A SURVEY OF THE EXTENT OF INVOLVEMENT IN CORPORATE SOCIAL RESPONSIBILITY BY KENYAN PUBLIC UNIVERSITIES

BY

LOTACHI BARNABAS NYASETIA

A MANAGEMENT PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

Faculty of Commerce

UNIVERSITY OF NAIROBI

2005
DECLARATION

THIS PROJECT IS MY ORIGINAL WORK AND HAS NOT BEEN PRESENTED FOR A DEGREE IN ANY OTHER UNIVERSITY

SIGNED  
MR. OTACHI BARNABAS NYASETIA  
REG. NUMBER: D61/P/7784/01

THIS PROJECT HAS BEEN SUBMITTED FOR EXAMINATION WITH MY APPROVAL AS THE UNIVERSITY SUPERVISOR

SIGNED  
MR JACKSON MALULU  
LECTURER (BUSINESS ADMINISTRATION)

DATE 24/09/05
DEDICATION

I wish to extend my sincere thanks to my supervisor Mr Jackson Muatu, for his invaluable comments, constructive criticism and guidance, which provided much needed

To my Dear parents; Rebecca Moraa and Ezekiel Otachi, Wife Eunice,

Children; Deborah Kemunto, Octavia Boyani and Tracy Rebecca Moraa, for

the sacrifice of their time which they had a rightful claim. All the above

mentioned are the source of my inspiration.
ACKNOWLEDGEMENT

I wish to extend my sincere thanks to my supervisor Mr. Jackson Maalu for his invaluable comments, constructive criticism and guidance, which provided much needed support in my endeavor to undertake and complete this research paper.

I am profoundly indebted to my colleagues; Caroline Sikasa, Eodie Nindamutsa, Michael Kwali, Sebastian Okech and Dr S. Monyenye for their unwavering support and encouragement throughout my studies. My special thanks go to my Wife Eunice for being a pillar of encouragement and inspiration, which necessitated me to undertake this programme. My thank to her again for her moral and material support throughout the programme.

I thank my parents too, for giving and equipping me with the tools of trade, which have enabled me, achieve my goals. It should be noted that this was done despite their advanced age and limited academic background. I have no proper words to use in expressing my sincere thanks to them, I can only say bravo my beloved parents and may the Almighty God grant you good health, peace of mind and happiness.

Above all, I would like to thank my Creator for His sustainability, unlimited provisions, love and also the opportunity He has provided which has enabled me achieve my life time dreams. Indeed He has given more than I expected from Him.
TABLE OF CONTENTS

Title i
Declaration ii
Dedication iii
Acknowledgement iv
Table of contents v
Abstract viii

CHAPTER 1. INTRODUCTION 1

1.1 Background 1
1.2 Statement of the Problem 4
1.3 Objectives of the Study 7
1.4 Importance of the Study 7
1.5 Overview of the Study 8

CHAPTER 2. LITERATURE REVIEW 10

2.1 Corporate Social responsibility 10
2.2 Evolution of the concept. 14
2.3 Arguments in favour of corporate social responsibility 18
2.4 Arguments against corporate social responsibility. 21
2.5 Impediments to the implementation of social responsibility policies in organizations. 24
2.6 Some examples of social responsibilities activities 26
2.7 Planning and Operation of Social Responsibility. 28
2.8 Related study 30
CHAPTER 3. RESEARCH METHODOLOGY

3.1 Design
3.2 The population
3.3 Data collection
3.4 Data analysis

CHAPTER 4. DISCUSSIONS AND FINDINGS

4.1 Introduction
4.2 Universities profile
4.3 Universities awareness of the concept of CSR
4.4 The attitude of universities management towards CSR
4.5 Corporate social activities
4.6 Universities level of involvement
4.7 Universities contribution to CSR
4.8 Factors prohibiting universities from being more socially responsive

CHAPTER 5. SUMMARY CONCLUSIONS & RECOMMENDATIONS

5.1 Summary
5.2 Conclusions
5.3 Recommendations
5.4 Limitations of the study
5.5 Suggestion for further studies

REFERENCES
APPENDICES

Annex i  Note to the respondents  52
Annex ii  Questionnaire  53
Annex iii  List of abbreviations  68

LIST OF TABLES

Table I  Students/Staff population  35
Table II  Awareness and the social activities  36
Table III  The attitude of universities management towards CSR  38
Table IV  Corporate activities  39
Table V  Level of involvement  40
Table VI  Contributions to CSR per year  41
Table VII  The prohibitive factors  42
APPENDICES

Annex i  Note to the respondents  52
Annex ii  Questionnaire  53
Annex iii  List of abbreviations  68

LIST OF TABLES

Table I  Students/Staff population  35
Table II  Awareness and the social activities  36
Table III  The attitude of universities management towards CSR  38
Table IV  Corporate activities  39
Table V  Level of involvement  40
Table VI  Contributions to CSR per year  41
Table VII  The prohibitive factors  42
ABSTRACT

Corporate social responsibility is on the “hot list” of emerging concepts which business needs to understand and address because it carries potentially significant implications for business success. Just about every sector faces significant responsibility issues, including those previously seen as largely benign. Motivated by increasing community social concerns, public universities have got roles to play in society as far as CSR aspects are concerned, more specifically in environmental, students, employees and community concerns.

Given the above facts therefore, the study sought to determine first, the Public Universities awareness on the concept of CSR, second, the social activities and the Universities level of involvement and lastly, factors affecting implementation of the same.

The population of the study was the six public universities, which are spread through the country. Since the population was small a census survey was used to capture the information required. When it came to data collection, the response rate was actually quite impressive. The researcher was able to achieve the hundred percent target.

The empirical results obtained from the field showed that most of the public universities were aware of the concept of CSR but the level of involvement apart from one university was quite low. 83.3% of all the universities, were partially involved in the corporate
Social activities while only 16.7% were actually involved. Financial constraints, lack of awareness among their members of staff and little government support, were the major factors contributing to failure in the implementation of the corporate social activities in these institutions.

Traditionally, the primary objective of any business corporation has been to make profits and to serve the interests of its owners. However, as a result of rapid environmental changes especially after World War II, the society has become more restless about its quality of life and outputs of various social sub-systems. In recent years, business and other non-financial corporations have been under increasing pressure to redefine their role in society. Corporate managers are being called upon to direct attention and resources to social problems far removed from their central economic mission. Corporate social responsibility, according to Narve (1997), should not only be a government concern but more so a concern of both business and non-business organizations. On their part, business organizations should be involved in improving the quality of society in which they operate.

The concept of social responsibilities of business has been a subject of intense debate for almost three decades. A review of the literature pertaining to the concept reveals two opposing views: the traditional or classical view (opponents) and the modern or stakeholder view (prophecies). The opponents of the traditional view are of the view that a business or business is business. This means that businesses have the major objective of
CHAPTER 1: INTRODUCTION

1.1 Background

Traditionally, the primary objective of any business corporation has been to make profits and to serve the interest of its owners. However, as a result of rapid environmental changes especially after World War II, the society has become more restless about its quality of life and outputs of various social sub-systems. In recent years business and other non-financial corporations have been under increasing pressure to redefine their role in society. Corporate managers are being called upon to direct attention and resources to social problems far removed from their central economic mission. Corporate social responsibility according to Nzuve (1997), should not only be a government concern but more so a concern of both business and non-business organizations. On their part, business organizations should be involved in improving the quality of society in which they operate.

The concept of social responsibilities of business has been a subject of intense debate for almost three decades. A review of the literature pertaining to this concept reveals two opposing views; the traditional or classical view (opponents) and the modern or managerial view (proponents). The opponents of the traditional class are of the view that a business of business is business. This means that businesses have the major objective of
producing maximum profits therefore opposed to any calls for extra business obligations that might dilute this objective. (Friedman 1963).

However, the proponents of the modern class have argued for corporate social responsiveness. They are of the view that business should assume certain responsibilities that may be less economically attractive but socially desirable. They maintain that to achieve long range profitability businesses should engage in activities, which are purely voluntary, and where, through their own conscience, they should undertake the initiative to exercise leadership in the community. (Wickham 1998).

