EFFECT OF CORPORATE SOCIAL RESPONSIBILITY ON ORGANIZATIONAL PERFORMANCE: A CASE OF MEDIA HOUSES IN NAIROBI, KENYA

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A Research Project Submitted to the Graduate School in Partial Fulfillment of the Requirements for the Award of the Degree of Master of Business Administration of Egerton University

EGERTON UNIVERSITY

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DECLARATION AND RECOMMENDATION

Declaration

I do hereby declare that this research project is my original work and to the best of my knowledge has not been presented in any learning institution for academic purposes or for any other reason.

Signed……………………………………… Date…………………………

Mary Naswa Musungu

CM16/0286/12

Recommendation

This research project has been submitted with my approval as the University supervisor.

Signed……………………………………… Date…………………………

Dr. Henry K. Kombo

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DEDICATION

This work is dedicated to my husband George for his invaluable support: financially, emotionally and logistically. I could not have come this far without his priceless input.

ACKNOWLEDGEMENT

I thank the Almighty God, my Rock, for giving me strength to do the work and making provision in order for me to pursue my academics to this level. Without Him, I would not have been able to come this far. I also thank Egerton University and all the lecturers for giving me an opportunity to advance academically. I am especially grateful to my supervisor Dr. Henry Kombo for his guidance, sacrifice, patience, understanding and tremendous valuable input which made a significant difference in my progress with the proposal, thesis and ultimately the successful completion of this research project. I am equally grateful to other members of the Faculty of Commerce for their objective and in-depth scholarly criticism of my work which inspired me to aspire for academic excellence. I thank my family: my daughter Ruby for her inspiration and encouragement in spite of her tender age, my sons Prince and Jonathan, my mother Phyllis for her unwavering support especially when she went out of her way to enable me be in class, my classmates and all other important people who have contributed in one way or other to make my academic life smooth and worthwhile.

ABSTRACT

Past studies have found that a firm which is socially responsible acknowledges that it exists and operates in a shared environment. This is characterised by a mutual impact of a firm's relationships on a broad variety of stakeholders, who are affected by and can eventually affect the achievement of an organisation's objectives. This study sought to investigate the effect of corporate social responsibility (CSR) practices on the performance of organizations in the media industry. The study used a correlational census survey design. The study was cross sectional. The target population of the study was 37 media firms operating in Nairobi, Kenya. Primary data was collected from each of the firms' top and mid-level management using a questionnaire as the main data collection instrument. Data was then analyzed using descriptive statistics: percentages, means and standard deviations. Pearson's correlation analysis was used to examine the relationship between corporate social responsibility and organizational performance. Multiple regression analysis was used to determine the joint effect of the dimensions of corporate social responsibility (CSR): philanthropic responsibility, economic responsibility, environmental responsibility, ethical responsibility and legal responsibility on organizational performance. The analysis found that all the five dimensions of CSR jointly have a positive and significant effect on organizational performance of the media houses. This study recommends that media houses should perform philanthropic activities that impact society enabling them to substantially improve their corporate image, increase their visibility and reach a broad social recognition as responsible corporate citizens. Managers should also ensure that firms achieve a successful position on the market, maintain a high level of operating efficiency and put in place economic measures that favour their various stakeholders. Additionally, policies that ensure conservation of the environment should be crafted to include but not be limited to: energy conservation, waste reduction, use of renewable generated energy and resources and use of recycled or eco-friendly office supply. Further, that ethical responsibility should be embraced in terms of providing value to customers, ensuring the firms have policies that guarantee equal compensation regardless of gender and prevent ethical norms from being compromised in order to achieve corporate goals. Lastly, managers should ensure that firms are compliant with the law and take responsibility for illegal behaviour. Integrating all the dimensions of CSR into daily operations will lead to enhanced good relations between the firms and their numerous groups of stakeholders such as the employees, suppliers, government and members of the surrounding community. This will ultimately lead to increased market share, augmented sales growth and more customer satisfaction in addition to giving a superior competitive edge to one media firm that does this over another that does not.

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ACRONYMS AND ABBREVIATIONS

ANOVA	Analysis of Variance
BBC	British Broadcasting Corporation
CD	Community Development
CSP	Corporate Social Performance
CSR	Corporate Social Responsibility
FP	Financial Position
FY	Financial Year
GDP	Gross Domestic Product
GOK	Government of Kenya
ISO	International Standards Organization (International Organization for Standardization)
KBC	Kenya Broadcasting Corporation
KTN	Kenya Television Network
NPAT	Net Profit after Tax
NTV	Nation Television
OHSAS	Occupational Health and Safety Assessment Series
PWC	Price Water House Coopers
RI	Return on Investment
ROA	Return on Assets
ROE	Return on Equity
US	United States
SPSS	Statistical Package for Social Sciences
SQ	Standardized Questionnaire

CHAPTER ONE
INTRODUCTION

1.1 Background to the Study

Companies are under intense pressure to take responsibility for the impact on the societies in which they operate and the environments in which they exist. They are expected to take an active role in the development of society. These calls for responsible business practices and corporate contributions are normally framed in terms of Corporate Social Responsibility (CSR). The realization that companies can and should play an important role in their communities - across the nation and around the world - while making a profit is quite a step up from the old belief that the sole purpose of companies is to increase value for shareholders. Today, many businesses are taking the next step in the evolution of CSR in business (Visser, 2006).

Many business leaders are realizing that CSR is a viable component of their overall business strategy, along with such traditional functions as marketing, branding, research and development, innovation, talent management and operations. CSR is quickly gaining corporate mindshare and an increasing number of companies in almost every industry are adopting CSR principles and initiating CSR programs. They are therefore beginning to accord CSR strategy the same level of attention they give to these other vital corporate functions and, better yet, weave their CSR strategies in with their branding, marketing and operations (Porter & Kramer, 2006).

1.1.1 Corporate Social Responsibility

Carroll (1979) argues that firms have four responsibilities namely: economic responsibility meant to generate profits, provide jobs, create products that consumers want; legal responsibility which entails complying with local, state, federal, and relevant international laws; ethical responsibility that covers meeting other social expectations, not written as law, such as avoiding harm or social injury, respecting people’s moral rights, doing what is right and just and discretionary/ Philanthropic responsibility which has to do with meeting additional behaviors and activities that society finds desirable, such as contributing resources to various kinds of social or cultural enterprises and providing employee benefits such as training and industry-leading salaries. Firms that demonstrate proactive CSR would not only expect to contribute to the creation of societal welfare, but also to improve their own performance (Carroll, 1979).

The World Bank (2004) defines CSR as “the commitment of business to contribute to sustainable economic development by working with employees, their families, the local community and society at large to improve their lives in ways that are good for business and for development”. Since the 1980s, there has been a series of reforms taking shape in the business, resulting from the increased awareness on the importance of quality management and business role toward society (Rangan, Chase & Karim, 2012).

The scope of activities included in CSR programs is wide and subject to debate. However, most definitions include three key pillars of: economic growth, ecological balance and social progress. Elements within the framework of CSR include the adaptation of products and manufacturing processes to address social values such as eliminating excess packaging, valuing human resources through personal development training and occupational health and safety programs, improving environmental performance through recycling and pollution abatement of emission reductions and supporting community organizations by sponsoring a local sporting club, etc. (Jones & Bartlett, 2009).

Although CSR has been more prevalent in those organizations that are more exposed to the environment and are more prone toward creating contamination, the interest in using CSR as a strategy is increasing in every type of business. Therefore, to integrate CSR and corporate identities with business strategy is becoming much more challenging for business leaders to stay up to speed with the future business growth (Saeed & Arshard, 2012). Given the enormous tug towards CSR, the question for corporations is not whether to engage in CSR, but what the best way forward is for crafting CSR programs that reflect a company’s business values, while addressing social, humanitarian and environmental challenges.

This study adopted the definition of corporate social responsibility as the obligation of organizations to maximize the positive and minimize the negative impact on society (Pride & Ferrell, 2010). The most common operationalization of CSR has been done in the work of Carroll (1979) who provides the foundational concepts of CSR as discretionary/philanthropic, economic, ethical and legal expectations that a society has of an organization at any given point in time.

Rehman (2011) later analysed definitions of CSR from its inception to the current century and summarized 10 major dimensions which included, environmental protection, economic development, ethical business practices, law abiding, voluntariness, human rights, transparency and accountability and stakeholder's involvement. The focus of this study was to investigate the effect of Corporate Social Responsibility manifested through the dimensions of philanthropic responsibility, economic responsibility, environmental responsibility, ethical responsibility and legal responsibility on market performance of media firms in Nairobi, Kenya.

This study operationalized corporate social responsibility using philanthropic, economic, ethical and legal responsibilities borrowing from the study of Rongoei and Muturi (2018) done to investigate effect of corporate social responsibility on organizational performance of Sony and Chemelil Sugar Factories. The four specific objectives of the study were: to establish the effects of philanthropic, ethical, economic and legal activities on organization performance. The dimension of environmental responsibility was also used borrowing from the study by Sweeny (2009). Environmental responsibility has become an important focus of many firms considering the many calls by various stakeholders worldwide for environmental conservation.

1.1.2 Organizational Performance

Devinney, Yip and Johnson (2008) suggest that organizational performance encompasses three specific areas of firm outcomes: financial performance, market performance and shareholder return. A wide variety of definitions of firm performance have been proposed in literature with frequent reference to how efficiently and effectively a firm utilizes its resource in generating economic outcomes and achieving organizational goals. Delaney and Huselid (1996) employed relative measures to measure organization performance by comparing organizations to their competitors. The dimensions used were quality of products, development of new products, ability to retain essential employees, ability to attract essential employees, customer satisfaction, management and employee relationship, relationship among employees, sales growth, profitability and market share.

Darroch (2005) uses comparative and internally reflective performance measures by using industry averages to compare research results. These performance measures capture both financial as well as non-financial measures. There are studies in the literature that attempted to empirically examine the relationship between CSR and organizational performance using absolute subjective or nonfinancial measures (Akanbi & Ofoegbu, 2012; Delaney & Huselid, 1996). This study also focused on market performance of firms in the media industry in

Kenya using indicators such as sales growth, market share and customer satisfaction borrowing from previous studies such as Delaney and Huselid (1996).

1.1.3 The Media Industry in Kenya

Mass media and communication is a diversified collection of media technologies that is designed to reach a large audience with a view of conveying messages that create impact. The media industry produces several types of content, using diverse formats and distribution over different platforms. Broadcast media is a platform that transmits information electronically to a mass audience via media like film, radio, recorded music, or television. Digital media comprises of electronically transmitted messages through internet and mobile communication platforms (Ochieng, 2016). Media phenomena in Kenya comprises of more than 90 FM stations (radio), TV stations, print newspapers and magazines. Publications mainly use English as the primary language while some native media houses use Swahili and local languages (Deloitte, 2012; PWC, 2013).

Kenya has an energetic media industry and is rated among the most appreciated media markets in the Sub-Saharan Africa with over 22 certified Media Houses. It is accompanied by the emergent level of middle class, rising rates of literacy, a large urban population, and the adoption of mobile phone as a platform for communication replacing the traditional methods. (Ochieng, 2016). The media industry has recorded tremendous growth since the sovereignty of the Kenyan nation in 1963. From only one broadcaster; the Kenya Broadcasting Corporation (KBC), originally known as the Kenya Broadcasting Service (KBS) then Voice of Kenya (VOK) and back to KBC, that was inherited from the colonial government, the country today boasts of over 386 FM radio frequencies, more than 46 located in Nairobi County, and 105 TV frequencies associated with state and private owners (GeoPoll, 2015; Kentra, 2016).

Most radio frequencies are owned by media houses such as Nation Media Group, Standard Media Group, Radio Africa Group, Royal Media Services and MediaMax Communication Group (Strategic Public Relations & Research, 2011). Two independent national newspapers, the Daily Nation, The Standard and regional and specialized papers like Business Daily and The Star feature quality reporting, as does the weekly paper, The East African, which is published in Nairobi, Dar-es-Salaam and Kampala (Strategic Public Relations & Research, 2011). There are also Christian media houses with TV channels such Family TV, Shine TV, Hope TV and many others which broadcast Christian programmes.

