

**THE PERCEIVED LINK BETWEEN SOCIAL RESPONSIBILITY AND
CORPORATE IMAGE AT KENYA SHELL LTD: A SURVEY OF SELECTED
PUBLICS IN NAIROBI**

BY

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DECLARATION

This project is my original work and has not been presented for award of degree in any other University.

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This project has been submitted for review with my approval as University supervisor.

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Above all to God Almighty, for everything comes from you Father and nothing would have been possible without answering my prayers and guiding me throughout this process. This far you have brought me Ebenezer.

DEDICATION

I dedicate this study to my daughter Tessy, my dear Tim and my parents Mr. and Mrs. Kiambi for instilling in me the value of education at an early age.

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LIST OF ABBREVIATIONS AND ACRONYMS

AIDS	-	Acquired Immune - Deficiency Syndrome
AMREF	-	African Medical and Research Foundation
COBP	-	Code of Business Practices
CSI	-	Corporate Social Irresponsibility
CSR	-	Corporate Social Responsibility
HIV	-	Human Immunodeficiency Virus
HSSE	-	Health, Safety, Security and Environment
ICTI	-	International Council of Toy Industries
ILO	-	International Labour Standards
UK	-	United Kingdom

ABSTRACT

Corporate Social Responsibility is concerned with the integration of environmental, social, economic and ethical considerations into business strategies and practices. In Kenya there is an upsurge in Corporate Social Responsibility by Companies, a phenomenon which has seen most of them establishing foundations like the Safaricom foundation, East African Breweries foundation; among others. Kenya Shell has been among the three companies in Kenya who have supported the operation smile mission for 10 years. In addition, The Kenya Shell Ltd offers Corporate Social Responsibility activities in health areas, environmental conservation, sponsoring of needy students, caring and maintaining children's homes to mention but a few. This study would therefore seek to investigate how best practices of Corporate Social Responsibility impact on the corporate image of Kenya Shell Ltd. The study used a case study method of investigative research. Data was collected using structured questionnaire containing both closed and open-ended questions. The respondents were the senior management personnel in each department. Data collected from the feedback of the questionnaires was compiled and tabulated to make the analysis easier. The data collected was quantitative in nature and was analyzed using the content analysis techniques. The study concluded that the community is appreciative of the corporate social responsibility of the Kenya shell company since it addresses the sensitive issues in the community like environmental risks, the academic concerns demonstrated by boosting education level in Kenya. It also concluded that the company's corporate social responsibility enhances the corporate image of the organization significantly.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Currently businesses must come to terms with the reality of engaging in social responsibility in order to attain a competitive edge. Graves, Waddock, Kelly (2001), states that it is hard for an enterprise to prosper or realize its full potential in an environment which is hostile, or is indifferent to the industry and commerce. Although, according to Brenkert (1996), the main goal of a firm is to invest and operate in order to excel in profitability and maximize its value on behalf of its shareholders, social responsibility is among the many forces in play that affects how this objective could be achieved.

The concept of corporate social responsibility (CSR) has been globalised and emphasis on socially responsible firms is no longer a preserve of the developed nations only but also the concern of emerging economies and developing nations. Importance of CSR is evidenced by the scheduling of the first CSR conference aimed at addressing the role of private sector companies and enterprises in societies in which they operate (Henderson, 2005)

According to Rue (1992), social responsibility is the role of business in solving current issues over and above the legal requirements. Bartol and Martin (1991), Anderson (1995), social responsibility is an obligation of an organization to seek actions that protect and improve welfare of the society along with its own interests. Brenkert, (1996), holds that social responsibility extends beyond the law, that a firm is not socially responsible if it merely complies with minimum requirements of the law. Friedman (1963) holds a divergent view, he states that the only social responsibility of a business is to use its resources in engaging in activities designed to increase its profits, so long as it stays within the rules of the game.

Courts in a number of countries are using the standards of international conventions on companies, although the vast majority of these standards are not directly binding on companies. Today social responsibility is becoming a serious matter for our corporate

clients. The call to CSR practice has been made by several world leaders among them the UN secretary general Ban Ki-moon who in January 2009 at the world Economic forum in Davos Switzerland, said that businesses needed to embrace ‘global co-operation and partnership on a scale never seen before’ and should abandon short term thinking in favour of long-term thinking solutions to climate change and other pressing global challenges.

1.1.1 Corporate Social Responsibility

CSR is concerned with the integration of environmental, social, economic and ethical considerations into business strategies and practices. While Werner and Chandler (2005) have argued that “consistent, definitions, labels and vocabulary have yet to be solidly established in the field of CSR” numerous definitions have been offered.

Corporate social responsibility (CSR) is commonly described by its promoters as aligning a company's activities with the social, economic and environmental expectations of its stakeholders. Kreither (1986) defines CSR as the notion that corporations have an obligation to constituents groups in society other than shareholder and beyond that prescribed by law or union. Beachamp, Bowie, defines CSR as the detailed issues on which an organization exceeds its minimum required obligation to stakeholders CSR is a company’s obligation to be accountable to all of its stakeholders in all its operations and activities with the aim of achieving sustainable development; not only in the economical dimension but also in the social & environmental dimension.

‘Good CSR is about maximizing a company’s positive impact on society while at the same time maximizing returns’ (Janet Blake). Business in the community has carried out research that shows that companies consistently running their business according to responsible principles outperformed on total shareholder return between 2002 and 2007 by between 3.3 percent and 7.7 per cent per year. Businesses have also pointed to improvements in their reputations as a result of having been seen to do ‘good things’. Customers trust them, while staffs feel good about their work. This in turn can have a direct influence on the balance sheet.

CSR is a controversial area. Many observers believe it is not the business of business to become involved in society. They follow the late Economist Milton Friedman, who said that the only social responsibility of business was to maximize profits so long as it was operating within the law. Others, such as Robert Reich, the former US labor secretary, argue that there are dangers to democracy in business becoming too closely involved in activities that should be the preserve of the governments. But such criticisms have not put off Bill Gates, founder of Microsoft and now a major philanthropist, who at last year's world Economic forum launched his idea of 'creative capitalism' as 'a way to make the aspects of capitalism that serve wealthier people serve poorer people as well.' A potential cause of the negative sentiments expressed may be put down to the fact that most executives and communications professionals don't know exactly what the media's views, opinions and interests are with respect to CSR. Executives and communication professionals are unsure as to what the media will cover or where exactly the news story will fall on the Corporate Social Irresponsibility (CSI) – Corporate Social Responsibility (CSR) spectrum (Jones *et al.*, 2008). Like the recent research of Evuleocha (2005) the findings add to and further develop the conceptual framework of CSR. It is suggested here that executives and communication professionals are unsure as to the ways and means by which they can best engage with media organizations about CSR.

