THE ROLE OF PUBLIC RELATIONS IN SHAPING COMPANY CORPORATE SOCIAL RESPONSIBILITY STRATEGY: A CASE STUDY OF THE COCA-COLA COMPANY

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DECLARATION

STUDENT'S DECLARATION

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

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Signed .... Date ....15·11·10.............

SUPERVISOR'S DECLARATION

This research project has been submitted for examination with my approval as the candidate's University Supervisor.

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DEDICATION

This study is dedicated to my children Nina & Nathan – I am doubly blessed to have you in my life. And to my parents Gikemi & Njeri who always believed that I could do it and never once stopped praying for me.

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ABSTRACT

Exposes of unethical and irresponsible conduct of companies have heightened public awareness of the perils involved in the pursuit of economic profitability and social power. Corporations such as Nike and Shell have in the past suffered loss of public confidence following wide publicity of their dishonorable conduct such as operating sweatshops in developing countries and contributing to environmental damage while other big corporations such as Enron and WorldCom have outrightly collapsed owing to their social irresponsible practice. This has shifted the thinking of corporations from only serving their economic interest to acting responsibly to the society they owe their very existence to.

However, empirical studies have not exhaustively studied how companies' public relations endeavors shape their corporate social responsibility of which was the focus of this study. To achieve this, the study took The Cola-Cola Company in Kenya as its subject.

This study adopted a case study approach on a target population of staff members in the commercial, public affairs & communication and production departments at the Coca-Cola Company headquarters and its largest franchise, Nairobi Bottlers Ltd. The study then used stratified random sampling technique in coming up with a sample of 150 respondents target population to whom questionnaires were sent for data collection. The study then adopted a descriptive analysis technique from which frequencies, mean and standard deviation were used to analyse the data collected. Presentation of the same was through tables, graphs and charts and explanations presented in prose.

The study found that social responsibility approaches to managing the organization have been the result of many influences, including the federal government's formalized expectations for legal compliance, social and ethical criteria emerging as evaluative tools for customers and business partners and the increased influence of corporate governance issues. The study also established that CRS had improved the Coca-Cola Company's image in terms of enhancing and adding value for the organisations product and/or services, earning more respect for organizational views - the company is now more likely to be listened to, bringing about differentiation among similar organization and competitive advantages, and making recruitment easier, improved morale and reduced staff turnover.

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INTRODUCTION

1.1 Background of the Study

Public relations (PR) is a field concerned with maintaining public image for high-profile people, organizations, or programs and concerns professions working in public message shaping for the functions of communication, community relations, crisis management, customer relations, employee relations, government affairs, industry relations, investor relations, media relations, mediation, publicity, speech-writing and visitor relations (Grunig and Hunt, 1984). Assembly of Public Relations Associations defines the practice of public relations as the art and social science of analyzing trends, predicting their consequences, counseling organizational leaders, and implementing planned programs of action, which will serve both the organization and the public interest (Jensen, 1999). While other define it as the practice of managing communication between an organization and its publics (Grunig and Hunt, 1984).

On the other hand corporate social responsibility (CSR), also known as corporate citizenship, or sustainable responsible business (SRB), is a form of corporate self-regulation integrated into a business model. Though businesses are driven by profit maximization, they embrace responsibility for the impact of their activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere and also promote the public interest by encouraging community growth and development, and voluntarily eliminating practices that harm the public sphere, regardless of legality (Wood, 1991). While increase in competition in business world, marked by inter-firm 'bad blood', has enhanced the need for public relations functions, the practice of CSR is subject to much debate and criticism. Proponents argue that there is a strong business case for CSR, in that corporations benefit in multiple ways by operating with a perspective broader and longer than their own immediate, short-term profits. However, critics argue that CSR distracts from the fundamental economic role of businesses; others argue that it is nothing more than superficial window-dressing; others yet argue that it is an attempt to pre-empt the role of governments as a watchdog over powerful multinational corporations (Freeman, 1984). However, the overriding factor is that PR and CSR

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are dependent on each other as they both try to build firm's image in the market (Saether and Aguilera, 2008).

The rise of CSR, in the late 1970s and early 1980s, coincided with the increased concern for a corporation's image/public relations. No longer are the boardrooms closed and executives quiet; instead, companies have had to adapt to an ever-increasing demand for information from the public. Although the history of public relations dates back to the turn of the 20th century, its importance, or to some, its unwanted dependence, surged as far back as the late 1970s as well. The important shifts in business and society during this time also affected public relations by forcing it into the centre of the communication field. It, too, has gone through various iterations, from public information to reputation management to relationship management, yet its process and function remains strikingly similar to the central topics of CSR.

In many corporate organizations, the PR department acts as the company's surveillance team, monitoring relationships between the company and its internal and external environment, anticipating problematic issues and contributing to policies that address these before they become potentially damaging. Just like PR, CSR policies boost the corporate image and reputation. According to Tench (2006), organizations with good reputations have; differentiation among similar organisations and competitive advantages, more respect for organisational views, that is, the company more likely to be listened to, easier recruitment, improved morale and reduced staff turnover, enhancement and added value for the organisations products and/or services and strengthened information structure with society, with associated improved resources.

The rise in consumer awareness and ethical investment are incentives to adopt CSR policies for organizations of all kinds. PR has found a particular niche in assisting with this, and has benefited from the rise in the popularity of CSR.

1.1.1 The Coca-Cola Company

The Coca-Cola Company is the world's largest beverage company, refreshing consumers with over 500 sparkling and still brands in more than 200 countries (Harford, 2007). Established in

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1886, the Coca-Cola Company [TCCC] has its headquarters in Atlanta, Georgia having registered trademark of The Coca-Cola Company in the United States since March 27, 1944.

Globally, the Coca-Cola Company is the No. 1 of provider of sparkling beverages, juices and juice drinks and ready-to-drink teas and coffees. Along with Coca-Cola, recognized as the world's most valuable brand, the Company's portfolio includes 12 other billion dollar brands, including Diet Coke, Fanta, Sprite, Coke Zero, vitamin/mineral water, Powerade, Minute Maid among others (Japan Corporate News, 2009).

The company produces concentrate, which is then sold to licensed Coca-Cola bottling partners throughout the world. The bottling partners, who hold territorially exclusive contracts with the company, produce finished product in cans and bottles from the concentrate in combination with filtered water and sweeteners. The bottlers then sell, distribute and merchandise Coca-Cola to retail stores and vending machines (Harford, 2007). The Coca-Cola Company in Kenya has six franchise holders – Nairobi Bottlers, Mt. Kenya Bottlers, Coast Bottlers, Kisii Bottlers, Rift Valley Bottlers & Equator Bottlers.

Corporate Social Responsibility (CSR) sits at the heart of the Coca-Cola Company. Indeed it is given pride of place in its 2020 Strategy – it is critical to the sustainability of the Company. For Coca-Cola, sustainability is a long term commitment to creating shared value for its business, its partners and the community it serves. This is realized through its CSR platform 'Live for a Difference' L4AD. L4AD is not only the 'Business of Good' but is 'Good Business' - "It is our commitment to making a positive difference in the world by redesigning the way we work and live so that sustainability becomes a part of everything we do. Forever" (Muktar Kent – TCCC, CEO & Chairman, 2009). Through six pillars – Active Healthy Living, Water Stewardship, Sustainable Packaging, Energy & Climate Protection, Workplace, Community, Product Integrity & Beverage Benefits, the Coca-Cola Company seeks to serve its marketplace, environment, workplace & community at large.

The Corporate Social Responsibility strategy & related initiatives are all aligned to these and are demonstrated globally through various initiatives with examples being found everywhere. The Coca-Cola Company was the first commercial sponsor of the Olympic Games. Its relationship with the Olympics dates as far back as the 1928 games in Amsterdam and as recent as the 2010

Olympics in Vancouver. Coca-Cola has been associated with football for the last 80 years. A recent review of the archives of Coca-Cola advertising through the years uncovered an ad from 1917 using football (soccer) imagery to sell the product. The Coca-Cola system which includes its bottling partners has had a long standing relationship with FIFA dating as far back as the first FIFA World Cup ™ in Uruguay (1930). The Coca-Cola Company is one of the longest-standing corporate partners of FIFA with a formal association since 1974 and an official sponsorship of FIFA World Cup ™ that began in 1978. Coca-Cola has recently extended its partnership until 2022. This is but one example under the Active Healthy Living pillar of the L4AD strategy.

Other initiatives include RAIN – 'Replenish Africa Initiative'. This is the Coca-Cola Company's response to the sever water challenges faced by nearly 300 million Africans living without access to clean water. Launched in 2009 by the Coca-Cola Africa Foundation, RAIN aims to provide 2 million people in Africa with access to clean water by 2015. It is the Coca-Cola Company's contribution to helping Africa achieve the United Nation's Millennium Development goal on clean water and sanitation access. The company has committed to invest USD 30 million towards this goal. Already, RAIN has secured 100% match funding for its initiatives from USAID and other partners.

However, despite its social responsibility uptake, the Coca-Cola Company has faces its fare share of challenges to its reputation. Criticism has been levied against the Company and its bottling partners for alleged adverse health effects, aggressive marketing to children, exploitative labour practices, high levels of pesticides in its products, environmental destruction, and monopolistic business practices. Various attempts have been made to remedy the reputation such as a partnership with the American Academy of Family Physicians, providing a $500,000 grant to help promote healthy-lifestyle education. This partnership however spawned sharp criticism of both Coca-Cola and the AAFP by physicians and nutritionists (Mikkelson, 2007). This therefore makes the Coca-Cola Company a good case on the role of public relations in enhancing corporate social relationship.

1.2 Statement of the Problem

The notion that corporations ought to be socially responsible began during the 1960s, a time when businesses were expanding internationally and growing rapidly in size and power (Lantos,

2001). Since then, exposes of the unethical and irresponsible conduct of companies have heightened public awareness of the perils involved in the pursuit of economic profitability and social power. More recently, we have witnessed some of the most highly visible corporations such as Nike and Shell suffering loss of public confidence following wide publicity of their dishonorable conduct such as operating sweatshops in developing countries and contributing to environmental damage. The collapse of once highflying companies such as Enron and WorldCom, affecting tens of thousands of employees and investors, have raised many questions regarding corporate practices and credibility and shaken public confidence in corporations (Clark, 2002).

These debacles are reminders that focusing only on economic interests is becoming increasingly detrimental not just to the reputation, but also the very survival of corporations. Indeed, at the core of corporate social responsibility (CSR) is the need for corporations to go beyond their economic and legal obligations, and act responsibly towards multiple stakeholders including the society at large. In the new millennium, failure to do so will threaten their very legitimacy to operate. The continuing search for a balance between the interests of multiple stakeholders and profitability, fuelled by publics' rising expectations of the social obligations of corporations, has paved the way for the global spread of the CSR movement (Wood, 1991).

According to Clark (2002), analyzing the role of public relations on corporate social responsibility (CSR) creates an exciting opportunity to study the underpinnings of each discipline to reveal concrete ideas about how to optimize their effectiveness and their impact on the corporate world. The rise of CSR, in the late 1970s and early 1980s, coincided with the increased concern for a corporation's image; while the implementation of public relations is often used as a means of minimizing bad market pressures and enhance their reputation as an intangible asset that would ensure good performance.

