

**DETERMINANTS OF SUSTAINABILITY OF CORPORATE SOCIAL  
RESPONSIBILITY PROJECTS BY THE MOBILE PHONE SERVICE PROVIDERS IN  
KENYA**

**BY**

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## DECLARATION

This project is my original work and has not been presented for a degree in any other university.

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## TABLE OF CONTENTS

<b>DECLARATION</b> .....	<b>ii</b>
<b>ACKNOWLEDGMENT</b> .....	<b>iii</b>
<b>TABLE OF CONTENTS</b> .....	<b>iv</b>
<b>LIST OF TABLES</b> .....	<b>vi</b>
<b>LIST OF FIGURES</b> .....	<b>vii</b>
<b>LIST OF ACRONYMS AND ABBREVIATIONS</b> .....	<b>viii</b>
<b>OPERATIONAL DEFINITION OF TERMS</b> .....	<b>ix</b>
<b>ABSTRACT</b> .....	<b>xi</b>
<b>CHAPTER ONE</b> .....	<b>1</b>
<b>INTRODUCTION</b> .....	<b>1</b>
1.1 Background of the Study .....	1
1.2 Statement of the Problem.....	4
1.3 Research Objectives.....	5
1.4 Research Questions.....	5
1.5 Significance of the Study.....	6
1.6 Scope of the study.....	6
1.7 Limitations of the Study .....	7
<b>CHAPTER TWO</b> .....	<b>8</b>
<b>LITERATURE REVIEW</b> .....	<b>8</b>
2.1 Introduction.....	8
2.2 Theoretical Framework.....	8
2.3 CSR projects sustainability.....	10
2.4 Review of Previous Studies .....	22
2.5 Research Gaps.....	24
2.6 Conceptual Framework.....	24
<b>CHAPTER THREE</b> .....	<b>26</b>
<b>RESEARCH METHODOLOGY</b> .....	<b>26</b>
3.1 Introduction.....	26
3.2 Research design .....	26

3.3 Target population .....	26
3.4 Sample design .....	26
3.5 Data collection and procedures .....	27
3.6 Data analysis and presentation .....	28
<b>CHAPTER FOUR.....</b>	<b>29</b>
<b>RESEARCH FINDINGS AND DISCUSSIONS .....</b>	<b>29</b>
4.1 Introduction.....	29
4.4 Government Policy .....	33
4.5 Corporate Profits.....	35
4.6 Community Involvement .....	37
4.7 Management Style .....	40
<b>CHAPTER FIVE .....</b>	<b>42</b>
<b>SUMMARY, CONCLUSION AND RECOMMENDATION.....</b>	<b>42</b>
5.1 Introduction.....	42
5.2 Summary .....	42
5.3 Conclusion .....	45
5.4 Recommendations.....	46
<b>REFERENCES.....</b>	<b>48</b>

## LIST OF TABLES

Table 3.1 Sample size.....	27
Table 4. 1Response Rate.....	29
Table 4. 2 Project Sustainability.....	32
Table 4. 3 Governance.....	33
Table 4. 4 Corporate Profit.....	35
Table 4. 5 Community Involvement.....	37
Table 4. 6 Management Style.....	39

## LIST OF FIGURES

Figure 2.1 Conceptual Framework.....	25
<b>Figure 4. 1 Years of Service</b> .....	30
<b>Figure 4. 2 Level of Education</b> .....	31

## LIST OF ACRONYMS AND ABBREVIATIONS

CSR	Corporate Social Responsibility
Telkom	Telkom Kenya Limited.
EABL Foundation	East African Breweries Limited Foundation
KCB	Kenya Commercial Bank
Kenya Power	Kenya Power and Lighting Company Limited
CDMA	Code Division Multiple Access.
Safaricom	Safaricom (K) Limited
Airtel	Airtel Kenya
Yu	Essar Yu network.
Telkom	Telkom (K) Limited.
Ms-Excel	Microsoft Excel
GSM	Global System of Mobile
CEO	Chief Executive Officer
OECD	Organization for Economic Co-operation and Development
IIED	International Institute for Environment and Development



## OPERATIONAL DEFINITION OF TERMS

<b>Corporate Social Responsibility</b>	A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.
<b>Project</b>	Planned set of interrelated tasks to be executed over a fixed period and within certain cost and other limitations.
<b>Project Sustainability</b>	Ability of a project to maintain its operations, services and benefits during its projected life time.
<b>Project Lifecycle</b>	The logical sequence of activities to accomplish the project goals or objectives. All projects go through a life cycle that starts at the initial project inception through project shutdown.
<b>Sustainability Analysis</b>	The identification and analysis of degree of presence or absence of the factors which are likely to impact, either positively or negatively on the prospects of sustained delivery of project benefits.
<b>Business/Corporate Ethics</b>	Ethics concern an individual's moral judgements about right and wrong.
<b>Risk</b>	Exposure to change or the probability that some future events will occur making the expected and actual outcome to differ.

**National Policy**

Declared objectives that a government or party seeks to achieve and preserve in the interest of national community.

**Legislation**

The process through which formally drafted and written law are enacted by a legislative body that is established and empowered to do so.

**Economic Rate of Return**

The rate of return used in capital budgeting to measure and compare the profitability of investments such as projects' investments.

## ABSTRACT

Corporate Social Responsibility (CSR) does not present a challenge to any intellectual within Kenya, especially as to its outward meaning. The term is, however, still a vocabulary to many illiterate and semi-illiterate Kenyans who barely understand what it implies. Even to the intellectuals, the objectives, the basis and the underlying principles behind CSR are remotely within their realm of knowledge. CSR is, however, a powerful tool in the hands of corporate players for not only endearing themselves to the local communities, but also for enhancing the profit margins as well as build corporate brands, if well managed. The study focuses on what ails the CSR projects' sustainability in Kenya, with specific emphasis on the mobile phone service providers in Kenya. The mobile telephone industry has been chosen for this study primarily due to the daily impacts of its CSR projects in sports, educational scholarships as well as disaster-management response. Their significant presence in the East African region as well as their strong corporate brands, it was projected, eased collection of data on this area of study. The study utilized the information on CSR to be obtained from industry. The researcher used descriptive research design with a target population of 588 completed CSR projects from which a sample of 59 completed CSR projects was selected through stratified sampling technique based on the various organizations under study. The researcher employed open-ended as well as close-ended questionnaires and strove to obtain responses from the sample population. Descriptive data analysis was employed in analysing the data presented in the study. Ultimately, the research findings that good government policy like tax incentive, high profitability in companies for them to undertake CSR ,community involvement in CSR activities and Good management style and adequate risk assessment was directed towards making appropriate recommendations for restructuring the CSR projects and practices, not only by the mobile phone service providers but also by all the corporate players in Kenya, towards making them more responsive to business needs of the corporations while enhancing their products and services amongst the population. In conclusion, CSR needs the joint participation of key stakeholders like the company, government and community for its sustainability. The four variables studied of government policies; corporate profit, community involvement and management style have all indicated an effect on the sustainability of CSR projects. It is recommended that government put in place good policies that support CSR, Communities get involved in the projects and management put in place sound risk management processes and profit sharing policies for the sustainability of CSR projects. These recommendations will go a long way in pacifying the public perception of CSR projects and building public confidence in the corporate brands that actively initiate and support CSR projects across communities.

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the Study

Sustainability is without doubt one of the most important challenges of our time and the immediate future. How can we develop prosperity without compromising the life of the future generations? Companies are integrating ideas of sustainability in their marketing, corporate communications, annual reports and in their actions. It is for that reason inevitable that sustainability will find its way to project management methodologies and practices. Sustainability entails adopting business strategies and activities that meet the needs of the enterprise and its stakeholders today while protecting, sustaining and enhancing the human and natural resources that will be needed in the future. (Silvius et al...2009)

Corporate Social responsibility on the other hand, is one of the most important needs of every society. It is an essential topic that is receiving increasing attention from organizations. One of the reasons is that, according to corporate governance principles issued by OECD (2004), CSR is highly associated with good corporate governance. In addition, if properly used, CSR projects have a positive influence on consumer's behaviour. Beside profitability and earnings performance, stakeholders have recently developed interests in CSR projects that organizations engage in. In other words, organizations are also measured by their concerns about the society in which they operate. Organizations have a large, positive or negative, direct or indirect influence on every party in society (Yasemin, 2010).

Organizations have a responsibility to the community where they are conducting their businesses. The responsibility may be carried out in many ways. Often companies support community events such as water supply, health, education and training, scholarship and awards, environmental cleanup and maintenance and needy children's support among others.

The benefits expected by each party from an organization vary. For an organization, the aim is to create economic and social value to their organization, for a shareholder, it might be to increase wealth, or for the government to decrease unemployment and increase Gross Domestic Product

by high volume production of organization. Thus, the role of organizations in balancing the interacting benefits or expectations of each party is crucial for both society and the business environment (Yasemin, 2010).

A successful Project Manager must simultaneously manage the four basic elements of a project: resources, time, money, and most importantly, scope. All these elements are interrelated and are important in CSR projects development at all levels. Each must be managed effectively. All must be managed together if the project, and the project manager, is to be a success (Reh, 2013).

Development of project management competencies involves the past, the present and the future. The indicators for sustainability concepts revolve around the relationship between the project, its results and effects with the people (social sustainability), the planet (environmental sustainability) and the profit (economic sustainability). In upholding transparency and accountability, sustainability balances the social, environmental and economical interest on both short term and long term orientation. It should involve both local and global orientation with an intention of consuming the income and not the capital and emphasis on personal values and ethics (Silvius et al...2009)

The choice of this study is mooted by the need to enlighten the corporate sector players on the need for CSR projects and to examine the determinants that would affect their sustainability. The existence of inadequately sustained corporate social responsibilities projects if otherwise dealt with can ensure well being of Kenyan Citizens. The study will, hopefully, address the weaknesses of the current policies and practices of mobile telephone providers on CSR with a view to making the CSR projects more responsive to the needs of the community as well as bring positive returns to the company.

### **1.1.1 CSR Projects by the mobile phone service providers in Kenya**

The CSR projects of Safaricom, Telkom, Airtel and Yu mobile are cutting across various sectors and communities, and therefore provide a wide area from which this study could be conducted. By being involved in autism and healthcare, education and training, music and culture, digital solidarity and employee involvement for Telkom CSR projects and economic empowerment,

education, environmental conservation, health, water, arts, music and culture, sports and disaster relief for Safaricom CSR projects, their CSR activities present the fact of CSR in Kenya and thus will be a good platform for criticizing the current layout for CSR activities by local corporations.

Safaricom was formed in 1997 as a fully owned subsidiary of Telkom Kenya. Safaricom employs over 1500 people mainly stationed in Nairobi and other big cities like Mombasa, Kisumu, Nakuru and Eldoret in which it manages retail outlets. Safaricom has charitable functions where it helps the less fortunate in the society mostly through the Safaricom Foundation. In its official website, [www.safaricom.co.ke](http://www.safaricom.co.ke) the foundation credits itself with a number of ongoing projects, including economic empowerment, education, environmental conservation, health, water, arts, music and culture, sports and disaster relief (Safaricom annual report, 2010).

Telkom Kenya was established as a telecommunications operator under the Companies Act in April 1999. In its official website [www.telkomkenya.co.ke](http://www.telkomkenya.co.ke) the company boasts of being proud to have played a prominent role in the information and communications technology sector, serving millions of Kenyans across the country.