The business case for CSR is thus seen to focus on a wide range of potential benefits (Bevan *et al.*, 2004). These include improved financial performance and profitability; reduced operating costs; long-term sustainability for companies and their employees; increased staff commitment and involvement; enhanced capacity to innovate; good relations with government and communities; better risk and crisis management; enhanced reputation and brand value; and the development of closer links with customers and greater awareness of their needs. However Porter and Kramer (2006) have argued that the social aspect carries a momentous share in shaping the accomplishment of CSR best practices in any organization to enhance the corporate image.

1.1.2 Corporate Image

A corporate image refers to how a corporation is perceived. It is a generally accepted image of what a company "stands for". The creation of a corporate image is an exercise in

perception management. It is created primarily by marketing experts who use public relations and other forms of promotion to suggest a mental picture to the public. Typically, a corporate image is designed to be appealing to the public, so that the company can spark an interest among consumers, create share of mind, generate brand equity, and thus facilitate product sales (Carroll 1979).

Several factors have contributed to the increasing importance of corporate image in recent years. For example, the business climate in the United States has become one of environmental complexity and change. This has forced many business enterprises to significantly alter their strategies to better compete and survive (Henderson, 2005). The acceleration of product life cycles is another vital dimension of the turbulent business environment. Globalization has been still another catalyst in the rise of corporate image programs, as companies have sought ways to spread their reputations to distant markets. A related factor is that as a corporation expands its operations internationally, or even domestically, through acquisitions, there is a danger that its geographically dispersed business units will project dissimilar or contrary images to the detriment of corporate synergy.

A final factor stimulating the current interest in corporate image is society's growing expectation that corporations be socially responsible. Many of today's consumers consider the environmental and social image of firms in making their purchasing decisions. Some companies have recognized this reality and reaped tremendous benefits by conducting themselves in a socially and environmentally responsible manner. Some of these companies act out of genuine altruism, while others act out of a simple recognition of the business benefits of such behavior. Kenya Shell Ltd is one of the companies which has been enhancing its corporate image through corporate social responsibilities (Carroll,1979).

1.1.3 Kenya Shell Ltd

Having begun its operations in 1900 in Mombasa and Zanzibar, Kenya Shell Ltd has made its best practices of CSR felt through its community support programme; by

supporting various health and community projects involving the sick, the disabled, the aged, orphans and other disadvantaged members of society.

Kenya Shell is a subsidiary of Shell BP, which has been setting out its credentials in CSR area for some time. Sometimes they have been undermined by events. Shell attracted criticism in the mid 1990s over its proposal to dump a disused oil platform, Brent Spar, deep in the ocean, while BP- which at one point re branded itself as 'Beyond Petroleum'- was accused of not spending enough money to prevent oil spilled such as that which occurred on Alaska's North Slope in 2005.

Kenya Shell is committed to CSR best practices through: pursuing the goal of no harming people, protecting the environment, using material and energy efficiently to provide their products and services, develop energy resources, products and services consistent with these aims publicly report on their performance play a leading role in promoting best practices in the oil industry, as well as promoting a culture in which all employees share this commitment. Through its community support programme, Kenya Shell Ltd. supports various health and community projects involving the sick, the disabled, the aged, orphans and other disadvantaged members of society.

Kenya Shell has been among the three companies in Kenya who have supported the operation smile mission for 10 years. During this period, Kenya Shell has managed to solicit funds from business associates and customers and received 'The Highest Sponsorship Raised Award' for four years in a row. To date the Mission has provided free reconstructive surgery for cleft and palate deformities to over 2,500 children in Kenya - Changing lives one smile at a time! In 2002, Kenya Shell Ltd launched the HIV/AIDS truck initiative that saw truck drivers being more proactive in the management of HIV/AIDS. There were 20 truck drivers who underwent a one-week workshop conducted by AMREF and graduated as peer counselors.

Choose Life Campaign was also launched targeting Shell employees and the Kenyan public at large. Kenya Shell also supports AMREF projects in Kibera slum to help improve sanitation and living standards of the less fortunate slum dwellers. In this area, Kenya Shell has built one complete block of a toilet and bathroom. The concept of

corporate social responsibility has developed from a fringe interest associated with companies with particular links to the environment into a mainstream business activity adopted by household names the world over. With much of that world now in recession, the coming years will demonstrate whether CSR really will continue being embraced by Kenya Shell Ltd or if it as some say simply a marketing wheeze designed to put a positive gloss on their operations.

1.2 Statement of the Problem

Business firms are the economic engine of society and the making of profits is a social responsibility (Henderson, 2005). Thus, corporations are integral members of global society. Well run corporations are increasingly realizing that incorporating CSR activities into their operations is serving to underscore their bottom lines. The more substantial part of the CSR agenda is about corporate accountability to codes of conduct. Carroll (2000,) states that organizations are expected to practice social responsibility or be a good corporate citizen. Carroll (1979) argues that corporations should not only be judged on their economic success but also on non-economic criteria

Large business firms are starting to acknowledge some of the market benefits and competitive advantages for businesses that put in place a comprehensive CSR policy. Waddock (2004) argues that CSR is typically undertaken with some intent to improve an important aspect of society or relationships with communities or NGOs. An organisation that places CSR at its heart will build up a solid reservoir of goodwill with all stakeholder groups (Loh, 2005). Thus the corporate image of the corporation is enhanced by ploughing back some of its profit to the society.

In Kenya there is an upsurge in CSR by Companies, a phenomenon which has seen most of them establishing foundations like the Safaricom foundation, East African Breweries Ltd; among others. The Kenya Shell Ltd offers CSR activities in health areas, environmental conservation among others all geared at building the company image and secure certain share of the market.

A number of studies on CSR include (Kamau, 2001; Kiarie, 1997; Kweyu, 1993; Mulwa, 2002; Gichana, 2004; Ominde, 2006) have been done in the local context. A study done by Ngahu (1987) revealed that managers are over proportionately concerned with consumer aspects as compared to social aspects. While most of these studies argued that the rationale for existence of these firms is profit and that they would engage in social responsibility practices in order to attract more business, no study has looked at how these companies' social practices enhance their corporate image, yet its understanding is important in their financial and strategic performance. This study would therefore seek to investigate perception links between corporate social responsibility and corporate image at Kenya Shell oil company Limited.

1.3 Research Objective

The main objective of this study is to investigate the perceived link between corporate social responsibility and corporate image at Kenya shell Limited.

1.4 Scope of the Study

This project will cover Kenya Shell ltd stations based in Nairobi area. The proposal will address all the best practices of corporate social responsibility at Kenya Shell Ltd. The concepts and variables this proposal will seek to address are the ideas, notions and the theory of corporate social responsibility.

1.5 Importance of the Study

The study will be highly valuable to different stakeholders including the researcher, policy makers and the Kenya Shell Ltd.

Researcher: The researcher will through this study gain greatly by acquiring research skills. In addition, the researcher will add to his knowledge details of corporate social responsibility and in particular how this enhances the corporate social responsibilities.