Therefore, major research efforts have particularly been undertaken in the field of corporate reputation (Gotsi and Wilson, 2001), since reputation is one of those intangibles that is extremely hard to imitate (Mahon, 2002), turning it into a valuable source of competitive advantage. According to Caminiti (1992), a "good" reputation among different stakeholders provides several benefits: higher customer retention thus increasing repurchases and higher product prices

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(Shapiro, 1983), which lead to both higher income as well as lower costs via a reduction of both the capital costs (Beatty and Ritter, 1986) and personnel costs through reduced personnel fluctuation (Caminiti, 1992, Eidson and Master, 2000 and Nakra, 2000). In sum, this would lead to higher performance for the "well reputed" firm.

However, one has to acknowledge that although the cited authors agree on the more or less theoretical-based fact that reputation, brought by public relations, is a source of competitive advantage that ensures good performance, there has been relatively weak empirical evidence of the impact of public relations practices on a firm's Corporate Social Responsibility strategy (Roberts and Dowling, 2002).

This study therefore seeks to fill-in the knowledge gap by investigating the role of public relations on corporate social responsibility at the Coca-Cola Company in Kenya.

1.3 Objective of Study

This study sought to establish the role of public relations on corporate social responsibility at the Coca-Cola Company in Kenya.

1.3.1 Specific Objectives

The afore-mentioned broad objective is broken down into the following specific objectives:

i.   To analyze the CSR strategies adopted by Coca-Cola company in Kenya

ii.   To find out the impact of CSR in realization of positive corporate image/public relations of Coca-Cola company.

iii. To find out how Coca-Cola Company communicate its CSR-related messages to its stakeholders

1.4 Research Questions

The study sought to answer the following research questions:

i.   What are the CSR strategies adopted by Coca-Cola Company in Kenya?

ii. What are the impacts of CSR in realization of positive corporate image/public relations of Coca-Cola Company?

iii. How does Coca-Cola Company communicate its CSR-related messages to its primary internal and external stakeholder

1.5 Scope of the Study

The study sought to find out and document the role of public relations on corporate social responsibility of corporations by taking a case study of the Coca-Cola Company in Kenya. The study's scope therefore rested in establishing how public expectation influences public relations functions in firms and consequent adoption community investment strategies. This was related to the corporate social responsibility strategy adopted by the Coca-Cola Company in its effort to building good public relationship. The geographical scope of the study lied within the Company's headquarters in Nairobi and its largest franchise, Nairobi Bottlers Ltd where staff members in the commercial, public affairs & communication and production departments were considered.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews literature related to the study under the theories of Public Relations and its impact in enhancing CSR

2. 1 Stakeholders Theory

The Stakeholder theory emphasizes the importance of business organizations in paying attention to their stakeholders or publics, not just their shareholders and profits. This can be observed form various PR literatures, Cutlip et. al (2006) define PR as a management function that maintains mutually beneficial relationships between organizations and publics. Wilcox et. al. (2006) also stated that PR should foster open, two-way communication where an organization will change its attitudes and behavior in the process, not just the target audience's. One important theory related or contributed to the development of CSR is stakeholder theory. Freeman (1984); and Golob and Barlett (2007) found that there are reciprocal responsibilities between business and society, and with a range of stakeholders.

It advocates that corporations are responsible for addressing the interests of the various stakeholders – not just those of the owners and/or shareholders because they make other, non-monetary investments, albeit at varying levels depending on the corporation's objectives (Freeman, 1984; Key and Popkin, 1998; Boehm, 2002).

There is a wide range of groups in the social environment that an organization can affect, and that the groups have legitimate claims on the organization due to agency and property theories. These stakeholders are such as local communities, corporate governance, environmental impacts, employees, customers and suppliers, shareholders and government. (Freeman 1984);

The central to PR practice is maintaining an excellent communication with its various publics. The public with an "s" is not commonly used by other literatures outside of public relations literature however it is commonly agreed by the PR professionals that it can be understood as

stakeholders, (Harrison, 2007). PR. Stakeholders theories and CSR therefore are related in many ways; they all focus on the relationship between organizations and society (or various publics or stakeholders) (Freeman, 1984)

Some corporations which engage in public relations practices of articulating their moral identity through constitutive narratives, and who are concerned to have that identity acknowledged and responded to as genuine and socially engaged, require the active involvement in their texts of those stakeholders with whom the corporation is significantly connected. These corporations particularly require the involvement of those who are (*Social Responsibility Report 2001).*

2.2 Corporate Communication

The understandings and perceptions of an organization circulating at any one time are largely developed through individuals' interaction with such narratives: those understandings and perceptions are the stories encountered, responded to and modified by diverse stakeholders about that organization. Inevitably then, multiple narrative versions that help define the organization's identity at a given moment will be available, and these versions will vary depending on who is constructing them on the one hand, and who is making sense of them on the other.

Corporate social reporting has been a standard practice by which corporations disclose their practices with regard to environmental protection, labor condition, and other aspects not directly related to their financial performance. Communicating CSR practices to consumers leads to positive attitudes and increased purchase attention (Wigley, 2008).Recently, Companies are under increasing legal and institutional pressure from different stakeholders to be transparent about the social, ethical, and environmental dimensions of their business practices (Dawkins, 2004).

Researchers have been studying corporate social reporting as a proxy of companies' actual CSR practices and their PR strategies (Dawkins & Ngunjiri, 2008).Content analysis of companies' annual report and CSR report has been a frequently used method in the study of corporate social reporting in the social and environmental accounting literature since the 1970s (Milne & Adler, 1999). These studies examined the motivations, themes (e.g. employee disclosure, environmental disclosure, community disclosure, etc.), evidences, and amounts of corporate social disclosure in

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addition to financial disclosure in companies' annual reports (Milne & Adler, 1999) and found that company size, industry, countries of operation (Van der Laan Smith, Adhikari, & Tondkar, 2005), and company profitability, among others factors, are the most important determinants of companies' CSR reporting.

The value of CSR activities in terms of public recognition for companies is variable, not always providing worthwhile returns. Members of the public have little interest in hearing about the CSR initiatives of companies- which has been described as being 'dull' even by PR professionals. The level of recognition for investment in CSR afforded to companies differs widely, to the frustration of many companies. Some campaigns successfully capture the imagination of the public and the media. Others, equally worthy, barely receive an acknowledgement.Media lacks enthusiasm for the publishing of positive tales of corporate benevolence, with the real story remaining key business issues, and retains a suspicion of any activity claimed to be for more than short-term profit, a significant issue which PR continually struggles (Le Jeune 2005)

Today, most large companies build extensive websites to present themselves to the public and create their social images (Capriotti & Moreno, 2007; Maynard & Tian, 2004). Corporate websites serve several functions, including electronic commerce, control of information flow, information disclosure, and reduction of communication expenses (Sullivan, 1999). PR scholars have studied the websites of major companies throughout the world to understand their branding or positioning strategies (Chun & Davies, 2001; Maignan & Ralston, 2002; Maynard & Tian, 2004; Sullivan, 1999). Recently, corporate websites have become an attractive tool in communicating companies' CSR activities to their stakeholders.

By organizing and representing a business organization and its people, their situations, experiences, actions and effects of those actions over time, through verbal patterns that give them order and coherence as narrative, public relations writing seeks to produce an organization as a cohesive identity to its stakeholders. Such narratives may take the form of official public relations documents, such as reports, newsletters or website material, for example, produced by or on behalf of the organization, as well as of those texts produced by the news media, activist groups, employees, consumers, and even by individuals in public and private conversation (through rumor, speculation, debate and so on).The understandings and perceptions of an

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organization circulating at any one time are largely developed through individuals' interaction with such narratives: those understandings and perceptions are the stories encountered, responded to and modified by diverse stakeholders about that organization. (Nestle, 2003)

For many Western consumers today, the world's largest food company, Nestle, is commonly perceived through its marketing, advertising and ubiquitous retail presence as a reputable company producing a wide range of quality convenience foodstuffs: coffee, chocolate, yoghurt, infant formula, and so on. For consumers in developing countries, and for an activist organization such as Oxfam Community Aid Abroad, however, Nestle is regarded as a disturbingly powerful corporation that has a monopoly on the milk production industry in countries such as Sri Lanka, and charges exorbitant and, for many potential customers, unaffordable prices for its product (Oxfam Community Aid Abroad, 2002). And yet for shareholders, Nestle represents a corporation whose healthy annual growth and profitable returns make it an attractive company to invest in (Nestle, 2003).

Increasingly, and given the significant public expectation that they perform as responsible social actors (particularly following the recent and recurrent exposure of various and widespread malpractices), corporations tend to be regarded as unitary bodies, whose attributes and values resemble those of moral human agents. (Think, for instance, of how often a corporation is referred to as 'deceptive' or 'greedy' or 'caring' or 'fair'). Moral agency can usefully be understood 'as an effect of socio-historical interactions that reflect processes through which the boundaries of an actor are drawn and justified'. We can therefore regard the corporation as a collective moral agent, 'located within a specific set of historical relations with state and societal actors, and bearing the larger responsibility of contributing to social justice within the communities in which it produces. While the representation of a corporation as a unitary actor can hide the complex network of relationships that together constitute the organization, it is this interactional process that results in the attribution of corporate moral agency (De Winter, 2001)

PR agencies have also been criticized regarding their environmental policies (Quainton and Robertson, 2006). The revelation that top PR agencies are not 'carbon-neutral', ironic when they are fighting to prove the green credentials of the brands they represent, is a worrying issue.

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PR, addressing public cynicism and the media's involvement throughout the planning of different Programmes, continually tackles these issues and it is critical that it also addresses its own potential problems to protect itself in the current climate of awareness. With modern media including blogs and internet forums, word of poor practice spreads rapidly, and organizations of all kinds must be more proactive than ever in addressing internal problems and protecting their reputation.

Inevitably then, multiple narrative versions that help define the organization's identity at a given moment will be available, and these versions will vary depending on who is constructing them on the one hand, and who is making sense of them on the other. The rise in consumer awareness and ethical investment are incentives to adopt CSR policies for organisations of all kinds. PR has found a particular niche in assisting with this, and has benefited from the rise in the popularity of CSR. (Tench, 2006).

2.3 Public Expectations

The value of CSR activities in terms of public recognition for companies is variable, not always providing worthwhile returns. Members of the public have little interest in hearing about the CSR initiatives of companies- which has been described as being 'dull' even by PR professionals. The level of recognition for investment in CSR afforded to companies differs widely, to the frustration of many companies. Some campaigns successfully capture the imagination of the public and the media. Others, equally worthy, barely receive an acknowledgement Le Jeune, M. (2005). 'Communicating corporate responsibility' in *'Public Relations in Practice'*. A. Gregory (Ed.)

A paradox related to the problem of definition is one of ''denial''. No corporate affairs manager will admit that their company is not socially responsible. Yet social responsibility requires a critical faculty on the part of companies. Any company that aspires to be socially responsible must be prepared to its shortcomings and mistakes. A company that cannot accept that anything it does ever falls short of good corporate citizenship, that does not own up when it breaches its own codes of conduct (McCann-Fitzgerald 1998). Companies are driven by market forces and competitive pressures. They are judged by markets primarily according to financial indicators ± profits, earnings per share, etc.