The claim by the managerial class that a positive relationship could exist between social performance and economic performance in corporations if the concept of corporate social responsibility is practiced has attracted the attention of many scholars in recent years. Stainer (1974) in his studies established the relationships between social responsibility and other determinants of organizational effectiveness. For instance there have been many studies investigating the relationship between social responsibility and quantitative measures of profitability. The results of these studies have been mixed. In his research, Thomas (1994) indicated that managers of today and those who seek to succeed in the future must have a highly developed sense of responsibility to society. While Johnston and Scholes (2001), say that for any organization to prosper, it must impress the business ethics in its operations. It is the responsibility of the organization to meet both the stakeholders’ interest and its own interest. Hence the concept of social responsiveness
Apart from showing interest in the relationship between corporate social performance and corporate effectiveness, various scholars have studied other aspects of the concept and these include; its ideological foundations, purposes, its management and the development of valid measures and standards of external disclosures. Such studies have led to the term social responsiveness being popularized as a replacement for social responsibility in the U.S.A, in recent years. Murphy (1978), indicates that social responsiveness is a more positive and accurate term than social responsibility. Many corporations have already recognized their responsibility (obligation) to society and are now reacting to these demands in diverse ways. He regards the period beginning in 1974 as the Era of Corporate Social Responsiveness.

In line with the above discussions therefore, it has come out clearly that Corporate Social Responsibility is not limited to corporate bodies only but to a wider spectrum of other Institutions which offer services to the public such as the public universities. It should be noted that though they have their specific core functions, they are also part and parcel of the community, and hence, in addition to their core functions, they should contribute something to society just like the way the private universities do. For example majority of them do participate in environmental cleaning and offering scholarships to the less fortunate in the society. Given the above facts therefore, there is a feeling that there is a need to carry out an in-dept study on the above concept as practiced by these universities.
1.2 Statement of the Problem

For institutions to enjoy the benefits of being socially responsive, it will be of paramount importance that their managers consider and incorporate societal issues in their decision-making processes. In an effort to improve societal welfare, the Government of Kenya has been urging managers of business corporations to adopt policies that will lead to increase in corporate social responsiveness (Kamau 2001).

An in-depth work on the issue of corporate social responsibility has been carried out by various corporate bodies such as British American Tobacco, Kenya breweries, to mention but a few on the effects of being socially responsive (Kamau 2001). Most of the corporate bodies largely depend on revenues generated for their survival. For them to expand their revenue base, social issues, which are not part of their economic and technical interests, are usually given some special considerations. These when executed properly end up improving the companies’ image, leading to more sales and hence more revenues.

Though much has been done by the above bodies on the subject, there is still need for the same also to be looked at from a different perspective involving service industries such as public universities, which of late have been seen conducting some of their affairs just like the private corporate bodies. It should be noted that due to the negative publicity and the dwindling financial support from the central government, it as become difficult for some
of them to function as expected, the reason why some have started engaging themselves in income generating activities for survival.

Despite their financial constraint as reported above, these institutions are integral part of the wider Kenya community, hence have an obligation to society not only in terms of academic circles but also in other spheres of development. In the recent past cases of students indiscipline from these institutions have been witnessed with disbelief whereby property of huge amounts end up being destroyed and innocent people affected in their perpetual riots. This particular act has led to serious negative publicity from the media and poor relationship between the public and the students. The above scenario has given rise to a need, that is trying to refocus the said relationship with a view to improving it through positive participation in voluntary community based activities by both students and staff from these institutions. As mentioned earlier, positive community participation and investment on the same helps in changing people’s attitudes towards a company’s products. It is believed that if the above concept is borrowed, carefully introduced and properly operationalized in these institutions, it would end up assisting in restoring some understanding between the public and the students and in the long run assist in even reversing the current negative perception towards them.

It should be noted that positive participation and investments in corporate social activities may even end up assisting them get sponsors from the corporate world and even from the
general public for some of their academic programs. Thus reducing the financial
constrains currently being experienced.

Given the above facts, the main purpose of this research therefore would be, to find out
the awareness and practice of the concept of corporate social responsibilities in the public
universities', their participation in the said activities and the factors affecting
implementation of the same without compromising their main core functions given
herebelow;

To provide directly or in collaboration with other institutions of higher learning
facilities for university education, to participate in the discovery, transmission and
preservation of knowledge and to stimulate the intellectual life and culture
development of Kenya, to conduct examinations for and to grant such academic
awards as may be provided for in the statutes, to co-operate with the Government
in the planned development of University education and in particular to examine
and approve proposals for new facilities, new departments, new degree courses or
new subjects of study submitted to it by any constituent college or other post
secondary institution and lastly to determine who may teach and what may be
taught. (Commission for Higher Education catalog 2004 and the University of
Nairobi calendar 2003).
It should be noted that though research on this concept has been carried out by various corporate organizations, but none of them have specifically touched on Kenyan public universities, hence the need to carry out a study on the same.

1.3 Objectives of the Study

1) To determine the public universities awareness on the concept of corporate social responsibility

2) To determine the corporate social activities and the universities level of involvement.

3) To determine the factors affecting implementation of the above activities in these Institutions.

1.4 Importance of the Study

This study is expected to be of benefit to the following,

First, it will be the business community especially the sponsors of various academic programs (research) and needy students, it will hopefully contribute to increasing their awareness of the importance of concern for social welfare.
Second, the study will be of significance to advocates of the social responsibility concept such as the government. It investigates several aspects of the concept that include; the awareness of the concept within a service industry that has the potential of attaining a high degree of success on both academic and social performance, the extent of support for arguments for corporate social responsiveness by decision-makers in the public universities; and finally the implementation of the concept in these institutions.

Third, to the academicians, the study will be important as an addition to knowledge. It is hoped that it will stimulate research into activities which seem to be none core in these institutions but if properly taught, introduced and managed may add more value to the universities.

Lastly but not least, the students, staff and the community around the university who directly or indirectly depend on the universities service provision.

1.5 Overview of the Study

This research proposal is made up of four sections. Section one, the introduction, consists of background information pertaining to the subject of study, statement of the problem, objectives of the study, importance of the study and overview of the research report. In Section two, the literature review pertinent to or related to the subject matter of the study
is reviewed. The literature review covers definition of the social responsibility concept, evolution of the concept, arguments for and against the concept, impediments to the implementation of the concept, and some examples of corporate social responsibility activities and the planning and operation of the concept. Section three will be dealing with the research methodology, design, study population and data collection. Section four will be dealing with data analysis, while Section five that will only appear in the final paper will be mainly for the research findings, conclusions and recommendations of the study.

According to Keith (1965), corporate social responsibility refers to businessmen's decisions and actions taken for reasons at least partially beyond the firm's direct economic or technical interests. It is implied in this definition that institutions are charged with the duty of correctly evaluating the impact of their decisions on the society. Management is required, according to his definition, to have a wider perspective and to extend their vision beyond their traditional core functions.

Witcher (1998), say that the corporate social responsibility described as an organization and the people who comprise it must be determined by procedures, cultural norms and personal judgement to enable society benefit. Social responsibilities constrain the actions of an organization. They often define what is expected of them, rather than what they can do. They
CHAPTER 2: LITERATURE REVIEW

2.1 Corporate Social Responsibility

The issue of corporate social responsibility has been a subject of intense debate and interest for almost three decades. Part of the controversy stems from the different definitions of the term. The precise limits or boundaries of this concept are still undefined. For the purpose of showing the diversity of definitions, a number of outstanding definitions are provided herebelow.

According to Keith (1960), corporate social responsibility refers to businessmen's decisions and actions taken for reasons at least partially beyond the firm's direct economic or technical interests. It is implied in this definition that institutions are charged with the duty of correctly evaluating the impact of their decisions on the society. Management is required, according to his definition, to have a wider perspective and to extend their vision beyond their traditional core functions.

Wickham (1998), say that the corporate social responsibility ascribed to an organization and the people who comprise it, must be determined by precedents, cultural norms and personal judgement to enable society benefit. Social responsibilities constrain the actions of an organization. They often define what it cannot do, rather than what it can do. They
provide a sound and shared set of rules within which the business community can operate.

Bowen (1953), has also defined the concept of corporate social responsibility as obligations to pursue those policies, to make decisions or to follow those lines of action, which are desirable in terms of objectives and values of society. According to Bowen, the freedom of choice that institutions posses should be guided by the objectives and values of society. It therefore implies, institutions should voluntary be sensitive to social costs of economic activities and to the opportunities that allow them focus their resources on objectives that may be economically less attractive but socially desirable.

In his write up, Steiner (1975), says that, the corporate social responsibility of institutions is a substantial part of this contract. It is the set of generally accepted relationships, obligations and duties that relate to the institution’s impact on the welfare of society.

The concept of corporate social responsibility assumes that there exists a theory about the social role of organization in the modern society. Such a theory would not only explain the interest of the public but would advocate for the monitoring and the influence of the behaviour of institutions in accordance with the value judgment upon which the theory may be said to be founded. The interest of the community in the behaviour of an institution is expressed both at the national level and at the local level. At the national level the interest is expressed by the concern of the government in various aspects of the
business activities such as economic well being, their contribution to welfare, their part in the growth of the economy, etc. At the local level, the interest is expressed by local authorities and bodies in both direct and indirect social-economic impact of the activities of the organizations (Bashaija 1977).

