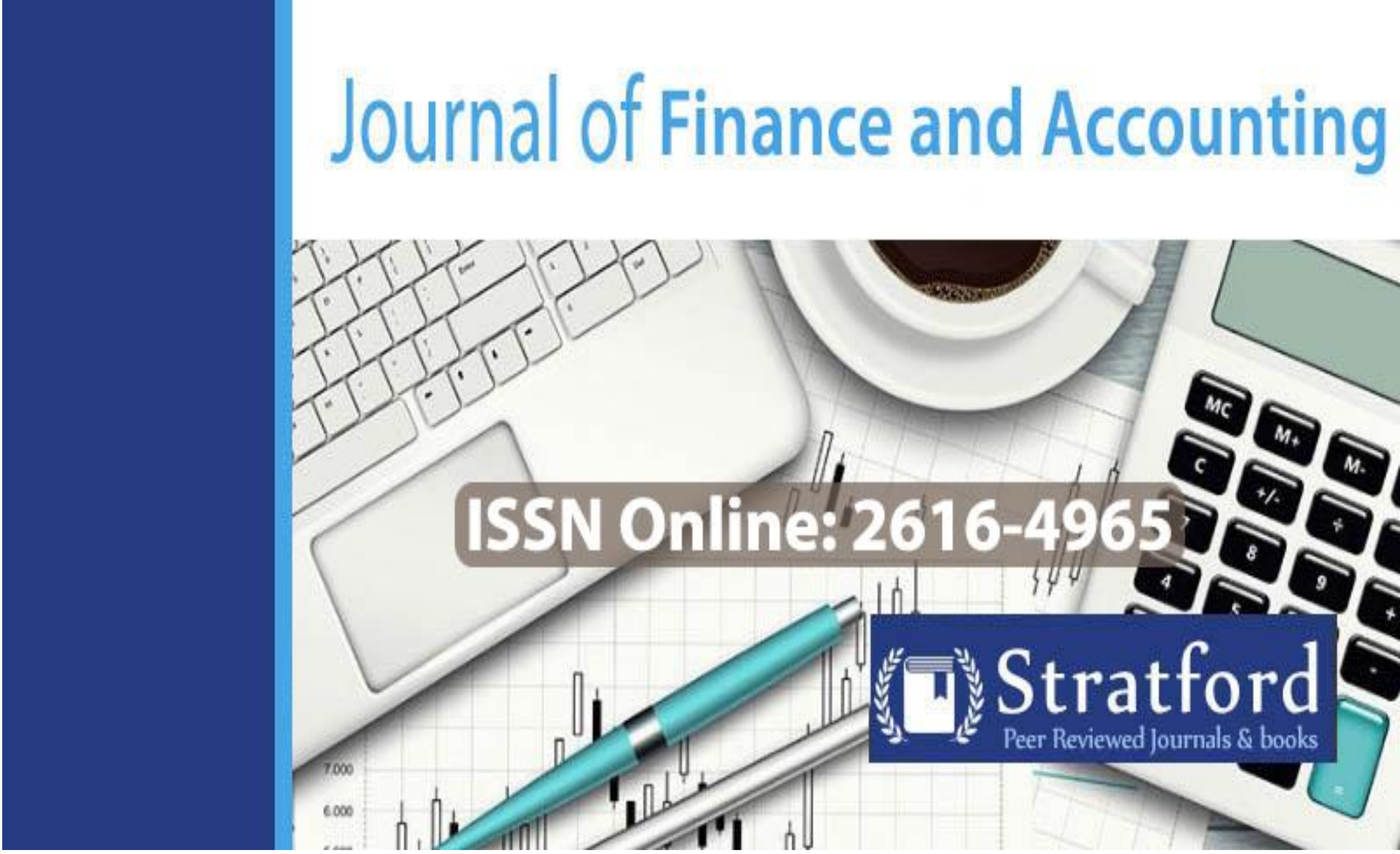

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Corporate Social Responsibility and Performance of Telecommunications Firms in Kenya

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Abstract

Empirical studies show that corporate firms make substantial contributions to the political infrastructure and socio-economic development of both developed and developing countries through corporate social responsibility (CSR). However, in the telecommunications industry, there is limited literature demonstrating the influence of CSR on firm performance. Telecommunications firms in Kenya spend an estimated one billion shillings annually on CSR, yet some firms have shown exemplary growth while others have experienced declining fortunes. This study aimed to determine how CSR influences the performance of telecommunications firms in Kenya, focusing on the specific objectives of environmental responsibility, consumer protection, philanthropic responsibility, economic expectations responsibility, and ethical responsibility. The study employed a descriptive research design with a positivism philosophy, targeting telecommunications firms in Kenya. A sample size of 393 respondents was determined using Yamane's formula, and stratified random sampling was used to select respondents from each firm. Questionnaires were administered to collect data. Quantitative and qualitative data were analyzed using SPSS Version 23 and Excel, with descriptive statistics presenting findings in tables and charts, and inferential statistics utilizing basic and multiple regression analysis. The study found strong correlations between the performance of telecommunications firms and environmental responsibility ($r=0.859$, $p=0.023<0.05$), philanthropic responsibility ($r=0.838$, $p=0.001<0.05$), consumer protection ($r=0.796$, $p=0.028<0.05$), economic expectations responsibility ($r=0.855$, $p=0.042<0.05$), and organizational culture ($r=0.877$, $p=0.000<0.05$). The interaction between organizational culture and combined CSR explained 14.1% of the variations in firm performance, with an overall significant moderating influence (F (5, 298) =373.752, $p<4.66E-126<0.05$). The study concluded that economic expectations responsibility had the greatest influence on the performance of telecommunications firms in Kenya, followed by philanthropic responsibility, environmental responsibility, and lastly, consumer protection. Recommendations include government-provided tax breaks or financial incentives for firms demonstrating strong CSR commitment and practitioners prioritizing stakeholder engagement throughout CSR planning and implementation processes. The study recommends that the government should consider providing tax breaks or other financial incentives to firms that demonstrate a strong commitment to CSR, thus fostering a culture of responsibility within the industry. Practitioners should also prioritize stakeholder engagement throughout the CSR planning and implementation processes.

Keywords: *Corporate Social Responsibility, Philanthropic responsibility, Firm performance, Stakeholder engagement*

1.0 Background of the Study.

Corporate social responsibility (CSR) is the obligation of the organizations to the improvement of its partners and to the evasion and amendment of any negative results brought about by firm activities. Mugesani, Gachunga and Gichuhi (2018) characterize CSR as business practices which mean to influence partners emphatically and goes past its monetary intrigue. It is the ongoing commitment by organizations to act morally and add to financial turn of events while improving the personal satisfaction of the labor force and their families just as of the nearby residents and society everywhere (Rendon, 2018). As indicated by Li, Khalili, and Cheng (2019), CSR is connected to moral standards, consistence with lawful prerequisites and regard for individuals, societies and the surroundings. Throughout the long term this idea of Corporate Social Responsibility (CSR) has increased phenomenal force in business and public discussion and has become a vital issue bungling the departmental limits and influencing the manner by which an organization works together (García-Sánchez, 2020).

It has become so significant that numerous associations have rebranded their basic beliefs to incorporate social duty. Practically all corporate sites, arrangements and reports talk about their undertakings for CSR which has become a method of guaranteeing that the association is satisfying all the commitments towards society and subsequently is qualified for the permit to work. These exercises of CSR going from little gifts to greater ventures for social government assistance rehearses contrast from association-to-association contingent upon the assets accessible to an association for undertaking economical practices (Brown, Mawson & Mason, 2017). The idea of CSR has a long history related with how it impacts on association's conduct. So as to comprehend CSR's impact on association's conduct, consequently, it is important to grasp the theoretical advancement of CSR in firms and its movement. CSR research has changed continually during the most recent 60 years (Li, Khalili & Cheng, 2019).

