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 23**

	Ethnicity					Total
	Sinhala	Tamil	Muslim	Burgher	UC Tamil	
Agree	23.3	52.7	33.0	41.1	44.6	27.3
Neither agree nor disagree	16.1	11.7	26.5	58.9	23.7	16.7
Disagree	42.4	27.3	24.0	0.0	20.0	38.9
Don't know	17.8	8.0	15.8	0.0	10.9	16.5
No response	0.5	0.3	0.7	0.0	0.7	0.4
<b>Base</b>	<b>1,454</b>	<b>164</b>	<b>133</b>	<b>5</b>	<b>50</b>	<b>1,814</b>

**Table 24: People should not buy goods and services from businesses that do not engage in society-friendly activities.**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Agree	32.9	32.9	12.0	26.7	19.0	61.3	32.3	31.6	59.5	31.1
Neither agree nor disagree	24.7	19.3	12.8	40.6	29.6	10.0	12.7	12.4	5.0	20.5
Disagree	24.3	36.5	54.1	0.3	22.6	12.9	32.3	39.0	28.2	29.0
Don't know	18.0	11.3	21.0	31.1	28.6	12.2	21.7	17.1	7.1	19.0
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 25**

	Ethnicity					Total
	Sinhala	Tamil	Muslim	Burgher	UC Tamil	
Agree	27.7	41.4	51.6	73.2	36.7	31.1
Neither agree nor disagree	21.6	6.8	23.6	26.8	27.5	20.5
Disagree	29.5	41.1	11.1	0.0	19.1	29.0
Don't know	20.7	10.4	13.6	0.0	16.0	19.0
No response	0.5	0.3	0.2	0.0	0.7	0.5
<b>Base</b>	<b>1,454</b>	<b>164</b>	<b>133</b>	<b>5</b>	<b>50</b>	<b>1,814</b>

**Table 26: How do you normally get to know about the activities of business organisations? (multiple answers)**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Annual reports	2.5	3.1	0.1	0	0.1	0	0	1.2	4.7	1.5
Articles in newspapers	36.9	36.6	43.7	6.2	21.2	43.5	32.2	20.8	33.4	33.0
Documentaries on TV	30.1	34.3	26.3	16.4	6.8	25.6	23.6	5.2	6.6	23.4
Advertisements on TV	71.2	61.4	68.7	35.9	73.4	78.7	61.3	35.4	29.9	63.6
Word of mouth	23.3	25.7	30.5	13.7	24.7	7.7	24.8	11.5	36.4	23.2
Radio	5.0	10.1	2.2	9.4	13.7	0	22.1	41.0	11.4	10.2
Posters	1.3	0.7	1.6	0	5.7	2.1	4.1	1.6	2.8	2.1
Not sure	2.0	1.9	0	22.9	8.8	0	2.1	3.8	0	3.7
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

Now I will read out a list of attributes about business organisations and their activities. Please tell me how important these attributes are in order for you to name an organisation as one that contributes to the betterment of society.

**Table 27: Conducts business in the most honest and fair manner**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	57.8	64.1	93.0	59.1	73.6	88.0	91.6	75.9	72.8	71.6
Somewhat important	25.9	27.9	2.5	24.9	6.1	9.1	8.4	9.6	23.2	17.2
Not at all	7.2	4.2	1.4	0	2.8	0.7	0	0.1	1.3	3.4
Don't know	9.1	1.9	2.3	9.6	17.6	0	0	14.0	2.4	6.9
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 28: Makes the most valuable contribution to the economic needs of the country**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	44.9	42.1	80.8	30.1	41.0	71.8	86.4	69.2	55.8	55.1
Somewhat important	34.4	27.4	3.5	33.9	16.4	20.6	9.5	14.0	29.5	23.0
Not at all	6.8	15.5	1.6	9.7	5.5	0	0	0	6.4	5.9
Don't know	13.6	13.9	13.6	25.8	37.1	5.4	4.1	16.1	8.0	15.6
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 29: Cares for the community in which it does business**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	47.8	57.4	89.5	50.3	54.2	82.5	83.3	62.6	57.4	61.8
Somewhat important	31.7	31.2	4.2	35.5	16.7	11.0	15.6	22.3	24.7	23.1
Not at all	9.0	5.9	0.7	0	5.5	1.0	0	0	11.9	4.9
Don't know	11.3	4.8	5.0	14.2	23.6	1.1	1.1	14.7	5.8	9.6
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 30: Cares most about its consumers and the quality of its products**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	49.0	67.5	84.4	69.0	51.9	86.6	87.5	73.5	70.9	65.6
Somewhat important	27.9	21.3	5.7	18.2	23.5	10.1	9.4	12.4	17.9	19.1
Not at all	10.8	7.6	0.1	2.2	0.9	0	0	0.1	7.0	4.9
Don't know	12.1	2.0	9.3	10.7	23.7	2.2	3.1	14.1	3.9	10.0
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 31: Is a leader in innovation and technology**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	34.9	36.5	81.1	35.6	21.3	49.0	58.4	47.7	49.2	43.7
Somewhat important	31.7	35.2	6.5	32.0	16.6	29.2	20.1	26.0	30.6	25.7
Not at all	12.3	16.2	0.7	9.8	12.7	11.4	4.3	3.7	6.6	9.7
Don't know	20.5	11.0	10.9	22.6	48.5	7.1	17.2	22.2	12.6	20.1
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 32: Provides the best working environment for its employees**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	47.5	53.8	86.0	65.9	32.0	77.9	78.9	62.6	71.9	59.0
Somewhat important	32.3	31.2	5.1	28.9	28.1	18.0	14.8	17.0	12.5	23.9
Not at all	9.3	8.1	0	0	4.2	1.9	1.0	0	6.0	5.0
Don't know	10.5	4.9	8.3	5.2	35.6	1.1	5.3	18.6	9.1	11.4
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 33: Provides many employment opportunities**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	70.3	59.8	95.5	72.5	67.2	65.2	90.5	72.9	66.0	73.4
Somewhat important	22.4	28.0	3.8	20.0	17.4	30.7	9.4	12.4	22.7	18.8
Not at all	3.6	8.0	0	2.2	3.4	1.3	0.1	0.4	6.3	3.1
Don't know	3.4	3.4	0.1	5.3	12.1	2.8	0	14.0	4.7	4.4
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 34: Offers good value for money**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	57.0	63.8	93.3	58.4	44.6	93.0	83.2	76.6	65.2	67.1
Somewhat important	26.0	23.4	1.8	10.4	23.6	2.7	9.6	8.1	22.3	17.4
Not at all	6.1	9.3	0	13.1	2.7	0.6	2.1	0.7	7.6	4.8
Don't know	10.4	1.9	4.3	18.2	27.4	0.3	2.0	14.3	2.4	9.4
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 35: Has well recognised brands**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	24.7	31.6	60.8	22.8	9.3	41.5	56.3	38.1	47.3	33.9
Somewhat important	30.9	29.1	14.8	16.6	6.7	26.7	23.1	31.3	22.1	23.6
Not at all	20.2	18.6	9.3	22.1	31.8	17.8	6.3	5.7	22.1	17.9
Don't know	23.8	19.6	14.4	38.4	52.2	8.6	13.4	23.8	8.3	23.7
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 36: Respects the cultural and religious identity of the country**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	62.6	66.1	87.9	73.7	40.3	80.8	81.2	71.6	69.2	67.9
Somewhat important	23.8	25.2	2.3	20.8	23.0	14.9	10.6	11.0	17.3	18.3
Not at all	5.3	5.1	0	0	1.6	4.3	3.1	2.0	6.6	3.5
Don't know	7.7	2.9	9.3	5.5	35.1	0	4.1	15.0	6.7	9.9
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 37: Is an equal-opportunity employer**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	39.1	35.9	89.6	43.8	27.8	74.6	70.8	62.9	85.4	52.3
Somewhat important	38.2	26.0	4.3	31.6	21.0	21.2	16.7	16.0	8.6	24.5
Not at all	8.5	26.8	0	7.5	11.3	0.6	5.2	2.4	2.6	8.7
Don't know	14.2	10.6	4.8	17.1	40.0	2.5	5.3	18.4	3.1	13.9
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 38: Takes environmental friendliness into account when doing business**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	65.4	73.2	91.4	72.4	45.2	79.2	87.5	57.6	74.8	70.6
Somewhat important	22.5	18.0	2.5	13.8	20.0	13.7	9.5	23.6	17.6	16.7
Not at all	5.7	4.2	0	0	3.3	2.5	0	0.4	3.4	3.0
Don't know	6.2	3.9	4.8	13.8	31.5	3.6	2.0	18.1	3.9	9.1
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 39: Releases reliable information about its business and activities**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	35.0	45.1	84.1	46.6	26.8	52.2	67.8	57.9	63.5	48.8
Somewhat important	33.1	29.2	5.1	17.9	13.6	32.9	16.1	17.4	15.5	22.7
Not at all	13.1	11.3	0.2	4.2	6.8	3.7	2.1	3.1	13.7	7.9
Don't know	18.5	13.6	9.3	31.3	52.7	5.7	11.0	21.3	7.0	19.7
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 40: Obeys the law and pays taxes**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	52.5	41.3	83.1	48.5	57.1	81.3	88.6	53.5	60.3	60.8
Somewhat important	28.8	31.6	7.3	21.5	10.4	9.4	6.2	21.7	23.1	19.9
Not at all	8.4	11.3	3.4	5.5	5.1	4.9		2.7	11.6	6.4
Don't know	9.7	14.6	4.9	24.6	27.5	2.2	3.0	20.9	3.9	12.0
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 41: Plays a big role in bringing peace to Sri Lanka**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very important	45.7	64.4	67.5	38.7	28.7	55.9	85.5	75.5	70.4	55.6
Somewhat important	28.3	22.5	18.8	35.1	20.2	28.5	10.4	5.1	20.0	22.5
Not at all	10.1	2.3	4.6	4.2	7.8	2.1	1.0	0	5.5	5.7
Don't know	15.4	10.1	7.8	21.9	43.2	10.4	2.1	19.1	3.1	15.5
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

Now I will read out a list of some business sectors. Please tell me to what extent the following sectors contribute to the betterment of society.