The law as an institution, to an extent has the objective of embodying and expressing those value judgements by which the behaviour of firms is to be regulated. For example, in Kenya those value judgements are embodied and expressed in Acts of Parliament which include the Employment of Women, Young Persons and Children Act (Cap 227), The Workmen’s Compensation Act (Cap 236,) etc. However, the concept of institutional social responsibility extends beyond notions embodied in the law. It has represented and still represents debate that has its root in political and social theory.

According to Bashaija (1977), the spectrum of corporate social responsibility of an Institution is quiet wide but can be broken down into two broad categories as follows;

First, the philanthropic activities; that is, the activities that are purely voluntary. Proponents of the concept of Institutions’ involvement in philanthropic activities such as provision of education, employment and training of poor classes and provision of direct financial or personal support to charitable institutions. Secondly, the activities where businesses are induced by market conditions, government incentives or public pressure.

Non-philanthropic activities such as production efficiency and maximization of profit (economic growth of the firm) are increasingly being perceived as either direct or indirect
costs and not as social responsibility activities. They reflect the traditional objectives of an institution.

In conclusion while there is no single commonly accepted definition of institutional social responsibility, it generally refers to business decision making linked to ethical values, compliance with legal requirements and respect for people, communities and environment. For the purpose of this paper and from the literature above corporate social responsibility can be defined as operating a business in a manner that meets or exceeds the ethical, legal, commercial and public expectations that society has of business. It is more than a collection of discrete practices or occasional gestures, or initiatives motivated by marketing, public relations or other business benefits. It is viewed as a comprehensive erosive set of policies, practices and programmes that are integrated throughout business operations and decision making processes that are supported and rewarded by top management.

Being socially responsible implies playing more than just the economic role and core objectives and mission role in society. In addition to the core roles as employers, organizations are expected to play a direct role in meeting community needs and wants. (Kamau 2001).
2.2 Evolution of the concept

In his write up, Bashaija (1977), gives four theories giving rise to the evolution of the concept of corporate social responsibility. First is the Classical Economic Theory. The classical economists insist that the primary purpose of any institution is to make profit for the owners and other motives besides this are secondary or incidental to it. While Institutions struggles to achieve economic advancements, the government is expected to balance up various interests that are unsatisfied by private enterprises.

As a staunch supporter of the doctrine of laissez-faire, Smith (1776), considered any social benefits accruing to production as unintended byproducts of men’s search for private gains. Laissez-faire assumes that an institution has no formal social obligations to the public, It serves society best when it attends to his own affairs without giving much thought to social problems and that there is an “invisible hand” regulating institution’s dealings in the market.

These assumptions form the basis for a free market system advocated by the classical economists. Given the competitive environment in a free market system, the entrepreneur is supposed to choose courses of actions, which will cause maximization of profit without reference to reactions of the society. Classical economists saw competitive struggle as a necessary control device, which regulated the behaviour of participants in the market.
Currently, due to inefficiencies or abuses of power, the assumed competitive market
dynamism does not guarantee protection to every participant and hence the desire for
specific regulations to ensure satisfaction of all participants in the business environment.
It is necessary for businesses to attempt to achieve a dynamic equilibrium with
environmental demands so as to achieve stability necessary for survival and growth.

The second is the Legal position theory; Institutions by law are artificial persons that
have rights to exist, own property, sue or be sued under their names and depending on
their constitution they enjoy many privileges. As artificial persons, institutions transact
through the agency of natural persons. Initially the owner (shareholders) appoint and
delegate powers of management to the first controller (usually the board of directors)
who subsequently sub-delegates to other institutions’ officers.

Under common law, institutional managers as trustees had to manage the resources for
the benefit of the owners and had no authority to dissipate the trust property. Some legal
presidents reaffirmed the view that institutions exist to provide profits and equitable
redistribution thereof to the shareholder. In the case of Hutton versus Westcork Railway
Co. (1888) it was stated that “charity has no business to sit at the board of directors table”
(Hutton Vs Westcork Railway Co.). However, in the A.P Smith manufacturing firm
company versus Barlow (May 1953) Case, it was stated that the corporation was justified
in disbursing stockholders wealth for educational purposes.
This action was regarded as being in the interest of the public. This philosophy recognizes the fact that what is good for an institution and society is good for the shareholders. As trustees, Institutional managers have obligations to several claimants and besides ownership interests, there are other vested interests to consider. Management has a unilateral duty to balance and maximize all the interests of beneficiaries.

The third is The Doctrine of "Enlightened self–interest". This doctrine requires institutions to undertake philanthropic activities besides investing in attractive programs in a way that will benefit the social environment or quality of life. An institution is an integral part of society from which it gets its inputs and gives its output. Inevitably, for survival, an institution depends on the goodwill of society, which legitimizes its existence. To avoid the counter-veiling powers of the disgruntled society, it is in the "enlightened self–interest" of the business to promote a climate conducive for both business and public co-existence.

The committee for economic development has stated that it is “not a right but a duty of business” (The committee for economic development, social responsibility of business corporation June, 1971, pg 27), to support society in the interest of long-run benefits. Corporations self–interest is best served by sensitivity to social concern and willingness within competitive limits to take needed actions ahead of any confrontation.
This action was regarded as being in the interest of the public. This philosophy recognizes the fact that what is good for an institution and society is good for the shareholders. As trustees, Institutional managers have obligations to several claimants and besides ownership interests, there are other vested interests to consider. Management has a unilateral duty to balance and maximize all the interests of beneficiaries.

The third is The Doctrine of “Enlightened self – interest”. This doctrine requires institutions to undertake philanthropic activities besides investing in attractive programs in a way that will benefit the social environment or quality of life. An institution is an integral part of society from which it gets its inputs and gives its output. Inevitably, for survival, an institution depends on the goodwill of society, which legitimizes its existence. To avoid the counter-veiling powers of the disgruntled society, it is in the “enlightened self – interest” of the business to promote a climate conducive for both business and public co-existence.

The committee for economic development has stated that it is “not a right but a duty of business” (The committee for economic development, social responsibility of business corporation June, 1971, pg 27), to support society in the interest of long-run benefits. Corporations self – interest is best served by sensitivity to social concern and willingness within competitive limits to take needed actions ahead of any confrontation.
The last theory is Ownership versus Control; in modern corporations, the manager-owner relationship has changed. Economic power is in the hands of management while ownership is spread out among numerous shareholders. The owners expect high return on their capital while management perceives its duty as that of operating the business profitably to ensure survival and growth.

The shareholders are incapable of effecting direct control on the business affairs except by exercising their voting rights during general meetings. They therefore become passive recipients who own only claims to corporate property in ways that yield sufficient returns on capital and maximum business values. The active organ, which is management, appears to have little accountability to the owners. However, latitude in decision making and business control does not free management from the trustee duties. Under the above circumstances, the question that arises is to whom is management answerable? Since society legitimizes business powers, which the owners have lost, to management it can be rightly concluded that management is answerable to the society. Business executives have the powers and society demands that those powers be used appropriately for the benefit of all. To justify the powers vested in its hands, management has to accept the concept of social responsibility and to recognize society as a significant variable for purposes of economic success. (Keith and Blomstrom 1975).
2.3 Arguments in favour of corporate social responsibility

The concept of corporate social responsibility implies obligations on the part of business to make decisions or pursue policies, which are socially desirable in terms of the objective function. This is a significant departure from the basic economic responsibility.

Drucker (1987), emphasized that proper social responsibility of an organization is to turn a social problem into an economic opportunity, productive capacity, human competence, well paid jobs and into wealth. Stainer and Davis (1975), content that the doctrine of institutions' social responsibility has evolved from a changing managerial philosophy which explicitly recognizes the obligations of the corporations to society and eschews the narrow goal of simply increasing profits of earnings. The ability of managers to employ the resources of their firms in socially responsible activities is alleged to result from the separation of ownership and control in large corporations.

In general the proponents of social responsibility advocate for businesses to adopt policies, products, services, facilities, plans, schedules, to meet continuously, voluntary, the social, civic and economic responsibilities commensurate with the opportunities afforded by the size, success and nature of the business and of public confidence in it as a corporate enterprise. (Wickham 1998). The proponents of business social responsibility therefore have made the following arguments;
An enterprise owes its existence to the society. Its legitimacy depends on its acceptance by the public. Thus businesses have to meet the demands of the community to survive. Refusal would earn the business the wrath of the society and clients. Kamau (2001).