During the 1950s the essential spotlight was on organizations obligations to society and carrying out beneficial things for society. In 1960's key occasions, individuals and thoughts were instrumental in describing the social changes introduced during this decade. During the 1970s business chiefs applied the conventional administration capacities when managing CSR issues. While during the 1980s business and social intrigue came nearer and firms turned out to be more receptive to their partners. During the 1990s the possibility of CSR turned out to be generally affirmed. It was additionally upgraded with methodology writing. At long last, during the 2000s, CSR turned out to be absolutely a significant key issue (Pena, Serra & Ramon, 2017). Overtime, CSR is discussed vivaciously by researchers and administrators across business capacities, for example, correspondences, showcasing, money and human asset (Lu et al., 2019). There are likewise huge definitions.

A portion of these definitions have vital establishments, while others have more mental establishments (Li, Khalili & Cheng, 2019). A few definitions propose objective, though others recommend abstract of CSR. For instance, Canküll and Yücesoy (2019), conceptualize CSR as activities taken by a firm that surpass those needed by the law and which are intended to propel some social great. Ahmad and Islam (2018) suggest a more idiosyncratic approach and conceptualises CSR to be concerned with stakeholder views and situation-specific behavior and policies. Ahmad and Islam (2018) differentiate fixed CSR from outlying CSR. Fixed CSR is concerned with an organization's core competencies and suggests that CSR should be incorporated into the strategies of a business. In comparison, outlying CSR focuses on non-strategically integrated operations. Although there is no single, universally agreed concept of

CSR, it usually refers to business decision-making linked to moral standards, legal compliance, and respect for individuals, societies and the surroundings (Cankül & Yücesoy, 2019).

Globally, corporate Social Responsibility (CSR) is a widely recognized concept integral to global business strategies (Pena, Serra & Ramon, 2017). Its implementation varies significantly across countries, influenced by local issues such as education, environment, and stakeholder welfare (Macuda & Fijałkowska, 2020). Globally, companies adopt diverse CSR practices and standards, including the ISO 26000, OECD guidelines, and the UN Global Compact (García-Sánchez, 2020). Countries like Denmark and Canada have integrated CSR into their national policies, making CSR reporting mandatory in financial disclosures. The emphasis on CSR is growing, with research showing its positive impact on employee engagement and customer satisfaction (Maroun, 2020). Regionally, in regions like Africa, CSR practices often reflect a blend of western economic theories and local traditions (Kühn, Stiglbauer & Fifka, 2018). Companies such as Unilever Eastern and Southern Africa have adopted sustainable business practices that align with their operations (Gitau, 2017). Initiatives like Coca-Cola's 5-by-20 project aim to empower female entrepreneurs in developing nations, including several African countries (McCarthy, 2017). However, the implementation of CSR can be challenging due to economic and social issues. For example, in Ghana, large international firms lead CSR efforts, addressing societal issues that local businesses struggle to manage (Opilo, Mulili & Kimani, 2018). In Uganda, improving management autonomy and expertise is necessary for effective CSR implementation (Fatima & Arshad, 2019).

In Kenya, CSR is still an emerging concept in Kenya, perceived more as a voluntary and philanthropic activity rather than a legal obligation (Mugesani, Gachunga & Gichuhi, 2018). Leading companies like Safaricom, Equity Bank, and Kenya Airways are actively engaged in CSR projects, focusing on areas such as education, disaster management, and environmental protection (Choge, Namusonge & Makokha, 2019). The Safaricom Foundation, for example, supports various community initiatives, contributing to socio-economic development (Opilo, Mulili & Kimani, 2018). Studies indicate that CSR activities in Kenya significantly enhance business performance and competitive advantage, with recommendations for companies to increase CSR funding and integrate it more strategically into their operations (Kathambi & Bitange, 2017; Mwangangi et al., 2019). In recent years, the telecommunications industry in Kenya has grown relatively strongly, driven primarily by growth in the digital economy, mobile telephony and internet penetration. Internet connectivity is primarily accessed by mobile phones, which have become increasingly open and affordable, and data subscriptions amounted to 46.8 million, almost half of which is broadband (Opilo, Mulili & Kimani, 2018). In order to support rapid economic development, the Kenyan government has established the telecommunications industry as a critical sector, and the sector is experiencing a surge of digital innovation that is expected to impact the telecommunications, internet products and cyber - security markets in particular (Kathambi & Bitange, 2017).

Radio, television, fixed and mobile telephones and the Internet are part of telecommunications in Kenya. This study focuses on the telephony industry by identifying the influence of corporate social responsibility on Kenya's telecommunications industry companies' growth (Mwangangi et al., 2019). There are statistics of 15 companies, including Safaricom, that has the highest mobile internet subscription share of the market, and other key companies, including Airtel Networks, Finserve Africa, Telkom Kenya, and Mobile Pay. Numerous different firms surveyed include iWay Africa Kenya, which reported a partnership with Echotel International to integrate its internet provider services. Kenya has the largest growth rate for mobile money in the world, with half of the populace using mobile money (Kathambi & Bitange, 2017).

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Kenya's first mobile cash service was introduced in 2007. Active mobile cash transfer subscriptions stood at 32 million at the end of March 2019 and there were 223,084 mobile money agents. During the quarter to March 2019, a total of 784.4 million transactions were made, which included the purchase of goods and services and transfers from person to person. In terms of volume, more than 80% of mobile money transactions are moved to Safaricom's M-Pesa service (Kathambi & Bitange, 2017).

In Kenya most firms in the telecommunications industry have taken up CSR activities mainly focusing on environment, youth and education. There is however no direct linkage on whether these particular activities lead to growth of the respective firms. Most Kenyan firms have set up foundations to implement their CSR activities. Such foundations include Safaricom foundation, Airtel foundation, and equity foundation that runs the wings to fly education programme. According to the CCK latest report Safaricom continues to report growth in market share and profitability, Airtel is losing market share, Orange is stagnant and Equitel is gaining market share (Opilo, Mulili & Kimani, 2018). For many factors, the mobile communications industry is regarded interesting. First, the industry has been revealed in the academic CSR literature, despite the fact that this industry has major social and environmental impacts (related to the shortened lifespan equipment and the 'digital divide'). Owing to its latest innovation and growth (think of telecom technology such as mobile money transfer such as Mpesa, internet and mobile telephony at fast growth rates), the industry is also important. Finally, in this sector, CSR has become an essential topic, as demonstrated by the fact that all these businesses publish sustainability reports that concentrate primarily on CSR activities (Mugesani et al., 2018).

1.1 Statement of the Problem

Corporate Social Responsibility is an essential business practice, since customers want to purchase goods from firms they trust as much as possible, distributors want to form relationships with corporations they can rely on, workers want to work in organizations they value, and non-governmental organizations want to partner with firms searching for cost - effective solutions and developments in related areas (Kathambi & Bitange, 2017). In order to satisfy both of these stakeholder groups, businesses increase their commitment to another significant group, investors who may profit from meeting the criteria of other stakeholder groups. The outbreak of the Coronavirus (COVID 19) in Kenya has forced telecommunication industries to revamp their CSR in order to stay afloat hence stimulate growth. A good example is seen from Safaricom Limited Company that waived fees charged to transact via Mpesa so as to reduce cash transactions that are believed to increase the spread of the virus. Airtel Company on other hand is has been offering free internet access services to the students at home to continue studying via various e-learning platforms until schools reopen (Wafula & Agutu, 2020). These companies have also contributed considerable sums of money and goods in kind to the COVID19 Emergency Response fund.

Overtime, Telecommunication companies have been spending a significant percentage of their expenditure towards funding CSR activities as confirmed by majority of Kenyan scholarly work (Opilo, Mulili & Kimani, 2018; Gitau, 2017; Kathambi & Bitange, 2017; Mwangangi et al., 2019). Mwangangi et al. (2019) conducted a study on the Effect of Corporate Social Responsibility on Performance of Manufacturing Firms in Kenya. The results of the study showed that consumer, community and government ties have a beneficial and important impact on the success of Kenya's manufacturing companies. Despite myriad of benefits accrued to companies from their CSR practices there is limited research globally, regionally and locally linking CSR to firm performance. In Kenya, for example, a research gap exists where limited research has been done to assess whether the aspects of corporate social responsibility have a positive or negative impact on performance of telecommunications firms. In the Kenyan context, this study aimed to resolve this knowledge gap.

