

**NAIROBI'S FIVE STAR HOTELS
CORPORATE SOCIAL RESPONSIBILITY PROGRAMMES AND
THEIR IMPACT ON SOCIETY.**

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DECLARATION

This thesis is my original work and has not been submitted for the award of a degree in any other university.

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DEDICATION

To my beloved husband, Kathurima M’Inoti and my children Nkirote, Kiriimi and Kinya.

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TABLE OF CONTENTS

TITLE PAGE	i
DECLARATION	ii
DEDICATION	ii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF FIGURES	vi
LIST OF TABLES	vii
ABBREVIATIONS AND ACRONYMS	ix
ABSTRACT	x
CHAPTER ONE: INTRODUCTION	
1.1 Background to the study	1
1.2 Problem statement	4
1.3 Purpose of the study	5
1.4 Objectives of the study	5
1.5 Hypotheses of the study	6
1.6 Significance and expected outcome	6
1.7 Delimitations of the study	7
1.8 Limitation of the study	7
1.9 Assumption of the study	7
1.10 Conceptual framework	8
1.11 Operational definition of terms	10

CHAPTER TWO: LITERATURE REVIEW

2.1	Introduction	11
2.2	Factors influencing CSR programs	11
2.3	CSR in communities	16
2.4	Impact of CSR on communities	20

CHAPTER THREE: METHODOLOGY

3.0	Introduction	24
3.1	Research design	24
3.2	Study variables	24
3.3	Study area	25
3.4	Target population	25
3.5	Sample size and procedure	25
3.6	Research instruments	26
3.7	Pre-testing	27
3.8	Data collection procedure	28
3.8	Data analysis	29
3.9	Logistical and Ethical Considerations	29

CHAPTER FOUR: RESULTS AND DISCUSSIONS

4.0	Introduction	29
4.1	Characteristics of the respondents	29
4.2	Hotel managers understanding of CSR	35
4.3	Policies on CSR	37
4.4	Factors influencing hotels' CSR programs	40

4.5	Hotels CSR programs within communities	44
4.6	Identifying communities for CSR	48
4.7	Length of hotels' involvement in community programs	49
4.8	Impact of hotels' CSR on communities	49
4.9	Communities involvement in decision making	57
4.10	Sustainability of hotels' CSR programs	59
4.11	Hotels challenges in implementing CSR programs	60
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS		
5.0	Introduction	62
5.1	Summary and implication of the study	62
5.1.1	Factors influencing hotels' CSR programmes	62
5.1.2	Hotels' CSR programs within communities	63
5.1.3	Impact of hotels' CSR programs on communities	63
5.2	Conclusion	64
5.3	Recommendations	65
5.4	Suggestions for further research	66
REFERENCES		67
APPENDICES		
6.1	Questionnaire to hotel managers	71
6.2	Questionnaire to project managers	75
6.3	Interview schedule	79
6.4	Gazette notice	83

LIST OF FIGURES

- Figure 1.1: conceptual framework
- Figure 4.1 Age of respondents
- Figure 4.2: Income levels of respondents
- Figure 4.3: level of education
- Figure 4.4: Occupational status of the project beneficiaries
- Figure 4.5: Hotels' understanding of CSR
- Figure 4.6: Factors influencing hotels' CSR programs
- Figure 4.7: Projects supported by hotels' CSR programs

LIST OF TABLE

- Table 4.1: Gender of the project beneficiaries
- Table 4.2: Community leaders' level of satisfaction with hotels' CSR
- Table 4.3: Project beneficiaries Assessment of the impact of project on community
- Table 4.4: Beneficiaries' level of satisfaction with donations in meeting their needs
- Table 4.5: Mean score for significance of beneficiaries level of satisfaction
- Table 4.6: ANOVA results on the project beneficiaries' level of satisfaction with donations.
- Table 4.7: Beneficiaries level of participation in decision making
- Table 4.8: ANOVA results on the project beneficiaries' level of participation in decision making

LIST OF ABBREVIATIONS AND ACRONYMS

ANOVA	Analysis of Variances
BITEC	Business in the community
CCN	City Council of Nairobi
CSR	Corporate social responsibility
ESOK	Eco-tourism Society of Kenya
GCET	Global Code of Ethics for Tourism
GPACSR	Golden Peacock Award for Corporate Social Responsibility
HIV	Human immune deficiency virus
IFC	International Finance Corporation
IHG	Intercontinental Hotel Group
IHRA	International Hotel and Restaurant Association
ILO	International Labour Organization
IPEC	International Programme on the Elimination of Child Labour
SPSS	Statistical package for social studies
WTTC	World Travel and Tourism council
WTO	World Tourism Organization

ABSTRACT

Corporate Social Responsibility, otherwise known as CSR, has been defined as the continuing commitment by businesses to contribute to economic development while improving the quality of life of the workforce and their families, as well as the local community and society. Studies have shown that businesses can no longer ignore communities within their areas of operations otherwise they risk harmonious coexistence. For many companies, managing CSR is no longer seen as an extra cost or burden. Rather, CSR is increasingly viewed not only as making good business sense but also contributing to the long-term prosperity of a company and ultimately its survival. Being a good neighbour and showing that a business cares for the society on one hand and being a successful business on the other are principles of modern CSR. However, companies that occasionally plan and implement CSR programs without consulting the intended beneficiaries are bound to have insignificant impact within communities. The broad objective of this study was to establish “5” star hotels’ CSR programs and their impact on society. The study adopted a descriptive survey research with the target population of 208 that comprised of: “5” star hotel managers, community project managers, and the project beneficiaries. Purposive sampling was on hotel managers, community project managers and community projects while stratified sampling method was used on the project beneficiaries. Data was collected using questionnaires and interview guide. Both open-ended and structured questions were used to collect data from the managers while a semi-structured interview guide was used to collect data from the project beneficiaries. A likert scale, based on the five levels of satisfaction, was used to measure the impact of hotels’ CSR on the beneficiaries. Data was analyzed using both qualitative and quantitative techniques. The main findings of this study were that the selected hotels had policies on CSR, an indication that they were committed to CSR issues. However, research findings further indicated that hotels preferred to support projects already initiated by the government, churches and other agencies rather than initiating their own. It was also revealed that hotels CSR programmes were donations which were mainly in form of foodstuffs, old hotel linen and utensils, provision of stationary to schools and also refurbishment of school facilities. Although the beneficiaries indicated that they appreciated whatever help they got from the hotels at the time of offer, those needs were only subdued for a short time. The study concluded that although hotels’ CSR projects satisfy immediate needs of communities, those projects did not make any long term economic development within the intended communities. Hotels’ CSR programs cannot be said to make any significant impact when donations are intermittent and short term based. With regards to this conclusion, the study recommends that the only way hotels can be true to CSR philosophy is by making efforts to initiate their own community projects that are sustainable and truly contribute to economic development of the intended beneficiaries.

CHAPTER ONE

INTRODUCTION

This chapter discusses the background of the study, the statement of the problem, the objectives, significance and anticipated output of the study. Conceptual framework, assumptions, limitations and operational definition of terms of the study are also part of this chapter.

1.1 Background to the study

Corporate social responsibility (CSR) is known by several names such as social responsibility, corporate citizenship, and in case of tourism, corporate sustainability (www.bitc.org.uk [accessed on 24/6/2009]). The proponents of corporate social responsibility define CSR as a continuing commitment by businesses to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large (Carroll, 1979; Clarkson, 1995). Embracing social responsibility as an organizational strategy offers the host organization a competitive advantage within the immediate marketplace (Porter and Kramer, 2006).

The criteria for CSR are difficult to define because outside of the legal and other obligations, they are more or less subjective. What is responsible for one company may be irresponsible for the other (Daugherty, 2001). However, CSR involves organizations considering the interest of society by taking responsibility for the impact of their activities on customers, employees, shareholders, communities and the environment in all

aspects of their operations. This obligation is seen to extend beyond the statutory obligation to comply with legislation and sees organizations voluntarily taking further steps to improve the quality of life for the local community and society (Ibid).

Today, many companies are realizing that in order to stay productive, competitive, and relevant in a rapidly changing business world, they have to become socially responsible. Because of globalization, many companies are experiencing fierce competition for skilled employees, investor and consumer loyalty. How a company relates with its workers, its host communities, and the marketplace can greatly contribute to the sustainability of its business (Thornton, 2008).

Juholin (2004) notes that there is a widespread assumption that CSR originated in North America in the 1900s, and that it can only be ultimately understood in the Anglo-American context where social responsibility has traditionally been considered in terms of philanthropy and charity. She further notes that this thinking is based on the idea that affluent companies will want to donate to the less well-off in society in order to demonstrate their good intentions and responsibility.

Since 1992, the trend in the hospitality and tourism industry has been to focus on CSR especially on environmental concerns such as use of technology, and efficient use of energy (Kalisch, 2004). This emphasis was escalated to an international scale through the implementation of Agenda 21. Agenda 21 as forwarded by World Tourism and Tourism Council (WTTC), World Tourism Organisation (WTO), and the Earth Council, which set

international guidelines relative to sustainable tourism. The WTO went ahead to establish the Global Code of Ethics for Tourism (GCET), which is a comprehensive set of principles whose purpose is to guide stakeholders in tourism development (World Tourism Organization, 2005). The principles are not legally binding but do serve as guidelines to hotels and other tourism stakeholders, concerning the conservation of environment and concern for the society.

Five Star hotels in Kenya have since embraced the Agenda 21 through world initiatives such as International Hotel and Restaurant Association (IHRA). The agenda of these associations is to compel member hotel companies to follow the drafted compliance parameters concerning among other things, adoption and engagement in socially responsible behaviour such as equal opportunities for employees, working conditions, community engagements among others (Holcomb *et al*; 2007). Serena, Intercontinental and other five star hotels have exemplified this by initiating CSR activities, which ensure among other things, well being of their employees and community outreach. For example, Intercontinental Hotel Group's charitable activities are focused in the following areas: education, children, diversity, environment and health (Intercontinental Hotel Group,2008).

The Corporate Social Responsibility Newsletters for Serena, Intercontinental and Hilton hotels indicate that the hotels have been involved in CSR activities in such areas as education, environment, health care, employee wellness and sanitation of the communities within which companies exist (Mohamed, 2007; IHG, 2008). Some of the

reported beneficiaries of hotels' CSR activities are children's homes, old peoples' homes among others. However, while it is apparent that hotels report such CSR activities, there is no known research that has tested the actual performance and the impact such activities have made in the society. Indeed, Esrock and Leichty (1998) assert that there may be little relationship between reporting of a company's CSR and their actual CSR performance.

1.2 Problem statement

Nairobi has a population of about three million people. Half of this population has been estimated to live in slums that cover just 50% of the city area (Ethos International, 2008). This high population also causes strain on such resources as water and energy. Public institutions such as schools and hospitals have demands that have overwhelmed the government, while unemployment and health issues such as HIV and Aids have directly affected not only the society in general but also the hotels' businesses (Ministry of Planning and National Development, 2005) In an ideal world, a common assumption is that hotels will act in a socially responsible manner in addressing the mentioned problems within a society (Holcomb, Upchurch, Okumus, 2007). International companies, Kenyan Five Star Hotels being among them, are seen as agents of economic growth in developing countries especially whereby they become key purchasers of local inputs (Jones, politt, Bek, 2006).

Despite the hype that five star hotels in Kenya are being socially responsible, there is no known indication that the reported CSR benefits are impacting society faced with the

magnitude of the aforementioned problems. Many hotels have given old blankets and sheets to the needy and have referred to that as CSR, a form of charity that may attempt to overcome poverty through a once-in-while handout (Gori, 2008). Indeed, Brammer and Pavelin (2006) in their research observed that some companies post their CSR activities in annual reports or publicize donations in order to improve or “green wash” their image as socially responsible companies.

At present, there is no known academic based research regarding the extent to which Nairobi hotels are actually reaching out to the society via their CSR programmes and the factors influencing hotels to such programmes. There was, therefore, need to examine the extent to which Five Star Hotels in Nairobi are contributing to the society through CSR activities.

1.3 Purpose of the study

The purpose of this study was to establish the impact of hotels’ CSR within communities in which they operate. The study hoped to achieve this by establishing the factors influencing hotels’ choice of CSR activities and how they impact the intended communities.

1.4 Objectives of the study

1.4.1 Broad objective

The broad objective of this study was to establish the extent to which Nairobi Five Star hotels’ CSR programs impact on society.

1.4.2 Specific objectives

- To establish the factors influencing five star hotels' focus on CSR programs.
- To determine the contribution of hotel's CSR programs to the welfare of local communities.

1.5 Hypotheses of the study

- Ho There is no significant difference between the project beneficiaries and their level of satisfaction with the donations made by the hotels through their CSR programs.
- Ho There is no significant difference between the project beneficiaries and their rating of the level of participation in decision in projects.