**Table 42: Tourism/hotels and restaurants**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very much	9.1	18.7	5.0	2.3	4.1	5.4	5.3	32.0	28.0	10.3
Somewhat	43.1	40.9	27.6	31.2	12.6	43.2	26.1	33.3	34.7	34.1
Not at all	28.9	33.1	43.6	31.0	41.4	35.9	34.4	3.7	15.6	31.9
Don't know/not sure	18.7	7.3	23.0	35.5	41.9	14.5	34.2	30.7	21.5	23.5
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 43: Information technology**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very much	12.6	43.8	2.5	13.3	0.8	24.6	13.6	30.2	46.1	17.3
Somewhat	35.8	29.2	31.6	40.1	9.8	38.5	25.9	31.0	27.5	30.2
Not at all	27.1	13.2	37.7	4.4	39.5	6.8	22.2	1.1	7.5	22.8
Don't know/not sure	24.4	13.8	27.5	42.3	49.9	29.0	38.3	37.8	18.6	29.5
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 44: Telecommunications**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very much	12.1	46.4	16.9	35.1	2.4	31.8	14.7	38.5	50.7	21.9
Somewhat	47.9	36.6	37.3	36.2	26.2	42.5	36.9	24.5	26.8	38.4
Not at all	19.4	11.0	29.0	1.6	39.6	11.4	19.7	1.4	10.6	19.0
Don't know/not sure	19.5	5.5	16.0	27.0	31.9	12.2	28.7	35.5	11.6	20.1
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 45: Pharmaceuticals**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very much	20.3	58.7	9.9	54.9	5.5	36.7	39.6	52.9	49.1	30.2
Somewhat	44.3	28.8	40.6	28.1	27.2	40.1	41.7	27.6	29.1	36.8
Not at all	20.4	9.7	22.8	0.3	35.5	15.6	8.2	1.4	10.3	16.9
Don't know/not sure	14.4	2.8	26.0	16.7	31.9	4.4	10.5	18.1	11.1	15.6
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>



**Table 46: Clothing and apparel**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very much	30.5	47.0	17.8	29.9	31.9	13.0	43.6	40.5	31.5	32.0
Somewhat	42.1	37.6	45.2	43.1	28.2	57.4	27.0	33.5	41.2	39.3
Not at all	14.6	10.3	9.8	0	20.0	15.3	17.6	0.7	13.2	12.7
Don't know/not sure	12.3	1.9	26.4	25.9	19.9	5.4	11.8	24.4	13.0	14.6
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 47: Banks and finance**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very much	36.3	50.1	23.0	49.0	30.6	41.2	48.8	41.9	55.5	39.2
Somewhat	37.3	30.8	53.0	25.6	28.9	31.5	27.9	34.9	32.3	35.1
Not at all	13.6	13.6	7.7	2.1	19.9	18.3	10.7	0.8	6.5	11.9
Don't know/not sure	11.7	3.3	15.4	21.1	20.6	3.6	12.7	22.0	3.9	12.5
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 48: Consumer goods**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very much	19.9	29.2	19.8	30.9	8.1	13.5	26.3	54.1	36.6	23.2
Somewhat	44.5	51.5	47.8	42.0	30.9	57.8	39.0	23.6	36.6	42.9
Not at all	18.7	13.1	8.1	2.2	27.3	18.3	15.5	3.1	15.2	15.3
Don't know/not sure	15.9	4.8	22.2	24.9	33.6	7.9	16.1	19.1	10.6	17.3
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 49: Print and electronic media**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Very much	13.7	34.9	33.1	0.9	30.0	35.2	23.1	21.6	29.5	23.3
Somewhat	50.2	45.6	40.0	15.2	30.5	43.7	32.3	29.0	40.4	40.3
Not at all	19.5	12.0	12.1	25.6	11.5	5.3	19.3	8.6	14.6	15.4
Don't know/not sure	14.7	7.1	14.0	56.0	27.2	4.7	19.1	30.2	13.4	18.1
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 50: Alcohol-manufacturing sector**

	Province									
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	Total
Very much	0.8	0.1	0	0	0.8	0.3	1.0	2.7	4.7	0.8
Somewhat	3.6	5.5	2.5	0	1.7	3.4	4.2	6.3	17.2	4.0
Not at all	80.0	84.0	68.0	76.6	73.6	73.7	83.3	65.0	60.7	76.4
Don't know/not sure	14.9	10.4	28.8	23.4	23.9	20.4	9.5	26.0	17.1	18.0
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 51: Tobacco sector**

	Province									
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	Total
Very much	0.5	1.1	0.1	0	0.8	0.6	1.0	5.5	4.2	1.0
Somewhat	5.0	4.5	3.5	1.1	3.4	6.2	6.2	4.6	23.1	5.3
Not at all	78.7	81.7	66.7	73.4	68.0	72.7	81.3	64.1	54.8	74.2
Don't know/not sure	15.0	12.7	29.0	25.5	27.8	18.2	9.5	25.9	17.6	18.9
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**In your opinion why do you think business organisations engage in activities that are regarded as society-friendly?  
(multiple answers)**

**Table 52**

	Province									
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	Total
Because they really want to do some good.	21.6	25.2	27.4	10.5	12.1	24.6	10.2	31.6	8.8	20.1
External pressure (government, business and civil society)	13.1	13.9	13.7	10.2	5.3	5.0	1.0	9.5	0.8	9.8
Because of regulations and law	9.8	13.5	9.0	5.0	5.5			4.2	4.2	7.3
For publicity	69.6	64.3	84.7	70.4	65.9	82.3	66.5	66.1	51.7	69.9
Other	9.9	4.1	11.9	1.1	12.5	0.0	23.8	14.6	38.1	11.4
No response	8.9	5.4	4.6	24.7	17.8	2.2	6.8	9.1	5.7	9.2
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**Table 53**

	Ethnicity					Total
	Sinhala	Tamil	Muslim	Burgher	UC Tamil	
Because they really want to do some good	17.5	25.0	44.9	0.0	16.3	20.1
External pressure (business and civil society)	10.3	3.4	8.6	52.7	17.3	9.8
Because of regulations and law	7.4	4.0	2.6	73.2	21.9	7.3
For publicity	75.0	60.3	45.5	6.2	28.1	69.9
Other	10.1	29.8	4.4	0.0	5.5	11.4
No response	9.2	5.0	13.0	0.0	10.9	9.2
<b>Base</b>	<b>1,454</b>	<b>164</b>	<b>133</b>	<b>5</b>	<b>50</b>	<b>1,814</b>

**Please tell me if you are aware of any business leaders or organisations getting together to promote the current peace process in Sri Lanka.**

**Table 54**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Yes	4.1	3.7	8.9	1.9	9.4	4.9	4.3	17.8	24.1	6.8
No	44.3	47.6	72.6	34.0	47.5	56.5	66.1	50.0	59.0	51.8
Don't know/not sure	51.2	48.0	17.8	63.7	42.96	38.6	26.5	32.1	14.5	40.7
<b>Base</b>	<b>574</b>	<b>237</b>	<b>222</b>	<b>107</b>	<b>212</b>	<b>109</b>	<b>178</b>	<b>98</b>	<b>77</b>	<b>1,814</b>

**If yes, please specify.**

**Table 55**

	Province									Total
	Western	Central	Southern	North Central	North Western	Uva	Sabarag- amuwa	Eastern	Northern	
Their discussions on commencement of peace talks	8.2	12.6	16.1	56.3	0	43.5	0	33.6	30.3	17.1
The Sri Lanka First campaign	12	3.3	20.2	14.6	0	43.5	0	3	0	8.4
Mr. Lalith Kotelawa commenced an initiative	14.6	0	19.8	0	19.1	0	23.4	0	0	10.6
They came together to influence political parties	8	0	12.2	14.6	0	0	24.1	0	0	5.3
To bring peace to the country	8.1	0	1.3	0	8.6	0	0	0	5.5	4.0
Their request to resolve the cohabitation crisis	0	17.9	0	0	0	0	24.1	15.2	0	4.9
Other	49.1	66.1	30.4	14.6	72.2	13.0	28.4	48.2	64.2	49.8
<b>Base</b>	<b>25</b>	<b>9</b>	<b>20</b>	<b>2</b>	<b>20</b>	<b>5</b>	<b>8</b>	<b>18</b>	<b>19</b>	<b>125</b>