1.2 Research objectives

The study pursued the following specific objectives.

(i) To establish the influence of environmental responsibility on performance of telecommunications firms in Kenya.
(ii) To examine the influence of philanthropic responsibility on performance of telecommunications firms in Kenya.
(iii) To evaluate the influence of consumer protection on performance of telecommunications firms in Kenya.
(iv) To determine the influence of economic expectations responsibility on performance of telecommunications firms in Kenya.
(v) To assess the moderator effect of organization culture on performance of telecommunications firms in Kenya.

2.0 Review of Literature

Environmental responsibility involves businesses taking steps to mitigate negative impacts on the natural environment. This includes using resources economically, reducing waste, controlling emissions, and implementing recycling, energy, and water conservation measures (Arsić, Stojanović & Mihajlović, 2019). Businesses have increasingly recognized their role in addressing environmental issues due to external pressures and the benefits of sustainable practices (Maroun, 2020). Formal, legal, and institutional conditions set by governments play a significant role in guiding environmental CSR practices, and businesses often pursue these initiatives to gain positive public opinion and social support (Singh, Sethuraman & Lam, 2017). Environmental CSR practices vary, with some companies voluntarily reducing energy and water use, and waste generation, and engaging in initiatives with other industry actors (Sila & Cek, 2017). Companies like Unilever and Wal-Mart have implemented eco-friendly measures, but opinions differ on whether these practices significantly enhance firm value (Macuda & Fijałkowska, 2020). Some studies suggest that environmental initiatives lead to positive market reactions and competitive advantages, while others argue that beyond regulatory compliance, environmental costs may not benefit shareholders (Singh, Sethuraman & Lam, 2017).

Philanthropic responsibility refers to corporate giving aimed at improving quality of life through donations, volunteerism, and support for social causes (García-Sánchez, 2020). Corporate philanthropy strengthens employee morale and team spirit, improves company reputation, and can lead to higher productivity (Mugesani, Gachunga & Gichuhi, 2018). Companies may engage in philanthropy to enhance brand awareness, credibility, and community relations, ultimately benefiting their business operations (Brown, Mawson & Mason, 2017). Philanthropic activities contribute to a positive social image, which can influence customer satisfaction and loyalty, leading to better business performance (Arsić, Stojanović & Mihajlović, 2017). Consumer protection in CSR involves legal responsibilities, ensuring businesses operate within the law to maintain societal trust and organizational confidence (Fatima & Arshad, 2019). Policies and regulations help define acceptable behaviors, promote fairness, and protect the rights of employees and employers (Choge, Namusonge & Makokha, 2019). Effective policies enhance organizational culture and performance by providing clear guidelines and fostering a positive work environment. Economic expectations responsibility entails businesses generating profit while also

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contributing to innovation, fair wages, and sustainable practices (García-Sánchez, 2020). Firms must balance short-term profits with long-term sustainability to meet the needs of stakeholders and society.

3.0 Research Methodology

The study used a descriptive research design. The design utilizes the positivism philosophy due to its ease of replication of the findings. The target population was the telecommunication firms in Kenya. The sample size was 393 respondents determined from Yamane's formula. Stratified random sampling was used to select the respondents to constitute the sample size from each firm. Questionnaire was administered to collect the data from the respondents. Quantitative as well as the qualitative data were gathered, put into code, evaluated using statistical packages for social sciences (SPSS Version 23) computer software, and excel. Descriptive statistic was used to analyse the data in frequency distribution and percentages that were later used to present findings in tables, charts. Inferential statistics was used to analyse data namely, basic and multiple regression analysis.

4.0 Results and Discussions

4.1 Firm Performance

The research sought the level of agreement on the statements relating to the firm performance. The responses were recorded on Table 1.

Table 1: Performance of Telecommunications Firms in Kenya

	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	Mean	Std. Dev.
Participation of the business in CSR operations has contributed to an expanded return on investment through the years	18 (11.0)	0 (0.0)	0 (0.0)	63 (38.7)	82 (50.3)	4.172	0.715
Participation of the business in CSR operations has contributed to expanded market share through the years	20 (12.3)	22 (13.5)	33 (20.2)	46 (28.2)	42 (25.8)	3.417	0.832
Participation of the business in CSR operations has contributed to higher consumer loyalty and satisfaction through the years	20 (12.3)	21 (12.9)	26 (16.0)	52 (31.9)	44 (27.0)	3.485	0.840
Participation of the business in CSR activities has led to an increase in sales through the years	13 (8.0)	5 (3.1)	0 (0.0)	66 (40.5)	79 (48.5)	4.184	0.640
Participation of the business in CSR activities has led to the retaining of employees through the years	18 (11.0)	0 (0.0)	10 (6.1)	53 (32.5)	82 (50.3)	4.110	0.747
Participation of the business in CSR activities has increased the number of customers through the years	0 (0.0)	0 (0.0)	0 (0.0)	60 (36.8)	103 (63.2)	4.632	0.984
Sub-composite Mean and Standard deviation						4.000	0.793

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The study aimed to evaluate the impact of Corporate Social Responsibility (CSR) on various aspects of business performance. In terms of return on investment, 50.3% of respondents strongly agreed, 38.7% agreed, while 11.0% strongly disagreed, resulting in a mean score of 4.172 with a standard deviation of 0.715. This indicates a consensus that CSR participation has positively impacted ROI. However, when assessing market share, opinions were more divided: 28.2% agreed, 25.8% strongly agreed, 20.2% were undecided, 13.5% disagreed, and 12.3% strongly disagreed, yielding a lower mean score of 3.417 and a higher standard deviation of 0.832, suggesting that CSR's effect on market share is less clear and opinions are inconsistent. In terms of consumer loyalty and satisfaction, 31.9% agreed, 27.0% strongly agreed, while 28.3% either disagreed or were undecided, resulting in a mean score of 3.485 and a standard deviation of 0.840. This indicates that CSR has not significantly contributed to consumer loyalty and satisfaction, with inconsistent opinions. Conversely, CSR's impact on sales and employee retention was more positively viewed, with mean scores of 4.184 and 4.110, respectively. A significant proportion of respondents (48.5% and 50.3% strongly agreed) affirmed that CSR activities increased sales and helped retain employees, with lower standard deviations (0.640 and 0.747) indicating converging opinions. Lastly, the respondents overwhelmingly agreed that CSR activities increased customer numbers, with 63.2% strongly agreeing and a mean score of 4.632, though the standard deviation of 0.984 suggests some variability in opinions. Overall, respondents affirmed that CSR initiatives positively impact company performance by enhancing brand image, fostering stakeholder relationships, and aligning with corporate values. CSR activities were linked to operational efficiencies, cost savings, and increased investor confidence, thus contributing to the company's financial performance.

4.2 Environmental Responsibility

This section shows descriptive analysis on how environmental responsibility influences the performance of telecommunications firms. The respondents were required to indicate their level of agreement with the statements on environmental responsibility in relation to performance of telecommunications firms in Kenya using the 5-point Likert scale ranging from 1= strongly disagree, 2= disagree, 3= Neutral, 4= Agree, 5= strongly agree. The findings were as shown on Table 2.