Other television channels are Stellavision (STV), and the East African Television (Muthamia, 2009). Foreign media houses such as Aljazeera, BBC, China Radio International and Radio France International also have their television and radio stations in Nairobi (Strategic Public Relations & Research, 2011). With cellular services infiltration standing at nearly 80 per cent and more than 30 million subscribers registered on telecommunication networks, more and more users have grown confident in utilization of technology to access the broadcast services be it digital or otherwise (Deloitte, 2012).

The media sector is christened with print media categorized as dailies, Weeklies, monthlies, bi-monthlies and quarterlies. Some of these outfits are owned by Media Houses. The media industry is harmonized and regulated by the Media Council of Kenya and its Complaints Commission, the Communications Authority of Kenya, and the Registrar of Books and Newspapers for print media. Some of these broadcasting houses are privileged to own print and digital media (BBC, 2016).

More and more companies are adopting CSR principles and practices into their business operations. For some, the motivation for incorporating CSR into their business is encapsulated by the mantra of doing good by doing well, whereas for others, CSR is merely a way to avoid rules and regulations regarding the behaviour of business in society. Lastly, CSR is seen as a way to build competitive advantage (Jonker & de Witte, 2006). Whatever the motivation, research shows that companies have adopted multiple processes to address social and environmental issues. Media firms in Kenya have also been seen to follow suit in adopting CSR initiatives.

There has been an increasing effort in media houses over the years to engage in CSR initiatives and as a result, the media landscape is dotted with one project or other being undertaken by the media fraternity for the general public good. The question that begs is whether engagement in the CSR initiatives has translated to any advantages for the media houses involved in terms of affecting the bottom-line. This was the burning question at the back of the researcher’s mind as this study was undertaken.

1.2 Statement of the Problem

Although the concept of CSR used as a strategy is gaining some prominence within policy debates in Kenya, it is not applied widely and is usually associated with philanthropy. There are many private sector-related initiatives and business activities which can be described as expressions of CSR. There are emerging specialist CSR organizations too. Surveys have shown that most consumers favour socially responsible companies and products (Chepkwony, 2008). As the idea of CSR is coming to maturity, many investors have identified the benefits associated with being socially responsible and its acceptance is increasing as companies are generating strategic capital for this (Saeed & Arshard, 2012).

Kivuitu, Yambayamba and Fox (2005) argue that the CSR agenda needs to be locally owned if it is to make a significant contribution to the local development priorities - and it must be relevant to local enterprises, whether large or small. Most of the studies for example (Tsoutsoura, 2004; Byus, Deis & Ouyang, 2010) examining the relationship between CSR and organizational performance have been done in developed nations and have reported positive results while others done in other developing nations have reported negative results (Raihan, Baskar & Islam, 2015). Very few other studies done in developing nations have found statistically insignificant results between CSR and firm performance, for instance (Ares, Aybars & Kutlu, 2009; Crisostomo, Freire & Vasconcellos, 2011).

Many scholars (Kivuitu et al., 2005) agree that in order for CSR and its policies to produce substantial gains within the Kenyan local community, it needs to be tailored to suit the business practices of the organizations that operate in Kenya. There is need for more research to be done in different sectors and industries of the economies of developing nations as suggested by (Saeed & Arshard, 2012) who posited that it's imperative to study the linkage between CSR-related activities and market performance in different social, cultural and economic contexts. Until now, no other study has been done to investigate the linkage between CSR-related activities and market performance of media houses in Kenya using nonfinancial performance measures.

That being the case therefore, this study sought to investigate the effect of corporate social responsibility on organizational performance in selected Media firms in Nairobi Kenya using nonfinancial performance measures. This research was to help bring more understanding and shed more light on the perceived effect of CSR initiatives on organizational performance specifically among media houses/firms in the media industry in a developing nation such as Kenya.

1.3 Objectives of the Study

The overall objective of this study was to examine the effect of corporate social responsibility on performance of media houses in the media industry in Nairobi Kenya. The specific objectives of the study were to:

i. Determine the effect of philanthropic responsibility on performance of the media houses.
ii. Determine the effect of economic responsibility on performance of the media houses.
iii. Determine the effect of environmental responsibility on performance of the media houses.
iv. Establish the effect of ethical responsibility on performance of the media houses.
v. Establish the effect of legal responsibility on performance of the media houses.
vi. Establish the joint effect of philanthropic responsibility, economic responsibility, environmental responsibility, ethical responsibility and legal responsibility on performance of the media houses.

1.4 Research Hypotheses

This study tested the following hypotheses:

HA1 Philanthropic responsibility has a significant positive effect on organizational performance

HA2 Economic responsibility has a significant positive effect on organizational performance

HA3 Environmental responsibility has a significant positive effect on organizational performance

HA4 Ethical responsibility has a significant positive effect on organizational performance

HA5 Legal responsibility has a significant positive effect on organizational performance.

HA6 Philanthropic responsibility, economic responsibility, environmental responsibility, ethical responsibility and legal responsibility jointly have a significant positive effect on organizational performance.

1.5 Significance of the Study

The findings of this study will be useful to scholars in creating new knowledge and enriching the existing and growing body of literature focused on CSR in developing countries. The study will also stimulate the need for further research in the area of CSR.

The findings and recommendations of this study will guide CSR practitioners in practice and policy formulation as well as be of invaluable input to other stakeholders in the public and private sectors and the society in general both in Kenya and in other developing nations regarding use of CSR as a strategy to improve organizational performance.

1.6 Scope and Limitations of the Study

1.6.1 Scope of the Study

This study covered five aspects of corporate social responsibility that may have an effect on performance of organizations in the media industry in Kenya. These are philanthropic responsibility, economic responsibility, environmental responsibility, ethical responsibility and legal responsibility. Organizational performance was the market performance. This study was done among firms in the media industry in Nairobi, Kenya. The study was done for a period of 3 months; from 1^{st} May 2016 to 31^{st} July 2016.

1.6.2 Limitations of the Study

Owing to the sensitive nature of the information sought, some respondents may not have felt free to give accurate data anticipated and this could have affected the findings of the study. However, the researcher assured the respondents of total confidentiality and promised to strictly abide by the principle of non-disclosure of information. A second major limitation was not using the objective financial measures for assessing the organizational performance. This was due to the sensitivity of the financial information that many firms would totally reject to provide or reveal for any researcher in a Third World country like Kenya even if it's for academic purposes. Lastly, the study only covered a short period of time and there's the likelihood that things will change within the firms under study over time as more and more of the media houses craft more comprehensive CSR strategies for their firms.

Nevertheless, the researcher gave recommendations for further study by other researchers so that longer periods of study are taken into consideration, financial measures of performance are incorporated and that other studies include other respondents and media firms which are not within Nairobi. On the issue of nonfinancial measures of performance, Powell (1992) suggests to use subjective measures instead of financial measures because private enterprises would not provide confidential information extracted from their financial statements as a matter of policy. In this respect, Boulay (2008) stresses in a similar case that scholars instead can resort to subjective indicators for measuring organizational performance which could be concluded from the reported perceptions of enterprises' managers. As a result of the foregoing reasons, the researcher made use of nonfinancial measures of performance.

1.6.3 Assumptions of the study

The researcher assumed that the respondents in this study, by virtue of their high positions in their organizations, had prior understanding of the meaning of Corporate Social Responsibility.

1.7 Operational Definition of Terms

Corporate Philanthropy	Corporate philanthropy involves gifts or monetary contributions given by corporations to social and charitable causes, such as those associated with education, culture, the arts, minorities, health care, and disaster relief.
Corporate Social Responsibility	This refers to the obligation of organizations to maximize the positive and minimize the negative impact on society. This obligation includes environmental protection, economic development, philanthropy, ethical business practices, law abiding, voluntariness, human rights, transparency and accountability and stakeholder's involvement.
Community Development	Community development is the process of developing active and sustainable communities based on social justice and mutual respect. It is about influencing power structures to remove the barriers that prevent people from participating in the issues that affect their lives. Educating, enabling and empowering are at the core of CD.
Stakeholder	Stakeholder is a term which denotes any identifiable group or individual who can affect or be affected by organizational performance in terms of its products, policies, and work processes.

Ethical Responsibility	The ethical responsibility of a company embraces those activities and practices that are expected or prohibited by societal members even though they are not codified into law. A business organization has the obligation to avoid harm and to do what is right, just, and fair.
Economic Responsibility	Economic responsibility is the first and foremost social responsibility of a business organization, the foundation upon which all others rest. Any business institution has the responsibility to produce goods and services the society wants and to sell them at an (acceptable) profit.

CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

This chapter presents the theoretical perspective of the study. It then reviews the concept of corporate social responsibility (CSR) and examines the past research relevant to the study. It further presents a general model that places CSR dimensions in the context of organizational conditions and performance outcomes. Lastly, it discusses the nature of these interrelationships among variables, focusing on how CSR affects organizational performance and presents a conceptual framework.

2.2 Theoretical Perspective

This study was guided by the stakeholders' theory. It has been argued by Friedman (1970) that the Corporation's sole responsibility is to provide maximum financial return to shareholders while others are of the belief that a business owes responsibility to a wide range of groups in the society referred to as stakeholders. Stakeholder, according to Bruno and Nichols (1990) is a term which denotes any identifiable group or individual who can affect or be affected by organizational performance in terms of its products, policies and work processes. The primary group includes shareholders and investors, employees, customers and suppliers, together with what is defined as the public stakeholder group; the governments and communities that provide infrastructure and markets; whose laws and regulations must be obeyed and to whom taxes and obligations may be due.

The stakeholder concept has become widely used as a strategic management tool (Spence, Coles & Harris, 2001). The decision making structure is based on the discretion of the top management and corporate governance and frequently it is stated such governance should incorporate stakeholder representatives. The stakeholder theory of CSR is related to the belief that corporations have an obligation to constituent groups in society other than stockholders and beyond that prescribed by law or union contract. Thus, stakeholder theory takes into account individuals or groups with a stake in the company including shareholders, employees, customers, suppliers and local community (Jones, 1980).

The base legitimacy of the stakeholder theory is on two ethical principles; principle of corporate rights and principle of corporate effects (Freeman & Reed, 1983). Both principles take into account the Kant's dictum respect for persons. The former establishes that the corporation and its managers may not violate the legitimate rights of others to determine their future. The latter focuses on the responsibility for consequences by stating that the corporation and its managers are responsible for the effects of their actions on others. The stakeholder theory was relevant to this study as it explains clearly how the firms under study relate with the various stakeholders through the dimensions of corporate social responsibility (CSR) being explored. The theory recognizes the fact that all firms have a large and integrated set of stakeholders to whom they have an obligation and responsibility.

2.3 Corporate Social Responsibility

The theme of CSR had a quick evolution in the last forty years but it appeared longer before. Carroll (1979) and Chirieleison (2004) agree that the first considerable contribution about the topic is to be attributed to Howard Bowen (1953) who gave a definition of CSR related to the "businessman" rather than to the whole company. The author gave a first definition of CSR saying that companies have the obligation "to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of society." Thanks to Bowen's contribution the '50s are recognized as the modern era of CSR (Carrol, 1999). In this period CSR entered with full rights in the academic and managerial literature.

Hereafter, Peter Drucker joins the list as the first to use the expression "social responsibilities of business." Drucker focused more on CSR. In the text-The Practice of Management (1954) he classified the "public responsibility" as one of the eight primary objectives a company must have. Talking about management, he stated: "it has to consider whether the action is likely to promote the public good, to advance the basic beliefs of our society and to contribute to its stability, strength and harmony" (Drucker, 1954).