1.6 Significance and expected outcome

The outcome of this study will help hotels appreciate that profitability and sustainability of their businesses is dependant on how they relate to and with the community in which they operate. It will also help members of the community to identify and prioritize CSR projects that are of benefit to them whenever accorded the opportunity to do so. The outcome of this study can help the government partner with hotels in order to reduce social problems within communities. Finally, the study will help create a conducive environment that is of mutual benefit to business and the communities.

1.7 Delimitations of the study.

- This study was confined to Five Star hotels and their CSR activities within Nairobi.
- The CSR beneficiaries included those who were benefiting from Hotels' CSR activities at the time of study.

1.8 Limitations of the study.

- This study was confined to the impact of Nairobi's Five Star Hotels' CSR activities within Nairobi. Any generalisation elsewhere should be done with caution.
- The study was only limited to Five Star Hotels' CSR activities within communities. With a wide range of subject areas that CSR encompasses, specific areas such as environment and employee were not covered by this study due to constraints of money and time.

1.9 Assumption of the study.

The following assumptions were made in this study:

- That all the hotels had the same type of Corporate Social Responsibility activities within communities.
- That respondents were unlikely to divulge pertinent information due to suspicions.

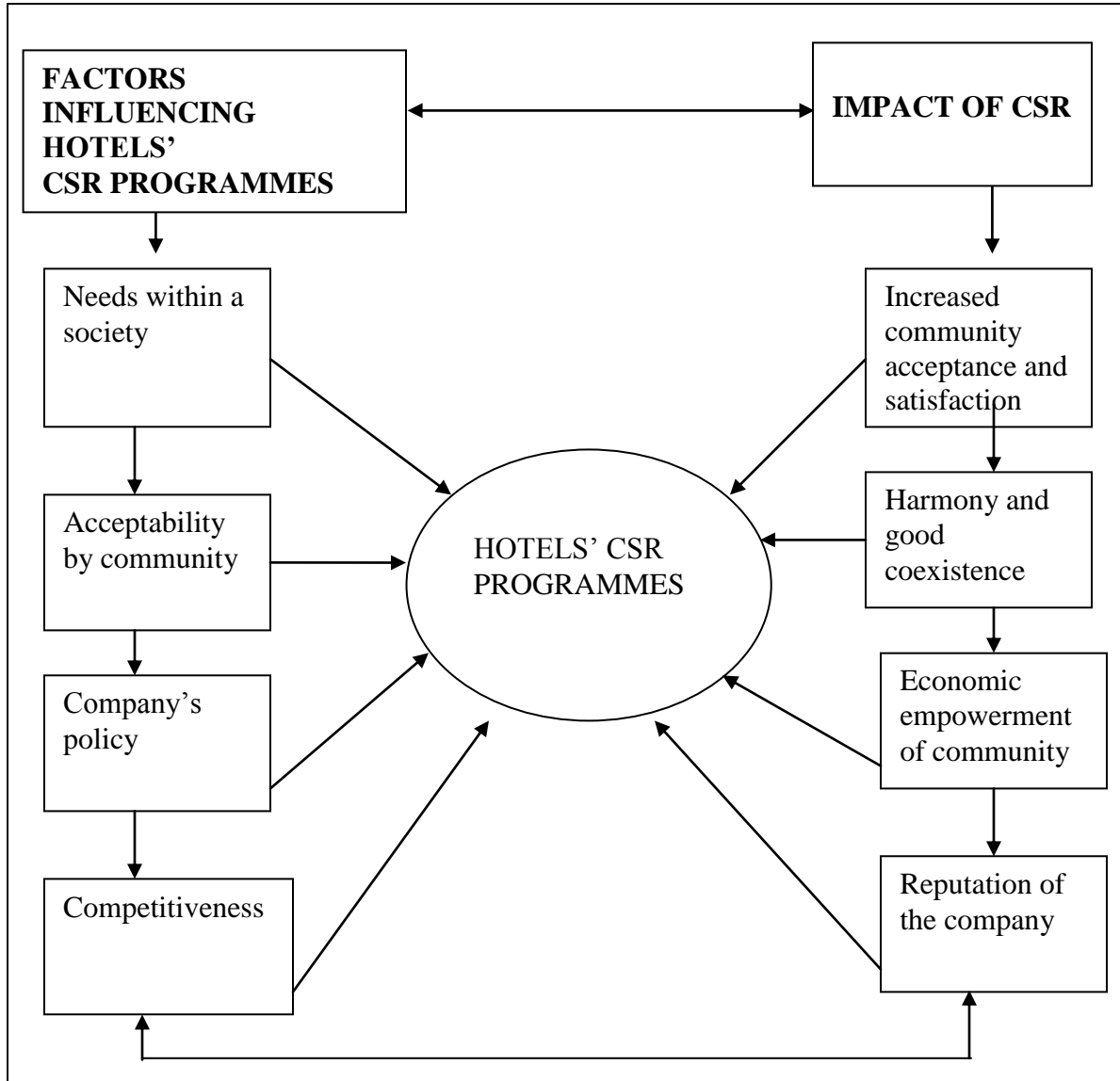
1.10 Conceptual framework

The conceptual framework for this study is illustrated in figure 1.1. The corporate social performance model involves two levels of application, that is, determining factors which would influence a company's CSR programmes and predicting the outcome. These composite variables would then influence the nature of a hotel's CSR within a given community (Wood, 1991). The proposed model helps a company define principles of social responsibility and design sustainable CSR activities which can successfully reduce societal challenges within any given community.

The factors influencing hotels CSR and the Outcome of Hotels CSR were composite variables identified in this study, influencing each other directly and indirectly and ultimately affecting the nature of hotels' CSR programmes. For example, when the hotel's intention is to harmoniously coexist with the community members within its area of operation, the CSR activity for the hotel will be designed in such a way that the hotel's presence within a community will be felt and appreciated by community members. Ultimately, the expected outcome will be the guiding principles for the hotel when defining the factors that will influence the type and nature of its CSR activities.

FIGURE 1.1 CONCEPTUAL FRAMEWORK

HOTELS' CSR PROGRAMMES AND THEIR IMPACT ON SOCIETY



Source: (adopted from Wood, D. 1991 modified)

1.11 Operational definition of terms

- **Five star:** The hotel classification as provided for in the Hotel and Restaurant Act Cap. 494
- **Community members:** A group of people within a geographical location and within the location of hotels' social projects.
- **License to operate:** This is a term used in corporate social responsibility to implying the acceptability of a company by the community within which it operates.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviews other scholarly works on Corporate Social Responsibility. It explores different arguments that have been advanced by other authors on what Corporate Social Responsibility means, factors that influence CSR programmes and the outcome of the same.

2.2. FACTORS THAT INFLUENCE CSR PROGRAMS

With pressure from global recession, the great mergers and cut throat competition, it would be expected that business community would be more concerned with financial and profit issues than social ones. However, what is emerging very strongly is a determination and commitment to address both environmental and social concerns. It is also difficult to concede if CSR may be driven by the intention of companies to conduct business ethically or a genuine concern for consumers and society in general (Zairi and Peter, 2002). Examining some of the factors may provide answers to the principles.

Juholin (2004) in her study of Finish approach to CSR discovered that the prominent driving force behind CSR is companies' long-term profitability, supported by company leadership and efficiency, competitiveness, and the ability to anticipate the future. Profitability is a reasonable justification for global companies, but a long-term orientation means that they have to take a long-run perspective in order to earn their legitimacy and license to operate. Businesses which seek to make their presence in the

market place are motivated by long-term profitability. Such corporations' impact on society in the market place are made up of the impact of what it produces; how they buy and sell; how much value or harm their core products generate; and their approach to marketing and advertising. (www.bitc.org.uk [accessed on 24/6/2009]).

Barney (1991) ascertains that the strategic social investor who upon making a social investment may obtain additional benefits such as good reputation, differentiated products that attract a premium and more highly qualified personnel. These benefits would then help a company obtain great profitability.

Another key driver for CSR, for other companies, is the desire to add optimum value to society and communities in which companies operate. Juholin (2004) supported this argument by saying that for CSR to be meaningful, businesses need to accept that they do not exist in a vacuum but operate in a wider community and that their actions have an impact on both the company and society in general. According to ideas generally accepted nowadays, companies function best when they merge their interest with those of their stakeholders. This involves the idea both of business being proactive in its relationships with social sectors and doing more than just trying to avoid breaking rules (Zairi and Peter, 2002).

Intercontinental Hotel Group (US) has demonstrated this core value through its clear mission that guides all their charitable endeavours in all its brands. One of the hotel's cases is demonstrated by Crowne Plaza Hunter (Intercontinental Hotel Group) Australia. When the hotel opened its doors in the year 2006, it was committed to supporting its local

community through a number of initiatives namely; employing local people, developing skills in the community and supporting local businesses (IHG, 2008). Peninsula Shangai is one of the leading hotels in Asia with chains spread in Hong Kong, Beijing, Bangkok, New York, and Chicago among other places and with community projects across its brands. Their projects range from donation of computers and furniture to schools, raising funds for cancer society and donations to the homeless (Shangai, 2008).

Zairi and Peter (2002) in their study on impact of CSR on business performance suggested that the key drivers for adding optimum value to society and the communities in which specific business organizations operate is through open dialogue with external stakeholders and having the determination to achieve sustainable CSR as demonstrated by Shangai and Intercontinental hotel groups. These authors' model is a good example for best CSR practices and it necessitated testing through this field study in the Kenyan context to ascertain its efficacy.

The other factor that would influence companies into CSR is the need to create corporate values. One of the ways in which companies can make a real headway in the area of business values is by reflecting issues of CSR in their company's vision/ mission and value statements (Nelson, 1998).Policies and missions are an organization's signpost. A mission expresses an organization's purpose or reason for its existence. A mission needs to be translated into action for it to be effective. Policies are tools that aid in actualization of mission statements. A hotel CSR policy should clearly communicate the hotel's commitment to maintaining the social, culture and physical environment in which it operates. Policy formulation is a participatory process that begins with identification of

environmental, economic and social aspects that require attention and setting goals. Every policy must have a clear action plan for implementation (ESOK, 2008). In the absence of a sound policy, CSR programmes are likely to be undertaken haphazardly and therefore not serving the interest of both businesses and local communities.

Wildes (2008) argues that hospitality managers should be challenged to include CSR into their business plans as the only way of showing a firm commitment to social activities. Indeed, the author provides a list of about fifty ways in which hospitality companies can incorporate CSR initiatives within the workplace and the top item on the list is to embed CSR in corporate strategy. Although Molloy (2008) argues that CSR is a social concern and not necessarily a business function, there is a general consensus among many authors that embedding CSR policies in company's mission provides focused social investment.

While it is apparent that CSR is becoming a common feature in most corporations, it is yet to be established whether (Wildes, 2008) theory is practical especially with the heightened campaigns on CSR in many hotels. Further, there was a need to clarify arguments, like the one advanced by (Friedman, 1962; and Molloy, 2008), in order to bring out the current practices and attitudes of different Hotels, and drawing conclusions as to whether or not CSR is a business function. The authors argued that there is no place for social responsibility as a business function.

Similar studies carried out in Argentina in 2008 revealed that only 56% of privately owned companies incorporated CSR into a written policy document. However, the only

reason they do have written policy is due to pressure to formally adopt a strategy to comply with CSR framework of their large corporate customers (Thornton, 2008).

Elsewhere in the world, hotels which have been successful in CSR programmes have strong CSR policies. For example, Hilton Corporation in America has a philosophy on philanthropy and citizenship that states “As a world leader in lodging hospitality, we at Hilton recognizes our responsibility to corporate citizenship whenever we do business...”(Holcomb et al 2007, pp 467). Intercontinental Hotel, America, in their effort to show their commitment to CSR, has provided a statement that captures the essence of their stance on socially responsible behaviour as: “ Through volunteer and education programs, diversity initiatives, environmental protection and in scores of other ways, we help the world become a better place, one community at a time. Wherever we are, we are people taking care of people”.(Holcomb et al, 2007, pp469). Hilton and Intercontinental hotels have their brands represented in Kenya.

Social awareness and education is another factor influencing company’s programmes. There is highly visible change in behaviour among corporate stakeholders as a result of high publicity on social, environmental and human rights movement in present times. With global warming and corporate behaviour so publicly available to the public, there appears to be a trend in social behaviour slowly changing from an individualistic mindset to a more holistic and collective reasoning. The Kyoto Protocol is an example of societies coming together and seeing the need for change on a global level (Bulkerley,2001). Peer pressure from society is paving the way business is conducted. Through education and

dialogue, the development of community in holding businesses responsible for their actions is growing (Roux, 2007). Unlike the past, the public has taken a significant shift in holding business responsible for their actions.

Acceptability by the host government and ultimately the community within a company's area of operation is another factor that contributes to a hotel's CSR activities. Companies which are keen to avoid interference by external forces strive to do substantive voluntary activities in order to persuade governments and the wider public that they are taking societal issues seriously. Companies operating away from their home countries use CSR issues to make sure they stay welcomed by being good corporate citizens with respect to labour standards and impact on the environment (Zairi and Peters, 2002).

