APPLICATION OF CORPORATE SOCIAL RESPONSIBILTY BY SAFARICOM LIMITED AS A STRATEGY TO INCREASE COMPETITIVENESS IN KENYA

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A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION, SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

DECLARATION

This research project is my original work and has never been submitted for examination to any other University.

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D61/ D61/71551/2008

This project has been submitted with my authority as the university supervisor.

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ACKNOWLEDGEMENT

DEDICATION

This project is dedicated to my parents, Mr. and Mrs. Peter and Elizabeth Wanjala Simiyu, my siblings Lilian, Mary, Alfred and Sue, for their unconditional love, moral support and encouragement when I was pursuing my studies.

ABSTRACT

Environmental complexity and dynamism has forced firms to shift focus from the consumer only and pay a little attention to the society and other key stakeholders of the organization. CSR is one of the ways that firms use as a way of giving back to the society. This objective of this study was to determine how Safaricom Limited used CSR as a strategy for competitiveness. A case study research design has been used in the study. . It was anchored on a real-life situation and results were based in a rich and holistic account of a phenomenon. The study used qualitative forms of data collection. An interview guide was used for data collection processes and procedures. Primary data was gathered by interviewing all the five departmental heads at Safaricom Limited, who were: the head of strategy and innovation, head of finance, head of customer management, head of operations management and the head of marketing. Content analysis has been used to analyze the data.. The study concludes that Safaricom Limited adopts CSR activities which are aimed at improving the livelihoods and environmental conservation. These activities include providing donations, charitable activities and environmental conservation. The company is concerned about the welfare of its employees and the working the environment for the employees. The findings further conclude that CSR is part of the company's policies which is aimed at enhancing value and educating their customers about their products or services. The study recommends that Safaricom Limited should increase its budgetary allocation on CSR to increase its activities and programmes. This will enable the company to identify priority areas where more funds can be channeled to improve the livelihoods of the less fortunate in the society. Time and cost constraints were the major reasons limited the case study to Safaricom Limited. Therefore, the findings obtained in this study are unique to Safaricom Limited and cannot be applied either directly or indirectly to another Mobile Telecommunication firm for making generalization. A similar study should be conducted in all the three Mobile Telecommunication firms in Kenya to find out how these firms utilize CSR as a strategy to enhance competitiveness. This will enable the researcher to compare findings and establish some of the common CSR strategies used by these firms and hence a more reliable conclusion can be drawn.

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ABBREVIATIONS AND ACRONYMS

CA   Communications Authority of Kenya

CAGR   Compound Annual Growth Rate

CSR   Corporate Social Responsibility

GSM   Global System for mobile communications

KCB   Kenya Commercial Bank

KP&TC   Kenya Posts and Telecommunications Corporation

RBV   Resource-Based View

UK   United Kingdom

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The world of business is changing, Kotler & Lee (2004) most organizations are looking for more competitive and unique strategies to boost their corporate goals and objectives. Corporate Social Responsibility (CSR) has received growing attention as a viable component of the business overall strategy; this is because it enables a firm to build a corporate reputation which is a key driver towards the achieving an organization's goals and objectives. Ramasamy & Yeung (2009) argue that the ethical reputation of business is thought to be important in its strategic overall positioning.

This study is anchored by three theories: Resource-based View (RBV), Stakeholder Theory (ST) and Institutional Theory (IT). RBV holds that the organization's reputation is an intangible resource that creates a positive corporate image that develops trust to customers (Barney, 2001). Stakeholders' theory puts more emphasis on the importance of addressing the needs of all the stakeholders in the organization. Institutional theory focuses on the need for the organization to abide with the rules and regulations in the environment for it to survive.

Telecommunications firms have realized the importance of giving back to the society as part of their corporate duty. Companies in the Telecommunications industry are considering integrating their CSR into their strategic plans because of increasing demands from customers, government bodies and the promotion of openness among the employees for the companies in their work environment as well as to maintain acceptable standards of business practice. Internationally, government regulations are evolving very fast; this has brought fundamental changes to business strategies.

In both the U.S. and Europe, regulators seem to want more control over the Telecommunications firms especially in some of the practices that they engage in for example CSR (Scott, 1995). Telecommunication firms in Kenya today are considering the society as an important stakeholder to the success of their business. Safaricom being one of the companies in the Telecommunication industry has a foundation which participates in CSR activities namely; music, education health, environment, economic empowerment, sports, as well as arts and culture. (Waruru, 2013).

1.1.1 Concept of Strategy

Porter (2008) defines a strategy as a plan or method for achieving specific goals and objectives for a long period. A company's strategy should be recognized and undertaken by all the employees and other stakeholders. It acts as a guide on how decisions should be made in the company. The strategy developers should always be conscious of whom they are and what they stand for in the company. Their decisions should be made out of wide consultation and research. According to Thompson & Strickland (2008), a good strategy enables an organization to marshal and allocate its resources in a unique way by way depending on its internal competencies, limitations, competitor's contingent plans, and relevant environmental changes. Strategies in a company provide a clear, concise and strategically sound direction on how the set goals will be achieved.

The top management of the firm is charged with the responsibility of determining the strategies based on the opportunities or challenges in the environment. They should provide adequate support to their employees regarding resources and facilities to provide a clear direction that brings the employees and the top management together to pursue a shared goal through a common vision.

The chosen strategies should fit the current needs of the customers in order to enhance value and competitiveness (Hitt, Ireland & Hoskisson, 2007). A strategy helps to build and strengthen a firm's long-term competitive position over its rivals by exploiting its full potential to produce value adding goods and services that meet customer needs (Thompson & Strickland, 2008).

1.1.2 Corporate Social Responsibility

According to Kotler & Lee (2004), Corporate Social Responsibility is defined by Kotler & Lee (2004), as the voluntary activities that are carried out by a company to operate sustainably by taking considerations of the economy, society, and in the environment needs. CSR should be embodied in every company's strategic plan because it is among the few practices that enables a company to impact positively to all the three elements of the Triple Bottom Line approach comprising of the planet, profits, and the people. Additionally, it facilitates a company to be sustainable in the long term as to have a healthy bottom line. Ashridge Business School UK. (2005) indicate that corporate social responsibility practices include; customer concern; environmental conservation, philanthropic activities and employees' policies. These practices play a crucial role in building corporate reputation and customer confidence on products and services. It also promotes good relationships with stakeholders (Kotler & Lee, 2004).The significance of CSR is that it enables firms to act ethically and responsibly in executing its business. Firms incorporate ethical principles and standards as part of their strategic goals and vision.