Table 2: Statements on Environmental Responsibility in Relation to Performance of Telecommunications Firms in Kenya

Environmental Responsibility Indicators	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	Mean	Std. Dev.
Our organization regularly advocates for waste reduction	0 (0.0)	0 (0.0)	0 (0.0)	68 (41.7)	95 (58.3)	4.583	0.495
Our organization engages in activities aimed at recycling	0 (0.0)	0 (0.0)	2 (1.2)	81 (49.7)	80 (49.1)	4.479	0.525
Our organization engages in activities aimed at encouraging energy conservation	26 (16.0)	19 (11.7)	27 (16.6)	70 (42.9)	21 (12.9)	3.252	0.283
Our organization engages in activities aimed at reduction of air pollutants	21 (12.9)	26 (16.0)	27 (16.6)	84 (51.5)	5 (3.1)	3.160	0.138
Our organization encourages use of programs that enhance the efficient use of energy	24 (14.7)	31 (19.0)	28 (17.2)	69 (42.3)	11 (6.7)	3.074	0.215
Our organization advocates for use of renewable generated energy and resources	0 (0.0)	0 (0.0)	0 (0.0)	67 (41.1)	96 (58.9)	4.589	0.494
Our organization advocates for recycling processes in production	0 (0.0)	0 (0.0)	0 (0.0)	69 (42.3)	94 (57.7)	4.577	0.496
Our organization encourages use of recycled and /or eco-friendly office supply	29 (17.8)	23 (14.1)	27 (16.6)	78 (47.9)	6 (3.7)	3.055	0.218
Our organization is involved in waste reduction in the society	0 (0.0)	0 (0.0)	0 (0.0)	70 (42.9)	93 (57.1)	4.571	0.497
Our organization considers environmental impact when developing new products	7 (4.3)	22 (13.5)	23 (14.1)	70 (42.9)	41 (25.2)	3.712	0.115
Our organization uses environmentally friendly packaging	24 (14.7)	31 (19.0)	33 (20.2)	75 (46.0)	0 (0.0)	2.976	0.116
Sub-composite Mean and Standard deviation						3.821	0.327

The study examined the impact of Corporate Social Responsibility (CSR) on various environmental initiatives and their effects on organizational performance. Table 2 reveals that 58.3% of respondents strongly agreed, and 41.7% agreed that their organization regularly advocates for waste reduction, with a mean score of 4.583 and a standard deviation of 0.495. This score is above the composite mean of 3.821, indicating a strong agreement on waste reduction advocacy, though the opinions were inconsistent. Similarly, 49.7% agreed, and 49.1% strongly agreed that the organization engages in recycling activities, with a mean score of 4.479 and a standard deviation of 0.525, again showing strong agreement but inconsistent opinions. Conversely, on energy conservation, only 42.9% agreed, with a mean score of 3.252 and a lower standard deviation of 0.283, indicating converging opinions but a lower overall agreement. The study also found that participation in activities aimed at reducing air pollutants and encouraging the efficient use of energy received lower mean scores of 3.160 and 3.074, respectively, both below the composite mean of 3.821. This indicates that these activities were not widely practiced, although opinions converged. In contrast, the advocacy for renewable energy and recycling processes in production scored high, with mean scores of 4.589 and 4.577,

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respectively, and standard deviations above 0.327, reflecting strong agreement but inconsistent opinions. The use of recycled or eco-friendly office supplies and environmentally friendly packaging scored lower mean scores of 3.055 and 2.976, respectively, suggesting limited engagement in these practices, with converging opinions. Respondents highlighted that integrating environmental responsibility significantly impacts telecommunications firms' performance. Key effects include enhanced brand reputation, improved regulatory compliance, operational efficiency, and cost savings. Stakeholder engagement was also noted as crucial, fostering positive interactions with customers, employees, investors, and the community, which strengthens relationships and promotes loyalty. Additionally, environmental responsibility encourages innovation, giving companies a competitive edge. The commitment to eco-friendly practices positively correlates with brand perception, regulatory compliance, economic benefits, and stakeholder relations, all contributing to the overall success and sustainability of the companies.

4.3 Correlation between Environmental Responsibility and Performance of Telecommunications Firms

Analysis was carried out to establish the direction and magnitude of the relationship between the independent and dependent variables under investigation. This was in line with the first objective of this study, which was to establish how environmental responsibility influences performance of telecommunications firms in Kenya. Data was collected from the respondents and results are presented in Table 3.

Table 3: Correlation between Environmental responsibility and Performance of telecommunications firms

		Environmental responsibility
Performance of telecommunications firms	Pearson Correlation	0.859
	Sig. (2-tailed)	.023

Table 3 indicate strong correlation between the performance of telecommunications firms and environmental responsibility whose r=0.859 which meant that environmental responsibility was significant since and p=0.023<0.05. There was therefore a strong correlation between the performance of telecommunications firms and environmental responsibility.

4.4 Regression Analysis of Influence of Environmental Responsibility on Performance of Telecommunications Firms

Data was analyzed and the regression results for the influence of environmental responsibility on performance of telecommunications firms in Kenya are presented in Table 4.

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Table 4: Regression Analysis of Influence of Environmental Responsibility on Performance of Telecommunications Firms

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.859	0.737	0.736	0.983

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig
1	Regression	818.029	1	818.029	847.408	1.19E-89
	Residual	291.53	302	0.965		
	Total	**1109.559**	**303**			

Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.897	0.198		4.530	.000
	Environmental responsibility	0.889	0.143	0.859	6.217	.000

Predictors: (constant), Environmental responsibility
Dependent Variable: Performance of telecommunications firms

Table 4 shows that r=0.859. This indicates that environmental responsibility has a strong relationship with performance of telecommunications firms in Kenya. $R^2 = 0.737$ indicating that environmental responsibility explains 73.7% of the variations in the performance of telecommunications firms in Kenya. The overall F statistics, ($F=847.408$, $p<1.19E-89<0.05$), indicated that there was a statistically significant relationship between environmental responsibility and performance of telecommunications firms in Kenya. The null hypothesis was therefore rejected and it was concluded that environmental responsibility significantly influences performance of telecommunications firms in Kenya.

4.5 Philanthropic Responsibility

The research aimed to establish the effect of philanthropic responsibility on performance of telecommunications firms in Kenya. The respondents were required to indicate their level of agreement with the statements on philanthropic responsibility in relation to performance of telecommunications firms in Kenya using the 5-point Likert scale ranging from 1= strongly disagree, 2= disagree, 3= Neutral, 4= Agree, 5= strongly agree. The findings were tabulated on Table 5.

Table 5: Statements on Philanthropic Responsibility in Relation to Performance of Telecommunications Firms in Kenya

Philanthropic Responsibility Indicators	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	Mean	Std. Dev.
Our organization contributes resources regularly to the community and to charity	21 (12.9)	26 (16.0)	34 (20.9)	80 (49.1)	2 (1.2)	3.098	0.601
Our organization performs in a manner consistent with the philanthropic and charitable expectations of society	12 (7.4)	10 (6.1)	6 (3.7)	63 (38.7)	72 (44.2)	4.061	0.680
Our organization voluntarily supports projects that enhance the community's quality of life	0 (0.0)	0 (0.0)	0 (0.0)	72 (44.2)	91 (55.8)	4.558	0.998
Our staff members are constantly involved in charity and volunteer work on behalf of the firm	0 (0.0)	0 (0.0)	0 (0.0)	73 (44.8)	90 (55.2)	4.552	0.999
Our organization is actively involved in a project(s) with the local community	18 (11.0)	23 (14.1)	26 (16.0)	47 (28.8)	49 (30.1)	3.528	0.844
The organization takes part in community sporting events	0 (0.0)	0 (0.0)	0 (0.0)	63 (38.7)	100 (61.3)	4.614	0.988
Poor CSR activity can have a negative impact on organisational brand value	0 (0.0)	0 (0.0)	2 (1.2)	75 (46.0)	86 (52.8)	4.515	0.525
Our organization has recruitment policies that favour the local communities in which it operates	35 (21.5)	22 (13.5)	26 (16.0)	77 (47.2)	3 (1.8)	2.945	0.744
Our organization consults the community before embarking on CSR activities	16 (9.8)	17 (10.4)	17 (10.4)	41 (25.2)	72 (44.2)	3.834	0.853
Our organization offers scholarships to needy students	0 (0.0)	0 (0.0)	2 (1.2)	70 (42.9)	91 (55.8)	4.546	0.524
Sub-composite Mean and Standard deviation						4.025	0.776