Board members receive incentives based on these performance indicators. There is no overwhelming evidence that a company's share price is affected by a lack of social responsibility, even when this results in reputational damage. Stock markets are not unduly concerned when a company suffers a reputational crisis, because it is assumed that the crisis will blow over and that the company's underlying profitability will not be affected (Elkington, J. 1997)

If socially responsible behavior does not feed into a company share price or its profits, what is the incentive for a company's leadership to pursue socially responsible policies? Corporate social responsibility (CSR) can only take root when it is rewarded by the financial markets. One way to ensure that markets reward ethical companies is to change accounting systems so that companies are audited not just according to their financial performance, but also according to a wide range of environmental and social indicators. When we use the term ''bottom line" in relation to the performance of companies, we are referring to financial profit. But imagine that every company was audited according to three bottom lines: financial, environmental and social, so that the auditing system took account of the full impact of a company on Society, including its impact on human rights.

Businesses, has been the fear that they would lose their competitive position if they acted alone. Therefore, CSR has been undertaken through self-regulation by business, and as such, a majority of firms in a sector or industry adopting such responsibilities can pre-empt the need for new legislation and help minimize regulatory burdens, effective and credible voluntary agreements, codes of conduct and practices covering sectors.

SRI, or ethical investment, is used to describe investment that seeks to have a positive impact on society, or at least to minimize the negative effects. SRI can mean a range of things, from investing exclusively in enterprises that have a positive impact to screening out companies from the worst sectors such as the arms, tobacco and oil industries or companies which test on animals, to making no discrimination as to which companies are invested in but simply trying to influence companies in their portfolio through shareholder resolutions and engagement. The majority of SRI falls into the latter two categories.

Only a small number of ethical investors pro-actively seek out genuinely positive social enterprises. When companies are screened on the basis of ethics, the criteria are often very crude.

For example, funds often screen out armaments companies, but companies in sectors which are seen as relatively ethically neutral, such as supermarkets or clothing retailers, are also highly socially damaging. Funds that screen on the basis of ethics also frequently invest in banks, which in turn invest in the industries which were originally screened out.

Socially responsible investors, as with all investors, have to   ensure the financial success of their products. So they can only support a company's efforts to be socially responsible where it is profitable. As such SRI's role is limited to issues such as managing risk, executive pay, and disclosure, making arguments supporting shareholder interest. They reward companies for making minor changes when the company's overall operations are a major problem.

In Capitalist economies, market forces determine as to how resources are allocated for the production of goods and services. Objective of a firm is to maximize profit. The size of market share directly influences the quantum of profit. Competition among firms to secure a bigger piece of market share is bound to push firms toward continuous struggle for cost cutting operations. Downsizing, re-engineering, restructuring, de-layering and retrenchment are some of the cost cutting projects of modern day business strategy affecting CSR performance. Committing resources for CSR with the sole intension of social welfare is an ideal and altruistic state and only a small number of firms are capable of doing this. Most of the firms that engaged in CSR acknowledge the fact that motivation for CSR came from increased revenue due to higher level of customer loyalty caused by elevated corporate image (Business and Sustainable Development, 2001). Firms that initially started CSR with the sole intension of social welfare without expecting a direct benefit from CSR later realized the difficulty in sustaining CSR actions. Some studies confirmed that firms practice CSR with the motivation of maximizing self-interest. A study in Australia on motivations of businesses for community involvement (CCPA, 2000) found that Australian business is 'experiencing a transition on expectations of its social role' but part of the reason is that this social role 'contributes to the continuing health and growth' of business. This 'social role' appears to aid sustainability of CSR practices and thereby the sustainability of business. Lantos (2001) argued that though any organization has an obligation for ethical CSR, altruistic CSR is not legitimate. Therefore, companies should limit their philanthropy to strategic CSR (good works that are also good for their business). Many studies confirmed the proposition that good social and environmental performance is positively

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associated with organizational profits (Porter and van der Linde 1995; Balabanis et al., 1998 Holliday et al.2002).Interestingly; CSR has been a rewarding tool for many marketers. Large number of studies revealed that CSR plays a role in consumers, brand and product evaluation, and customer satisfaction (Asher,1991;Browen and Dacin,1997;Handelman and Arnold,1999;Klein and Bronn and Vrioni ,2001;Dawar, 2004;Peterson and Hermans ,2004;Luo. X & Bhattacharya. C.B., 2006). Moreover, the role of CSR in supporting marketing function is revealed by a study which claims that when price and quality are perceived as equal many customers tend to favour socially responsible companies and products(Bronn and Vrioni ;2001).

There is an argument that firms use CSR related programmes for public relations ends and that raises moral problems over the real motivation of firms (L'Etang 1994). Bronn and Vrioni (2001) have explored as to how companies use CSR in their marketing communication activities. They found that the changing attitudes of customers support companies in making marketing increasingly relevant to the society. Asher (1991) studied the effect of 'green Marketing' on consumer behaviour at ATM machines.

2.4 Role of PR in CSR

Further, CSR is increasingly correlated with organizational reputation, including at the global level, and reputation is clearly an area under public relations purview (Freitag, 2008). Palacios (2004) notes that companies that have not conducted business responsibly have watched their brands deteriorate and their markets shrink. Public scrutiny of such activities, he says, is increasing. He concludes that CSR needs to exceed merely observing legal and ethical requirements and extend to social accountability with stakeholders including employees, communities and government entities. One might think of socially responsible behaviour as describing a continuum from what is required to what is expected to what is desired.

Although growing interest in CSR seems to be a positive trend, it presents an ethical dilemma for public relations managers and for the organizations for which they advocate. Fitzpatrick and Gauthier (2001) note that on one hand businesses intuitively benefit by doing good deeds and behaving ethically; therefore, it is permissible for public relations to conduct activities that represent the organization in a positive light based upon its responsible behaviour. They say, though, that doing so makes them susceptible to criticism that the responsible behaviour is driven

by self-serving motives. If driven by altruistic motives, the critics might claim, the organization would engage in such activities quietly. Macleod (2001) echoes that concern. If organizations communicate about their CSR efforts, she says, they could appear boastful. On balance, though, she says her analysis of the research data indicate such communication is received well by most publics provided the public relations effort complies with established best practices. Although this concern revolves around public relations engagement in the CSR process after the fact, astute organizational leaders will recognize the argument it makes for engaging public relations management in the CSR policy development and planning stages; doing so ensures that a balanced strategic communication component is developed alongside CSR activities.

The link between public relations and CSR was explored fully and reported by Clark (2000). She traced the origins of both public relations and CSR, finding considerable parallel between the two, though she lamented the conspicuous absence of references to communication in CSR literature. Clark suggests CSR and public relations began to establish linkages with the Texas Gulf Sulphur case of 1973, and those linkages were reinforced during that decade when public relations leaders such as Harold Burson began to argue that the discipline's role needed to expand its responsibilities into the area of qualitatively analyzing and evaluating social trends, then assisting organizations with developing appropriate responses. Clark then makes a forceful argument that the process for addressing CSR is remarkably parallel to the well-established 4-step public relations process. The message is that the public expects businesses to contribute to social well-being and that public relations leaders are uniquely qualified and positioned to guide that effort.

Utting (2005) agrees that during the last 20 years, CSR has continued to become increasingly embedded in corporate culture, driven by expansion of NGOs, unethical practices of some Transnational Corporations (TNCs), perceptions of inequitable financial flow patterns that favoured TNCs at the expense of labour and environmental conditions, and a series of disasters and perceived social injustices such as Bhopal, India; Exxon Valdez; Shell's Nigerian activities; and Nike's sweatshop issues. Utting argues that CSR can now address many of these manifestations of lapses in corporate social conscience (real or perceived), but CSR has not matured adequately to address underlying political and economic systemic issues that lead to those manifestations. Utting suggests, though, that the way to achieving that next level of CSR is

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to develop concrete measures of accountability applied universally. Other research and thought concerning CSR suggests that public relations leaders ought to be at the vanguard of elevating CSR to an even higher plane than it now occupies.

According Scholes and Clutterbuck (1998) day by day, society give much more importance to the ethical behaviours such as the protection of natural environment; therefore, it is expected by stakeholders that firms have to make contributions to the local and regional development as well as to protect and improve the natural environment. For example, Royal Dutch/Shell Group has been protested by the environment pressure groups due to the contamination of the sea base with its petroleum platform. These protests have made the Royal Dutch/Shell Group review its ethical principles and rewrite them in order to behave more responsibly to the natural environment (Julius, 1997). Motorola Company is another firm that gives importance to the CSR activities. Motorola Company has renovated its own process by establishing the Motorola Ethics Renewal Process as a response to the concerns of the society, and then it has established Global Corporate Responsibility Task Force in order to maintain its ethics advantage (Moorthy, De George, Donaldson, et al. 1998 and Post, Preston and Sachs, 2002). As a strategy, two important concepts, natural capital and social capital, are developed to reflect the concerns of firms for the natural environment and society in addition to their conventional profit concerns. These three concepts (i.e. profitability, natural environment and society) are termed as "triple bottom line" in CSR.

The requirement that firms integrate with regions and people who live in these regions, with their own personnel, with all the people that they interact, and firms' contributions for these stakeholders determine the scope of CSR activities. Avoiding the responsibilities in this area affects negatively many subjects such as firm image, communication with suppliers, and economic development of countries that firms operate, therefore, CSR activities should be consistent with the firm's public relations strategies (Gunay, G. and Gunay, S., 2009).

2.5 CSR Strategies Globally and in Coca Cola Company

When the competitive strategies of multinationals rely on global brands, corporate social responsibility (CSR) offers '*insurance*' against management lapses. The practical need for CSR as 'brand insurance', comes from changing social expectations, affluence, and globalization.

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Corporate actions that violate societal expectations damage, even destroy, brand image among networked stakeholders who are affluent enough to buy branded products and services. The premiums for CSR brand insurance are paid by leaders who create an organization-wide commitment to CSR as a means of redefining 'profit maximization.' By integrating a stakeholder perspective, management is best placed to optimize stockholder returns over the longer term (Werther and Chandler, 2005).

Ernst & Young (2002) conducted a global survey where senior executives from 147 companies in a range of industry sectors across Europe, North America and Australasia were interviewed. According to the results of survey, 94% of companies believe the development of a Corporate Social Responsibility (CSR) strategy can deliver real business benefits, however only 11% made significant progress in implementing the strategy in their organisation.

The survey concluded that CEOs are failing to recognise the benefits of implementing Corporate Social Responsibility strategies, despite increased pressure to include ethical, social and environmental issues into their decision-making processes. Research found that company CSR programs influence 70% of all consumer purchasing decisions, with many investors and employees also being swayed in their choice of companies (Ernst and Young, 2002). The study also found that while companies recognise the value of an integrated CSR strategy, the majority are failing to maximise the associated business opportunities. However, CSR is now a determining factor in consumer and client choice which companies cannot afford to ignore as those who fail to maximise their adoption of a CSR strategy are fast outpaced by the CSR adopters.

