CORPORATE SOCIAL RESPONSIBILITY AND STRATEGIC ORIENTATION AT SAFARICOM LIMITED IN KENYA

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A MANAGEMENT RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (MBA), SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

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DECLARATION

I, Joseph Wachira Waruru declare that this is my original work and has not been presented in any other University or College for Examination or Academic purposes.

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SUPERVISOR'S APPROVAL

This project has been submitted for examination with my approval as the university supervisor.

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DEDICATION

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ABSTRACT

The aim of the study was to establish corporate social responsibility and strategic orientation at Safaricom limited in Kenya. The research objective was to establish how Corporate Social Responsibility is oriented to strategy at Safaricom Limited. The study took a case study design whereby both primary and secondary data was used. Both the primary and secondary data was qualitative in nature and content analysis as a technique was employed to analyze the data. The study concludes that, Safaricom Ltd like other big firms do practice CSR by choosing its own unique activities. The range of activities the firms is involved in included provision of good working conditions for employees, enhanced employees' welfare, truthful advertising, and empowering communities through provision of social services and food security and environmental conservation. Implementation of CSR activities in organization was largely done through employees, volunteers and other key stakeholders. The study further concluded that availability of resources, sustainability of projects, the moral obligation of giving back to the community as well as various regulations were some of the factors influencing corporate social responsibility practices adopted by Safaricom Ltd. Financial constraints, management attitude towards social responsibility and vested interest from various stakeholders were challenges mentioned in implementing CSR. Most interviewees agreed that corporate social responsibility activities had been of benefit to the organization. This was reflected in the improved company image, increased number of customers, attracting outstanding employees and improved profitability.

Key words; Corporate social responsibility, Strategy, Mobile Telephony

ABBREVIATIONS AND ACRONYMS

CSR   Corporate social responsibility

CCK   Communications commission of Kenya

NGOs   Non-governmental organizations

MPI   Meeting Professionals International

KQ   Kenya Airways

KRCS   Kenya Red Cross Society

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CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

The intensity of competition in today's business world coupled with the economic situation prevailing, all businesses including telecommunications want to do everything possible to survive. Hence all want a fair share of the total market, making corporate social responsibility (CSR) appealing to business to be the basis of which they can stage themselves to compete effectively to their advantage. Because of this, every marketing oriented firm is expected to develop a CSR programme in a way that can give it an edge to compete effectively. The telecommunication sector which falls under service marketing has its own level of difficulties which all their products do face when it comes to the sale of those products; this is because services are intangible in nature.

Corporate social responsibility is a concept which became popular in the late 20th century when a growing number of corporations began to think about their impact on society at large primarily because consumers became more aware of corporate activities around the world. Many organizations both in Kenya and beyond have embraced the concept of corporate social responsibility, a concept which is as old as commerce, (Guttman, 2004). The modern concept of CSR can however be traced back to Howard R. Bowen's 1953 publication of 'social Responsibilities of the Businessman,' considered to be the first definitive book on the subject. An organization which has decided to establish a CSR programme makes it transparent to the stakeholders and other interested parties by either including it in its mission statement or establishing departments that champions its CSR activities. In Kenya most companies have established foundations which they are using as

the vehicles to drive their CSR activities with Safaricom Limited doing that through its Safaricom Foundation. CSR however, is a controversial issue for business managers and their stakeholders (Tawiah, 2011).

1.1.1 Corporate Social Responsibility

Corporate social responsibility is known by several names such as social responsibility (SR), corporate citizenship, and in the case of tourism, corporate sustainability. The Dow Jones Sustainability Index (2005) web site defines corporate sustainability as follows: Corporate sustainability is a business approach that creates long-term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments. Corporate sustainability leaders achieve long-term shareholder value by gearing their strategies and management to harness the market's potential for sustainability products and services while at the same time successfully reducing and avoiding sustainability costs and risks (Holcomb, 2007).

In today's business world, CSR has gained prominence as businesses have responded to two major changes in the last decade: the increase of public concern over the environment and the free flow of information afforded by the internet. By taking a strategic approach to Corporate Social Responsibility, companies can determine what activities they have the resources to devote to being socially responsible and can choose that which will strengthen their competitive advantage. By planning out CSR as part of a company's overall plan, organizations can ensure that profits and increasing shareholder value don't overshadow the need to behave ethically to their stakeholders (Juholin, 2004).

1.1.2 Organization Strategy

Johnson and Scholes (2003) view strategy as the direction and scope of an organization over the long term that achieves advantages through its configuration of resources within a changing environment and fulfillment of stake-holders expectations. Strategy development should first address the present situation and resources of the organizations and examination of recent history of changing context both internal and external. This involves consideration of strengths and weaknesses and determination of how to capitalize on strengths and exploit opportunities. Strategy development should also articulate the organization's mission statement. Goals and objectives should then be set indicating the intended future direction of the organization. Few broad goals that reflect multiple objectives are recommended. After articulating the vision and determining goals, strategy developers must address the means of reaching those goals, (Lussier, 2004).

Strategy development however complex, costly to introduce and costly to implement, it still remains potentially very powerful tool for coping with the conditions of change which surround firms today. Its benefits range from enhancing ability of the firm to prevent problems, group-based strategic decisions are likely to draw from the best available decisions, employees understanding of the organization increases leading to their motivation, gaps and overlaps in activities among individuals and groups are reduced, and resistance to change is also reduced. There is evidence that it more than pays itself and therefore merits serious attention as a management tool, not only for the firm but also for a broad spectrum of social organizations, (Achua ,2004).

1.1.3 Corporate Social Responsibility and Organization Strategy

Powell (2001) views business strategy as the tools that manipulates the resources and create competitive advantage as well as ensuring survival and prominent placing in the market. On the other hand, according to (Lamb, Hair and McDaniel, 2002) competitive advantage is a set of unique features of a company and its products as perceived by its target market as significant and superior to the competition. It is the factor or factors that cause consumers to patronize a firm not the competition. Most of the firms today adopt various strategies to outwit their competitors such as product quality, cost leadership strategy, differentiation strategy and excellent customer service but consider the need to undertake CSR to be nothing. The purpose of CSR as a tool of competitive advantage is to win the fidelity of the community as a result of the intense and keen competition among the industries.

Firms which are unable to cope with the intense competition within the various industries in which they operate use CSR to otherwise gain the favor of the community in which they operate. Most firms that operate in the society use their resources and sometimes damage the environment and are not able to compensate them. The practices of CSR therefore create a symbiotic relationship between the firm and the community within which it operates, therefore giving them the insight about the importance and the need to be socially sensitive. The researchers view however of what CSR means is that it is a strategic move that the corporate level of an Organization undertakes by having the community that it operates at heart in the form of providing them with social intervention programmes as education sponsorships, sporting activities, recreational activities and social infrastructures such as schools, hospitals, roads, electricity and water supply.