2.3 CORPORATE SOCIAL RESPONSIBILITY IN COMMUNITIES

In today's business world, there is an increasing focus by firms on their CSR activities. Wood (2002) argued that it is becoming clear that the basic idea of CSR is that businesses and society are interwoven rather than distinct entities. CSR challenges businesses to be accountable for the consequences of their actions affecting the firm's stakeholders while they pursue traditional economic goals (Post *et al*; 2002).

Most companies have community programmes that are often the most visible manifestation of a company's acknowledgement of its social responsibilities. Much has been written about corporate community investment, and there are numerous case studies profiling good practice, awards schemes recognizing excellence, and models to measure

input, outputs and impacts. On a closer inspection, however, a responsibility to community is not quite so straightforward (Lunt, 2006).

Community itself is a fluid concept. It is commonly understood to mean a recognizable group of living things who share the same environment, but this could be a single house or an entire nation. Companies, like individuals, do not belong to one single community but to many different ones, and as a company grows and extends its networks across national and international boundaries, those networks evolve. Even within a single company, the way in which it interacts with and impacts on communities vary enormously, and between companies there is significant diversity in those activities which fall under the community investment banner (*ibid*). Hotels are good examples of companies whose networks stretch both nationally and internationally hence affecting communities within and without their boundaries.

Moir (2001) noted that there are many components under CSR banner which could be themed together to include: community related activities such as charitable donations and grants; community welfare; volunteerism; environment related such as energy, waste disposal and pollution management; marketplace related such as ethical advertising, relationships with suppliers; and people related, such as workforce diversity, fair and equitable benefits and human rights. All of these require a level of ethical behavior and codes of conduct.

Although CSR has its early roots in business philanthropy, it has evolved to become increasingly recognized as good business sense and is often described as the “triple bottom line” (economic, environmental, society) (Elkinton,1994:92). The World Business

Council for Sustainable Development also supports this view. Building on evidence from a body of performance research studies, the Works Foundation presents a strong business case which includes: enhanced reputation and brand value; increased staff commitment and involvement; increased profitability and financial performance; reduced operation costs; long-term sustainability for companies and their employees; enhanced capacity to innovate; good relations with government and communities and risk and crisis management (Bevan *et al*; 2004).

Companies can show commitment to communities in which they operate in many ways. Lunt (2006) identified one way as add-on initiatives. This type of fundamental support for the development of communities in the area where a company operates involves such programmes as employee volunteering, fundraising, support for a designated charity, and a wider charity giving.

Many types of community programmes have a mixture of objectives and motives. There is an element of a company's desire to remain in good terms with the neighbouring community as well as motivating its own staff (*ibid*). According to critics such as Friedman (1962), if the motive serves self- interest and the organization benefits from it, then it should not be classified as CSR yet others look at it differently. Those who disagree say that corporations' CSR programmes should be judged on the basis of how they benefit the society rather than judging the motives because it is hard to judge an organization's motives (Laff, 2009).

The other form of community development is grouped as those programmes that are sustainable. Sustainable initiatives underwritten by the company range from education

grants to schools to long lasting water solutions to communities hard hit by persistent droughts. Laff (2009) argues that donating products is the old model. The new model of CSR involves more sustainable projects. It also involves companies mobilizing their staff to get involved within communities and integrating such activities into their business model.

One of the main areas preferred by many companies is a responsibility for education. Education seems to be the mantra for business involvement in the community around the world. According to Cleverdon (2006), a business survey of over 12,000 business managers in more than 20 countries identified education as the critical societal issue for business- and the one consistently rated as the most popular topic for corporate community involvement. However, any type of support offered through community investments is undoubtedly important, and is welcomed by many communities and voluntary groups.

Research conducted in 2005 in UK by Smart Company showed that more than 60% of communities, voluntary and charitable groups receive funding from companies and 90% felt that cash was the most useful type of support they could receive. The study also showed that expectations of companies in tackling the social problems are low (Cleverdon, 2006). The most significant issues facing Kenyan society are hunger, poverty, health, unemployment among others. This study has tried to bring into focus how hotels CSR programmes have tried to tackle these key issues facing the Kenyan society.

2.4 IMPACT OF CORPORATE SOCIAL RESPONSIBILITY ON COMMUNITIES.

CSR programs can be seen as anything from aid to recruitment, risk management, brand differentiation to community acceptance or what others would call a license to operate. Managing risk is a central part of many corporation strategies. Reputation that would take decades to build up can be ruined in hours through incidents such as mistreatment of workers, environmental accidents and many others (Grace and Cohen 2005). McDonald's, the world leading fast food chain with presence in many countries of the world was criticized by CSR campaigners for unethical business practices. A heightened campaign urged people against buying McDonald's products. This resulted in the Mc Libel case in which Justice Roger Bell upheld some of the claims like mistreatment of worker among others (Botteril and Kline, 2007). McDonald's case may not have been so much about business ethics but it actually presents a practical example of community acceptability.

Jones *et al* (2006) observed the same phenomenon. They assert that CSR programmes do involve companies contributing substantial resources to developmental, educational and other programmes. The significance of this activity is not just about the direct economic resources involved, it is also related to the reputation of the companies which become tied up with their corporate citizenship commitment, the risk management aspects of projects and employees behaviour among others. However, there remains the question as to what extent such activities are genuinely contributing to society versus acting as

‘green-wash’, which allows companies to avoid privately costly but socially beneficial regulation.

Patel and Sammari (2009) suggest that for companies to ensure CSR programmes really benefit the communities for which they are intended, a company must have a team of CSR experts to help in the following areas: carry out assessment needs, map out a community development planning and design strategies for livelihood and income generation. A company whose CSR programmes are conducted in this manner has an advantage to win stakeholders confidence as well as building trust with local communities thereby establishing a local license to operate.

Besides building a good reputation, community investment can help companies and their employees access new networks and perspectives that help the company keep in touch with rapidly changing societies. It can help identify new market needs, explore different ways of working and encourage employees to use their initiatives (Lydenberg, 2006).

A visible commitment to CSR can help emerging market firms attract multinational partners, access international sources of capital and reach socially conscious consumers with their products and services. A good example of this is the Serena Group of Hotels that has attracted partnership with International Finance Corporation in its CSR programmes (Serena Newsletter, 2007).

Burke and Logsdon (1996) argued that CSR can also provide economic benefits when such programmes are central to the firm's missions and are highly specific, proactive, visible and voluntary. There are at least three circumstances under which a firm may engage in activities that benefit the society and increase the expected value of the firm: where the opportunity exists of strategic interaction based on governmental intervention; where opportunities exists to differentiate products; and where cost reduction may occur within the firm. Strategic interaction is particularly relevant because many social innovations increase cost relative to competitor. Government regulations can significantly help firms with cost advantage in complying with regulation to compete against rivals that do not enjoy such advantages (Husted and De Jesus Salazar, 2006).

Brand differentiation is another benefit of CSR. In a crowded marketplace, companies strive for a unique selling proposition which can separate them from the competition in the minds of consumers. CSR can play a role in building customer loyalty based on distinctive ethical values (Sacconi, 2004). Major hotel groups have mission statements that depict such ethical values. While CSR is attributed to altruistic motive, most hotel companies ideally would do it with expected outcome. A study carried out by Nation Media Group on other corporations revealed that many companies go into CSR with a view of selling their products (Akumu, 2008).

2.5 Summary of Literature Review

It is apparent that in today's business practice, CSR is entwined in many organizations' strategic planning process. Many companies have managed social issues the same way

they manage any other strategic business issues (GPACSR, 2008). Apparently, while CSR is attributed to altruistic motives, critics argue that the only reason corporations put in place social projects is for the commercial benefits they see in raising their reputation with the public or with Government (Thilmany, 2007). While many authors have articulated the factors that influence corporations to CSR activities, in an attempt to prove critics wrong, there is very sketchy information to show the correlation between the drivers of CSR and the outcome of the same. For instance, there is little data regarding the extent to which Nairobi hotels are actually reaching out to the society via their CSR activities. The only information available is hotels newsletters profiling their CSR achievement but which have not been verified by any field research to ascertain the actual performance. It was, therefore, necessary to carry out a field study to authenticate what hotels purport to be doing within communities.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

The chapter presents the procedures and strategies used in the study. Research design, locale, target population, the sample and sampling procedures, data collection, data analysis and presentation are also discussed.

3.1 Research design

The study employed a descriptive survey that involved qualitative and quantitative paradigms to collect data. The study described the factors that influence hotels' CSR programmes. Beneficiaries' level of satisfaction with and their participation in the Hotels' CSR programmes was also explored in order to establish the impact of such programmes within communities.

3.2 Study variables

The research variables in this study included both independent and dependent variables. Dependent variable was the corporate social responsibility. Independent variables were factors influencing CSR projects and the impact of CSR programs. Factors influencing hotels' CSR projects were measured by asking hotel managers to outline them while a likert scale was used to measure the impact of Hotels' CSR within communities.

3.3 Study area

The study was carried out in the Nairobi province of Kenya. Nairobi was purposively chosen because Five Star Hotels are within accessible proximity thus research work was financially manageable (appendix 6.5, pp.84).

3.4 Target population

The target population comprised of five star hotel managers who provided detailed information on the factors which influence hotels' CSR programmes and the type of CSR programmes they have in communities. Second target group was community members who comprised of project managers and beneficiaries. Community members provided information on how CSR projects have had an impact on their communities.

3.5 Sample size and sampling procedures

There are seven gazetted five star hotels in Nairobi (appendix 6.4, pp.83). Out of the seven Five Star Hotels, only four were found to have community based projects. The study targeted one general manager from each of the four hotels. Data collected from the four managers was a pointer to community projects hotels are involved in. Data was collected from purposively sampled five projects with a total population of 792 beneficiaries. The projects included three primary schools, an old peoples' home and a youth project. A list of beneficiaries was obtained from each of the five projects, which helped in defining the criterion for stratification. The criterion for stratification was age and gender. The total number of respondents was distributed equally to all the projects as shown by the formula below.

$$nf = \frac{n}{1 + n/N}$$

Where:

nf = the desired sample size (where the population is less than 10,000).

n = the desired sample size (when the population is more than 10,000)

N = the estimate of the population.

$$nf = \frac{384}{1 + 384/792}$$

$$= 259$$

Due to non-response by some respondents only 208 questionnaires, which comprised of 200 from project beneficiaries, 4 from hotel managers and 4 from project managers, were adequately completed and returned. This is however, above 80.0% acceptable in a descriptive survey research (Mugenda and Mugenda, 1999).

3.6 Research instruments

The following Research instruments were used for this study:

- Questionnaire (appendix 6.1, pp.66)

Both structured and unstructured questions were used to get information from hotel managers. Structured questions were to ensure answers given were confined to the required information while unstructured questions allowed managers to offer in depth information on the nature of their CSR projects, the factors influencing the choice of CSR projects and the benefits such projects have on hotel business.

- Interview schedule (appendix 6.3, pp.75)

A semi-structured interview schedule was used to get in-depth data on community members' perception of hotels' commitment to their welfare. The instrument was administered to community members who had benefited from the projects.

3.7 Pre-testing

Pre-testing was carried out to increase the validity and reliability of the research instrument. Questionnaires and the interview schedule were administered to a selected sample which comprised a hotel manager, one project manager and eight CSR program beneficiaries. The hotel for pre-testing was purposively selected from five star rated hotels within Nairobi but not part of the main study. Questionnaires that were found to have vague questions and unclear instructions were revised accordingly.

3.7.1 Validity

The research questionnaires were developed from the available literature to ensure content validity. Questions that were found to be vague were rephrased such that they conveyed the same meaning to all respondents. The interview schedule that was found to be too long and taking too much time was scaled down by removing some questions which were covered in other sections of the same instrument.

3.7.2 Reliability.

The reliability of the research instruments was ascertained by analysing the data obtained from the pre-testing exercise.

3.8 Data collection procedure

Questionnaires were administered to hotel managers who filled in the required information. Data from community members was collected using interview guide, which comprised both open and closed ended questions which enabled probing on important issues that could not be directly brought out by use of other tools. Data from community members was collected with the help of research assistants, who took notes as they guided the interviewees.

3.8 Data analysis

The raw data collected was edited and cleaned by checking for inconsistency. Coding for the open-ended questions was done after collection of data. Coded data was entered into spreadsheets and analysed thematically using the Statistical Package for Social Sciences (SPSS). Analysis of Variance (ANOVA) was used to test the hypotheses. The confidence level was set at 0.05 (95%) as recommended for most descriptive researches (Field, 2005). Descriptive statistics such as percentages and frequencies were used to describe the data while tables and bar charts were used to present the results as shown in the following chapter.

3.9 Logistical and Ethical Considerations.

Necessary protocol was sought from Kenyatta University and the Ministry of Science and Technology. Consent was also sought from the respondents before the questionnaires were given out and the interviews carried out. Confidentiality of information was upheld.

CHAPTER FOUR

FINDINGS AND DISCUSSION.

4.0 Introduction

This chapter presents and discusses the results of the study in the framework of figures, tables and thematic description of the factors contributing to hotels' CSR programs.