As one of the largest and most global companies in the world, Coca-Cola took seriously its ability and responsibility to positively affect the communities in which it operated. The Company's mission statement, called the Coca-Cola Promise, stated: *The Coca-Cola Company exists to benefit and refresh everyone who is touched by our business*. Coca-Cola's Corporate Social Responsibility (CSR) initiatives are both community and environment-focused. According to Kaul (2004), the Company has made efforts towards good citizenship in the areas of community, by improving the quality of life in the communities in which they operate, and the environment, by addressing water, climate change and waste management initiatives. Their

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activities also included The Coca-Cola Africa Foundation created to combat the spread of HIV/AIDS through partnership with governments, UNAIDS, and other NGOs, and the Coca-Cola Foundation, focused on higher education as a vehicle to build strong communities and enhance individual opportunity (Graves and Waller, 2004).

Coca-Cola Enterprises (2006), which markets, distributes, and produces Coca-Cola products, published a corporate responsibility and sustainability report. The company says it has improved water efficiency by six percent and introduced energy efficient initiatives that will reduce lighting energy consumption by 50%. In June, Coca-Cola Hellenic Bottling Company (HBC), a provider of non-alcoholic beverages, published a sustainable development report on its activities in all 28 countries in which it operates. As a CSR practise the Coca-Cola Company gives the World Wildlife Fund $20 million to conserve and protect freshwater resources. In doing so, the Company indicates that its global beverage operations, including those of its franchise bottlers"replace" the water it uses in its beverages and production.

Coca-Cola Company has won many awards and accolades for its CSR efforts; in 2009 Coca-Cola China won the CSR Award, 'AmCham Shanghai 2009 Corporate Social Responsibility Conference and Awards'. In the same year, Coca-Cola India (2009) won the Corporate Social Responsibility Awards. In 2008 Coca-Cola Nigeria Limited won the Most Socially Responsible Company 2008, Social Enterprise Reports and Award (SERA) 2008. Companies in Germany won the 'One of Ten "Most-Admired"' and philanthropist of the Year World of Child.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the methods used in collecting and analyzing the data that enabled the researcher reach the preset research objectives. The chapter is outlined into research design, population of interest, sample and sampling techniques, data collection procedure and data analysis technique.

3.2 Research Design

To answer the research questions of this study, case study research design was applied. Case study is based on an in-depth investigation of a single individual, group, or event to explore causation in order to find underlying principles. Case studies usually attempt to describe not only "what" but also the "why (Mugenda and Mugenda, 1999). Case study design was used in this study intended to point out how public relations practices at the Coca-Cola Company in Kenya influences its corporate social responsibility strategy.

3.3 Target Population

Mugenda and Mugenda (1999) describes target population as the complete set of individual's cases or objects with some common characteristics to which the research wants to generate the results of the study. The target population of this study was staff members in the commercial, public affairs & communication and production departments at the Coca-Cola company headquarters and its largest franchise, Nairobi Bottlers Ltd since they were in a position to give objective data on how PR influences the corporation's social responsibility strategy.

3.4 Sampling Design

The study used simple random sampling technique to select a sample of 150 respondents from the Corporation. Stratified random sampling technique was considered given the homogeneity in the Coca-Cola Company and its franchises making other sampling technique lack simple random sampling inappropriate for did not cater for representativeness staff in the company and its one

franchise. Stratified sampling technique was chosen it exudes the advantages of focusing on important subpopulations and ignores irrelevant ones, achieve the desired representation from various sub-groups or subpopulation in the population, allows use of different sampling techniques for different subpopulations and improves the accuracy of estimation. However the technique has the setback of requiring accurate information about the population, or introduces bias.

The target population was stratified into the Coca-Cola Company and its largest franchise, Nairobi Bottlers Ltd from which 75 respondents were chosen from the chosen departments in Company. Random sampling was used in choosing the sample within these strata. Since the stratum consisted of homogenous elements, random sampling technique accords each an equal probability of being included in the study thus eliminating bias.

3.5 Data Collection

The study relied mostly on primary data sources. Primary data was collected using semi-structured questionnaires administered on the research sample. A questionnaire is a research instrument consisting of a series of questions and other prompts for the purpose of gathering information from respondents. Questionnaires have advantages over some other types of surveys in that they are cheap, do not require as much effort from the questioner as verbal or telephone surveys, and often have standardized answers that make it simple to compile data. However, such standardized answers may frustrate users and they might be limited by the fact that respondents must be able to read the questions and respond to them. The questionnaire was administered through drop and pick-later method to the sampled population.

3.6 Reliability and Validity

A pilot test was carried out to test the reliability and validity of the research instruments. Reliability is a measure of the degree to which a research instrument yields consistent results after repeated trials, while validity is the degree to which results obtained from the analysis of data actually represent the phenomenon under study Mugenda and Mugenda (2003). The questionnaires were designed and pre-tested on 10 PR and marketing staff, which was not

included in the actual study before the actual exercise. Based on the outcome, the questionnaires were appropriately amended before data collection.

3.7 Data Analysis

Before processing the responses, the completed questionnaires were edited for completeness and consistency. A content analysis and descriptive analysis was employed. The content analysis was used to analyze the respondents' views on how PR affects CSR implementation. The data was then be coded to enable the responses to be grouped into categories. Descriptive statistics was used mainly to summarize the data. This includes percentages and frequencies. A Lickert scale and the use of Statistical Package for Social Sciences (SPSS version 12.0) were also employed.

Tables, Pie charts and other graphs were used as appropriate to present the data collected for ease of understanding and analysis. Measures of central tendency was applied (mean, median, mode and percentages) for quantitative variables.

CHAPTER FOUR: DATA FINDINGS, ANALYSIS AND PRESENTATION

4.1 Introduction

This chapter presents the data that was found on the role of Public relation in shaping company's corporate social responsibility strategy. The research was conducted on 150 staffs of Coca-Cola's Nairobi Bottlers Franchise who were served with questionnaires; however, only 110 questionnaires were returned duly filled-in by the respondents. This makes a response rate of 73.3% which is within Mugenda and Mugenda's (2003) prescribed significant response rate for statistical analysis which they established at a minimal value of 50%. This commendable response rate was made possible after the researcher personally administered the questionnaire and made further visits to remind the respondents to fill-in and return the questionnaires.

This study made use of frequencies (absolute and relative) on single response questions. However, on multiple response questions, the study used Likert scale in collecting and analyzing where a scale of 5 points were used in computing the means and standard deviations there-to computed. These were then presented in tables and graphs as appropriate with explanations being given in prose. Findings from open-ended questions were also presented in prose.

Table 4.1: Gender of the Respondent

	Frequency	Percentage
Male	36	32.7
Female	74	67.3
Total	**110**	**100**
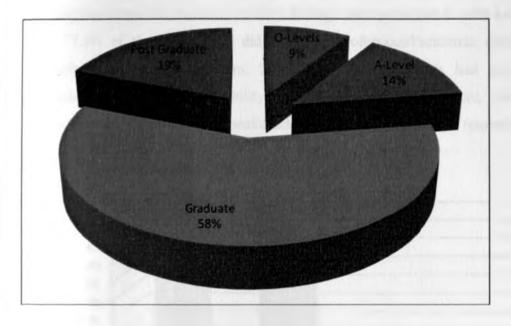
To the question on the gender of the respondent, the data findings were presented in table 4.1. According to the table, 67.3% of the respondents were females while 32.7% were males. Therefore, the majority of the respondents were females.

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Table 4.2: Age Category of the Respondent

	Frequency	Percentage
Less than 25 years	17	15.5
25-35 years	63	57.3
35-45 years	30	27.3
Total	110	100

On the age category of the respondents, the study found that 57.3% were aged between 25-35 years, 27.3% were between 35-45 years while 15.5% had less than 25 years. Hence majority were of the employees in the marketing or public relations department were youths since they were aged between 25-35 years as shown in table 4.2.

Figure 4.1: Highest Level of Academic Qualification of the Respondent
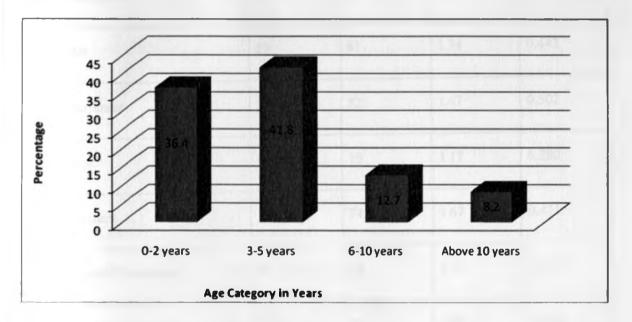
The respondents were required to state the highest academic level that they ever attained; results of which were presented in figure 4.1. From the figure, 58.2% of the respondents had first degree as their highest level of education, 19.1% were post-graduates while 9.1% had O-levels. This depicts that majority of Coca Cola employees were graduate which could point to their good understanding on the role of public relations in shaping company corporate social responsibility strategy.

Table 4.3: Professional/Academic Qualification in CSR or PR

	Frequency	Percentage
No	85	77.3
Yes	25	22.7
Total	110	100

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To the question on whether the respondent has professional/academic qualification in social responsibility or public relations, the data findings were presented in table 4.4. According to the table, 77.3% of the respondents did not have professional/academic qualification in social responsibility or public relations. 22.7% of the respondents had professional/academic qualification in social responsibility or public relations. Therefore, the majority of the respondents did not have professional/academic qualification in social responsibility nor PR.

Figure 4.2: Duration in Coca Cola Company

On the question of the respondent work experience the data finding were as presented in the figure 4.2. According to the figure, 41.8% of the respondent had worked in the Coca Cola Company for period of 3 to 5 years, 36.4% for 0 to 2 years, 12.7% had worked in Coca Cola Company for 6 to 10 years and only 8.2% had worked for more than 10 years. These finding shows that majority of the respondent had worked in Coca Cola Company for between 3 to 5 years.

Table 4.4: Primary and External Stakeholders

	No	Yes	Mean	STDEV
Employee	7	103	1.94	0.245
Shareholders	63	47	1.43	0.497
Media	29	81	1.74	0.443
Government	58	52	1.47	0.502
Unions	91	19	1.17	0.380
Customers	36	74	1.67	0.471
Financial Community	92	18	1.16	0.372
Special Interest group	78	32	1.29	0.456

The study sought to establish the primary internal and external stakeholder that the coca cola company PR department monitors. The study used Likert scale in collecting and analyzing the data on a scale of 1 to 2 with 1 point being assigned to No, indicating disagreement with the statement while 2 was assigned to Yes, to indicate agreement and weighted mean computed. The results were then presented in table 4.4. Being that the scales ranged from 1 to 2, making a range of 1 between the lowest and the highest extreme; the following keys were developed:

1   No =   Never monitors (1.00-1.5)

2   Yes =   Monitors (1.51-2.00)

According to the table 4.4, Coca-Cola company monitoring the employee had a mean of 1.94 and a standard deviation (STDEV) of 0.245, media had a mean of 1.74 and a standard deviation of 0.443, customers had a mean of 1.67 and a standard deviation of 0.471, monitoring the government had a mean of 1.47 and a standard deviation of 0.502, monitoring the shareholders had a mean of 1.43 and a standard deviation of 0.497, monitoring the special group had a mean of 1.29 and a standard deviation of 1.456, union had a mean of 1.17 and a standard deviation of 0.380 while monitoring financial community had a mean of 1.16 and a standard deviation of 0.372. This depicts that Coca-Cola Company monitors the customers, media, and the employees in that order of importance while it does not monitor the government, shareholders, special group, union and the financial community. This is also presented in figure 4.3 below.