Policy Makers: The policy makers in this case include the legislators. These stakeholders will ensure that they come up with policies that will drive the industry into

prosperity through enhanced corporate image and by ensuring the corporation engage in the project that are not harmful to the society

Kenya Shell Ltd: Through this study, the company will know its market position and the benefits of best practices in enhancing corporate image. This will enable the company to know which practices it should capitalize on.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This section discusses the literature review on the effects of enhanced social aspect in corporate social responsibility. The section presents the discussion in both the theoretical review and the past studies.

2.2 Theories of Corporate Social Responsibilities

These include stakeholder theories, social contracts theory, legitimacy theory, and theory of corporate image.

2.2.1 Stakeholder Theories

The stakeholder theory of the firm is used as a basis to analyze those groups to whom the firm should be responsible. As described by Freeman (1984), the firm can be described as a series of connections of stakeholders that the managers of the firm attempt to manage. Freeman's classic definition of a stakeholder is "any group or individual who can affect or is affected by the achievement of the organization's objectives" (Freeman, 1984, p. 46). Stakeholders are typically analyzed into primary and secondary stakeholders.

Clarkson (1995, p. 106) defines a primary stakeholder group as "one without whose continuing participation the corporation cannot survive as a going concern" – with the primary group including "shareholders and investors, employees, customers and suppliers, together with what is defined as the public stakeholder group: the governments and communities that provide infrastructures and markets, whose laws and regulations must be obeyed, and to whom taxes and obligations may be due" The secondary groups are defined as "those who influence or affect, or are influenced or affected by the corporation, but they are not engaged in transactions with the corporation and are not essential for its survival".

2.2.2 Social Contracts Theory

Gray *et al.* (1996) describe society as “a series of social contracts between members of society and society itself”. In the context of CSR, an alternative possibility is not that business might act in a responsible manner because it is in its commercial interest, but because it is part of how society implicitly expects business to operate.

Hence companies who adopt a view of social contracts would describe their involvement as part of “societal expectation” – however, whilst this could explain the initial motivation, it might not explain the totality of their involvement. One of the commercial benefits that was identified in the Australian study (CCPA, 2000) was described as “licence to operate” – particularly for natural resource firms.

2.2.3 Legitimacy Theory

Suchman (1995) defines legitimacy as “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs and definitions”.

Lindblom (1994) notes that legitimacy is not necessarily a beginning process for organizations to obtain legitimacy from society. She argues that an organization may employ four broad legitimating strategies when faced with different legitimating threats: Seek to educate its stakeholders about the organization’s intentions to improve that performance, seek to change the organization’s perceptions of the event (but without changing the organization’s actual performance); Distract (i.e. manipulate) attention away from the issue of concern; Seek to change external expectations about its performance.

Thus there is a need to examine any particular corporate behaviour within its context and in particular to look for alternative motivations.

2.2.4 Theory of Corporate Image

In the process of managing corporate image, the fundamental variables are: corporate identity, corporate communication, corporate image, and feedback. Corporate identity is

the reality of the corporation—the unique, individual personality of the company that differentiates it from other companies. Corporate communication is the aggregate of sources, messages, and media by which the corporation conveys its uniqueness or brand to its various audiences. Corporate image is in the eye of the beholder—the impression of the overall corporation held by its several audiences.

The objective in managing corporate image is to communicate the company's identity to those audiences or constituencies that are important to the firm, in such a way that they develop and maintain a favorable view of the company. This process involves fashioning a positive identity, communicating this identity to significant audiences, and obtaining feedback from the audiences to be sure that the message is interpreted positively. An unsatisfactory image can be improved by modifying corporate communication, re-shaping the corporate identity, or both (Friedman 1970).

2.3 Best Practices of Corporate Social Responsibility

These include; the social facet, ethical and social commitments, the economic facet, and the discretionary leadership as discussed below:

2.3.1 The Social Facet

According to Friedman (1970), the only social responsibility of business firms is to maximize profits. By fulfilling this economic charter, Friedman (1970) believes that the firm does its part in meeting societal welfare, as opposed to what governments, social service organizations, educational institutions, non-profits and the like should do in their role to meet societal welfare.

After the publication of Friedman's (1970) thesis, management scholars began to develop theoretical rigor around the social responsibilities of the firm. In the late 1970s, Carroll (1979) offered one of the first – and perhaps still the most widely accepted conceptualizations of CSR (Matten and Crane, 2005). Carroll's (1979) model conceptualizes the responsibilities of the firm to include: the economic responsibility to generate profits; the legal responsibility to comply by local, state, federal, and relevant international laws and the ethical responsibility to meet other social expectations, not

written as law (e.g. avoiding harm or social injury, respecting moral rights of individuals, doing what is right, just, fair).

Within the business and society literature, scholars have addressed the social issues concept, predominately through the life-cycle approach (Lamertz *et al.*, 2003). Although several definitions exist, a widely accepted definition in the life-cycle tradition describes social issues as:

2.3.2 Ethical and Social Commitments

Ethical and social commitments represent the values element of social resources. They comprise the ethical standards and social objectives the organization subscribes to and are manifested in its mission, strategic objectives, strategy programmes, organizational policies and corporate culture. These commitments should be broadly based to encompass the legal, economic and ethical dimensions of Schwarz and Carroll (2003) as well as the rights associated with citizenship suggested by Matten and Crane (2005).

The societal validity of such commitments will be greater where they align with emerging (but, as yet, not globally accepted) external frameworks for ethical and social values. This can occur for two reasons. Firstly, as a reputation for narrow self-interest develops, consumers will vote with their spending. The internet and growing corporate activism serve to highlight those companies who lack the strategic approach to CR needed to maintain long-term legitimacy.

2.3.3 Legal Issues

CSR is not just an issue of relevance to corporations and their business stakeholders. CSR is also an issue of potential significance to governments in welfare states and in developing states. Social responsibility of corporations may assist a government in fulfilling welfare state goals of a political character or based in law as obligations. Appropriate decisions are assumed to be made on the basis of procedures indicating who should take part in making a particular decision, resulting in decisions being presumably made by stakeholders that are directly representative of interest affected by the decision.

This is assumed to have as a result that decisions are accepted and abided by, and that they are not perceived by those affected as external intervention.

The normative development of CSR may also be approached from the perspective of the role that principles of law play. Principles of law have been discussed by a number of legal scholars. They are expressions of basic values in the use of law. Some find a close relationship between principles of law, and ethics and other values, including welfare state values (Dalberg-Larsen and Kristiansen, 2004; Dalberg-Larsen, 2004)

2.3.4 The Economic Facet

According to Gray *et al.* (1996) economic responsibility is to be profitable for principals by delivering a good quality product at a fair price is due to customers. Novak (1996) more fully delineated a set of seven economic responsibilities. These are to satisfy customers with goods and services of real value; earn a fair return on the funds entrusted to the corporation by its investors; create new wealth, which can accrue to non-profit institutions which own shares of publicly-held companies and help lift the poor out of poverty as their wages rise and create (and maintain) new jobs;

Overall, given Ansoff's (1980) definition of a strategic issue, a firm faces a potential diversity of issues and represents the variety of factors that need to be identified and assessed in internal and external environments, economic issues being just one. Therefore, viewing social issues as strategic issues is important in order to more fully integrate CSR into strategy.