4.1 Characteristics of the Respondents

The study sought to establish the demographic characteristics of the respondents. The demographic factors included gender, age, income level, academic and the occupational status of the respondents.

Table4.1: Gender of the Project Beneficiaries

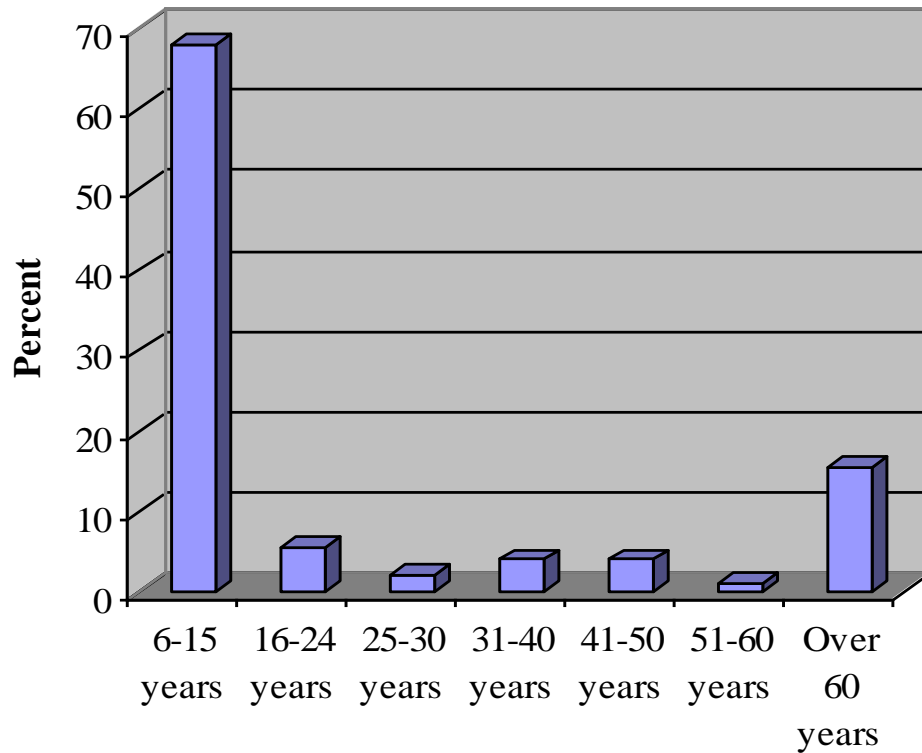
Gender	N	%
Male	105	52.5
Female	95	47.5
Total	200	100.0

Base n = 200 (All the beneficiaries)

Table 4.1 above presents characteristics of 200 beneficiaries excluding project and hotel managers. It can be observed that majority of the sampled project beneficiaries were males (52.5%), however, females constituted over 47.0%. This disparity even though negligible arises from the fact that Kenyan primary schools, where most hotels prefer to carry out philanthropic activities, have continued to post admissions of a higher number of boys than girls. The findings also indicate that hotels did not have a bias towards any gender group in their quest to help communities. This is unlike other non-governmental

organizations which campaign for a specific gender within communities. Most Kenyan non-governmental organizations have identified women issues as the prevalent societal problem and as such have advocated for better life through community initiatives such as Women Self- help Groups, Women Fighting HIV and AIDS and girl child education among others (Ministry of Planning and National Development, 2005).

Figure4.1: Age of beneficiaries



The results in figure 4.1 reveal that majority of project beneficiaries of the five star CSR programs were below 15 years (68.0%). This was followed by those aged over 60 years, representing 15% of total respondents. The highest percentage of the respondents were

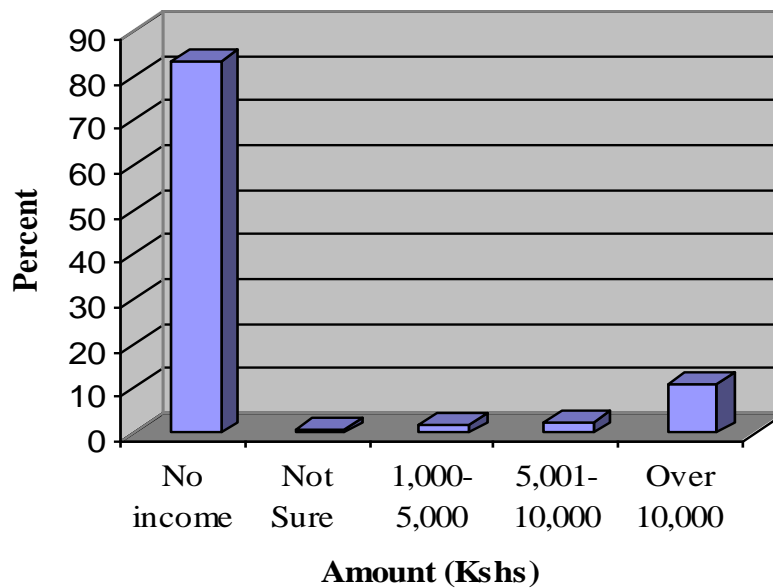
ages below 15 years, who were mostly school going children. The least represented group was that of ages between 16 and 40 years.

The findings clearly identified two groups of people within communities who were viewed by hotels as most vulnerable to societal problems, that is, children and the elderly. The findings agree with a report done by International Labour Office and International (ILO) Programme on Child Labour (2009) which showed that school going children in most African countries are disproportionately more affected by crises and criminal activities than other people, making them easily exploited. Kenya has not been an exception to this phenomenon. In the same report, Kenya was among countries with a high percentage of child labour. About 2.2 million children are out of school despite the introduction of free primary education. Most hotel managers shared the same concerns and gave this as the reasons their CSR efforts were directed towards helping public schools.

The other category was the age of 50 years and above. These are the elderly who usually have no one to take care of them and end up in charitable homes. The least from the age bracket of the beneficiaries were the youth between ages 16 to 40 years, who constituted only 10% of all the respondents. Apparently, the most prevalent societal problem in Kenyan communities is the high rate of unemployed youth who have formal education but without any gainful means of livelihood. Only one hotel out of the four selected for this study had taken keen interest in developing talents of youth and had offered employment within the same hotel. Most advocates of CSR initiatives, recognizing the

need to contribute to sustainable economic development of any given community, have advocated for training or support for youth initiatives that bring meaningful change within communities. This is intensified by the changing expectations of the role that companies should play in a wider society (Lunt and Jordon, 2006). The government of Kenya, recognizing the need to create jobs, created a Ministry for Sports and Youth that is aggressively engaging youth under the banner “Kazi Kwa Vijana”(Job opportunity for the youth).

Figure 4.2: Income levels of beneficiaries

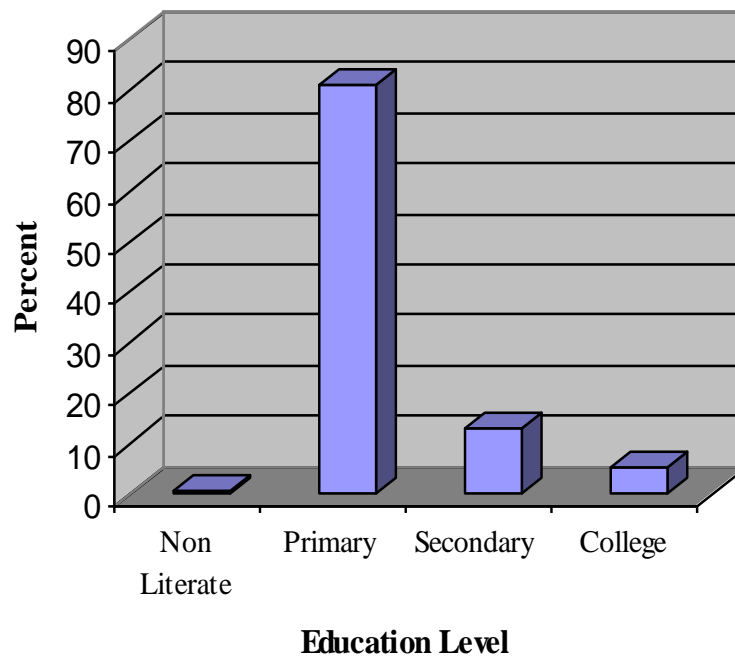


The findings presented in figure 4.2 indicated that most of the project beneficiaries earn no income (83.5%). This was expected because the highest percentage of beneficiaries was the primary school children. The only earning respondents interviewed were the youth who were trained and employed by one of the hotels. All the others were not on

any income, which can be explained from the fact that CSR programs targeted the needy and vulnerable people within the society.

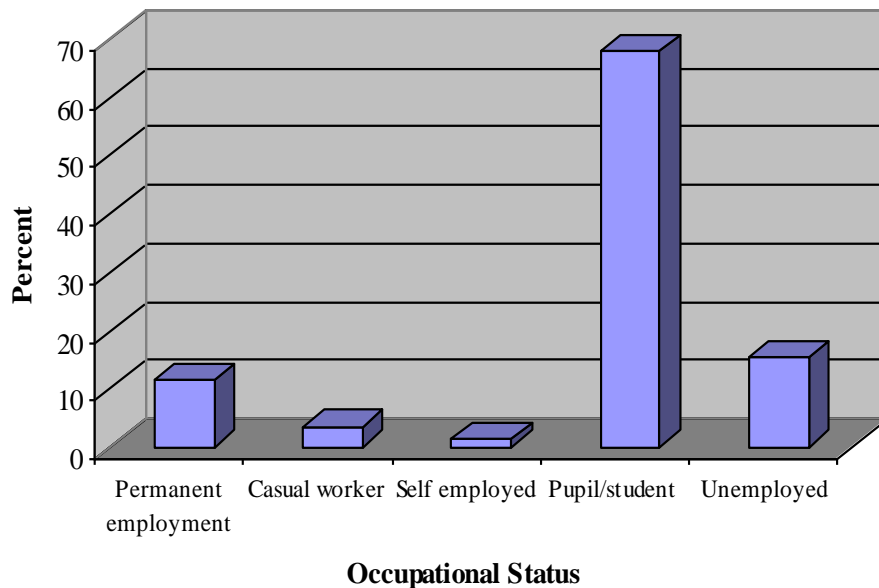
The findings are in line with Juholin's study. Juholin (2004) concluded that one of the reasons companies engage in CSR is to do good to members of a society and communities who are disadvantaged in one way or another. (Moir, 2001; Business Impact, 200) share the same view, that the current analysis of CSR would involve meeting the needs of communities around corporations' areas of operations and not just looking after the interest of their shareholders. They further stress the need for companies to be caring neighbours in their communities.

Figure 4.3: Level of education of beneficiaries



From the results in Table 4.3 it can be observed that majority of the Five Star Hotels' CRS project beneficiaries had primary school level of education, which took up 79.9% of the respondents and less than 10% with college education. This arises from the fact that focus groups were primary school pupils and the aged that lacked high level of education. This is an indication that CSR programs for five star hotels are geared towards increasing the level of literacy among poor communities.

Figure4.4: Occupational status of the project beneficiaries



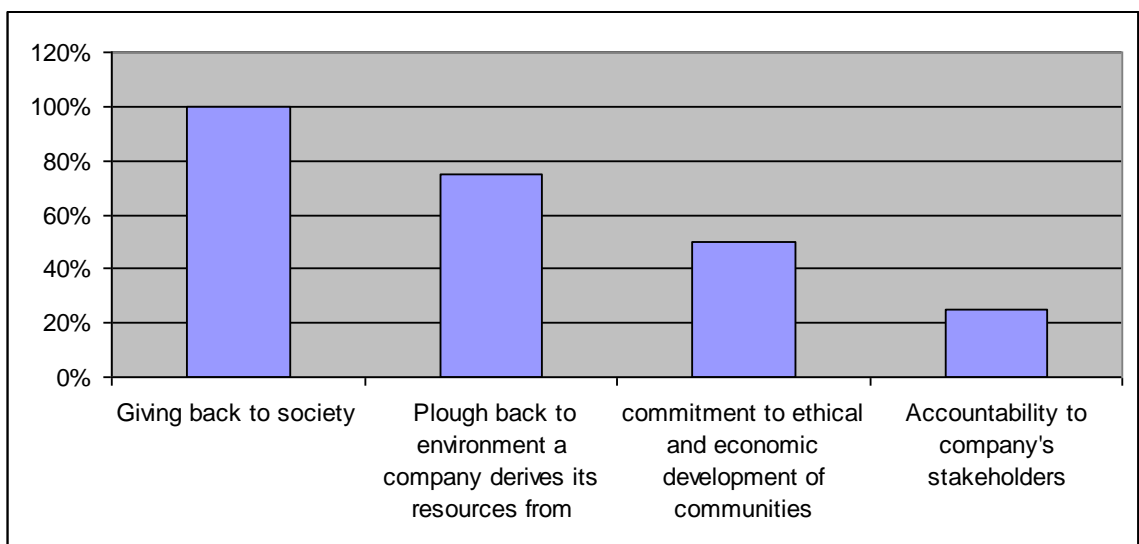
From figure 4.4 it can be observed that majority of the Five Star Hotels' CRS programs beneficiaries were pupils (68%). This again arises from the fact that majority of the respondents were primary school pupils. The lowest percentage of respondents in gainful employment were a small group of youth, who were trained on dancing skills and performed for pay, in the same sponsoring hotel. As expected, these findings indicated that the main focus for all the Five Star Hotels' CSR programs, was on the most

vulnerable members of the society. This form of CSR favourably agreed with Juholin study. Juholin (2004) agrees that CSR should be based on companies' willingness to make donations to those less well-off in society in order to demonstrate their good intentions and responsibility.