# Annex 4 - Survey of the business community on CSR

**Table 1: Do you believe that the state of the country affects your business?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Yes	100	89.5	81.8	100	80	100	83.3	90	100	90.9	81	90.5
No	0	10.5	18.2	0	20	0	16.7	10	0	9.1	19	9.5
<b>Base</b>	<b>18</b>	<b>19</b>	<b>11</b>	<b>14</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>21</b>	<b>147</b>

**Table 2**

	Staff size				Total
	Below 10	11 - 50	51 - 150	151 and above	
Yes	81.5	93.9	100.0	95.8	90.5
No	18.5	6.1	0	4.2	9.5
<b>Base</b>	<b>54</b>	<b>49</b>	<b>20</b>	<b>24</b>	<b>147</b>

**Table 3: Does your company engage in any activities other than profit making?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Yes	76.5	89.5	90.9	85.7	90	100	58.3	70	70	72.7	66.7	80.5
No	23.5	10.5	9.1	14.3	10	0	41.7	30	30	27.3	33.3	19.5
<b>Base</b>	<b>17</b>	<b>19</b>	<b>11</b>	<b>14</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>3</b>	<b>128</b>

**Table 4**

	Staff size				Total
	Below 10	11 - 50	51 - 150	151 and above	
Yes	69.6	83.3	94.4	86.4	80.5
No	30.4	16.7	5.6	13.6	19.5
<b>Base</b>	<b>46</b>	<b>42</b>	<b>18</b>	<b>22</b>	<b>128</b>

**Table 5: Apart from basic wage, could you please tell us about the benefits, if any, you currently offer your employees? (multiple answers)**

		District											Total
		Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
<b>Formal contract</b>	Job security	100	63.2	27.3	14.3	60	45.5	8.3	20	40	18.2	0	43.2
	Notice period	88.2	31.6	18.2	28.6	30	18.2	16.7	20	40	18.2	0	33.6
	Provident fund	100	94.7	54.5	64.3	90	90.9	83.3	30	90	36.4	0	76
	Minimum leave	94.1	63.2	0	14.3	30	18.2	25	30	30	9.1	0	36
<b>Good working conditions</b>	Safe workplace	76.5	42.1	27.3	14.3	0	36.4	16.7	70	100	81.8	0	46.4
	Insurance cover	100	36.8	18.2	28.6	40	72.7	25	40	60	36.4	0	47.2
	Hygiene standards	64.7	84.2	45.5	14.3	40	63.6	25	80	100	54.5	0	57.6
<b>Extra benefits</b>	Overtime pay	100	57.9	81.8	57.1	80	63.6	50	60	70	72.7	0	69.6
	Bonus payment	100	78.9	90.9	64.3	80	90.9	50	60	100	81.8	0	80
	Skills training	94.1	47.4	9.1	21.4	60	27.3	25	30	20	63.6	0	42.4
	Medical scheme	100	31.6	27.3	7.1	50	36.4	33.3	40	50	36.4	0	42.4
	Doctor/ nurse on site	47.1	5.3	0	0	0	0	0	0	0	0	0	7.2
	Offer employee loans	82.4	68.4	63.6	71.4	80	63.6	41.7	40	70	72.7	0	66.4
	Provide transport	29.4	26.3	18.2	0	10	36.4	8.3	30	50	27.3	0	23.2
	Excursions/parties	100	84.2	72.7	71.4	80	54.5	25	30	90	54.5	0	68.8
	Extra leave	82.4	47.4	27.3	21.4	20	36.4	33.3	40	80	90.9	0	48.8
Other	5.9	18.8	0	0	0	18.2	8.3	0	0	0	0	5.6	
No response	0	0	0	0	0	0	8.3	10	0	9.1	0	2.4	
<b>Base</b>	<b>17</b>	<b>19</b>	<b>11</b>	<b>14</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>0</b>	<b>125</b>	

Table 6

		Staff size				
		Below 10	11 - 50	51 - 150	151 and above	Total
<b>Formal contracts</b>	Job security	26.1	27.5	72.2	85.7	43.2
	Notice period	17.4	20.0	66.7	66.7	33.6
	Provident fund	54.3	82.5	94.4	95.2	76.0
	Minimum leave	10.9	37.5	44.4	81.0	36.0
<b>Good working conditions</b>	Safe workplace	34.8	47.5	44.4	71.4	46.4
	Insurance cover	19.6	47.5	66.7	90.5	47.2
	Hygiene standards	43.5	72.5	44.4	71.4	57.6
<b>Extra benefits</b>	Overtime pay	54.3	65.0	88.9	95.2	69.6
	Bonus payment	65.2	82.5	88.9	100.0	80.0
	Skills training	28.3	32.5	44.4	90.5	42.4
	Medical scheme	26.1	35.0	44.4	90.5	42.4
	Doctor/nurse on site	0	0	0	42.9	7.2
	Offer employee loans	54.3	75.0	55.6	85.7	66.4
	Provide transport	15.2	22.5	38.9	28.6	23.2
	Excursions/parties	43.5	77.5	77.8	100.0	68.8
	Extra leave	32.6	52.5	55.6	71.4	48.8
	No response	6.5	0	0	0	2.4
	Other	2.2	5.0	0	19.0	5.6
	<b>Base</b>	<b>46</b>	<b>40</b>	<b>18</b>	<b>21</b>	<b>125</b>

Table 7: Do you think there is a role for the business community to play towards the betterment of society?

	District											Total
	Colombo	Kandy	Galle	Hambantota	Matara	Ratnapura	Ampara	Batticaloa	Trincomalee	Vavuniya	Jaffna	
Yes	100	100	100	92.9	90	90.9	91.7	100	90	100	95.2	95.9
No	0	0	0	7.1	10	9.1	8.3	0	10	0	4.8	4.1
<b>Base</b>	<b>18</b>	<b>19</b>	<b>11</b>	<b>14</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>21</b>	<b>147</b>

Table 8: Have you heard of the concept of Corporate Social Responsibility (CSR)?

	District											Total
	Colombo	Kandy	Galle	Hambantota	Matara	Ratnapura	Ampara	Batticaloa	Trincomalee	Vavuniya	Jaffna	
Yes	94.4	73.7	72.7	71.4	80	45.5	41.7	80	80	81.8	95.2	76.2
No	5.6	26.3	27.3	28.6	20	54.5	58.3	20	20	18.2	4.8	23.8
<b>Base</b>	<b>18</b>	<b>19</b>	<b>11</b>	<b>14</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>21</b>	<b>147</b>

**Table 9**

	Staff size				Total
	Below 10	11 - 50	51 - 150	151 and above	
Yes	63.0	81.6	80.0	91.7	76.2
No	37.0	18.4	20.0	8.3	23.8
<b>Base</b>	<b>54</b>	<b>49</b>	<b>20</b>	<b>24</b>	<b>147</b>

**Table 10: To what extent are you informed about the concept?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Very informed	58.8	28.6	37.5	40	12.5	80	40	25	12.5	33.3	45	38.4
Somewhat informed	41.2	71.4	62.5	60	87.5	20	40	50	62.5	44.4	50	54.5
Not informed at all	0	0	0	0	0	0	0	12.5	25	22.2	5	5.4
No response	0	0	0	0	0	0	20	12.5	0	0	0	1.8
<b>Base</b>	<b>17</b>	<b>14</b>	<b>8</b>	<b>10</b>	<b>8</b>	<b>5</b>	<b>5</b>	<b>8</b>	<b>8</b>	<b>9</b>	<b>20</b>	<b>112</b>

**Table 11: Does your company have a CSR policy at present?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Yes	82.4	78.6	87.5	70	62.5	80	60	50	62.5	33.3	95	73.2
No	17.6	21.4	12.5	30	37.5	20	40	50	37.5	66.7	5	26.8
<b>Base</b>	<b>17</b>	<b>14</b>	<b>8</b>	<b>10</b>	<b>8</b>	<b>5</b>	<b>5</b>	<b>8</b>	<b>8</b>	<b>9</b>	<b>20</b>	<b>112</b>

**Table 12: Why does your organisation have a CSR policy? (multiple answers)**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Genuinely want to contribute to society	85.7	81.8	85.7	85.7	80	75	33.3	100	80	100	89.5	84.1
External expectations	28.6	18.2	14.3	0	0	50	0	25	0	0	0	12.2
Because of regulations or laws	14.3	0	0	0	0	0	0	0	0	0	0	2.4
Because it is part of the company mission	57.1	18.2	0	28.6	0	50	33.3	25	40	33.3	15.8	26.8
For publicity	21.4	18.2	0	14.3	0	25		25	20	0	10.5	13.4
Employee pride and commitment	57.1	54.5	14.3	28.6	40	100	33.3	25	60	33.3	15.8	39
Other	28.4	9.1	14.3	14.3	20	25	33.3	25	20	0	0	14.4
<b>Base</b>	<b>14</b>	<b>11</b>	<b>7</b>	<b>7</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>19</b>	<b>82</b>