Between the early '60s and the end of the '70s, the expression "corporate social responsibility" is finally established. In those years, there was a turning point in the debate about social responsibility; mostly due to the work of Friedman (1970) who considered the profit maximization as the one and only duty of managers and companies. With extreme harshness he stated that: "few trends would so thoroughly undermine the very foundations of our free society as the acceptance by corporate officials of a social responsibility other than to make as much money for their shareholders as they possibly can." Friedman does not deny the existence of social problems, but he claims that they should be dealt with by states and governments. In his opinion, if managers wish to pursue some social good, they should do it as individuals and not as executives, meaning that they should not use shareholders' money for their own objectives (Friedman, 1970).

Throughout modern history, many adaptations have been made on the concept of CSR. These adaptations were performed to render CSR more appropriate with different enhancements occurring in diverse societies and their associated enterprises. Garriga and Melé (2004) categorized the primary CSR theories into four groups namely: instrumental theories, political theories, integrative theories and ethical theories. Different researchers and scholars suggested and discussed different models for describing CSR and its related activities (Carroll, 1979; Zu, 2009). The writings of Zu (2009) imply three classifications for CSR models which are social-economic model, stakeholder model and triple-bottom line model.

Among the most well-known models related to CSR is Carroll's pyramid of CSR in which he postulated his four-part definition of CSR which involves what a business could have of different types of social responsibilities towards society (Carroll, 1979). In this model, Carroll describes the four-part definition of CSR depicted in the pyramid of CSR, namely, economic, legal, ethical and philanthropic/discretionary responsibilities (Carroll, 1979).

A considerable pile of literature about the CSR concept in specific and the relationship between business and society in general - specifically starting from the first half of the 1980s - was enriched by a new concept known as the stakeholder theory. According to Freeman (1984), the stakeholder theory is about the broad view of stakeholders where the corporation has responsibilities towards them beside those who are the main or primary stakeholders of the corporation. Park (2010) maintains that the stakeholder theory proposes a positive association between CSR activities and organizational performance.

There are three main perspectives of CSR concerning the point ethical business based on social values and the stakeholders' long term interest (Alpana, 2014). This is the triple bottom line approach of CSR which states that organizations should respect its important parts namely people, planet and profit (the triple-P bottom line). A variation of the term is the triple-E bottom line (economic, ethical and environment). The corporation should care about the welfare of these three parts at the time of taking decisions and performing activities.

2.4 Organizational Performance

Generally speaking, scholars in strategic management have developed several definitions for firm performance. Constanzo, Keasey & Short (2003) define organizational performance as the appraisal of prescribed indicators or standards of effectiveness, efficiency and environmental accountability such as productivity, cycle time, regulatory compliance and waste reduction. Performance also refers to the metrics regarding how a certain request is handled or the act of doing something effectively; of performing; using knowledge as notable from just possessing it. It is the result of all of the organization's operations and strategies. Luxmi (2014) defined firm performance as the actual outcomes produced by an organization compared to its planned outputs. This is the definition adopted for this study. Darroch (2005) uses comparative and internally reflective performance measures by using industry averages to compare research results.

The methodologies used in many empirical studies on the relationship between CSR and financial performance are mainly of two types. The first is the event study method which is used to assess the short-run financial impact or abnormal returns when businesses are involved in either socially responsible or irresponsible acts (Crane, McWilliams, Matten, Moon & Siegel, 2009). The second type of study analyzes the relationship between some measure of social performance and the measurement of financial performance in the long term through the use of some accounting and financial methods for profitability measurement (Uadiale & Fagbemi, 2012). The measurement of the financial performance is problematic mainly because there is little agreement on the type of instrument to use in measurement.

Few studies in the literature attempt to empirically examine the relationship between CSR and organizational performance using absolute subjective or nonfinancial measures. Among the studies in the literature that investigate the relationship between CSR and perceptual organizational performance using majorly subjective measures besides objective measures are the studies by Delaney & Huselid (1996), Galbreath (2008) and the study by Al-Samman and Al-Nashmi (2016).

Just like what previous researchers (Delaney & Huselid, 1996) used in their work, this study also used market share, sales growth and customer satisfaction as non-financial performance measures of organizational performance of the media houses in Nairobi. Although the use of objective financial measures would be preferred, obtaining accurate financial data is often a problem particularly in privately held firms. Thus, where objective measures of performance are unavailable or difficult to gather especially for private firms due to confidentiality, a researcher might consider using subjective perceptual data (Atalay, Anafarta & Sarvan, 2013). Dollinger and Golden (1992) also argue that some privately held firms are often reluctant to provide sensitive financial data even with the guarantee of confidentiality. In this respect, Boulay (2008) stresses in a similar case that scholars instead can resort to subjective indicators for measuring organizational performance which could be concluded from the reported perceptions of enterprises' managers.

2.5 Corporate Social Responsibility and Organizational Performance.

Researchers have studied the link between CSR and Corporate Financial Performance (CFP) and figured out that the association between CSR and the firm's performance mostly exists in one of three principal types: a positive relationship (Osisioma, Nzewi & Nwoye, 2015; Giannarakis, Konteos, Zafeiriou & Partalidou, 2016; Selvarajah, Murthy & Massilamany, 2018), no relationship (Misura, Cerovic & Buterin, 2018) and a negative relationship (Raihan, Baskar & Islam, 2015). For instance (Haynes, Murray & Dillard, 2013) postulate that CSR initiatives can lead to reputation advantages mainly because when there are improvements in invested trust together with new market opportunities and positive reactions of capital market, the firm's financial performance could been enhanced.

Akanbi and Ofoegbu (2012) also examined the influence of CSR on the organizational performance of United Bank of Africa in Lagos. They used t-test, regression, Pearson correlation and ANOVA to conduct the study. The research revealed that there was a positive relationship between various dimensions of CSR and organizational performance. Another study by Basuony, Elseidi and Mohamed (2014) assessed the impact of corporate social responsibility on firm performance using evidence from A MENA (Middle East and North African) Country.

The researcher used cross sectional data from non-financial companies in Egypt that derived from the Kompass Egypt data base. Regression analysis was used to explain the relationship and the effect of CSR on organizational financial performance. The study found that there is a positive and significant effect of CSR on firm performance. Also, all CSR dimensions had significant relationship with firm financial performance. Additionally, Osisioma et al. (2015) did a study on corporate social responsibility and performance of selected firms in Nigeria. The specific objective of the study was to determine if there was any significant relationship between social responsibility cost and corporate profitability in the selected firms. The study was based on the stakeholder theory. Exploratory research design was employed with the use of time series data. The study found that a strong positive relationship exists between investment in social responsibility and corporate profit.

Researchers Giannarakis et al. (2016) investigated the impact of corporate social responsibility on financial Performance of the United States (US) companies. In particular, the impact of CSR on financial performance was investigated in terms of involvement in socially responsible initiatives instead of outcome. The environmental, social and governance disclosure score as calculated by Bloomberg was used as a proxy for corporate involvement in socially responsible initiatives. Fixed effects regression was employed to estimate the relationship between the extent of Corporate Social Disclosure (CSD) and financial performance using the data of listed companies on the Standard & Poor's 500 during the period 2009-2013. The results suggest that the involvement in socially responsible initiatives has a significantly positive effect on financial performance.

Other scholars Maldonado-Guzman, Pinzon-Castro and Lopez-Torres (2016) also did a study on corporate social responsibility and business performance looking at the role of Mexican SMEs. The central objective of this empirical study was to analyze and discuss the existing relationship between CSR and business performance. The sample size was 400 SMEs obtained through random sampling. Surveys were applied to managers in the SMEs through a personal interview, during the months of April to June 2010. The result was 397 validated surveys representing a response rate of 99%. CSR was measured by three factors: the social factor, the environmental factor and the economic factor. Business performance was measured using the scale created by Quinn and Rohrbaugh (1983) with 12 items. The results obtained showed the existence of a positive and significant relationship between CSR and business performance (Maldonado-Guzman et al., 2016).

Most recently, the researchers Selvarajah et al. (2018) studied the impact of corporate social responsibility on a firm's financial performance in Malaysia. The researchers hypothesized that four (4) independent variables comprising business risk, company reputation, employee engagement and stakeholder concern will exert statistically significant influences on the dependent variable, firm's financial performance. The research employed a quantitative research approach whereby a sample of 153 respondents was arrived at using stratified random sampling technique. Multiple linear regression analysis was carried out.

The results of multiple regression revealed that out of the four (4) hypotheses of the research, three (3) were supported whilst one (1) was not. In particular, it was shown that business risk, company reputation and stakeholder concern exert statistically significant influences on firm's financial performance. However, there wasn't enough evidence to support the claim that employee engagement can significantly influence firm's financial performance (Selvarajah et al., 2018).

The second group of researchers postulates that there is no relationship between CSR and a firm's financial performance. Other researchers (Haynes, Murray & Dillard, 2013; Uadiale & Fagbemi, 2012) have highlighted on the impossibility of defining the existing relationship between CSR and performance, both in the short term (based on the measure of abnormal returns and market actions) and in the long term. Recently, Misura et al. (2018) studied the relationship between Corporate Social Responsibility and business success using the case of the global tobacco industry.

This study evaluated the relationship between corporate social responsibility (CSR) and the financial performance of companies operating within the global tobacco industry. According to the Forbes Global 2000 list, the research covers almost the entire industry, more accurately nine companies whose value is about 99% of the total market capitalization of the industry. Analysis of this research problem covered a five-year period, from 2011 to 2015. To evaluate CSR of the companies involved in research, the CSRHub rating list was used. The aforementioned list gives ratings for the four criteria of CSR: community, employees, environment, and governance.

The analysis of the correlation between the CSR and the financial performance of the companies operating within the global tobacco industry for the period 2011-2015 was performed. Results of the research suggest that it is not possible to determine the scientifically based correlation of CSR and selected performance indicators, ROA and Tobin's Q ratio at the tobacco industry level, but statistically significant correlation can be confirmed only selectively at the level of individual companies and individual indicators. Obtained results confirm the results of earlier studies in which no statistically significant correlation and unambiguous tendency between these variables have been demonstrated (Misura et al., 2018).

Lastly, there's the notion that there is a negative relationship between CSR and financial performance. Empirical studies such as the one done by Waddock and Graves (1997) reported that firms that are responsible in their behaviour may have a competitive disadvantage since they have unnecessary costs. These costs, when allowed to occur, will directly fall on their profitability and would essentially reduce shareholder profits and wealth.

Another example is a study by Raihan et al. (2015) on corporate social responsibility expenditure of Islami Bank Bangladesh Ltd (IBBL) done to find out how far CSR expenditure of this bank influenced its financial performance for the period of 2008-12. The researchers selected return on equity and deposit per employee (DPE) as the profitability measure and the productivity measure respectively. They adopted descriptive statistics, multiple correlation and regression analysis to conduct the study. It was observed that most of the CSR activities had a negative correlation with DPE.

To sum up, the relationship between CSR and financial performance is ambiguous. One possible explanation for the mixed results is the different measures of corporate social performance/responsibility in empirical studies. For instance, Chen Feldmann and Tang (2015) categorized measures of corporate social performances in four categories. The first category incorporates measures based on reputation ratings, the second one employed measures assessed by social audits and observations, in the third category the CSR performance is measured by managerial principles and values, and finally, the fourth category concerns measures of corporate social performance by disclosures. Another explanation is the different sample that each study incorporates along with different statistical analyses that are employed and, finally, there is lack of cohesion regarding control variables that are employed in proposed models.

Nevertheless, it is postulated that a company with superior CSR performance affects positively the financial performance. This study reveals that the commitment on corporate social responsibility rewards media houses with higher levels of organizational performance. Therefore, the results show consistency with the stakeholder theory in which socially responsible initiatives lead to superior financial performance (Donaldson & Preston, 1995).