The findings in Table 5 illustrate the impact of corporate philanthropic activities on various aspects of organizational performance. On the statement that the organization contributes resources regularly to the community and to charity, 49.1% of respondents agreed, while 29.8% disagreed or strongly disagreed, resulting in a mean score of 3.098 and a standard deviation of 0.601, indicating that the organizations did not regularly contribute resources to the community and charity. Conversely, 44.2% strongly agreed, and 38.7% agreed that their organization performs in a manner consistent with philanthropic and charitable expectations, with a mean score of 4.061 and a standard deviation of 0.680, showing strong agreement and converging opinions. Additionally, 55.8% strongly agreed, and 44.2% agreed that the organization voluntarily supports projects that enhance the community's quality of life, with a mean score of 4.558 and a standard deviation of 0.998, indicating strong but inconsistent opinions. Regarding staff involvement in charity and volunteer work, 55.2% strongly agreed, and 44.8% agreed, resulting in a mean score of 4.552 and a standard deviation of 0.999, showing high but inconsistent agreement. The organization’s active involvement in local community projects had a mean score of 3.528 and a standard deviation of 0.844, with 58.9% agreeing or strongly agreeing but with varying opinions. The statement that the organization takes part in community sporting events was strongly agreed upon by 61.3% of respondents, with a mean score of 4.614 and a standard deviation of 0.988. Additionally, 52.8% strongly agreed, and 46.0% agreed that poor CSR activity negatively impacts organizational brand value, with a mean score of 4.515 and a standard deviation of 0.525, indicating strong and converging opinions. The respondents provided nuanced insights into the overall impact of philanthropic responsibilities on the success of telecommunications firms in Kenya. They emphasized that engaging in philanthropic initiatives enhances brand image and corporate reputation, attracting talent and fostering employee retention. Philanthropy was also noted to strengthen community relations and navigate regulatory landscapes, creating goodwill and potentially influencing favorable policies. Overall, the commitment to philanthropic activities was seen as integral to organizational success, impacting brand perception, talent management, community engagement, and regulatory compliance, thereby contributing to a positive business environment and improved performance.

4.6 Correlation between Philanthropic Responsibility and Performance of Telecommunications Firms

Analysis was carried out to establish the direction and magnitude of the relationship between the independent and dependent variables under investigation. This was in line with the second objective of this study, which was to establish how philanthropic responsibility influences the performance of telecommunications firms in Kenya. Data was collected from the respondents and results are presented in Table 6.

Table 6: Correlation between Philanthropic Responsibility and Performance of Telecommunications Firms

		Philanthropic responsibility
Performance of telecommunications firms	Pearson Correlation	0.838
	Sig. (2-tailed)	.001

Table 6 indicate strong correlation between the performance of telecommunications firms and philanthropic responsibility since it had r=0.838 and p=0.001<0.05. This therefore implied that philanthropic responsibility was significant and that there was a strong correlation between the performance of telecommunications firms and philanthropic responsibility.

4.7 Regression Analysis of Influence of Philanthropic Responsibility on Performance of Telecommunications Firms

Data was analyzed and the regression results for the influence of philanthropic responsibility on performance of telecommunications firms in Kenya are presented in Table 7.

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Table 7: Regression Analysis of Influence of Philanthropic Responsibility on Performance of Telecommunications Firms

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.838	0.703	0.702	1.132

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	914.414	1	914.414	713.238	1.69E-81
	Residual	387.182	302	1.282		
	Total	**1301.596**	**303**			

Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.987	0.208		4.745	.000
	Philanthropic responsibility	0.895	0.245	0.838	3.653	.000

Predictors: (constant), Philanthropic responsibility
Dependent Variable: Performance of telecommunications firms

Table 7 shows that r=0.838. This indicates that philanthropic responsibility has a strong relationship with performance of telecommunications firms in Kenya. $R^2 = 0.703$ indicating that philanthropic responsibility explains 70.3% of the variations in the performance of telecommunications firms in Kenya. The overall F statistics, (F=713.238, p=1.69E-81<0.05), indicated that there was a statistically significant relationship between philanthropic responsibility and performance of telecommunications firms in Kenya. The null hypothesis was therefore rejected and it was concluded that philanthropic responsibility significantly influences performance of telecommunications firms in Kenya.

4.8 Consumer Protection

The study sought to establish the effect of consumer protection on performance of telecommunications firms in Kenya. The respondents were required to indicate their level of agreement with the statements on consumer protection in relation to performance of telecommunications firms in Kenya using the 5-point Likert scale ranging from 1= strongly disagree, 2= disagree, 3= Neutral, 4= Agree, 5= strongly agree. The findings were tabulated on Table 8.

Table 8: Statements on Consumer Protection in Relation to Performance of Telecommunications Firms in Kenya

Consumer Protection Indicators	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	Mean	Std. Dev.
Our organization is customer oriented	29 (17.8)	21 (12.9)	21 (12.9)	69 (42.3)	23 (14.1)	3.221	0.838
Our organization is committed to providing value to customers	0 (0.0)	0 (0.0)	0 (0.0)	68 (41.7)	95 (58.3)	4.583	0.995
The organization has included the consumer protection rights law in its policies	0 (0.0)	0 (0.0)	0 (0.0)	63 (38.7)	100 (61.3)	4.614	0.988
The organization upholds fair treatment and equality to avoid abuse of market power or other anti-competitive practices as recommended in its policy	16 (9.8)	9 (5.5)	10 (6.1)	57 (35.0)	71 (43.6)	3.969	0.769
The company strictly follows fair pricing policies	14 (8.6)	29 (17.8)	17 (10.4)	62 (38.0)	41 (25.2)	3.534	0.778
The organization advocates for anti-corruption measures in its business operations	14 (8.6)	9 (5.5)	8 (4.9)	61 (37.4)	71 (43.6)	4.018	0.720
Our organization resolves customer complaints in a timely manner	21 (12.9)	25 (15.3)	29 (17.8)	81 (49.7)	7 (4.3)	3.172	0.647
Our organization supplies clear and accurate information and labelling about their products and services	21 (12.9)	22 (13.5)	31 (19.0)	82 (50.3)	7 (4.3)	3.196	0.638
Sub-composite Mean and Standard deviation						**3.788**	**0.797**

The findings revealed that 42.3% of respondents agreed that the organization is customer-oriented, while 17.8% strongly disagreed, 14.1% strongly agreed, 12.9% disagreed, and 12.9% were undecided (mean=3.221, SD=0.838). 58.3% strongly agreed that the organization is committed to providing value to customers (mean=4.583, SD=0.995). 61.3% strongly agreed that the organization has included the consumer protection rights law in its policies (mean=4.614, SD=0.988). 43.6% strongly agreed that the organization upholds fair treatment and equality to avoid abuse of market power or other anti-competitive practices (mean=3.969, SD=0.769). 38.0% agreed that the company strictly follows fair pricing policies, while 25.2% strongly agreed, 17.8% disagreed, 10.4% were undecided, and 8.6% strongly disagreed (mean=3.534, SD=0.778). 43.6% strongly agreed that the organization advocates for anti-corruption measures in its business operations (mean=4.018, SD=0.720). 49.7% agreed that the organization resolves customer complaints in a timely manner, while 17.8% were undecided, 15.3% disagreed, 12.9% strongly disagreed, and 4.3% strongly agreed (mean=3.172, SD=0.647). 50.3% agreed that the organization supplies clear and accurate information and labelling about their products and services, while 19.0% were undecided, 13.5% disagreed, 12.9% strongly disagreed, and 4.3% strongly agreed (mean=3.196, SD=0.638). Respondents emphasized the significant impact of robust consumer protection measures on fostering customer loyalty, trust, and satisfaction, as well as mitigating regulatory risks and gaining a competitive edge through market differentiation. They also recognized the indirect economic impact of consumer protection initiatives in contributing to a more stable and trustworthy business environment. Furthermore, respondents indicated that consumer protection measures contribute to building a positive corporate image, attracting positive attention from media and

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stakeholders, and acting as a protective shield during times of crisis. Overall, respondents acknowledged the pivotal role of consumer protection practices in enhancing customer relationships, maintaining regulatory compliance, and delivering superior customer experiences in the highly competitive telecommunications sector in Kenya.