2.3.5 Discretionary Leadership

Emerging out of work contracted through the auspices of the Tavistock Institute, London, is the view that managerial work is strongly influenced by hierarchical position, in terms of the choices that need to be made in order to exercise the actual or potential discretion in an executive role (Jaques, 1951; Montenare, 1978).

The discretionary element of role refers to the choices that the role incumbent needs to make in order to provide shape and identity to their role and by implication to that part of the organization for which they are accountable. In effect, the role incumbent may see

their primary identity as business oriented, which in turn seriously influences the pursuit and practice of the functional components of their HR directing job (Kakabadse, 1991).

The exercise of choice may be influenced by current issues of an operational or strategic nature, or by future assumed concerns. Choice equally may be driven by more emotive experiences such as feelings of vulnerability, insecurity, anger or even “difficult-to-justify” sentiments of not being able to cope. Even if the emotive and mental capacity of the senior managers of the organization is considerable, similar conclusions are reached as to the shape, size, direction and key qualities of the total organization and, thereby, the configuration of each role incumbent’s area of accountability (Kakabadse *et al.*, 1996)

2.4 Best practices at Kenya Shell Ltd

Some of the best practices at Kenya shell include Health practices, operation smile, safety and security, and environment conservation.

2.4.1 Health

Through its community support programme, Kenya Shell Ltd. supports various health and community projects involving the sick, the disabled, the aged, orphans and other disadvantaged members of society. The Company seeks to conduct its activities in such a way as to avoid harm to the health of its employees and others. The Company will promote health awareness of its employees and its contractors.

2.4.2 Operation Smile

This year Operation Smile Mission in Kenya was celebrating its 10th anniversary since its inception, of providing free reconstructive facial surgery for the children in Kenya, as well as in over 20 other countries around the world. Kenya Shell has been among the three companies in Kenya who have supported the mission for 10 years. Of the 10 years, Kenya Shell has managed to solicit funds from business associates and customers and received 'The Highest Sponsorship Raised Award' for four years in a row.

To date the Mission has provided free reconstructive surgery for cleft and palate deformities to over 2,500 children in Kenya - Changing lives one smile at a time. Through HSSE, it is the policy of Kenya Shell Ltd to conduct its activities in such a way as to take

foremost account of the health, safety and security of its employees and of other persons that may be affected, and to give proper regard to the conservation of the environment. The Company pursues a policy of continuous improvement in measures taken to protect the Health, Safety, and Environment of those who may be affected by its activities.

From the starting point of full compliance of legislative requirements, the company pursues this policy through strategies and action plans, through visible management commitment and through the individual contribution of their employees and contractors, supported by education and training.

2.4.3 Safety & Security

The company works on the principle that all accidents and injuries can be prevented, and actively promotes amongst all those associated with its activities high standards of safety awareness. Security in Shell has been established to help the business to undertake and improve measures for the protection of people, property, and hard copy information against the many forms of security threats posed to the business. The actual and projected security situations nationwide and regionally are increasingly affecting business interests and a co-ordinated effort is necessary to maintain the security risks at a manageable and cost-effective level. The Group's commitment to security is demonstrated by the Group's Security Standard.

2.4.4 Support to Starehe Boys Centre

For 45 years now, Kenya Shell continues to support Starehe Boys Centre. All through the years, Shell's support has been the most solid and dependable factor in Starehe's existence, benefiting numerous number of boys. And the support is not limited to being just a school sponsor. All Managing Directors from Mr. John Francis in 1959 (he is now deceased, but is commemorated by a plaque in the school chapel) right through to the present Managing Director, Dr. Ian Bromilow, have served as Chairmen of the center's managing committee. As his predecessors have done, Dr. Bromilow frequently visits the center, sometimes brings important Shell personalities from overseas. Under him, an annual Shell grant has increased and has been backed by subsidiary grants to support student activities and needs such as library reference books. One of the School's Boarding

houses, now 26 years old, is named Shell house and enjoys the presence of Guest of Honor from the company on anniversary and party occasions. To Starehe students of all generations, Kenya Shell is both a patron and a partner that has supported the center and school through thick and thin. This year we gave an annual donation of kshs.2million

2.4.5 Kenya Shell Education Excellence Awards Scheme

This scheme was initiated in 1994 when the company recognized that there was a need for private sector to support education in the country. The Kenya Shell Educational Excellence Awards Scheme awards the top KCSE and KCPE candidates and schools from all over the country for achieving excellence in the national examinations. All public schools in the country are eligible. The awards go towards paying the top students' fees and towards the acquisition of equipment/text books for the winners' schools. To-date, the company has given over Kshs.10.4 million towards the scheme.

2.4.6 The Shell Centenary Scholarship Fund

In October 1997, The "Shell" Transport and Trading Company plc celebrated its centenary. In order to mark this in a lasting and meaningful way the Royal Dutch/ Shell Group of Companies established The Shell Centenary Scholarship Fund. This, through its contribution towards the cost of scholarships, supports education advancement and co-operation world-wide by providing opportunities for graduate students to study in the United Kingdom. This year, Ms Cynthia Awuor Odongo qualified and won a scholarship to the University of Cambridge in UK to study for a Master of Philosophy in Environmental Policy. Previously, she had studied at Kenyatta University, where she pursued Bachelor of Arts in Environmental Studies and obtained first class honours.

For the first time, in Kenya, Kenya Shell awarded another scholarship. The Shell Centenary Chevening scholarship in partnership with the British High Commission,

awarded Mr Erick Otieno Dede, formerly of Maseno University, a scholarship to study for an M Sc. in Geo-environmental Engineering at the University of Durham in UK. Erick studied Bachelor of Science in Environmental Science from Maseno University and obtained First Class Honours.

Each scholarship will cover tuition, accommodation, maintenance costs and a return airfare. On average, the value of each scholarship is approximately Kshs.2.98 million (£20,000).

2.4.7 Environment

In this time of climate change and global warming, Kenya Shell Ltd pursues in its operations progressive reduction of emissions, effluents and discharge of waste materials that are known to have negative impact on the environment. The Nairobi Arboretum is one of capital city's remaining recreational and educational parks. BP Kenya Ltd. continues to support a major rehabilitation of the park and in conjunction with Friends of Nairobi Arboretum (FONA) and has helped put up a banda to be used for seminars and talks for various schools and interest groups.