CSR minimizes the firm's social and environmental risk factors; this is because the costs of losing the social license might impact negatively on the firm (Ramasamy & Yeung, 2009).

1.1.3 Firm Competitiveness and Strategy

Competitiveness of a firm is a concept that is multidimensional. It can be analyzed from the dimensions of a firm, industry, and country. Competitiveness is a word borrowed from a Latin word, competer, implying that there is a rivalry for markets among businesses. According to Barney & Ketchen (2001), at a firm level competitiveness, a company is able to design and produce superior and competitive products. . The strategies that companies utilize to achieve a competitive edge against competitors is aligning competitive process to core functions of the organization that includes: operation management, human resources, strategic management, and the technological management process.

Strategies are useful to the organization since upon their successful implementation, the organization is able to exploit its full potential by maximizing on its core competencies this leads to the realization of competitive advantage. The organization can produce more quality products and services at a cheaper cost than its competitors. Competitiveness is derived from a number of sources, such as the organizational processes and assets. The sources can either be tangible or intangible. The assets are either created (infrastructure) or inherited (natural resources). The processes convert assets to achieve economic gains from sales to customers (Momaya, 2005). The strength of a firm is depends on its performance in the market based on its competitors, goods and services, people, skills, and successes in strategy implementation (Barney et al., 2001).

1.1.4 Telecommunication Industry: Global Perspective

Globally, Telecommunication firms consist of fixed-line Telecom (wireline) and the wireless telecommunication services. Most companies that offer telecommunication

services in the global market are adopting different strategies to cater for the growing needs of the customers. One of the top five players serves wireless, and wireline markets is Lucintel's the global market leader in the Telecommunications in Europe. In the world market, the telecom industry has transformed beyond recognition over the last ten years; the customer needs are more competitive such that they can be predicted. The performance of the Telecommunications firms had improved as from the year 2005 when the global industry revenues stood at an estimated 10 percent by the year 2013. The world telecommunication services industry has had significant growth over the last five years; it is expected to continue its growth momentum to an approximately US $1,840 billion in 2016 with a Compound Annual Growth Rate (CAGR) of 5% over the next four years (Zabid, Rashid & Saadiatul, 2002).

The Telecom sector is going through a fundamental transformation. They canges are brought about by the dynamic needs of the consumer, mobile technological changes, , innovation, and sustainable revenue opportunities and the need to realize these strategic goals quickly. For the telecoms operators to survive in the market, they need to change their business models entirely and their service offerings. (Zabid et al., 2002). This is because the completion is increasing from non-telecoms providers such as banks, low network investments, and the new adventure in digital media as well as mobile technology.

1.1.5 Telecommunication Industry in Kenya

Previously, all the Telecommunications services were regulated by the East African Community until 1977 when the Kenya Posts and Telecommunications Corporation (KP&TC) started its operations making it difficult to move from monopolized structure to a liberal market structure of communication. In 1999, KP & TC was

disbanded to give room for Telecommunication sector reforms that were undertaken to allow competition in this sector. The liberalization of Telecommunication sector has received growing attention and inquiry by the public and Communication Authority of Kenya. Even though this sector has realized a positive growth, it has a long way to go considering the vision of liberalization under the statute and policy statement.

The policy statement fails to define the time frame for which the changes are expected to occur; it remains unclear about increased progression towards privatization of the sector (Hequan, 2009).To date, the country has faced significant changes of the sector with key players such as Safaricom Limited, Airtel Kenya, and Orange. The communications authority of Kenya has in the past fifteen (15) years Licensed four mobile operators namely Safaricom Limited, Airtel Kenya and Essar (Yu);(all of which are global operators) and several internet service providers like Wananchi and Jamii Telkom. Cleary, the level of competition in this sector has intensified in both data and voice service provision (Omae, Langat & Ndung'u, 2015).

Liberalization of the Telecommunication industry paved a way for the emergence and use of mobile phones; the two main providers were Telkom Kenya (the former state-owned monopoly) and the Vodafone-owned Safaricom.

Use of mobile phone has led to the growth of the middle-class in Kenya by reducing the communication costs which has improved efficiency in conducting business. Telecommunication firms have extended their services to include the provision of internet services. This has resulted in private investment of Telecom firms such as Vodafone, France Telecom's and Essar Communications. Telecommunication firms and internet industry in Kenya has to go through major changes as a result of

technological advances and regulatory restructuring. The telecom industry had been identified among the fastest growing sectors in Africa back in 2012. It generated approximately US$ 1.7 billion in revenue expected to grow at annual growth rate of around six percent up to the year 2017(Pyramid Research, 2013).

1.1.6 Safaricom Limited Kenya

Safaricom Limited Company was first publicly listed on 16th May 2002. It is during the same period that it initiated its Global System for Mobile communications (GSM). Safaricom Limited is partly owned by the Kenyan government thirty-five percent, Vodafone forty percent, and twenty-five percent is owned by independent investors. The company has new products like Mpesa, Mshwari in partnership with Commercial Bank of Africa (Ong'a ng'a, 2014). The Safaricom products are classified in five categories. Namely; M-Pesa, Enterprise, Consumer, International Roaming and Data and Messaging. M-PESA is a product of Safaricom that enables users to transfer money using mobile phones. This product is available to the public members even if they lack a bank account. Safaricom limited have partnered with Vodafone to offer the product. Safaricom Limited is a leading provider of communication solutions that also includes; voice, video, and data requirements.

 The firm offers high-speed broadband data to its large customer base through 4G and 3G network (Akinyi, 2006). AS part of its CSR strategy, Safaricom Foundation has made great efforts in the following thematic areas: arts and culture, music, environmental conservation, education, health sector, water, disaster relief, and economic empowerment. This foundation believes that these are the key areas that it can make best use of its resources to improve livelihoods and give back to the society.

1.2 Research Problem

Organizations have realized the importance of a strategy as a tool that enhances the realization of firm's competitiveness (Hitt, Ireland & Hoskisson, 2007). Organizations that aspires to develop a successful strategy must understand the competition this can help them to craft a strategy that specifically targets to meet specific needs of the customer. Kotler & Lee (2004) state that strategic positioning is one of the ways that firms are current resulting to as a way of ensuring that strategies adopted by companies are sustainable and competitive. Environmental complexity and dynamism has forced firms to shift focus from the consumer only and pay a little attention to the society and other key stakeholders of the organization. CSR is one of the ways that firms use as a way of giving back to the society (Porter, 2008).