4.9 Correlation between Consumer Protection and Performance of Telecommunications Firms

Analysis was conducted to establish the direction and magnitude of the relationship between the independent and dependent variables under investigation. This was in line with the third objective of this study which was to assess how consumer protection influences performance of telecommunications firms in Kenya. The results are presented in Table 9.

Table 9: Correlation between Consumer Protection and Performance of Telecommunications Firms

		Consumer protection
Performance of telecommunications firms	Pearson Correlation	0.796
	Sig. (2-tailed)	.028

Table 9 indicate strong correlation between the performance of telecommunications firms and consumer protection since its r=0.796 and p=0.028<0.05. This variable was hence significant. There was therefore a strong correlation between the performance of telecommunications firms and consumer protection.

4.10 Regression Analysis of Influence of Consumer Protection on Performance of Telecommunications Firms

Data was analyzed and the regression results for the influence of consumer protection on performance of telecommunications firms in Kenya are presented in Table 10.

Table 10: Consumer protection and Performance of telecommunications firms

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.796	0.634	0.633	0.843

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig
	Regression	372.054	1	372.054	523.098	7.05E-68
1	Residual	214.798	302	0.711		
	Total	**586.852**	**303**			

Regression Coefficients

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	0.992	0.197		5.036	.000
	Consumer protection	0.802	0.212	0.796	3.783	.000

Predictors: (constant), Consumer protection
Dependent Variable: Performance of telecommunications firms

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Table 10 shows that r=0.796. This indicates that consumer protection has a strong relationship with performance of telecommunications firms in Kenya. $R^2 = 0.634$ indicating that consumer protection explains 63.4% of the variations in the performance of telecommunications firms in Kenya. The overall F statistics, ($F = 523.098$, $p<7.05E-68<0.05$), indicated that there was a statistically significant relationship between consumer protection and performance of telecommunications firms in Kenya. The null hypothesis was therefore rejected and it was concluded that consumer protection significantly influences Performance of telecommunications firms in Kenya.

4.11 Economic Expectations Responsibility

The study sought to establish the effect of economic expectations responsibility on performance of telecommunications firms in Kenya. The respondents were required to indicate their level of agreement with the statements on economic expectations responsibility in relation to performance of telecommunications firms in Kenya using the 5-point Likert scale ranging from 1= strongly disagree, 2= disagree, 3= Neutral, 4= Agree, 5= strongly agree. The findings were tabulated on Table 11.

Table 11: Statements on Economic Expectations Responsibility in Relation to Performance of Telecommunications Firms in Kenya

ECONOMIC EXPECTATIONS RESPONSIBILITY INDICATORS	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	Mean	Std. Dev.
The organization focuses on maximizing shareholder's profits	30 (18.4)	23 (14.1)	25 (15.3)	75 (46.0)	10 (6.1)	3.074	0.760
The organization undertakes payment of fair wages to employees	18 (11.0)	0 (0.0)	0 (0.0)	62 (38.0)	83 (50.9)	4.178	0.717
The company reviews increment of wages and salaries for employees annually	0 (0.0)	0 (0.0)	0 (0.0)	71 (43.6)	92 (56.4)	4.564	0.997
The general prices of the goods/services provided by the company are reasonable and fair to the final consumer	26 (16.0)	23 (14.1)	19 (11.7)	60 (36.8)	35 (21.5)	3.337	0.880
The organization undertakes the provision of proper working conditions concerning health and safety	28 (17.2)	21 (12.9)	16 (9.8)	77 (47.2)	21 (12.9)	3.258	0.822
Our organization has maintained a strong competitive position	32 (19.6)	22 (13.5)	27 (16.6)	76 (46.6)	6 (3.7)	3.012	0.942
The company has maintained a high level of operating efficiency	0 (0.0)	0 (0.0)	0 (0.0)	68 (41.7)	95 (58.3)	4.583	0.995
The company develops new services and goods regularly	26 (16.0)	24 (14.7)	20 (12.3)	73 (44.8)	20 (12.3)	3.227	0.797
The organization promotes innovation and technical developments	18 (11.0)	0 (0.0)	0 (0.0)	65 (39.9)	80 (49.1)	4.160	0.712
Sub-composite mean and standard deviation						3.710	0.847

The findings from Table 11 revealed that 46.0% of respondents agreed that the organization focuses on maximizing shareholder's profits, while 18.4% strongly disagreed, 15.3% were undecided, 14.1% disagreed, and 6.1% strongly agreed (mean=3.074, SD=0.760). 50.9%

strongly agreed that the organization undertakes payment of fair wages to employees, 38.0% agreed, and 11.0% strongly disagreed (mean=4.178, SD=0.717). 43.6% agreed and 56.4% strongly agreed that the company reviews increment of wages and salaries for employees annually (mean=4.564, SD=0.997). 36.8% agreed that the general prices of the goods/services provided by the company are reasonable and fair to the final consumer, 21.5% strongly agreed, 16.0% strongly disagreed, 14.1% disagreed, and 11.7% were undecided (mean=3.337, SD=0.880). 47.2% agreed that the organization undertakes the provision of proper working conditions concerning health and safety, 17.2% strongly disagreed, 12.9% disagreed, 12.9% strongly agreed, and 9.8% were undecided (mean=3.258, SD=0.822). 46.6% agreed that the organization has maintained a strong competitive position, 19.6% strongly disagreed, 16.6% were undecided, 13.5% disagreed, and 3.7% strongly agreed (mean=3.012, SD=0.942). 58.3% strongly agreed and 41.7% agreed that the company has maintained a high level of operating efficiency (mean=4.583, SD=0.995). 44.8% agreed that the company develops new services and goods regularly, 16.0% strongly disagreed, 14.7% disagreed, 12.3% were undecided, and 12.3% strongly agreed (mean=3.227, SD=0.797). 49.1% strongly agreed that the organization promotes innovation and technical developments, 39.9% agreed, and 11.0% strongly disagreed (mean=4.160, SD=0.712).

Respondents shared insights into the effects of economic expectations responsibility as part of CSR on the performance of telecommunications firms in Kenya. They emphasized the positive impact on fostering community development, building strong partnerships with local businesses and suppliers, contributing to talent acquisition and retention, driving innovation and technological advancement, and acting as a risk mitigation strategy. Respondents also indicated that economic responsibilities play a substantial role in impacting the success of their respective telecommunications companies by contributing to community development, creating a robust and sustainable local supply chain, attracting and retaining a skilled and motivated workforce, and driving innovation and technological advancement. Companies actively engaged in research and development activities aligned with the telecommunications sector were perceived as better positioned for success.

4.12 Correlation between Economic Expectations Responsibility and Performance of Telecommunications Firms

Analysis was carried out so as to establish the direction and magnitude of the relationship between the independent and dependent variables under investigation. This was in line with the fourth objective of this study which was to assess how economic expectations responsibility influences performance of telecommunications firms in Kenya. The results are presented in Table 12

Table 12: Correlation between Economic Expectations Responsibility and Performance of Telecommunications Firms

		Economic expectations responsibility
Performance of telecommunications firms	Pearson Correlation	0.855
	Sig. (2-tailed)	.042

Table 12 indicate strong correlation between the performance of County Maternal Health and economic expectations responsibility (r=0.855, p=0.042<0.05). There therefore a strong correlation between the performance of telecommunications firms and economic expectations responsibility.