**Table 13: What benefit/s if any does the CSR policy have for your organisation? (multiple answers)**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Financial benefit	14.3	18.2	28.6	28.6	40	0	0	25	60	0	0	17.1
Reputation	78.6	45.5	57.1	57.1	80	50	100	75	80	100	68.4	68.3
Popularity	28.6	45.5	14.3	14.3	20	50	33.3	25	80	33.3	26.3	31.7
Employee pride	71.4	54.5	28.6	42.9	20	75	0	25	60	33.3	10.5	39
Other	28.4	9.1	0	0	0	25	0	0	0	0	0	7.2
<b>Base</b>	<b>14</b>	<b>11</b>	<b>7</b>	<b>7</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>19</b>	<b>82</b>

**Table 14: Is the CSR policy in your organisation a formal or informal policy?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Formal	42.9	18.2	14.3	14.3	20	25	66.7	25	20	0	15.8	23.2
Informal	57.1	81.8	85.7	85.7	80	75	33.3	75	80	100	84.2	76.8
<b>Base</b>	<b>14</b>	<b>11</b>	<b>7</b>	<b>7</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>19</b>	<b>82</b>



**Table 15: For how long has your organisation been involved in this policy?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Less than 1 year	0	18.2	14.3	0	0	25	0	0	0	100	5.3	9.8
1 – 2 years	7.1	0	28.6	28.6	0	0	0	25	0	0	21.1	12.2
3 – 4 years	21.4	0	14.3	14.3	0	0	0	0	0	0	5.3	7.3
5 – 6 years	21.4	18.2	0	14.3	0	0	0	0	0	0	5.3	8.5
More than 6 years	35.7	63.6	42.9	42.9	100	75	100	75	100	0	63.2	59.8
No response	14.3	0	0	0	0	0	0	0	0	0	0	2.4
<b>Base</b>	<b>14</b>	<b>11</b>	<b>7</b>	<b>7</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>19</b>	<b>82</b>

**Table 16: In what areas is your organisation currently conducting the CSR policy? (multiple answers)**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
The peace process	28.6	9.1	57.1	0	20	0	66.7	0	20	0	26.3	22
Ethnic harmony	7.1	9.1	28.6	0	0	0	66.7	50	40	0	21.1	17.1
Law and order	7.1	18.2	57.1	0	20	25	66.7	0	20	0		14.6
Democracy	0	9.1	28.6	0	20	0	33.3	0	40	0	21.1	13.4
Infrastructure	21.4	45.5	0	0	40	75	33.3	25	40	33.3	26.3	28
Religious activities	14.3	45.5	57.1	28.6	60	100	66.7	50	40	33.3	15.8	36.6
Violence against women and children	21.4	27.3	28.6	0	20	25	33.3	0	20	0	21.1	19.5
Educational issues	71.4	45.5	14.3	14.3	80	75	100	50	40	66.7	63.2	54.9
Health issues	64.3	27.3	14.3	42.9	40	0	66.7	25	60	0	5.3	30.5
Environmental issues	50	18.2	57.1	42.9	40	50	66.7	25	20	0	10.5	31.7
Unemployment	28.6	54.5	71.4	42.9	80	50	0	50	40	33.3	57.9	48.8
Internal practices	64.3	72.7	71.4	57.1	40	100	0	25	60	0	31.6	51.2
Others	21.3	9.1	0	14.3	0	0	0	0	0	0	0	6
No response	0	0	0	0	0	0	0	25	0	0	0	1.2
Don't know	0	0	0	0	0	0	0	0	20	0	0	1.2
<b>Base</b>	<b>14</b>	<b>11</b>	<b>7</b>	<b>7</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>19</b>	<b>82</b>

**Table 17**

	Staff size				Total
	Below 10	11 - 50	51 - 150	151 and above	
The peace process	26.1	10.3	18.2	36.8	22.0
Ethnic harmony	26.1	17.2	18.2	5.3	17.1
Law and order	26.1	6.9	9.1	15.8	14.6
Democracy	13.0	17.2	0	15.8	13.4
Infrastructure	34.8	13.8	45.5	31.6	28.0
Religious activities	34.8	44.8	18.2	36.8	36.6
Violence against women and children	13.0	13.8	27.3	31.6	19.5
Educational issues	47.8	48.3	72.7	63.2	54.9
Health issues	26.1	13.8	27.3	63.2	30.5
Environmental issues	30.4	17.2	18.2	63.2	31.7
Unemployment	43.5	44.8	54.5	57.9	48.8
Internal practices	34.8	48.3	54.5	73.7	51.2
Others	4.3	3.4	9.1	10.5	6.1
No response	0	3.4	0	0	1.2
Don't know	0	3.4	0	0	1.2
<b>Base</b>	<b>23</b>	<b>29</b>	<b>11</b>	<b>19</b>	<b>82</b>

**Table 18: In your organisation is there a specific person responsible for handling your CSR policy activities?**

	District											Total
	Colombo	Kandy	Galle	Hambantota	Matara	Ratnapura	Ampara	Batticaloa	Trincomalee	Vavuniya	Jaffna	
Yes	71.4	36.4	14.3	28.6	20	25	33.3	0	0	0	36.8	32.9
No	28.6	63.6	85.7	71.4	80	75	66.7	100	100	100	63.2	67.1
<b>Base</b>	<b>14</b>	<b>11</b>	<b>7</b>	<b>7</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>19</b>	<b>82</b>

**Table 19**

	Staff size				Total
	Below 10	11 - 50	51 - 150	151 and above	
Yes	13.0	24.1	36.4	68.4	32.9
No	87.0	75.9	63.6	31.6	67.1
<b>Base</b>	<b>23</b>	<b>29</b>	<b>11</b>	<b>19</b>	<b>82</b>

**Table 20: Of the following, which will be your priority for your organisation's future CSR policy plan? (multiple answers)**

	District											Total
	Colombo	Kandy	Galle	Hambantota	Matara	Ratnapura	Ampara	Batticaloa	Trincmalee	Vavuniya	Jaffna	
The peace process	35.7	36.4	71.4	42.9	40	0	33.3	50	20	0	26.3	34.1
Ethnic harmony	0	27.3	28.6	28.6	20	50	0	50	20	0	26.3	22
Law and order	7.1	27.3	57.1	0	20	25	0	0	20	0	5.3	14.6
Democracy	0	27.3	14.3	0	0	0	0	25	40	0	21.1	13.4
Infrastructure	14.3	36.4	0	28.6	0	75	0	25	20	33.3	21.1	22
Religious activities	21.4	18.2	28.6	0	60	50	33.3	25	0	33.3	15.8	22
Violence against women and children	21.4	18.2	28.6	14.3	0	0	0	0	80	0	26.3	20.7
Educational issues	64.3	45.5	14.3	42.9	40	50	33.3	100	60	33.3	36.8	46.3
Health issues	57.1	9.1		14.3	40	25	66.7	0	20	0	15.8	23.2
Environmental issues	57.1	9.1	71.4	42.9	20	75	33.3	0	20	0	10.5	30.5
Unemployment	28.6	72.7	71.4	85.7	60	50	0	50	60	0	26.3	46.3
Internal practices	42.9	63.6	42.9	42.9	0	25	0	50	20	0	26.3	34.1
Others	14.2	9.1	0	14.3	0	0	0	25	0	0	10.6	8.4
No response	7.1	0	0	0	0	0	0	0	0	0	0	1.2
Don't know	0	0	0	0	0	0	33.3	0	20	0	0	2.4
<b>Base</b>	<b>14</b>	<b>11</b>	<b>7</b>	<b>7</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>19</b>	<b>82</b>

**Table 21**

	Staff size				Total
	Below 10	11 - 50	51 - 150	151 and above	
The peace process	43.5	20.7	45.5	36.8	34.1
Ethnic harmony	30.4	27.6	9.1	10.5	22.0
Law and order	21.7	10.3	18.2	10.5	14.6
Democracy	8.7	20.7	9.1	10.5	13.4
Infrastructure	39.1	6.9	36.4	15.8	22.0
Religious activities	17.4	13.8	27.3	36.8	22.0
Violence against women and children	13.0	20.7	36.4	21.1	20.7
Educational issues	34.8	44.8	63.6	52.6	46.3
Health issues	21.7	13.8	18.2	42.1	23.2
Environmental issues	30.4	17.2	27.3	52.6	30.5
Unemployment	39.1	44.8	54.5	52.6	46.3
Internal practices	17.4	37.9	45.5	42.1	34.1
Others	13.0	6.9	0	10.5	8.5
No response	0	0	0	5.3	1.2
Don't know	0	6.9	0	0	2.4
<b>Base</b>	<b>23</b>	<b>29</b>	<b>11</b>	<b>19</b>	<b>82</b>