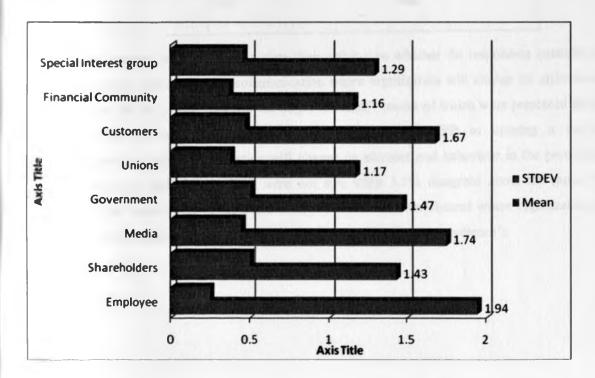Figure 3: Primary and External Stakeholders

Table 4.5: PR as Two Way Communication Mechanism

	Frequency	Percentage
Not Sure	18	16.4
No	6	5.5
Yes	86	78.2
Total	**110**	**100**

The respondents were required to state their opinion on whether the respondent considers PR should foster open, two way communication where organization will change its attitudes and behaviour in the process, not just the target audience'; results of which were presented in table 4.5. From the table, 78.2% of the respondents considers PR as opening a two-way communication where organization will change its attitudes and behaviour in the process, not just the target audience's, 16.4% were not sure while 5.5% disagreed about the same. This depicts that majority of PR acts as a two-way communication channel where organization will change its attitudes and behaviour in the process, not just the target audience's.

Table 4.6: PR as a Communication between a Company and its Various Publics

	Frequency	Percentage
Not sure	15	13.6
No	1	0.9
Yes	94	85.5
Total	**110**	**100**

On whether the respondent thinks that central to PR Practicing is maintaining an excellent communication with its various publics, the study found that 85.5% were of the opinion that central to PR Practicing is maintaining an excellent communication with its various publics, 13.6% were not sure while 0.9% disagreed. Hence majority of the respondent believed that central to PR Practicing is maintaining an excellent communication with its various publics as shown in table 4.6.

Table 4.7: Reputation benefits to Coca-Cola Company

Constructs/Benefits	Don't Know	Very Low Extent	Low Extent	Moderate Extent	Great Extent	Very Great Extent	Mean	STDEV
Differentiation among similar organization and competitive advantage	0	0	1	20	58	31	5.08	0.706
More respect for organizational view, company more likely to be listened to	0	0	2	12	61	35	5.17	0.689
Easier recruitment, improved morale, reduced staff turnover	0	0	13	46	24	27	4.59	0.989
Enhancement and added value for the organisations products and/or services.	0	0	1	23	48	38	5.12	0.763
Strengthened information structure with society with associated improved resources	4	2	7	16	52	29	4.79	1.174

To the question on the extent to which Coca-Cola company benefits from good reputation in relation to the statement given, Likert scale was used in collecting and analyzing the data on a scale of 1 to 5 with 1 point being assigned to don't know and 6 points to very great extent. The results were then presented in figure 4.2 being the scales ranged from 1 to 6 making an interval of 5 points between the two extremes; the following decision key was then developed for analysis:

1   Don't know = Never Exhibit (1 – 1.83)

2   Very low extent = Very Rarely Exhibit (1.84 – 2.66)

3   Low extent = Rarely exhibits (2.67 – 3.49)

4   Moderate extent = Moderately Exhibit (3.50 – 4.32)

5   Great extent = Exhibits (4.33 – 5.15)

6   Very great extent = Always Exhibit (5.16 - 6.00)

From the finding, Coca-Cola Company benefiting from more respect for organizational view, company more likely to be listened to this dad a mean of 5.17 and a standard deviation of 0.689, enhancement and added value for the organisations products and/or services had a mean of 5.12 and a standard deviation of 0.763, differentiation among similar organization and competitive advantage had a mean of 5.08 and a standard deviation of 0.706, strengthened information structure with society with associated improved resources had a mean of 4.79 and a standard deviation of 1.174, and easier recruitment, improved morale, reduced staff turnover had a mean of 1.174 and a standard deviation of 4.79. this indicates that Coca-Cola company benefits from more respect for organizational view, enhancement and added value for the organisations products and/or services, differentiation among similar organization and competitive advantage, strengthened information structure with society with associated improved resources and easier recruitment, improved morale, reduced staff turnover in that decreasing order.

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Table 4.8: Coca-Cola Company Motivation in Engaging in CRS

	No	Yes	Mean	STDEV
Increase profit	76	28	1.25	0.623
Company tradition	70	35	1.27	0.540
Attracts investors	69	37	1.30	0.534
Enhance community trust & support	17	88	1.75	0.528
Long term sustainability	33	74	1.65	0.535
Recruit/retain employee	92	13	1.07	0.400
Promote transaction/partnerships	60	46	1.38	0.558
Avoid regulation	84	21	1.15	0.466
Enhance reputation	27	78	1.66	0.563
Improve public welfare	53	52	1.43	0.582
External pressures	88	17	1.11	0.436
Favourable media coverage	50	57	1.49	0.554
Altruism or unselfishness	95	15	1.14	0.345

To the question on the corporation's motivation in engaging in CRS activities the respondents' data finding was presented in table 4.8. The study used Likert scale in collecting and analyzing the data on a scale of 1 to 2 with 1 point being assigned to No and 2 assigned to Yes. Analysis was then based on the decision key developed earlier on.

The Coca-Cola company engaging in CRS to enhance community trust and support had a mean of 1.75 and a standard deviation of 0.528, to enhance reputation had a mean of 1.66 and a standard deviation of 0.563, for long term sustainability had a mean of 1.65 and a standard deviation of 0.535, for favourable media coverage the mean was 1.49 and a standard deviation of 0.554, to improve public welfare had a mean of 1.43 and a standard deviation of 0.582, to promote transaction and partnership had a mean of 1.38 and a standard deviation of 0.558, to attract investor had a mean of 1.30 and a standard deviation of 0.534, as a company tradition had a mean of 1.27 and a standard deviation of 0.540, involvement in CRS to increase profits had a mean of 1.25 and a standard deviation of 0.623, to avoid regulations had a mean of 1.15 and a standard deviation of 0.466, for altruism or unselfishness this had a mean of 1.14 and a standard deviation of 0.345, engagement due to external pressure had a mean of 1.11 and a standard deviation of 0.436 while to recruit/retain employee had a mean of 1.07 and a standard deviation of 0.400. This illustrates that Coca-Cola company engagement in CRS activities is motivated by enhancement of community trust and support, to enhance its reputation and for its long term sustainability in that order of decreasing importance. It further demonstrates that Coca-Cola company engagement in CRS is not motivated by getting favourable media coverage, improving public welfare, promoting transaction and partnership, attracting investors, as a company tradition, to increase profits, to avoid regulations, for altruism or unselfishness, due to external pressure and recruiting/retaining employee.

Table 4.9: Important Stakeholders who Influence CRS Efforts

Stakeholders	No	Yes	Mean	STDEV
Employee	46	64	1.58	0.496
Business partners	61	49	1.45	0.499
Customers	20	90	1.82	0.387
Government	79	31	1.28	0.452
NGO/Special groups	78	32	1.29	0.456
Shareholders	83	27	1.25	0.432
Suppliers	85	25	1.23	0.421
Community	25	85	1.77	0.421
Media	35	75	1.68	0.468
Competitor	35	75	1.17	0.380

The respondents were required to state which stakeholder was perceived to be important thus influencing the CRS efforts, results of which was presented in table 4.4. Likert scale was developed and employed as presented earlier. From the Table 4.9, customers had a mean of 1.82 and a standard deviation of 0.387, community had a mean of 1.77 and a standard deviation of 0.421. media had a mean of 1.68 and a standard deviation of 0.468, employee had a mean of 1.58 and standard deviation of 0.496, business partners followed with a mean of 1.45 and a standard deviation of 0.499, NGO/Special groups had a mean of 1.29 and a standard deviation of 0.456, government had a mean of 1.28 and a standard deviation of 0.452, the shareholder had a mean of 1.25 and a standard deviation 0.432, and suppliers had mean of 1.23 and standard deviation of

0.421. This indicates that the important stakeholder to the Coca-Cola Company who influences the CRS efforts are the customers, community, media, and employee in that order of decreasing importance.

Table 4.10: CRS Activities Conducted By the Company

Activities	No	Yes	Mean	STDEV
community project	21	89	1.81	0.395
Art and cultural activities	103	7	1.06	0.245
Health care	70	40	1.36	0.483
charitable donation	52	58	1.53	0.502
Employee welfare	46	64	1.58	0.496
Environmental project	27	83	1.75	0.432
Educational projects	62	48	1.44	0.498
Sports	28	82	1.75	0.438
Adoption of charities/ non profit organization	71	39	1.35	0.481
corporate volunteering	57	53	1.48	0.502
Employee training and development	56	54	1.49	0.502
Ethics codes	75	35	1.32	0.468

On the question of the CRS activities by the company, the Likert scale in collecting and analyzing the data on a scale of 1 to 2 with 1 point being assigned to No and 1 assigned to Yes. Decision key was used as developed earlier. From the Table 4.10 community project had a mean

of 1.81 and a standard deviation of 0.395, environmental project and sport each with a mean of 1.75 and standard deviation of 0.432 and 0.438 respectively, employee welfare had a mean of 1.58 and a standard deviation of 0.496, charitable donations had a mean 1.53 and a standard deviation of 0.502, employee training and development had a mean of 1.49 and a standard deviation of 0.502, corporate volunteering had a mean of 1.48 and a standard deviation of 0.502, educational projects had a mean of 1.44 and a standard deviation of 0.498, health care had a mean of 1.36 and a standard deviation of 0.483, adoption of charities/ non profit organization and a mean of 1.35 standard deviation of 0.481, ethics codes had a mean of 1.32 and a standard deviation of 0.468, and art and cultural activities had a mean of 1.06 and a standard deviation of 0.245. The finding shows that Coca-Cola Company engages in community projects, environmental projects, sports, employee welfare and charitable donation as their CSR activities.

Table 4.11: Company and Corporate Socially Responsibility

	Frequency	Percentage
To a very low extent	0	0
To a low extent	5	4.5
To a moderate extent	16	14.5
To a great extent	48	43.6
To a very great extent	41	37.3
Total	110	100

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The study sought to establish To what extent do the respondent agree with the statement; company only contribute fully to society if it is efficient, profitability and socially responsible. From the finding, 43.6% of the respondent agreed to a great extent, 37.3% to a very great extent, and 14.5% to a moderate extent while 4.11 agreed to a low extent. These finding shows that majority of the respondent agreed to the fact that company only contribute fully to society if it is efficient, profitability and socially responsible to a great extent.