1.1.4 Mobile Telephony Industry in Kenya

Mobile telephony has become the most important mode of telecommunications in developing countries, thus in Africa indeed .As stated above, the impressive growth of mobile telephony in Africa is indeed concerning Kenya as one of the most advanced country in this field of the Sub-Saharan Africa. At the end of 2007, Kenyan mobile operators offer services to more than ten million people so that nowadays one in three adults carry a cell-phone in Kenya and about the 80% of Kenyans are covered by mobile network signals. Historically, mobile telephones were first introduced in the Kenyan market in 1992, but the real diffusion of this technology and of affordable services started in 1999 when the communications Commission of Kenya (CCK) was established and the newly privatized company Safaricom Ltd and Airtel Kenya (previously known as KenCell Communications) were licensed by CCK to provide mobile services.

The evolution of mobile telephone in Kenya has been amazing with only 15,000 subscribers in the year 2000 to an impressive 30.7 million subscribers by December 2012 (Quarterly statistical report by CCK). The mobile telephone industry in Kenya has four players namely; Safaricom Limited, Airtel Kenya, and Orange Telkom and ESSar Telkom Kenya (YU). Safaricom dominates the market share at 65.3% followed by Airtel Kenya with 15.3%, Orange Telkom comes third with 10.6% and Essar Telkom is fourth with 8.7% market share (CCK, 2012).

1.1.5 Safaricom Limited

Safaricom, Ltd is a leading mobile network operator in Kenya. It was formed in 1997 as a fully owned subsidiary of Telkom Kenya. In May 2000, Vodafone group Plc of the United Kingdom acquired a 40% stake and management responsibility for the company. Safaricom employs over 1500 people mainly stationed in Nairobi and other big cities like Mombasa, Kisumu, Nakuru and Eldoret in which it manages retail outlets. Currently, it has nationwide dealerships to ensure customers across the country have access to its products and services. As per the financial statement of the year ending 31st March 2013, Safaricom had a subscriber base of approximately 19.1million, a turnover of Kes.106.995 billion and a net profit of Kes.12.627 billion. Most of its subscribers are in the major cities - Nairobi, Mombasa, Kisumu and Nakuru. Its headquarters are located in Safaricom House, Waiyaki Way in Westlands, Nairobi. It has other offices in the city center in I & M building, Kenyatta Avenue, on Kimathi Street and at Shankardass House - next to Kenya Cinema Moi Avenue. Its main rival is Airtel Kenya. Other rivals include Essar's YU and Orange Wireless.

Safaricom Ltd is actively involved in charitable activities where it helps the less fortunate in the society mostly through the Safaricom Foundation. The Foundation was established in August 2003 and is a registered charity funded by Safaricom Limited and the Vodafone Group Foundation. The work of Safaricom Foundation is an expression of Safaricom Limited's "Passion for the World around Us". The Foundation provides a formal process for charitable contributions to communities, community groups and Non-Governmental Organizations (NGOs) in Kenya who are key partners in responding to

social and economic development issues in the country. The Foundation supports initiatives / projects that provide sustainable solutions to the most pressing social challenges. Its specific focus areas are Education, Health, Economic Empowerment, Environmental Conservation, Arts and Culture, Music and Sports. The Foundation also responds to disasters and humanitarian emergencies. Safaricom Foundation's strategic directions contribute towards Kenya's development agenda.

1.2 Research Problem

Different scholars have taken different positions on whether firms should engage in CSR or not, some have supported while others are against. According to a study on corporate social responsibility (CSR) and its impact on businesses in a meeting of event planners under the umbrella *Meeting Professionals International (MPI) Foundation*, Aderlton, M (2012) reports that 80 percent of the meeting professionals felt that customer expectations for CSR will increase in the coming years. Meanwhile, 77 percent said it pleases them to buy from ethically and socially responsible organizations, and 68 percent that they will pay more to buy the products of a company that demonstrates its care for the well-being of society. He added in this regard that the industry is clearly making strides in sustainability.

In a separate study, Cone communications, a global public relations and marketing company reports in a survey of 10,000 consumers in the U.S., Canada, Brazil, the U.K., Germany, France, Russia, China, India and Japan that nearly 90% of consumers consider corporate social responsibility when deciding where to shop and that it is important for retailers to communicate about how products are made. The report also shows, however,

that though consumers may boycott companies they see as guilty of bad behavior, they will only favor one they see as better-behaving if the price and quality of its products are about the same (O'Donell, 2013).

Most studies on CSR revolve around the impact of CSR activities on a firm's value with most of them confirming a negligible or negative impact on firm value for firms with low advertising intensity, which suggests that for these firms the costs sometimes outweigh the benefits (Servaes & Tamayo, 2012). Barnett (2007), who argues that the response to CSR activities by customers is path-dependent; the same activity may lead to positive returns for one firm, but negative for another depending on the customers' prior knowledge about the firm's intentions. Du et al. (2010), likewise, conjecture that a good prior reputation amplifies the positive effect of CSR communication. It is based on these mixed results in empirical studies and the fact that most of them deal with the relationship between an Organizations CSR activities and the value of the firm that this study will seek answers to the question, what is the strategic orientation of CSR in an organization at Safaricom Limited?

1.3 Research Objective

This study will seek to fulfill the following research objective

i. To establish how Corporate Social Responsibility is oriented to strategy at Safaricom Limited.

1.4 Value of the Study

The study of corporate social responsibility and its strategic orientation will be of value in strategy formulation. In practice the findings of this study will help strategy formulators and implementers not only in Safaricom Ltd and the mobile telephony industry but also in other industries on how to integrate CSR as a strategic tool in their overall organization strategy. This study will assist management and strategy formulators in Kenyan organizations who have invested heavily in CSR on how to align their CSR activities and initiatives to the organizations strategic objectives.

The study is also expected to contribute to the existing body of knowledge on corporate social responsibility and its orientation to organization strategy. The study will also generate interest among academicians, scholars and researchers and therefore lead to further research in corporate social responsibility. Lastly the study will provide an in depth information in terms of literature review and form a reference point in examining CSR and strategy.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter presents the current literature that is related to the study topic and objective; it specifically covers literature review on the role of corporate social responsibility in an organizations strategy whereby the concept of corporate social responsibility and objectives of the empirical evidence on organizations strategy are discussed at length.

2.2 Theoretical Foundation

There is an array of theories offered either in support of or against Corporate Social Responsibility. Whereas some are based on the simple rationale of social and environmental sustainability, others focus on their capacity to woo customers and influence firms' financial performance. Garriga and Mele (2004) classified the main CSR theories and related approaches in four groups: (1) instrumental theories, in which the corporation is seen as only an instrument for wealth creation, and its social activities are only a means to achieve economic results; (2) political theories, which concern themselves with the power of corporations in society and a responsible use of this power in the political arena; (3) integrative theories, in which the corporation is focused on the satisfaction of social demands; and (4) ethical theories, based on ethical responsibilities of corporations to society. In practice, each CSR theory presents four dimensions related to profits, political performance, social demands and ethical values. The findings suggested the necessity to develop a new theory on the business and society relationship, which should integrate these four dimensions. This study reviews three of the theories from the four categories, of relevance to the subject matter.