4.2 Hotels managers understanding of CSR.

When managers were asked about their understanding of CSR, their responses were as shown in figure 4.5.

Figure 4.5: Hotels' understanding of CSR



The summary of the findings in figure 4.5 reveal that all hotel managers understood the meaning of CSR as giving back to communities. 75% viewed CSR as an opportunity to plough back to the environment from which they derive their resources while 50% of the hotels were agreeable that CSR is commitment by businesses to behave ethically and contribute to economic development of the local communities. Only one out of four hotels had a comprehensive definition of CSR, covering a wide range of areas being

advocated for by the modern CSR. The statement indicated the hotel's commitment to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local communities. This is clearly in line with the understanding of most proponents of corporate social responsibility. For example, (Clarkson, 1995; Daugherty, 2001; Porter and Kramer, 2006) share the same view that CSR should be the means through which companies bring economic benefits to communities within their areas of operation. The authors further stress that organizations should consider the interest of society by taking responsibility for the impact of their activities on customers, employees, shareholders and the environment in all their operations.

An interesting observation however was made from one hotel that gave a short statement without further clarification as only "giving back to the community". In an attempt to define CSR, the manager, in view of these findings, needed to provide a clarification on the exact community the hotel dealt with. While Lunt (2006) agrees that community is a fluid concept, he says that it can be defined as a group of people who share the same environment, which can be business environment, work environment or education. A clarification of which businesses should impact has been the basis for the modern CSR definition that covers employees of a company, suppliers and customers among others. Further clarification is made by Clarkson (2005) who argues that the beneficiaries of businesses CSR programs can be grouped into primary and secondary stakeholders. Primary stakeholders are those groups of people who are directly involved with day to day operations of a business such as employees, suppliers and shareholders while

secondary stakeholders are outsiders who may not necessarily be directly involved with the daily operations of a company but do affect business in one way or another. Therefore, a manager who gives a comprehensive definition of the exact community the hotel impacts would be in better position to have a clear focus on the nature of CSR programs and the intended outcome.

Commitment to ethical behaviour was also cited as being part of hotels' understanding of CSR. This is in line with Daugherty (2001) who argues that the obligation of CSR is seen as extending beyond the statutory obligation to comply with legislation and sees organizations voluntarily taking further steps to improve the quality of life of their stakeholders.

4.3 Policies on Corporate Social Responsibility

The results of the findings indicated that all the four hotels had a policy regarding CSR programs. The study further sought to establish the details of the policy statement as a way of establishing the consistency between managers understanding of CSR and the hotels' framework for CSR actions. One of the hotels simply stated its policy as "to identify and donate". This is the same hotel that had defined CSR as "giving back to society". Two out of four hotels had more comprehensive policies which indicated the hotels' willingness to maintain positive, ethical and accountable relationship with all their stakeholders. The remaining hotel had a policy that was not quiet within its domain of responsibility but rather on the participation of their guests in CSR programs while on

holiday. This is the same hotel that had given an impressive definition of CSR agreeable to commonly accepted definition.

These findings reveal hotels' commitment to CSR issues through their policies, a view that is supported by Wildes. Wildes (2008) argues that an intention to include CSR policies into the business plans is the only way of showing a firm's commitment to social activities. However, a good policy must have a clear action plan for implementation. Failure to have a sound and action packed policy is an indication that CSR programs will be done haphazardly and without productive outcome (ESOK, 2008).

Further analysis of each individual hotel's CSR policy showed that none of the policies had an action plans on the implementation of its CSR programs, making the hotel's CSR status more of a theoretical rather than practical undertaking. This observation seemed to lend support to Lydenberg's study that lack of action plan envisioned in a business CSR policy is an indication that CSR programs will be done haphazardly, that is, without any focus (Lydenberg, 2006). A practical example of a well stated policy is given by Golden Peacock Award for corporate Social Responsibility (GPACSR). GPACSR is one of the World's recognized organizations that awards Asian corporations committed to CSR undertakings. It gives a practical example of a well stated CSR policy for a committed company as;

“To give special focus to issues of social and environmental responsibility and to create awareness among corporate, decision makers and movers and shakers towards triple bottom line approaches for enhancing economic value, social value and environmental

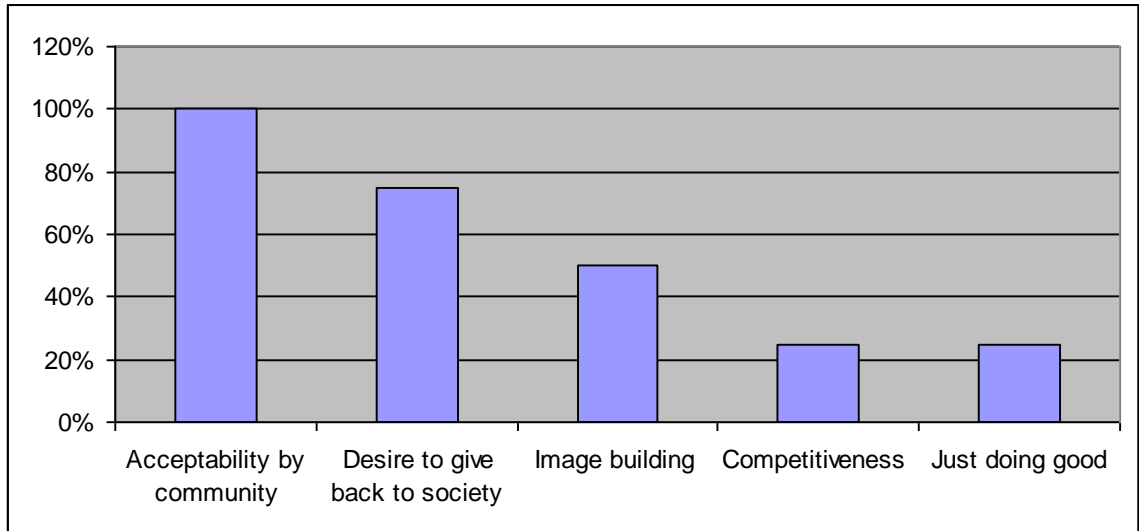
value. To explore and establish awareness so that the underprivileged and marginalized communities can access the system to seek assistance, they are entitled to”
(www.goldenpeacockaward.com[accessed on 16.6. 2009]

These findings viewed policy statements given by some hotels in very few words as lacking internal and external credibility in their commitment to CSR issues even though the intention to do good was expressed by managers. A contradiction was also noted between the managers' definition of CSR and the policy statement. For example, a comprehensive definition given by one of the hotels as “.....hotel's commitment to ethical and economic development of community....”, differed with their policy. This particular hotel's policy was stated as “.....giving its guests an opportunity to impact communities while they are on holiday...” This statement did not have anything to do with hotel's commitment to CSR initiative for economic change. This kind of CSR is criticized by Cleverdon. In her article ‘dos and don'ts on business engagement with the community’, she cautions organizations against dumping social responsibility on third parties (Cleverdon, 2006). This particular hotel seemed have gone against this rules of CSR. Although other initiatives such as that of “Green Hotel” which encourage hotels in involving guests in social responsibilities, the hotels must first and foremost demonstrate their CSR initiatives and then show how they integrate their stakeholders.

4.4 Factors influencing hotels' CSR programs

Hotel managers were asked the factors influencing the nature of hotel's choice of CSR programmes. Their responses are shown in figure 4.6.

Figure 4.6: Factors influencing Hotels' CSR programs



The factors given by five star hotels as influencing their engagement in Corporate Social Responsibility are summarized in figure 4.6. All the hotels in this study reported “license to operate” as the main factor that influenced their CSR activities. Three hotels indicated the companies’ desire to give back to communities without expecting any returns. Two out of four hotels were influenced by the desire to create good image and reputation while another hotel indicated competitiveness and the intention to do good as the determining factor for its CSR activities.

Acceptability by community seemed to be the major factor influencing all the hotels into CSR programs. (Laff ,2009; Moir 2001) describe acceptability (“license to operate”) as

the recognition and acceptance of a company by all its stakeholders. Building reputation as a responsible business helps cushion it against any pressure from both internal and external stakeholders. These findings are also supported by Business for Social Responsibility (BSR). According to BSR (2008) active involvement in community activities builds a positive reputation with stakeholders, both internal and external. Local recognition helps a company secure the all- important 'license to operate', particularly if it is one of the main and most high-profile employers in the area. Although license to operate and image building were in this study given as separate points, there was a correlation between the two, in other words, a company can not be accepted if it does not have a good reputation.

The desire by hotels to give back to communities was another factor that generated good response and compared favourably with other studies. For example, Juholin (2004) in her study noted that the key driver for CSR for many companies is the desire to give back by adding optimum value to society and communities in which they operate. She further stresses that companies function best when they merge their interest with those of their stakeholders. Although these findings differed with Friedman (1962) who argued that a business is only responsible to its stockholders and employees and can only contribute fully to society only if it is profitable, Moir (2001) concluded that a company has an obligation to help solve social problems whether or not it helped create them. Esrock and Leichty (1998) in their study noted a correlation between "giving back" and "doing good". The authors concluded that "doing good" CSR issues were often reported by companies.

Competitiveness as a factor influencing CSR was reported by one hotel. Although there was no further clarification to this point, competitiveness is a tool used by companies whose intentions are to use CSR as a means of differentiating their products. This agrees with the study done by Husted and De Jesus (2006) who employed standard microeconomic analysis to determine the optimal level of social output. The authors identified a firm's three desires to engage in CSR as: altruism, coerced and egoism, and the strategic use of CSR. They concluded that a firm that adapts the strategic use of CSR has a competitive edge over its competitors.

Burke and Logsdon (1996) further emphasized this by looking at three circumstances under which a firm may engage in activities that benefit the society and also increase the expected value of the firm: where the possibility exists of strategic interaction based on governmental intervention; where opportunities exist to differentiate products; and where cost reduction may occur within the firm. Strategic interaction is particularly relevant because many social and environmental innovations increase costs relative to competitors. Governmental regulation can significantly help firms with cost advantages in complying with regulation to compete against rivals who do not enjoy such advantages (Husted and De Jesus, 2006).

All the factors given by the hotels, although supported by various authors, were found to be more in favour of companies' internal stakeholders than external stakeholders. L'Etang (1996) viewed such companies as self interested in practicing CSR and only use

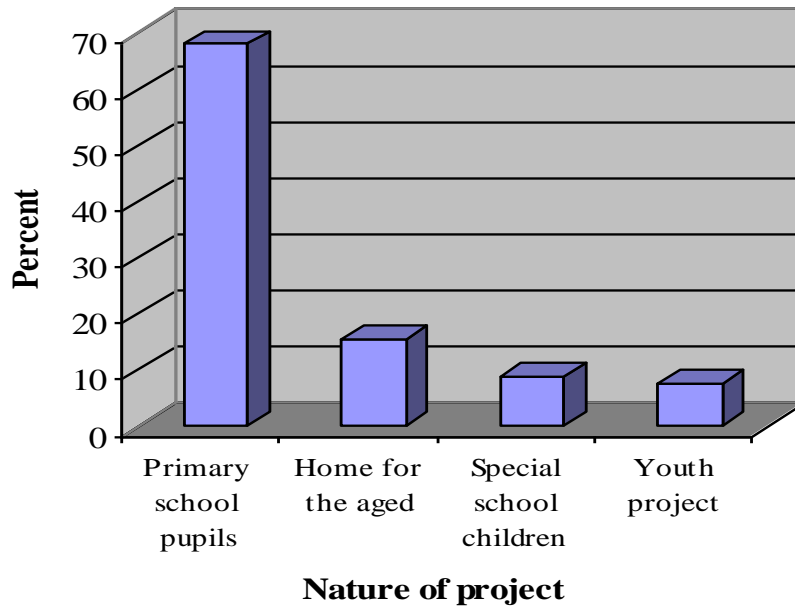
philanthropic actions to gain publicity. The findings further revealed that while Five Star Hotels expressed desire to give back to the society, the main intention, out of the factors given, was to cushion their businesses against bad reputation. This is supported by the answers that were given by managers on hotels' relationship with communities around their businesses. Two out of four hotels indicated that their relationship with their neighbours was good because of occasional philanthropic activities. Interestingly, one hotel confirmed that a community within one of its operation was quite hostile to the extent of closing roads and making it impossible for guests to get access to the hotel. This meant that the hotel's CSR gesture was prompted by the need to diffuse the hostility and not necessarily out of the desire to naturally give back to society.