Shell has also supported the conservation of endangered species by supporting a sea turtle conservation project at the coast. Shell supports the Environmental Trust of Kenya (ETK) whose campaign aims at sensitizing the coastal community against harvesting turtle eggs or killing sea turtles, which are now, designated world's endangered species at risk of extinction. In the year 2003, Shell gave Kshs.400,000/- as an annual donation towards this project.

BP supports the Conservation of wildlife by supporting the Rhino Ark - A Kenya wildlife body committed to saving Rhinos and other wildlife by fencing the forests in the country. In the same breadth, Kenya Shell has given a donation of Kshs.200,000/- to Nation Aberdare Fund for the purpose of putting up an electric fence round the park to keep intruders out and the wildlife in the park.

Recently Kenya Shell has introduced for the first time in Kenya's history, environmentally healthy unleaded petrol to the market. This is a show of commitment to best practices that ensures safe environment for the customers as well as adding value to their cars and the general environment.

2.5 Benefits gained from Enhanced Social Responsibilities

These include consistency of behavior, accomplishment of business mission, accomplishment of strategic issues, ready markets, value for customer needs proper allocation of resources and gaining of competitive advantage.

2.5.1 Consistency of Behaviour

Consistency refers to the behavioural element of social resources over time and across all facets of an organizations operation. Adherence to stated values and careful selection (and development) of business partners, who have matched social commitments, is the litmus test of an organization's own credibility. Failure to "walk the talk" is a common source of criticism of many companies claiming to be socially responsible. Consumers are adept at seeing through a veneer of credibility and demand long-term consistency of behaviour from organizations purporting to be socially responsible. Lafferty *et al.* (2002) point to a growing body of evidence strongly supporting the view that positive corporate image is positively correlated to purchase intention and that consumers discriminate between firms and their product/service offerings.

Doherty and Meehan (2004) stress that corporate social responsibility has significant implications, not only for how a company interacts with its customers, but also for the behavioural standards reflected in internal policies, upstream relationships with suppliers and the governance structures of the firm. Failure to consistently behave in line with the stated value commitments, using externally assured social auditing systems, will result in

the kind of corporate social performance deficit highlighted by Wood (1991). That is to say espousing social commitments within ones own organization and promulgating codes of conduct across the value network will be seen as a public relations strategy if not seen to direct behaviour (action in Wood's model) over time.

2.5.2 Accomplishment of Business Mission

Business mission is an “assertion of an organization's elementary purpose: why it exists, how it sees itself, what it wishes to do, its beliefs and its long-term aspirations” (Bennett, 1996, p. 18). Thus, mission is a statement of intent. Given that mission signals to shareholders, investors, stakeholders and society a given firm's intent (Pearce and David, 1987), the following aspect of the CSR-strategy relationship is offered for consideration.

Similarly, although some social issues may be common (e.g. energy conservation, recycling) to nearly all firms, they can be very different given a divergence of stakeholder, NGO and other social actor expectations impacting on a given industry (Logsdon and Wood, 2002; Davies, 2003; Aguilera *et al.*, 2007). According to Porter (1980), strategy is as much about what not to do, as it is what to do – it is descriptively wrong to suggest that a given firm should address all social issues (Sethi, 2003). However, finding the right balance between mission and the level of CSR is not always easy. An imbalance can lead to a firm being spread too thin between its economic charter and other social responsibilities, thus raising concerns about long-term viability, given finite resources (Pearce and Doh, 2005).

2.5.3 Creation of Brand Identity

The way organizations behave, talked about, reported and perceived by the publics, influence greatly the management of their reputation. Kitchen and Schultz (2002) support that there is a strong link between brand strength and company profitability. The existent literature indicates that many successful and profitable organizations spend significant amounts of money in fulfilling their social responsibilities. The rationale could be purely commercial, by raising their profile and improving their reputation through being associated with “good deeds” they can generate higher profits.

The way in which organizations act, and the way they are perceived by their target publics and the general public is a fundamental factor in managing their reputation. Hence, a good reputation has to be earned. A competitive advantage depends on reputation as well as on people, products, and prices. An organization's position in the marketplace depends on its acting in an ethical manner and also on how ethical its publics perceive it to be. Organizations may have a good reputation, a bad reputation, or no reputation at all.

2.5.4 Accomplishment of Strategic Issues

Building the social issue of CSR in the fundamental purpose of the firm does not necessarily happen without proper reflection and understanding of the environment (and the personal values and convictions of a firm's top leaders).

Understanding the environment and its implications for the firm rests within the domain of strategy. Andrews (1971) and Ansoff (1980) posit that issues that firms must address consist of those that are both internal and external. In order to analyze and assess unmet social needs, a number of techniques are potentially useful. Media coverage and expert testimony, for example, are important mediums to monitor in that they can disclose early signals of unmet social needs while scenario planning is a useful technique in that it enables firms to explore future scenarios that take into account shifts in consumer patterns, reactions of competitors and the possibility of litigation and regulation (Swartz, 1996). By example, growing concern over obesity in the US was evident in the media at least five years before the first warning by the US Surgeon General that obesity had become an epidemic (Lawrence, 2004).

2.5.5 Ready Markets

A market consists of the set of all actual and potential buyers of a product or service (Kotler and Armstrong, 2005). However, according to Cahill (1997) for a firm to strategically address markets, they must address specific target markets. A target market is a group of buyers for whom an offering should be appropriate and to whom the firm will direct the major part of its marketing time, resources and attention. Kotler and Armstrong (2005) suggest that target marketing is about analyzing and assessing each

market segment's attractiveness and selecting one or more segments to focus on. This has ramifications for the CSR-strategy relationship.

Social dynamics refers to the underlying expectations that a given market segment places on the role of business in society currently or possibly in the future (thus, “dynamic” is used to reflect the potential changing nature of societal expectations). For example, in the food and beverage industry, consumer expectations for detailed nutrition facts on packaging has risen in recent years which has implications for how products are developed and marketed. Further, if assessing various social factors of a given market segment is important to the general understanding of that segment, it is also important in terms of understanding specific target customer needs.

2.5.6 Value for Customer Needs

Some scholars have suggested that the sole purpose of any firm is to create value for the customer (Slater, 1997). Although agency theory challenges such a purpose (Khurana *et al.*, 2005), creating value for customers is certainly a strategic function of business. How does the firm create customer value? Multiple answers have been given in the literature to answer the question. For purposes here, two key aspects are addressed: market orientation; and innovation.