2.2.1 Stakeholder Theory or Instrumental Theory

Modern corporate stakeholder theory (Cornell & Shapiro, 1987; Freeman, 1984; Jones, 1995; McGuire *et al.*, 1988) can explain part of the CSR/economic performance relationship. According to stakeholder theory the value of a firm is related to the cost of both "explicit claims" and "implicit claims" on a firm's resources. Claimants include not only the legal owners of the firm but other constituencies such as lenders, employees, consumers, banks, government, etc. Stakeholders who have explicit claims on the corporation include besides its owners lenders, employees, government, etc. In addition, there are others with whom the firm has made implicit contracts, which could include the quality of service and CSR. According to McGuire *et al.* (1988), if the firm does not honor these implicit contracts, then it is argued that the parties to these contracts may attempt to transform them from implicit to explicit agreements. The latter may be more costly for the firms involved.

According to Freeman (1984) and McGuire *et al.* (1988) the implications of the conversion of " implicit" to "explicit" contracts may have broader effects than the direct costs resulting from the forced change in its behavior (e.g. cost of installment of gas emission control equipment). For example, socially irresponsible actions in one area (e.g. gas emissions) may spill-over and affect the corporate image in other areas as well (e.g. unregulated issues on labor relationships). This could in turn result in other implicit stakeholders (e.g. trade unions) striving to make their claims explicit. Thus, firms with an image of high CSR may find that they face both fewer and lower-cost explicit claims than those with a less enlightened stance. Thus, from a theoretical perspective, arguments can

and have been made both for and against a positive relationship between social responsibility and concurrent or subsequent (to CSR) economic performance.

2.2.2 Corporate Citizenship Theory or Political Theory

Davis (1960) was one of the first to explore the role of power that business has in society and the social impact of this power. Although the idea of the firm as citizen is not new (Davis, 1973) a renewed interest in this concept among practitioners has appeared recently due to certain factors that have had an impact on the business and society relationship. Among these factors, especially worthy of note are the crisis of the Welfare State and the globalization phenomenon. These, together with the deregulation process and decreasing costs with technological improvements, have meant that some large multinational companies have greater economic and social power than some governments. The corporate citizenship framework looks to give an account of this new reality, as we will try to explain here. In the 80s the term ''corporate citizenship'' was introduced into the business and society relationship mainly through practitioners (Altman & Vidaver- Cohen, 2000).

Finally, in the extended view of corporate citizenship (Matten et al., 2003, Matten and Crane, in press), corporations enter the arena of citizenship at the point of government failure in the protection of citizenship. This view arises from the fact that some corporations have gradually come to replace the most powerful institution in the traditional concept of citizenship, namely government. The term ''citizenship'', taken from political science, is at the core of the ''corporate citizenship'' notion. For Wood and Logsdon ''business citizenship cannot be deemed equivalent to individual citizenship-

instead it derives from and is secondary to individual citizenship'' (2002, p. 86). Whether or not this view is accepted, theories and approaches on ''corporate citizenship'' are focused on rights, responsibilities and possible partnerships of business in society.

2.2.3 Sustainable Development Theory or Ethical Theory

Another values-based concept, which has become popular, is ''sustainable development''. Although this approach was developed at macro level rather than corporate level, it demands a relevant corporate contribution. The term came into widespread use in 1987, when the World Commission on Environment and Development (United Nations) published a report known as ''Brutland Report''. This report stated that ''sustainable development'' seeks to meet the needs of the present without compromising the ability of the future generation to meet their own needs'' (World Commission on Environment and Development, 1987).

The problem comes when the corporation has to develop the processes and implement strategies to meet the corporate challenge of corporate sustainable development. As Wheeler et al. (2003, p. 17) have stated, sustainability is ''an ideal toward which society and business can continually strive, the way we strive is by creating value, creating outcomes that are consistent with the ideal of sustainability along social environmental and economic dimensions''. However, some suggestions have been proposed to achieve corporate ecological sustainability (Shrivastava, 1995; Stead & Stead, 2000; among others).

2.3 Corporate social responsibility activities

Abbot,(1999) asserts that CSR activities, which encompass all legitimate stakeholders' implicit claims as stakeholder theory suggests, can improve firm value by (1) immediate cost saving, (2) enhancement of firm reputation, and (3) dissuasion of future action by regulatory bodies including governments which might impose significant costs on the firm (Bird et al., 2007). Moreover, he supported no particular relationship between CSR activities and financial performance (Abbott and Monsen, 1979; Alexander and Buchholz, 1978), partially arguing for the existence of too many confounding factors for researchers to uncover a particular impact from CSR on firm performance.

The practices of CSR are meant to create a symbiotic relationship between the firm and the community within which it operates. Firms therefore choose areas which will have the greatest impact to the community and get the best publicity for the organization. The areas that attract most CSR endeavours include; art, culture, health, sports, education, disaster management and environment preservation. The sports theme in Kenya has attracted many organizations sponsoring different events; Safaricom Limited has the annual "Safaricom Lewa marathon" and Kenya Arirways has its annual "KQ Massai Mara marathon". Education also attracts a lot of CSR funding with Equity bank and its "Wings to Fly" program which sponsors bright students from poor back grounds leading in this area. In disaster management Safaricom Limited lead other corporates and all Kenyans in 2010 in an exercise named "Kenyan for Kenya" initiative to raise funds to feed hungry Kenyans in Turkana and other parts of northern Kenya. The initiative raised close to Kes.700 million which was used to feed the targeted communities. In education

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and health sectors Organizations are involved in putting up infrastructure like class rooms and hospitals. In preservation of the environment Companies are either involved in direct interventions like tree planting to adopting green practices like reduction in gas emissions to producing environmental friendly products.

2.4 Organization strategies

There are as many definitions of strategy as there are the experts. Lack of unanimity has resulted in two broad categories of definitions; strategy as action inclusive of objective setting and strategy as action exclusive of objective setting, Rai University (2007). Johnson and Scholes (2002) give the most basic definition of organization strategy as the long term direction of an organization and the types of actions required to achieve the objectives. They also define it as the direction and scope of an organization over the long term which achieves advantage for the organization through its configuration of resources within a changing environment and to fulfill the stakeholders' expectations.