2.5.1 Philanthropic Responsibility and Organizational Performance

Brammer and Millington (2005) have argued that corporate philanthropy positively affects corporate financial performance because decisions regarding charitable contributions can be made strategically to raise a company's image and reputation, as well as to increase the value of its moral capital. For instance, using a sample of 537 firms listed on the London Stock Exchange from 1990 to 1999, Brammer and Millington (2005) found that firms with both unusually high and low charitable contributions had better financial performance than those making an intermediate level of contributions. Firms making unusually low contributions did best in the short term, but those making unusually large contributions did best in the long term.

Galbreath (2008) explored the relationship between CSR and employee turnover and customer satisfaction. The findings suggest that, overall; CSR is linked to both dimensions. Extended analysis revealed that individual dimensions of CSR might be more important than others. For example, results revealed that legal and discretionary dimensions had the biggest impact on reducing employee turnover. One explanation for the finding might be that firms who demonstrate compliance with the law or offer outstanding care for employees or communities may be in the best position to diminish employee loss.

On the other hand, economic, legal, and discretionary dimensions of CSR were positively associated with customer satisfaction. This finding suggests that, for example, firms who meet customer needs through offering valued products (economic CSR), ensure customers are not harmed in any way by meeting legal standards (legal CSR), or who treat employees well through benefits and high salaries (discretionary CSR) might be reaping the rewards of higher customer satisfaction (Galbreath, 2008)

These findings were also arrived at in a study done by Ong'olo (2012) which investigated the relationship between CSR and market share of supermarkets in Kisumu City for the period 2006 to 2010. Ong'olo (2012) sought to determine the factors that motivated the practice of CSR amongst supermarkets in Kisumu City. The findings revealed that there was a strong relationship between CSR and market share. Institutions that had invested more on CSR had high sales revenue. The researcher also realized that there was a positive correlation coefficient between market share index and CSR. Larger supermarkets preferred education, water and sanitation while the other supermarkets preferred to support the less fortunate in society as their CSR activities.

2.5.2 Economic Responsibility and Organizational Performance

Mittal, Sinha and Singh (2008) did a study on the relationship between CSR and organizational profitability in terms of economic value added (EVA) and market value added (MVA). The authors found that there exists a positive relationship between CSR and the company's reputation and that there is little evidence that companies with a code of ethics would generate significantly more economic value added (EVA) and market value added (MVA) than those without codes.

Skare and Golja (2012) also undertook a study to examine if there was a link between corporate social responsibility and corporate financial performance. The research was enriched with the comparative analysis of the financial performances of 45 corporations listed on Dow Jones Sustainability World Index 2009/2010 that represents the top 10% of the leading sustainability companies out of the biggest 2500 companies in the Dow Jones Global Total Stock Market Index(DJSWI) compared with non CSR corporations not listed on DJSWI.

The researchers present results of the econometric model which further confirmed that CSR firms in the average enjoy better financial performance that non-CSR firms. Socially responsible behaviour should be considered as an important determinant in today's ordinary business practice. Corporations are perceived as institutions that make part of the society and thus, will be judged by how they do their business with respect to different stakeholders in the society. Thus, it is of vital importance for corporations - especially big multinationals which are becoming more powerful than nation states to invest in social responsibility. There are numerous ways of how to invest as well as reasons why to invest in good social practices (Skare & Golja, 2012).

The results of this research have shown that socially responsible corporations outperform other corporations in terms of their financial and social performance. The first part of the analysis showed that CSR corporations have shown a much better financial performance in the analyzed period from 2006 to 2008 compared with the non-CSR corporations. This was enriched with the econometric analysis which has confirmed the hypothesis presented in the paper that CSR firms in the average enjoy better financial performance than non-CSR firms. The regression results demonstrate the existence of strong positive nexus between the corporations' financial performances and socially responsible behaviour. If CSR increases by a unit, corporation's financial performance (FP) increases by 1.798 displaying positive relationship between financial performance and socially responsible behavior (Skare & Golja, 2012).

Hossein, Kamran, Mostafa and Hossein (2012) examined the link between CSR and economic performance by examining different impacts of positive and negative CSR activities on financial performance of hotel, restaurant and airline companies, theoretically based on positivity and negativity effects. Findings suggested mixed results across different industries contributing to companies' appropriate strategic decision-making for CSR activities by providing more precise information regarding the impacts of each directional CSR activity on financial performance.

Okoth (2012) found out that CSR was good for the financial performance of large and medium sized banks and had no effect on the ROA of small banks. The researcher noted that CSR had a positive and significant effect on ROA and ROE for all commercial banks when aggregated. However, when classified on the basis of market size, the study revealed that CSR improved financial performance of large and medium sized banks while the effect on ROA of small banks was insignificant. This study concluded that CSR had a positive effect on financial performance of large and medium sized banks and no significant effect on the financial performance of small banks and that it was not in the interest of shareholders for small banks to engage in CSR activities as doing so could only drain their wealth without any return.

A study by Kipruto (2014) was done to determine the effect that CSR has on financial performance of commercial banks in Kenya. The researcher used cross-sectional research design and a multiple regression model and found that CSR has a positive and significant effect on financial performance. The conclusion of the study was that CSR is good for the success of commercial banks since: it helps to improve financial performance, CSR is a noble practice for commercial banks to engage in as part of their operating activities and as such banks should set aside funds annually towards a social course, and lastly that CSR should be considered as part of daily operating activities. Consequently, for a firm to grow and realize its dreams, it has to engage itself morally and commit itself to improving the society's social and living standards.

The study by Kipruto (2014) revealed that highly profitable institutions have heavily invested in CSR activities for many years while those that have always reported losses have been considering CSR as unnecessary expenses. Therefore, commercial institutions should operate outside their normal business activities to support the community. Improving the livelihood of a community attracts volunteers, investors and sponsors who will help the commercial institution to achieve its objectives towards community needs. In return, the financial institution will spend less on CSR while at the same time achieve high returns from being a good corporate citizen. Being a good corporate citizen attracts new and unexpected customers, new capital, tax exemptions, government favors and in the end achieves greater profitability. Findings of this study justify the reason why successful Kenyan commercial banks have been more aggressive towards investing in CSR activities than they have been towards marketing.

2.5.3 Environmental Responsibility and Organizational Performance

Recent years have seen mounting global pressure for enactment and adoption of stricter legislations pertaining to environmental protection in and around the globe. Companies are taking proactive initiatives for emission reduction in anticipation of future policy and societal and competitive developments with respect to the environment (Suar & Mishra, 2010). With increasing importance of environmentally friendly products, processes and services, firms are realizing the importance of adopting environmental standards for their sustainability in the long run. This has facilitated development of green resources and capabilities and compliance with international standards such as ISO 14000, OHSAS 18000, and environmental legislations (Suar & Mishra, 2010).

Environmental performance is enhanced by improvements in three aspects - product technologies such as use of recycled raw materials and other resource saving programs, process technologies such as use of efficient production systems and end-of-pipe controls, and management systems such as workers' training programs and environmental audit. Global standards on CSR towards the environment endorse these aspects (Suar & Mishra, 2010). Studies in the neo-institutional stream point out the key role played by government agencies, the media, industry associations and environmental groups to pressure corporations to adopt proactive environmental management practices. The studies suggest that firms adopt ISO 14001 mostly in response to pressures from regulators, customers, and the civil society (Andrews, Amaral, Darnall & Gallagher, 2003).

Research on environmental pro-activity has not been conclusive (Christman, 2000) but studies link environmental commitment with enhanced profitability, particularly in high growth industries. Evidence suggests that proactive environment management enhances firm's market value, reputation, and financial performance. The impact of firms' proactive environmental practices on market share, profitability, and return on investment is better in environmentally conscious companies compared to not-so conscious companies. The proponents of a win-win environmental management paradigm argue that green strategies could enhance firms' competitive advantage by attracting environmentally aware consumers (Sharma & Vredenburg, 1998).

Lyon and Maxwell (2008) examined the relationship between CSR and the environment. The study showed how both market and non-market forces are making environmental CSR profitable, and discussed altruistic CSR. The authors found that non-governmental organizations strongly influence CSR activities, through both public and private politics. The authors also posit that CSR can have varied effects; from attracting green consumers or investors, preempting government regulation to encouraging regulation that burdens rivals. They however, observed that welfare effects of CSR are subtle, and there is no guarantee that CSR enhances social welfare.

Valmohammadi (2014) investigated the influence of seven dimensions of CSR namely: organizational governance, human rights, labour practices, the environment, fair operating practices, consumer issues and community involvement and development on organizational performance in Iran. The researcher used a sample of 207 Iranian manufacturing and service firms. For conducting the study, structural equation model had been adopted. The results revealed a significant positive relationship between CSR and organizational performance of these companies.

Additionally, Chen et al. (2015) using a content analysis technique adopted Global Reporting Initiative G3 requirements as a proxy for environmental performance and found that companies across Europe, America and Asia with higher levels of GRI perform well financially. The study by Giannarakis et al. (2016) was done to investigate whether corporate social responsibility (CSR) affects the financial performance of the United States (US) companies. In particular, the impact of CSR on financial performance was investigated in terms of involvement in socially responsible initiatives instead of outcome.

The Environmental, Social and Governance disclosure score as calculated by Bloomberg was used as a proxy for corporate involvement in socially responsible initiatives. Fixed effects regression was employed to estimate the relationship between the extent of Corporate Social Disclosure (CSD) and financial performance using the data of listed companies on the Standard & Poor’s 500 during the period 2009-2013. The results also suggest that the involvement in socially responsible initiatives has a significantly positive effect on financial performance (Giannarakis et al., 2016).

In the context of Zambia, Choongo (2017) investigated the impact of corporate social responsibility on firm performance using a longitudinal design in small and medium-sized enterprises (SMEs). The study was conducted in a Sub-Saharan African developing country, Zambia. Data were collected from 153 entrepreneurs in two surveys and changes in CSR and firm performance measures were analyzed over a 12-month period using SmartPLS structural equation modeling. The findings show that the relationship between CSR and financial performance is significant. The results also established that SMEs are motivated to engage in CSR for financial benefits. It is expected that the involvement in CSR activities such as reduction in energy and water usage translates into cost savings which ultimately improve firm performance. These findings imply that in non-Western contexts, CSR also positively impacts firm performance.

On the other hand, Nor, Shaiful-Bahari, Adnan, Sheh-Kamal and Mohd-Ali (2016) constructed a Corporate Social Disclosure (CSD) index based on 20 disclosure items for large in size companies that operate in Malaysia. The results showed mixed results between environmental disclosure index and financial performance. However, companies disclosing environmental information gain market benefit and ability to gain profit from investments.

2.5.4 Ethical Responsibility and Organizational Performance

According to Caroll (1979), a business organization has the obligation to avoid harm and to do what is right, just and fair. A company has to perform in a manner consistent with expectations of societal mores and ethical norms; to recognize and respect new or evolving ethical/moral norms adopted by society; to prevent ethical norms from being compromised in order to achieve corporate goals; to do what is expected morally or ethically in order to become a good corporate citizen and to recognize that corporate integrity and ethical behaviour go beyond mere compliance with laws and regulations.

Auger, Devinney and Louviere (2007) noted that the literature on the importance of social product attributes is much less developed than the branding literature. A more complete stakeholder theory asserts that firm value depends on the cost - not only of explicit claims such as wage contracts and product warranties, but also of implicit claims, such as the promise of continuing service to customers and job security to employees. Firms with an image of high CSR may find that they have more low-cost implicit claims than other firms, thus having higher financial performance.

Mocan, Rus, Draghili, Ivascu and Turi (2015) studied the CSR practices in the banking sector in Romania of how CSR would contribute to value creation in the banking industry.

They concluded that CSR was an actual instrument in the banking industry to develop their economic situation. They pointed out that CSR had a number of benefits such as economic efficiency; improving of company reputation, employee loyalty, communication between banking industry and society, attractive new opportunities and increased organizational commitment.