**Table 22: Do you think that, other than the direct beneficiaries of CSR activities, the general public should also be made aware of those activities?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Yes	85.7	72.7	100	100	60	50	100	25	80	0	73.7	74.4
No	7.1	27.3	0	0	40	50	0	75	20	66.7	26.3	23.2
Don't know	7.1	0	0	0	0	0	0	0	0	33.3	0	2.4
<b>Base</b>	<b>14</b>	<b>11</b>	<b>7</b>	<b>7</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>19</b>	<b>82</b>

**Table 23: What should be the means of communication of your activities? (multiple answers)**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Media	75	37.5	42.9	28.6	33.3	50	66.7	100	100	0	50	54.1
Annual reports	50	25	0	0	33.3	0	33.3	0	0	0	0	16.4
Word of mouth	58.3	62.5	28.6	57.1	0	50	33.3	100	50	0	42.9	47.5
Specific CSR policy report	50	12.5	42.9	42.9	33.3	50	33.3	100	0	0	21.4	32.8
<b>Base</b>	<b>12</b>	<b>8</b>	<b>7</b>	<b>7</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>4</b>	<b>0</b>	<b>14</b>	<b>61</b>

**Table 24: Now that you have an idea of what CSR is, would you consider adopting it as a policy in your organisation?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Yes	100	60	100	100	100	100	71.4	100	50	100	100	85.7
No	0	40	0	0	0	0	28.6	0	50	0	0	14.3
<b>Base</b>	<b>1</b>	<b>5</b>	<b>3</b>	<b>4</b>	<b>2</b>	<b>6</b>	<b>7</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>35</b>

**Table 25**

	Staff size				Total
	Below 10	11 - 50	51 - 150	151 and above	
Yes	85.0	77.8	100.0	100.0	85.7
No	15.0	22.2	0	0	14.3
<b>Base</b>	<b>20</b>	<b>9</b>	<b>4</b>	<b>2</b>	<b>35</b>

**Table 26: Why would your organisation adopt a CSR policy? (multiple answers)**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Genuinely want to contribute to society	100	100	100	75	0	33.3	100	100	100	100	100	76.7
External expectations	0	0	0	0	0	33.3	0	0	0	0	0	6.7
Because it is part of the company mission	0	33.3	0	0	0	0	0	0	0	0	0	3.3
For publicity	0	0	0	0	0	0	20	50	0	0	0	6.7
Employee pride and commitment		0	33.3	33.3	75	100	66.7	40	50	0	50	0 50
Other	0	0	0	0	0	50.1	60	0	0	0	0	19.8
No response	0	0	0	25	0	16.7	0	0	0	0	0	6.7
<b>Base</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>2</b>	<b>6</b>	<b>5</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>30</b>

**Table 27: What benefit/s if any will the CSR policy have on your organisation? (multiple answers)**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Financial benefits	0	33.3	33.3	0	0	16.7	20	0	100	0	0	16.7
Reputation	100	66.7	33.3	50	0	33.3	80	100	0	50	0	50
Popularity	0	33.3	0	25	0	16.7	60	100	0	50	0	30
Employee pride	0	33.3	0	0	100	33.3	20	50	0	0	0	23.3
Other	0	0	33.3	25	0	33.4	0	0	0	0	0	13.3
No response	0	0	0	0	0	33.3	0	0	0	0	100	10
Don't know	0	0	0	25	0	0	0	0	0	0	0	3.3
<b>Base</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>2</b>	<b>6</b>	<b>5</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>30</b>

**Table 28: If your organisation were to consider a CSR policy, in what areas would you consider developing it? (multiple answers)**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
The peace process	0	0	0	50	0	50	40	100	0	50	100	36.7
Ethnic harmony	0	0	100	50	0	50	0	100	0	50	0	36.7
Law and order	0	0	33.3	0	0	0	0	50	0	0	0	6.7
Infrastructure	100	66.7	0	25	50	33.3	40	50	0	0	0	33.3
Religious activities	0	33.3	66.7	25	50	16.7	60	50	0	0	0	33.3
Violence against women and children	100	0	0	0	50	33.3	0	50	0	0	0	16.7
Educational issues	100	66.7	33.3	75	50	16.7	80	100	0	0	100	53.3
Health issues	100	0	33.3	0	50	0	40	50	0	0	0	20
Environmental issues	0	33.3	66.7	0	0	83.3	0	0	0	0	0	26.7
Unemployment	0	66.7	33.3	0	50	50	40	50	100	0	100	40
Internal practices	0	66.7	0	0	0	0	20	50	0	50	100	20
Others	0	0	0	0	0	16.7	0	0	100	0	0	6.6
No response	0	0	0	25	0	0	0	0	0	50	0	6.7
<b>Base</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>2</b>	<b>6</b>	<b>5</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>30</b>

**Table 29: Do you think that people will consciously buy goods and services from a company that adopts a CSR policy?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Yes	33.3	42.1	72.7	57.1	70	36.4	58.3	80	80	36.4	66.7	55.8
No	50	57.9	27.3	35.7	30	63.6	41.7	20	20	54.5	33.3	40.8
Don't know	16.7	0	0	7.1	0	0	0	0	0	9.1	0	3.4
<b>Base</b>	<b>18</b>	<b>19</b>	<b>11</b>	<b>14</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>21</b>	<b>147</b>

**Table 30**

	Staff size				Total
	Below 10	11 - 50	51 - 150	151 and above	
Yes	66.7	59.2	45.0	33.3	55.8
No	29.6	40.8	50.0	58.3	40.8
Don't know/not sure	3.7	0	5.0	8.3	3.4
<b>Base</b>	<b>54</b>	<b>49</b>	<b>20</b>	<b>24</b>	<b>147</b>

**Table 31: Do you think people would pay more for a product or service from a company that they know has a CSR policy?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Yes	11.1	21.1	36.4	14.3	20	0	8.3	10	20	9.1	28.6	17
No	55.6	78.9	63.6	85.7	80	100	83.3	70	80	81.8	71.4	76.2
Don't know	27.8	0	0	0	0	0	8.3	20	0	0	0	5.4
No response	5.6	0	0	0	0	0	0	0	0	9.1	0	1.4
<b>Base</b>	<b>18</b>	<b>19</b>	<b>11</b>	<b>14</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>21</b>	<b>147</b>

**Table 32**

	Staff size				Total
	Below 10	11 - 50	51 - 150	151 and above	
Yes	20.4	18.4	10.0	12.5	17.0
No	72.2	81.6	90.0	62.5	76.2
Don't know/not sure	5.6	0	0	20.8	5.4
No response	1.9	0	0	4.2	1.4
<b>Base</b>	<b>54</b>	<b>49</b>	<b>20</b>	<b>24</b>	<b>147</b>

**Table 33: Do you think that your business should have a role to play in the process of achieving peace?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Yes	61.1	73.7	100	92.9	100	81.8	83.3	90	70	63.6	95.2	82.3
No	27.8	26.3	0	7.1	0	18.2	8.3	10	20	27.3	4.8	14.3
Don't know	11.1	0	0	0	0	0	8.3	0	10	9.1	0	3.4
<b>Base</b>	<b>18</b>	<b>19</b>	<b>11</b>	<b>14</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>21</b>	<b>147</b>

**Table 34**

	Staff size				Total
	Below 10	11 - 50	51 - 150	151 and above	
Yes	83.3	83.7	80.0	79.2	82.3
No	13.0	14.3	20.0	12.5	14.3
Don't know/not sure	3.7	2.0	0	8.3	3.4
<b>Base</b>	<b>54</b>	<b>49</b>	<b>20</b>	<b>24</b>	<b>147</b>

**Table 35: If yes, how involved do you think your company should be in the process of achieving peace?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Very involved	54.5	57.1	54.5	61.5	70	44.4	30	22.2	42.9	14.3	50	47.9
Somewhat involved	36.4	42.9	45.5	30.8	30	55.6	70	77.8	57.1	85.7	50	50.4
Don't know	9.1	0	0	7.7	0	0	0	0	0	0	0	1.7
<b>Base</b>	<b>11</b>	<b>14</b>	<b>11</b>	<b>13</b>	<b>10</b>	<b>9</b>	<b>10</b>	<b>9</b>	<b>7</b>	<b>7</b>	<b>20</b>	<b>121</b>

**Table 36**

	Staff size				Total
	Below 10	11 - 50	51 - 150	151 and above	
Very involved	44.4	46.3	56.3	52.6	47.9
Somewhat involved	55.6	51.2	43.8	42.1	50.4
Don't know/not sure	0	2.4	0	5.3	1.7
<b>Base</b>	<b>45</b>	<b>41</b>	<b>16</b>	<b>19</b>	<b>121</b>