In the global market arena, the telecommunication companies strain to create a picture of companies that are conscious of the social needs of the public. They actively participate in socially beneficial programs that offer extra advantages to the company such as long-term profitability and sustainability of the firm and improved corporate reputation of the organization (Zabid, Rashid & Saadiatul, 2002).

Telecommunication industry faces stiff competition for customer numbers and sustainability of competitive edge.

This has forced these firms to devise unique ways to cope with this kind of competition. Waruru (2013) maintains that Safaricom Limited being one of the Telecommunication firms engages in CSR activities to build their corporate reputation, create awareness about its products and services and as a way of giving back to the society. However, it is not clear whether these practices contribute to its competitiveness.

Some firms that have adopted CSR as a strategy have succeeded while others have failed: Siltaoja (2006) studied the link between CSR and reputation of service firms in Europe. The findings revealed that there exists a link between CSR and corporate reputation based on the notion of value priorities. Klein and Dawar (2004) investigated the relationship between CSR and competitiveness in Australian banks. The results concluded that CSR was not a key contributor of the bank's competitiveness. Fombrun, Gardberg, and Sever (2000) found that perceived organizational reputation contributed to improved organizational performance and competitiveness of banks.

Gichana (2010) found that the most popular corporate social responsibilities practices in listed firms were environmental conservation and customer concern practices. Mbugua (2012) revealed that Corporate Social Responsibility was positively related to the competitive advantage of food and beverage companies in Kenya. Waruru (2013) found that Corporate Social Responsibility contributed to strategic orientation at Safaricom Limited. Kudoyi (2013) found that corporate strategy was used as a tool for employees' attraction and retention of commercial banks in Kenya. The findings further revealed that most employees were comfortable being associated with socially responsible institutions.

The above studies focused on corporate social responsibility as a tool for employees' attraction and retention, corporate social responsibility practices and how it contributed to strategic orientation. This study sought to bridge this gap by investigating how Safaricom Limited used CSR as a strategy for competitiveness.

1.3 Research Objective

The objective of this study was to determine how Safaricom Limited used CSR as a strategy for competitiveness.

1.4 Value of the Study

The policy makers; Communication Authority of Kenya (CA) might find the findings of this study useful in formulating policies that encourage firms to adopt CSR practices as a tool for enhancing competitiveness and environment conservation. Safaricom Limited and other Telecommunication firms will learn the role that CSR activities play in enhancing firm performance. They will also understand the challenges that face Safaricom Limited in implementing CSR practices, Also, these firms will learn the importance of adopting CSR in building social capital and reputational capital. . In practice, the study will be insightful in today's dynamic business environment, where managers find it difficult to achieve and sustain a competitive advantage; the findings will certainly guide managers to explore various options like CSR as a strategy to improve on their level of competitiveness. This study would contribute to the existing literature by explaining how CSR activities can be useful in developing intangible organizational resources, which subsequently lead to improved competitive ability.

Researchers who are interested in this field of study might use these findings as a point of reference for further research.

This chapter provided a summary of the background which gave a comprehensive coverage of how CSR was applied globally, theories that supported the study, the motivation of the study and the global and local context of Telecommunications firms in Kenya. The study also discussed the concepts giving definitions and their

importance. They included strategy, corporate social responsibility firm competitiveness and strategy, Telecommunication industry global perspective, and Telecommunication industry in Kenya and Safaricom Limited. The study also discussed the research problem which clearly showed the motivation, the study context, studies that had been done globally and locally, justification and the research question. This study benefited the Communications Authority, Telecommunication industry, Safaricom, practitioners and the researchers.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter provides a discussion of the theoretical foundation of the study, corporate social responsibility practices and the relationship between corporate social responsibility practices and competitiveness.

2.2 Theoretical Foundation

This section consists of three theories that support the study variables which are CSR as a strategy and firm competitiveness. These theories include: Resource-based view, Stakeholder Theory and Institutional Theory.

2.2.1 Resource-based View

The resources-based view is based on the premise that the firm consists of a collection of capabilities. Corporate Social Responsibility is used as an intangible resource by most organizations to bolster the firm's competitiveness. An intangible resource is essential for enhancing the firm's corporate reputation; it creates a positive image and thus bolsters organizational competitiveness. Competitiveness is an advantage of an organization compared to its competitors. Barney (2001) notes that a firm gains competitive ability if it can make maximum use of available resources. Resources are inputs into the firm's production process which includes: goodwill, employees' skills, facilities and competent managers. The resources can either be tangible or intangible in nature (Zott, 2003). The need for resources available increases as the firm seeks to build its competitiveness.

Individual resources may not necessarily contribute to a firm's competitive ability but through employees' diversity of availability of resources (David & Cynthia 1995). The resource-based theory has been researched widely on how the firm's internal traits contribute to competitiveness. The firm consists of distinct resources that are integrated together to bolster competitiveness (Barney, 2001). The way in which the company utilizes its available resources contributes to its competitiveness. Competitiveness has been researched using the resource-based view.

Mahoney & Roberts (2007) explain that corporate social responsibility plays an integral role in creating a positive image of the organization's products and services; this increases the level of customer confidence and trust to customers. Corporate social responsibility is a way of giving back to the community; this involves activities such as environmental conservation, customer concerns, and philanthropic activities (Alain & Martin, 2009).

2.2.2 Stakeholder Theory

Friedman & Miles (2002) argue that competitive firms ensure that the interest of all the stakeholders is well represented. The stakeholders, in this case, involve; the customers, the community, the employees, and the organization. The interests of the stakeholders are different, and they must be satisfied. Duckworth & Moore (2010) contend that competitive firms seek to meet the needs of all their stakeholders. They are in harmony with the community, their customers, and their employees who make a valuable input in contributing towards the success of the firm. Neaves (2002) argue that meeting customer needs acts as an integral role in building and establishing relationships with other stakeholders.