Table 4.12: Whether CSR is a Part of Corporate Communication or PR Function

	Frequency	Percentage
Not sure	14	12.7
No	4	3.6
Yes	92	83.6
Total	**110**	**100**

On whether CSR is a part of corporate communication or PR function, the study found that 83.6% of the respondents were of the opinion that CSR is a part of corporate communication or PR function, 12.7% were not sure while 3.6% disagreed. Hence majority of the respondent were of the opinion that CSR is a part of corporate communication or PR function as shown in table 4.12.

Table 4.13: Whether PR Emphasize the Importance Social Responsibility

	Frequency	Percentage
Not sure	6	5.5
No	8	7.3
Yes	96	87.3
Total	110	100

To the question on whether Like CSR, does PR emphasize the importance of business organization paying attention to their stakeholder or public, the data findings were presented in table 4.13. According to the table, 87.3% of the respondents were agreeable that Like CSR, PR emphasize the importance of business organization paying attention to their stakeholder or public. 7.3%disagreed while 5.5% were not sure. Therefore, the majority of the respondents were agreeable that like CSR, PR emphasize the importance of business organization paying attention to their stakeholder or public.

Table 4.14: Corporate Communication as a Model for Legitimize Company's Activities

	Frequency	Percentage
Not sure	20	18.2
No	22	20.0
Yes	68	61.8
Total	110	100

On whether corporate communication is a model for organizing to use CSR reporting as a strategy to legitimize their activities, the study found that 61.8% of the respondents were of the opinion that corporate communication is a model for organizing to use CSR reporting as a strategy to legitimize their activities, 20% disagreed while 18.2% were not sure. Hence majority of the respondent agreed to the fact that corporate communication is a model for organizing to use CSR reporting as a strategy to legitimize their activities as shown in table 4.14.

Table 4.15: Whether PR is the Practice of Social Responsibility

	Frequency	Percentage
Not sure	9	8.2
No	8	7.3
Yes	93	84.5
Total	**110**	**100**

The study sought to establish the opinion of the respondent on whether PR is the practice of social responsibility, and therefore a major reason for companies to employ communicators. From the finding, 84.5% of the respondent agreed to this statement, 8.2% were not sure while 7.3% disagreed to the statement that PR is the practice of social responsibility, and therefore a major reason for companies to employ communicators. These finding shows that majority of the respondent agreed to the opinion that PR is the practice of social responsibility and therefore a major reason for companies to employ communicators.

Table 4.16: CSR and PR Focusing on the Relationship between Organization and Society

	Frequency	Percentage
Not sure	4	3.6
No	1	0.9
Yes	108	94.5
Total	**110**	**100**

To the question on whether both CSR and PR focus on the relationship between organization and society, the data findings were presented in table 4.16. According to the table, 94.5% of the respondents were agreeable that both CSR and PR focus on the relationship between organization and society, 3.6% were not sure while 0.9% disagreed. Therefore, the majority of the respondents were agreed to the fact that both CSR and PR focus on the relationship between organization and society.

Table 4.17: Decision Maker of CRS Activities in the Company

Decision makers	No	Yes	Mean	STDEV
CEO	21	89	1.81	0.395
Head of marketing	80	30	1.27	0.447
Head of human resources	87	22	1.22	0.436
Board of directors	79	31	1.28	0.452
Head of Corporate Community/PR	11	99	1.90	0.301
Head of legal Department	102	8	1.07	0.261

The study required that the respondents state who the decision maker for the CRS activities were the results were recorded in Table 4.6. Using Likert scale to collect and analyze on a scale of 1 to 2. With No denoting 1 point and Yes 2 points, the decision key earlier developed was used. According to the Table 4.17, head of corporate community/PR as a decision maker of CSR activities had a mean of 1.90 and a standard deviation of 0.301, CEO had a mean of 1.81 and a standard deviation of 0.395, board of director had a mean of 1.28 and a standard deviation of 0.452, head of marketing had a mean of 1.27 and a standard deviation of 0.447, head of human resource had a mean of 1.22 and a standard deviation of 0.436, and the head of legal department had a mean of 1.07 and a standard deviation of 0.261. This illustrates that the decision maker for CRS activities in the Coca-Cola Company are head of corporate community/ PR and the CEO in that order.

Table 4.18: Essence of CRS as a PR tool

Construct	Disagree	Disagree	Neutral	Agree	Agree	Mean	STDEV
CSR is largely a publicity/image issue	4	29	6	43	28	3.56	1.231
CSR should be completely voluntary- no laws should govern it	8	22	28	22	30	3.40	1.279
Companies need to be concerned with the society	90	9	3	5	3	1.38	0.948
CSR should be a consideration while setting corporate strategy	0	0	27	41	42	4.14	0.784
CSR should be a recognized core business function	2	14	25	42	27	3.71	1.035
CSR does not have a positive impact on financial performance	57	27	11	8	7	1.92	1.220
CSR is about giving charitable contributions	7	10	19	36	38	3.80	1.195

The study also sought to establish the essence of CRS as a PR tool. . The study used Likert scale in collecting and analyzing the data on a scale of 1 to 5 with 1 point being assigned to strongly disagree and 5 points to strongly agree. The results were then presented in figure 4.7 being the scales ranged from 1 to 5 making an interval of 4 between the two extremes; the following allocationary keys can be developed:

1   Strongly disagree = Never Exhibit (1 – 1.8)

2   Disagree = Very Rarely Exhibit (1.81 – 2.6)

3   Neutral = Rarely Exhibit (2.61 – 3.4)

4   Agree = Exhibits (3.41 – 4.2)

5   Strongly Agree = Always Exhibit (4.21 – 5)

From the findings, CSR should be a consideration while setting corporate strategy had a mean of 4.14 and a standard deviation of 0.784, CSR is about giving charitable contributions had a mean of 3.80 and a standard deviation of 1.195, CSR should be a recognized core business function had a mean of 3.71 and a standard deviation of 1.035, CSR is largely a publicity/image issue had a mean of 3.56 and a standard deviation of 1.231, CSR should be completely voluntary- no laws should govern it had a mean of 3.40 and a standard deviation of 1.279, CSR does not have a positive impact on financial performance this had a mean of 1.92 and a standard deviation of 1.220, companies need to be concerned with the society had a mean of 1.38 and a standard deviation of 0.948. This depicts that CSR should be completely voluntary and that no laws should govern it, CSR is largely a publicity/image issue, CSR should be a recognized core business function, CSR is about giving charitable contributions, and that CSR should be a consideration while setting corporate strategy, all these are of essence as PR tool in that order of increasing importance.

Table 4.19: Stakeholder the Company Communicate With About Its CRS Effort

Stakeholders	No	Yes	Mean	STDEV
Employee	26	84	1.76	0.427
Business partners	44	66	1.60	0.492
Customers	61	49	1.45	0.499
Government	59	50	1.55	1.037
NGO/special groups	95	15	1.14	0.345
shareholders	39	71	1.65	0.481
Suppliers	81	29	1.26	0.443
Community	29	81	1.74	0.443
Media	13	97	1.88	0.324
Competitors	105	5	1.05	0.209

To the question on the stakeholder with whom the Coca-Cola Company communicated with about its CRS effort as PR strategy, the data finding was recorded in the Table 4.8. the study used Likert scale to collect and analyze on a scale of 1 to 2. With No denoted by 1 point and Yes denoted by 2 points. The allocationally key used is a developed earlier.

From the table, media had a mean of 1.88 and a standard deviation of 1.88 and a standard deviation of 0.324, employee had a mean of 1.76 and a standard deviation of 0.427, community had a mean of 1.74 and a standard deviation of 0.443, shareholders had a mean of 1.65 and a standard deviation of 0.481, business partners had a mean of 1.60 and a standard deviation of 0.492, the government had a mean of 1.55 and a standard deviation of 1.037, customers had a mean of 1.45 and a standard deviation of 0.499, suppliers had a mean of 1.26 and a standard deviation of 0.443, NGO/special groups had a mean of 1.14 and a standard deviation of 0.345, competitors had a mean of 1.05 and a standard deviation of 0.209. This illustrates that the Coca-Cola Company communicated with the media, its employees, the community, its shareholders, the government and its business partners about its CRS effort as PR strategy.

Table 4.20: PR Tools

PR Tools	0	1	2	3	4	5	6	7	8	9	10	Mean	STDEV
Annual report	4	11	1	2	7	17	15	6	16	15	16	7.25	2.956
Meetings	0	2	2	6	2	25	13	25	12	15	8	7.55	2.079
Company letter	0	3	2	6	0	12	19	18	11	23	16	8.09	2.281
Leaflet/Poster	5	4	10	8	1	11	16	33	10	5	7	6.72	2.620
Mass media	0	0	1	1	6	11	16	12	26	23	14	8.45	1.860
Press release/Press conferences	0	0	1	5	4	11	12	13	30	23	11	8.35	1.927
Website	1	0	0	0	0	8	9	20	14	37	21	9.08	1.693
Campaign	1		1	7	3	12	12	15	13	30	16	8.33	2.222
Word of mouth	0	7	2	4	3	14	16	21	7	19	17	7.77	2.526

The study required that the respondent rank on a scale of 0 – 10 the tools used by the company to communicate its CRS activities to stakeholders. Likert scale was used in collecting and analyzing the data on a scale of 1 to 11 with 1 point being assigned to 0 and 11 points to 10. The results were then presented in table 4.20. The scales ranged from 1 to 11 making an interval of 10 between the two extremes, the following allocationary keys can be developed:

1   0 = Not used(1 – 1.9)

2   1 = (1.91 – 2. 8)

3   2(2.81 – 3.7)

4   3(3.71 – 4.6)

5   4(4.61 – 5.5)

6   5 = Moderately used (5.51 – 6.4)

7   6(6.41 – 7.3)

8   7(7.31 – 8.2)

9   8(8.21 – 9.1)

10   9(9.11 - 10)

11   10 = Extensively used (10.01- 11.0)

According to the table, website had a mean of 9.08 a standard deviation of 1.693, Mass media had a mean of 8.45 and a standard deviation of 1.860, Press release/Press conferences had a mean of 8.35 and a standard deviation of 1.927, campaign had a mean of 8.33 and a standard deviation 2.222, word of mouth had a mean of 7.77 and a standard deviation of 2.526, meetings had a mean of 7.55 and a standard deviation of 2.079, annual report had a mean of 7.25 and a standard deviation of 2.956, and leaflet/Poster had a mean of 6.72 and a standard deviation of 2.620. This depicts that, Coca-Cola company uses, leaflet/Poster, annual report, meetings, word

of mouth, campaign, press release/Press conferences, mass media and website in that order of increasing importance to communicate its CRS to its stakeholders.

Table 4.21: Tools Used to Monitor the Effectiveness of its CRS Efforts

Tool	No	Yes	Mean	STDEV
Focus group	91	19	1.17	0.380
Monitoring media coverage	58	52	1.47	0.502
Verbal feedback	61	48	1.44	0.499
Not sure	87	23	1.21	0.409
Surveys	62	48	1.44	0.498
One on one interviews	89	21	1.19	0.395
Monitoring profit figures	102	8	1.07	0.261

The study also sought to establish the most important tool used by the company to monitor the effectiveness of its CRS efforts in promoting good public relationship or reputation. The study used the Likert scale in collecting and analyzing on a scale of 1 to 2, with 1 point assigned to No and 2 assigned to Yes. The data obtained was presented in Table 4.21. The allocation key used is as developed earlier.