**Table 37: Please rank the top three organisations/persons, aside from government, that you think should play a role in the process of achieving peace?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Religious leaders and organisations	37.3	43.0	36.4	40.5	43.3	26.8	34.7	30.0	28.3	35.2	35.3	36.2
Print and electronic media	25.3	21.9	6.1	27.4	21.7	26.8	19.4	20.0	16.7	9.3	28.4	21.2
Large Sri Lankan companies	14.5	0.9	15.2	2.4	10.0	23.2	11.1	6.7	8.3	1.9	4.3	8.1
Global companies in Sri Lanka	3.6	4.4	4.5	2.4	1.7	1.8	13.9	0.0	5.0	9.3	3.4	4.5
NGOs in Sri Lanka	6.0	2.6	25.8	13.1	3.3	7.1	9.7	16.7	21.7	16.7	16.4	12.1
Trade unions	1.2	6.1	1.5	2.4	5.0	1.8	4.2	3.3	5.0	9.3	5.2	4.1
Police and military forces	7.2	14.9	4.5	8.3	8.3	12.5	4.2	15.0	6.7	3.7	4.3	8.2
Judicial system	4.8	6.1	6.1	3.6	6.7	0.0	2.8	8.3	8.3	14.8	2.6	5.5
<b>Base</b>	<b>18</b>	<b>19</b>	<b>11</b>	<b>14</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>21</b>	<b>147</b>

**Table 38: Are you aware of any activities by the business community regarding the process of achieving peace?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Yes	77.8	84.2	63.6	64.3	100	81.8	41.7	80	70	36.4	76.2	71.4
No	22.2	15.8	36.4	35.7	0	9.1	58.3	20	30	45.5	23.8	26.5
Don't know	0	0	0	0	0	9.1	0	0	0	18.2	0	2
<b>Base</b>	<b>18</b>	<b>19</b>	<b>11</b>	<b>14</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>21</b>	<b>147</b>



**Table 39: If yes, how satisfied are you with the activities that are currently being undertaken by the business community?**

	District											Total
	Colombo	Kandy	Galle	Hamb- antota	Matara	Ratna- pura	Amp- ara	Batti- caloa	Trinco- malee	Vavu- niya	Jaff- na	
Very satisfied	0	6.3	28.6	33.3	40	22.2	40	37.5	42.9	0	31.3	24
Somewhat satisfied	38.5	62.5	14.3	33.3	40	22.2	40	50	42.9	100	62.5	46.2
Neither	0	12.5	14.3	11.1	0	11.1	20	0	0	0	0	5.8
Somewhat dissatisfied	38.5	0	14.3	0	10	11.1	0	12.5	14.3	0	0	9.6
Very dissatisfied	23.1	18.8	28.6	22.2	10	33.3	0	0	0	0	0	13.5
No response	0	0	0	0	0	0	0	0	0	0	6.3	1
<b>Base</b>	<b>13</b>	<b>16</b>	<b>7</b>	<b>9</b>	<b>10</b>	<b>9</b>	<b>5</b>	<b>8</b>	<b>7</b>	<b>4</b>	<b>16</b>	<b>104</b>

# Annex 5 - Questionnaire

## Public perception of CSR survey

**OPINION POLL JANUARY 2004  
CONDUCTED BY SOCIAL INDICATOR  
105, FIFTH LANE, COLOMBO 03, TP: 2370473/5**

SERIAL NO:				
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HOUSEHOLD NO:				
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**INTERVIEWER:**

<p>NAME OF INTERVIEWER :</p> <p>I here by certify that all information provided here is true and accurate and has been obtained from the respondent as instructed.</p> <hr/> <p>Signature of interviewer</p>
--

**INTERVIEWER: ALL STATEMENTS IN BOLD LETTERING ARE INSTRUCTIONS FOR YOU AND SHOULD NOT BE READ OUT TO THE RESPONDENT.**

Good morning /afternoon/ evening. My name is \_\_\_\_\_ and I represent Social Indicator, a research organisation that conducts independent research on social issues. We are currently conducting a study to gather public perceptions and attitudes on the Business Community and their responsibilities towards society. We would appreciate it if you could spend some of your valuable time to answer a few questions on this issue.

*I hereby assure you that your views will be treated with utmost confidentiality.*

**SUPERVISOR:**

NAME OF SUPERVISOR:
DATE OF BACK-CHECKING:
<p>STATUS:        1. VALID</p> <p>                  2. INVALID</p> <p>                  3. SUSPICIOUS</p>
IF INVALID, STATE REASONS:
IF SUSPICIOUS, STATE REASONS:
_____SIGNATURE OF SUPERVISOR

**KISH GRID**

A. Can you please tell me the number of people living in this household who are between the ages of 18 to 65 years?

USE THE KISH GRID TO SELECT YOUR RESPONDENT

TOTAL NUMBER OF PEOPLE	1.1 HOUSEHOLD NO									
	2	3	4	5	6	7	8	9	0	
1	1	1	1	1	1	1	1	1	1	1
2	1	2	1	1	2	2	1	1	2	1
3	3	3	2	2	1	1	3	3	1	2
4	4	1	3	4	3	1	2	2	1	2
5	1	1	5	3	2	2	4	5	4	1
6	6	4	1	5	4	1	2	6	3	5
7	5	2	3	1	7	7	3	2	6	4
8	2	5	4	1	1	3	5	4	8	7
9	3	4	6	7	5	8	1	9	2	5
10	7	10	8	3	2	4	1	6	1	5

• MARK THE NUMBER OF THE CHOSEN PERSON ON THE GRID

a. Can I speak to \_\_\_\_\_ (the person chosen through the KISH grid) please?

1. Yes

2. No

i. Respondent is not willing to give interview (MOVE TO NEXT HOUSEHOLD)

ii. Respondent is not available

IF THE CHOSEN RESPONDENT IS NOT AVAILABLE, SET AN APPOINTMENT TO CONDUCT THE INTERVIEW LATER.

## SECTION I: Respondent

### DEMOGRAPHICS:

1. Sex:

1. Male

2. Female

2. Religion:

1. Buddhism

2. Hinduism

3. Islam

4. Roman Catholicism

5. Christianity (Non-RC)

6. Other \_\_\_\_\_

3. Age:

1. 15 – 25 yrs

4. 46 – 55 yrs

2. 26 – 35 yrs

5. 56 – 65 yrs

3. 36 – 45 yrs

4. Ethnicity:

1. Sinhala

2. Tamil

3. Muslim

4. Burgher

5. Other \_\_\_\_\_

5. First language:

1. Sinhala

2. Tamil

3. English

4. Other \_\_\_\_\_

6. Occupation of the respondent: (SINGLE CODE ONLY)

1. Executives, managerial and administrative professionals	8. Housewife
2. Professionals	9. Retired
3. Technicians and associate professionals	10. Business
4. Clerk	11. Self-employed
5. Travel, restaurant, protective service workers and sales workers	12. Elementary occupations
6. Agricultural and fisheries workers	13. Unemployed
7. Students	14. Other

7. Could you please tell me your educational qualifications? (SINGLE CODE ONLY)

1. Cannot read and write	8. Advanced Level
2. Literate but no formal education	9. Vocationally trained
3. Up to grade 5	10. Technically trained
4. Grade 6-9	11. Professional
5. Up to 'O' Level	12. Undergraduate
6. 'O' Level	13. Graduate and above
7. Up to Advanced Level	

8. Total monthly income of the household:

1. Below Rs 5000

4. Rs 15,001-Rs 20,000

2. Rs 5001-Rs 10,000

5. Rs 20,001-Rs 25,000

3. Rs 10,001-Rs 15,000

6. Rs 25,001 & above

## SECTION II

1. In your opinion, in addition to issues relating to your personal life, what other issues in society concern you the most? Please tell me the top 5 issues that you are most concerned about.

Issue	Rank
1. The peace process	
2. Democracy	
3. Law and order	
4. Religious values	
5. Health issues	
6. Environmental issues	
7. Social values	
8. Violence against women and children	
9. Unemployment	
10. International issues	
11. Infrastructure and other facilities that should be provided by the government	
12. Other	

2. (Instructions to the enumerator: write down the 5 issues stated by the respondent under the heading it belongs to, while ranking it in the above table.)

2.1 The peace process

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2.2 Democracy

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2.3 Law and order

---



---

2.4 Religious values

---



---

2.5 Health issues

---



---

2.6 Environmental issues

---



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2.7 Social values

---



---

2.8 Violence against women and children

---



---

2.9 Unemployment

---



---

2.10 International issues

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---

2.11 Infrastructure and other facilities that should be provided by the government

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---

2.12 Other

---



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3. With regard to social issues in general, apart from the government please rank (the top 3) who you think should address those issues.

Responsible person/organisation	Rank
1. Religious leaders and organisations	
2. Press and media	
3. Large Sri Lankan companies	
4. Global companies in Sri Lanka	
5. NGOs in Sri Lanka	
6. Trade unions	
7. Police and military forces	
8. Judicial system	

4. With regard to social issues in general, apart from the government please rank (the top 3) who you think will address those issues.

Responsible person/organisation	Rank
1. Religious leaders and organisations	
2. Press and media	
3. Large Sri Lankan companies	
4. Global companies in Sri Lanka	
5. NGOs in Sri Lanka	
6. Trade unions	
7. Police and military forces	
8. Judicial system	

I am going to ask you some questions about business organisations operating in Sri Lanka. Here what I mean by 'business organisations' are businesses that operate on a large scale or very prominent businesses.