The study done by Choongo (2017) was designed to examine the impact of CSR on firm performance in Zambian SMEs using a longitudinal analysis. Data were collected at two time-points, 12 months apart. Thus, longitudinal analysis of the association between CSR and the three indicators of firm performance (financial performance, corporate reputation and employee commitment) were conducted. The analysis of the results reported in this study show that the two dimensions of CSR (social and environmental) significantly impact financial performance. However, the association between the two dimensions of CSR (corporate reputation and employee commitment) and the other two measures of firm performance only turned out to be partially significant. The researcher found that the relationship between CSR and financial performance is significant and fully supported.

Rongoei and Muturi (2018) also did a study to investigate the effect of corporate social responsibility on organizational performance. The study used the case of Sony and Chemelil Sugar Factories, Kenya. Four specific objectives formed the basis of the study; to establish the effects of philanthropic, ethical, economic and legal activities on organization performance. The study adopted descriptive statistics. Multiple regression analysis was conducted and one of the findings of the study was that respondents strongly agreed ethical activities have a positive effect on organizational performance. Further that in the context then, the subject of organizational ethics had assumed a particular importance because corporations establish a dependent relationship with the society where they belong and their image toward their stakeholders can be seen as an important matter.

Additionally, Kinyanjui, Juma, Njeru and Onyango (2018) did a study on the influence of legal and ethical CSR strategy on performance of public universities in Kenya. The aim of the study was to establish whether engaging in legal and ethical CSR practices would influence the performance of the Public sector institutions in Kenya. The study hypothesized that legal and ethical CSR strategies did not significantly influence performance of Public Universities in Kenya. The study adopted a descriptive survey design. The targeted population constituted the 31 Chartered Public Universities in Kenya. Out of these, five

Universities were selected. Using purposive sampling, a sample size of 202 participated in the study.

Only those members of the population with the desired information relevant for the study filled in the questionnaire; which was the main data collection instrument. The results showed that legal and ethical practices positively contribute to organizational performance of Public Universities. Thereafter, the study recommended that increased focus on organizational legal and ethical practices would significantly increase the performance of public sector organizations (Kinyanjui et al., 2018).

2.5.5 Legal Responsibility and Organizational Performance

Whilst a business organization is permitted to operate according to the profit motive, firms are expected to comply with laws and regulations (Carroll, 1991). Legal responsibilities embody basic notions of fair operations as promulgated by federal, state and local governments. Carroll's legal component stresses the need for a firm to: perform in a manner consistent with expectations of government and law; be a law-abiding corporate citizen; provide goods and services that meet minimal legal requirements; and that a successful firm be defined as one that fulfills its legal obligations (Carroll, 1991).

A study by Germanova (2008) on CSR as a Corporate Governance Tool: The practice by the businesses in Bulgaria, found that the firm has been viewed as a principal using CSR as a corporate governance tool itself. CSR activities are perceived by Bulgarian businesses as ways to establish positive image and branding of the company and enhancing the reputation of the firm. The economic corporate governance mechanisms which are considered by the businesses in Bulgaria are employee monitoring, scarce resources, competition and transparency. The relevant legal corporate governance tools are the standards, rules and entry strategies all related to compliance of different international labor and environmental standards, introduction of ethical codes and anti-corruption rules and disclosure of information based on the National Corporate Governance Code.

The study concludes that Corporate Social Responsibility is increasingly moving into the board room. Social responsibility connects to governance at values level. Making companies accountable to a broad range of stakeholders that is employees, suppliers, local community, and society at large and incorporating social and environmental values in their operations in order to manage their relations with these stakeholders can have an impact on the company's development. Doing business in an ethical and responsible way is slowly but surely becoming part of the new business culture in Bulgaria, according to the results of this research (Germanova, 2008).

Galbreath (2008) also explored the relationship between CSR and employee turnover and customer satisfaction. The study analysis revealed that individual dimensions of CSR might be more important than others. For example, results revealed that legal and discretionary dimensions had the biggest impact on reducing employee turnover. One explanation for the finding might be that firms who demonstrate compliance with the law or offer outstanding care for employees or communities may be in the best position to diminish employee loss.

On the other hand, economic, legal, and discretionary dimensions of CSR were positively associated with customer satisfaction. This finding suggests that, for example, firms who meet customer needs through offering valued products (economic CSR), ensure customers are not harmed in any way by meeting legal standards (legal CSR), or who treat employees well through benefits and high salaries (discretionary CSR) might be reaping the rewards of higher customer satisfaction (Galbreath, 2008).

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However, Masa'deh, Alrommad, Alkhalafat, Obeidat and Abualoush (2018) in a study on the role of Corporate Social Responsibility in enhancing firm performance from the perspective of IT employees in the Jordanian banking sector found that legal responsibility has no remarkable effect on firm performance. The study took into consideration Transformational Leadership (TFL) as a probable mediator in the role CSR plays to enhance the firm performance among Information Technology (IT) employees in the banking sector. Data were collected from IT employees within IT departments from 25 banks in Jordan through a questionnaire survey. 354 valid questionnaires were returned and analyzed using different quantitative techniques.

The research found that CSR has a significant influence on firm performance and three of its dimensions, namely, economic responsibility, ethical responsibility, and discretionary responsibility had a significant effect on firm performance. The study also found that CSR has a positive influence on TFL. Specifically, discretionary responsibility has a significant effect on TFL, whereas other dimensions have no significant contribution to TFL. The study also found that TFL has a positive contribution to the firm performance (Masa'deh et al., 2018).

2.6 Conceptual Framework

In this study, the independent variable is CSR and was evaluated along five dimensions of philanthropic, economic, environmental, ethical and legal responsibility. The dependent variable was organizational performance which was operationalized using sales growth, market share and customer satisfaction. The moderating variables were government policy, technology and the economic environment. Figure 2.1 shows the relationship between the variables.

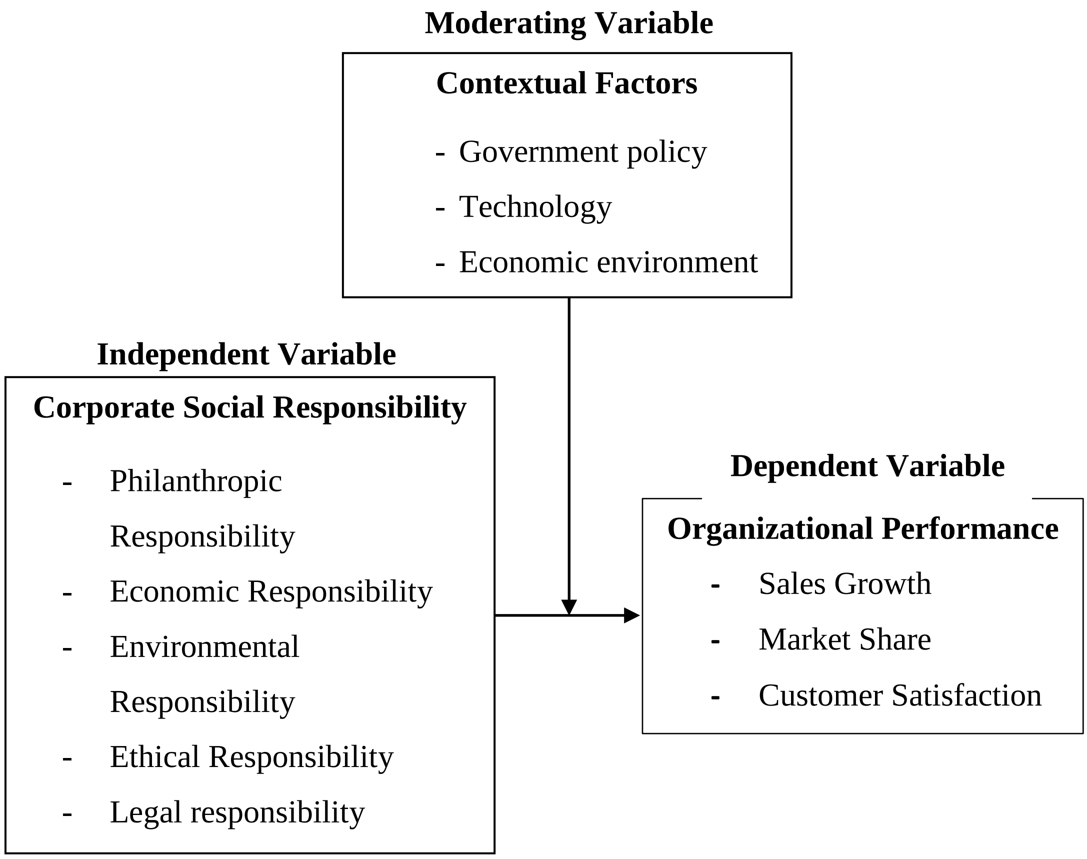

Figure 2.1: Relationship between Corporate Social Responsibility Dimensions and Organizational Performance

As shown in figure 2.1, it is expected that the perceived effect of corporate social responsibility on organizational performance would be moderated by government policy, technology and the economic environment in which the media firms operate. These are factors external to the organization and as such are beyond its control but can have a bearing on how organizations conduct their operations thereby impacting the performance either positively or negatively.

Past studies establish that better management practices such as training and development of employees, their participation in problem solving, progressive remuneration policies and grievance procedures reduce employee turnover, increase their productivity and consequently increase financial performance (FP) (Youndt, Snell, Dean & Lepak, 1996; Galbreath, 2008). An instrumental orientation towards CSR suggests the alignment of the social goal with the business goal where CSR is considered as a strategic tool to promote the economic objective of the firm. Managers foresee significant value additions in firm performance due to strengthened stakeholder relations. This translates to increased market share and customer satisfaction.

Management theorists argue that by improving CSR towards stakeholders, firm performance is augmented. Additionally, positive customer perception about product quality and safety leads to increased sales or decreased costs associated with stakeholder relationships. Higher product safety and quality improves the bottom line (Waddock & Graves, 1997).

In product retailing, market reactions are found to be negative for socially irresponsible companies. When customers are dissatisfied with a product or its associated services, investors apprehend that negative customer reactions in the form of decreased patronage, lawsuits, or both, will directly affect the bottom line (Berman et al., 1999). When firms focus their social actions on communities in and around their area of operation, they reap the benefits of a socially responsible image among their employees and the local community (Somavia, 2000; Basuony et al., 2014; Maldonado-Guzman et al., 2018).

Studies also link environmental commitment with enhanced profitability, particularly in high growth industries. In addition, evidence suggests that proactive environment management enhances firm's market value, reputation and FP. The impact of firms' proactive environmental practices on market share, profitability and return on investment is better in environmentally conscious companies compared to not-so conscious companies. Additionally, working conditions that respect human dignity, equality, and social protection result in a productive workplace (Chen et al., 2015; Giannarakis et al., 2016).

Social responsibility of a company is a reputation factor and is an attractive force for potential and current employees. Ethical reputation contributes to job satisfaction and lower employee turnover by evoking positive reactions from employees' families and friends. Because satisfied employees have higher morale and job motivation, they will work more effectively and efficiently and contribute to higher levels of organizational effectiveness (Berman et al., 1999).

Further, results of a study by Galbreath (2008) revealed that individual dimensions of CSR might be more important than others. For example, the study found that legal and discretionary (philanthropic) dimensions had the biggest impact on reducing employee turnover. One explanation for the finding might be that firms who demonstrate compliance with the law or offer outstanding care for employees or communities may be in the best position to diminish employee loss. On the other hand, economic, legal, and discretionary/philanthropic dimensions of CSR were positively associated with customer satisfaction. This finding suggests that, for example, firms who meet customer needs through offering valued products (economic CSR), ensure customers are not harmed in any way by meeting legal standards (legal CSR), or who treat employees well through benefits and high salaries (discretionary CSR) might be reaping the rewards of higher customer satisfaction (Galbreath, 2008)

The study by Kipruto (2014) found that CSR has a positive and significant effect on financial performance. The conclusion of the researcher was that CSR is good for the success of commercial banks since it helps to improve financial performance; CSR is a noble practice for commercial banks to engage in as part of their operating activities and as such banks should set aside funds annually towards a social course, and lastly that CSR should be considered as part of daily operating activities. Consequently, for a firm to grow and realize its dreams, it has to engage itself morally and commit itself to improving the society’s social and living standards.

CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the methods the researcher used in carrying out the study. It is organized along the following sub-sections: research design, target population, sample design, data collection, measurement of variables, reliability and validity of research instruments and data analysis and presentation.

3.2 Research Design

The study adopted a correlational study design. This design is conducted when researchers want to explore the exact nature and strength of relationships between variables, that is, where changes in one variable are reflected in changes in the other. This study also adopted cross sectional survey.

3.3 Target Population

The target population comprised 37 media houses in the media industry in Nairobi, Kenya (CAK, 2014). The media industry is a collection of businesses that allow information to be shared. This includes operations such as radio and television broadcasts, websites and printed materials of media houses incorporated in Kenya. Foreign media houses with television or radio stations operating in Kenya were also included in the list of media houses studied. The list of media houses is attached as Appendix II (CAK, 2014). Given their small number, all the 37 media houses were studied.

3.4 Data Collection

The study used a questionnaire to collect primary data which aimed at providing the views and opinions of the respondents. The questionnaire was applicable in data collection for this study because of its numerous advantages and its ability to yield the most satisfactory range of reliable data (Mugenda & Mugenda, 2003). The unit of analysis in the study was the firm. One questionnaire was given to each firm. Top level management officers were respondents from selected media houses. The data collection took a total of two months, that is, from the 1st week of May to the last week of June 2016. The questionnaire is in Appendix I. The study questionnaire consisted of three sections. Section A sought information on the organizational profile of target media houses; section B comprised questions or statements on CSR while section C had organizational performance indicators.

3.5 Measurement of Variables

The questionnaire contained measures specifically designed to elicit information about the study variables: corporate social responsibility and organizational performance. The variables were operationalized by borrowing from related past studies as discussed: To measure the independent variable CSR, the dimensions of philanthropic responsibility, economic responsibility, ethical responsibility and legal responsibility from Caroll's CSR pyramid were used (Caroll, 1979) together with questions suggested by Sweeny (2009). The dimension of environmental responsibility was measured based on questions suggested by Sweeny (2009). Informed by the literature, five-point Likert-type response scales (from 1 = strongly disagree to 5 = strongly agree) were constructed with statements on CSR. Respondents were asked to indicate how accurately each statement described their firms. A higher agreement with the statements in the scale was taken to mean the organizations practiced CSR to a great extent.

The dependent variable, performance, was measured using non-financial performance measures namely: sales growth, market share and customer satisfaction (Delaney & Huselid, 1996). Informed by the literature, five-point Likert-type response scales (from 1 = significantly decreased to 5 = significantly increased) were constructed with items on organizational performance. Respondents were asked to indicate how accurately each statement described their firms. A higher score on the statements in the scale was taken to mean that organizational performance significantly increased within the period under study. The moderating variable in this study included contextual factors such as government policy, technology and economic environment. These are factors external to the organization and are beyond its control but which can affect the performance of an organization.

3.6 Validity and Reliability of Research Instruments

3.6.1 Validity

To assess validity of research instruments, a standardized Questionnaire (S.Q.) was developed. The Standardized Questionnaire was assessed by experts in the Faculty of Commerce. Modifications were made and the suggestions incorporated in the instrument.

3.6.2 Reliability

According to DeVellis (1991), reliability is the extent to which the measurement is random, error-free and produces the same results on repeated trials. It also refers to consistency of scores obtained by the same test on different occasions or with different sets of equivalent items or under other variable examining conditions. Cronbach reliability coefficient was used for this study because it helps to establish the internal consistency of the responses. Cronbach alpha is a coefficient of internal consistency used as an estimate of reliability and it ranges in values from 0-1. If the values exceed the standard of 0.7 then the reliability of the model is considered accurate enough (Nunnaly, 1978). It was used to ascertain the reliability of factors extracted from the Likert scale in the questionnaire to determine the internal consistency or average correlation in the survey instrument. The results for the overall reliability of all the items of the constructs and individual constructs are presented in Table 3.1 and Table 3.2.

Table 3.1: Overall Reliability Statistics

Number of items	**Cronbach's Alpha**
42	0.8853

The results indicate that the overall Cronbach alpha coefficient is above the threshold of 0.7.

Table 3.2: Cronbach Alpha Coefficients of the Measurement Scales for the Constructs

Variable	**No. of Items**	**Cronbach's Alpha**
Philanthropic responsibility	5	0.7159
Economic responsibility	8	0.7103
Environmental responsibility	9	0.7862
Ethical responsibility	13	0.7655
Legal responsibility	4	0.8382
Organizational performance	3	0.7761

The results in Table 3.2 indicate that the alpha reliability coefficient of the items in each objective of the study was appropriate because they were all above the threshold of 0.7. The reliability coefficient ranged from 0.7103 to 0.8382. Therefore all the questionnaire items were considered to have internal consistency and hence were used for further analysis.

3.7 Data Analysis

After data collection, the questionnaires were coded, analyzed and summarized using descriptive statistics such as means, percentages, frequencies and standard deviations. To establish the relationship between dimensions of CSR and organizational performance (HA1-HA5), Pearson's correlation was used. The statistical tests were done at 95% confidence level meaning that the study allowed for an error of 5%. To determine the joint effect of the dimensions of CSR: philanthropic responsibility, economic responsibility, environmental responsibility, ethical responsibility and legal responsibility on organizational performance (HA6), the following multiple regression model was used:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon$$

Where:

Y = Organizational performance

α = is a constant

β_1 - $\beta 5$ = regression coefficients

X_1 = Philanthropic responsibility

X_2 = Economic responsibility

X_3 = Environmental responsibility

X_4 = Ethical responsibility

X_5 = Legal responsibility

ε = Error term

Table 3.3 presents a summary of each objective, hypotheses and analysis technique.

Table 3.3: Summary of Analysis of each Objective

Objective	Hypothesis	Analysis technique	Interpretation
(i) Determine the effect of philanthropic responsibility on performance of the firms	i) Philanthropic responsibility has a positive effect on organizational performance	Pearson's Correlation	r and p values
(ii) Determine the effect of economic responsibility on performance of the firms	ii) Economic responsibility has a positive effect on organizational performance	Pearson's Correlation	r and p values
(iii) Determine the effect of environmental responsibility on performance of the firms	iii) Environmental responsibility has a positive effect on organizational performance	Pearson's Correlation	r and p values
(iv) Establish the effect of ethical responsibility on performance of the firms	iv) Ethical responsibility has a positive effect on organizational performance	Pearson's Correlation	r and p values
(v) Establish the effect of legal responsibility on performance of the firms	v) Legal responsibility has a positive effect on organizational performance	Pearson's Correlation	r and p values
(vi) Establish the joint effect of philanthropic responsibility, economic responsibility, environmental responsibility, ethical responsibility and legal responsibility on performance of the firms	vi) Philanthropic responsibility, economic responsibility, environmental responsibility, ethical responsibility and legal responsibility jointly have a positive effect on organizational performance	Multiple regression	R^2, t and β Values

The Statistical Package for Social Sciences (SPSS) version 22 was used to analyze the data. The results were presented using tables.

CHAPTER FOUR
RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the results and discussion of the study done on the media houses. The presentation of the results is based on the objectives of the study. The chapter starts with descriptive statistics of the study variables then the correlation analysis and test of hypotheses. Finally, the chapter presents discussion on the results of the study.

4.2 Descriptive Statistics

This section presents and discusses results on descriptive statistics of the profiles of respondents and organizations. It also presents results on descriptive analyses of the study variables.

4.2.1 Profile of Respondents

The study targeted 37 media firms in Nairobi County. Responses were obtained from 32 firms representing a response rate of 86.5%. The respondents in this study were finance managers, operations managers, human resource managers, marketing managers and administrators involved in the strategic planning processes of their respective organizations. The profiles of the respondents of the studied organizations are shown in Table 4.1.

Table 4.1: Distribution of Respondents by Position

Position	Frequency	Percentage
Finance managers	4	12.5
Operations managers	12	37.5
Human resource managers	5	15.6
Administrators	6	18.8
Marketing managers	3	9.4
Personal Assistant to the CEO	2	6
Total	**32**	**100**

As shown in Table 4.1, most of the respondents were operations managers (37.5%), 12.5% were finance managers, 15.6% were human resource managers, 18.8% were administrators and 9.4% were marketing managers. Two of the respondents were personal assistants to the CEOs. Given the positions of the respondents, it can be concluded that the respondents' responses were considered informed.

4.2.2 Profile of Organizations

The 32 firms that were studied were assessed by characteristics such as number of years in operation, services offered and market coverage. Frequencies and percentages were used to examine the distribution for each characteristic. Table 4.2 presents the results of the analysis.

Table 4.2: Distribution of Firms by Number of Years in Operation, Services Offered and Market Coverage

Number of years in operation		
	Frequency	**Percentage**
2-5 years	1	3.1
6-10 years	3	9.4
11-15 years	11	34.4
Above 15 years	17	53.1
Total	**32**	**100.0**
Services Offered		
	Frequency	**Percentage**
Radio, Television, Print and Website	3	9.4
Radio, Television and Website	6	18.8
Radio and Website	12	37.5
Television and website	2	6.3
Radio	8	25.0
Television	1	3.1
Total	**32**	**100.0**
Market coverage		
	Frequency	**Percentage**
Within Nairobi, other parts of Kenya and beyond	13	40.6
Within Nairobi and other parts of Kenya	17	53.1
Within some parts of Nairobi	2	6.3
Total	**32**	**100**

As shown in Table 4.2, the study sought to establish the distribution of the firms in terms of number of years in operation, services offered and market coverage. Regarding the number of years the firms have been operating in Kenya, most of the firms (53.1%) have been operating in Kenya for a period above 15 years, (34.4%) have been operating in Kenya for a period between 11-15 years, (9.4%) have been operating in Kenya for a period between 6 and 10 years while a few representing 3.1%, have been operating in Kenya for a period between 2 and 5 years. This indicates that majority of the firms have been operating in Kenya for more than five (5) years therefore it can be assumed that most firms have operated long enough for the respondents to evaluate the effect of CSR on organizational performance.

Table 4.2 shows the distribution of firms according to services offered. The study showed that the firms which offered radio services also had a website translating to 37.5% of the total number of media houses studied. These were followed by media houses offering radio services alone at 25%. Those media houses that had radio, television and a website accounted for 18% of the total while only one media house offered television services alone. Regarding the market coverage of the firms, Table 4.2 shows that most of the firms (53.1%) have national market coverage, 40.6% have both national and international market coverage while 6.3% had regional market coverage.

4.2.3 Philanthropic Responsibility

The study sought to describe philanthropic responsibility in the organizations. Respondents were asked to indicate the extent to which they agreed that the statements on the items of philanthropic responsibility described their firms. Higher mean scores indicated strong agreement on the item and lower mean scores implied strong disagreement with the statements. Each item had a 5-point Likert-type scale, ranging from 'strongly disagree' (1) to 'strongly agree' (5). To measure the distribution of the responses to the statements, mean and standard deviation were used. The results are presented in Table 4.3.

Table 4.3: Mean and Standard Deviation for Measures of Philanthropic Responsibility

Philanthropic Responsibility Items	**N**	**Mean**	**Std. Dev.**
Overall		**4.07**	**0.820**
Our organization contributes resources regularly to the community and to charity	32	3.84	1.051
Our organization performs in a manner consistent with the philanthropic and charitable expectations of society	32	4.00	0.803
Our organization voluntarily supports projects that enhance the community's quality of life	32	4.28	0.729
Our staff members are constantly involved in charity and volunteer work on behalf of the firm	32	4.16	0.677
Our organization is actively involved in a project(s) with the local community	32	4.06	0.840

As shown in Table 4.3, the overall mean score for philanthropic responsibility was 4.07. The overall standard deviation was 0.820 which shows that the responses were not far spread from each other among the respondents thus indicating low variability in response to the statements. The item with the highest score was ‘Our organization voluntarily supports projects that enhance the community's quality of life’ (M = 4.28, SD = 0.729) while the item with the lowest score was ‘Our organization contributes resources regularly to the community and to charity’ (M = 3.84, SD = 1.051). The results generally indicate that the respondents agreed with the statements regarding philanthropic responsibility in their organizations. These results were interpreted to mean that the firms practice philanthropic responsibility to a great extent.