Social involvement benefits both the enterprise and the society. The expenses incurred by an enterprise are translated into gains in the long run. The corporate image improves and the society appreciates the enterprise's existence and supports it. Kotler (1997), said that business success will depend on the firm's continued satisfaction of the customers and other stakeholders.

Enterprises need to engage in corporate social responsibility activities to minimize government intervention. Enterprises have been known to sacrifice the welfare of society for their own benefit, thus the government has always intervened or imposed regulations that govern the activities of businesses. For example, when Kel Chemical (K) Ltd. Proved to be a health hazard to both the workers and its immediate external environment, the Government of Kenya intervened due to the nation wide concern. Another example is “Titanium mining in Kwale by Tiomin Resource Company of Canada where a lot of environmental concerns have been raised and the project halted for some time” (The Social Responsibility newsletter for East Africa April-June 2002).
Many other institutions and individuals have failed to solve social problems and so business firms and other institutions should be given a chance. Since businesses have such a substantial share of society's management and financial resources, they should be expected to solve social problems. (Kamau 2001).

It is in the interest of stockholders that their firms engage in socially responsible behaviours. As society norms change, business behaviour has to change correspondingly. Businessmen have a utility function in which they desire more than simple economic satisfaction. All in all businesses cannot afford to ignore the broader public demands. They must not only provide quantities of goods and services, but also contribute to the quality of life. Survival depends on the responses to the changing expectations of the public. (Bashaija 1977).

The creation of a better social environment benefits both society and business. Society gains through employment opportunities while business gains from a better community, which is the source of its work force and the consumer of its products and services. (Johnson and Scholes 2001).

Modern society is an interdependent system and the internal activities of firms have impacts on the external environment. Business can therefore not ignore their impact on the environment around them. Social involvement creates a favourable
public image thus a firm may attract customers, employees and investors. (Johnston and Scholes 2001)

Business has vast resources. This includes talented managers, specialists as well as capital resources to solve some of the society's problems. It is better to prevent social problems than to cure them. It may be easier to help the hard-core unemployed than to cope with society unrest e.g. the street children in Nairobi. Barclays bank of Kenya, on 17th of June 2000 (Daily Nation News Paper), was engaged in a walk that was meant to raise funds to help the needy in society like the orphans as a result of HIV/AIDS.

2.4 Arguments against corporate social responsibility

This section represents the views of the followers of Adam Smith who vehemently opposed contributions made by business to the society. Proponents of business social responsibility such as Stainer and Davis (1975), suggest that managers are committed to various social responsibilities and would use their discretionary powers accordingly. However, classical economists, on the basis of self-interest assumption, predict that most managers would use their discretionary power to further their own interests. (Smith 1973).
The opponents of corporate social responsibility insist that the sole business objective is to make profits. They argue that profits are the property of the owners of business and not management. Management is just charged with a "stewardship" responsibility and is accountable to shareholders as far as that responsibility is concerned. As stewards they have no mandate to dish out trust property. (Friedman 1963).

While Hayek (1960), points out that corporations exist for one purpose only and that purpose is profits and that when it is deflected from that specific purpose, the results are bad for the particular enterprise and the general community.

Levitt (1968), talks of the frightening spectacle of a powerful business group that in the name of social responsibility imposes its narrow ideas about a broad spectrum of unrelated non-economic subjects on the mass of man and society. The implication here is that businesses already have power (economic) and should not be permitted to stray into unrelated areas to interfere with peoples' private lives in the name of social responsibility. A review of the literature on the concept of social responsibility reveals the following as some of the commonly recited arguments against business social involvement:

The resources deployed for social responsibility projects reduce the earning ability of the firm, lowering its dividends and the price of the firm's stock. This denies the shareholders the rightful use of their money. It must be noted that the
primary task of business is to maximize profits by focusing strictly on economic activities i.e. the business of business is business. Involvement too much in societal activities, if not properly checked, may end up eating part of the company’s profits. (Druker 1986).

Economically social responsibility is not viable where a firm engages in social projects while its competitors do not. The firm as a competitor would be disadvantaged due to increase in its cost and prices. This may render the products of a particular firm less competitive both in the domestic and international markets, causing an imbalance in trade. (Levitt 1968).

The cost incurred by the firm in discharging its social responsibility is likely to be met by the customer through a price increase. In effect, the burden will be shifted to the consumer and the consumer will subsequently lose the opportunity to spend more on other goods. (Levitt 1968).

It has already been seen that there is a fear that acceptance of an expanding social role by business will inevitably produce unfortunate results for the business and society. Hence it is argued that, the business of business is business, and that social responsibility is a departure from the profit ideology. Profit considerations are basic to the arguments against business social responsibility.
2.5 Impediments to the implementation of social responsibility policies in organizations

Bashaija (1977), in his research, gave the followings as some of the impediments to implementing social responsibility activities; First is the Reward – Penalty System. In organizations, individual performance, group performance or an organizational-center performance is usually measured in terms of economic results such as profit-levels and return on investment (ROI). Economic results serve as important controls in the evaluation process because they are easily quantifiable.

To managers, the concept of business social responsibility implies reduction of profit through philanthropies. In small and centralized business firms, the managers who initiate social responsibility programs, depending on their leadership qualities, may be able to push through various programs. However, in large or heavily decentralized organizations, where managers of various centers are appraised and rewarded depending on quantitative results, implementation of social programs may be hampered. (Bashaija 1977).

The structural implication has grave implications for the concept of business social responsibility, for there will be concern for tangible aspects at the expense of the intangible aspects of the business strategies. Management will continue to be more
sensitive to what quantitative measures mean to them so long as punishments and rewards are distributed according to economic accomplishments. Subordinates will aspire for top positions and will be sensitive to what quantitative measures mean to them (Friedman 1963). The impediment to the implementation of social responsibility programs calls for a method which will incorporate social goals in business strategies in a way likely to motivate the implementers or alternatively, the formulation of an effective reward-penalty system based on a different criteria.

The Role of Business; Businesses are economic institutions established by business entrepreneurs but sustained by society. They are expected to satisfy the society by offering goods and services. The traditional business objective has been economic and in response to accusations of non-involvement in social responsibility, businessmen have been pointing at the way they have indulged in social affairs by promoting economic growth. (Kotler 1997).

In developing economies particularly, there is need for more business involvement in society’s affairs. Business usually possesses abundant financial and managerial resource necessary for solving many of the pressing social problems. Community welfare can be promoted fast, if only, business can redefine their role in society and begin to perceive social responsibility more and more in terms of social issues rather than economic issues. (Bowen 1953).
The Roles of Management; The concept of social responsibility advocates for business posture towards both economic and social problems. In decision making business managers should consider economic, technical, social, political, personal and moral issues. Balancing these "conflicting values" is a big job, which entails many problems especially those concerned with the concept of social responsibility. In trying to balance both the internal and external demands, management must always strive to protect trust property. In its mediation role, business management requires balanced judgment. The functions or roles of management must be played within an environmental context. Business myopia or wrong strategies may be due to management's' failure to relate business activities to its environment or failure to gear them for socio-economic performance. (McMurry 1963).

2.6 Some examples of social responsibility activities

As per the EMPRESA, an American business journal (http://www.empresa.org/english/csr/), the following are highlighted as some of the examples of corporate social responsibilities: First is the Community economic development; Business involvement in community economic development is the application of a company's core business functions, as well as foundation and contribution to business endeavors in low income and undeserved communities for the mutual economic benefit of community and company. Core business functions including hiring, procurement of professional services, setting decisions financial investments and
the marketing and distribution of products and services. Companies that do business in undeserved communities can enhance their brand image, increase market share, reach new customers, access niche markets and contribute to the creation of a healthier economy in which to do business. Companies engage successfully in community economic development practices foster economic sustainability with the community through the creation of jobs, promotion of business activity among locally owned business and contractors, and the anchoring and attraction of new investment to these areas.

Community involvement; corporate community involvement refers to a wide range of actions taken by companies to maximize the impact of the their donated money, time, products, influence, management knowledge and other resources on the communities in which the they operate. When strategically designed and executed, these initiatives not only bring value to the recipients, but also enhance the reputation of companies and their brands, products and values in local communities where they have significant commercial interests. In other words social involvements assist in improving a company's public image. Corporate social responsibility can help or even prolong the business life as it will become popular with the public. (Bashaija 1977).

Environment; over the past several years, environment responsibility has expanded to involve substantially more than compliance with all applicable government regulations or even a few initiatives such as recycling or energy efficiency. People, environmental
organizations and leadership companies now define environmental responsibility as involving a comprehensive approach to a company's operations, products and facilities that include assessing business products, processes and services; eliminating waste and emissions; maximizing the efficiency and productivity of all assets and resources; and minimizing practices that might adversely affect the enjoyment of the planet's resources by future generations. For example Bateman and Zeithmaml (1997), indicate that the environment is only on the cutting edge of social reform but perhaps it's the most important issue for business today.