According to Duckworth & Moore (2010), CSR is a tool used to represent the interest of all the stakeholders by addressing their needs. CSR is considered as a way of giving back to the society, the society being a stakeholder of the organization is affected by the operations of the organization. The firm should participate in acts of charity and address the needs of the society to establish a good relationship with them and create a positive image (Blattberg, 2004). Organizations should be concerned about the environment in which they conduct its business; the organization should embrace environmental conservation by keeping the environment clean, use of environmentally friendly products and creating awareness about environmental conservation by discouraging environmental pollution such as emission of gases to the environment (Blattberg, 2004).

2.2.3 Institutional Theory

This theory explains about the institutionalized symbols that define a cultural validation, and they include values, meanings and rules among others (DiMaggio & Powell, 1983). Cognitive firms derive their authority from a shared conception of social reality unlike making a promise to reward or fear of sanctions.

Scott (1995) contends that normative obligations consist of as rules or facts about the society, assumptions and natural ways of conducting business or activities. Goodstein (1994) indicates that institutional development occurs when rules and beliefs are accepted and but remain unseen to the actors and firms that they influence. Meyer and Scott (2011) argue that firms must abide by pressures from the environment to survive. In line with this study, it is advisable for firms to adopt CSR practices to achieve a competitive edge over their competitors.

Scott (1995) when the organization has no otherwise other than conforming to institutional pressures, it is forced to adopt and implement institutional norms and values when transacting business (DiMaggio & Powell, 1983). This legitimizes the actions of the firm and integrates these practices into the firms' strategic goals and objectives. These arguments are in line with Goodstein (1994) who puts more emphasis on the need for the organization to comply and abide by the societal norms and beliefs which are then incorporates into the firms' strategic goals and objectives. This makes it easier for an organization to conduct business without violating the set rules and regulations and thus save the firm costs of violating institutional norms. By practicing CSR, the firm can save costs through the use of environmentally friendly products and services that can be recycled for other uses.

2.3 Corporate Social Responsibility Practices

This segment consists of the CSR practices adopted by firms, some of the CSR practices that have been discussed include: customer concern; environmental conservation, philanthropic activities and employees' policies:

2.3.1 Customer Concerns

The organization is keen about the welfare of their customers who consume their products by educating them about their products varieties, the benefits of those products and the prices of goods and services. This information is useful in helping them to buy products that specifically meet their needs (Hull & Rothenberg, 2008). Hopkins (2003) contends that organizations adopt corporate social responsibility are reputable in the society since they are considered to be socially responsible especially in giving back to the society.

Corporate social responsibility provides an opportunity for the organization to market itself and its products through persuading the community to purchase their goods and services. This leads to improved customer loyalty and thus leading to increased sales. Hull et al. (2008) examined the relationship between high consumer purchase and customer retention. Heal (2008) explains that corporate social responsibility is instrumental in shaping the consumer's behavior.

2.3.2 Environmental Conservation

Environment concerns are matters of environment conservation that are seen as part of corporate social responsibility acts. The firm has a role to play in environmental conservation. Bagnoli & Watts (2003) maintain that socially responsible organizations are more transparent and face less risk of bribery and corruption. These organizations engage in environment conservation and encourage the use of environmentally friendly products. According to Hopkins (2003) firms' that practice corporate social responsibility save huge costs of social media advertisements and campaigns since customers perceive a positive image about them.

McWilliams & Siegel (2001) suggest that firms that practice environmental conservation win more confidence from their customers as compared to those organizations that are reluctant to matters of environmental conservation. Heal (2008) pointed out that firms with well-defined social responsibility programs can enhance their corporate reputation; this enhances employees' retention since the employees' feel proud to be associated with a socially responsible company (Mahoney & Roberts, 2007).

2.3.3 Philanthropic Activities

Philanthropic activities are voluntary in nature whose motive is to contribute towards society growth and development. These are voluntary acts and not a requirement of the law, but the society expects the business to give back to a social contract between the society and the business. Jamali & Mirshak (2007) explain that organizations that are socially responsible seek to use their resources to change the world. They direct organizational resources to support a worthy cause or address a societal need.

Philanthropic CSR is not directly related to an organization's core business. Even though philanthropic activities might provide branding advantages to an organization, there is no accurate mechanism of measuring such benefits. The beneficiaries of the philanthropic activities have to account to the donors on how they utilize the donations. That is done by demonstrating how they have used the funds by pointing out the particular projects accomplished.. The achievements of such organizations is used to measure effectiveness of a particular CSR program. (Mahoney & Roberts, 2007).

2.3.4 Employees Policies

Hopkins (2003) explains that a socially responsible organization develops a positive attitude to the employees; this improves employees' motivation and attitude, and hence contributes to improved firm competitiveness. Motivated employees are more committed to the organization, this leads to increased job satisfaction, improved sales turnover, and job involvement. This minimizes organizational costs of hiring and recruiting new employees since employees' turnover is reduced.

2.4 Strategy Orientation

Strategy orientation is a sign of the direction that an organization wants to take in the future and how well the company is prepared. There are fundamental components of this idea; the first element is to have a plan for future development. The business can also gauge its current performance and its ability to realize the set plans based on its current performance. These two components put together to establish the strategic orientation for the organization since it is easy to analyze growth about the actual procedures executed.

The thought behind strategy orientation is quite complicated, but this is because it is a secondary consideration beyond just having a strategy in place. The top management must have a plan or policy in place before they consider their strategic orientation. This implies that the organization should aim at establishing a goal or vision for the future and lay out a course of action on how to achieve it (Porter, 2008). The plan forms part of the strategy for the organization, and this indicates the types of procedures or changes that should take place to realize its strategic goals (Hitt, Ireland & Hoskisson, 2007).

The organization can use various metrics as well as both internal and external analysis to find out its strategic orientation and to determine whether it is moving towards the right direction. A business that develops a strategic plan for the future and ignores it might not be strategically well oriented. In contrast, the firm that creates such a plan discusses it often during the year and utilizes it as a guide depicts considerably better strategic orientation (Thompson & Strickland, 2008).

2.5 Knowledge Gaps

Studies have been regarding CSR and competitiveness in developing countries and beyond as follows; Daniel Ortiz & Kuhne (2008) investigated the link between CSR as a strategy and competitive advantage in Australian SMEs. The study used an exploratory research design on a leading Australian food company. The study surveyed 100 employees who operated SMEs' business that controlled 31 percent market share of Australia's retail and wholesale food industry. The findings revealed that CSR was positively related to competitiveness. CSR is a strategy that the firm can use to gain sustainability to build a competitive edge against its rivals. The study was conducted in a global set-up which is different from our local setting and way of doing things.