From the finding, monitoring media coverage had a mean of 1.47 and a standard deviation of 0.502, Verbal feedback and Surveys both had a mean of 1.44 and standard deviation of 0.499 and 0.498 respectively, not sure had a mean of 1.21 and a standard deviation of 0.409, one on one

interviews had a mean of 1.19 and a standard deviation of 0.395, focus group had a mean of 1.17 and a standard deviation of 0.380 while monitoring profit figures had a mean of 1.07 and a standard deviation of 0.261. This shows that the Coca-Cola Company uses verbal feedback, surveys as well as monitoring media coverage in increasing order of importance as tools to monitor the effectiveness of its CRS efforts in promoting good public relationship and reputation.

Table 4.22: CRS Benefits to the Company

Benefits	No	Yes	Mean	STDEV
Improved organizational culture	55	55	1.50	0.502
Elevated company profile and contact with new customers	29	81	1.74	0.443
Better government relations	40	70	1.64	0.483
Attracting and retaining	84	26	1.24	0.427
Improved management quality	89	21	1.19	0.395
Increased profits	70	40	1.36	0.483
Improved image and reputation	14	96	1.87	0.335
Improved customer loyalty	31	79	1.72	0.452
Increased favourable media coverage	45	65	1.59	0.494
Better business operation	70	40	1.36	0.483

The respondents were required to state the benefits that the company had achieved through its CRS strategies. The study used the Likert scale in collecting and analyzing on a scale of 1 to 2, with 1 point assigned to No and 2 assigned to Yes. The data obtained was presented in Table 4.22. The allocationary key used is as developed earlier. From the Table 4.22, improved image and reputation had a mean of 1.87 and a standard deviation of 0.335, elevated company profile and contact with new customers had a mean of 1.74 and a standard deviation of 0.443, improved customer loyalty had a mean of 1.72 and a standard deviation of 0.452, better government relations had a mean of 1.64 and a standard deviation of 0.483, increased favourable media coverage had a mean of 1.59 and a standard deviation of 0.494, improved organizational culture had a mean of 1.50 and a standard deviation of 0.502, increased profits and better business operation both had a mean of 1.36 and standard deviation of 0.483, attracting and retaining had a mean of 1.24 and standard deviation of 0.427 and improved management quality had a mean of 1.19 and a standard deviation of 0.395. This illustrates that Coca-Cola Company had greatly benefited from CRS in terms of image and reputation, elevated company profile and contact with new customers, improved organizational culture, better government relations, and improved customer loyalty in that order of reducing importance.

Table 4.23: Extent to Which Accounting System Capture Environmental and Social Indicators during Audit

	Frequency	Percentage
Not at all	3	2.7
Very low extent	12	10.9
Low extent	13	11.8
Moderate extent	55	50.0
To a great extent	26	23.6
To a very great extent	1	0.9
Total	110	100

The study also sought to establish to what extent the respondent agrees with the statement that the financial performance accounting system captures environmental and social indicators during audit. From the finding, 50% of the respondent agreed to a moderate extent, 23.6% to a great extent, and 2.7% to a not at all extent while 0.9% agreed to a very great extent. These finding shows that majority of the respondent agreed to the fact that financial performance accounting system captures environmental and social indicators during audit to a moderate extent.

Table 4.24: Social/Environmental Responsibility

Reasons	No	Yes	Mean	STDEV
Create a positive image of the company among consumers	3	107	1.97	0.164
Maintain a good relationship with local communities	12	98	1.89	0.313
Gain competitive advantage	38	72	1.65	0.478
Public opinion pressure	91	19	1.17	0.380
Sense of duty as citizen	53	57	1.52	0.502
pressures from consumers who prefer to buy products from companies that engage in socially responsible activities	53	57	1.52	0.502
Pressure from stakeholders	53	57	1.52	0.502
Pressure from parent company	77	33	1.30	0.460
Pressure from employees	102	8	1.07	0.261
It makes much profit that it does not need	110	0	1.00	0.000

The study also was aimed at establishing the reasons for the Coca-Cola Company assuming social/environmental responsibility. The data finding were recorded in table 4.12. Likert scale was used to collect and analyze the data on a scale of 1 to 2. Point 1 was assigned to No while 2 was assigned to Yes. The allocationary key that was used is as developed on an earlier case.

According to the Table 4.24, create a positive image of the company among consumers had a mean of 1.97 and a standard deviation 0.164, maintain a good relationship with local communities had a mean of 1.89 and a standard deviation of 0.313, gain competitive advantage had a mean of 1.65 and a standard deviation of 0.478, sense of duty as citizen, pressures from consumers who prefer to buy products from companies that engage in socially responsible activities and pressure from stakeholders all had a mean of 1.52 and a standard deviation of 0.502, pressure from parent company had a mean of 1.30 and a standard deviation of 0.460, public opinion pressure had a mean of 1.17 and a standard deviation of 0.380, pressure from employees had a mean of 1.07 and a standard deviation of 0.261 and Coca-Cola company making much profit that it does not need had a mean of 1.00. This indicates that Coca-Cola Company engages in social/environmental responsibility to create a positive image of the company among consumers, maintain a good relationship with local communities, to gain competitive advantage, as a sense of duty as citizen, pressures from consumers who prefer to buy products from companies that engage in socially responsible activities and pressure from stakeholders in order of reducing importance.

Table 4.25: CRS and company's image and Reputation

	No	Yes	Mean	STDEV
Differentiation among similar organization and competitive advantages	43	67	1.61	0.490
More respect for organizational views, company more likely to be listened to	33	77	1.70	0.460
Easier recruitment, improved morale, reduced staff turn over	46	64	1.58	0.496
Enhancement and added value for the organisations product and/or services	27	83	1.75	0.432

The respondents were required to state how CRS policies boost the company's image and reputation. The study made use of Likert scale to collect and analyze the data on a scale of 1 to 2. The results were then presented in figure 4.13. The allocationary key used is a developed earlier.

From the table 4.25, CRS enhancing and adding value for the organisations product and/or services had a mean of 1.75 and a standard deviation of 0.432, CRS earning more respect for organizational views that the company more likely to be listened to had a mean of 1.70 and a standard deviation of 0.460, CRS bringing about differentiation among similar organization and competitive advantages had a mean of 1.61 and a standard deviation 0.490 and CRS making recruitment easier, improved morale, reduced staff turnover had a mean of 1.58 and a standard deviation and 0.496. This depicts that CRS had improved the Coca-Cola company's image in terms of enhancing and adding value for the organisations product and/or services, earning more respect for organizational views that the company more likely to be listened to, bringing about differentiation among similar organization and competitive advantages, and making recruitment easier, improved morale, reduced staff turn over

CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of key findings illustrated in the previous chapter on the role of public relations in shaping companies corporate social responsibility strategy. Besides conclusions on the same, recommendations and areas for further studies are also presented in this section.

5.2 Summary

The study showed that Coca Cola employs more females than males and that majority of Coca-Cola company employees were aged between 25-35 years. According to this study majority of the employee were graduate which could point to their good understanding on the role of public relations in shaping company corporate social responsibility strategy, even though majority of them did not have professional/academic qualification in social responsibility. The study also points out that majority of the respondent had worked in Coca Cola Company for between 3 to 5 years.

According to the study, Coca-Cola Company monitors the customers, media, and the employees in that order of importance and also majority of Coca Cola employees were not sure whether PR should foster open, two way communication where organization will change its attitudes and behaviour in the process, not just the target audience's. The study also depicts that central to PR Practicing is maintaining an excellent communication with its various publics.

This study indicates that that Coca-Cola company benefits from more respect for organizational view, enhancement and added value for the organisations products and/or services, differentiation among similar organization and competitive advantage, strengthened information structure with society with associated improved resources and easier recruitment, improved morale, reduced staff turnover in that decreasing order. It also shows that Coca-Cola company engagement in CRS is not motivated by getting favourable media coverage, improving public welfare, promoting transaction and partnership, attracting investors, as a company tradition, to

increase profits, to avoid regulations, for altruism or unselfishness, due to external pressure and recruiting/retaining employee.

From the study it is evident that the important stakeholder to the Coca-Cola Company who influences the CRS efforts are the customers, community, media, and employee in that order of decreasing importance. Coca-Cola Company engages in community projects, environmental projects, sports, employee welfare and charitable donation as their CSR activities according to the study. This study has also shown that company only contribute fully to society if it is efficient, profitability and socially responsible and that CSR is a part of corporate communication or PR function. As evidenced by the study, like CSR, PR emphasizes the importance of business organization paying attention to their stakeholder or public.

In addition the study has shown that corporate communication is a model for organizing to use CSR reporting as a strategy to legitimize their activities and that PR is the practice of social responsibility and therefore a major reason for companies to enjoy communicator. In this study it illustrated that both CSR and PR focus on the relationship between organization and society.

According to the study, the decision makers for CRS activities in the Coca-Cola Company are head of corporate community/ PR and the CEO in that order. It also shows that CSR should be completely voluntary and that no laws should govern it, CSR is largely a publicity/image issue, CSR should be a recognized core business function, CSR is about giving charitable contributions, and that CSR should be a consideration while setting corporate strategy, all these are of essence as PR tool in that order of increasing importance.

The study shows that the Coca-Cola Company communicated with the media, its employees, the community, its shareholders, the government and its business partners about its CRS effort as PR strategy. Coca-Cola Company uses leaflet/Poster, annual report, meetings, word of mouth, campaign, press release/Press conferences, mass media and website to communicate its CRS to its stakeholders as shown by this study.

According to the study, Coca-Cola Company uses verbal feedback, surveys as well as monitoring media coverage in increasing order of importance as tools to monitor the effectiveness of its CRS efforts in promoting good public relationship and reputation. In addition

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the study shows that Coca-Cola Company had greatly benefited from CRS in terms of image and reputation, elevated company profile and contact with new customers, improved organizational culture, better government relations, and improved customer loyalty.

The study shows that financial performance accounting system captures environmental and social indicators during audit to a moderate extent in Coca-Cola Company. Coca-Cola Company engages in social/environmental responsibility to create a positive image of the company among consumers, maintain a good relationship with local communities, to gain competitive advantage, as a sense of duty as citizen, pressures from consumers who prefer to buy products from companies that engage in socially responsible activities and pressure from stakeholders as shown by the study

The study has also shown that CRS had improved the Coca-Cola company's image in terms of enhancing and adding value for the organisations product and/or services, earning more respect for organizational views that the company more likely to be listened to, bringing about differentiation among similar organization and competitive advantages, and making recruitment easier, improved morale, reduced staff turnover.

5.3 Conclusion

The central focus of research in the field was on the role of public relations on corporate social responsibility at Coca cola Company in Kenya from the finding we note hereby; that while organizations have casually realized the benefits of CSR in supporting employees, the community and often stockholders, the concept of strategic CSR suggests that organizations use their core competencies and resources to benefit stakeholders in a planned manner. From this perspective, strategic CSR is an integrated part of a broader philosophy that recognizes how participation in corporate citizenship can help an organization improve its overall performance.