Telkom Kenya's partnership with France Telecom Group saw the launch of the Orange brand in Kenya in 2008. The company now trades as Orange. The company offers various sponsorships which in their website [www.orange.com](http://www.orange.com) is not simply about putting a logo on a football shirt or film credit - it goes much deeper than that. Where possible they use available capabilities to keep their customers involved in the things that they care passionately about. Amongst various CSR projects referred in their official website as corporate philanthropy include autism and healthcare, education and training, music and culture, digital solidarity and employee involvement. This creative approach to sponsorship could take one to a large festival, international sporting event, or simply to treating a friend your local cinema (Orange web, 2013)

Airtel was launched in Kenya in 2000 as Kencell and rebranded to Zain in 2008 and finally Airtel in 2010. In Kenya, Yu mobile was launched in 2008 initially covering the capital city, Nairobi but now has a nationwide coverage. The target population will be CSR projects handled by members of staff from all mobile phone service providers between the period of January,

2012 and June, 2013. The focus will be the department that deals with sustainability of corporate social responsibility in their Nairobi Headquarters. This would give the researcher a more central point to access the relevant and necessary information that would enhance achievement of the research objectives.

## **1.2 Statement of the Problem**

A successfully managed project must involve effective management of the resources assigned to the project. These include the labour hours of the designers, the builders, the testers and the inspectors on the project team. It also includes managing any labour subcontracts. To enhance CSR project sustainability, a rigorous sustainability analysis is needed at the time of formulation of a project. It is expected that such an analysis which is to be followed up by development of a sustainability strategy will assist in incorporating the elements of sustainability, right at the design stage of a project. However, managing project resources frequently involves more than people management. The project manager must also manage the equipment used for the project and the material needed by the people and equipment assigned to the project (Reh, 2013)

CSR activities are on the increase in Kenya, with major corporate players trying to out-do each other in terms of endearing themselves to the local communities in terms of participating in community projects, sinking boreholes, providing educational scholarships, sponsoring charity events, among others. What has been missing, though, is the link between the much-hyped CSR projects and the needs of the local communities.

Organizations are profit maximizing entities. However, with changing structure of the business environment, the role of organizations has changed dramatically. Today, organizations are an intrinsic part of social life. Hence organizations are social agents contracting with other agents, as a part of chain; their aim goes beyond simple profit-maximization. It is assumed that organizations construct the business environment and agents are the members of social society. Therefore, each individual either voluntarily or involuntarily plays the role of an agent (Yasemin, 2010).

The intention of this research is to establish the determinants of CSR sustainability in corporate organizations with particular reference to whether and how using such programmes impact on the telecommunication sector in Kenya. This study proposed the following as the determinants of CSR sustainability: Government policy and regulation; Corporate profits; Community involvement and Management styles and policies.

### **1.3 Research Objectives**

#### **1.3.1 General Objectives of the study**

To investigate the determinants of CSR projects sustainability in Kenya, with specific emphasis on mobile phone service providers in Kenya.

#### **1.3.2 Specific objectives**

The researcher was guided by the following specific objectives:

- a. To find out how Government policy affects sustainability of CSR projects
- b. To investigate how Corporate profits affect the sustainability of CSR projects
- c. To investigate how Community involvement affect the sustainability of CSR projects.
- d. To examine how Management Style affects sustainability of CSR projects

### **1.4 Research Questions**

The researcher was guided by the following research questions:

- a. How does Government policy affect sustainability of CSR projects?
- b. How do Corporate profits affect the sustainability of CSR projects?
- c. How does Community involvement affect sustainability of CSR projects?
- d. How does Management Style and Policy affect the sustainability of CSR projects?



## **1.5 Significance of the Study**

The study was significant as the researcher hopes that the study will give Safaricom, Telkom, Airtel and Yu mobile a reason to rethink and be more active in participation in the CSR projects specifically in giving the information that affects them in regards to what affects the sustainability of CSR projects. The research is also aimed at refocusing the CSR projects, especially considering that these four mobile phone providers concentrates mostly on sponsorship of events that promotes well being of the society. It is hoped that with insight from this study, CSR scope could be expanded to cover all aspects that might be causing the limitations in achievement of those projects objectives.

The study provided background information to research organizations and future researchers who would want to carry out further research in their area of study. It also facilitated individual researchers to identify gaps in the current research and carry out various researches in those areas, especially given the limits and constraints contemplated for this study.

The study was significant to any other organizations in Kenya who take part in CSR projects by giving them an opportunity to be more active in undertaking and sustaining CSR projects. The organizations, it is hoped, will find the results of this study and the subsequent recommendations useful in terms of re-engineering their CSR activities to reflect the needs of the local communities as well as ensure that the corporations reap benefits globally associated with CSR.

## **1.6 Scope of the study**

The proposed study focused on mobile phone service providers and more specifically the CSR projects in their Kenya operations, with data being collected from Safaricom, Telkom, Airtel and Yu mobile Nairobi head offices. All the four mobile telephone providers' headquarters are located in Nairobi.

## **1.7 Limitations of the Study**

Kenya is a multicultural country hence the shortcomings of the study will be specific to the area. In general, some challenges foreseen by the researcher include: First, the firms which will be used in the study are not the only ones involved in CSR projects. There are many others firms undertaking similar CSR projects in Kenya but because of limited resources all cannot be studied at once and since the data will be obtained from the companies from their annual reports there may result a generalizability effect. This will be overcome by exercising caution in the interpretation and generalization of the results and conclusions/recommendations. Secondly, since the study focuses on a number of selected CSR projects with the project managers being the major respondents, one project manager may end up responding to more than one questionnaire in the light that he managed more than one of the CSR projects thereby not giving out an appropriate outcome to the study. To counter this challenge, the respondents will be restricted to indicate on the survey instrument the specific CSR project they are responding to thereafter during the data analysis, sorting will be done based on one individual's response per CSR project. Lastly, the respondent's effect will be countered by adequate training of the research assistants.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This paper provides an overview of the literature about Corporate Social Responsibility, and presents some of the key debates in this area. After considering how CSR might be defined, the paper provides context for the debate by outlining social, economic and management factors driving the sustainability of CSR. There is then a discussion of the contested nature of CSR, in particular in terms of its instrumental or normative value. Such debates are then related to notions of the role and nature of corporations. Finally, the role in CSR of the manager and issues relating to stakeholders and diversity are considered. The European Commission defines CSR as: "a concept whereby companies integrate social and environmental concerns in their business operations and in their interactions with their stakeholders on a voluntary basis" (European Multistakeholder Forum on CSR, 2004: 3). This paper provides a view of different personalities on the factors that influences this integration of social and environmental concerns in business operations.

#### **2.2 Theoretical Framework**

Project sustainability is a major challenge in many developing countries. Large number of projects implemented at huge costs often tends to experience difficulties with sustainability. All major donors, such as the World Bank, the Asian Development bank and the bilateral aid agencies have been expressing concerns on this matter. According to several recently conducted studies, while the trend with implementation is showing significant improvement, the trend with post implementation sustainability is rather disappointing - increasingly, fewer projects are being sustained. This means that while huge expenditures are being incurred by these countries in implementing projects, poor sustainability is depriving them from the returns expected of these investments.

Given that projects still account for much of the focus and structure of development activities, research shows that identifying, planning, and implementing a project for benefit sustainability requires an additional development mindset reinforced with some practical management

knowledge—from the inception of a project idea to the completion of the intended returns on investment (Marcus, 2005). Sustainability involves the ability of a project to maintain its operations, services and benefits during its projected life time.

CSR is a concept founded on the premises that corporations, both for profit and not for profit have various stakeholders whose different interests are affected one way or the other by an organization's goals, operations or the behaviour of its members. An organization's managers for instance are more concerned and interested in the size and growth of the organization, its profitability, job security, social status, power and prestige. Business owners on the other hand have profitability of the organization as their primary interest. No wonder in business, the profit is simply called "the bottom line". The community in which the organization operates will be interested in employment opportunities, increased economic activity, improved development and good environmental management (Infotrack East Africa, 2012).

It should also be noted that if a government for reasons better known to itself, decides to provide support to a certain activity and maintain its sustainability without regard to its economic viability, then that is a choice that the government has made and that the issue of sustainability of such an activity should be seen purely from the perspectives of a decision taken by such a government.

In Kenya, corporations have heightened their CSR participations across the board, be it in sponsoring sporting events or offering educational scholarships to needy students. Despite all these heightened activities, there is still a wide gap between the objectives of the CSR programmes and their actual results. It seems that the CSR projects do not result in desired effects to either the local communities or the corporations, thus necessitating an incisive examination into the ailment.

With crowded marketplaces and competing brands across the market, companies strive for a unique selling proposition that can separate them from the competition in the minds of consumers. CSR, as a marketing tool, can play a role in building customer loyalty based on distinctive ethical values. For instance, a company like Airtel which deals in telecommunication can boost public perception of its ethical values through sustained media campaign and

initiatives that promotes the well-being of the less fortunate in the society. This would be by rapid response to disaster management or even through provision of basic needs such as health, water and education among others. A number of variables are presented in this study as affecting the study area. They include government policy, management style and Policy, corporate profits, and community involvement. Each variable is discussed in detail in the following paragraphs.

### **2.3 CSR projects sustainability**

It is now recognised that poverty reduction and sustainable development will not be achieved through government action alone. Policy makers are paying increasing attention to the potential contribution of the private sector to such policy objectives. The concept of corporate social responsibility is sometimes used as shorthand for businesses' contribution to sustainable development. A number of core development issues are already central to the international CSR agenda. They include labour standards, human rights, education, health, child labour, poverty reduction, conflict and environmental impacts. (Bendell, 2005).

To ensure projects sustainability a number of factors have been proposed in the past and a project's success will be determined by the level of adherence to the set project design or a projects' failure would be a result of complete ignorance of one of those determinants. A number of these proposed measures include: integrating income generating activities into project plans; involving beneficiaries from the start and clearly stipulating their roles; proper commissioning of project; ensuring proper monitoring through field visits when projects are on; constituting a project management committee and operationalize it from the initiation stage through to hand over on termination of the project (Kiende, 2012).

Tango international (2009) further suggests that the design, implementation, supervision and evaluation of projects at appropriate level would offer a positive result on the clearly set objectives of any project. He further states that community participation, a flexible design, assessment of risk, environmental appropriateness of a project and building on existing assets and knowledge would be a plus for projects' success. It is therefore necessary for CSR projects to have a clear blue print of how their design, implementation, supervision and evaluation at appropriate levels are to be structured if sustainability is to be realized.

In market economies, the primary purpose of companies is to maximise shareholder value (e.g. economic profit, share price and dividends) bound by legal/regulatory obligations which address specific social and environmental issues. For this, companies pursue competitive strategies which rely upon and develop relationships between the corporation and its stakeholders.