Most organizational strategies adopted by firms includes; (1) Diversification strategy which involves a firm investing in other products or services either in its existing area of specialization (i.e. related diversification) or a firm going in to new areas (unrelated diversification), the main goal of diversification is to spread the risk, (2) Mergers and Acquisitions where the latter takes place when an Organization develops its resources and competencies by taking over another organization while a merger results from Organizations voluntarily coming together to achieve synergy, (3) Integration which happens when a company is producing its own inputs or is disposing its own outputs, the former is known as upstream integration while the latter is known as downstream

integration, (4) Outsourcing, which is achieved after an organization does a value chain analysis to determine its core and non-core activities. The non-core activities are outsourced to other independent Organization who can perform them better and by so doing the firm is not only able to reduce cost but is also able to achieve efficiency in its operations, (5) Strategic Alliances which involves two or more companies collaborating by sharing resources and activities to pursue certain strategic goals.

Firms also adopt generic strategies to achieve and maintain competitive advantage. According to Porter (1980) these strategies include; (1) Cost leadership strategy where a firm wins a market share by appealing to the price sensitive customers by offering the lowest price to value ratio, (2) Differentiation strategy which is achieved when a firm differentiates its products in some way from those of its competitors, (3) Product segmentation or Focus, this is not a separate strategy per se, but describes the scope over which the organization should compete based on either cost leadership or differentiation.

2.5 Link between Corporate social responsibility activities and Organization strategies

Through CSR organizations could develop competitive advantages and core competencies around which Organization strategies are built. These Competitive advantages include; (1) Company reputation, is one of the identifiable reasons why a firm would engage in CSR activities since more and more of a company's products are sold based on the company's reputation and the brand value. (2) Committed and engaged employees, organizations use CSR activities or initiatives to attract and retain high quality employees.

Other competitive advantages realized through CSR activities include; (3) Learning organization and Innovations, Strategic CSR initiatives provide an organization with an opportunity to learn from the projects they invest in, driving new innovations throughout the company. (4) Improved Financing and Investor relations, an organizations CSR activities attracts attention from both financiers and investors especially now a days with a growing trend where financiers and investors are directing their money towards explicitly socially responsible organizations.

2.6 Empirical review

Very few empirical studies are available on the role of CSR activities in the developing countries (Belal, 2001). Most researchers, based on the viewpoint of Friedman (1970), have concentrated on studying the relationship between CSR activities and financial performance as measured by, for example, stock price changes (Vance, 2005), excess return (Wright and Ferris, 2007), or analysts' earnings-per-share forecasts (Cordeiro & Sarkis, 2007). Friedman argued that managements are selected by the stockholders as agents and their sole responsibility is acting on behalf of the principals' best interests. From Friedman's perspective, the one and only social responsibility of business is to use its resources and engage in activities designed to increase profits and wealth of owners. Any other activities disturbing the optimal allocation of scarce resources to alternative uses exert an adverse influence on firm performance.

Seemingly contradictory themes between Friedman's (1970) viewpoint and the stakeholder theory arise from the assumption that CSR, which considers the interests of a broad spectrum of stakeholders (suggested by stakeholder theory), is in fact detrimental

to value maximization activities of the firm (asserted by Friedman's viewpoint). However, Jensen (2001) attempted to reconcile the potential conflict between these two viewpoints by proposing enlightened stakeholder theory, which asserts that a firm cannot maximize its long-term value if it ignores the interests of diverse stakeholders. And, according to Post et al. (2002), a firm's capacity that generates sustainable wealth over time and its long-term value are determined by the relationship with both internal and external stakeholders. CSR, if it contributes to enhancing firm value, can be an appropriate corporate strategy as the stakeholder theory suggests, not an exploitation of shareholders' wealth to benefit other parties, as Friedman (1970) worried.

In a study on the consumers' reactions on corporate social Responsibility, Sen and Bhattacharia's ,(2004) findings implicated both company-specific factors, such as the CSR issues a company chooses to focus on and the quality of its products, and individual-specific factors, such as consumers' personal support for the CSR issues and their general beliefs about CSR, as key moderators of consumers' responses to CSR. The results also highlight the mediating role of consumers' perceptions of congruence between their own characters and that of the company in their reactions to its CSR initiatives. More specifically, the authors find that CSR initiatives can, under certain conditions, decrease consumers' intentions to buy a company's products.

2.7 Critical Review

Most of current CSR theories are focused on four main aspects: (1) meeting objectives that produce long-term profits, (2) using business power in a responsible way, (3) integrating social demands and (4) contributing to a good society by doing what is

ethically correct. This permits the classification of the most relevant theories on CSR and related concepts into four groups, instrumental, political, integrative and value theories. Most of the theories considered do not make explicit the implications of each specific approach for the aspects considered in others groups of theories.

The political group of CSR theories and approaches focus on interactions and connections between business and society and on the power and position of business and its inherent responsibility. They include both political considerations and political analysis in the CSR debate. Although there are a variety of approaches, two major theories can be distinguished: Corporate Constitutionalism and Corporate Citizenship, the latter which has been discussed earlier. Previous studies mainly in developed countries show mixed results as regards the role of CSR, with most of them concentrating on the role of CSR to the financial performance of firm, and CSR ability to influence consumer behavior. Some suggest a positive relationship, while others find that CSR initiatives can, under certain conditions, decrease consumers' intentions to buy a company's products, hence negatively impacting the firm's financial performance. Despite this, very few empirical studies have been undertaken in Kenya to establish the role played by CSR in Organizations strategy. Therefore, there is a gap of information; it is upon this reality that this study is based.

CHAPTER THREE:RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the design of the study, data collection methods and the sources as well as the tools used in data collection. The chapter also highlights the targeted interviewees and the technique to be used in data analysis in order to generate research findings for reporting.

3.2 Research Design

The study took a case study design where the unit of study sought to establish the strategic orientation of Corporate Social Responsibility in Safaricom Limited. The design is most appropriate when detailed, in-depth analysis for a single unit of study is desired. Case study research design provides very focused and valuable insights to phenomena that may otherwise be vaguely known or understood. The design enabled the researcher not only to establish factors explaining phenomena but also unearth underlying issues.

3.3 Data Collection Method

The study used both primary and secondary data; primary data was obtained from senior management staff at Safaricom Ltd who includes the head of corporate strategy and planning, customer service manager, head of human resource as well as the head of marketing, the corporate affairs manager was also targeted though he was not available for the interview. At Safaricom Foundation the researcher also interviewed other senior managers who included the corporate responsibility manager, the foundation manager, a

senior project officer and the monitoring and evaluation officer using an interview guide. The interview guide was used as the data collection tool to solicit data on CSR and the overall strategy. The study targeted ten (10) managers who comprised of five from Safaricom Limited and five from Safaricom Foundation though only eight were available for interview as indicated above.

These interviewees were better placed in providing required data because they play a leading role formulating, implementing and determining the CSR activities as well as integrating them with the overall corporate strategy. The interview guide was administered through personal interviews to allow for further probing. The secondary data was obtained from the Company's documented CSR activities and any other relevant information. The data was obtained through review of relevant documents, key among them Company's strategic plan and other relevant documentations.