Cause-related marketing and sponsorships opened the door to link CSR goals to other business objectives and stakeholder interests. By linking products with charities and social causes, organizations acknowledged the opportunity to align CSR to economic goals, and to acknowledge stakeholders' interests in organizational benevolence. A social responsibility approach to managing the organization has been the result of many influences, including the

federal government's formalized expectations for legal compliance, social and ethical criteria emerging as evaluative tools for customers and business partners, and the increased influence of corporate governance issues.

Many organizations have skillfully used their resources and core competencies to address the needs of employees, customers, business partners, as well as the community and society. In turn, these actions have been found to positively influence financial performance. To successfully integrate strategic CSR into the organization, the efforts must first fit with the company's mission, values and resources. Organizations must also understand stakeholder expectations and propensity to support such activities for mutual benefit. Such a process is self-renewing and relies on the feedback of stakeholders in improving and learning how to better integrate the strategic CSR objectives with other organizational goals such as public relations.

5.4 Recommendations

Effective strategic CSR, however leveraged, requires extensive and careful investment on the part of the firm. Organizations not only need to undertake activities in a responsible way, but also need to understand how their activities are viewed by stakeholders. Leveraging CSR strategy in branding explicitly means that PR is a core part of the global brand and the associated activities that communicate brand characteristics. If it is a core global business activity (Bhattacharya *et al.*, 2004) and not simply PR hype (Frankental, 2001), then it is words that are supported by action. There must be a long-term commitment to strategic CSR activities which, again, must be supported at senior management level, taking into consideration the issues that are salient to the brands' stakeholders in various markets. There also must be resources to support actions and measure performance (Dawkins and Lewis, 2003). These resources are also required for the development of effective monitoring of corporate activities, changes in stakeholders' expectations and changes in the underlying CSR issues. All of this must then be effectively communicated, whether it be in advertising, annual reports or ongoing stakeholder dialogue.

5.5 Areas of further studies

Research is needed to assist in understanding how CSR can be developed and integrated to support an organization's core competencies. Like the examples presented here, the collection of

descriptive information about CSR and benefits can enhance a firm's ability to engage in successful involvement. Organizations that have successful strategic CSR need to survey employees and other key stakeholders to determine their knowledge and attitudes toward the firm's strategic CSR efforts. A determination of the firm's strategic advantage should be assessed, much as traditional market and customer research is used to determine sources of differentiation and loyalty.

Research is needed to determine how organizations develop a fit between core competencies and CSR and PR. Best practices that have resulted in strategic integration in overall corporate citizenship and business performance need to be analyzed to determine normative managerial practices. This type of research should examine different industries and corporate cultures to explore how the strategic CSR and PR component of corporate citizenship can be a driving force in the success of the business.

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APPENDICES

Appendix 1.1: **Questionnaire**

I am carrying out a Masters Degree research dissertation in Communication Studies on the role of public relations in shaping company corporate social responsibility strategy. The study focuses on Coca-Cola Company due its consistent effort at being socially responsible. The study will be of use to the Coca-Cola Company in particular and other companies in general for it will document how good public relations need influences companies'/organizations' social responsibility. Therefore, your maximum co-operation and objective response will go a long way in ensuring that the afore-mentioned research aim is met. I promise that your identity would remain confidential; the findings will be treated with uttermost propriety and that this study would be used solely for academic purposes.

Instructions: Please read the questions and answer them either by filling in the blank spaces or ticking the check boxes [/] or tables

SECTION A: GENERAL INFORMATION

1. Please indicate your gender

   Male   [   ]

   Female   [   ]

2. Please indicate the category under which your age falls in

   Less than 25 years   [   ]

   25 – 35 years   [   ]

   35 – 45 years   [   ]

   More than 45 years   [   ]

3. What is your highest level of academic qualification?

O levels   [ ]

A levels or certificate   [ ]

Graduate Degree   [ ]

Post graduate degree   [ ]

4. Do you have professional/academic qualification in social responsibility or public relation?

Yes   [ ]

No   [ ]

5. For how many years have you worked at Coca-Cola Company _____?

0 – 2 years   [ ]

3 – 5 years   [ ]

6 – 10 years   [ ]

Above 10 years   [ ]

SECTION B: PUBLIC RELATIONS

6. Who are the primary internal and external stakeholders that the Coca-Cola PR department monitors? (please tick all that applies)

Employees   [ ]   Unions   [ ]

Shareholders   [ ]   Customers   [ ]

Media   [ ]   Financial community [ ]

Government   [ ]   Special interest groups   [ ]

7. Do you consider PR should foster open, two-way communication where an organization will change its attitudes and behavior in the process, not just the target audience's

Not Sure   [ ]   No   [ ]   Yes   [ ]

8. Do you think that central to PR practice is maintaining an excellent communication with its various publics?

Not Sure   [ ]   No   [ ]   Yes   [ ]

9. To what extent does the Cola-Cola Company benefit from good reputations along these constructs?

Construct/Benefit	Very Great Extent	Great Extent	Moderate Extent	Low Extent	Very Low Extent	Don't Know
Differentiation among similar organizations and competitive advantages.						
More respect for organizational views, company more likely to be listened to.						
Easier recruitment, improved morale, reduced staff turnover.						
Enhancement and added value for the organisations products and/or services.						
Strengthened information structure with society, with associated improved resources.						

SECTION B: CORPORATE SOCIAL RESPONSIBILITY

10. What are the corporations' motivations in engaging in CSR activities? (Tick all that applies)

Increase profits   [ ]   Long-term sustainability   [ ]

Company tradition   [ ]   Recruit/retain employees   [ ]

Attract investors   [ ]   Promote transactions/partnerships   [ ]

Enhance community trust & support [ ]   Avoid regulation   [ ]

Enhance reputation   [ ]   Favourable media coverage   [ ]

Improve public welfare   [ ]   Altruism or unselfishness   [ ]

External pressures   [ ]

11. In your corporate social responsibility (CSR) efforts, which stakeholders are perceived to be important and thus influence your CSR efforts? (please tick all that applies)

Employees   [ ]   Shareholders   [ ]

Business partners   [ ]   Suppliers   [ ]

Customers   [ ]   Community   [ ]

Government   [ ]   Media   [ ]

NGO/Special groups   [ ]   Competitors   [ ]

12. What are the CSR activities conducted by the Company? (Please tick all that applies)

Community projects   [ ]   Educational projects   [ ]

Arts and cultural activities [ ]   Sports   [ ]

Healthcare   [ ]   Adoption of charities/ non-profit organizations [ ]

Charitable donations   [ ]   Corporate volunteering   [ ]

Employee welfare   [ ]   Employee training and development   [ ]

Environmental projects   [ ]   Ethics code   [ ]

a.   OTHERS - Could you please mention the activities?

....

....

....

....

13. To what extent to you agree with the stament that companies only contribute fully to society if it is efficient, profitable and socially responsible?

To a very great extent   [ ]   To a great extent   [ ]

To a Moderate extent   [ ]   To a low Extent   [ ]

To a very low extent   [ ]   Not at all   [ ]

PART D: PUBLIC RELATIONS INFLUENCE ON CSR

14. Is CSR as a part of corporate communication or PR function?

Not sure   [ ]   No   [ ]   Yes   [ ]

15. Like CSR, does PR emphasize the importance of business organizations paying attention to their stakeholders or public?

Not sure   [ ]   No   [ ]   Yes   [ ]

16. Do you think that corporate communication is a model for organization to use CSR reporting as a strategy to legitimize their activities?

Not Sure   [ ]   No   [ ]   Yes   [ ]

17. Do you think that PR is the practice of social responsibility, therefore, a major reason for companies to employ communicators?

Not Sure   [ ]   No   [ ]   Yes   [ ]

18. Do both CSR and PR focus on the relationship between organizations and society?

Not Sure   [ ]   No   [ ]   Yes   [ ]

19. Who are the decision-makers of CSR activities in the Company? ?(Please tick all that applies)

CEO   [ ]   Board of Directors   [ ]

Head of Marketing   [ ]   Head of Corporate Communications/ PR   [ ]

Head of Human Resources   [ ]   Head of Legal Department   [ ]

20. What is your level of agreement with the following constructs on the essence of CSR as a PR tool? 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree and 5 = strongly agree.

Construct	1	2	3	4	5
CSR is largely a publicity/image issue					
CSR should be completely voluntary – No laws should govern it					
Companies need not be concerned with society					
CSR should be a consideration while setting corporate strategy					
CSR should be a recognized core business function					
CSR does not have a positive impact on financial performance					
CSR is about making charitable contributions					

21. Who are the stakeholders whom the Company communicated with about its CSR efforts as a PR strategy?

Employees   [ ]   Shareholders   [ ]

Business partners   [ ]   Suppliers   [ ]

Customers   [ ]   Community   [ ]

Government   [ ]   Media   [ ]

NGO/Special groups   [ ]   Competitors   [ ]

22. Please rank, in a scale of 0 to 10, the tools used by the Company to communicate its CSR activities to stakeholders? 0 signifies not used at all while 10 signifies extensively used.

PR Tool	0	1	2	3	4	5	6	7	8	9	10
Annual reports											
Meetings											
Company newsletters/											
Leaflets/Posters											
Mass media											
Press releases/ Press conferences											
Websites											
Campaigns											
Word of mouth											

23. What is the most important tools used by the Company to monitor the effectiveness of its CSR efforts in promoting good public relationship or reputation? (Please tick all that applies)

Focus groups   [ ]   Surveys   [ ]

Monitoring media coverage [ ]   One-on-one interviews   [ ]

Verbal feedback   [ ]   Monitoring profit figures   [ ]

Not sure   [ ]

24. What are the benefits that the Company has achieved from its CSR strategies?

Improved organizational culture   [ ]

Elevated company profile and contact with new customers [ ]

Better government relations   [ ]

Attracting and retaining employees   [ ]

Improved management quality   [ ]

Increased profits   [ ]

Improved image and reputation   [ ]

Improved customer loyalty   [ ]

Increased favorable media coverage   [ ]

Better business operation conditions   [ ]

25. Apart from financial performance to what extend does your accounting systems capture environmental and social indicators during audit?

To a very great extent	[ ]	To a great extent	[ ]
To a moderate extent	[ ]	To a low extent	[ ]
To a very low extent	[ ]	Not at all	[ ]

26. What are the reasons for Coca-Cola to assume social/environmental responsibility (CSR)? [TICK ALL THAT APPLY]

Create positive image of the company among consumers   [ ]

Maintain good relationship with local communities   [ ]

Gain competitive advantage   [ ]

Public opinion pressure   [ ]

Sense of duty as a citizen   [ ]

Pressure from consumers who prefer to buy products from companies that engage in socially responsible activities   [ ]

Pressure from stakeholders   [ ]

Pressure from parent company   [ ]

Pressure from employees   [ ]

It makes much profit that it does not need   [ ]

27. How does CSR policies boost the Company's image and reputation?

Differentiation among similar organisations and competitive advantages   [ ]

More respect for organisational views, company more likely to be listened to   [ ]

Easier recruitment, improved morale, reduced staff turnover   [ ]

Enhancement and added value for the organisations products and/or services   [ ]