Since the early 1990's, corporate responsibility issues including the social obligations of corporations have attained prominence in political and business debate. This is mainly in response to corporate scandals but also due to the realisation that development centred only on economic growth paradigms is unsustainable and therefore there is a need for a more pro-active role by states, companies and communities in a development process aimed at balancing economic growth with environmental sustainability and social cohesion. CSR and corporate sustainability represent the way companies achieve enhanced ethical standards and a balance of economic, environmental and social imperatives addressing the concerns and expectations of their stakeholders. Corporate governance reflects the way companies address legal responsibilities and therefore provides the foundations upon which CSR and corporate sustainability practices can be built to enhance responsible business operations. (CSR QUEST, 2007)

A sustainability strategy is a follow up activity of sustainability analysis and is expected to indicate the way various elements of sustainability are to be identified, assessed and incorporated into a project or a programme, right at the design stage. This strategy is expected to specify various complements / constraints to sustainability and make provisions for their incorporation / tackling during formulation/design, implementation and operation and maintenance stages of a project. It is therefore important for corporate organizations put in place a sustainability strategy before undertaking a CSR project.

Responsible business practices can in many ways contribute to sustainable development. Within the concept of Corporate Social Responsibility, companies consider the interest of society by taking responsibility for their impact of their activities. It promotes both the integration of social, ecological and governance aspects into business strategies and operations and engagement in collective action in support of sustainable development. The concept is seen to extend beyond

the statutory obligation to comply with legislation. In a bid to strengthen the involvement of government in developing countries, policy dialogues could be effectively used to improve the enabling environment for CSR concepts, clarify mutual expectations, and explore the potential for public-private cooperation. (GIZ, 2007).

Kenya derives about 65% of its gross domestic product (GDP) from services, nearly 16% from agriculture and almost 20% from industry. Kenya has had greater exposure than Zambia to the international CSR agenda, through supply chain pressures on issues such as labour rights – although of course, the mining sector has also attracted a fair amount of international NGO attention to environmental issues and human rights. (Bendell, 2005). It is therefore important for a developing country like Kenya to embrace the engagement of Corporate companies in CSR activities and further emphasize various ways in which these activities can be efficiently sustained for better economy purposes.

### **2.3.1 Factors Influencing Sustainability**

#### **2.3.1.1 Government Policy**

By government policy we refer to regulations, statutes, broad policies as well as taxation. The Kenyan Constitution is the main document when it comes to governmental policy. Regarding products and possibly in relationship to CSR, Article 46 thereof provides for consumer rights of persons. The rights include right to adequate information on product, to protection of health and economic interest, to compensation for defects arising out of a product etc (Constitution of Kenya, 2010).

A question of interest therefore in the contemporary debate of CSR is whether government should assist business to exceed its legal obligations and hence commit itself to socially responsible behaviour, as defined in current terms. A second question considers the nature of a potential government role: Should government create the opportunities/enable business to opt for the business case for CSR? Or should government create the environment for business to realise the potentials of seeking legitimacy directly from the firm's stakeholders rather than shareholders

alone? Interestingly, recent published studies suggest that government may play a role to encourage and promote the social responsibility of business (Bitcha et al ..., 2004).

Corporations could re-design their CSR activities to take into account this clear provision of the Constitution by ensuring that during the various levels of the project lifecycle that is at the design, implementation, supervision and evaluation of the CSR projects, they provide information to the public on their brands, and possibly on side effects. This right of consumers should prompt the telecommunication industry at large to enlighten the consumers on the possible side effects of telephone usage if any and offer available solutions. By initiating CSR activities which aim at boosting the ethical image of a corporation, the corporation stands to benefit from public support and sympathy in the event of defects in its brands and in the event of any governmental clampdown on its activities as the public will perceive such as a possible risk to the ongoing communal projects carried out by the corporation.

The main tool used by the government to check or control corporate activities is taxation. Taxation on corporate income may have negative effects on CSR projects sustainability especially if they are dependent on the ultimate profit of the corporation. Corporations may make use of tax incentives to boost their corporate brands and maximize economy through CSR activities, hence the need to ensure the sustainability of CSR projects. Section 13 of the Income Tax, for instance exempts certain classes of income from taxation. They include income by trust, charity organizations, amateur sporting associations etc. it provides that the income of an institution, body of persons, or irrevocable trust, of a public character established solely for the purposes of the relief of the poverty or distress of the public, or for the advancement of religion or education is exempt from tax if it accrues in Kenya (Income Tax Act, Cap 470).

Corporations are keen to avoid interference in their business through taxation or regulations. By taking substantive voluntary steps, they can persuade governments and the wider public that they are taking issues such as health and safety, diversity, or the environment seriously as good corporate citizens with respect to labour standards and impacts on the environment. (Safaricom Foundation, 2012) In addition, the government authorities should put a measure that protects the corporate companies to enable them sustain CSR projects.



### **2.3.1.2 Corporate Profits**

Milton Friedman and others have argued that a corporation's purpose is to maximize returns to its shareholders, and that since only people can have social responsibilities, corporations are only responsible to their shareholders and not to society as a whole. Although they accept that corporations should obey the laws of the countries within which they work, they assert that corporations have no other obligation to society.

The businessmen believe that they are defending free enterprise when they declaim that business is not concerned “merely” with profit but also with promoting desirable “social” ends; that business has a “social conscience” and takes seriously its responsibilities for providing employment, eliminating discrimination, avoiding pollution and whatever else may be the catchwords of the contemporary crop of reformers. In a free enterprise, private-property system, a corporate executive is an employee of the owners of the business. He has direct responsibility to his employers. That responsibility is to conduct the business in accordance with their desires which generally would be to make as much money as possible while conforming to the basic rules of the society, both those embodied in law and those embodied in social events. (Milton Friedman 2007, 173-174)

It is perceived that CSR is in-congruent with the very nature and purpose of business, and indeed a hindrance to free trade. Those who assert that CSR is contrasting with capitalism and are in favour of the free market argue that improvements in health, longevity and/or infant mortality have been created by economic growth attributed to free enterprise. It important therefore for any organization to integrate income generating activities into their project plans so that they are able to sustain those projects even without targeting the organizations profits only.

Friedman noted that there are many circumstances in which a firm’s manager may engage in actions that serve the long-run interest of the firms’ owners and that also have indirectly a positive social impact. Examples are: investments in the community that can improve the quality of potential employees, or contributions to charitable organizations to take advantage of tax deductions. Such actions are justified in terms of the firm’s self-interest, but they happen to generate corporate goodwill as a by-product. Furthermore, this goodwill can serve to

differentiate a company from its competitors, providing an opportunity to generate additional economic profits. Friedman's argument provoked economists to explore the conditions under which CSR can be economically justified. Economists Bryan Husted and José de Jesus Salazar, for example, recently examined an environment where it is possible for investment in CSR to be integrated into the operations of a profit-maximizing firm. The authors considered three types of motivation that firms consider before investing in social activities:

- *altruistic*, where the firm's objective is to produce a desired level of CSR with no regard for maximizing its social profits, i.e., the net private benefits captured by the firm as a consequence of its involvement in social activities;
- *egoistic*, where the firm is coerced into CSR by outside entities scrutinizing its social impact; and
- *strategic*, where the firm identifies social activities that consumers, employees or investors value and integrates those activities into its profit-maximizing objectives. In agreement with Friedman, Husted and Salazar conclude that the potential benefits to both the firm and society are greater in the strategic case: when the firm's "socially responsible activities" are aligned with the firm's self-interest. (Rubén and Christopher, 2009)

Modern theoretical and empirical analyses indicate that firms can strategically engage in socially responsible activities to increase private profits. Given that the firm's stakeholders may value the firm's social efforts, the firm can obtain additional benefits from these activities, including: enhancing the firm's reputation and the ability to generate profits by differentiating its product, the ability to attract more highly qualified personnel or the ability to extract a premium for its products. (Rubén and Christopher, 2009)

The proponents of the view that a firm exists solely for making profit argue about the market being the final arbiter of allocating resources and point to the market as the place where incentives for allocating resources for social and environmental causes is to be found. The opponents of this view take the stand that everything cannot be left to the market and there needs to be a mechanism in place whereby the environmental and social causes need to be taken care of.

Wilson (2008) suggests that it is a mistake for organizations to reduce their CSR projects. In order to cope with the financial and economic downturn, organizations need to focus on providing society's needs; therefore, transparent CSR projects could provide the social support needed by organizations and society to overcome the down turn. The financial crisis has raised the question of whether supporting CSR initiatives is a good issue in financially troubled times. If organizations are purely profit maximizing units, it would be expected that they would not engage in CSR projects in times of financial crisis, however, CSR is more demanded in times of financial crisis (Matten & Moon, 2008). Sometimes organizations perceive CSR magnificent in times of financial crisis. However, for long term sustainability and stability, CSR is required for all companies.

### **2.3.1.3 Community Involvement.**

Community enterprises are distinguished from other third sector organisations by their generation of income through trading, rather than philanthropy and/or government subsidy, to finance their social goals. They also include democratic governance structures which allow members of the community or constituency they serve to participate in the management of the organisation. Partnerships between corporations and community enterprises therefore raise the possibility of corporations moving beyond philanthropic donations toward a more sustainable form of intervention involving long-term commitments to communities. At the same time they change substantively the nature of any collaboration by allowing relationships to proceed on the basis of mutual advantage, thereby broadening their appeal and scope. Power relations are transformed because partners are seen as sources of valuable assets, knowledge and expertise, rather than recipients of patronage or charity (Paul et al.. 2005).

Butterfoss (2006) suggests that community participation should be measured only based on the process (who, how, when, why, how many, how much of the community participates, and initiative) and program outcomes. She puts forth six measures, which serve as the conceptual framework for the evaluation of public participation: Opportunities and Levels of Decision-making; Degree of Local Ownership Perceived and/or Achieved; Satisfaction with the Process of Participation; Achievement in terms of Long-term Goals; Diversity of Participants (ethnicity, gender or age) and Benefits and Challenges of Participation.

Critics of this argument perceive the free market as opposed to the well-being of society and a hindrance to human freedom. It is claimed that the type of capitalism practiced in many developing countries is a form of economic and cultural imperialism, noting that these countries usually have fewer labour protections, and thus their citizens are at a higher risk of exploitation by multinational corporations.

Businesses on their own are subject to local conditions such as the tastes of their customers, the cost of their materials, the productivity of their employees, and so on. As a result, they can behave wildly different from each other. But in aggregate, their behaviour rolls up into macro-economic indicators – unemployment, inflation, and interest rates, for example. Instead of CEOs calling the shots, the Fed, the Treasury Secretary, and the House Budget Chair – non-business players – have some of the biggest sway.

The same disconnect occurs between corporate citizenship as practiced by individual companies and socio economics as influenced by politicians and stakeholders. Whereas corporate citizenship and CSR are strategies individual companies use to address social and environmental issues, socio-economics is the study of the interplay between business and society as a whole. Many business leaders used to think of CSR as a proxy for philanthropy or community relations. It was an add-on to the business, a cost centred that was priced based on whim or some arbitrary rule of thumb. Community involvement, on the other hand, has always engaged people with deep questions – how will globalization affect the clash of civilizations? What will global supply chains mean for labour relations or environmental practices? How will specific industries affect the structure and design of communities? What does energy mean for the environment? How does the transition to the knowledge economy affect our education system and vice versa? Many people are struggling to get a grip on socio-economics today. They are trying to understand economics and its relationship to technology, social structures, urban planning, the family, the environment, culture, and so on. (Jordan, 2012). Firm-specific variables are also influential in affecting CSR initiatives. An alignment of CSR with firm mission and values is an important predictor of CSR (Bansal, 2003)

Working for socially responsible companies leads to increased organizational identification, employee engagement, retention, organizational citizenship behaviour, employee commitment,

in-role performance, employee creative involvement and improved employee relations. In addition, CSR increases firm attractiveness to prospective employees. (Glavas et al, 2009) which of course is every firm's desire in any society. It is therefore necessary for corporate organisations to be able to ensure the sustainability of any CSR project they initiate by allowing community involvement in their CSR projects at the various levels of design, initiation, implementation, monitoring and evaluation all through to the level of handing over when the project is terminated.