While business must first satisfy customers, key buying criteria such as price, quality, appearance, taste, availability, safety and convenience, other marketplace factors are taking on growing importance. The globalization of commerce and competition has placed increased value on companies and brands that are not only trusted by customers but to which customers feel a sense of loyalty and commitment. Achieving this relationship has led companies to examine their operations in view of how they may be perceived, directly or indirectly, by customers and other stakeholders. (Porter 1985).

2.7 Planning and operation of corporate social responsibility

It is of paramount importance for any enterprise or institutions to carry out its SWOT (strengths, weaknesses, opportunities, and threats) analysis before selecting approaches to
be used in responding to a social need. (Burnes, 2000). Assessment of its own resources and the industry’s requirements would be an indicator of the ability of any institution in fulfilling its social responsibility if it chooses to do so. Enterprises or institutions have a dynamic relationship with their environment. Their existence depend to a large extent on the environment they operate in. Sometimes the environments do dictate on what to be done. (Pearce and Robinson 1997).

According to Johnson and Scholes (2001), management should carefully assess the needs of their institutions in order to be able to evaluate their strengths and weaknesses in terms of resource availability and service delivery and also try to find out opportunities available and capitalize on them to the maximum and finally assess the possible threats from outside and turn some of them into opportunities. Policies therefore have to be formulated, evaluated and changed as required so as to achieve a dynamic equilibrium. With the above connection therefore, Bashaija (1977), gave the following as some of the specific approaches on how social responsibilities processes can be impressed;

Adaptive approach. - In this approach an enterprise observes a “low profile” strategy in participating in social responsibility. It does not undertake an active role in social issues but responds only to legal requirement. Minimum compliance required by the law is the “order” of the firm. This strategy is normally adopted when the enterprise has no control over the demanding factor. However, critics may argue that this approach does not
conclusively relate to social responsibility since the firm is just complying with the law and is not socially responsive by its own initiative.

Proactive approach; - The enterprise is the entity, which initiates the activity. It analyses its environments to identify opportunities which it can exploits for its own benefit. Within this approach, the society sees the enterprise undertaking social responsibility but in the longrun it is the enterprise that benefits and not the society. This approach can be viewed as a “Selfish Approach”

Interactive approach; - The enterprise interacts with its environment as much as possible in undertaking social responsibility for the purpose of benefiting both the society and the enterprise. Such an approach calls for an inherent understanding of the society and the factors that influence the activities of the society. It would be viewed as a “bargaining response” where the enterprise negotiates with the group demanding social responsibility.

2.8 Related Study

Monyoncho (2004) carried out a study on the perception of corporate governance practices in public Universities in Kenya – a case study University of Nairobi. In her study, she extensively looked into all issues related to good governance and factors contributing to failure in governance. Though the study touches on the public
universities, the concept used is quite different from the one on corporate social responsibility. As per the literature available, no study has been undertaken on the concept of corporate social responsibility has practiced by these universities, hence a gap exists which this paper seeks to address.

This section deals with the research design, which was used to conduct the study. Given the size of the population at question, it became necessary for the researcher to use a census survey in collecting all the necessary information required for the study.

3.1 The Population

The population of interest in this study consisted of all public universities in the country. According to the Commission for Higher Education (CHE), the universities under focus and which were created by acts of Parliament were: University of Nairobi, Moi University, Kenyatta University, Egerton University, Jomo Kenyatta University of Agriculture and Technology and finally Maseno University.

3.2 Data Collection

The research methodology consisted of two methods of collecting data and these were the questionnaires and personal interviews. The questionnaire method required the
CHAPTER 3: RESEARCH METHODOLOGY

3.1 Research Design

This section deals with the research design, which was used to conduct the study. Given the size of the population in question, it became necessary for the researcher to use a census survey in collecting all the necessary information required for the study.

3.2 The Population

The population of interest in this study consisted of all public universities in the country. According to the Commission for Higher Education (CHE), the universities under focus and which were created by acts of Parliament were; University of Nairobi, Moi University, Kenyatta University, Egerton University, Jomo Kenyatta University of Agriculture and Technology and finally Maseno University.

3.3 Data Collection

The research methodology consisted of two methods of collecting data and these were, the questionnaires and personal interviews. The questionnaire method required the
respondents to fill it and return the same to the interviewer. Since the population of interest was small, the questionnaires were distributed to specific members of the population who were informed on how to fill them. Apart from them being given the questionnaires to fill, the interviewer also conducted personal interviews where issues which were not clear in the questionnaire were clarified. It proved very difficult to get all the questionnaires filled and the interviews completed on time, but since the researcher was administering the process personally, it became ease to achieve the hundred percent response rate.

The questionnaire had five sections and was formulated and designed to meet the research specific objectives. Section A of the questionnaire was used to address all research demographic issues, Sections, B and C, were used to attain objective 1, Sections, D and E, addressed objective 2, while Section F, was utilized to obtain objective 3.

Questionnaires were filled by the Vice Chancellors or people recommended and appointed by them to fill on their behalf. The researcher specifically targeted these groups simply because of their positions and roles in decision making processes and therefore were better placed in responding to issues raised in either the questionnaires or personal interviews more accurately.
3.4 Data Analysis

Data collected from the field was quantitative in nature and was carefully analyzed as required in meeting the researcher’s stated specific objectives. This analysis then assisted in arriving at the necessary summaries, conclusions and recommendations. The analyzed data from the completed questionnaires was summarized and presented in terms of percentages and tables by use of a computer software package known as Statistical Package for Social Sciences (SPSS). A survey study comprising of the six public universities was conducted and only six questionnaires were used, one for each University. All the questionnaires given out were filled and returned to the interviewer for analysis. The overall response rate was 100%.

<table>
<thead>
<tr>
<th>University</th>
<th>Students</th>
<th>Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Makeni</td>
<td>7,500</td>
<td>900</td>
</tr>
<tr>
<td>Freetown</td>
<td>16,000</td>
<td>3,500</td>
</tr>
<tr>
<td>Seringo</td>
<td>7,000</td>
<td>1,600</td>
</tr>
<tr>
<td>Lungi</td>
<td>5,000</td>
<td>2,700</td>
</tr>
<tr>
<td>Kabala</td>
<td>8,000</td>
<td>1,200</td>
</tr>
<tr>
<td>Makeni</td>
<td>8,000</td>
<td>1,100</td>
</tr>
<tr>
<td>Total</td>
<td>90,000</td>
<td>12,300</td>
</tr>
</tbody>
</table>

Source: Field research
CHAPTER 4: DISCUSSIONS AND FINDINGS

4.1 Introduction

In the chapter, data is analyzed and presented in seven tables; the first table deals with students and staff population for all the six public Universities. Table two is dealing with awareness of the CSR. Table three is dealing with the respondents’ attitude towards CSR. Table four is dealing with the corporate social activities. Table five is dealing with the universities level of involvement in the CSR. Table six is dealing with Universities contributions to CSR per year. While table seven is dealing with the factors prohibiting universities from being more socially responsive.

4.2 Universities profile

As part of the stakeholders, it was important first of all, to come up with a profile based on students and staff population for these institutions. This profile would enable the researcher have a rough estimate of the total population under study and also assist in identifying the social needs which might be required by them.

Table 1 Student/Staff Population

<table>
<thead>
<tr>
<th>Universities</th>
<th>Students</th>
<th>Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nairobi</td>
<td>35000</td>
<td>4000</td>
</tr>
<tr>
<td>Kenyatta</td>
<td>16000</td>
<td>2500</td>
</tr>
<tr>
<td>Moi</td>
<td>12000</td>
<td>1800</td>
</tr>
<tr>
<td>Egerton</td>
<td>5000</td>
<td>2700</td>
</tr>
<tr>
<td>Jomo Kenyatta</td>
<td>8000</td>
<td>1200</td>
</tr>
<tr>
<td>Maseno</td>
<td>8000</td>
<td>1100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>90,000</strong></td>
<td><strong>12300</strong></td>
</tr>
</tbody>
</table>

Source: Field research
Table I above shows the total population for both staff and students in the public universities. The total students population stands at 90,000 and staff at 12,300 with the University of Nairobi taking the lion’s share of 35,000 students and 4,000 staff members.

4.3 Universities awareness of the concept of CSR

This section is aimed at addressing objective 1, which is “to determine the public universities awareness of the concept of CSR”. The awareness will lead to identifying the corporate social activities most desirable by various stakeholders and what these institutions are doing in tackling them.