Muhammad & Faria (2012) studied corporate social responsibility as a source of competitive advantage. The study used a descriptive research design to describe the current and existing conditions between the variables. The study involved 75 service firms in Malaysia. Primary data was used and data was collected using questionnaires. The findings revealed that the use of CSR activities improved social and reputational capital which led to increased profitability and competitiveness. The study was carried out in a global set-up which is different from our local setting and way of doing things.

Brunsael (2009) explored corporate social responsibility as a competitive advantage and strategic necessity. The study used an exploratory research design to investigate the different views of stakeholders and managers about CSR as a strategy. The study involved two companies that used CSR as a strategy. It was study found that CSR was a strategic necessity that was part of the firms' core values.

The further argued that CSR was used as a strategy to enhance the firms' competitive abilities. The study was carried out in a global set-up which is different from our local setting and way of doing things.

Coleman (2001) studied the influence of CSR as a strategy to gain the competitive advantage of services firms in Russia. The study used a cross-sectional survey research design to give a picture of how strategy led to competitive advantage. Primary data was collected using semi-structured questionnaires that elicited both open-ended and closed questions. Data was analyzed using quantitative analysis. The findings revealed that CSR as a strategy led to competitive advantage. The study was carried out in a global set-up which is different from our local setting and way of doing things.

Moon (2007) examined the link between corporate social responsibility and competitive advantage. The study used an exploratory research design to establish the relationship between the variables. The study used both primary and secondary sources of data. The study found that there was a positive relationship between corporate social responsibility and sustainability and competitive advantage among manufacturing firms in America. This study used an explorative research design while the current study is using a case study research design.

Mohamed (2013) examined the relationship between corporate social responsibility practices and competitive advantage of Universities in Kenya. The study used a descriptive survey of public and private universities in Kenya. Thirty-nine universities were targeted. The researcher managed to survey only 25 universities.

Primary data was collected using of semi-structured questionnaires that were administered using 'a drop and pick-later method' at an agreed time with the researcher. The key CSR initiatives were as follows: environment, society and education. The study found that the main sources of competitive advantage for universities were as follows: brand name, courses offered and management styles. Further, it was found that CSR initiatives were positively related to competitive advantage. The study limited itself to the Universities in Kenya while the current study focuses on the Telecommunication firms in Kenya.

This chapter provided the theories that supported the study which were the Resource-based view, Stakeholder theory, and the Institutional theory. CSR practices were discussed and their importance to firm competitiveness. The practices were customer concern; environmental conservation, philanthropic activities and employees' policies. The concept of strategy orientation was outlined to give a deeper understanding of some of the preparations that the firm made and the things that the firm considered when undertaking a strategy. This chapter also covered the empirical studies that supported the study variables which were CSR, strategy and company competitiveness.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research methodology that was used for this study. It is structured as follows: research design, data collection, and data analysis.

3.2 Research Design

A case study research design has been used in the study. According to Scott (2005), a case study is the examination of an occurrence systematically with an aim of describing the phenomenon of interest. Yin (1994) contends that the unit of analysis can vary from an individual to a firm. Data is obtained largely from interviews, archival records, documentation and direct observation.

A case study research design was important in this aspect of research because it facilitated the researcher to evaluate complex social unites comprising of multiple units or variables that are relevant to the understanding of the phenomenon. The study's design is based on a real-life situation. The results were based in a rich and holistic account of a phenomenon. The design contributed largely towards the advancement of the knowledge base due to lack of rigor and representativeness in data collection, construction, as well as in the analysis of empirical materials that gave rise to the study. The major setback of the research design is that the researcher and those involved in data collection may have subjected the case study to some form of biases. The importance of a case study is that it enabled the researcher to investigate complex social units of multiple variables of potential relevance to understanding the phenomenon. This design anchored a real-life situation and results were based in a rich and holistic account of a phenomenon. This design played a key role in

advancing knowledge base due to lack of representativeness and rigour in the collection, construction, and analysis of the empirical materials that gave rise to the study. This limitation of this research design is that it was faced with the problem of bias that was contributed by the subjectivity of the researcher and those involved in the case study (Mariano, 2001).

3.3 Data Collection

The study used qualitative forms of data collection. According to Stake (2005), qualitative research design adopts an in-depth study of a small group of people.

The design aimed at guiding and support in hypothesis construction. The result of this form of research was descriptive and not predictive. Qualitative research gave detailed interpretation and a natural approach to the world; this implied that qualitative researchers study things in their natural setting. In this kind of research, the emphasis was put on the points of view of the research participants.

An interview guide was used for data collection processes and procedures. Primary data was gathered by interviewing all the five departmental heads at Safaricom Limited, who were: the head of strategy and innovation, head of finance, head of customer management, head of operations management and the head of marketing. The interview guide covered three sections namely: Section A, which consisted of questions on the general profile of the interviewees and the company. Section B consisted of questions on strategic corporate social responsibility practices used by Safaricom Limited and section C consisted of questions on the influence of strategic corporate social responsibility practices on competitiveness by Safaricom Limited.

3.4 Data Analysis

The study used content analysis. According to Scott (2005), it is a set of techniques used in analyzing a collection of text to create understanding. In content analysis, inference is made from the content of the message, a conclusion is also reached in the same way. It integrates observation and document analysis.

It can be defined as a technique of observation that considers and interrogates the communication processes of people. It is considered as an unobtrusive or non-reactive method of social research.

Yin (2009) argues that it involves making replicable and valid inferences from data to their context by systematically and objectively identifying specified characteristics of messages. It is a technique for the objective, systematic, and quantitative description of the manifest content of communication.

Content analysis abided by three basic principles of scientific method namely; objectivity, systematic and generalizability. Objectivity meant that the analysis was carried out as per the explicit rules which allow different researchers to get similar results from similar sources. Systematic involved inclusion or exclusion of content which is done by consistently applied rules where the chances of adding materials that support the researcher's ideas only are eliminated (Mariano, 2001).

