

**INFLUENCE OF CORPORATE SOCIAL RESPONSIBILITY ON
PERFORMANCE OF TELECOMMUNICATION COMPANIES
IN KENYA**



KITHINJI, NICHOLAS KARANI

**A Thesis Submitted in Partial Fulfillment for the Requirements of the Degree
in Masters of Business Administration of Kenya Methodist University**

MAY, 2015

ABSTRACT

Concern is increasingly being expressed as to what responsibilities businesses have to the society in which they operate. As a result, these concerns have generated an unprecedented number of pleas for corporate social responsibility. CSR is widely seen as a management strategy option with a growing number of successful examples to demonstrate that respecting CSR in strategic planning, and following these through plans in operations, either leads to increased economic output, or at least is neutral in its effect on company profits. The purpose of this study was to determine the influence of corporate social responsibility on performance of telecommunication companies in Kenya. Descriptive research design was used in this study. The target population was made up of 82 employees currently working with three major telecommunication firms in Kenya at their head office in Nairobi. The study sample composed of 66 respondents from the target population. Questionnaires were used to collect data. Prior to data collection, an introductory letter was obtained from Kenya Methodist University to facilitate data collection process. Quantitative data collected was analyzed by the use of descriptive statistics and multiple linear regressions. Analyzed data was presented in tables and graphs. The study found that environmental awareness influence performance of the organization to a great extent. The study established that social influences organizational performance to a great extent therefore. The study revealed that reputation management helps companies to manage and influence the attitudes and perceptions of their stakeholder's thereby increasing commitment and productivity. The study recommends that the telecommunication companies should consider investing in strategies that enhances environmental awareness; this will help to build a firm relationship between the organization and the society thus enhancing its market share. Social innovation can be successful only if there is sufficient capacity to scale up the innovation. Rejuvenating the social base through a heavy investment in capacity building, and creating a platform conducive to interaction and collaboration, are prerequisites for social innovators to prosper. The study also recommends that the management of telecommunication companies should consider initiating campaigns to enhance their social influence to the society, this will help to make knows to potential as well as existing clientele on the products the organization is offering which ultimately will result to positive performance. The study recommends that companies invest and encourage social innovativeness through strategies such as training to enhance better performance. Organizations should work on their reputations to improve their performance through sustained competitive advantage as evidenced in the telecommunication companies in Kenya. The management of companies should device and implement strategies to ensure financial efficiency which in the long run will facilitate the company's performance. Organizations should also generate strategies to increase their repayment capacities since its evident that repayment capacity influences the performance of organizations.