CSR is understood to be a means of distinguishing and protecting brands and creating trust, and to attract and retain both potential employees and consumers. Organisations such as the UN, the World Bank, and the European Union have embraced CSR hoping that the private sector can play a key role in achieving developmental goals (Newell et al., 2007) such as poverty reduction, improved healthcare and gender equity.

The presence of strong social values such as social responsibility has a powerful impact on organisations and their actions. It leads them to use a community involvement model of decision making in which both social costs and benefits are considered along with the traditional economic and technical values. Corporate social responsibility in the form of corporate philanthropy, or donating to charities, has directly benefited the shareholders, and corporate donations were mostly on the agenda of those companies that could afford it. Today's concept of corporate social responsibility was developed primarily with the notion that corporations have responsibilities that go beyond their legal obligations.

#### **2.3.1.4 Management styles**

Strong and responsible governance requires that a skilled, knowledgeable and dedicated Board of Directors be at the helm. A board that is accountable for supervising the management of their company to increase profitability and enhance shareholder value. CSR projects vary from country to country and region to region. Each society has different issues to be solved with the help of a business corporation.

CSR for project managers means a lot in that, a project manager being in the frontline of new or changed activities within an organisation is perfectly positioned to influence the organisation's

operations towards greater sustainability (Russell, 2008). The role of the manager and other key decision makers is a central concern of much CSR projects literature. Key staff members are understood to face a complex task in implementing CSR values in concrete situations, and potentially to lack the skills to do so. Much of the literature suggests that commitment of employees and in particular decision-makers is essential to successful CSR. The personal values of managers are understood to be important, relating to the status of the manager as a 'moral actor' (Wright, 2011). Also interactions between organisational culture and personal values of managers are seen to be significant (Hemingway, 2005).

All managers use a management process which consists of four major components namely: - Planning; organizing; Leading and Controlling. Then within the same process, there are different roles at different level of organization hierarchy. Since management process is to plan, organize, lead and control, it is crucial to perform all these components within the process. In a complex business environment today, the work environment varies in accordance to the situation and people behaviours. As such, a manager needs to understand this and apply the most appropriate management style.

The most common mentioned management styles used in the real business environment are Autocratic, Democratic, Participative and Laissez Faire styles. Tightly controlled (autocratic), the leader alone makes decisions, with staff being informed of these decisions and then carrying out the task. Democratic (Persuasive or Consultative), the leader makes the decisions, and then persuades workers that his decision is the correct one. The leader consults staff before a decision is made. Participative, the leader has the final say, but takes staff views into consideration. Laissez-faire (loose), opinions are not forced on staff, with no formal structure for decision making. None of the above is the correct approach, but they do have differing effects on those within the organisation. An organisation is output orientated, and this will certainly affect motivation of all staff and in turn affect even the CSR projects participation and sustainability issues. A supportive management style is said to foster: Worker satisfaction, lower staff turnover and grievance rates with fewer inter-group conflicts. With extremely high levels of staff turnover, the style of management may have an important role to play in this area. Motivation is also significant and this will be discussed further on in this report (Lussier, 2011).

CSR is good for business and likely to lead to increased competitiveness and legitimacy. Firm-specific variables are also influential in affecting CSR initiatives. An alignment of CSR with firm mission and values is an important predictor of CSR (Bansal, 2003). An incidence like a change in top management specifically the decision makers, could drastically affect a company's ability to sustain CSR. It is important for an organization to watch out not to have a high turnover of top management for example the Board of Directors who are fundamental in decision making as corporate management styles and policies are very crucial to CSR activities that may be beneficial to a given society. In the same way, as a means to a success of any CSR project, management must ensure that a project committee is constituted and operationalize it in time from the initiation stage all through to the termination stage. This team should ensure an appropriate risk assessment before initiation of a project, sufficient follow up at all stages of the project and should survey the beneficiary community's environment for appropriateness of such a project even in the long run. The team should put more emphasis on the exploitation of available assets and knowledge of the organization as a means of both corporate and societal gain whenever undertaking any CSR project and its long term sustainability.

It is suggested that one obstacle to the implementation of CSR is "a new set of jargon to be made concrete to their circumstances or translated into business language" (European Multistakeholder Report, 2005: 9). It is clear that the task of including CSR considerations in decision making potentially requires skills and information that managers may not have, and that this could present difficulties.

However, others argue that it is more important to provide ethics training to enable managers to make informed decisions, and to increase skills in ethical decision making. (Katy Wright, 2011). Such training is intended "not to convert 'unethical' individuals but rather to help the majority of essentially well-meaning people in organisations appreciate and understand the moral significance of events around them, and to respond appropriately". The reflexivity about personal values might also be a useful skill for managers, (Hemingway, 2005), but there are significant restrictions on people's ability to employ this skill. Rather than being about the rational application of principles, managers face conflicted, power-infused, pressured and resource limited application of moral principles.

It is also important to acknowledge the variations in individual capability of managing different organizations. These capabilities are influenced greatly by the individual morals and ethics in doing the particular business. Goodpaster (2007) also acknowledges these tensions and contextual limitations:

It is also perhaps important to consider what might be an ethical issue and how the definition of such issues might change over time - for example environmental issues were not always seen as ethical in nature. This implies a need for managers to be aware of constantly evolving societal values and priorities, and to be responsive to these changing concerns. So there are a number of questions raised about business people as moral actors, about ways of developing appropriate skills and knowledge, and of ensuring they act in accordance with ethical norms.

Managers and other decision makers in an organization should ensure that before they engage in any CSR projects they must put in place relevant policies and regulation that would govern the undertaking of those projects and their sustainability. They must also ensure that they have relevant skills and knowledge that would be necessary for carrying out the CSR projects. If any of skills are lacking then appropriate training or outsourcing of personnel to undertake the responsibility of the project from the design level all through to the termination on handing over is required.

A good institutional analysis will be a plus to the management standards as they would know what levels of CSR involvement would still be of positive impact to their organizations. Corporations are also expected to be aware of, and to apply principles of, a range of multilateral, national and regional policies relating to, for example, rights, public participation in decision making, information sharing, and environmental responsibility, sustainability and poverty eradication. These are understood to be generalisable standards, though difficulties arise at the points of implementation and in seeking to combine them with localised value systems. All such policies can be seen as an attempt to codify ethical principles into objective standards of practice, and they are often presented as value-free, though there is a great deal of debate about this. (Wright, 2011)



## **2.4 Review of Previous Studies**

Making a project sustainable requires an investment of time, resources and commitment at all levels of the organisation. Illawarra NSW-Health (2013) suggests the following on how to achieve sustainability and maintain improvements: Merge project governance into an established structure that addresses patient flow at all levels of the organisation; Have a long term vision and goals for the project and frequently revisit and re-affirm project goals; Develop wide participation to weather staff changes; Share power so that all staff takes responsibility for ownership; Implement an ongoing training and education plan which should incorporate change and project management; Implement a marketing plan to continually promote the project and raise awareness of the values and benefits to patient journeys; Coordinate with other initiatives; fit in with other programs to achieve organisational goals.

In a recent study, leading research firm Infotrak Harris concluded that CSR is not just a goodwill gesture by organizations wanting to look good to the public in order to hike their profits. It is a prerequisite for good corporate leadership and governance as well as sustained operation and profitability. CSR is in fact a corporate competitive marketing strategy that ensures high organizational and product visibility thereby branding the business as an organization that cares about its consumers, the community it does business with and other stakeholders. It further noted that it is for the foregoing reason that is why in many cases, an organization will prefer to sponsor a CSR activity with one of the company's products. The increasing globalization of economies effect the geographical area that organizations influence. Whether intentionally or not, many organizations are influenced by international stakeholders whether these are competitors, suppliers or (potential) customers. The behaviour and actions of organizations therefore have an effect on economic, social and environmental aspects, both locally and globally. "In order to efficiently address these nested and interlinked processes sustainable development has to be a coordinated effort playing out across several levels, ranging from the global to the regional and the local" (Gareis et al., 2011).

Organizations require implementing partners for their CSR programs since the activities are often not within the company's core competence. Not all organizations may have the resources to set up foundations and in any case, successful CSR programs essentially have to have

community implementing partners. Communities should therefore form their own credible structures to partner with organizations in their implementation of CSR projects and programs. Such structures include non-governmental organizations, community based organizations, women, youth and self-help groups, special interest groups such as environmental, HIV/AIDS, town management committees and village development committees. Individuals could also form credible for profit CSR implementation organizations.

Sustainability implies that “the natural capital remains intact. This means that the source and sink functions of the environment should not be degraded. Therefore, the extraction of renewable resources should not exceed the rate at which they are renewed, and the absorptive capacity of the environment to assimilate waste, should not be exceeded.” This principle is common knowledge in business from the economic perspective. Finance managers know that a company which does not use its income to pay for its costs, but instead uses its capital, will soon be insolvent. From a social or environmental perspective, however, the impact may not be visible in the short-term, causing degradation of resources in the long run. In order to be sustainable, companies have to manage not only their economic capital, but also their social and environmental capital (Silvius, 2004).

CSR activities are likely to be more effective both to the target beneficiaries and the initiating organization when carried out either as high impact projects, timed or open ended programs than when done as one off events. Some organizations just carry out one time or many uncoordinated high media profile events erroneously believing that the members of the public will remember the events, hold the organization in high esteem and increase their business transactions with the company. Unfortunately, such events are a waste of resources because their impact is like a grass fire- quick, short-lived and quickly forgotten. They neither effectively benefit the organization nor the targeted beneficiaries.

Programmatic CSR activities eventually cultivate loyal partners and a grateful clientele thereby developing a highly productive and sustainable relationship between the initiating organizations, partner donors both individual and corporate as well as beneficiaries in the community. Such a relationship should be the target of any organization with CSR programs. Good examples of such relationships are the Dettol Heart Run, Safaricom Marathon and the Rhino Charge where

individual and corporate Kenyans as well as some foreigners book the activities in their diaries and set aside funds to participate.