Table II Awareness of CSR

<table>
<thead>
<tr>
<th>ACTIVITIES PERFORMED</th>
<th>Frequency</th>
<th>Percentage Yes</th>
<th>Percentage No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are universities aware of the concept of CSR?</td>
<td>6</td>
<td>100</td>
<td>Nil</td>
</tr>
<tr>
<td>Are they involved in CSR?</td>
<td>6</td>
<td>100</td>
<td>Nil</td>
</tr>
<tr>
<td>Have they carried out retrenchment or downsizing programs?</td>
<td>6</td>
<td>100</td>
<td>Nil</td>
</tr>
<tr>
<td>After retrenchment, did they train the retrenchees?</td>
<td>3</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Did the universities carry out guidance and counseling to retrenches?</td>
<td>4</td>
<td>66.7</td>
<td>33.3</td>
</tr>
<tr>
<td>Were retrenchees compensated?</td>
<td>6</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Have the universities improved their work performance by being involved in the CSR?</td>
<td>5</td>
<td>16.7</td>
<td>83.3</td>
</tr>
<tr>
<td>Do universities require any support to perform CSR better?</td>
<td>5</td>
<td>83.3</td>
<td>16.7</td>
</tr>
<tr>
<td>Does universities have future plans in relation to CSR?</td>
<td>2</td>
<td>33.3</td>
<td>66.7</td>
</tr>
</tbody>
</table>

Source: Field research

Table II above, deals with the institutional awareness of the concept of CSR and the social activities, which were recorded. The results processed by the SPSS shows that the
universities' managers were 100% aware of the concept of CSR. The results further show that the Universities were engaged in one way or another in some corporate social activities but the activities recorded were quite few. It is further noted that universities have not gone out in full scale in trying to address the issues of CSR in a more positive comprehensive and sober way. The results were recorded in percentages as shown in the following table.

<table>
<thead>
<tr>
<th>Universities</th>
<th>0%</th>
<th>10%</th>
<th>20%</th>
<th>30%</th>
<th>40%</th>
</tr>
</thead>
<tbody>
<tr>
<td>University A</td>
<td>30%</td>
<td>20%</td>
<td>10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>University B</td>
<td>40%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>University C</td>
<td>20%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4.4 The attitude of universities management towards CSR

This section is specifically dealing with the attitudes of university managers towards the corporate social responsibility. It is not aimed at addressing any of the objectives given from the Table above, it has been exhibited that universities management attitudes towards CSR is positive. For example, the table shows that, majority of universities indicated that universities have a duty of contributing something to the community based activities. Table III below shows the scoring procedure that was used to generate the data on the respondents' attitudes towards social responsibility. The respondents were given five alternatives to pick from. The alternatives were; strongly agree, agree, fairly agree, disagree and strongly disagree. The final scores were recorded and entered into SPSS computer software package for processing. The final results from the software were presented in terms of tables and percentages as exhibited in the following table.
Table III The attitude of management

<table>
<thead>
<tr>
<th>Commitment to corporate social activities</th>
<th>Frequency</th>
<th>% Strongly agree</th>
<th>% Agree</th>
<th>% Fairly agree</th>
<th>% Disagree</th>
<th>% Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Universities should contribute to CSR</td>
<td>6</td>
<td>16.7</td>
<td>33.3</td>
<td>33.3</td>
<td>16.3</td>
<td>-</td>
</tr>
<tr>
<td>Gov’t to determine CSR activities</td>
<td>6</td>
<td>-</td>
<td>16.7</td>
<td>16.7</td>
<td>33.3</td>
<td>33.3</td>
</tr>
<tr>
<td>CSR levy taxes on students</td>
<td>6</td>
<td>16.7</td>
<td>-</td>
<td>-</td>
<td>50</td>
<td>33.3</td>
</tr>
<tr>
<td>CSR reduce funds meant for the major core activities</td>
<td>6</td>
<td>16.7</td>
<td>16.7</td>
<td>16.7</td>
<td>33.3</td>
<td>16.7</td>
</tr>
<tr>
<td>Money spent on social activities is money lost</td>
<td>6</td>
<td>-</td>
<td>16.7</td>
<td>-</td>
<td>16.7</td>
<td>66.7</td>
</tr>
<tr>
<td>Spending on CSR is like misallocation of resources</td>
<td>6</td>
<td>-</td>
<td>33.3</td>
<td>-</td>
<td>66.7</td>
<td>-</td>
</tr>
<tr>
<td>Universities are only for dissemination of knowledge</td>
<td>6</td>
<td>-</td>
<td>33.3</td>
<td>16.7</td>
<td>-</td>
<td>50</td>
</tr>
<tr>
<td>It is in the interest of the University to engage in CSR</td>
<td>6</td>
<td>16.7</td>
<td>50</td>
<td>16.7</td>
<td>16.7</td>
<td>-</td>
</tr>
<tr>
<td>It is not worth supporting CSR financially</td>
<td>6</td>
<td>-</td>
<td>16.7</td>
<td>-</td>
<td>66.7</td>
<td>16.7</td>
</tr>
<tr>
<td>Knowledge is not the only thing expected from the Universities</td>
<td>6</td>
<td>16.7</td>
<td>50</td>
<td>16.7</td>
<td>-</td>
<td>16.7</td>
</tr>
</tbody>
</table>

Source: Field research

From the Table above, it has been exhibited that universities management attitudes towards CSR is positive. For example, the table shows that, majority of universities managers (83.3%) indicated that universities have a duty of contributing something to society in terms of social activities (the 83.3% is a combination of those who strongly agreed, agreed and partially agreed in their responses). It was further indicated that for them to survive in future, it was imperative that they engage themselves more in community based activities. The table also reveals that universities were not only there for the dissemination of knowledge but also to a wider spectrum of other activities (83.3%).
4.5 Corporate social activities

Corporate social activities are those activities far removed from the central core functions of the universities but which in their very nature can neither be ignored nor be done away with, hence the need for the same to be carefully assessed and given some special attention. This section will assist in addressing part of objective 2 of the research paper, that is “to determine the corporate social activities and the level of involvement.” Table IV below shows the types of activities and their level of commitment in the process of implementation in percentages. The leading social activities include; medical cover to staff (83.3%), HIV/AIDS awareness campaigns (83.3%), environmental cleaning (66.7%), education to staff and their children (66.7%) this is to mention but a few.

The purpose of this section therefore is to try and find out the most prominent activities in which these universities are involved. From the data recorded, it clearly came out that most of the activities seemed to be common in all the universities. A more detailed information on this is shown on the Table below.

**Table IV Corporate activities**

<table>
<thead>
<tr>
<th>Activities</th>
<th>Frequency</th>
<th>Percentage Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporting Charitable Institutions</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Guidance and Counseling</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>HIV/AIDS awareness</td>
<td>5</td>
<td>83.3</td>
</tr>
<tr>
<td>Scholarships to needy students</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Games Sponsorship</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Transportation of workers</td>
<td>4</td>
<td>66.7</td>
</tr>
<tr>
<td>Environmental Cleaning</td>
<td>4</td>
<td>66.7</td>
</tr>
<tr>
<td>Medical cover to staff</td>
<td>5</td>
<td>83.3</td>
</tr>
<tr>
<td>Education to staff children</td>
<td>4</td>
<td>66.7</td>
</tr>
<tr>
<td>Agricultural Extensive Services</td>
<td>1</td>
<td>16.7</td>
</tr>
</tbody>
</table>

Source: Field research

From the research findings above, it is quite evident that public universities are involved in one way or the other in some corporate social activities but the activities are not as
many as it was expected. It is therefore the proposal of the researcher that, there is need
to encourage and engage these universities more in the corporate activities and also
inform them that it their duty to educate their members the benefits accruing from being
socially responsible

4.6 Universities level of involvement

This section is dealing with the universities level of involvement in the CSR and the same
would assist in addressing part of objective 2 which has partially been addressed by
section 4.5 above. From the research findings, it was discovered that apart from only one
university, which was involved in the various corporate social activities, the rest of the
other five public universities were only partially involved.

<table>
<thead>
<tr>
<th>Contributions (In Thousands Shs)</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nil</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>Partially involved</td>
<td>5</td>
<td>83.3</td>
</tr>
<tr>
<td>Not involved</td>
<td>Nil</td>
<td>Nil</td>
</tr>
</tbody>
</table>

The partial involvement was due to either, lack of awareness of the activities to be
involved in, resistance to change by some top managers or lack of adequate financial
support from the government.

Table V Level of Involvement

Source: Field research
Table V above, shows the universities level of involvement in the corporate social responsibility. In the table, it is shown that only 16.7% of the universities were involved in the corporate social activities while 83.3% were partially involved. By any standards this level of involvement is quite low.