3.4 Data Analysis

Both the primary and secondary data was qualitative in nature. Given this fact, content analysis was used to analyze the data. According to Nachmias and Nachmias (1996), content analysis is a technique for making inferences by systematically and objectively identifying specified characteristics of messages and using the same to relate trends. The data obtained was compared with existing literature in order to establish areas of agreement and disagreement.

CHAPTER FOUR:DATA ANALYSIS, RESULT AND DISCUSSIONS

4.1 Introduction

This chapter presents the result of the analysis of data collected through interviews targeting ten (10) managers drawn from Safaricom Limited and Safaricom Foundation. They included the head of corporate strategy and planning, corporate affairs manager, customer service manager, head of human resource as well as head of marketing. At Safaricom Foundation the researcher also interviewed other senior managers who included the corporate responsibility manager, the foundation manager, two senior project officers and the monitoring and evaluation officer using an interview guide.

The data was analyzed using content analysis based on meanings and implications emanating from respondents information and documented data. Specifically, it starts with the analysis of the general information of the respondent, and then proceeds to results on the corporate social responsibility and strategic orientation at safaricom limited in Kenya. The researcher targeted to interview 10 respondents and the study sought to determine corporate social responsibility and strategic orientation at safaricom limited in Kenya.

4.2 Response Rate

The researcher booked for the appointment with the various respondents in both Safaricom Limited and Safaricom Foundation. From the targeted 10 respondents in the managerial position in organizations, eight of them were available to undertake the interview and this made a response rate of 80%.

4.3 Corporate social responsibility activities

The interview guide sought response on the corporate social responsibility activities carried out by Safaricom Ltd through its Safaricom Foundation. From the responses received from the interviewees these initiatives includes; Good working conditions for employees, Employees welfare, Truthful advertising, Environmental conservation and involvement in Community activities. The Company supports projects that provide sustainable solutions to the most pressing social challenges with specific focus to areas like Education, Health, Economic Empowerment, Environmental Conservation, Arts and Culture, Music and Sports. The results reveal that the foundation also responds to disasters and humanitarian emergencies.

Moreover, the study inquired on how Corporate Social Responsibility activities are identified. It was clearly evident that first a request for sponsorship is sent by completing the form and attaching relevant documentation then through reviewing sponsorship requests by an internal committee which is done once a month, Corporate Social Responsibility activity is identified. On further probing to which areas that corporate social responsibility activities cover, the responses given revealed clearly that the specific focus areas are Education, Health, Economic Empowerment, Environmental Conservation, Arts and Culture, Music and Sports. The findings further indicated that it also responded to disasters and humanitarian emergencies. The study inquired some of the corporate social responsibility activities or projects undertaken in the last one year in the following areas;

Food Security and Economic Empowerment: Responses gotten from the field revealed that, the Foundation had supported 59 economic empowerment projects worth Kshs. 67

million. The foundation has partnered with the Kenya Community Development Foundation, to provide drip irrigation and greenhouses to communities in arid and semi-arid areas of the country, in order to provide food for domestic consumption, as well as foodstuff for sale to generate income. The initiative covered areas including Yatta, Kwale, Garissa, Turkana, and Marsabit.

Education: With the aim of providing quality education to Kenya's children, the Foundation has constructed and equipped libraries and laboratories in schools. The Foundation invested in infrastructural development and the provision of specialized learning equipment for special schools and schools in extremely marginalized areas. The Foundation supported 60 education projects worth Kshs. 81 million. Our support to institutions supporting children with special needs included the production of audio-books by the Africa Braille Centre, construction of a vocational training Centre at Reverend Muhoro School for the Deaf in Mukurweini and the donation of a school bus to Joytown Secondary School in partnership with Isuzu/General Motors.

Environmental Conservation: The Foundation has invested in supporting initiatives in environmental and wildlife conservation through participatory conservation activities, public education and sustainable preservation of natural resources. The Foundation supported 11 environmental conservation projects worth Kshs. 15 million. With due recognition to the growing challenge of e-waste management, the Foundation funded the purchase of a state of the art e-waste grinder for Computers for Schools Kenya. The grinder complements their already existing e-waste management center and will increase their grinding and recycling capacity. The Safaricom foundation was also involved in tree planting in the Nairobi national park.

Health: The Foundation supported initiatives that increase access to affordable health care, including specialized health care that is often out of the reach of many Kenyans. The Foundation partnered with health care service providers and communities in constructing and equipping health facilities, providing health information and services through medical camps and supporting the provision of specialized health services. The Foundation funded 25 health projects worth Kshs.38 million. The Foundation has ran a series of medical camps, providing a wide range of preventive and curative services in Turkana South, Mt. Elgon, Runyenjes, Sabatia, Gichugu, Karachuonyo, Kitui West, Mogotio and Mwatate. At these camps, diabetes and hypertension information and management services, eye care, dental care, VCT and family planning, paediatric care and general medical services are provided. Averages of 3,000 people were provided with free health services at these camps. In order to assist patients with renal failure a kidney dialysis machine was donated to Kenyatta National Hospital.

Water: The Foundation partnered with the Kenya Red Cross Society and Action Aid International –Kenya to implement large scale community water projects, under our Maji na Uhai' initiative. This year the Foundation committed funding for large scale water projects in arid and semi-arid areas of the country such as Katalwa, Gachoka, Garbatulla and Makueni. The Foundation funded 8 water projects worth Kshs 24 million. The Mumbuni – Katalwa Water Supply Project is an initiative of the Kenya Red Cross (KRCS) in conjunction with the Mumbuni and Katalwa communities, funded by the Safaricom Foundation. The Katalwa community used to walk 15km to draw water from the river or use raw water collected from ground water catchments (pans), whereas the Mumbuni community used raw water direct from the Tana River in their neighbourhood.

A total of 8,500 persons comprising 3 primary schools, I dispensary and one market center are currently benefiting from the project.

Arts, Music and Culture: The Foundation partners with organizations and community groups to preserve and promote Kenya's natural heritage in arts, music and culture. The Foundation donated Kshs.23 million to fund 2 projects in this category. The Foundation partnered with the National Museums of Kenya and the Kenya Museum Society to renovate the Louis Leakey Auditorium. The Auditorium is now a state-of-the-art multipurpose auditorium that is contributing towards revenue generation for the Museum.

From the results of findings, for the last one year, corporate social responsibility has covered the five major areas of economic empowerment projects, Environmental Conservation, Health, Water and Arts, Music and Culture. The study further explored factors put into consideration by the company in its corporate social responsibility (CSR) endeavors. It was evident that most of the respondents indicated both institutional and cultural environment factors focused to offer inclusive solutions that would socially and economically empower the society whose clients is part of and other stakeholders.