Another hotel located within a residential area reported the same kind of community hostility. The hotel was involved in legal tussles with neighbours over noise pollution but this ceased when the hotel involved its immediate neighbours as stakeholder. These incidences seemed to explain why hotels major factors were license to operate, image building and competitiveness.

4.5 Hotels' CSR within communities

The results of respondents to hotel's CSR community programmes are shown in figure 4.7.

Figure 4.7: Projects supported by hotels' CSR programs



The findings in figure 4.7 show that majority of the project beneficiaries were drawn from primary schools (68.0%). The least were from youth projects (7.5%). These findings compare favourably to a study conducted by the Cleverdon (2006). The study indicated that most companies prefer to direct their sponsorship in education, especially primary schools.

The study further sought to establish from the sampled projects the nature of assistance/donations beneficiaries received from the hotels. The results indicated that donations from the hotels were in form of occasional refurbishment and supplying stationery to primary schools, raising funds for schools through egg auction and

providing food stuffs, bed linen and utensils. The others supported shelter for the aged and a school for physically challenged children by donating foodstuffs, old bed linen, old utensils and firewood. The other category of beneficiaries was a youth group that was supported by one of the hotels through training in dancing skills. Most of these were a one time donation and not self sustaining projects except for training of the youths which was an ongoing and self sustaining project. The above information was confirmed through interviews with project managers. The manager of the old peoples' home said that they receive mainly foodstuffs and bed linen from the hotel. The head teacher of the Special School stated that they mainly receive firewood, water and community service, while the head teacher of one of the primary schools said that they had received a one time donation of desks and stationery from a hotel.

The preferred project favoured by most hotels was the support for education. Cleverdon (2006) in her study 'Business Engagement with Education' revealed that education is preferred by businesses around the world as a way of involving themselves with communities. Education, she argues, has been a perennial favourite in many different societies, whether that has meant employees volunteers going in to help in schools, or sponsoring school places for child labourers displaced by Western multi-nationals' drives to stop underage working in their supply chain. The study cited a survey done by Harvard Review of over 12,000 business managers in more than 20 countries who had identified education as the critical societal issue for businesses and the one consistently rated the most popular topic for corporate community involvement. Hotel managers, whose hotels are involved in education, shared the same view. This was consistency with what they

had indicated in (figure 4.6) as the desire to supplement government's efforts in providing education for all. Over the years, the number of students enrolled in Kenyan primary schools has increased from 891,000 pupils in 1963 to the current 8.5 million. This has caused strain in the provision of necessary infrastructure.

While support for education is advocated for by many CSR organizations, it is clear that community problems are not limited to maintaining children in schools, there are many other issues hotels can direct their attention to. Projects that empower youth, who are now faced with unemployment, is another area hotels can direct their CSR programs. In fact, unemployment caused by economic recession and loss of jobs due to many companies downsizing seem to be the most pressing societal problem. Bulkeley (2001) supports this argument, that an approach for CSR that is becoming more widely accepted is community based sustainable development projects, such as supporting the imparting of skills for youths, taking a lead in environmental issues and health matters.

A notable finding within the framework of hotels' CSR activities revealed donations as the most popular kind of support for the identified projects. Donations were mostly offered once a year or when community leaders made a request to the hotels. Only one out of four hotels had an ongoing and sustainable project for youth. The findings agree with what was anticipated by the study, that most hotels continue to make donations either once or a few times in a year to already existing projects, a sign that such efforts are more of a singular event rather than strategic, long term initiatives. This again exposed a contradiction between what the hotels had given as the meaning for CSR and the actual

activities demonstrated by these findings. While most hotels cited the meaning of CSR as a continuing commitment to behave ethically and contribute to economic development of local communities, this was not reflected in their CSR programs.

While a one time donation may attempt to solve an immediate problem, if the course is not supported regularly it will leave the beneficiary for ever in want. Donations of old hotel stock (linen and utensils) also raises questions as to whether or not such kind of activities contribute in creating optimum societal value as suggested by Zairi and Peters (2002). The two authors proposed approaches for creating societal value such as offering training programs to local communities, community health projects, sponsoring community development trust funds among others. Donation of old linen or old hotel utensils does not fall under any of these even though the intention may be good. This gesture is seen by critics of CSR as supporting self interests of a company and should therefore not be classified as corporate citizenship. Laff (2009) suggests that donating unused inventory is instead a better option of giving back to communities. The author further stresses that community service component should be integrated within an organization's daily functions so that it becomes more than just a one time event or donation. Laff quoted Erin Meezan, assistant vice president for sustainability at Interface, as saying "Donating products is the old model". "It is not about writing a bigger check or being smarter about whom you donate products to", Meezan states. "*Corporate Social Responsibility starts with developing and engaging your own people and integrating it into your business model*" (ibid.).

4.6 Identifying communities for CSR

Results indicated that in all the projects, the hotel managers made an attempt to visit the communities around their businesses and in the process were able to identify areas where communities needed help. Some project managers however, reported that they had to solicit for help from hotels especially for basic needs like food. This perhaps can explain why some hotels indicated food donation as their CSR activity. Where project leaders solicited for donation, then it was clear that the project was not an initiative of the hotel, which contradicts Patel and Sammari's suggestions that for companies to ensure CSR programs really benefit the communities for which they are intended, a company must have a team of CSR expertise to help in the following areas; carry out a needs assessment, map out a community development planning, and design strategies for livelihood and income generation (Patel and Sammari, 2009).

The authors argue that a company whose CSR programs are conducted in this manner has an advantage to win stakeholders' confidence as well as building trust with local communities thereby establishing a local license to operate. This is an acceptable model adopted by International Finance Corporation (IFC), one of the leading corporations in funding community projects. The corporation has a committee that engages with the local communities in establishing its needs and mapping out the process to be involved in establishing sustainable projects. Save for one hotel whose manager seats in the board of the school the hotel supported, all the others did not give a clear indication of Patel and Sammari's model.

4.7 Length of hotels' involvement in Community Projects

All the sampled five star hotels indicated their involvement in community projects for over 10 years. However, in view of the fact that such involvement as already noted is in form of donations that are made from time to time, it is not likely to have a serious impact on the society. While Juholin (2004) traces the origin of CSR in Europe to have started way back in 1800s, Kenyan Five Star Hotel managers only talked about having been engaged in CSR activities for only over 10 years. Although ten years is relative, a company that has taken CSR issues seriously, in view of this study and when CSR issues started coming into focus, would be talking about CSR being an integral part of the company's core values since its inception.

The finding compares favourably with the study carried out in USA by Holcomb, *et al*; (2007). The authors discovered that even though CSR started way back in 1800s, the focus in the hospitality industry gained momentum only in 1990s.

4.8 Impact of hotels' CSR on communities.

According to the managers of the projects, the donations had made substantial impact at the time they were made. For example, the manager of the old peoples' home noted that the donations particularly the bed linen were of great help during the rainy season when conditions were damp, they were therefore able to have spare bed linen for changing. One of the primary schools' head teacher pointed out that through the donations, the school had refurbished at least a classroom and acquired new desks thus reducing shortage of seating space, while the head teacher of the special school observed that the donations

had helped reduce the problem of fuel and water within the school for the time donations were available.

These findings revealed that the kind of donations offered by hotels only tried to satisfy the basic needs of community members and not necessarily offering long-term solutions. While studies show that CSR is moving away from once in a while charity donation, Nairobi's Five Star Hotels still practice the old model of philanthropic activities. Studies by (Carroll, 1979; Clarkson, 1995; Juholin, 2004; Moir 2002) all agree that sustainability of community projects make more economic sense and will also capture the impact of an organization's activity on society. Laff (2009) in his paper, "*Creating Corporate Social Responsibility That Makes Sense*", has differed with this kind of CSR and has viewed it as lacking credibility. He argues that donations should not be based on immediate needs of the society but rather on offering long term solutions to such problems. He is quoted as saying that "*it should not be, today we are going to a homeless shelter, but tomorrow we are not doing anything*".

Although there are no strong CSR pressure groups in Kenya to date which censor companies' CSR activities, hotel managers need to learn from other countries like United Kingdom that have strong CSR organizations that guide and monitor businesses partnership with communities. Business in Community (BTC) is one of those organizations in UK that is on the forefront in pressing the course for companies' CSR, whether the company is big or small, profit making or non profit making.

This aspect of Kenyan hotels' kind of CSR (donation of old stock) revealed in these findings was viewed by Cyert and March (1963) from a standpoint that examines the political aspects and non-economic influence on managerial behaviour. Such managers would argue that businesses only contribute to long-term and sustainable projects only when they are profitable. Although this discussion was not part of this study, it could also be extended to examine personal motivations such as hotel managers' personal preferences on the kind of CSR undertaken within communities.

Table 4.3: Project Beneficiaries Assessment of the Impact of Project/Donation on the Community

Donations	Highly Agree		Agree		Neither agree nor disagree		Disagree		Highly Disagree	
	n	%	n	%	n	%	n	%	n	%
The project/donation/sponsorship meets my expectations	29	14.5	168	84.0	3	1.5	0	0.0	0	0.0
The donation/sponsorship has regenerated economic activities within this community since its inception	0	0.0	82	93.2	6	6.8	0	0.0	0	0.0
The project has increased accessibility to services for disadvantaged groups of people within the community	35	18.9	146	78.9	4	2.2	0	0.0	0	0.0
The project has increased the level of literacy amongst community members	8	4.8	86	52.1	68	41.2	3	1.8	0	0.0
The project has strengthened the relationship between sponsoring hotel and the community	82	48.2	37	21.8	50	29.4	1	0.6	0	0.0
I have benefited from this project	137	68.5	63	31.5	0	0.0	0	0.0	0	0.0
The hotel should have focused on other needs of the community other the current project	29	14.5	74	37.0	77	38.5	17	8.5	3	1.5
Sponsorship offered by hotel is timely and appropriate	40	20.0	154	77.0	6	3.0	0	0.0	0	0.0

* The impact was assessed only for cases where it was applicable to the group

From the results presented in Table 4.3 it can be observed that many of the project beneficiaries highly agree or agreed that the project/sponsorship had made achievement in the community, for example 100% agreed that they had benefited from the donations and that the donations met their expectations. A considerable 103 (51.5%) felt that hotels should have focused on other needs of the community other the project they were

involved in. This implied that the hotels had not coordinated well with community members in identifying their other needs, but rather they merely came up with what they presumed needed to be supported. This was an indication that there could have been other community needs that could have been a priority for beneficiaries had they been given an opportunity to choose. This can be supported by the fact that only 41% of the beneficiaries thought that the donation made some economic benefit to the community.

This aspect of community funding differs with the approach given by Peters and Zairi (2002) that the best way to support community-based activity is to carry out a feasibility study either through a set committee or sending out a request form to be filled by the community leaders. In this way, any help given would be in line with what the community wants and not what the hotel manager thinks is right for them.

Table4.4: Beneficiaries’ Level of Satisfaction with Donations in Meeting their Needs

Type of Donation	Extremely satisfied		Satisfied		Neutral		Dissatisfied		Extremely Dissatisfied	
	n	%	n	%	n	%	n	%	n	%
Food	31	25.8	89	74.2	0	0.0	0	0.0	0	0.0
Shelter	32	65.3	17	34.7	0	0.0	0	0.0	0	0.0
Clothing	31	30.4	0	0.0	0	0.0	71	69.6	0	0.0
Education	6	3.7	156	95.7	0	0.0	1	0.6	0	0.0
Health	0	0.0	30	29.4	1	0.9	0	0.0	71	69.6
Jobs	2	13.3	13	86.7	0	0.0	0	0.0	0	0.0
Business	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Others	0	0.0	0	0.0	0	0.0	32	100.0	0	0.0

* Level of satisfaction was assessed only for cases where the donation was applicable to the group

From Table 4.4 it can be observed that majority of project beneficiaries were satisfied with donations such as food, shelter and education. However, they were dissatisfied with

health and clothing. Beneficiaries' level of satisfaction with food and clothing showed that donations that sorted out their immediate needs received a high rating. Although the beneficiaries rated donations in terms of whether they were applicable to them, they were still dissatisfied with others. For example, the school pupils rated education quite highly but other than the stationery they had received, they had other pressing needs like clothing and health, which rated 71(69.6%) respectively.

Table 4.5: Mean score on beneficiaries' Level of Satisfaction

Type of Donation	Mean				
	Primary School	Old Peoples' home	Special school	Youth	Total
Food	2.0882	5.0000	4.0000	0.0000	2.5550
Shelter	0.0000	5.0000	4.0556	0.0000	1.1400
Clothing	1.0441	5.0000	0.0000	0.0000	1.4850
Education	4.0000	0.0000	4.2778	2.3333	3.2800
Health	0.5221	3.9677	0.0000	0.0000	0.9700
Jobs	0.0000	0.0000	0.0000	4.1333	0.3100
Business	0.0000	0.0000	0.0000	0.0000	0.0000
Others (skills training,)	0.0000	2.0000	0.0000	0.1333	0.3200

The results in Table 4.5 indicate that old people were extremely satisfied with food, shelter and clothing. At the same time they were satisfied with health but dissatisfied with others. Business, education and jobs were not applicable to them. Primary school children were satisfied with education, but dissatisfied with food and extremely dissatisfied with health and clothing, while business opportunities, jobs, shelter and others were not applicable to them. Children from special schools were satisfied with food, shelter and education while all the others were not applicable to them. The youth were satisfied with jobs, but dissatisfied with education. The rest were not applicable to them.