4.7 Universities contribution to CSR

<table>
<thead>
<tr>
<th>Field of Contribution</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Support</td>
<td>4</td>
<td>33.3%</td>
</tr>
<tr>
<td>Education Support</td>
<td>2</td>
<td>16.7%</td>
</tr>
<tr>
<td>Administration Support</td>
<td>1</td>
<td>8.3%</td>
</tr>
</tbody>
</table>

This section gives the total contribution of all the universities towards CSR in terms of percentages per year and the same is used to supplement to section 4.5 which addressed objective 2 of the research paper.

Table VI Contribution to CSR Per Year

<table>
<thead>
<tr>
<th>Contributions in Thousands (Ksh.)</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 - 50</td>
<td>5</td>
<td>83.3%</td>
</tr>
<tr>
<td>100 - 750</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Over 1 million</td>
<td>1</td>
<td>16.7%</td>
</tr>
</tbody>
</table>

Source: Field research

From Table VI above, it is evident that all the universities apart from one, have minimal contribution to corporate social activities. Their general contribution is between Ksh.5,000/= to Ksh.50,000/= per year. From the research findings it is only the University of Nairobi, which has a fair contribution of over Kshs.1 million towards CSR. For the universities to increase their contributions as required.
4.8 **Factors prohibiting universities from being socially responsive**

This section is aimed at finding out the factors prohibiting public universities from being socially responsive. The section will also assist in addressing objective 3 of the research paper.

**Table VII The prohibitive factors**

<table>
<thead>
<tr>
<th>Factors Affecting Implementation</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>5</td>
<td>83.3%</td>
</tr>
<tr>
<td>SCR is not a priority</td>
<td>4</td>
<td>66.7%</td>
</tr>
<tr>
<td>Lack of Government support</td>
<td>2</td>
<td>33.3%</td>
</tr>
<tr>
<td>Lack of awareness</td>
<td>2</td>
<td>33.3%</td>
</tr>
<tr>
<td>Lack of Human Resource</td>
<td>3</td>
<td>50%</td>
</tr>
<tr>
<td>Lack of Social Activities</td>
<td>1</td>
<td>16.7%</td>
</tr>
</tbody>
</table>

Source: Field research

From Table VII above, 83.3% of the total respondents indicated that finance was the major contributing factor prohibiting Universities from being more socially responsive. This was followed by others like, CSR is not a priority with 66.7%, lack of enough Government support with 33.7%, lack of awareness with 33.7%, lack of enough human resource with 50% and lack of activities to be involved in with 16.7%.

From the discussions above, it has come out clearly there is need for the Universities to be involved more in the CSR. This will ensure that services due to the society are delivered without fail and this will go a long way in improving their tainted image. The Government should also be asked to take its position seriously and ensure that the
financial support due to the universities is made available on time and without fail. This would assist the universities meet their mandate and also remain with something to contribute to society.

5.1 Summary

The findings of this study have brought out few issues regarding the public universities, foremost, on the concept of corporate social responsibility. All the public universities were very much aware of the concept. All the universities apart from the university of Nairobi, had very low level of involvement. This was due to the fact that majority of them did not attach much importance to these activities and that was one of the reasons why little financial resource was set aside to cater for the said activities.

It was further found out that in addition to lack of finances, enough human resource, relevant social activists, and paradigm shift from most members of staff, lack of enough government financial support, were the major factors contributing to failure in the implementation of corporate social activities in these universities. It was further indicated that universities were mainly created for research and dissemination of knowledge. It was also found out in some universities that any activity, which was not in conformity with the above, was regarded as secondary and hence was bound to meet great resistance and opposition.
CHAPTER 5:  SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

The findings of this study have brought out few issues regarding the public universities' awareness on the concept of corporate social responsibility. All the Public universities, were very much aware of the concept. All the universities apart from the University of Nairobi, had very low level of involvement. This was due to the fact that majority of them did not attach much importance to these activities and that was one of the reasons why little financial resource was set aside to cater for the said activities.

It was further found out that in addition to lack of finances, enough human resource, relevant social activities, and paradigm shift from most members of staff, lack of enough government financial support, were the major factors contributing to failure in the implementation of corporate social activities in these universities. It was further indicated that universities were mainly created for research and dissemination of knowledge. It was also found out in some universities that any activity, which was not in conformity with the above, was regarded as secondary and hence was bound to meet great resistance and opposition.
As per the findings from the study, some of the corporate social activities which were being carried out by these universities included: occasional environmental cleaning especially in slums, free and mobile medical clinics, games sponsorship to both students and staff, provision of agricultural extension services, staff educational support fund (UoN, JKUAT), provision of bursaries to needy students already studying in these universities (all the universities), supply of clean water to locals (especially KIS), HIV/AIDS awareness campaigns, freedom from hunger walk and finally provision of basic education to children for staff and locals (KIS – UoN, KU, MU and JKUAT).

5.2 Conclusions

In conclusion therefore, apart from few pockets of the concept seen here and there, public universities in general have not shown much seriousness as far as the concept of corporate social responsibility was concerned. Change of paradigm among its top managers was one of the main hindrance towards implementation of the above activities. However, there were signs that the situation may change in future if the top managers would be encouraged to be directly involved in organizing staff seminars for purposes of sensitizing their members on the importance of being socially responsive and, the advantages accruing from positive participation in the said activities.
5.3 Recommendations

For public universities to create a positive image in society, they must engage in social activities, though far from their core activities, but if executed properly and diligently, would end up creating a big and positive impact in society. It must be noted that public universities depend on the society for their survival and as a sign of good business practice, they are duty bound to give something back to society as a sign of appreciation for the support they have continuously enjoyed. In summary therefore, the following are the recommendations of the study;

1). Public universities should incorporate social considerations when preparing their annual financial budgets.

2). They should identify the most social needs, which require to be addressed and act appropriately.

3). They should always carry out a SWOT analysis before deciding on how to respond to a social need. Sometimes it may be necessary to involve the community concerned in deciding the best way to use in responding to a need.

4). Universities top Executives should sensitise their staff on the importance of being socially responsible and try to encourage them to participate when called upon to do so.
5.4 Limitations of the study

This study was constrained by a number of factors; first, time was a limiting factor and this limited the scope and depth of the study. Second, it became difficult to access some of the respondents. Lack of accessibility to some of them when needed, made it difficult for the researcher to get the right information on time and this ended up prolonging the study. Third, since it was a self-sponsored programme, getting finances to complete the study on time was a big nightmare.

5.5 Suggestions for further research

This study was specifically designed to find out the awareness, social activities, level of involvement and limitations in the implementation of the CSR in the public universities. Given the above therefore, it would be of paramount importance to carry out a similar study, but this time involving the private Kenyan universities with a few to comparing the results and at the same time try to establish which among the two groups of universities was more responsive to social needs.
REFERENCES:

Ansoff, I. and Mc Donnel (1990) **Implanting Strategic Management.** Prentice Hall

Bashaija, K.V.(1977) **Business concept of Social Responsibility.** A case study of
Developing State Uganda, Unpublished University of Nairobi MBA project

Incorporation, pg 190 – 201.


4 - 12.

Burnes, B. (2000) **Managing change.** a strategic approach to organizational dynamics.

Center for Philanthropy and social Responsibility, Corporate concern; Making profit and

69 – 75.

Commission for higher education (2004) **Exhibition catalogue.** The third exhibition by
Kenyan universities. Published by CHE, pg 6 – 8.


Prentice Hall, Upper Sanddle River pg 65 – 49.


University of Nairobi calendar (2003), pg10 – 114.

Dear Respondent

RE: A SURVEY OF KENYAN PUBLIC UNIVERSITIES EXTENT OF INVOLVEMENT IN CORPORATE SOCIAL RESPONSIBILITIES.

This questionnaire has been designed to gather information on the above subject. This study is being carried out for a management project report as a requirement in partial fulfillment of the Degree of Master of Business Administration, University of Nairobi.

I kindly request you to fill the questionnaire and information that you provide will be treated with utmost confidence and in no instance will your name or that of your institution be mentioned in the report.

A copy of the research project will be provided to you upon request. Your co-operation will be highly appreciated.

Thanking you in advance.

Yours faithfully

MR. J MAALU
SUPERVISOR

MR. B.N. OTACHI
MBA STUDENT
**QUESTIONNAIRE:**

Please fill for me this questionnaire. The information given here will only be used for purpose of this study and will be treated with utmost confidence.

**SECTION A**

1. What is the name of your university?

2. In which Province/District is your Institution situated?

3. When was it commissioned by the government to start operating?

4. For how long have you been in management?
   - 1 - 5 years
   - 6 - 10 years
   - 11 - 15 years
   - 16 - 20 years
5. What is the total students population in your Institution?