5. When I say the word 'business organisations', what are the business organisations that come to your mind? Please tell me 5 names.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

6. I am going to read a number of statements about business organisations and I would like you to tell me whether you strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree, strongly disagree or don't know.

1. Strongly agree
2. Somewhat agree
3. Neither agree nor disagree
4. Somewhat disagree
5. Strongly disagree
6. Don't know

Statement	1	2	3	4	5	6
1. Businesses have only one responsibility, to operate competitively and make profits.	1	2	3	4	5	6
2. Businesses have a responsibility to take into account the impact their decisions have on employees, local communities and the country, as well as making profits.	1	2	3	4	5	6
3. By providing the community with goods and services even at a cost, businesses help society.	1	2	3	4	5	6
4. By providing more employment opportunities businesses help society	1	2	3	4	5	6
5. Businesses are exploiting consumers	1	2	3	4	5	6
6. Businesses destroy cultural values	1	2	3	4	5	6
7. Business organisations have a big role to play in bringing peace to Sri Lanka.	1	2	3	4	5	6

7. Now I am going to ask you about your perception on businesses. Do you think there is a role for businesses to play in addressing social issues for the betterment of the society?

1. Yes
2. No (Please go to question 9)
3. Don't know/not sure (Please go to question 9)

8. If 'yes', please tell me what you think should be their role in society.

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9. Looking at business organisations in Sri Lanka, how likely are they to engage in activities that address social issues for the betterment of society?

1. Very likely
2. Somewhat likely
3. Not likely at all
4. Don't know

10. I am going to read a number of statements regarding the buying behaviour of the public and I would like you to tell me whether you strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree, strongly disagree or don't know.

1. Strongly agree
2. Somewhat agree
3. Neither agree nor disagree
4. Somewhat disagree
5. Strongly disagree
6. Don't know

Statement	1	2	3	4	5	6
1. Many people buy products or services based on the price and quality, not the reputation of the company.	1	2	3	4	5	6
2. Many people buy products or services only from companies that are regarded as society-friendly.	1	2	3	4	5	6
3. Many people would pay more for products or services from companies that are society-friendly.	1	2	3	4	5	6
4. People should not buy goods and services from businesses that do not engage in society-friendly activities.	1	2	3	4	5	6

11. How do you normally get to know about the activities of business organisations? (multiple answers)

1. Annual reports
2. Articles in newspapers
3. Documentaries on TV
4. Advertisements on TV
5. Word of mouth
6. Not sure
7. Other (specify) \_\_\_\_\_



12. Now I will read out a list of attributes about business organisations and their activities. Please tell me how important these attributes are in order for you to name an organisation as one that contributes to the betterment of society.

1. Very important
2. Somewhat important
3. Not at all
4. Don't know

Statement	1	2	3	4
1. Conducts business in the most honest and fair manner	1	2	3	4
2. Makes the most valuable contribution to the economic needs of the country	1	2	3	4
3. Cares for the community in which it does business	1	2	3	4
4. Cares most about its consumers and the quality of its products	1	2	3	4
5. Is a leader in innovation and technology	1	2	3	4
6. Provides the best working environment for its employees	1	2	3	4
7. Provides many employment opportunities	1	2	3	4
8. Offers good value for money	1	2	3	4
9. Has well recognised brands	1	2	3	4
10. Respects the cultural and religious identity of the country	1	2	3	4
11. Is an equal-opportunity employer	1	2	3	4
12. Takes environmental friendliness into account when doing business	1	2	3	4
13. Releases reliable information about its business and activities	1	2	3	4
14. Obeys the law and pays taxes	1	2	3	4
15. Plays a big role in bringing peace to Sri Lanka	1	2	3	4

13. Now I will read out a list of some business sectors. Please tell me to what extent the following sectors contribute to the betterment of society.

1. Very much
2. Somewhat
3. Not at all
4. Don't know/not sure

Industry	1	2	3	4
1. Tourism/hotels and restaurants	1	2	3	4
2. Information technology	1	2	3	4
3. Telecommunications	1	2	3	4
4. Pharmaceuticals	1	2	3	4
5. Clothing and apparel	1	2	3	4
6. Banks and finance	1	2	3	4
7. Consumer goods	1	2	3	4
8. Print and electronic media	1	2	3	4
9. Alcohol-manufacturing sector	1	2	3	4
10. Tobacco sector	1	2	3	4

14. In your opinion why do you think business organisations engage in activities that are regarded as society-friendly? **(multiple answers)**

1. Because they really want to do some good.
  2. External pressure (government, business and civil society)
  3. Because of regulations and law
  4. For publicity
  5. No response
  6. Other (please specify) \_\_\_\_\_
- 

15. Please tell me if you are aware of any business leaders or organisations getting together to promote the current peace process in Sri Lanka?

1. Yes (please go to question 16)
2. No
3. Don't know/not sure

16. If yes, please specify.

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<b>1. RESPONDENT'S NAME :</b>		
<b>2. ADDRESS :</b>	<b>3. TEL NO:</b>	
<b>4. PROVINCE</b>	<b>5. DISTRICT:</b>	
<b>6.1 Provincial council</b> <b>6.2 Urban council</b> <b>6.3 Municipal council</b>	<b>7. GN :</b>	
<b>8. DATE:</b>	<b>9. START TIME:</b>	<b>10. END TIME:</b>

*Thank you!*

# Annex 6 - Questionnaire Survey of the business community on CSR

## CORPORATE SOCIAL RESPONSIBILITY BUSINESS COMMUNITY INTERVIEW

Good morning /afternoon/ evening. My name is \_\_\_\_\_ and I represent Social Indicator, a research organisation that conducts independent research on social issues. We are currently conducting a study on the business community about their responsibilities towards society. Social Indicator has been commissioned by International Alert, an NGO, to conduct this study to identify the levels of awareness of Corporate Social Responsibility (CSR) in the business community, their attitudes and views in this regard, as well as their involvement, if any, in CSR activities. The information you provide will be kept strictly confidential and used only by International Alert for an analysis on business practices.

We would appreciate it if you could spend some of your valuable time to answer a few questions on this issue.

NAME OF INTERVIEWER :

I hereby certify that all information provided here is true and accurate, and has been obtained from the respondent as instructed.

\_\_\_\_\_  
Signature of interviewer

Date:

Time:

## BUSINESS PROFILE

1) Name of interviewee:

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2) Designation of interviewee:

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3) Name of the company:

---

4) Location of HQ:

---

5) Areas of operation:

---

6) Age of company:

---

7) Type of business:

---

8) Staff size:

---

9) Annual turnover:

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10) Market:

1. Domestic only
2. International only
3. Both

11) Ownership:

1. Sole proprietor
2. Partnership
3. Joint venture
4. Company:
  - 4.1 Private
  - 4.2 Public
  - 4.3 State-owned

## SECTION I

1. Do you believe that the state of the country affects your business?

1. Yes
2. No

2. What other factors affect the growth of your business?

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3. Does your company engage in any activities other than profit making?

1. Yes
2. No (go to question 5)

4. If yes, could you please tell me what kind of activities that you engage in?

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5. Apart from a basic wage, could you please tell us about the benefits, if any, you currently offer your employees?

	Benefits	
Formal contract (is there a written contract?)	1. Job security	1
	2. Notice period	2
	3. Provident fund (EPF/ETF)	3
	4. Minimum leave entitlement (sick/holiday/maternity)	4
Good working conditions	5. Safe workplace (meeting health and safety regulations)	5
	6. Insurance cover for accidents and injury in the work place	6
	7. Hygiene standards (eg. clean toilet facilities)	7
Extra benefits	8. Overtime pay (exceeding basic wage)	8
	9. Bonus payments/incentive schemes	9
	10. Skills training	10
	11. Medical scheme (employee/family)	11
	12. Doctor/nurse on site (company/factory)	12
	13. Offer employee loans (advances)	13
	14. Provide transportation (to/from work)	14
	15. Excursions/parties	15
	16. Extra leave entitlements	16

6. Why do you provide these benefits to your employees?

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7. Do you think there is a role for the business community to play towards the betterment of society?
1. Yes
  2. No (go to question 9)

8. What do you think the business community/a business can do to contribute to the betterment of society?
- 
- 
- 

## SECTION II

9. Have you heard of the concept of Corporate Social Responsibility (CSR)?
1. Yes
  2. No (go to section 3)

10. To what extent are you informed about this concept?
1. Very informed
  2. Somewhat informed
  3. Not informed at all

11. Does your company have a CSR policy at present?
1. Yes
  2. No (go to question 25)

12. Why does your organisation have a CSR policy? (**multiple answers**)
1. Genuinely wants to contribute to the betterment of society
  2. External expectations (businesses/civil society)
  3. Because of regulations or laws
  4. Because it's part of your company's mission
  5. For publicity
  6. Employee pride and commitment
  7. Other.....

13. What benefit/s if any does the CSR policy have for your organisation? (**multiple answers**)
1. Financial benefit
  2. Reputation
  3. Popularity
  4. Employee pride and commitment
  5. Other.....