While the best model for satisfying all the needs within a community has been to involve the community leaders, Lydenberg (2002) acknowledges that the most difficult challenge corporate managers face is that of allocating scarce resources among competing stakeholders. Generating profits for the companies' owners is in itself challenging, while satisfying the competing needs of communities multiplies the complexity of the task. Although the findings agree with Lydenberg's observation, the question of whether the business case for CSR implies a substantially larger pool of profit so that they can reward all stakeholders equally remains for further research.

The findings also revealed that the communities involved were not well informed of what to expect from hotels' CSR programs. Bukerley (2001) observed that some of the influencing factors of corporations' CSR are social awareness and education among community members, which in turn influences the nature of corporation's community support. Peer pressure from society is also influencing the way business is conducted within communities. Such parameters are used by informed communities to also give their input in what CSR is appropriate for them whenever given an opportunity. An exemplary case is given by Lever Bros Limited. This company has a form they call 'community action support request sheet' which is sent out to communities requesting them to give details of support they require (Peter and Zairi, 2002,pp177).

Table 4.6: ANOVA Results on the Project Beneficiaries' Level of Satisfaction with Donations

Donation		Sum of Squares	df	Mean Square	F	Sig.
Food	Between Groups	350.454	3	116.818	42.171	0.000*
	Within Groups	542.941	196	2.770		
	Total	893.395	199			
Shelter	Between Groups	811.136	3	270.379	56111.495	0.000*
	Within Groups	.944	196	4.819E-03		
	Total	812.080	199			
Clothing	Between Groups	482.220	3	160.740	232.106	0.000*
	Within Groups	135.735	196	.693		
	Total	617.955	199			
Education	Between Groups	435.376	3	145.125	451.899	0.000*
	Within Groups	62.944	196	.321		
	Total	498.320	199			
Health	Between Groups	336.918	3	112.306	630.688	0.000*
	Within Groups	34.902	196	.178		
	Total	371.820	199			
Jobs	Between Groups	237.047	3	79.016	8934.836	0.000*
	Within Groups	1.733	196	8.844E-03		
	Total	238.780	199			
Business opportunity	Between Groups	0.000	3	0.000	-	-
	Within Groups	0.000	196	0.000		
	Total	0.000	199			
Others	Between Groups	103.787	3	34.596	1816.267	0.000*
	Within Groups	3.733	196	1.905E-02		
	Total	107.520	199			

* Significant at 0.05

The results reveal that there was a significant difference in the level of satisfaction with most of the donations. This means that the level of satisfaction varied according to category of project beneficiaries. Therefore the hypothesis that there was no significant difference between the project beneficiaries and their level of satisfaction with the donations made by the hotels through their CRS programs was rejected.

4.9 Project Beneficiaries' Level of Participation in Decision Making in terms of Project Management

It was also prudent to find out from the project beneficiaries the extent to which they participated in decision making in terms of project/donation management. The results of the findings are summarized and presented in Table 4.7.

Table 4.7: Project Beneficiaries' Level of Participation in Decision Making in terms of Project Management.

Participation	Highly Agree		Agree		Neither agree nor disagree		Disagree		Highly disagree	
	n	%	n	%	n	%	n	%	n	%
Community meetings are convened on project management	4	2.0	34	17.0	2	1.0	95	47.5	0	0.0
You always attend the meetings	8	4.0	26	13.0	6	3.0	95	47.5	0	0.0
Your views are always listened to and accepted	2	1.0	24	12.0	14	7.0	95	47.5	0	0.0
Your views have guided action at community level	4	2.0	16	8.0	20	10.0	95	47.5	0	0.0
You participate by giving your views through your teachers/project manager/elders/husband/ wife/son/daughter	4	2.0	25	12.5	11	5.5	95	47.5	0	0.0

The results in Table 4.7 reveal that most project beneficiaries were rarely involved in decision making in terms of project management. Majority of the beneficiaries disagreed (47.5%) that meetings were convened on project management, that they attended meetings, their views were always listened to and accepted, their views guided action at community level and that they participated by giving their views through the project manager or community leaders. A comparison between the projects showed some variations, for example, beneficiaries of one primary school had only benefited once and thus could not rate their views on participation or decision making. Majority of beneficiaries from old peoples' home and the other primary school disagreed that they were involved in decision making while most of beneficiaries from youth dancers and the special school agreed that they were involved. These results were further subjected to statistical analysis by use of ANOVA to find out if the differences were statistically significant.

Table 4.8 ANOVA Results on the Project Beneficiaries' Level of Participation in Decision Making in terms of Project Management on the basis of each Project

	Sum of Squares	Df	Mean Squares	f	Sig
Between Groups	598.940	4	149.735	937.638	0.000
Within Groups	31.140	195	0.160		
Total	630.080	199			

* Significant at 0.005

The results revealed that there was a significant difference in the rating of the level of participation in decision making by project beneficiaries of different projects. The ANOVA results indicate an F ratio of 937.638 and an F probability of 0.000. This means that the level of participation in decision making by project beneficiaries varied by project.

4.10 Sustainability of Hotels CSR programs

The results of these findings indicated that different hotels had different ways of ensuring that whatever CSR was done within communities had a follow-up. Answers given ranged from choosing committees that would oversee the project beyond initial funding, making follow-up and choosing projects according to how sustainable they were considered to be. Since the previous results have shown that most of hotels' projects were more of a one time donation, sustainability of the projects seemed to be of little importance to the hotels. There were also contradictions on what hotels gave as a follow-up and what was found on the ground. For example, where the project manager had to appeal for help from the hotel, it was a clear indication that had there been a proper mechanism for hotel to monitor the project, then the hotel would have discovered the need before the project manager's appeal.

These findings agree with the views of Porter and Kramer (2002) who assessed such kind of companies' contribution programs as diffuse and unfocused, rather than being tied to well- thought- out social or business objectives. According to GPACSR (2008), sustainability means taking a long term view of community involvement. It also requires the integration of social, environmental and economic considerations to make balanced judgments. Hotels that indicated their choice of CSR according to how sustainable they were contravene the concept of CSR

4.11 Hotels Challenges in implementing CSR programmes.

Challenges five star hotels face when involved in the community projects included: difficulty in follow up; resistance by some community members; lack of information by community on the initiated projects; lack of adequate funds for financing projects especially during the low tourist season; lack of committed leaders; conflicting interests in identification of projects; several project proposals and lack of feedback.

Previous studies have revealed the same kind of challenges as identified in these findings. Moir (2001) agrees that business can only contribute fully to society when it is profitable but is very quick to add that there are more benefits accrued in undertaking CSR than when ignored. Hung (2003) agrees that by managers making efforts to determine the strategic value of CSR, they can effectively use the available resources and capabilities to develop and implement CSR programs with minimal challenges. He also agrees that engaging in social responsibility activities involves costs. For example, it may require pumping in money to develop sustainable projects.

However, since having and presenting an image of social responsibility involves costs, benefits outweigh such costs (Branco and Rodrigues, 2006). Findings further revealed that some of the answers provided by hotel managers indicated that strategic plan for implementing CSR projects was lacking. For example, where the manager gave the challenge as resistance by some communities, or lack of information from community members, then it was clear evidence that there was no proper dialogue or involvement with community members. Moir (2002) argues that involvement is one way in which a

company can maintain trust, support and legitimacy with the community, government and employees.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This study set out to establish Nairobi's Five Star Hotels' Corporate Social Responsibility projects and how they impact on the society. In this chapter, a summary of the major findings of the study is made and conclusions and recommendations presented based on the findings.

5.1 Summary and implication of the major findings

5.1.1 Factors influencing hotels' CSR programs

In recognition of the role of hotels' CSR programs to community development, much effort has been put in place to improving the lives of the most venerable members of society through the hotels' stated policies. All hotels for this study had policies that were shown in statements made in figure 4.2. These findings indicated that all hotel managers were aware of what modern CSR entails. However, hotels CSR programs were based more on the traditional ethos of philanthropy and charity giving rather than taking a long term view of sustainable developments within communities.

Although all the hotels in this study had policies regarding CSR activities, this study viewed them as perfunctory and lacking in credibility. The actual social management programs evaluated by this study did not fall under the scope of the current philosophy of Corporate Social Responsibility, which demands that companies should contribute to economic developments that improve the quality of life of local communities. Indeed,

this profound function of CSR is further supported by the famous maxim which states that “it is better to teach a man to fish than to give him a fish”. Although many Hotels embraced the idea of charity work within communities, only one program out the five evaluated by this study was found to be sustainable.

5.1.2 Hotels CSR programmes within communities

In the area of projects most preferred by hotels, education was seen to be the mantra of all the hotels(figure 4.5.). Grayson (2006) noted the same occurrence in a business review survey of over 12,000 businesses in more than 20 countries. These companies identified education as the critical societal issue and the one which was consistently rated as the most popular topic for corporate community involvement. However, donations made were not regular, they were given once. This implies that such donations only satisfied an immediate need and were not self sustaining.

5.1.3 Impact of hotels’ CSR programs on society

While the World Council for Corporate Governance recognizes that there is some agreement on measure for certain dimension of social performance, it also agrees that they are not as well developed (Mehra, 2007). This study evaluated the impact on the basis of statistical analyses. The findings rejected the hypothesis (Ho:1) that there is no significant difference between the project beneficiaries’ needs and their level of satisfaction with the donations made by the hotels through their CSR programs.

This implies that although donations made to various projects were said to be satisfactory, they were in most cases as a result of the hotel manager's assessment and not necessarily the beneficiaries identified needs. The International Finance Corporation (IFC), an organization in the forefront of CSR has given guidelines on how companies can satisfactorily contribute to communities. It argues that for every contribution intended for the community, a thorough study has to be carried out with a purpose of identifying the needs within the communities for which help is intended. This involves engaging community members in making decisions on what their priorities are.

Further, the findings rejected the hypothesis (H0:2) that there is not significant difference between the project beneficiaries and their rating of the level of participation in the projects. Although the projects existed for the benefits of the beneficiaries, issues to do with decisions on what donations were good for them were only left to the project managers. The findings further revealed that even though consultations were through the project managers, they were not given a chance to choose what donations they would have preferred but all the same appreciated any help that came their way.

5.2 Conclusion

From the study findings, it can be concluded that most of the five star hotels do not initiate their own community projects through their CSR programs, they merely provide donations from time to time or co-sponsor projects that already exist. They also lack the necessary understanding of the communities' needs that could help them come up with sustainable projects because they either wait to receive requests from the communities or

donate the old hotel linen that they no longer need or foodstuffs during festive seasons. These donations satisfy short term needs.

5.3 Recommendations

5.3.1 Recommendations for hotels

Based on the findings of this study, the following recommendations can be made for hotels:

- Hotels should carry out a feasibility study of the community's needs before they roll out community projects through their CSR programs.
- Hotels should make efforts to initiate long-term community projects that will make true economic sense instead of irregular donations.
- Benchmark with other companies with strong business cases for CSR, especially other hotels in the developed world.
- Ascribe to organizations that give coherent guidelines consistent with CSR strategies that are based on integrity, sound values and a long-term approach.

5.3.2 Recommendations for government

- Support capacity building amongst government officials who should play an active role in encouraging good CSR practices.
- Encourage hotels to embrace accountability and reporting of CSR activities as a voluntary means of disclosure.
- Offer incentives to good CSR through awards, tax breaks and other fiscal measures.

- Encourage registration of CSR organizations that can help challenge companies to initiate sustainable CSR projects. Organizations such as Business in Community; Business Trust, South Africa; Business for Social Responsibility; UN Global Compact; African Institute of Corporate Citizenship among others are the think tanks in the global leadership network that are worth emulating.

5.3.3 Recommendations for the beneficiaries

- Communities members need to be assertive in deciding what programmes work best for their interest once given an opportunity.
- There is a need for community leaders to prioritise their needs and network with companies operating in their locations .This will decrease the tendency of community members to over rely on government to fund their community projects.

5.4 Suggestions for Further Research

Given the wide range of subject areas that CSR encompasses, further research could be usefully undertaken in the following areas.

- A study be conducted to establish the impact of Social Responsibility on business performance
- The participation of employees in hotels' CSR strategies and how this affects their productivity.
- Corporate Social Responsibility for hotel for other five star hotels and lodges in other part of the country.

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6.1 QUESTIONNAIRE TO HOTEL MANAGERS

The objective of this research is to establish the contribution your hotel has made in the society by your commitment to corporate social responsibility (CSR). With the rising consumer awareness regarding corporate responsibility, it is important that this study brings out how hotels profile their efforts on CSR as part of their overall corporate and business strategies. The information provided will be treated in confidence and will only be used to provide hotels' business practice models.