## **2.5 Research Gaps**

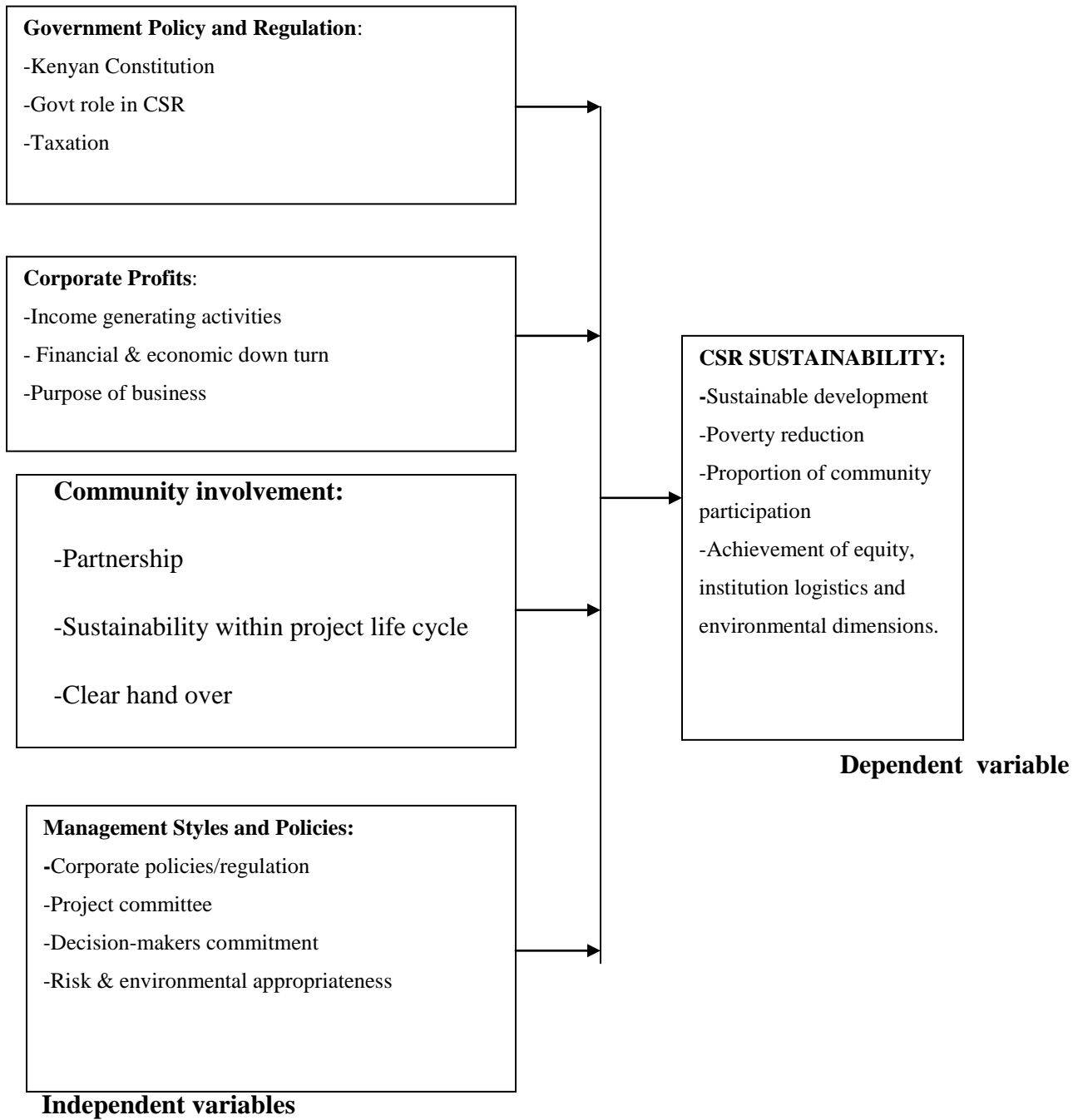
CSR has been established by previous researchers as a fundamental requirement in every society especially in developing countries an example being Kenya. The studies have been very extensive. However, the researcher has the view that more improvement should be availed in terms of research designs and the presumably small issues which intern influences CSR sustainability. There should be defined government policies that govern CSR activities. Further, the government of Kenya in particular should look for resources to increase the output of CSR sustainability. This will only happen if the government provides incentives to corporate institutions for example issues to do with tax incentives on CSR.

Management and decision makers of corporate organisations should have a sustainable approach to CSR projects either as part of their style or could be as well captured in their organization policies.

## **2.6 Conceptual Framework**

The model depicted below shows the relationship between the dependent and independent variables which shows how the sustainability of CSR is affected by government policy and regulation, corporate profits, community involvement and management styles and policies;

Figure 2. 1Conceptual Framework



Source ; Author 2013.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter outlines the scope of methodological procedures used in the study. The main aspects covered include research design, target population, sample design, data collection procedures and instruments as well as data analysis and presentation.

#### **3.2 Research design**

The researcher used a descriptive research design. Descriptive research design is primarily concerned with addressing the particular characteristics of a specific population of subjects, either at a fixed point in time or at varying times for comparative purposes (Rice, 2007). Moreover, descriptive research designs are characterized by systematic collection of data from members of a given population through questionnaires (Lewis, Saunders & Thornhill, 2009). A descriptive research design provided an appropriate technique of collecting the information with respect to the study of variables or conditions that are involved in the study of determinants of sustainability of CSR.

#### **3.3 Target population**

The target population was the completed major CSR projects of the respective organizations undertaken between January, 2009 and January, 2013. This was represented by one respondent per project from the respective staff that participated in those CSR projects at the various life cycle stages and is stationed at their Nairobi Headquarters. This target population was from 212, 188, 108 and 80 CSR projects undertaken by Safaricom, Telkom, Airtel and Yu organizations respectively (Websites of the respective companies).

#### **3.4 Sample design**

The researcher used probability sampling technique to identify the respondents. This means of sampling ensures that the researcher is able to identify a random population from the CSR projects at Safaricom, Telkom, Airtel and Yu mobile in Kenya without being biased or pre-selecting a group of respondents. The researcher took a sample of 10% from the target

population above using stratified sampling technique as per the organization. The choice of 10% is considered adequate because according to Kothari (2012), a representative is one that is at least 10% of the population of interest. This would be done as indicated in the table 3.1 below:

Table 3. 1 Sample size

<b>Company</b>	<b>CSR Projects frequency (Jan 2012-June 2013)</b>	<b>Sample percentage</b>	<b>Sample size</b>
Safaricom	212	10%	21
Telkom	188	10%	19
Airtel	108	10%	11
Yu	80	10%	8
<b>TOTAL</b>	<b>588</b>	<b>10%</b>	<b>59</b>

Source: Respective company websites and the researcher.

The researcher choose stratified sampling design as an appropriate means to use in the study because it makes it possible to demarcate the items or individuals of the population in strata, then from a random starting point every  $k^{\text{th}}$  member of the population was selected for the sample. This made easy to determine sampling distribution of mean or proportion

### **3.5 Data collection and procedures**

The researcher used open-ended and closed-ended questionnaires to obtain the primary data for this study. These was delivered to the respondents as hard copies through drop and pick method by the researcher and the research assistants. The information collected through the questionnaires form part of the qualitative approach in a research as it explores in depth the research topic and ensures that the major details that are important to the whole study being conducted have been effectively studied. The study also used the secondary information to provide a useful background and identify key questions and issues that will need to be addressed by the primary research (Steppingstones, 2004).

Secondary sources of data were mainly obtained from journals and books. Secondary sources of data will help in explaining different conclusions based on previous studies that have been

conducted and concluded, while the primary data sources will be information collected by the researcher himself specifically for the study (Pervez & Kjell, 2005).

### **3.6 Data analysis and presentation**

The data collected from the study was analysed using descriptive data analysis. Descriptive data analysis was useful in summarizing the group of data using a combination of tabulated description (i.e. tables), graphical description (i.e. graphs and charts) and statistical commentary (i.e. a discussion of the results). This permitted the researcher to describe many pieces of data with a few indices thereby presenting the data in a more meaningful way and allow simpler interpretation of the raw data. By this, the data was analysed appropriately. According to (Jewell, 2011) data needs to be analysed and presented in a way that communicates the information and enables accurate conclusions to be drawn. The respondent's views will be categorized on a question by question basis.

## CHAPTER FOUR

### RESEARCH FINDINGS AND DISCUSSIONS

#### 4.1 Introduction

This Chapter presents the analysis and findings of the study. It provides general information of the sample studied from all organization in determining how Government policy affects sustainability of CSR projects, how Corporate profits affect the sustainability of CSR projects how Community involvement affect the sustainability of CSR projects and how Management Style affects sustainability of CSR projects.

##### 4. 1.1. Response Rate

A sample of 59 projects was selected through stratified sampling technique based on the various organizations. Overall response rate of 76% percent of the targeted sample was realized. The analysis was thus done using 45 filled and returned questionnaires. This was deemed adequate and sufficient for purposes of data analysis. Table 4.1 below show the distributions.

**Table 4. 1Response Rate**

<b>Company</b>	<b>Target questionnaires</b>	<b>Obtained questionnaires</b>	<b>% of response rate</b>
Safaricom	21	16	76.19
Telkom	19	15	78.95
Airtel	11	8	72.73
Yu	8	6	75
<b>TOTAL</b>	<b>59</b>	<b>45</b>	<b>76.27</b>

Source: Survey data, 2013

As shown in Table 4.1, response rate was relatively proportional to the sample target representation, the respondents were quite cooperative. The data provided was taken to be a true



representation of the respondents' views due to the independence of the study carried out from the organization.

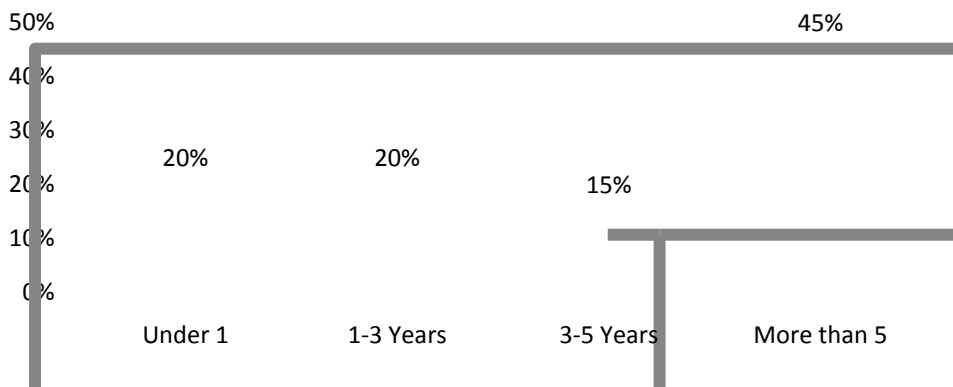
## 4.2 Background Information

A survey instrument in form of a questionnaire was used to capture data on determinants of sustainability of Corporate Social Responsibility projects in Kenya with specific emphasis on mobile phone service providers in Kenya. The structure of the questions started with the general questions followed by questions targeting each of the independent variables. The

### 4.2.1 Length of Service

The length of service was varied with 20 % of respondents having worked below one year, 20 % between 1 -3 years 15% between 3 -5 years and 45% above 5 years. The results are shown in figure 4.1 below

**Figure 4. 1 Years of Service**



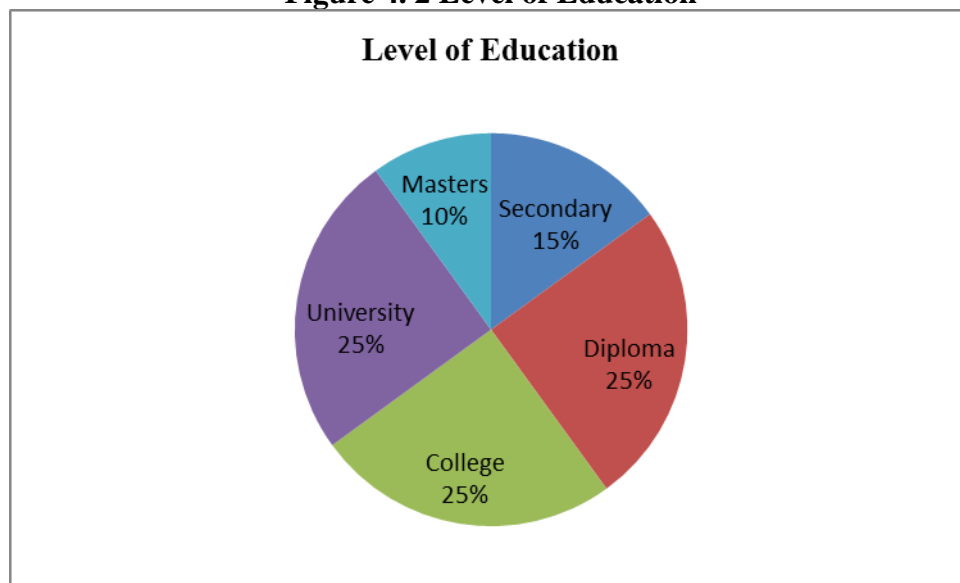
Source: Survey data, 2013

The results showed that the higher percentage of the respondents had worked in the various organizations for more than 5 years (45%). This provided a good ground for CSR projects sustainability analysis as the staff had adequate long standing knowledge on sustainability.