This chapter covered the research methodology, it comprised of a case study research design of Safaricom Limited that was utilized to explore and understand complex issues concerning CSR as a strategy for competitiveness. The study adopted a case study research design. Primary data was collected with the help of an interview guide and data was analyzed using content analysis.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSIONS

4.1 Introduction

This chapter provides data analysis which was guided the main objective of the study which was to determine how Safaricom Limited applied CSR as a strategy to gain competitiveness. The chapter consisted of the following sub-headings: Response Rate, Demographics, Corporate Social Responsibility and Relationship between Corporate Social Responsibility and Firm's Competitiveness.

4.2 Response Rate

The study targeted to interview five Departmental Heads at Safaricom Limited and all of them turned for up for the interview process. This enabled the researcher to obtained accurate and reliable information which was deemed sufficient for decision making. This was also supported by Stake (2005) who argued that at least 70% response rate is a sufficient representation of the whole population.

4.3 Demographics

With regard to the managerial positions that were held by interviewees the findings revealed that the Head of Strategy and Innovation, Head of Finance, Head of Customer Management, Head of Operations Management and the Head of Marketing. The category of the respondents was deemed to be conversant with all the CSR strategies that were adopted by Safaricom Limited and how these strategies contributed to the company's competitiveness.

Concerning the period in which the interviewees had served in Safaricom Limited, the findings revealed that the three of the interviewees had served for more than five years while one interviewee had served for five years and the remaining had served for five years in the company. This was an indication that the interviewees understood the operations of the company and its business processes.

With regard to the number of years that the interviewees served in their current position, the findings revealed that four of the interviews had served in the present positions for at least three years and the other two had served for two years. This implied that the interviewees had a relevant experience in their areas of specialization and thus were qualified to give relevant information as per the objective of the study.

4.4 Corporate Social Responsibility

The interviewees agreed that the Company had a CSR policy that provided how the CSR programme was carried out including all the activities that were involved. The policy guided the company on the priorities areas and projects that the company was scheduled to perform. Further, the interviewees indicated that the company took part in environmental conservation and philanthropic activities to improve the welfare of the communities and to improve the livelihoods of the less fortunate.

The interviewees indicated that CSR was part of the company's strategy, the indicated that whenever the top management formulated a strategy, they considered CSR as key element in enhancing success in strategy implementation. The company integrated CSR as part of its strategy because they believed that it was irresponsible not to consider the society being of their main stakeholders where the company ran business operations.

Every time the company considered expansion or introduction of a new product or a service, there was a CSR strategy in place as way of being socially responsible and as a way of 'giving back to the society'.

The findings revealed that CSR activities that the company adopted were customer concerns, environmental conservation, philanthropic activities and employees' policies. Under customer concern strategy, the organisation focused on the welfare of its customers who consumed the company's products and services. The company educated held exhibitions and forums to educate its customers about some of their products and services, their prices based on their needs. The company explained in depth some of the benefits that were derived from consuming the company's products and services. These findings are in line with Hull and Rothenberg (2008) who emphasized on the importance of an organisation to educate its consumers about its products and services, the varieties available, prices and some of the benefits that are attributable to those products and services.

Safaricom Limited participated in environmental conservation; the company participated in several environmental conservation activities as part of its corporate social responsibility acts. This was a sign of transparency and honesty to its customers, this won trust and confidence to their customers as an organisation that respects its environment. This created a positive image about the organisation to its customers which saved the company a lot of advertising and media costs. The employees who worked in this company indicated that they were proud to work in an organisation that was responsible. It is worth noting that these activities are not a requirement of the law however, the company thought it was appropriate to give back to the society and the business.

The company was appreciative of the fact that the local market supported them by continuously consuming their products and services being the leading Telecommunication firm in Kenya. Safaricom invested its resources in worthy causes to change the world examples include various needs in the society for example donations.

As part of their CSR strategies, the company motivated its employees in several ways to boost their job satisfaction. Some of the ways included employees' benefits such as car and mortgage loans. This enabled employees to own a car or a house through soft loans. Further, the employees received annual bonuses which were exempted from taxes, this was meant to motivate and encourage the employees to perform well in the work place. Other benefits included fringe benefits inform of taxes to relief employees from tax burden. The company had a bonding programme whereby the company engaged its employees in constant training and development programmes to expose the employees on various skills and knowledge to improved their effectiveness and efficiency on their job. This programme was part of the management decision to invest in its employees in order to retain them and make them more effective in their input to the company. The programmes were meant to enhance employee's knowledge and skills in their work and satisfaction, this minimized employee turnover while saving the company huge costs of training and hiring new employees.

Going the company's CSR policy, the company participated in CSR activities semi-annually however, this highly depended on the current situation at hand. The interviewees indicated that the company was willing to participate in CSR activities whenever there was a need. The company took it as its obligation to assist the communities, groups, people and individuals who needed assistance to either alleviate them from suffering or improve their livelihoods.

Much as the company had a programme of CSR activities annually, it accorded assistance to cater for several of forms emergencies such as drought, hunger and famine.

The company's CSR policy provided a clear guidance on CSR activities and events to be executed on the basis of priorities and the current needs of the surrounding environment. The findings indicated that the main objective of CSR activities was up-lifting the livelihoods of the communities and impact positively on economic development. The company utilized CSR as a platform to learn more about customer attitudes with regard to their products or services. Further, the company educated its customers and the communities about the products and services available. The company sought to understand customer needs in order to tailor products and services to specifically address those needs.

The findings revealed that the Head of Strategy and Innovation, Head of Finance, Head of Operations Management and the Head of Marketing were directly involved in the selection of the CSR activities. This category of interviewees was chosen because they were directly involved in matters of CSR at Safaricom Limited. The head of Strategy and Innovation was chosen because he was involved in strategy formulation and implementation while CSR was part of the company's strategy. Secondly, the head of finance was charged with the responsibility of allocating finances to support CSR activities. Thirdly, the head of operations management was responsible for scheduling all the CSR activities and time plan. The Head of Marketing was charged with the responsibility of marketing the company's products and services and one of the main objectives of CSR was to sensitize the community about the company products and services.

The CSR activities that the company participated in included donations such as food stuff, clothing to people living in disaster stricken areas such as hunger and floods in arid and semi-arid areas in Turkana and acts of charity. The company sponsored awareness campaigns in educating people on the significance of environmental conservation in particular, cleaning exercises and tree planting activities. These activities were aimed at educating and creating awareness to the public on the importance of environmental conservation and preservation. Other CSR activities that the company performed was part of the strategic focus, this included fighting for the rights of men, women, girls and boys as provided in the Kenyan Constitution of the Republic of Kenya and regional and international conventions and declarations.