4.4 Organizations strategies

The study found of paramount importance to determine the organization strategies adopted by Safaricom Limited and from both the primary and secondary sources it was evident that some of the organization strategies adopted include;

Diversification Strategy: From inception and until the year 2007 Safaricom Ltd concentrated on the business of selling handsets, Sim cards and airtime (voice) with the latter forming the bulk of its revenues. To grow its revenue base and remain competitive

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it launched the M-pesa which is a technology revolution enabling subscribers to the service to send and receive money to and from their phones. The company almost at the same time diversified in to the data business where it started providing and selling internet connection. This strategy of diversification has opened up new revenue streams that has enabled the company remain not only ahead of its competitors but has also made it the most profitable in east and central Africa.

Innovation Strategy: The Company has adopted the innovation strategy in areas like finance, organization structure, customer care, products and technology to gain competitive edge. In the year 2007 the company launched the M-Pesa product, an idea that stunned the world. The idea was a revolution in payment settlement as it enabled subscribers to send or receive money through their mobile phones. This idea has also not only caused a revolution to the banking industry but has also demystified banking. It enables individuals to bank and withdraw money from their bank accounts, make payments as well as check balances through their phones at the comfort of their homes. M-Pesa as a product has continued to be the second biggest revenue stream for Safaricom Limited.

Strategic Alliances: Strategic alliance takes place when two or more organizations either in the same sector or different sector come together to share resources for the betterment of all parties involved. The resource could be an asset or an idea. Through the M-Pesa product Safaricom Ltd has gotten into strategic alliances with various financial institutions where the customer of the latter uses the M-Pesa platform to access banking facilities. This arrangement has enabled a big population of Kenyans that was initially unbanked to access banking services and in the process both Safaricom Ltd and the

Financial Institution raising income though charges for provision of the service. Safaricom Ltd is taking this strategic alliance beyond the financial institutions and intends to bring all other business on board through its campaign dubbed "Lipan a M-Pesa" which is intended to persuade business to adopt the cashless method of making payments.

Sustainable Strategy: Sustainability is fundamental to Safaricoms' strategic thinking. The company understands that they have a significant role to play as a responsible citizen. The company through a study done by a consultancy firm KPMG highlighted eight areas that require focus to guarantee the company's sustainability. These areas includes; The dynamic regulatory environment, energy security, network stability, innovation, suppliers ethics and performance, ethics and values, employee environment (i.e creating a healthy and happy working environment) as well as environmental performance.

Generic Competitive strategies: Safaricom Ltd has adopted some generic competitive strategies which includes: (1) Differentiation-This strategy has been used in the M-Pesa product where several services are offered to different classes of customers. Apart from sending and receiving money one can buy airtime from the M-Pesa account, send airtime to another person "sambaza" or even borrow some airtime. (2) Focus strategy-This strategy is applied where subscribers are classified in to either prepaid or postpaid with the former targeting less airtime users and the former targeting individuals and corporates that are heavy airtime spenders. (3) Market penetration and pricing strategies- This strategy is used by segmenting the market through tariffs enabling mobile phone users to

subscribe to tariffs that most favourable to them. The company has also adopted per second billing as opposed to the per minute billing as a pricing strategy.

4.5 Link between Corporate social responsibility activities and Organizations strategies

The interviewees were requested to give some opinions on whether in their view there is any relationship between corporate social responsibility activities and the Organizations strategies. Based on the responses gotten from the field it emerged out clearly that there is a link between corporate social responsibility and Organizations strategies In Safaricom Limited. Corporate social responsibility was viewed to offer the companies improved relationships with key constituents, more loyal customers and an overall improvement of the business' standing in society. It was also seen as a key determinant in shaping the relationship and future of the company with their stakeholders and an opportunity to meet societal needs that individual philanthropy may not be able to address. It was evident that the CSR initiatives not only gave the company good publicity but also helped in the uptake of its products by the public.

The study further investigated if whether Corporate Social Responsibility programs are integrated with the overall corporate strategy and also if it is part of the Organizations mission, vision and objectives. The researcher established that the work of Safaricom Foundation is a reflection of Safaricom Limited's' believe and slogan "passion for the world around us". Most respondents also indicated that indeed Corporate Social Responsibility is integrated with the overall corporate strategy. This fact is further underpinned by the foundations vision "A prosperous Kenya, where people's lives are positively transformed" and its mission statement "To partner with local communities to

address social, economic and environmental issues to foster positive and lasting change". The fact that Safaricom ltd is the biggest financier of the foundation is a further confirmation that it is part of its strategic plan. Corporate leaders have seen the need to integrate social responsibility initiatives into their overall business strategy. Safaricom Foundation for example has established clear corporate social responsibility policies which spell out how projects are identified and funded. The responses further noted that corporate social responsibility practices were outlined in the Foundations mission, vision and specifically articulated in its values.

The study also sought to establish various views pertaining corporate social responsibility initiatives on the following areas;

Growth in market share: The respondents admitted that CSR initiatives attract a lot of publicity which adds a lot of value to brand visibility. The head of marketing indicated that by investing a lot in social initiatives the company has won the heart of the public which has in turn helped in the uptake of the company's product in the market. CSR has endured the Organization in to the heart of the community who are the customers and this has helped in growing its market share which currently stands at 65%.

Organization learning and new innovations: On organization learning and new innovations the study noted that over 1.3 billion people lack access to electricity. Safaricom as mobile network operators have become adept at generating their own off-grid power as mobile penetration has outpaced the growth of the electricity grid. Community Power from Mobile (CPM) works to leverage the scale of mobile technology and infrastructure to improve the case for off- grid telecoms and provide millions of underserved people access to vital energy services. Since the launch of the programme in

November 2010 the evolution of the original concept-that excess power from mobile towers is used to provide energy services to surrounding communities.

Attraction and retention of high quality employees: The findings further revealed that corporate social responsibility is also extended to employees through innovative employees' welfare initiatives. Safaricom Ltd has established a day care center where the young parents can bring their young children to work and see them during break times. This initiative has attracted and retained high quality, committed and engaged employees. The results further reveals that when employees view their organization's commitment to socially responsible behavior more favorably, they also tend to have more positive attitudes in other areas that correlate with better performance, such as customer service. Corporate Social Responsibility is important driver of employee engagement and retention. CSR perceptions shape employees' subsequent attitudes and behaviors towards their firms. Job applicant and employee perceptions of a firm's CSR affects how attractive these individuals perceive the firm to be, and employee satisfaction with CSR leads to enhanced job satisfaction, organizational commitment and organizational citizenship.

The researcher further probed the connections between CSR and company reputation where it was evident that CSR practices or initiatives endures the organization in the hearts of the community in which it operates in. They also ensure that implicit responsibilities by stakeholders like consumer protection groups are not turned in to explicit once which could be more expensive. It was evident that, corporate social responsibility is a tool for advancing organization's objectives not necessarily related to social responsibility. Many organizations are recording both tangible and intangible

benefits as a result of incorporating social responsibilities in their business strategies. The perception that corporate social responsibility is a voluntary activity is gradually changing as institutions work hard to achieve sustainable growth and development through social programs.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents findings and conclusions based on the objective of the study which was to establish corporate social responsibility and strategic orientation at Safaricom limited in Kenya. This chapter also contains a summary and recommendations for improvement arising from the study and proposes direction for further research.