### 4.2.2 Level of Education

On the level of education 15% attained secondary school certification 25% attained Diploma another 25% Tertiary (college) level, 25% attained University level - Degree and 10% had Master's degree level. The results are presented in figure 4.2 below:

**Figure 4. 2 Level of Education**



Source: Survey data, 2013

The results above indicated that at least the respondents had attained a level of education beyond secondary school level, meaning they were literate enough to handle CSR projects sustainability issues appropriately with minimal difficulties if any.

### 4.3 CSR projects sustainability

The respondents were asked questions relating to CSR projects sustainability in terms of its importance, whether the companies were involved in CSR projects sustainability and whether sufficiently sustained CSR projects lead to sustainable development and poverty reduction. The responses were then analyzed independently and the data is presented in Table 4.2 below.

The respondents were asked if it was important to carry out a sustainability analysis before implementing CSR projects to enhance their sustainability. On the response 10 % disagreed 6 %

were undecided 63% Agreed and 20% strongly agreed. The results indicated that only about 16% did not support the pre-implementation CSR projects' sustainability analysis.

The respondents were asked if the company was actively involved in CSR projects sustainability. On the response 3 % disagreed 10 % were undecided 66 % Agreed and 20% strongly agreed. The results indicated that over three-quarters (86%) of the companies were actively involved in CSR projects sustainability. This shows how the companies have taken a number of core development issues central to their CSR sustainability agenda.

Whether sufficiently sustained CSR projects lead to sustainable development and poverty reduction? In response 3 % disagreed, 3 % were undecided 26 % Agreed and 66% strongly agreed. The results showed that about 92% of the respondents from the companies supported the adequately sustained CSR projects as a contributor to sustainable development and poverty reduction. This indicated that CSR projects sustainability is without doubt a core interest for the companies as a means of appreciation back to the society.

The results of the three variables analyzed above are shown in table 4.2 below:

**Table 4.2 Project Sustainability**

Statement		SD	D	N	A	SA	Total	Mean	Std Dev
Importance	No.	0	5	3	28	9	45	4.05	1.161
	%	0	10	7	63	20	100		
Involvement	No.	0	1	5	30	9	45	4.10	0.953
	%	0	3	10	67	20	100		
Sufficiently	No.	0	1	1	13	30	45	4.25	1.0698
	%	0	3	3	27	67	100		

Source: Survey data, 2013

From these results, it is evident that CSR projects sustainability is important and crucial in almost all organizations undertaking them and are directly influenced by a number of factors such as an organization recognizing the importance of sustainability analysis, level of involvement in CS projects and whether if they are sufficiently sustained they would result to development and poverty reduction. The sustainability strategy is then a follow up activity of sustainability analysis and is expected to indicate the way various elements of sustainability are

to be identified, assessed and incorporated into a project, right at the design stage. The strategy is expected to specify various complements to sustainability and make provisions for their incorporation / tackling during: formulation/design; implementation, and operation and maintenance stages of a project (M. Khan, 2000).

#### 4.4 Government Policy

The first objective of the study sought to determine how Government policy affects sustainability of CSR projects. The questionnaire had five (5) variables to be categorized as strongly agreed with, agreed with, undecided Disagreed with and Strongly Disagreed with.

**Table 4. 3 Governance**

Statement		SD	D	N	A	SA	Total	Mean	Std Dev
Tax	No.	1	5	3	15	21	45	3.9	1.1192
	%	3	10	7	33	47	100		
Policy	No.	1	0	9	14	21	45	4.05	1.099
	%	3	0	20	30	47	100		
Management	No.	3	10	14	10	8	45	3.5	1.3572
	%	7	23	30	23	17	100		
Legislation	No.	8	3	12	14	8	45	3.75	1.11803
	%	17	7	27	32	17	100		
National	No.	3	5	10	12	15	45	3.85	1.03999
	%	7	8	24	27	34	100		

Source: Survey data 2013

The analysis in the table indicates that giving Tax incentives by government is strongly agreeable, with a mode of 5 and a mean of 3.9. This is followed closely by the influence of government policies and National policies that govern CSR projects with majority of respondent agreeing. Management and Legislation variables had the lowest mean of 3.5 and 3.7 respectively indication that most respondents were undecided on the variables.

A question was posed on Government should give tax incentives to the mobile phone service providers to encourage CSR projects sustainability. 3% of the respondents strongly disagree 10% Disagreed 6% were undecided, 33% agreed and 46% strongly agreed. The results showed that the companies had a massive support for the idea that the government should give tax incentives as a means of enhancing their CSR projects sustainability, with only about 19% having a

contrary opinion. The government then would greatly influence the companies' implementations and subsequent sustainability of CSR projects.

On whether the Government Policies influences CSR sustainability by the mobile phone service providers in Kenya, 1% of the respondents strongly disagreed, 20 % were undecided, 30% agreed and 46% strongly agreed. From the results a higher percentage (76%) of the respondents had the opinion that government policies had an influence on CSR projects sustainability. This then indicated that the companies not only had the government policies as a guideline in the undertaking of CSR projects, the policies also had a great effect on the sustainability of these projects. From the results, it is clear that most respondents (39%) had the opinion that the government should take over management of the completed CSR projects with about 30% being indifferent in their opinions. This showed that the respondents had divergent views on the government coming in to take over management of the completed CSR projects.

A question was also posed on whether Government should take over management of the completed CSR projects by the mobile phone service providers in order to enhance their sustainability. The responses were as follows: 6% of the respondents strongly disagreed 23 % Disagreed 30 % were undecided, 23% agreed and 16% strongly agreed.

On whether the Government should introduce legislation to govern CSR projects: 16% of the respondents strongly disagreed, 6 % Disagreed, 26 % were undecided, 33% agreed and 16% strongly agreed. Should the Government make a national policy to govern CSR projects? The responses were as follows: 6% of the respondents strongly disagreed another 6 % Disagreed, 23 % were undecided, 26 % agreed and 33 % strongly agreed. The results here indicated that the higher percentage of the respondents (49%) had the view that government should introduce legislation to govern CSR projects sustainability. The government then would greatly influence the companies' implementations and subsequent sustainability of CSR projects.

The respondents were asked whether the government should make a national policy to govern CSR projects. The responses were as follows: 6% of the respondents strongly disagreed another 6 % Disagreed, 23 % were undecided, 26 % agreed and 33 % strongly agreed. The results

indicated that the majority of the respondent (59%) had the view that the government should introduce a national policy to govern CSR projects sustainability. This means that the government has a major influence on what the companies offer to the society. The potential government role of whether to create the opportunities/enable business to opt for the business case for CSR or create the environment for business to realise the potentials of seeking legitimacy directly from the firm's stakeholders rather than shareholders alone will encourage and promote the social responsibility of business in the society (Bitcha et al .., 2004).

#### 4.5 Corporate Profits

An analysis was conducted on how corporate profits affect the sustainability of CSR projects. The questionnaire had five (5) variables on this section categorized as strongly agreed with, agreed with, undecided disagreed with and Strongly Disagreed with. The results of the six variables are analyzed and consolidated in table 4.4 below:

**Table 4. 4 Corporate Profit**

Statement		SD	D	N	A	SA	Total	Mean	Std Dev
Profit	No.	0	12	12	12	9	45	3.85	1.2258
	%	0	27	27	27	19	100		
Amount	No.	0	10	6	23	6	45	3.6	1.1876
	%	0	23	13	51	13	100		
Financials	No.	1	9	17	17	1	45	3.4	1.0463
	%	3	20	37	37	3	100		
Purpose	No.	0	10	14	17	4	45	3.35	1.3088
	%	0	23	30	37	10	100		
Income	No.	0	3	6	11	25	45	4.15	1.3999
	%	0	6	13	24	57	100		

Source: Survey data, 2013

A question was asked if integrating income generating activities within a company's project plan aids in sustaining CSR projects it scored a mean of 4.15, being rated the highest with the respondents. The other variables had means of about 3, being in the category of undecided respondents.

The respondents were asked whether the company undertook CSR projects sustainability because they had made extra profits which they did not have immediate use for. Out of the

respondents 26 % Disagreed, 26 % were undecided, 26 % agreed and 20 % strongly agreed. The results showed that majority companies undertook CSR projects sustainability not because they had made an extra profit they did not have an immediate use for but as a social responsibility to the society.

The respondents were asked if the company based its CSR projects sustainability on the amount of profits made over the financial year. Out of the respondents 23 % Disagreed, 13 % were undecided, 50 % agreed and 13 % strongly agreed. The results indicated that the companies undertook CSR projects sustainability based on the amount of profits they had made in every financial year.

On whether the company put CSR projects sustainability as part and parcel of the daily activities to be financed from the company's financial resources, regardless of whether it has made profits or not. Out of the respondents 3% strongly disagreed, 20 % Disagreed, 36 % were undecided, 36 % agreed and 3 % strongly agreed. The results showed that the respondents were indifferent in their views as to whether the companies needed to incorporate CSR projects sustainability in their day to day activities with a high percentage of about 36% being undecided.

The respondents were asked a company's CSR project sustainability should be inclined to its purpose of business. The responses were, 23% Disagreed, 30% were undecided, 36% agreed and 10% strongly Agreed. Majority of the respondents supported the idea that the companies did not necessarily have to incline the CSR projects sustainability with the purpose of the business in order to succeed in maintaining the projects sustainable.

A question was asked if integrating income generating activities within a company's project plan aids in sustaining CSR projects: Out of the respondents 6 % Disagreed, 13 % were undecided, 23 % agreed and 56 % strongly agreed. The results indicated that the majority of the respondents (79%) supported the integration of income generating activities within the project plan in order to help in efficient running and sustainability of CSR projects.

In general corporate profits are crucial in the management of CSR projects and subsequent sustainability. Modern theoretical and empirical analyses indicate that firms can strategically engage in socially responsible activities to increase private profits. They can as well engage in integration of income generating activities to maximize on the output of CSR projects. Given that the firm's stakeholders may value the firm's social efforts, the firm can obtain additional benefits from these activities, including: enhancing the firm's reputation and the ability to generate profits by differentiating its product, the ability to attract more highly qualified personnel or the ability to extract a premium for its products. (Rubén and Christopher, 2009).