Some of the CSR activities undertaken by Safaricom Limited in the last one year were charity, donations and environmental conservation. The company performed acts of charity by sponsoring events such as paying school fees to students from humble backgrounds that perform well in schools. For example, Safaricom has contributed extensively to the education from the nomadic communities such as Turkana, Marsabit, Isiolo and Samburu Counties by sponsoring a large number of their children. Mostly, the company focused on disabled children who are often disadvantaged in the education sector due to lack of facilities. The CSR program boosted the children and esteem, reduced stigma, and positively contributed towards the future of the children through education empowerment.

The factors that Safaricom Limited considered in its corporate social responsibility endeavors were underpinned by its core principles which included economic empowerment in ensuring that in all its programmes areas, CSR investments contributed economically by empowering communities to eradicate poverty.

The program's objective was to achieve economic sustainability. This was achieved by investing in long term change and ability to leverage mobile technology by striving to leverage mobile technology to boost the effect of funding gender sensitive and striving in ensuring that the foundation could provide equal enjoyment by woman, men, girls and boys of rights, opportunities, resources and rewards. The rights of the stakeholders concerned such as women, girls, boys, and men as per regional and the international conventions and declarations and the constitution of the Republic of Kenya. The foundation strived to ensure that all CSR investments programmes and activities attained measurable results.

4.5 The Relationship between Corporate Social Responsibility and Firm's Competitiveness

Practicing CSR enabled Safaricom Limited to build its corporate reputation. CSR was considered an essential component of the company's competitiveness, practicing CSR motivated the customers to buy more products and services which improved satisfaction and hence the customers were less willing to switch to another brand. This promoted a good relationship with corporate stakeholders. By engaging in activities that added value to the society, the company attracted many customers and this impacted positively on its market competitiveness in both local and international markets. The findings indicated that CSR programs were integrated into the company's overall strategy that formed part of the company's mission and vision.

The company aligned its CSR as part of the company's strategic plan to realize set goals and objectives. The interviewees agreed that CSR could be utilized as a strategy to achieve the organization's set goals and objectives.

Top management communicated to the employees about implementation of CSR practices and this gave them direction and focus in the realization of set goals and targets. The top management influenced the employees to work as a team by aligning CSR activities to match stakeholders' needs, this contributed towards its successful implementation.

CSR played an important role in enhancing market share growth; the finding indicated that CSR was effective for business growth because it provided an excellent customer service and innovative products. The company benefited from customer loyalty, attracting new customers, employees' morale, advertising opportunity for the company products and brand reinforcement which contributed to increased customers and market share.

The findings revealed that being socially responsible, the company developed a positive attitude to its employees. This motivated its employees and thus contributed towards improved corporate performance. This made employees more committed to the company leading to increased job satisfaction, improved sales turnover and job involvement. This saved the company huge costs of hiring and recruiting new employees since the rate of employee turnover were minimized. The findings revealed that the firm that had well-defined responsibility programs to realize corporate reputation, this attracted foreign investors since they were confident that in a socially responsible company, their interests could be well represented. Foreign investors were more attracted to invest in firms that 'gave back to the society', they believed that responsible firms involved their stakeholders in key decisions, this was key in ensuring that the company made the right investment decisions. This enhanced cooperation and the relationship between the shareholders through effective communication and sharing of ideas.

Customer concerns affected corporate social responsibility, firms that engaged in socially responsible actions were more reputable to the society at large, and this was because consumers gained trust and confidence on the products and services that were offered by the organisation and this contributed to increased sales and profitability. Further, this also created a platform for to educate customers concerning other products and services that the customers were not aware of. This gave the company an opportunity to understand the needs of their customers and to provide them with products and services that targeted to meet their specific needs. This attracted more customers leading to increased sales.

4.6 Discussion and Findings

The findings showed that Safaricom Limited practiced environmental conservation through planting trees, cleaning exercises and waste management activities. The company also participated in various acts of charity such as giving donations such as food stuff, clothing to people living in disaster stricken areas such as hunger and floods in arid and semi-arid areas in Turkana. The company organized for awareness campaigns to educate people about environmental conservation and fighting for the rights of men, women, girls, and boys as enshrined in the constitution. Employees were provided with an enabling environment to work and employment benefits to motivate them to work. These findings are consisted to Waruru (2013) who found that environmental conservation, philanthropic activities, employees' policies and customer concerns were popular CSR activities.

The practice of CSR activities improved the company's corporate reputation and created a positive image about the company.

This attracted many customers including investors as a result of trust and confidence that they had in the company. The company participated in environment conservation and use of environmental friendly products which exempted it from fines and penalties as a result of excessive pollution and this improved brand reputation. These results are consistent to Moon (2007) who indicated that practicing CSR enhanced competitiveness by creating a positive corporate reputation to the customers through attracting investors and improving value for goods and services offered.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter provides a summary of the major findings drawn from analyzed data which has been done with regard to the objective of the study which was to determine how Safaricom Limited has used CSR as a strategy for competitiveness. The chapter will cover the following sub-headings: Introduction, Summary of Findings, Conclusion, Recommendations, Limitations for the Study and Areas for Further Study.

5.2 Summary of Findings

With regard to the objective of the study, the findings showed that the company was concerned about the welfare of its customers who consumed their products by educating them about the varieties, the benefits of those products and the prices of goods and services. This information was useful in assisting customers to buy products that specifically met their needs. The company gained a huge popularity in the society since it was considered to be socially responsible especially in giving back to the society. Further, it was found that through CSR new and existing customers got an opportunity to learn more about the products and services that were offered by the company, the benefits, and the varieties that were available as well as the prices of goods and services. These findings are consistent to Moon (2007) who indicate that through practicing CSR, the company created awareness about its products and services and this enhanced its sales.

The findings observed that environment concerns were matters of environmental conservation which were seen as corporate social responsibility acts.

The company participated in environment conservation and encouraged the use of environmental friendly products which created a good image due to trust and confidence from customers. These findings are consistent to Ramasamy and Yeung (2009) who indicated that firms practiced environmental conservation to gain confidence from their customers through use of environmental friendly products.