4.2.4 Economic Responsibility

The study sought to describe economic responsibility in the organizations. Respondents were asked to indicate the extent to which they agreed that the statements on the items of economic responsibility described their firms with respect to the objective. Higher mean scores indicated strong agreement on the item and lower mean scores implied strong disagreement with the statements. Each item had a 5-point Likert-type scale, ranging from ‘strongly disagree’ (1) to ‘strongly agree’ (5). To measure the distribution of the responses to the statements, mean and standard deviation were used. The results are presented in Table 4.4.

Table 4.4: Mean and Standard Deviation for Measures of Economic Responsibility

Economic Responsibility Items	**N**	**Mean**	**Std. Dev.**
Overall		**4.12**	**0.845**
Our organization is committed to being as profitable as possible	32	4.09	0.734
Our organization has been profitable in the last 1year	32	4.00	1.047
The net profit of the firm has consistently been high for the last 1 year	32	4.19	0.998
The net profit of the firm for the last 1 year greatly related to expectations	32	4.13	0.793
The organization has performed in a manner consistent with maximizing earnings per share	32	4.16	0.723
Our organization has maintained a strong competitive position for the last 1 year	32	4.06	0.982
The company has maintained a high level of operating efficiency	32	4.06	0.914
The company has achieved a successful position on the market in the last 1 year	32	4.25	0.568

As shown in Table 4.4, the mean score for economic responsibility was 4.12. The overall standard deviation was 0.845 which shows that the responses were not far spread from each other among the respondents thus indicating low variability in response to the statements. The item with the highest score was ‘The company has achieved a successful position on the market in the last 1 year’ (M = 4.25, SD = 0.568) while the item with the lowest score was ‘Our organization has been profitable in the last 1 year’ (M = 4.00, SD = 1.047). The results generally indicate that the respondents agreed with the statements regarding economic responsibility in their organizations. These results were interpreted to mean that the firms practice economic responsibility to a great extent.

4.2.5 Environmental Responsibility

The study sought to describe environmental responsibility in the organizations. Respondents were asked to indicate the extent to which they agreed that the statements on the items of environmental responsibility described their firms with respect to the objective. Higher mean scores indicated strong agreement on the item and lower mean scores implied strong disagreement with the statements. Each item had a 5-point Likert-type scale, ranging from ‘strongly disagree’ (1) to ‘strongly agree’ (5). To measure the distribution of the responses to the statements, mean and standard deviation were used. The results are presented in Table 4.5.

Table 4.5: Mean and Standard Deviation for Measures of Environmental Responsibility

Environmental Responsibility Items	**N**	**Mean**	**Std. Dev.**
Overall		**4.13**	**0.824**
Our organization regularly advocates for waste reduction	32	4.22	0.792
Our organization engages in activities aimed at recycling	32	4.16	0.723
Our organization engages in activities aimed at encouraging energy conservation	32	4.06	0.878
Our organization engages in activities aimed at reduction of air pollutants	32	4.09	0.928
Our organization advocates for reduction of harmful packaging	32	4.03	0.822
Our organization encourages use of programs that enhance the efficient use of energy	32	4.19	0.896
Our organization advocates for use of renewable generated energy and resources	32	4.13	0.793
Our organization advocates for recycling processes in production	32	4.21	0.870
Our organization encourages use of recycled and/or eco-friendly office supply	32	4.06	0.716

As shown in Table 4.5, the mean score for environmental responsibility was 4.13. The overall standard deviation was 0.824 which shows that the responses were not far spread from each other among the respondents thus indicating low variability in response to the statements. The item with the highest score was ‘Our organization regularly advocates for waste reduction’ (M = 4.22, SD = 0.792) while the item with the lowest score was ‘Our organization advocates for reduction of harmful packaging’ (M = 4.03, SD = 0.822). The results generally indicate that the respondents agreed with the statements regarding environmental responsibility in their organizations. These results were interpreted to mean that the firms practice environmental responsibility to a great extent.

4.2.6 Ethical Responsibility

The study sought to describe Ethical responsibility in organizations. Respondents were asked to indicate the extent to which they agreed that the statements on the items of ethical responsibility described their firms with respect to the objective. Higher mean scores indicated strong agreement on the item and lower mean scores implied strong disagreement with the statements. Each item had a 5-point Likert-type scale, ranging from ‘strongly disagree’ (1) to ‘strongly agree’ (5). To measure the distribution of the responses to the statements, mean and standard deviation were used. The results are presented in Table 4.6.

Table 4.6: Mean and Standard Deviation for Measures of Ethical Responsibility

Ethical Responsibility Items	**N**	**Mean**	**Std. Dev.**
Overall		**4.09**	**0.831**
Our organization performs in a manner consistent with societal expectations and ethical norms	32	3.97	1.062
Our organization recognizes and respects new or evolving ethical/moral norms adopted by society	32	4.01	0.998
Our organization prevents ethical norms from being compromised in order to achieve corporate goals	32	4.19	0.965
Our organization is committed to providing value to customers	32	4.16	0.628
Our company resolves customer complaints in a timely manner	32	4.31	0.693
Our organization encourages employees to develop real skills and long term careers	32	4.09	0.734
Our organisation consults employees on important issues	32	4.06	0.914
Our organisation is committed to the health and safety of employees	32	3.94	0.982
Our organization has policies that ensure equal compensation regardless of gender/sex	32	4.03	0.897
Our organization encourages employees to voice concerns without fear of employer retaliation	32	4.03	0.740
Our organization practices non-discriminatory hiring	32	4.16	0.808
Our organization has a low staff turnover.	32	4.19	0.693

Our organization ensures a work/life balance among employees.	32	4.19	0.693

As shown in Table 4.6, the mean score for ethical responsibility was 4.09. The overall standard deviation was 0.831 which shows that the responses were not far spread from each other among the respondents thus indicating low variability in response to the statements. The item with the highest score was ‘Our company resolves customer complaints in a timely manner’ (M = 4.31, SD = 0.693) while the item with the lowest score was ‘Our organisation is committed to the health and safety of employees’ (M = 3.94, SD = 0.982). The results generally indicate that the respondents agreed with the statements regarding ethical responsibility in their organizations. These results were interpreted to mean that the firms practice ethical responsibility to a great extent.

4.2.7 Legal Responsibility

The study sought to describe legal responsibility in organizations. Respondents were asked to indicate the extent to which they agreed that the statements on the items of legal responsibility described their firms with respect to the objective. Higher mean scores indicated strong agreement on the item and lower mean scores implied strong disagreement with the statements. Each item had a 5-point Likert-type scale, ranging from ‘strongly disagree’ (1) to ‘strongly agree’ (5). To measure the distribution of the responses to the statements, mean and standard deviation were used. The results are presented in Table 4.7.

Table 4.7: Mean and Standard Deviation for Measures of Legal Responsibility

Legal Responsibility Items	**N**	**Mean**	**Std. Dev.**
Overall		**4.21**	**0.783**
Our organization performs in a manner consistent with expectations of government and law	32	4.31	0.693
Our organization is a law-abiding corporate citizen	32	4.13	0.833
Our organization provides goods and services that meet minimal legal requirements	32	4.09	0.963
Our organization takes responsibility for illegal behaviour	32	4.31	0.644

As shown in Table 4.7, the mean score for legal responsibility was 4.21. The overall standard deviation was 0.783 which shows that the responses were not far spread from each other among the respondents thus indicating low variability in response to the statements. The items with the highest score were ‘Our organization performs in a manner consistent with expectations of government and law’ and ‘Our organization takes responsibility for illegal behaviour’ (M = 4.31, SD = 0.693 and M = 4.31, SD = 0.644 respectively) while the item with the lowest score was ‘Our organization provides goods and services that meet minimal legal requirements’ (M = 4.09, SD = 0.963). The results generally indicate that the respondents agreed with the statements regarding legal responsibility in their organizations. These results were interpreted to mean that the firms practice legal responsibility to a great extent.

4.2.8 Organizational Performance

The study sought to describe organizational performance in the organizations. Respondents were asked to indicate the extent to which they agreed that the statements on the items of organizational performance described their firms. Higher mean scores indicated strong agreement on the item and lower mean scores implied strong disagreement with the statements. Each item had a 5-point Likert-type scale, ranging from ‘greatly decreased (1) to ‘greatly increased’ (5). To measure the distribution of the responses to the statements, mean and standard deviation were used. The results are presented in Table 4.8.

Table 4.8: Mean and Standard Deviation for Measures of Organizational Performance

Organizational Performance Items	N	Mean	Std. Dev.
Overall		**4.15**	**0.782**
Sales growth	32	4.34	0.653
Market Share	32	4.13	0.871
Customer satisfaction	32	3.97	0.822

As shown in Table 4.8, the mean score for organizational performance was 4.15. The overall standard deviation was 0.782 which shows that the responses were not far spread from each other among the respondents thus indicating low variability in response to the statements. The item with the highest score was ‘sales growth’ (M = 4.34, SD = 0.653) while the item with the lowest score was ‘customer satisfaction’ (M = 3.97, SD = 0.822). The results generally indicate that the performance of the organizations increased in the previous year.

4.3 Test of Hypotheses

This section discusses the results of hypotheses testing. The study sought to examine how the variables of the study (CSR): philanthropic responsibility, economic responsibility, environmental responsibility, ethical responsibility and legal responsibility (Hypothesis HA_1 to HA_5) were related to organizational performance. The analysis was done using Pearson’s correlation matrix. The Pearson’s Correlation analysis determines the strength and direction of the relationships. The correlation coefficient ranges from 0 (if no relationship exists) to 1 (for a perfect relationship), correlation coefficients (in absolute value) which are ≤ 0.35 are generally considered to represent low or weak correlations, 0.36 to 0.67 moderate correlations and 0.68 to 1.0 coefficients refer to strong or high correlations with r coefficients of > 0.90 being considered very high correlations (Field, 2005). The results were presented in Table 4.9.

Table 4.9: Correlation Matrix for Philanthropic Responsibility, Economic Responsibility, Environmental Responsibility, Ethical Responsibility, Legal Responsibility and Organizational Performance

		Philanth. Resp.	Econ. Resp.	Environ. Resp.	Ethical Resp.	Legal Resp.	Organiz. Perf.
Philanth. Resp.	Pearson Correlation	1	-.158	-.024	-.008	.374*	.009
	Sig.(1-tailed)		.194	.448	.482	.018	.480
	N	32	32	32	32	32	32
Econ. Resp.	Pearson Correlation	-.158	1	.509**	.781**	-.308*	.303*
	Sig.(1-tailed)	.194		.001	.000	.043	.046
	N	32	32	32	32	32	32
Environ. Resp.	Pearson Correlation	-.024	.509**	1	.538**	-.498**	.004
	Sig.(1-tailed)	.448	.001		.001	.002	.491
	N	32	32	32	32	32	32
Ethical Resp.	Pearson Correlation	-.008	.781**	.538**	1	-.431**	.132
	Sig.(1-tailed)	.482	.000	.001		.007	.235
	N	32	32	32	32	32	32
Legal Resp.	Pearson Correlation	.374*	-.308*	-.498**	-.431**	1	.357*
	Sig.(1-tailed)	.018	.043	.002	.007		.022
	N	32	32	32	32	32	32
Organiz. Perf.	Pearson Correlation	.009	.303*	.004	.132	.357*	1
	Sig.(1-tailed)	.480	.046	.491	.235	.022	
	N	32	32	32	32	32	32

** Correlation is significant at the 0.05 level (1-tailed).

4.3.1 Philanthropic Responsibility and Organizational Performance

The study sought to examine the effect of philanthropic responsibility on organizational performance. It was hypothesized that philanthropic responsibility has a significant positive effect on organizational performance (Hypothesis HA_1). Data was analyzed using Pearson's correlation and the results were presented in Table 4.9. The results indicate that there is a positive insignificant relationship between philanthropic responsibility and organizational performance ($r = 0.009$, $p > 0.05$). Therefore according to the results, the data partially support the hypothesis that: there is a significant positive relationship between philanthropic responsibility and organizational performance.