#### 4.6 Community Involvement

The research project evaluated the elements on how Community involvement affects the sustainability of CSR projects. The questionnaire had five (5) variables on this section categorized as strongly agreed with, agreed with, undecided disagreed with and Strongly Disagreed with. The results of each variable are analyzed and consolidated in table 4.5 below:

**Table 4. 5 Community Involvement**

Statement		SD	D	N	A	SA	Total	Mean	Std Dev
Partners	No.	1	1	4	15	24	45	4.25	1.06992
	%	3	3	7	33	54	100		
Boycott	No.	6	10	18	8	2	45	3.7	1.31101
	%	13	23	40	17	7	100		
Handover	No.	1	3	0	22	19	45	4.1	0.95394
	%	3	7	0	47	43	100		
Obligation	No.	1	3	6	27	8	45	3.2	1.28145
	%	3	7	13	60	17	100		
Policy	No.	1	3	5	19	17	45	3.65	1.22582
	%	3	7	10	43	37	100		

Source: Survey data, 2013.

The results in table 4.5 above indicate that partnering with local community enterprises enhances CSR Sustainability with mean of 4.25 and a mode of 5. This indicates that community participation is key to the success of a CSR project. A clear handover process was also rated



highly as critical to the sustainability of a CSR project with a Mean of 4.1 and a mode of 4.0. The individual variable results are analyzed in the subsequent paragraphs.

A question was asked if the company partners with local community enterprises to enhance CSR projects sustainability. Out of the respondents 3% strongly disagreed, 3 % Disagreed, 6 % were undecided, 33 % agreed and 53 % strongly agreed. This indicated that majority of the respondents (86%) supported the idea of the companies' partnership with the local communities in order to succeed in CSR projects sustainability.

On whether communities should boycott products of a mobile phone service provider who do not take part in local CSR projects sustainability, out of the respondents 13% strongly disagreed, 23 % Disagreed, 40 % were undecided, 16 % agreed and 6 % strongly agreed. This means that a majority of respondents are indifferent on the issue of boycott. The results here indicated how indifferent the views of the respondents were, with a high percentage of 40% being undecided. Thus, boycott of products would greatly impact on the companies' income.

On whether after CSR project's termination a clear handover to the beneficiaries enhances sustainability, out of the respondents 3% strongly disagreed, 6 % Disagreed, 46 % agreed and 43 % strongly agreed. The idea of proper handing over is necessary for CSR sustainability. The majority of the respondents (89%) supported clear handover of the projects to the beneficiaries as a key factor that enhances CSR projects sustainability.

As to whether a mobile phone service provider had an obligation to ensure that the community it operates in are empowered socially and economically, out of the respondents 3% strongly disagreed, 6 % Disagreed, 13 % were undecided, 60 % agreed and 16 % strongly agreed. This shows that communities would wish companies operating in their regions contribute in empowering residents. Obligation to ensure that the community that the companies' operates in are empowered socially and economically was supported by the majority of the respondents (76%), thus it has a direct influence on CSR sustainability.

On whether the company should entrench in its policies a requirement that they take part in CSR projects within the communities they operate in, out of the respondents 3% strongly disagreed, 6

% Disagreed, 10 % were undecided, 43 % agreed and 36 % strongly agreed. The companies had entrenched in their policies a requirement that they take part in CSR projects sustainability within the communities they operated in.

Working for socially responsible companies leads to increased organizational identification employee engagement, retention, organizational citizenship behaviour, employee commitment, in-role performance, employee creative involvement and improved employee relations. In addition, CSR increases firm attractiveness to prospective employees. (Glavas et al, 2009) which of course is every firms desire in any society.

#### 4.7 Management Style

The research project evaluated the Management Style affects sustainability of CSR projects. The questionnaire had eight (8) variables on this section categorized as strongly agreed with, agreed with, undecided disagreed with and Strongly Disagreed with. The results of each variable are analyzed in the table 4.6 below:

**Table 4. 6 Management Style**

Statement		SD	D	N	A	SA	Total	Mean	Std Dev
Resistance	No.	1	18	14	11	1	45	4.34	1.196
	%	3	40	30	24	3	100		
Decision	No.	0	5	14	25	1	45	4.44	1.129
	%	0	10	30	57	3	100		
Committee	No.	1	0	5	29	10	45	4.05	1.161
	%	3	0	10	64	23	100		
Opinions	No.	0	1	6	28	10	45	4.34	0.999
	%	0	3	13	61	23	100		
Risk	No.	0	0	4	30	11	45	4.51	1.015
	%	0	0	8	68	24	100		
Recruitment	No.	5	8	14	8	10	45	4.2	1.045
	%	10	17	33	17	23	100		
Turnover	No.	3	26	0	8	8	45	2.9	0.855
	%	7	59	0	17	17	100		
Participation	No.	0	9	6	18	12	45	3.68	1.128
	%	0	20	13	40	27	100		

Survey data,2013

In the analysis results in table 4.6 above, two variables decisions by management and risk assessment and project appropriateness scored favourably with both having a mean above 4.4 and a mode of 5. This indicates that management decisions influences CSR projects to a great extent and that risk management component of CSR project is critical. It is also important to acknowledge the variations in individual capability of managing different organizations. These capabilities are influenced greatly by the individual morals and ethics in doing the particular business. Goodpaster (2007) also acknowledges the importance of mutual benefits when management and staff have a cordial relationship.

On whether The Company's top management were resistant to the undertaking of CSR projects and their sustainability. Out of the respondents 3% strongly disagreed, 40 % Disagreed, 30 % were undecided, 23 % agreed and 3% strongly agreed. Majority of the company's top management were not resistant to the undertaking of CSR projects and their subsequent sustainability. If the company's top management made decisions on where, how and when CSR projects were undertaken all through the project life cycle up to handover level. 10% strongly disagreed, 30 % were undecided, 56 % agreed and 3% strongly agreed. From the results above, it is clear that in the majority of the company's top management made decisions on where, how and when CSR projects were undertaken all through the project life cycle up to handover level.

On whether the company had initiated and operationalized project management committee and adopted their views concerning CSR projects and sustainability 3% strongly disagreed, 10 % were undecided, 63 % agreed and 23% strongly agreed. Majority of the studied companies initiated and operationalized project management committee and adopted their views concerning CSR projects and sustainability as per the results shown above.

A question was posed in the study whether the Company did not force opinions concerning CSR projects to be undertaken and their ability to maintain the operations throughout the projected life time. The responses were as follows 3% strongly disagreed, 13 % were undecided, 60 % agreed and 23% strongly agreed.

From the results above, majority of company did not force opinions concerning CSR projects to be undertaken and their ability to maintain the operations throughout the projected life time. This

was seen by the support of about 83% respondents. If the company had assessed the risk and environmental appropriateness of CSR projects before undertaking them and this enhanced their sustainability, the responses were, 3 % were undecided, 66 % agreed and 23% strongly agreed. From majority of the respondents, the companies assessed the risk and environmental appropriateness of CSR projects before undertaking them and this enhanced their sustainability.

If the company's recruitment policy required new staff to state their views on CSR projects and their approach to sustainability, the responses were: 10% strongly disagreed, 16 % disagreed, 33 % were undecided, 16 % agreed and 23% strongly agreed. The results above indicated varied views as to whether the companies' recruitment policy required new staff to state their views on CSR projects and their approach to sustainability.

Whether the company has had a high turnover of project managers per individual project based on issues related to CSR projects and their sustainability, the responses were: 6% strongly disagreed, 60 % disagreed, 16 % Agreed, 16 % agreed and 16 % strongly agreed. This indicates that there is generally low turnover on CSR project managers. According to the respondents, majority of the companies did not have a high turnover of project managers per individual project based on issues related to CSR projects and their sustainability.

The projects also sort to find out if staff participation on the company's CSR projects is non-discriminative thereby creating a good environment to focus on sustainability. The responses were: 20 % disagreed, 13% were undecided, 40 % Agreed, and 26 % strongly agreed. Majority (66%) of the respondents supported staff participation on the company's CSR projects that is non-discriminative thereby creating a good environment to focus on sustainability.

The respondents were also asked if there are any other issues they thought were important for the sustainability of CSR projects by corporate companies. A majority pointed out the element of full financing by the Cooperate companies and a participatory community as key factors in the sustainability of CSR projects.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATION**

#### **5.1 Introduction**

The purpose of this chapter was to discuss and draw conclusions and recommendations on the findings of the main objective of the study which was to examine the determinants of sustainability of CSR projects based on the specific objectives and answers to research questionnaires pertaining to the influence of government policy, corporate profits, community involvement and management style on mobile phone service providers in Kenya.

#### **5.2 Summary**

##### **5.2.1 Background Information**

The general purpose of the study was to investigate the determinants of CSR projects sustainability in Kenya, with specific emphasis on mobile phone service providers in Kenya. According to the study, 76% of the targeted sample (45 completed CSR projects managers) responded and participated in the study, with the majority (45%) having worked with the various organizations beyond 5 years. Majority of the respondents had attained a level of education beyond secondary school level (85%). In addition, majority of the respondents (75%) had served the organization at the level of CSR project managers. Below are subsequent paragraphs which will analyze the independent variables providing the results as per the study.

##### **5.2.2 Government Policies and CSR**

The first objective findings indicated that 79% of the respondents supported that Government should give tax incentives to the mobile phone companies that provide CSR services to communities. This would lead to sustainability of CSR projects. 76% respondents were also of the view that Government policies influences CSR sustainability of projects undertaken by

mobile companies in Kenya. Even though 39% of the respondents had the opinion that government should not take over management of completed CSR projects, 49% and 59% of the respondents had the view that the government should introduce legislation and a national policy respectively to govern CSR projects sustainability. Governance is important in the sustainability of projects as it provides a framework for project accountabilities, performance and responsibilities; project managers look beyond the short-term objectives of the project and consider longer term sustainability of project; managers of CSR projects face minimal internal organizational and staffing problems. The study found out that there is positive relationship between government policies and the sustainability of CSR projects as evidenced by the low standard deviation values analyzed earlier on which indicates that the data tend to be very close to the expected value (mean of 4.05 and a standard deviation of 1.099 for the government policy). Corporate organizations could re-design their CSR activities to take into account this clear provision of the Constitution by ensuring that during the various levels of the project lifecycle that is at the design, implementation, supervision and evaluation of the CSR projects, they provide information to the public on their brands, and possibly on side effects.

### **5.2.3 Corporate Profit and CSR Sustainability**

The second objective examined the corporate profits and CSR sustainability. 46% of the respondents had the view that the Company undertook CSR projects sustainability because they had made extra profits they did not have immediate use for and that Integrating income generating activities within a company's project plan aided in sustaining CSR projects as projected by the views of 79% of the respondents. 63% of the respondents thought the companies depended on the amount of income generated annually to be able to sustain CSR projects. It is perceived that CSR is in-congruent with the very nature and purpose of business, and indeed a hindrance to free trade. It important therefore for any organization to integrate income generating activities into their project plans so that they are able to sustain those projects even without targeting the organizations profits only. Majority of the respondents (46%) had the view that corporate organizations had their CSR project sustainability inclined to the purpose of the business. 69 % of the respondents thought that it is almost impossible for an organization to participate in CSR projects sustainability without having resources available at hand. These then

mean that the companies had to a greater level while inclining the CSR projects with the purpose of the business, the company has to have adequately available financial resources in order to succeed in implementation and even subsequent sustainability of the projects. This again is evidenced by the positive relationship between the variables shown by the percentages stated earlier.