Customer orientation is defined as the actions designed to understand the current and latent needs of customers in the target markets served so as to create superior value for them (Narver and Slater, 1990). Here, a variety of actions are prescribed in order to learn about the current and latent needs of customers and the wider forces that shape those needs (Day, 1999). As pointed out, social-related forces are increasingly shaping markets and, by extension, the customer needs that are developing. Evolutionary/Austrian economics has long described innovation as a driving force behind economic growth and competitive success (Jacobson, 1992). Firms can embrace unmet social needs and social issues as a real opportunity for innovation, rather than treating them as a threat to take lightly or as factors which they can ignore (Chan Kim and Mauborgne, 2004). In this context, a firm can fulfill its responsibilities by meeting a societal demand, while in the

process creating both economic benefit and consumer utility (McWilliams and Siegel, 2001; Mackey *et al.*, 2007; Husted and Salazar, 2006).

2.5.7 Proper Allocation of Resources

A major facet of CSR is concerned with matching internal resources with a changing external environment in a way that enhances organizational performance over time (Hamel and Prahalad, 1994). In terms of the internal aspect, resources have been described as activities (Porter, 1980), assets (Dierickx and Cool, 1989), core competencies (Prahalad and Hamel, 1990), capabilities (Day, 1994) and dynamic capabilities (Teece *et al.*, 1997). Generally, resources consist of the factors necessary to create, operate and sustain a firm, be they tangible or intangible factors (Barney, 1991). Although many such resources exist, the important point of departure for resources in a CSR-strategy context rests with resource specificity. On the other hand, consider a manufacturing firm that invests resources in cogeneration technology which recaptures heat discharged through smokestacks and converts it to energy, substituting electrical power purchased from the local utility. In this case, the benefits of cogeneration are highly specific to the firm in the form of energy costs saved. The benefit spillover to the public is the firm's contribution to aggregate energy conservation.

2.5.8 Competitive Advantage

Considering the positioning approach in light of unmet social needs and social issues, it is possible to pursue a strategy focused on capturing a market aimed at the social dimension (McWilliams and Siegel, 2001). A good example is firms who are finding ways to differentiate products in light of the obesity issue. For example, Whole Foods Market has become the largest retail food chain in the world specializing in health and organic foods. Whole Foods Market is not only meeting the welfare of society and addressing a social issue by offering differentiated products designed to properly nourish and maintain the health of individuals, but is consistently growing sales and profits, demonstrating that what is good for society does not have to be a burden to firms and what is good for firms does not have to be a burden to society (Husted and Salazar, 2006).

Stakeholder theory also recognizes that firms have explicit costs (e.g. payments to bondholders) and implicit costs (e.g. environmental costs, human resource costs). Stakeholder theory predicts that if firms try to lower their implicit costs by acting socially irresponsible (e.g. not investing in pollution control systems, treating employees poorly) they will actually incur higher explicit costs, which can result in a competitive disadvantage. Reflecting this logic, Alexander and Buchholz (1982) argue that demonstrating high levels of responsibility towards stakeholders is an indicator of superior management skill, which leads to lower explicit costs.

2.6 Link between CSR and Corporate Image

It is necessary for companies to understand the relations and significance of the economic performance to take the responsibility and keep a positive corporate image, thus they can earn more admiration and trust from customers. Researchers have investigated the interface between CSR and the corporate image. Many surveys developed at an international level suggest that a positive relationship exists between a company's CSR actions and corporate image as portrayed by the consumers' reaction to that company and its product (Sen & Bhattacharya, 2001).

The image that stakeholders have of the company will influence their willingness to either provide or withhold support. Thus, if customers develop a negative perception of a company or its products, its sales and profits assuredly will decline. Government regulatory agencies, another important set of stakeholders, are required by law to monitor and regulate firms for specific, publicly defined purposes. Nevertheless, these agencies have considerable discretion in how they interpret and apply the law. Where they have a positive perception of the firm, they are likely to be much less censorious (Bhattacharya & Sen, 2004)

In their germinal work, Brown and Dacin (1997) introduced and studied CSR under the rubric of corporate image. They demonstrated that “what consumers know about a company can influence their evaluations of products introduced by the company” (p. 68) and that “different types of corporate associations can have important” (p. 68) but different influences on company image.

Nevertheless, CSR is an essential component of reputation management for many companies. The business case for CSR in terms of creating corporate image is strengthened by the fact that enterprises are more exposed to public scrutiny and criticism than in the past. This also means that there is greater pressure on companies to embed CSR deeply within their values and operations, rather than to assume it can be used as a simple public relations tool. Dealing with CSR issues such as transparency, human rights, and supply-chain requirements from a corporate image perspective have lead some companies to discover additional positive impacts of CSR.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

Under this, the study included research design, population of the study data collection methods and finally data analysis techniques.

3.2 Research Design

This was a survey study aimed at establishing the perceived link between the CSR project and corporate image at Kenya Shell Limited. According to Donald and Pamela (1998), a survey study is concerned with finding out the what, where and how of a phenomenon.

The study was assessing the effect of CSR best practices on Kenya Shell's image.

3.3 Data Collection

The study used primary data. Data was collected using structured questionnaire containing both closed and open-ended questions. The respondents were the senior management personnel in each department. The population was reached using questionnaires sent through their email addresses or handed out to them. Their consent was sought in form of a letter explaining the purpose of the study.

3.4 Data Analysis

The data collected was qualitative in nature and was analyzed using the content analysis techniques. The technique was used to analyze this data by comparing the responses from each of the interviewees.

CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter discusses data findings, analysis, interpretation and presentation. Data was analyzed using the SPSS programme and presented using bar graphs and pie charts. A sample size of 51 respondents from the population of 520 was selected this included the members of the management, staff and customers in Nairobi. All the respondents will be drawn from all the area of the study that is from the CSR project site, the station and the head office of Kenya Shell Limited. Out of the 51 respondents we had 44 of them undertaking the interviews successfully. This made a response rate of 86.2%.

The chapter is divided into three sections where the first section will deal with demographic information. The second section gives the findings on specific information in particular the Kenya shell company corporate social responsibility. The last section is the interview guide.

4.2 Demographic Information

This section deals with the general information on any CSR project site, the station and the head office of Kenya Shell Limited. Where the respondent to our research belongs it includes gender, level of study, and the number of years in the organization.

Table 4.1: Gender

	Frequency	Percent
Male	26	59.1
Female	18	40.9
Total	44	100.0

Table 4.1 shows the gender of the respondent. From the findings majority (59.1%) were male while 40.9% were female. This means that most of the people involved in the corporate social responsibility in the Kenya shell company are men.

Table 4.2: Education Level

	Frequency	Percent
Primary	2	4.5
Secondary	6	13.6
Diploma	25	56.8
Degree	11	25.0
Total	44	100.0

Table 4.2 shows the respondents level of study, from the table we find that majority 56.8% have done diploma courses while 25% are under graduates, very few 4.5% have gone up to primary school. This implies that the study was in a position to get viable information from the respondents. The same information is put in form of a bar graph.