The findings observed that socially responsible organizations developed a positive attitude to the employees. This motivated the employees and contributed positively towards improved organisational performance. This made the employees more committed to the company and contributed positively towards increased job satisfaction and increased sales turnover. These findings are consistent to Siltaja (2006) firms that employees from firms that practiced CSR had a positive attitude and perception towards the company and were product to be associated with a company that was socially responsible.

The findings revealed that through CSR activities Safaricom limited enhanced its competitiveness through developing a positive corporate reputation, attracting investors, improving value for products and services and reduction of cost from fines and penalties. These results are consistent to Moon (2007) who indicated that practicing CSR enhanced competitiveness by creating a positive corporate reputation to the customers through attracting investors and improving value for goods and services offered.

5.3 Conclusion

The study concludes that Safaricom Limited adopts CSR activities which are aimed at improving the livelihoods and environmental conservation. These activities include providing donations, charitable activities and environmental conservation.

The company is concerned about the welfare of its employees and the working the environment for the employees. Other activities include the safety of their products or services, community-based activities, emergency cases and disaster response. Further, the results conclude implementation of CSR strategies was executed by the employees, volunteers and the stakeholders. The findings insist on the importance of the firm being socially responsible as a one of the key elements to boost trust and customer confidence on their products of services. This is essential in achieving sustainability and improved value addition of the CSR activities.

The findings further conclude that CSR is part of the company's policies which is aimed at enhancing value and educating their customers about their products or services. The company participates in CSR on a regular basis as a way of giving back to the society where the company conducts its operations. This creates a positive image and reputation about the company which might pave way for increase customers, growth of the company's market share, customer loyalty and competitiveness.

5.4 Recommendations

The study recommends that Safaricom Limited should increase its budgetary allocation on CSR to increase its CSR activities. This will enable the company to identify priority areas where more funds can be channeled to improve the livelihoods of the less fortunate in the society.

Safaricom Limited should involve all its stakeholders in the CSR activities that the Company is involved in this will enable them to gain value from the CSR activities and support the firm in it. This will enhance the impact of CSR activities since the firm can prioritize these activities base on the current need of the stakeholders.

Safaricom Limited should sensitize all its stakeholders about CSR, its importance and the role of the company in 'giving back to the society'. This will influence the stakeholders to support the company in its CSR activities as part of its corporate goals. This will enhance successful implementation of CSR strategies by the company and contribute positively towards increased competitiveness.

The study further recommends that Safaricom Limited should hold regular training and development programmes to improve employees' skills and knowledge on their roles concerning implementation of CSR activities and aligning these activities to organisational goals and objectives. This will improve employees' efficiency and effectiveness and contribute positively towards successful implementation of CSR.

Safaricom Foundation should aspire to realize sustainability of its CSR activities this can be achieved through identifying priority areas, engaging stakeholders and aligning the CSR activities to organisational strategic objectives. This will enhance sustainability and competitiveness of CSR activities.

5.5 Limitations for the Study

The study was limited to a case study of Safaricom Limited because of time and cost constraints. Therefore, the findings obtained in this study are unique to Safaricom Limited and cannot be applied either directly to another Mobile Telecommunication firm for making generalization.

The interviewees accepted to be interviewed on condition that the information collected was purely for academic purposes only, even after the researcher produced a letter from the university as proof of permission to collect data, the interviewees were still hesitant to give data.

Although the researcher made tremendous efforts in explaining to the respondents about the objective of the study and why the that information was important, the interviewees perceived the exercise of being interviewed as a waste of time and thus declined to give information on condition that it was non-paying. The researcher had to make follow-ups to persuade the respondents to give information.

Some of the interviewees were not present when the researcher was collecting data and so, the researcher collected this information from the assistants who did not have the same level of experience as compared to the seniors. This might have affected the accuracy and reliability of findings obtained since some important information might have been left out.

The study limited itself to open-ended questions which allow the respondents to express their freedom of thought without considering the actual situation at hand. This might have limited the study from establishing a hypothetical relationship between the study variables which uses closed questions that utilizes descriptive and prescriptive questions which are structured in nature.

5.6 Areas for Further Research

A similar study should be conducted in all the three Mobile Telecommunication firms in Kenya to find out how these firms utilize CSR as a strategy to enhance competitiveness. This will enable the researcher to compare findings and establish some of the common CSR strategies used by these firms and hence a more reliable conclusion can be drawn.

Another study can be carried out to investigate the challenges faced by Mobile Telecommunication firms in adoption of CSR as a strategy and integrating these strategies into organisational goals and objectives.

This will provide an opportunity for Mobile Telecommunication firms to find solutions to these problems by making recommendations.

The study further recommends that a comparative study should be carried in a different sector other than Mobile Telecommunication firms for example the banking sector or the insurance sector. This will inform the researcher of the role of CSR in contributing towards competitiveness hence a more reliable conclusion can be drawn.

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APPENDICES

APPENDIX I: LETTER OF INTRODUCTION

UNIVERSITY OF NAIROBI

SCHOOL OF BUSINESS

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

DATE...9/9/16...

TO WHOM IT MAY CONCERN

The bearer of this letter .....BEVERLY NAMSI SIMIYU.............

Registration No....D61/71551/2008..............................

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
SENIOR ADMINISTRATIVE ASSISTANT
SCHOOL OF BUSINESS

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
09 SEP 2016
Box 30197 - 00100, NAIROBI

APPENDIX II:INTERVIEW GUIDE

The goal of the interview is to determine how Safaricom have used CSR as a strategy for competitiveness.

A. Section I: Interviewee's General Information

i. Interviewee's managerial position_____

ii. The number of years served in the Company_____

iii. The number of years in the current position_____

B) Section II: Corporate Social Responsibility

    i. Does your organization have a CSR policy?

    ii. Is CSR part of your organization's strategy? Explain in details

    iii. How often does your organization participate in CSR?

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

    v. How are these CSR activities identified?

    vi. Who are involved in the selection?

    vii. Which areas do the CSR activities cover?

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

ix. What factors does your Company consider in its corporate social responsibility (CSR) endeavors

C) Section III: The relationship between Corporate Social Responsibility and Firm's Competitiveness

i. In your opinion, is there any relationship between corporate social responsibility activities and your organization's level of competitiveness? Please explain

ii. Are the CSR programs integrated with the firm's overall strategy? Is this part of the firm's mission and vision?

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

a) Growth of market share

b) Attracting and retaining competent and efficient staff

f) Improving investors' relationship

f). Increased sales