5.2 Summary of the findings

The study revealed that Safaricom Ltd, like other big firms do practice CSR by choosing its own unique activities. The range of activities the firm was involved in included good working conditions for employees, employees' welfare, product safety, truthful advertising and community based activities as well as environmental issues. Implementation of CSR activities was largely done through employees, volunteers and other stakeholders. The moral need to be socially responsible, sustainability of projects, availability of resources as well as regulations were determined as the factors influencing corporate social responsibility practices adopted by the organization. Financial constraints, management attitude towards social responsibility and vested interest by some stakeholders were challenges faced in implementing CSR. All the respondents agreed that corporate social responsibility activities had been of benefit to the organization.

This was reflected in the improved company image or reputation, increased number of customers or market share, attracting outstanding employees as well as improved profitability.

5.3 Conclusions

The study concludes that, Safaricom Ltd like other big firms do practice CSR by choosing its own unique activities. The range of activities the firm was involved in included good working conditions for employees, enhanced employees' welfare, product safety, truthful advertising, and community based activities, emergency and disaster response as well as environmental conservation. The findings of the study further concluded that the implementation of CSR activities is done through employees, volunteers as well as other key stakeholders.

The analysis further concluded that the moral need to be socially responsible, sustainability of projects, availability of resources as well as various regulations were the factors influencing corporate social responsibility practices adopted by the organization. Financial constraints, management attitude towards social responsibility and vested interests from various stakeholders were the challenges mentioned in implementing CSR. Most respondents agreed that corporate social responsibility activities had been of benefit to the organization. This was reflected in the improved company image and reputation, increased number of customers and growth in market share, attracting and retention of outstanding employees and improved profitability.

5.4 Recommendations

For effective aligning of CSR to the Safaricom Limited's corporate strategy, this study recommends that,

(i)   The management of Safaricom Ltd should evaluate the outcomes from the Foundation's investments in order to understand if and how they positively impact on the overall performance of the company. This would include performing market research that examines the effects of CSR initiatives on strategic outcome like market share growth for Safaricom Ltd that would be particularly informative.

(ii)   Safaricom Ltd and the Foundation ought to engage the stakeholders more to enable them perceive value in all CSR activities so as they support the firm's engagement in it. This should be particularly so for the customer who is a key stakeholder for any business enterprise.

(iii) The company ought to identify a lead stakeholder who is an expert in the area identified for a CSR initiative. For example in disaster management Kenya Red Cross Society should be the lead stakeholder, in environment conversation organizations like Kenya Wildlife services, Kenya Forest Services, National environmental management services ought to take lead in their respective areas. This would guarantee success and more value creation from these initiatives.

(iv)   Safaricom Foundation should endeavor to examine the potential value creation of CSR activities and align this value to Safaricom Limited's overall strategy.

5.5 Limitations of the Study

The researcher encountered various challenges while conducting the research which included the fact that the organization employees were hesitant in giving information which they regarded as confidential. In addition, some of the respondents did not find the subject to be of interest hence reluctantly responded. Additionally, some respondents would not want to give the information as they considered it of competitive importance. The respondents being normally very busy people may not have found adequate time to respond to the questions. Time limitation made it impractical to include more respondents in the study. This study was also limited by other factors in that some respondents may have been biased or dishonest in their answers. More respondents would have been essential to increase the representation of Safaricom limited team in this study and allowed for better check of consistency of the information given. However, the researcher did look for contradictions in the information given and no inconsistency were found

5.6 Suggestion for Further Studies

Given the limitations and scope of this study, the researcher recommends the following for further studies.

i. A study on challenges facing the mobile phone companies aligning corporate social responsibility to corporate strategy should be carried out on an expanded population comprising all the four companies in the industry.

ii. For comparative purpose, this study should be carried out but based on a different context, say banking sector and compare the CSR alignment to corporate strategies in both contexts.

iii.   A study on challenges facing the Safaricom Foundation in aligning corporate

social responsibility to corporate strategy of Safaricom Ltd should also be carried

out.

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APPENDICES

APPENDIX I: COVER LETTER

JOSEPH WACHIRA WARURU,   **15th September 2013**

University of Nairobi,

P.O Box, 30197

Nairobi.

Dear Sir/Madam,

RE: DATA COLLECTION

I am a postgraduate student at University of Nairobi undertaking a Master of Business Administration degree Program majoring in Strategic Management. One of my academic outputs before graduating is a research project and for this I have chosen the research topic "**CORPORATE SOCIAL RESPONSIBILITY AND STRATEGIC ORIENTATION AT SAFARICOM LIMITED IN KENYA**".

As my topic confirms I have chosen your Organization as the subject of my study and selected a total of ten managers as my respondents. This is to kindly request you to allow me collect data by interviewing the selected respondents. The information you provide will be used strictly for academic purposes and will be treated with utmost confidence. A copy of the final report will be availed to you upon request. Your assistance will be highly appreciated.

 Yours Sincerely,

JOSEPH WACHIRA WARURU

APPENDIX II: INTERVIEW GUIDE

A) Section I: Background of the respondent

i.   Interviewee's managerial position:_____

ii. Years with the Company:_____

iii. Years in the current position: _____

B) Section II: Corporate social responsibility activities

I. Which are some of the CSR activities carried out by your company?

ii. How are these CSR activities identified?

iv. Who are involved in the selection?

v.   Which areas do the CSR activities cover?

vi. What are some of the CSR activities or projects undertaken in the last one year?

vii. What Factors does your Company Consider in its corporate social responsibility
     (CSR) endeavors?

C) Section III: Organizations strategies

i.   What are some of the organization strategies adopted by your Organization?

ii. Who are responsible for your organization strategies?

iii. How does the CSR concept influence your organization strategies? Explain.

D) Section III: Link between Corporate social responsibility activities and
     Organizations strategies

i. In your opinion, is there any relationship between corporate social responsibility

activities and the Organizations strategies named above?

ii. Are the CSR programs integrated with the overall corporate strategy? Is it part of the Organizations mission, vision and objectives?

iv. In your opinion what role do you think CSR initiatives play in the following areas?

  a) Growth in market share

  b) Organization learning and new innovations

  c) Attraction and retention of high quality, committed and engaged employees

  d) Enhancing company reputation

  e) Improving Financing and investors relationship

APPENDIX III: LETTER FOR DATA COLLECTION

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA PROGRAMME

Telephone: 020-2059162 Telegrams: "Varsity", Nairobi Telex: 22095 Varsity	P.O. Box 30197 Nairobi, Kenya

DATE..*13/09/2013*

TO WHOM IT MAY CONCERN

The bearer of this letter ..*JOSEPH WACHIRA WAKWAH*.....