Table 4.3: Number of years the respondent has worked with the organization

	Frequency	Percent
Less than 5 years	9	20.5
5 – 9 years	15	34.1
10 – 14 years	12	27.3
15 years and above	8	18.2
Total	44	100.0

Table 4.3 illustrates the number of years that the respondent has worked in the organization. Majority 34.1% have been in Kenya Shell Company for duration of 5 – 9 years while only 20.5% have worked with Kenya Shell Company for less than five years.

This implies that the study was able to get reliable information from the people who have been with the Kenya shell company for a long time. Some would have been involved in company's decision makings.

4.3 General Information

This section deals with general information concerning the Kenya shell company on the corporate social responsibility. This includes whether the company have corporate social responsibility Projects, description on how effective the social responsibility is in the community. Also the extent to which Kenya Shell Limited CSR projects have enhanced its corporate image

Table 4.4: Whether Kenya Shell company has corporate social responsibility Projects

	Frequency	Percent
Yes	40	90.9
No	4	9.1
Total	44	100.0

Table 4.4 demonstrates whether Kenya shell company has corporate social responsibility or not. Majority 90.9% agreed that there are corporate social responsibilities going on. This implies that the members of public have recognized the efforts of the company, to have the CSR.

Table 4.5: Effectiveness of the corporate social responsibility in Kenya Shell Company

	Frequency	Percent
Not effective at all	1	2.3
Less effective	2	4.5
Fairly effective	15	34.1
Greatly effective	18	40.9
Most effective	9	20.5
Total	44	100.0

Table 4.5 shows the respondents description of the corporate social responsibility in the Kenya shell company. 40.9% said that they were greatly effective. Only 2.3% said that they were less effective. This means that the public appreciated what the company was doing.

Table 4.6: The Corporate Image/Reputation

	Frequency	Percent
Not effective at all	1	2.3
Less effective	8	18.2
Fairly effective	17	38.6
Greatly effective	15	34.1
Most effective	4	9.1
Total	44	100.0

Table 4.6 describes the corporate image/reputation of Kenya Shell Company as enhanced by CSR; majority 38.6% confirmed that it is fairly effective. Only 2.3% says that it's less effective. This implies that there is a link between company's CSR and the corporate image.

Table 4.7: True or False Regarding CSR and Corporate Image in Kenya Shell Limited

	Yes	No	Not sure	Mean	Std.Dev
The Kenya Shell limited CSR projects are of great benefit to the community	40	2	2	1.1	0.5
The reputation of the company has improve since the company started practicing social responsibility	30	6	8	1.5	0.8
Most people have been buying the Shell oil product than it was before investing in CSR projects	32	8	4	1.4	0.6
The Kenya Shell Company has been involved in protecting the environment	42	1	1	1.1	0.3
The Kenya Shell Limited has boosted education in kenya	35	5	4	1.3	0.6
The Kenya Shell limited has seen needy children continue with their education	38	4	2	1.2	0.5

Table 4.7 States whether the statements are true or false regarding CSR and corporate image in Kenya Shell Limited according to the respondent. In the analysis one meant yes, two meant no, and three meant not sure. The statements were on the corporate social responsibility of the Kenya shell company this included whether CSR projects are of benefit to the community, if the reputation of the company has improved since the company started practicing social responsibility; it also tests whether more people buy the Shell oil product than it was before investing in CSR projects. From the findings majority felt that the Kenya Shell Company has been involved in protecting the environment, this had a mean of 1.1 and a std. dev of 0.3. They also felt that the company's CSR projects are of great benefit to the community with a mean of 1.1 and a std. dev of 0.5 the research also found out that the Kenya Shell limited has seen needy children continue with their education mean of 1.2 and std dev of 0.5. This implies that the company's social responsibilities are helping the members of the public and it is promoting the corporate image of the company.

Table 4.8: The Extent to Which CSR Enhanced the Corporate Image of the Organization
In Some Areas

	Not at all	Less Extent	Moderate extent	Great Extent	Very Great Extent	Total	Mean	Std.Dev
Involving the stakeholders in deciding what project suit them	1	3	33	4	3	44	3.1	0.7
Selecting the CSR project	0	5	35	1	3	44	3.0	0.6
Creation of Brand Identity	0	2	15	20	7	44	3.7	0.8
Accomplishment of Strategic mission of serving the community	0	0	10	10	24	44	4.3	0.8
Value for Customer Needs	0	0	20	20	4	44	3.6	0.6
Proper Allocation of Resources	0	7	25	10	2	44	3.2	0.7
Attracting more customers	0	5	22	12	5	44	3.4	0.8

Table 4.8 illustrates the extent to which CSR enhanced the corporate image of the organization in some areas like; involving the stakeholders in deciding what project suits them, Selecting the CSR project, Creation of Brand Identity, Accomplishment of Strategic mission of serving the community, Value for Customer Needs, Proper Allocation of Resources, Attracting more customers. For the analysis one represented not at all, two meant less extent, three meant moderate extent, and four meant great extent while five meant very great extent. This helps in interpretation of the findings where the greater the mean the greater the extent of effect. The greatest effect was on accomplishment of Strategic mission of serving the community which had a mean of 4.3

and a standard deviation of 0.8. creation of brand identity also had a significant effect, mean of 3.7 and a std dev of 0.8 and also Value for Customer Needs with a mean of 3.6 and a std dev of 0.6 Proper Allocation of Resources, had a mean of 3.2 and a std dev of 0.7. This implies that the company's corporate social responsibility enhances the corporate image of the organization significantly.

Table 4.9: Determining the CSR project

	Frequency	Percent
Strongly Agree	4	9.1
Agree	30	68.2
Neutral	5	11.4
Disagree	3	6.8
Strongly Disagree	2	4.5
Total	44	100.0

Table 4.9 above explains whether the Kenya shell company involves the stake holders in determining the corporate social responsibility. From the findings majority 68.2% agreed that they are involved while only 4.5% strongly disagreed that they were involved in it. This implies that involving the stakeholders in determination of a CSR has a great effect in promoting the corporate image.

Table 4.10: Customers and other stakeholders' expectation from implementation of CSR projects

	Frequency	Percent
Yes	38	86.4
No	6	13.6
Total	44	100.0

Table 4.10 demonstrates the expectations of the customers and the stake holders in implementation of the CSR. Majority 86.4% have expectations from the implementation while only 13.6% do not have. This means that the company's involvement in the CSR has a direct effect to the corporate image to the public.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary of Findings

From this study the researcher found out that majority 56.8% have done diploma courses while 25% are under graduates, very few 4.5% have gone up to primary school. 34.1% have been in Kenya Shell Company for duration of 5 – 9 years while only 20.5% have worked with Kenya Shell Company for less than five years. This implies that the study was able to get reliable information from the people who have been with the Kenya shell company for a long time. The respondents agreed that Kenya Shell Company is running corporate social responsibilities on the effectiveness of the CSR then the majority confirmed that they are highly effective.