4.13 Regression Analysis of Influence of Economic Expectations Responsibility on Performance of Telecommunications Firms

Data was analyzed and the regression results for the influence of economic expectations responsibility on performance of telecommunications firms in Kenya are presented in Table 13

Table 13: Regression Analysis of Influence of Economic Expectations Responsibility on Performance of Telecommunications Firms

Model Summary				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	0.855	0.730	0.730	0.905

ANOVA						
Model		**Sum of Squares**	**Df**	**Mean Square**	**F**	**Sig**
	Regression	671.009	1	671.009	818.416	5.68E-88
1	Residual	247.606	302	0.820		
	Total	**918.615**	**303**			

Regression Coefficients						
		Unstandardized Coefficients		**Standardized Coefficients**	**t**	**Sig.**
Model		**B**	**Std. Error**	**Beta**		
1	(Constant)	0.917	0.208		4.409	.000
	Economic expectations responsibility	0.911	0.265	0.855	3.438	.001

Predictors: (constant), Economic expectations responsibility
Dependent Variable: Performance of telecommunications firms

Table 13 shows that r=0.855. This indicates that economic expectations responsibility has a strong relationship with performance of telecommunications firms in Kenya. $R^2 = 0.730$ indicating that economic expectations responsibility explains 73.0% of the variations in the performance of telecommunications firms in Kenya.

The overall F statistics, ($F = 818.416$, $p < 5.68E\text{-}88 < 0.05$), indicated that there was a statistically significant relationship between economic expectations responsibility and performance of telecommunications firms in Kenya. The null hypothesis was therefore rejected and it was concluded that economic expectations responsibility significantly influences performance of telecommunications firms in Kenya.

4.14 Organization Culture

The research sought to assess the moderator effect of organization culture on performance of telecommunications firms in Kenya. The respondents were required to indicate their level of agreement with the statements on organizational structure in relation to performance of telecommunications firms in Kenya using the 5-point Likert scale ranging from 1= strongly disagree, 2= disagree, 3= Neutral, 4= Agree, 5= strongly agree. The findings were tabulated on Table 14

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Table 14: Statements on Organizational Structure in Relation to Performance of Telecommunications Firms in Kenya

ORGANIZATION CULTURE INDICATORS	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	Mean	Std. Dev.
Business ethics consisted of a collection of moral standards and values that regulate the organization's actions	0 (0.0)	0 (0.0)	0 (0.0)	68 (41.7)	95 (58.3)	4.583	0.995
It can be seen that many multinational firms, do not think too highly of good corporate ethics	12 (7.4)	32 (19.6)	30 (18.4)	55 (33.7)	34 (20.9)	3.411	0.726
The organization has formulated internal procedures relating to the ethical actions of workers as part of more robust ethics and compliance systems	25 (15.3)	10 (6.1)	26 (16.0)	90 (55.2)	12 (7.4)	3.331	0.692
Employees undergo business behaviour workshops that often include discussion of the ethical practices to be followed in the organization	27 (16.6)	17 (10.4)	30 (18.4)	77 (47.2)	12 (7.4)	3.184	0.728
Workers to sign agreements specifying that they will abide by the code of conduct of the organization	11 (6.7)	0 (0.0)	7 (4.3)	72 (44.2)	73 (44.8)	4.203	0.531
Corporate policies that regulate ethical behaviour are in place	0 (0.0)	0 (0.0)	0 (0.0)	73 (44.8)	90 (55.2)	4.552	0.999
Sub-composite mean and standard deviation						**3.877**	**0.779**

The study investigated the influence of organizational structure on the performance of telecommunications firms in Kenya. The results showed that business ethics, consisting of moral standards and values, regulate the organization's actions, with 95 (58.3%) of the respondents strongly agreeing and 68 (41.7%) agreeing (mean=4.583, SD=0.995). Many respondents agreed (55, 33.7%) or strongly agreed (34, 20.9%) that multinational firms value good corporate ethics (mean=3.411, SD=0.726). However, the organizations did not seem to formulate internal procedures related to employees' ethical actions (agreed: 90, 55.2%; undecided: 26, 16.0%; strongly disagreed: 25, 15.3%; mean=3.331, SD=0.692) or provide business behavior workshops (agreed: 77, 47.2%; undecided: 30, 18.4%; strongly disagreed: 27, 16.6%; mean=3.184, SD=0.728). Employees were required to sign agreements to abide by the organization's code of conduct (strongly agreed: 73, 44.8%; agreed: 72, 44.2%; mean=4.203, SD=0.531), and corporate policies regulating ethical behavior were in place (strongly agreed: 90, 55.2%; agreed: 73, 44.8%; mean=4.552, SD=0.999). Respondents provided insights into the effects of organizational culture on the performance of telecommunications firms in Kenya. A positive organizational culture was seen as fostering employee engagement, satisfaction, innovation, and adaptability. It also shapes the company's external reputation, customer relationships, strategic decision-making, and organizational alignment. Additionally, a culture that emphasizes ethical behavior, compliance, and corporate social responsibility was perceived as crucial for risk management and regulatory compliance in the telecommunications industry.

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4.15 Correlation between Organization Culture and Performance of Telecommunications Firms

Analysis was carried out so as to establish the direction and magnitude of the relationship between the independent and dependent variables under investigation. This was in line with the fifth objective of this study which was establish how organization culture influences performance of telecommunications firms in Kenya. The results are presented in Table 15

Table 15: Correlation between Organization Culture and Performance of Telecommunications Firms

		Organization culture
Performance of telecommunications firms	Pearson Correlation	0.877
	Sig. (2-tailed)	.000

Table 15 indicate strong correlation between the performance of telecommunications firms and organization culture had r=0.877 and p=0.000 which was less than 0.05 therefore implying that it was significant. There was therefore a strong correlation between the performance of telecommunications firms and organization culture.

4.16 Regression Analysis of Influence of Organization Culture on Performance of Telecommunications Firms

Data was analyzed and the regression results for the influence of organization culture on performance of telecommunications firms in Kenya are presented in Table 16.

Table 16: Regression Analysis of Influence of Organization Culture on Performance of Telecommunications Firms

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.877	0.768	0.767	0.923

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig
1	Regression	853.353	1	853.353	1001.176	6.82E-98
	Residual	257.41	302	0.852		
	Total	**1110.763**	**303**			

Regression Coefficients

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	0.813	0.227		3.581	0.000
	Organization culture	0.901	0.293	0.877	3.075	0.002

Predictors: (constant), Organization culture
Dependent Variable: Performance of telecommunications firms

Table 16 shows that r=0.877. This indicates that organization culture has a strong relationship with performance of telecommunications firms in Kenya. $R^2 = 0.768$ indicating that organization culture explains 76.8% of the variations in the performance of telecommunications firms in Kenya. The overall F statistics, (F =1001.176, p<6.82E-98<0.05), indicated that there was a statistically significant relationship between organization culture and performance of telecommunications firms in Kenya. The null hypothesis was therefore rejected and it was concluded that organization culture significantly influences performance of telecommunications firms in Kenya.