Registration No...*0.61/62981/2011*.....

is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.

PATRICK NYABUTO
MBA ADMINISTRATOR
SCHOOL OF BUSINESS

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
13 SEP 2013
MBA Office
P.O. Box 30197 – 00100, NAIROBI

APPENDIX IV: DATA COLLECTION AUTHORIZATION LETTER

SAFARICOM COMPANY LIMITED

P.O. Box 46350 00100, Nairobi, Kenya, Physical Address: Safaricom House, Waiyaki way; Cell phone: +254 20 427 3272.

www.safaricom.co.ke,

Date 23rd, September, 2013

Dear Sir/ Madam

RE: DATA COLLECTION EXERCISE-JOSEPH WACHIRA WARURU ID NO.20758825

This is to confirm that the above named individual has been granted an opportunity to collect data from our organization as per his request dated 15/9 /2013, kindly assist him.

He is required to comply with our organization's laid down procedures during the exercise and the information provided should only be used strictly for academic purposes.

Thank You.

LEE KARIUKI

OPERATIONS MANAGER

SAFARICOM COMPANY LTD.

APPENDIX V: SAFARICOM LIMITED ORGANIZATIONAL STRUCTURE

Chief Executive Officer
Bob Collymore

Pauline Warui — Director Customer Care
- Head of Call Centre Operations — **Daisy Mutai**
- Head of Contact Centre Support — **Timothy Nderi**
- Senior Managers-Business Partners — **Galdermier Opiyo**, **Madlyne Njoroge**, **Paul Kamau**

John Tombleson — Chief Finance Officer
- Head of Supply Chain Management — **Francis Murabula**
- Head of Credit & Customer Billing Department — **Mary Nyale**
- Head of Financial Operations — **Genue Mwaura**
- Head of Business Planning & Support — **Wangeci Kanjama**

Nicholas Mulila — Director Risk Management
- Head of Revenue Assurance & Fraud — **Patrick Kinoti**
- Head of Enterprise Risk — **Sharon Holi**
- Head of Security — **Mike Kariuki**
- Senior Manager AML Office — **Mercy Buku**
- Senior Manager-Risk Business Partner EBU & FS — **Della Ayugi**

Thibaud Rerolle — Director-Technology
- Head of Network Engineering — **Robert Mutai**
- Head of Regional Network Operations — **Oscar Oduor**
- Head of Strategy & Planning — **Angela Wamola**
- Head of Network & Service Operations — **Elly Odera**
- Senior Manager-Technology Security — **Anthony Gacanja**
- Head of Products & Services Development — **Kenneth Okwero**
- Head of Special Projects — **Shaka Kwach**
- Head of IS Operations — **Donald Twesiga**
- Head of Quality & Service Assurance — **James Maitai**

Roy Masamba — Director Resources
- Head of HR Operations — **Vacant**
- HOD-Talent & Resourcing — **Christine Okoth-Wachira**
- HOD HRBP CBU & EBU — **Maria Shipiri**
- Senior Manager-Organization Effectiveness & Change — **Respar Masinde**
- Senior Manager-Reward & Policy — **David Muturi**
- Senior Manager Learning & Development — **Peter Njiaka**
- Senior Manager HRBPS VGE/FS & Marketing — **Joseph Mokaya**
- Senior Manager-HRBP Technology — **Florence Odhiambo**
- Senior Manager-HRBP Corporate Centre — **Marilyn Mbuthia**
- Senior Manager HRBP Customer Care — **Julius Mwaura**

Rita Okuthe — Director Marketing
- Senior Manager-M-PESA Marketing — **Lilian Onyach**
- Senior Manager Consumer Marketing — **Fiora Balya**
- Senior Manager Enterprise Marketing — **Titus Wainaina**
- Senior Manager Brand Specialist — **Caroline Gichuru**
- Senior Manager Media & Marketing Activations — **Peter Omwenga**
- Senior Manager Events & Sponsorships — **Zaheeda Suleman**
- Senior Manager Research & Customer Insights — **Heldah Wakhungu**

Peter Arina — General Manager Consumer Business Unit
- Head of Retail Sales — **Jannet Atika**
- Head of Consumer Sales — **Nicholas Mruthu**
- Head of Consumer Planning & Pricing — **Fawzia Ali Kimanthi**
- Head of Internet & Content — **Morris Maina**
- Acting HOD-Customer Value Management — **Claire Munene**

Joseph Ogutu — Director Strategy & Innovation
- Head of Innovation — **Veronica Ogeto**
- Head of Strategic — **Robert Ochola**
- Senior Manager Business Analytics — **Urbanus Kioko**
- Senior Manager-Projects — **Alex Siboe**

Sylvia Mulinge — General Manager Enterprise Business Unit
- Head of Enterprise Business Development — **Nancy Matimu**
- Head of Enterprise Service Delivery — **Geoffrey Wandeto**
- Head of Sales & Retention — **Tony Tugee**
- Head of Enterprise Transformation — **Emily Gichuki**
- Senior Manager Enterprise Customer Experience — **Allan Muchugure**
- Senior Manager Enterprise Business Planning & Pricing — **Fredrick Kiio**
- Senior Manager SME/SOHO — **Julius Wanyaga**

Betty Mwangi — General Manager Financial Services
- Head of M-PESA Strategy — **Sitoyo Lopokoiyit**
- Head of M-PESA Product Development & Operations — **Erick Karobia**
- Senior Manager M-PESA Product Management — **Lucy Muchira**

Nzioka Waita — Director Corporate Affairs
- Head of Regulatory & Public Policy — **Stephen Chege**
- Head of Legal & Secretarial Services — **Justine Njonjo**
- Head of Corporate Responsibility — **Sanda Ojiambo**
- Head of Corporate Communications (Internal/External) — **Elizabeth Yoga**

Denis Osodo — Director-Internal Audit
- Head of Information Systems Audit — **Hildah Nduati**
- Senior Manager Internal Audit — **Judy Mwangi**

APPENDIX VI: SAFARICOM FOUNDATION ORGANIZATIONAL STRUCTURE

SAFARICOM FOUNDATION ORGANIZATIONAL STRUCTURE

```
                    ┌─────────────────────┐
                    │  BOARD OF TRUSTEES  │
                    └─────────────────────┘
                               │
                    ┌─────────────────────┐
                    │  HEAD OF CORPORATE  │
                    └─────────────────────┘
                               │
                    ┌─────────────────────┐
                    │ FOUNDATION MANAGER  │
                    └─────────────────────┘
                               │
        ┌──────────────────────┼──────────────────────┐
┌─────────────────┐   ┌─────────────────────┐   ┌─────────────────┐
│ Snr Project     │   │ Monitoring &        │   │ Snr Project     │
│ Officer         │   │ Evaluation          │   │ Officer         │
└─────────────────┘   └─────────────────────┘   └─────────────────┘
```