14. Is the CSR policy in your organisation a formal or an informal policy?
1. Formal, written policy
  2. Informal, unwritten policy

15. For how long has your organisation been involved in this policy?
1. Less than 1 year
  2. 1-2 years
  3. 3-4 years
  4. 5-6 years
  5. More than 6 years (state the number of years) \_\_\_\_\_

16. In what areas is your organisation currently conducting the CSR policy? (**multiple answers**)
1. The peace process
  2. Ethnic harmony
  3. Law and order
  4. Democracy
  5. Infrastructure
  6. Religious activities
  7. Violence against women and children
  8. Educational issues
  9. Health issues
  10. Environmental issues
  11. Unemployment
  12. Internal practices (welfare of employees etc.)
  13. Other.....
17. In your organisation is there a specific person responsible for handling your CSR policy and activities?
1. Yes
  2. No
18. Of the following, which will be your priority for your organisation's FUTURE CSR policy plan? (**multiple answers**)
1. The peace process
  2. Ethnic harmony
  3. Law and order
  4. Democracy
  5. Infrastructure
  6. Religious activities
  7. Violence against women and children
  8. Educational issues
  9. Health issues
  10. Environmental issues
  11. Unemployment
  12. Internal practices (welfare of employees etc.)
  13. Other.....
19. Do you think that, other than the direct beneficiaries of CSR activities, the general public should also be made aware of those activities?
1. Yes
  2. No (**go to question 26**)
  3. Don't know/not sure (**go to question 26**)

20. What should be the means of communication for your activities? **(multiple answers)**

1. Media (radio, TV, press)
2. Annual reports
3. Word of mouth
4. Specific CSR policy publication by the company

Go to section 4 (question 26)

### SECTION III

In that case, I will tell you a little about CSR and then you can go on to answer the following questions. CSR, in general, is the commitment by a business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local community and society at large. I hope you have a better understanding now or would you like me to read the definition again? I will now continue with the interview.

21. Now that you have an idea of what CSR is, would you consider adopting it as a policy in your organisation?

1. Yes
2. No (go to question 25)

22. Why would your organisation adopt a CSR policy? **(multiple answers)**

1. Genuinely want to contribute to the betterment of society
2. External expectations (businesses, civil society)
3. Because of regulations or laws
4. Because it's part of your company's mission
5. For publicity
6. Employee pride and commitment
7. Other.....

23. What benefit/s if any will the CSR policy have for your organisation?

1. Financial benefit
2. Reputation
3. Popularity
4. Employee pride and commitment
5. Other.....

24. If your organisation were to consider a CSR policy, in what areas would you consider developing it? **(multiple answers)**

1. The peace process
2. Ethnic harmony
3. Law and order
4. Democracy
5. Infrastructure
6. Religious activities
7. Violence against women and children
8. Educational issues
9. Health issues
10. Environmental issues
11. Unemployment
12. Internal practices (welfare of employees etc.)
13. Other.....

Go to section 4 (question 26)



25. What are the factors that prevent you from having a CSR policy?

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## SECTION IV

26. Do you think that people will consciously buy goods and services from a company that adopts a CSR policy?

1. Yes
2. No
3. Don't know/not sure

27. Do you think people would pay more for a product or service from a company that they know has a CSR policy?

1. Yes
2. No
3. Don't know/not sure

28. Do you think that your business should have a role to play in the process of achieving peace?

1. Yes
2. No (go to question 30)
3. Don't know/not sure (go to question 30)

29. If yes, how involved do you think your company should be in the process of achieving peace?

1. Very involved
2. Somewhat involved
3. Not involved
4. Don't know/no sure

30. Please rank the top THREE organisations/persons, aside from the government, that you think should play a role in the process of achieving peace?

Responsible person/organisation	Rank
1. Religious leaders and organisations	
2. Print and electronic media	
3. Large Sri Lankan companies	
4. Global companies in Sri Lanka	
5. NGOs in Sri Lanka	
6. Trade unions	
7. Police and military forces	
8. Judicial system	

31. Are you aware of any activities by the business community regarding the process of achieving peace?
1. Yes
  2. No (end of questionnaire)
  3. Don't know/not sure (end of questionnaire)
32. If 'yes', how satisfied are you with the activities that are happening at present by the business community?
1. Very satisfied
  2. Somewhat satisfied
  3. Neither satisfied nor dissatisfied
  4. Somewhat dissatisfied
  5. Very dissatisfied

*Thank you!*

## Endnotes

- <sup>1.</sup> For more information, see [www.international-alert.org/policy/business.htm](http://www.international-alert.org/policy/business.htm)
- <sup>2.</sup> [www.csrwire.com/page.cgi/intro.html](http://www.csrwire.com/page.cgi/intro.html)
- <sup>3.</sup> See, for instance, Fox, T. and Prescott, D. (2004) *Exploring the Role of Development Cooperation Agencies in Corporate Responsibility* (International Business Leaders Forum and International Institute for Environment and Development).
- <sup>4.</sup> International Institute for Sustainable Development (IISD), International Institute for Environment and Development, World Conservation Union, African Institute of Corporate Citizenship, Development Alternatives and Recursos e Investigación para el Desarrollo Sustentable (2004) *Issue Briefing Note: Perceptions and Definitions of Social Responsibility* (Winnipeg, Canada: IISD).
- <sup>5.</sup> Ibid.
- <sup>6.</sup> Brundtland, G. (ed.) (1987) *Our Common Future: The World Commission on Environment and Development* (Oxford, UK: Oxford University Press).
- <sup>7.</sup> Elkington, J. (1997) *Cannibals with Forks: The Triple Bottom Line of 21st Century Business* (Oxford, UK: Capstone Publishing).
- <sup>8.</sup> The Global Reporting Initiative is a multi-stakeholder process that develops and disseminates guidelines on sustainability reporting for companies. The AA1000 framework, developed by AccountAbility, is designed to improve accountability and performance by integrating stakeholder engagement into company activities. SA 8000, developed by Social Accountability International, is an accountability system designed to ensure decent working conditions throughout a company's supply chain. For more information see [www.globalreporting.org](http://www.globalreporting.org), [www.accountability.org.uk/aa1000/default.asp](http://www.accountability.org.uk/aa1000/default.asp) and [www.cepaa.org/SA8000/SA8000.htm](http://www.cepaa.org/SA8000/SA8000.htm)
- <sup>9.</sup> Ward, H. and Switzer, J. (2004) *Enabling Corporate Investment in Peace: An Assessment of Voluntary Initiatives Addressing Business and Violent Conflict, and a Framework for Policy Decision-Making*, Discussion paper prepared for Department of Foreign Affairs and International Trade (DFAIT) (Winnipeg, Canada: IISD).
- <sup>10.</sup> See, for instance, work that emerged from the International Peace Academy's programme on Economic Agendas in Civil Wars, [www.ipacademy.org/Programs/Programs.htm](http://www.ipacademy.org/Programs/Programs.htm); the Collaborative for Development Action's Corporate Engagement Project, [www.cdainc.com/cep/index.php](http://www.cdainc.com/cep/index.php); the UN Global Compact's conflict policy dialogue, [www.unglobalcompact.org/Portal/Default.asp](http://www.unglobalcompact.org/Portal/Default.asp); and the International Business Leaders Forum's Conflict and Security Resource Centre, [www.iblf.org/csr/csrwebassist.nsf/content/a1a2a3a4a5.html](http://www.iblf.org/csr/csrwebassist.nsf/content/a1a2a3a4a5.html)
- <sup>11.</sup> The UN Global Compact was launched by UN Secretary General Kofi Annan in 1999 to bring companies together with UN agencies, labour and civil society to support ten principles in the areas of human rights, labour, environment and anti-corruption. Its work includes a policy dialogue on companies operating in zones of conflict. See [www.unglobalcompact.org/Portal/](http://www.unglobalcompact.org/Portal/)
- <sup>12.</sup> Mr Lalith Kotelawa, Chairman of the Ceylinco Group, formed the Society for Love and Understanding (SOLO U), an initiative to promote peace and harmony, in 2001.
- <sup>13.</sup> The Cohabitation Crisis between President Chandrika Kumaratunga and former Prime Minister Ranil Wickremesinghe, both from rival parties, culminated in 2003, when the President sacked three of Mr Wickremesinghe's ministers and imposed a two-day state of emergency, dissolving parliament.
- <sup>14.</sup> see [www.csrwire.com/page.cgi/about.html](http://www.csrwire.com/page.cgi/about.html) for further information

## Notes

## Notes

This report aims to shed light on how people in Sri Lanka perceive the role of business in society and how the business community perceives its own role. Sri Lanka is in a time of flux with hopes of peace tempered by the challenges of rebuilding the social and economic fabric of the country. The study explores perceptions on the wider social role of business in society and looks at Corporate Social Responsibility as a possible means to develop this role. It goes onto examine important insights into the private sector's potential contribution to promoting peace, drawing on experiences of business communities from elsewhere and in Sri Lanka.

This study is part of International Alert's overall strategy for engaging Sri Lankan business in peacebuilding. It comes at a time when more and more businesses begin to realise the importance of getting engaged and have started various initiatives to support peace.

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