INSTRUCTIONS:

- Tick inside the bracket (✓)
- Fill the information on the dotted lines-----
- Explain where required

SECTION A: GENERAL INFORMATION

1. Name of the hotel: -----

2. Date: -----

SECTION B: CORPORATE SOCIAL RESPONSIBILITY

1. Which of the following describes your organization's understanding of corporate social responsibility

- a) Contributing to economic development of a given community
- b) Giving back to society
- c) Commitment to ethical and economic development of communities
- d) Accountability to company's stakeholders
- e) Others(please specify)-----

2. Does your hotel have a policy regarding corporate social responsibility?

Yes () No ()

3. If yes, please explain -----

4. What are the benefits of formulating CSR policies?

5. What of the following factors have influenced your hotel's CSR programme within Communities

1. Company's mission and vision ()
2. Desire to give back to communities ()
3. Acceptability by community ()
4. Just doing good ()
5. Profitability of the company ()
6. Please specify any others-----

SECTION C: COMMUNITY PROJECTS

1. How would you describe your relationship with local communities around you?
(Please fill the table below)

Relationship	Indicators	Reason/s	Hotel's reaction
friendly			
hostile			
Others(Please specify)			

2. In the table below, please indicate the community project/s in which you are involved and the factors that determine the choice for each of the projects.

No	TYPE OF PROJECT	(√)	FACTOR/S DETERMINING CHOICE FOR EACH PROJECT
1.	Education		
2.	Employment		
3.	Charitable donations		

4.	Business opportunities for locals		
5.	Humanitarian efforts		
6.	Promoting talents of youth		
7.	Environmental conservation		
8.	Water projects		
9.	Health		
10.	Others (Please specify)		

4. How has has/have the project/s benefited the local communities?
(Please provide information in the table below)

Name of community	Project name	location	Beneficiary population	Year started	Year	Expected outcome

5. How do you identify the needs of the community in which you are involved?

6. How do you involve the community in the choice of project/s undertaken?

7. How do you ensure the projects started within the communities are sustained beyond the period of initial funding?

8. What is the nature of the projects sponsorship?

- 1. Full sponsorship
- 2. Co- sponsorship with the government
- 3. Co-sponsorship with NGOs
- 4. Cost sharing with community members
- 5. Others (please specify)

9. How often is the Donations / sponsorship offered?

- 1. Annually ()
- 2. Quarterly ()
- 3. Monthly ()
- 4. Others (please specify) ()

10. How long have you been involved in community projects?

11. What benefits has the hotel experienced since the inception of community projects?

- 1. -----
- 2. -----
- 3. -----

12. What challenges have you encountered in initiating community projects?

- (a) -----
- (b) -----
- (c) -----
- (d) -----

Thank you for your cooperation.

6.2 QUESTIONNAIRE PROJECT MANAGERS

I am a postgraduate student in the department of hospitality and tourism management at Kenyatta University. This study is part of the requirement for the degree of Master of Hospitality management. Kindly assist me to complete the questionnaire to the best of your knowledge. All responses will be treated with utmost confidentiality.

Thank you.

Jane M Kathurima
H60/10909/22007

SECTION A: PROJECT DETAILS

- 1. Name of the project-----
- 2. Location -----
- 3. Implementing Agency -----
- 4. Collaborating institution/s -----

- 5. Project beneficiaries -----

SECTION B: PROJECT DESCRIPTION

- 1. When was the project started? -----
- 2. Why was this project started?

- 3. What are the activities of this project?

4. What was the expected impact on the beneficiaries?

5. In what way has this project improved the lives of the beneficiaries?

6. How is the project sustained?

- 1. Regular support from the hotel ()
- 2. Contributions by community members ()
- 3. Others(please specify)-----

SECTION C: PROJECT SPONSORSHIP/ FUNDING

1. What type of donation/s do you receive from the hotel?

- 1. money ()
- 2. food stuffs ()
- 3. Bed linen ()
- 4. utensils ()
- 5. scholarships ()
- 6. Others (please specify)-----

2. How often are donations made?

- 1. Weekly ()
- 2. monthly ()
- 3. Once a year ()
- 4. Others (please specify)-----

3. What difference have these donations made in your organization?

4. How was your community identified as the beneficiary of the sponsorship/donation?

- 1. Through application to the hotel ()
- 2. Through appeals via the media ()
- 3. Through networking with community members ()
- 4. Others (please specify) -----

5. What is the nature of sponsorship/ support?
- 1. Fully supported by the hotel ()
 - 2. Co-sponsorship with community members ()
 - 3. Co-sponsorship with the NGOs ()
 - 4. Co-sponsorship with the government ()
 - 5. Others (please specify)-----

6. How would you rate the sponsorship/support? Please circle the answer that best suits your opinion.
- 1. very satisfactory ()
 - 2. satisfactory ()
 - 3. not satisfactory ()
 - 4. not sure ()

SECTION D: IMPACT ASSESSMENT

1.Results of the program/donations

OUTPUT	GROSS OUTPUT				
	YR 1	YR 2	YR 3	YR4	TOTAL
Education					
Employment					
Charitable donations					
Business opportunities for locals					
Humanitarian efforts					
Environmental conservation					

Promoting talents for youth					
Water project					
Health					
Others					

5. What are the major needs within this community?

- 1. Shelter 1 2 3 4 5
- 2. Food 1 2 3 4 5
- 3. clothing 1 2 3 4 5
- 4. education 1 2 3 4 5
- 5. health 1 2 3 4 5
- 6. Others (please specify)

KEY: 1= Very important 2= important 3= Neutral
 4= Not important 5= Not very important

6. What other help would you have preferred?

Thank you for your cooperation.

6.3 INTERVIEW SCHEDULE FOR PROJECT BENEFICIARIES

INTRODUCTION

Good morning/afternoon. My name is ----- from Kenyatta University. I am carrying out a research on hotels' contribution to community projects. I would like to ask you a few questions in relation to the study. The information you provide will be kept strictly confidential and will be used solely for research that seeks to find solutions to common problems.

INSTRUCTIONS:

- Introduce yourself to the respondents
- Explain the purpose of the interview
- Assure the respondent that all information is confidential and will be used only for learning purposes and no names will appear in the schedule
- Ask for consent from the respondent to proceed with interview
- Take note where applicable or circle the appropriate responses where necessary.

SECTION A: PROJECT DETAILS

1. Name of the project-----
2. Type of project -----
3. Location -----
4. Implementing Agency -----
5. Collaborating institution/s -----

6. Project beneficiaries -----

SECTION B: PERSONAL INFORMATION

1. Gender:
 1. Male ()
 2. Female ()
2. Age
 1. 18-24 yrs ()
 2. 25-30yrs ()
 3. 31-40 yrs ()
 4. 41-50 ()

5. 51-60 ()
6. 61+ ()
3. Level of education. Did not attend school
1. Up to primary education ()
 2. Secondary education ()
 2. College ()
 3. University ()
 4. Others (please specify) ()
4. Occupation?
1. Permanent employment ()
 2. Casual worker ()
 3. Self employed ()
 4. others (please specify) ()
5. Income per month (Ksh.)
1. No income ()
 2. Below 1,000 ()
 3. 1,000- 5,000 ()
 4. 5001- 10000 ()
 5. Above 10,000 ()

SECTION C: PROJECT

1. When did you become a beneficiary of the program/project?

2. How were you/ your community identified as a beneficiary of the project?
1. Through application to the hotel ()
 2. Through appeals via the media ()
 3. Through networking with community members ()
 4. Others (please specify)-----
3. Respond to the following question with respect to your participation in decision making in terms of project management.

s/n.	Issues	Highly agree	Agree	Neither agree nor disagree	Disagree	Highly disagree
1	Community meetings are convened on project management					
2	You always attend the meetings					
3	Your views are always listened to and accepted					

4	Your views have guided action at community level					
5	You participate by giving your views through your teachers/project manager/elders/husband/wife/son/daughter					

SECTION D: DONATIONS

1. What is the nature of donation/s that you receive from the hotel?

1. money ()
2. food stuffs ()
3. Bed linen ()
4. utensils ()
5. scholarships ()
6. Others (please specify)-----

2. How often are donations made?

1. Weekly ()
2. monthly ()
3. Once a year ()
4. Others (please specify)-----

SECTION D: IMPACT ASSESSMENT

1. What have been your major needs and how satisfied are you in the way they have been met?

1. Food 1 2 3 4 5
2. Shelter 1 2 3 4 5
3. Clothing 1 2 3 4 5
4. Education 1 2 3 4 5
5. Health 1 2 3 4 5
6. Jobs 1 2 3 4 5
7. Business opportunity 1 2 3 4 5

8. Others (please specify)----- 1 2 3 4 5

Key:

1= Extremely dissatisfied 2= Dissatisfied 3= Neutral
4= Satisfied 5= Extremely satisfied

3. what other extra assistance would you have preferred?

1.----- 4.-----
2.----- 5.-----
3.----- 6.-----

4. Respond to the following questions with respect to the impact the project has made in your community/life.

S/N	Outcomes/benefits	Highly agree	Agree	Neither agree nor disagree	Disagree	Highly disagree
1	The project/donation/sponsorship meets my expectations					
2	The project has regenerated economic activities within this community since its inception					
3	The project has increased accessibility to services for disadvantaged groups of people with this community					
4	The project has increased the level of literacy amongst community members					
5	The project has strengthened the relationship between sponsoring hotel and the community					
6	I have benefited from this project/program					
8	The hotel should have focused on other needs of the community other than the current project					
9	Sponsorship offered by hotel is timely and appropriate					

Thank you for your cooperation.

6.4 GAZETTE NOTICE

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THE HOTELS AND RESTAURANTS (CLASSIFICATION OF HOTELS AND RESTAURANTS) REGULATIONS, 1988
CLASSIFICATIONS

IN EXERCISE of the powers conferred by regulations 2 and 7 of the Hotels and Restaurants (Classification of Hotels and Restaurants) Regulations, 1988, the Hotels and Restaurants Authority classifies the hotels and restaurants listed in the schedule in the manner specified.

SCHEDULE

Name of hotel	Address	No. of beds	Location
TOWN HOTELS			
<i>Five Star:</i>			
Hotel Intercontinental	P.O. Box 30353-00200, Nairobi	770	Nairobi
Grand Regency Hotel	P.O. Box 57549, Nairobi	388	Nairobi
Hilton Hotel	P.O. Box 30624-00100, Nairobi	353	Nairobi
The Norfolk Hotel	P.O. Box 40064	334	Nairobi
Nairobi Serena	P.O. Box 46302, Nairobi	283	Nairobi
The Stanley	P.O. Box 30680, Nairobi	434	Nairobi
Safari Park Hotel	P.O. Box 45038, Nairobi	285	Nairobi
<i>Three Star:</i>			
The Bounty Hotel	P.O. Box 75200, Nairobi	100	Nairobi
Fair View Hotel	P.O. Box 40842, Nairobi	163	Nairobi
Marble Arch Hotel	P.O. Box 12224, Nairobi	77	Nairobi
Landmark Hotel	P.O. Box 14287, Nairobi	242	Nairobi
Holiday Inn	P.O. Box 66807, Nairobi	342	Nairobi
Windsor Golf Country Club	P.O. Box 45587, Nairobi	260	Nairobi
Nairobi Safari Club	P.O. Box 43564, Nairobi	282	Nairobi
Utalli Hotel	P.O. Box 31052, Nairobi	105	Nairobi
Outspan Hotel	P.O. Box 24, Nyeri	90	Nyeri
Ambassador Hotel	P.O. Box 30399, Nairobi	190	Nairobi
Sportsman Arms Hotel	P.O. Box 3, Nanyuki	125	Nanyuki
<i>Two Star:</i>			
Panafric Hotel	P.O. Box 30486, Nairobi	46	Nairobi
Silver Springs Hotel	P.O. Box 61367, Nairobi	188	Nairobi
Midland Hotel	P.O. Box 908, Nakuru	65	Nakuru
Tea Hotel	P.O. Box 75, Kericho	77	Kericho
Hotel Sirikwa	P.O. Box 3361, Eldoret	210	Eldoret
Hotel Kunste	P.O. Box 1369, Nakuru	146	Nakuru
Hotel Boulevard	P.O. Box 42831, Nairobi	140	Nairobi
Eel Hotel	P.O. Box 36, Elburgon	78	Elburgon
Six Eighty	P.O. Box 43436, Nairobi	680	Nairobi
Sports View Hotel	P.O. Box 74194, Nairobi	104	Nairobi
Kakamega Golf Hotel	P.O. Box 118, Kakamega	124	Kakamega
Lotus Hotel	P.O. Box 90193, Mombasa	64	Mombasa
Hotel Geneviev	P.O. Box 127, Nakuru	46	Nakuru
Lakeside Tourist Lodge	P.O. Box 894, Naivasha	65	Naivasha

[1321]

NAIROBI CITY CENTRE



6.5 MAP OF NAIROBI

NAIROBI CITY CENTRE