6. What is your staff population?

7. How many graduations has your Institution conducted so far?

8. How many courses do your institution offer in the following levels?
   - Degree
   - Postgraduate diploma
   - Ordinary Diploma
   - Certificate

9. Do you participate in extra curriculum activities?
   Yes/NO

10. Which one of the activities do your institution excel in?
    Neither agree or disagree

11. Do your Institution Experience any problem?
    Yes/No

12. Can you list some of the problems;
SECTION B

With a scale of 1 to 5, please indicate by circling how strongly you agree or disagree with the following statements;

Key

1. Strongly agree

2. Agree

3. Neither agree or disagree

4. Disagree

5. Strongly disagree

1. Since the institution uses public funds it should contribute to social activities
2. Social responsibility activities should be determined by the government 1 2 3 4 5

3. By spending on social activities, the universities are in effect levying taxes on students 1 2 3 4 5

4. The only effect to the universities spending on social responsibility activities is the reduction of funds on major core activities such as teaching and research 1 2 3 4 5

5. Management should be held accountable for social effects of their Institution 1 2 3 4 5

6. Money spent on social responsibility activities is money lost 1 2 3 4 5

7. Social responsible Institutions will be uncompetetitive due to committing their financial resources to social issues 1 2 3 4 5

8. Social responsible programmes allocate resources in areas, which do not bring any returns to the universities 1 2 3 4 5

9. Universities only exist for dissemination of knowledge 1 2 3 4 5
10. It is better to prevent social problems than to cure them
1 2 3 4 5

11. It is in the long run the interest of the university to engage in social activities
1 2 3 4 5

12. Giving out university funds to support social activities is not a worthy objective
1 2 3 4 5

13. Social responsibility is a social contract between the university and society
1 2 3 4 5

14. Responsible institutional behaviour can be in the best interest of stakeholders
1 2 3 4 5

15. Making at least a token effort on social policies is wiser than holding on principles
1 2 3 4 5

16. Efficient dissemination of knowledge is not the only thing society expects from the universities
1 2 3 4 5

17. The government should merely pass the laws they want followed, and should not expect universities go beyond in solving societal problems
1 2 3 4 5
SECTION C

1. Is your Institution aware of the concept social responsibility?
   Yes ( )
   No ( )

2. If the answer is yes, is it involved in any social responsibility activities, if no then move to section E
   Yes ( )
   No ( )

3. Has your university carried out retrenchment or downsizing program?
   Yes ( )
   No ( )

4. If yes, how was the message delivered to the employees.
   i) gave them 6 months notice ( )
   ii) gave them 3 months notice ( )
   iii) gave them 1 month ( )
   iv) did not informed them ( )

   Yes ( )
   No ( )
5. Did your Institution carry out the following for the employees concerned? Please indicate with a Y when the answer is Yes and N when the answer is No.
   - Retraining of the employees
   - Guidance and counseling
   - Pay them a package
   - Any other

6. Do you have the following benefits for your employees? Indicate Y for Yes and N for No.
   - Education for their children
   - Medical cover
   - Transport to and from work
   - Recreational facilities
   - Sports / Games
   - Housing facilities
   - Pre-retirement training
   - Guidance and counseling

7. Have you recently held a workshop on HIV/AIDS for the employees and students in your organization.
   Yes (  )
   No (  )
8. What protective equipment does your organization provide to the employees.
   
i) 

   ii) 

   iii) 

   iv) 

   v) 

   vi) 

9. Is the university providing any social responsibility activities to students?
   
   Yes ( )
   
   No ( )

10. If Yes, what are the activities

   i) 

   ii) 

   iii) 

   iv) 

   v) 

   vi)
SECTION D:

1. What are the social responsibility activities is your institution involved in?
   i) __________________________
   ii) __________________________
   iii) __________________________
   iv) __________________________
   v) __________________________
   vi) __________________________

3. What is the level of your institution's involvement in social responsibilities?
   vii) __________________________
   viii) Highly involved ( )
   )
   ix) Partially involved ( )
   ) Not involved ( )
2. Which among the above activities take priority?

Rank them in order of importance.

<table>
<thead>
<tr>
<th>Approximate Rel in Millions</th>
<th>i)</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000,000 - 100,000,000</td>
<td></td>
</tr>
<tr>
<td>100,000,000 - 115,000,000</td>
<td></td>
</tr>
<tr>
<td>Over 121,000,000</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ii)</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000 - 50,000</td>
</tr>
<tr>
<td>50,001 - 100,000</td>
</tr>
<tr>
<td>100,000 - 250,000</td>
</tr>
<tr>
<td>250,001 - 1,000,000</td>
</tr>
</tbody>
</table>

3. What is the level of your institution’s involvement in social responsibilities activities?

- Highly involved ( )
- Involved ( )
- Partially involved ( )
- Not involved ( )
4. What is your institution’s overall total expenditure per financial year.

<table>
<thead>
<tr>
<th>Approximate Ksh. In millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000,000 – 100,000,000</td>
</tr>
<tr>
<td>100,000,000 – 115,000,000</td>
</tr>
<tr>
<td>116,000,000 – 120,000,000</td>
</tr>
<tr>
<td>Over 121,000,000</td>
</tr>
</tbody>
</table>

5. Where would you fit your Institution in social responsibility activities contributions in Ksh. per year. Please tick the appropriate answer.

<table>
<thead>
<tr>
<th>5000 – 50,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000 – 100,000</td>
</tr>
<tr>
<td>100,000 – 250,000</td>
</tr>
<tr>
<td>250,000 – 500,000</td>
</tr>
<tr>
<td>500,001 – 750,000</td>
</tr>
<tr>
<td>750,001 – 1,000,000</td>
</tr>
<tr>
<td>Above – 1,000,000</td>
</tr>
<tr>
<td>Non of the above</td>
</tr>
</tbody>
</table>
6. What business if any is your Institution invested in which could be of benefit to the community within which it operate.

i) __________________________

ii) __________________________

iii) __________________________

v) ____________________________

7. Do your Institution engage itself in the following. Give Yes or No.

• Offering scholarships to the needy in society ________________

• Supporting any charitable institution "e.g. Nyumba ya wazee" ______________

• Replacing personnel (experts) to assist in specific community projects_____

• Specific community projects _____________________________

• Sponsor awareness campaigns on HIV / AIDS _________________________

• Participate on sponsor the freedom from hunger work ________________

SECTION E

1. How is your involvement in the social responsibility activities affected your financial performance.

____________________________________________________________________

____________________________________________________________________

____________________________________________________________________

____________________________________________________________________

64
2. Have you achieved anything in terms of work performance from your involvement in the above activities Yes or NO. Please list some of the achievements.


3. What has been the community’s altitude towards your Institution since its involvement in the above activities.


4. What is the impact of your involvement in the above activities to the community.


5. Does your institution require any support in order to perform the above activities better?
6. If yes, what kind of support do you think is needed

_________________________________________________________________

_________________________________________________________________

_________________________________________________________________

7. Does your Institution have any future plans in relation with the above activities.

Yes ( )

No ( )

8. If yes, what are the plans?

i) ________________________________________________________________

ii) ______________________________________________________________

iii) ______________________________________________________________

iv) ______________________________________________________________

9. How do you think in your own opinion, an Institution of high learning would be involved in social responsibility activities?

i) ______________________________________________________________

ii) ______________________________________________________________

iii) ______________________________________________________________
SECTION F

What are the factors prohibit your institution from being more socially responsible

i) 

ii) 

iii) 

iv) 

v) 

vi) 

vii) 

viii) 

Thank you
## List of Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>UoN</td>
<td>University of Nairobi</td>
</tr>
<tr>
<td>MU</td>
<td>Moi University</td>
</tr>
<tr>
<td>JKUAT</td>
<td>Jomo Kenyatta University of Agriculture and Technology</td>
</tr>
<tr>
<td>MAU</td>
<td>Maseno University</td>
</tr>
<tr>
<td>EU</td>
<td>Egerton University</td>
</tr>
<tr>
<td>KU</td>
<td>Kenyatta University</td>
</tr>
<tr>
<td>GOV'T</td>
<td>Government</td>
</tr>
<tr>
<td>CSR</td>
<td>Corporate social responsibility</td>
</tr>
<tr>
<td>KIS</td>
<td>Kibwezi irrigation scheme</td>
</tr>
<tr>
<td>SWOT</td>
<td>Strengths weaknesses opportunities and threats</td>
</tr>
<tr>
<td>CHE</td>
<td>Commission for higher education</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical package for social sciences</td>
</tr>
</tbody>
</table>