4.17 Findings from Qualitative Information

The interviewees were asked to state some of the CSR activities carried out by their company. One senior manager (1) stated,

> *"Our company is deeply committed to Corporate Social Responsibility, and we undertake a variety of initiatives that align with our values and contribute to the well-being of society."*

Another senior manager (7) noted,

> *"Environmental sustainability is a key focus for us. We implement energy-efficient practices, waste reduction programs, and support renewable energy projects to reduce our environmental footprint."*

Moreover, the interviewees were asked how they identified these CSR activities. One senior manager (11) noted,

> *"Regular assessments and impact evaluations guide the identification of our CSR initiatives. We analyze the social, environmental, and economic implications of our operations to pinpoint areas where our efforts can make a meaningful difference."*

Senior manager (9) emphasized,

> *"Collaboration with external experts and NGOs is a key part of our identification process. We seek partnerships with organizations that specialize in social and environmental issues to ensure our CSR initiatives are well-informed and effective."*

Another senior manager (13) highlighted,

> *"Innovation plays a significant role. We encourage our teams to come up with creative ideas that align with our CSR goals. This internal ideation process allows us to discover unique ways to contribute to societal well-being."*

Senior manager (15) stated,

> *"Regular internal audits and risk assessments help us identify areas where we can improve our CSR efforts. We aim to align our activities with global sustainability goals and industry best practices."*

In addition, the interviewer asked the senior managers to state the areas that the CSR activities covered. Senior manager (8) stated,

> *"We focus on education, healthcare, and digital inclusion as key areas of our CSR initiatives. These align with our corporate values and contribute to the overall development of the communities we serve."*

Senior manager (14) noted,

> *"Environmental conservation is a primary focus for us. We invest in initiatives that reduce our carbon footprint, promote renewable energy, and contribute to a healthier planet."*

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From the interviews, the interviewees were asked to indicate some of the CSR activities or projects undertaken in the last one year. Senior manager (3) mentioned,

> *"Over the past year, we initiated a tree-planting campaign to contribute to environmental conservation. Additionally, we sponsored educational programs, providing scholarships to underprivileged students."*

Senior manager (12) stated,

> *"Our focus in the last year has been on digital literacy projects. We collaborated with local schools to provide access to technology and training, empowering the youth with essential digital skills."*

Another senior manager (9) highlighted,

> *"We undertook a community infrastructure project, improving access to clean water in remote areas. This aligns with our commitment to sustainable development and community well-being."*

Senior manager (15) mentioned,

> *"Employee well-being has been a priority. We introduced mental health support programs and initiatives to enhance the work-life balance of our staff."*

Moreover, the interviewees were required to state the factors that their companies considered in its corporate social responsibility (CSR) endeavors. Senior manager (10) highlighted,

> *"Stakeholder engagement is crucial. Before embarking on any CSR project, we conduct surveys and engage with local communities to understand their needs and preferences."*

Senior manager (4) noted,

> *"Our CSR strategy is integrated into our business model. We consider the environmental impact of our operations, ethical business practices, and the overall well-being of the communities where we operate."*

Another senior manager (1) mentioned,

> *"Inclusivity is a key factor. We ensure that our CSR projects benefit a wide range of stakeholders, including marginalized groups, to promote social inclusion."*

The interviewees were asked to give their opinion on whether there is any relationship between corporate social responsibility activities and the growth of firms named. Senior manager (3) expressed,

> *"Absolutely, there is a direct correlation between CSR activities and the growth of our firm. Positive social and environmental contributions enhance our reputation, attracting both customers and investors."*

Senior manager (12) stated,

> *"CSR is not just a social obligation; it's an investment in our brand. Customers today appreciate businesses that are socially responsible, and this positively influences our market position and revenue."*

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Senior manager (9) noted,

> *"Beyond financial gains, CSR fosters employee engagement and loyalty. A motivated workforce contributes significantly to the overall productivity and growth of the company."*

Another senior manager (6) highlighted,

> *"CSR activities create a symbiotic relationship with the community. As the community thrives, so does our business. It's a mutually beneficial dynamic."*

Senior manager (15) shared,

> *"We have observed that our CSR initiatives lead to increased customer trust. This trust translates into customer retention and loyalty, contributing to the sustainable growth of our firm."*

Further, the interviewees were required to indicate whether the CSR programs are integrated with the overall corporate growth strategy and if they are part of the organizations mission, vision and objectives. One senior manager (5) affirmed,

> *"Yes, our CSR programs are integral to our corporate growth strategy. They are embedded in our mission, vision, and objectives. CSR is not a separate entity but a core element shaping our organizational identity."*

Senior manager (11) stated,

> *"Our CSR initiatives align closely with our mission to be a responsible corporate citizen. They are strategically linked to our long-term objectives, reflecting our commitment to sustainable and ethical business practices."*

Senior manager (2) shared,

> *"From the highest level of decision-making, CSR is considered a strategic imperative. It is not only integrated into our mission statement but is a guiding principle shaping our business decisions for sustained growth."*

The interviewees were asked to give their opinion on the various role they think CSR play. On firm performance, Senior manager (7) expressed,

> *"CSR undoubtedly plays a pivotal role in enhancing firm performance. It contributes to sustainable practices, fostering customer loyalty, and ultimately positively impacting our financial performance."*

Senior manager (13) noted,

> *"CSR is not just a compliance measure; it actively influences our bottom line. By aligning our business operations with responsible practices, we create a positive impact on our performance metrics."*

Another senior manager (3) emphasized,

> *"CSR is an investment in our brand equity. As customers increasingly value socially responsible businesses, our commitment to CSR enhances our market position, positively affecting our overall performance."*

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In regards to organization learning and new innovations, Senior manager (9) highlighted,

> *"CSR promotes a culture of continuous learning within the organization. It encourages innovation by pushing us to find sustainable solutions, fostering a mindset that values creativity and adaptability."*

Senior manager (12) shared,

> *"CSR initiatives often lead to cross-functional collaboration, driving innovation. The process of identifying and addressing social and environmental challenges prompts us to think creatively and find unique solutions."*

In accordance with attraction and retention of high quality, committed and engaged employees, senior manager (6) stated,

> *"In today's competitive job market, CSR is a powerful tool for attracting and retaining top talent. Talented individuals are drawn to organizations with a genuine commitment to social responsibility."*

Senior manager (10) affirmed,

> *"Our CSR efforts significantly contribute to employee satisfaction and engagement. It creates a sense of purpose among our workforce, fostering a positive work environment that attracts and retains high-quality employees."*

On enhancing company reputation, senior manager (1) highlighted,

> *"CSR is integral to building and maintaining a positive company reputation. It's not just about profits; it's about being a responsible corporate citizen, and that positively influences how we are perceived by the public."*

Senior manager (15) added,

> *"A strong CSR program is a valuable asset for reputation management. It establishes our commitment to ethical practices and community well-being, which resonates positively with our stakeholders."*

As per improving financing and investors relationship, Senior manager (4) noted,

> *"CSR plays a crucial role in attracting socially responsible investors. It enhances our credibility in the financial market, making us a more attractive prospect for investors who prioritize ethical and sustainable business practices."*

Senior manager (8) stated,

> *"Investors are increasingly looking beyond financial metrics. CSR provides a holistic view of our organization, showcasing our commitment to responsible business practices, which in turn strengthens our relationship with investors."*

5.0 Conclusion

The study concludes that environmental responsibility has a statistically significant influence on the performance of telecommunications firms in Kenya. It found that while adopting environmental responsibility may initially challenge firm value, it eventually contributes positively, suggesting long-term gains for committed firms. Philanthropic responsibility also significantly influences performance, though its impact on financial stability may not be as strong as other CSR dimensions, emphasizing the need for strategic philanthropic initiatives. Consumer protection initiatives positively affect financial indicators, highlighting the importance of balancing consumer-focused efforts with overall corporate value. Economic expectations responsibility is crucial, as fulfilling these obligations, such as providing returns on investment and generating profit, is vital for positive customer perceptions and managing challenges. Finally, organizational culture significantly influences performance, with a need for authentic alignment with societal needs, underscoring the role of a genuine commitment in shaping firm outcomes.

6.0 Recommendations

The study recommends that regulatory bodies, such as the Communications Authority of Kenya (CAK), actively encourage and enforce CSR initiatives within the telecommunications sector. Policies should incentivize firms to engage in environmentally responsible practices, philanthropic endeavors, and consumer protection initiatives, potentially through tax breaks or other financial incentives. For practitioners, the study suggests adopting a comprehensive CSR approach encompassing environmental responsibility, philanthropy, consumer protection, economic expectations, and organizational culture to address a broad spectrum of societal and environmental needs. Additionally, stakeholder engagement should be prioritized in the CSR planning and implementation processes to ensure initiatives are well-received and tailored to meet specific needs, fostering shared responsibility and enhancing the effectiveness of CSR programs.

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