### **5.2.3 Community Involvement and CSR Sustainability**

As for the third objective, the findings established that Community Involvement in CSR activities is critical for its sustainability. Partnerships between corporations and community enterprises raise the possibility of corporations moving beyond philanthropic donations toward a more sustainable form of intervention involving long-term commitments to communities. At the same time they change substantively the nature of any collaboration by allowing relationships to proceed on the basis of mutual advantage, thereby broadening their appeal and scope. The project study determined that the corporate organizations partner with local community enterprises to enhance CSR projects sustainability illustrated by 86% of the respondents and after CSR project's termination a clear handover to the beneficiaries enhances sustainability and is of utmost importance and a crucial activity as demonstrated by 89% of the respondents. The study also established that businesses on their own are subject to local conditions such as the tastes of their customers, the cost of their materials, the productivity of their employees, and so on. As a result, they can behave wildly different from each other. This was evidenced by 22% of the respondents who were for the view that members of a community should boycott products of those companies who do not sustain CSR projects.

### **5.2.4 Management Style and Sustainability**

The final objective was to establish the Management style and CSR .The study depicted that the company's top management made decisions on where, how and when CSR projects were undertaken all through the project life cycle up to handover level. This was from 59% of the respondents and thus indicates that management of Companies have a lot of say and influence of CSR. The study also showed that the company assessed the risk and environmental appropriateness of CSR projects before undertaking them and this enhanced their sustainability.

This indicates that risk management in CSR projects is an integral part of CSR project management as demonstrated by 89% of the respondents. Timely management committee initiation and operationalization was also a core issue if a CSR project is to be adequately sustained. Finally, as suggested by 90% of the respondents, a company with a high turnover of the project managers are not likely to succeed in sustaining CSR projects initiated. All managers use a management process within which there are different roles at different level of organization hierarchy. As such, a manager needs to understand this and apply the most appropriate management style. Management that involves the participant staff in the decision making usually succeed in sustaining CSR projects as evidenced by 59% of the respondents.

### **5.3 Conclusion**

Government policies would impact on the statutory on which the CSR projects are undertaken. On the other hand, no company would be undertaking CSR projects when it is in financial problems, hence profits are of necessity for companies to deal in CSR projects. Income tax act provides that the income of an institution, body of persons, or irrevocable trust, of a public character established solely for the purposes of the relief of the poverty or distress of the public, or for the advancement of religion or education is exempt from tax if it accrues in Kenya (Income Tax Act, Cap 470).

Corporate profits determine the sustainability of CSR projects. According to (Milton Friedman 2007, 173-174), it is strongly evident that companies will only be able to adequately sustain CSR projects depending on the amount of profits made annually, coupled with integration of income generating activities within the project lifecycle. The responsibility to conduct a business in accordance with a company's desire would generally be to make as much money as possible while conforming to the basic rules of the society, both those embodied in law and those embodied in social events.

Community involvement determines sustainability CSR projects. The community must be involved in every crucial step of management of CSR projects for them to be it to be sustainable. They are to provide partly in areas like land, labor, security and operations of the project. Hence when a community is highly involved, the project would most probable be sustainable and will



be successful. Without the participation and support of the community, the projects would most likely fail. This would improve any nature of collaboration by allowing relationships to proceed on the basis of mutual advantage, thereby broadening the companies appeal and scope, (Paul et al., 2005). Power relations are transformed because partners are seen as sources of valuable assets, knowledge and expertise, rather than recipients of patronage or charity.

Last but not least, management style determines the sustainability of CSR projects. Good management style and processes would lead to the success and sustainable CSR projects. Management planning and execution are of importance in the CSR project life until it's handed over successfully to the Community. A committed and focused management would lead to CSR projects that are well run and coordinated hence leading to their sustainable. A supportive management style is said to foster: Worker satisfaction, lower staff turnover and grievance rates with fewer inter-group conflicts. With extremely high levels of staff turnover, the style of management may have an important role to play in this area. Motivation is also significant (Lussier, 2011).

#### **5.4 Recommendations**

Despite the in depth coverage of this research and its findings, there still exists a gap that future researchers could explore. The concept of CSR has been widely discussed and others think that the cost of undertaking CSR is always marked up to the products and services hence making them expensive. This they argue beats the purpose of CSR.

The following recommendations can be derived from the findings of the study: There is need for the project managers and other relevant stakeholders to effectively control resource management by analyzing resource efficient usage and implementation on a regular basis and it is crucial that a cost benefit analysis be of great value too so that corrective action can be taken before the situation gets worse.

There is need for the government to leverage on expenditure on CSR projects sustainability by providing adequate opportunities for training project management staff to be able to acquire specialized competencies such as leadership, change management, communication, negotiating,

team building, decision making, and problem solving with the vision to realize a more positive influence in the economy.

It is important that corporate organizations find time to understand the kind of project committee they are dealing with in terms of their competencies and acquired skills that can help in improve their financial basis and at the same time offering back to the society they are operating if sustainability of CSR projects is to be realized. Most of the times organizations take it for granted the importance of sustainability.

Government policies in regards to CSR should be well structured and employed accordingly to support CSR initiatives. On the other hand companies' profits which need to be ethical should be apportioned appropriately in some CSR projects for the good of their clients. The communities must also get involved in the CSR projects for them to succeed and be sustainable. Lastly, management of corporate style should in a form and manner that supports CSR projects.

#### **5.4.1 Recommendations for further studies**

Further studies should also attempt to achieve a large sample across a bigger organization in the country to determine whether the results can be generalized. The current research being a case study; additional studies can be carried out on a wider scale. This could be through conducting industry research on CSR different economic sectors, such as government, private and public sectors and other economic sectors

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## APPENDIX I: QUESTIONNAIRE

This survey instrument is developed to capture data on the determinants of sustainability of Corporate Social Responsibility (CSR) projects. The data obtained from this exercise will be used solely for academic purposes, for fulfilment of the requirements of the degree of Masters in Business Administration in Projects Management in Kenyatta University. Your institution has been identified as a key respondent in Corporate Social Responsibility projects in Kenya.

Sustainability of Corporate Social Responsibility projects in this context refers to ability of a project to maintain its operations, services and benefits during its projected life time. This survey instrument will be looking at a selected number of completed projects of tangible impact in the society that have been sustained between the period of January, 2008 and June, 2013.

In this regard, you are kindly requested to participate in this survey by providing answers to enable the researcher fulfil the research objective.

### General questions

1. Organization ----- 2. Department-----

3. Position -----

4. Project title -----

5. Project location-----

6. How many years have you served the department?

0-1 yrs [ ]

1-3 yrs [ ]

3-5 yrs [ ]

Over 5 yrs [ ]

7. Highest Education Attained:

Secondary [ ]

College [ ]

University [ ]

Others (Specify) [ ].....

Each of the items listed below have been identified as possible determinants of CSR projects sustainability.

**8. CSR project sustainability.**

How important do you consider each of the following in determining their adoption by corporate organizations? **1-** Strongly disagree **2-** Disagree, **3-** Undecided **4 –** Agree **5 –** Strongly agree

(Please tick a rating indicating its perceived level of importance)

	<b>STATEMENT</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
A	Was it important to carry out a sustainability analysis before implementing CSR projects to enhance their sustainability?					
B	The company was actively involved in CSR projects sustainability.					
C	Sufficiently sustained CSR projects lead to sustainable development and poverty reduction.					

**9. Government Policy and CSR Sustainability.**

How important do you consider each of the following in determining their adoption by corporate organizations? **1-** Strongly disagree **2-** Disagree, **3-** Undecided **4 –** Agree **5 –** Strongly agree

(Please tick a rating indicating its perceived level of importance)

	STATEMENT	1	2	3	4	5
A	Government should give tax incentives to the mobile phone service providers to encourage CSR projects sustainability.					
B	Government Policies influences CSR sustainability by the mobile phone service providers in Kenya.					
C	Government should take over management of the completed CSR projects by the mobile phone service providers in order to enhance their sustainability.					
D	The Government should introduce legislation to govern CSR projects					
E	The Government should make a national policy to govern CSR projects.					

F. Are there any other issues relating to government policies determining CSR projects sustainability? Briefly explain.....

### 10. Corporate Profits and CSR Sustainability.

How important do you consider each of the following in determining their adoption by corporate organizations? 1- Strongly disagree 2- Disagree, 3- Undecided 4 – Agree 5 – Strongly agree



(Please tick a rating indicating its perceived level of importance)

	<b>STATEMENT</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
A	The company undertook CSR projects sustainability because you had made extra profits which you did not have immediate use for.					
B	The company based its CSR projects sustainability on the amount of profits made over a financial year.					
C	The company put CSR projects sustainability as part and parcel of the daily activities to be financed from the company's financial resources, regardless of whether it has made profits or not.					
D	The company's CSR project sustainability is inclined to its purpose of business.					
E	Integrating income generating activities within a company's project plan aided in sustaining CSR projects.					

### **11. Community Involvement and CSR Sustainability.**

How important do you consider each of the following in determining their adoption by corporate organizations?

**1-** Strongly disagree   **2-** Disagree,   **3-** Undecided   **4 –** Agree   **5 –** Strongly agree

Please tick a rating indicating its perceived level of importance.

	STATEMENT	1	2	3	4	5
A	The company partners with local community enterprises to enhance CSR projects sustainability.					
B	Communities should boycott products of a mobile phone service provider who do not take part in local CSR projects sustainability.					
C	After CSR project's termination a clear handover to the beneficiaries enhances sustainability.					
D	A mobile phone service provider has an obligation to ensure that the community it operates in are empowered socially and economically.					
E	The company entrenched in its policies a requirement that they take part in CSR projects within the communities they operate in.					

F. Are there any other issues relating community involvement to CSR projects sustainability?  
Briefly explain.....

**12. Management style and CSR Sustainability.**

How important do you consider each of the following in determining their adoption by corporate organizations? 1- Strongly disagree 2- Disagree, 3- Undecided 4 – Agree 5 – Strongly agree

(Please tick a rating indicating its perceived level of importance)

	<b>STATEMENT</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
A	The company's top management were resistant to the undertaking of CSR projects and their sustainability.					
B	The company's top management made decisions on where, how and when CSR projects were undertaken all through the project life cycle up to handover level.					
C	The company initiated and operationalized project management committee and adopted their views concerning CSR projects and sustainability.					
D	The company did not force opinions concerning CSR projects to be undertaken and their ability to maintain the operations throughout the projected life time.					
E	The company assessed the risk and environmental appropriateness of CSR projects before undertaking them and this enhanced their sustainability.					
F	The company's recruitment policy required new staff to state their views on CSR projects and their approach to sustainability.					
G	The company has had a high turnover of project managers per individual project based on issues related to CSR projects and their sustainability.					

	<b>STATEMENT</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
H	Staff participation on the company's CSR projects is non-discriminative thereby creating a good environment to focus on sustainability.					

**13.** What recommendations would you give that would help an organization improve on the sustainability of CSR projects? Briefly explain. -----  
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