On whether a few statements are true or not about the CSR and the corporate image the research found the findings as follows; majority felt that the Kenya Shell Company has been involved in protecting the environment, this had a mean of 1.1 and a std. dev of 0.3. They also felt that the company's CSR projects are of great benefit to the community with a mean of 1.1 and a std. dev of 0.5 the research also found out that the Kenya Shell limited has seen needy children continue with their education mean of 1.2 and std dev of 0.5. The greatest effect was on accomplishment of Strategic mission of serving the community which had a mean of 4.3 and a std dev of 0.8. creation of brand identity also had a significant effect, mean of 3.7 and a std dev of 0.8 and also Value for Customer Needs with a mean of 3.6 and a std dev of 0.6 Proper Allocation of Resources, had a mean of 3.2 and a std dev of 0.7. This implies that the company's corporate social responsibility enhances the corporate image of the organization significantly.

5.2 Conclusions

The research concludes that there is a link between the involvement of Kenya Shell Company in corporate social responsibility and the corporate image. This was arrived at from the findings of the research. The company has able workers, customers and other stake holders since it was found that majority of the respondents had been in Kenya shell for 5 -9 yrs. Further interviews with the customers show that the community is appreciative of the corporate social responsibility of the Kenya shell company since it addresses the sensitive issues in the community like environmental risks, the academic concerns demonstrated by boosting education level in Kenya.

We also conclude that the company's corporate social responsibility enhances the corporate image of the organization significantly. For example in Accomplishment of Strategic mission of serving the community.

5.3 Recommendations

The research recommends that the Kenya shell company should embark on the corporate social responsibility fully since we have found from our study that there is direct effect on the corporate image. However the management of the company needs to have the required knowledge, expertise and skills before they can agree and embark upon an implementation programme. In addition, the management needs to learn from others as to what has worked in other firms and what has not. In essence a number of actions need to be taken in order to increase the likelihood of success. These include; setting up a steering committee, identifying the norms, values and behaviors for the organization's people, agreeing a plan of action, implementing that plan and reviewing progress.

Furthermore, the plan of action needs to be sensitive and in line with the organization's history and future. Therefore each organization will need to identify its own unique approach, as "off the shelf" packages are not readily associated with success.

The management of the Kenya shell company should involve the stake holders in determining the effective corporate social responsibility. The study also recommends that managers be on the look for any possible factor that has an implication on the operations of the business and respond appropriately.

5.4 Areas for future research

Corporate social responsibility is very wide and hence this project could not cover all the areas, it is in this view therefore that I recommend the following areas for future research:

The challenges organizations encounter in the process of carrying out socially responsible activities, the factors that lead organizations into practicing socially responsible activities.

Another area of research could be whether practicing socially responsible activities could lead to improved performance in terms of sales and staff retention. This project could also be carried out in other sectors other than the oil industry.

5.5 Implications of policy and practice

The government has evolved very few policies to enforce the practice of CSR. The only clear policy on CSR is environmental conservation and to some extent the provision of free primary education. The most crucial sectors such as health, education, safety and

security, assisting the disabled, the orphaned as well as children's homes is left to companies' choice of being philanthropic or not. Since all these key sectors are left at the discretion of the companies, very little is being done. Most companies only practice CSR as a marketing tool and not necessarily for assisting the needy.

The government should offer some assistance to the companies that practice CSR Activities. Companies realize that achieving successful strategic plan takes time, energy and resources from everyone within the organization, an endeavor that is totally worthwhile given the positive impact of strategic planning.

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APPENDICES

Appendix I: Questionnaire

1. Part A: Demographic Information Gender

Male []

Female []

Others (specify)

2 Education level

Primary []

Secondary []

Diploma []

Degree []

Any other (Kindly indicate)

1) Number of years that you have worked with the organization

Less than 5 years []

5 – 9 years []

10 – 14 years []

15 years and above []

Part B: General Information

2) Does Kenya Shell company have corporate social responsibility Projects?

Yes [] No []

3) How would you describe the corporate social responsibility in Kenya Shell Company?

Not effective at all []

Less effective []

Fairly effective []

Greatly effective []

Most effective []

4) How would you describe the corporate image/reputation of Kenya Shell Company as enhanced by CSR?

Not effective at all []

Less effective []

Fairly effective []

Greatly effective []

Most effective []

5) State whether the following statements are true or false regarding CSR and corporate image in Kenya Shell Limited

	Yes	No	Not sure
The Kenya Shell limited CSR projects are of great benefit to the community			
The reputation of the company has improve since the company started practicing social responsibility			
Most people has been buying the Shell oil product than it was before investing in CSR projects			
The Kenya Shell Company has been involved in protecting the environment			
The Kenya Shell Limited has boosted education in Kenya			
The Kenya Shell limited has seen needy children continue with their education			

6) To what extent has the following Kenya Shell Limited CSR projects enhanced its corporate image?

	Not at all	Less Extent	Moderate extent	Great Extent	Very Great Extent
Operation Smile mission through reconstructive surgery					

Promoting safety awareness and provision of guard in the stations					
Offering scholarship for further studies					
Selling of healthy unleaded petrol to consumers					
Offer donation to promote education for the needy.					

7) To what extent has CSR enhanced the corporate image of the organization in the following areas?

	Not at all	Less Extent	Moderate extent	Great Extent	Very Great Extent
Involving the stakeholders in deciding what project suit them					
Selecting the CSR project					
Creation of Brand Identity					
Accomplishment of Strategic mission of serving the community					

Value for Customer Needs					
Proper Allocation of Resources					
Attracting more customers					

11. The Kenya Shell Company Management involves its stakeholders in determining their need in the CSR project

i) Strongly Agree

ii) Agree

iii) Neutral

iv) Disagree

v) Strongly Disagree

Very Great Extent

12.a) Does the Kenya Shell Limited customers and other stakeholders have any expectation from implementation of CSR projects

Yes []

No []

b) Give a reason for you answer to 12a above.

.....
.....
.....

Section B: Interview Guide for managers and staff of Kenya Shell Limited

Perceived linked between Corporate social responsibility and corporate image at Kenya shell Limited

1.0 Does Kenya Shell Limited practice corporate social responsibility

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.....

2.0 Please describe the corporate social responsibility at Kenya shell Limited

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.....
.....

i) State how the Kenya Shell company has benefited from investing in corporate social responsibility?

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.....
.....
.....

ii. Has Kenya Shell limited Company involve the staff in determining the corporate social responsibility projects

.....
.....
.....

4. Explain in details what has driven the Kenya Shell Limited in investing in Corporate social responsibility projects.

.....
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.....

5. What CSR issues do Kenya shell Limited address

.....
.....
.....

6. What is the response of Kenya Shell CSR project community beneficiaries? Perceive of the company.

.....
.....
.....

7. Do you think CSR is an important component in building the company reputation? Give reasons

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.....
.....

8. In your assessment, does company improve it performance due to improve in it reputation

.....
.....
.....
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