4.3.2 Economic Responsibility and Organizational Performance

The study sought to examine the effect of economic responsibility on organizational performance. It was hypothesized that economic responsibility has a significant positive effect on organizational performance (Hypothesis HA_2). Data was analyzed using Pearson's correlation and the results were presented in Table 4.9. The results in Table 4.9 indicate that there is a positive and significant relationship between economic responsibility and organizational performance ($r = 0.303$, $p < 0.05$). Therefore according to the results, the hypothesis that: there is a significant positive relationship between economic responsibility and organizational performance was fully supported. These findings are consistent with findings from the study by Kipruto (2014). The researcher found that CSR has a positive and significant effect on financial performance. The study also revealed that highly profitable institutions have invested heavily in CSR activities for many years while those that have always reported losses have been considering CSR as unnecessary expenses.

Kipruto (2014) was of the view that commercial institutions should operate outside their normal business activities to support the community. Improving the livelihood of a community attracts volunteers, investors and sponsors who will help the commercial institution to achieve its objectives towards community needs. In return, the financial institution will spend less on CSR while at the same time achieving high returns from being a good corporate citizen. Being a good corporate citizen attracts new and unexpected customers, new capital, tax exemptions, government favors and in the end achieves greater profitability (Kipruto, 2014).

The findings are further corroborated by a study done by Skare and Golja (2012) which confirmed that CSR firms in the average enjoy better financial performance than non-CSR firms. These results further support the findings by Maldonado-Guzman et al. (2018) who argue that social, environmental and economic dimensions are good predictors of social responsibility in enterprises and for that reason if organizations want to adopt and implement activities of social responsibility, they should not only act for the benefit of their workers, employees, clients, suppliers and society in general, but also act on those activities that take care of the environment surrounding SMEs and its location. Results from the current study are similar to previous empirical evidence from Western and Asian countries (Giannarakis et al., 2016; Selvarajah et al., 2018) showing that CSR activities positively impact firm performance.

4.3.3 Environmental Responsibility and Organizational Performance

The study sought to examine the effect of environmental responsibility on organizational performance. It was hypothesized (Hypothesis HA_3) that environmental responsibility has a significant positive effect on organizational performance. Data was analyzed using Pearson's correlation and the results were presented in Table 4.9. The results in Table 4.9 indicate that there is an insignificant positive relationship between environmental responsibility and organizational performance ($r = 0.004$, $p > 0.05$). Therefore according to the results, the data partially supports the hypothesis that: there is a significant positive relationship between environmental responsibility and organizational performance.

4.3.4 Ethical Responsibility and Organizational Performance

The study sought to examine the effect of ethical responsibility on organizational performance. It was hypothesized that ethical responsibility has a significant positive effect on organizational performance (Hypothesis HA_4). Data was analyzed using Pearson's correlation and the results were presented in Table 4.9. The results indicate that there is a positive but insignificant relationship between ethical responsibility and organizational performance ($r = 0.132$, $p > 0.05$). Therefore the results partially support the hypothesis that there is a positive significant relationship between ethical responsibility and organizational performance.

4.3.5 Legal Responsibility and Organizational Performance

The study sought to examine the effect of legal responsibility on organizational performance. It was hypothesized that legal responsibility has a significant positive effect on organizational performance (Hypothesis HA_4). Data was analyzed using Pearson's correlation and the results were presented in Table 4.9. The results indicate that there is a positive and significant relationship between legal responsibility and organizational performance ($r = 0.357$, $p < 0.05$). Therefore according to the results, the hypothesis that there is a significant positive relationship between legal responsibility and organizational performance was fully supported. The results imply that media firms should perform in a manner consistent with expectations of government and the law of the land; take responsibility for illegal behaviour and provide goods and services that meet minimal legal requirements. Media houses should be at the forefront in being law abiding corporate citizens. A favourable law-abiding corporate reputation speaks well of a company to its stakeholders. It is in the best interests of media houses to be on the right side of the law so that they are not forced out of business as a result of nonconformity to applicable laws or even suffer from negative publicity. This creates a conducive environment for the firms to realize augmented organizational performance without interference and/ or punishment from relevant state organs.

These findings are consistent with findings from a study done by Galbreath (2008) and Germanova, (2008). The study on the practice of legal CSR as a Tool in Bulgaria also concluded that there exists a positive and significant relationship between legal responsibility and organizational performance. The study postulates that legal social responsibility connects to governance at values levels, making companies accountable to a broad range of stakeholders (employees, suppliers, local community and society at large) and incorporating legal, social and environmental values in their operations in order to manage their relations with these stakeholders had impact on the company's development (Germanova, 2008).

The findings are further supported by findings of Kinyanjui et al. (2018) who did a study on the influence of legal and ethical CSR strategy on performance of public universities in Kenya. The results showed that legal and ethical practices positively contribute to organizational performance of Public Universities. Thereafter, the study recommended that increased focus on organizational legal and ethical practices would significantly increase the performance of public sector organizations.

Researchers Rongoei and Muturi (2018) also investigated the effect of corporate social responsibility on organizational performance of Sony and Chemelil Sugar Factories in Kenya. The study found that legal activities have a constructive effect on organizational performance because minimal ground rules under which businesses are expected to operate and function are established. Kinyanjui et al. (2018) conclude that increased focus on organization's legal and ethical practices will significantly increase organizational performance.

4.3.6 Effect of CSR on Organizational Performance

The study sought to establish the joint effect of CSR dimensions on organizational performance. It was hypothesized that CSR dimensions jointly have a significant positive effect on organizational performance (HA_6). The hypothesis was analyzed using multiple regression analysis. Before the regression analysis was carried out, Pearson's correlation analysis was carried out to ensure that there was no multicollinearity. Multicollinearity exists when there is a strong correlation between two or more independent variables and this poses a problem when running multiple regressions.

According to Field (2009) multicollinearity exists when correlations between two independent variables are at or in excess of 0.80. In this study, the highest correlation was between ethical responsibility and economic responsibility ($r = 0.781$, p-value < 0.000) which rules out multicollinearity. Organizational performance was regressed on the five dimensions of CSR: philanthropic, economic, environmental, ethical and legal responsibility. The results of the multiple regression analysis are presented in Table 4.10.

Table 4.10: Multiple Regression Results for Effect of Philanthropic Responsibility, Economic Responsibility, Environmental Responsibility, Ethical Responsibility and Legal Responsibility on Organizational Performance

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.932[a]	.869	.844	.41526

ANOVA

Model		Sum of Squares	Df.	Mean Square	F	Sig.
1	Regression	29.735	5	5.947	34.487	.000[b]
	Residual	4.484	26	.172		
	Total	34.219	31			

Coefficients

	Unstandardized Coefficients Beta	Std Error	Standardized Coefficients Beta	T	Sig.
(Constant)	1.147	3.93		2.915	0.000
Philanthropic resp.	0.488	0.221	0.663	1.908	0.001
Economic resp.	0.221	0.115	0.192	1.917	0.003
Environmental resp.	0.269	0.135	0.387	1.991	0.003
Ethical resp.	-0.158	0.112	-0.109	-1.402	0.173
Legal resp.	0.384	0.106	0.397	3.608	0.001

a. Predictors: (Constant), Philanthropic Responsibility, Economic Responsibility, Environmental Responsibility, Ethical Responsibility, Legal responsibility

b. Organizational Performance (Dependent Variable)

The study sought to establish the joint effect of CSR dimensions on organizational performance. The model in Table 4.10 shows that R Square is 0.869, which means that 86.9% of the variation in organizational performance is explained by philanthropic responsibility, economic responsibility, environmental responsibility, ethical responsibility and legal responsibility. Additionally, $r = 0.932$, meaning that the correlation between the CSR dimensions and organizational performance is very high.

The ANOVA results show significance of the combined effect of philanthropic responsibility, economic responsibility, environmental responsibility, ethical responsibility and legal responsibility on organizational performance. The results show that the model was significant ($F = 34.487$, $p < 0.05$). This indicates that CSR has a significant effect on organizational performance therefore supporting hypothesis H6 that corporate social responsibility has a significant positive effect on organizational performance.

These findings are consistent with findings of previous studies such as the study by Maldonado-Guzman et al. (2016) who did a study on Corporate Social Responsibility and Business Performance by evaluating the role of Mexican SMEs. The results obtained showed the existence of a positive and significant relationship between CSR and business performance. It was concluded that social, environmental and economic dimensions are good predictors of social responsibility in enterprises and for that reason if organizations want to adopt and implement activities of social responsibility, they should not only act for the benefit of their workers, employees, clients, suppliers and society in general, but also act on those activities that take care of the environment surrounding SMEs and its location.

Additionally organizations should develop economic initiatives to allow quality improvements in terms of workers' lives and population in which these SMEs are situated. Further, it was also concluded from the investigation that a greater level of CSR adoption and implementation allows higher levels of business performance. Therefore, because the main goal of a high percentage of businesses is to obtain profit margins from investments, then if enterprises, especially SMEs, want to achieve this goal and basic objective, they should implement all activities that allow higher levels of social responsibility; mainly because it is social responsibility which significantly and positively impacts business performance (Maldonado-Guzman et al., 2016).

Another researcher who found similar results is (Mwangangi, 2018) in a study that investigated the effect of Corporate Social Responsibility on Performance of Manufacturing Firms in Kenya. The recommendations of the study to the firms, among other things, was enhancement of employee relations through health and safety, training and development, promotion of customer satisfaction through product information, quality assurance and customer feedback, engagement in community relations through health and education, maintaining friendly business-government relations through self-regulation on ethical practices and investing in CSR activities as a strategy to actively engage with key stakeholders to create and sustain competitive advantage. The standardized coefficients show that the effect of philanthropic responsibility on organizational performance is positive and significant ($\beta = 0.663$, $t = 1.908$, $p < 0.05$).

The coefficients also show that philanthropic responsibility has the greatest effect on organizational performance ($\beta = 0.633$) corroborating findings of the study done by Galbreath (2008)who also found that the relationship between philanthropic responsibility and the dependent variable was stronger than that between other measures of corporate social performance and the dependent variable. The effect of economic responsibility on organizational performance is positive and significant ($\beta = 0.192$, $t = 1.917$, $p < 0.05$). The effect of environmental responsibility on organizational performance is positive and significant ($\beta = 0.387$, $t = 1.991$, $p < 0.05$) and the effect of legal responsibility on organizational performance is positive and significant ($\beta = 0.397$, $t = 3.608$, $p < 0.05$).

The positive coefficients for philanthropic, economic, environmental and legal responsibilities suggest that those firms that have the capacity to have a CSR strategy and consistently implement it will achieve higher levels of organizational performance. However, ethical responsibility in isolation has a negative effect on organizational performance ($\beta = -0.109$, $t = -1.402$, $p > 0.05$). From the unstandardized coefficients in Table 4.10, the following regression equation was developed:

$Y = 1.147 + 0.221X_2 + 0.384X_5 + 3.93$

From the equation, it is clear that for every unit increase in economic responsibility a 0.221 increase in organizational performance is predicted holding other variables constant and for every unit increase of legal responsibility; a 0.384 increase in organizational performance is predicted holding other variables constant. The above full regression model can also be taken to imply that media firms in Kenya practice CSR to a great extend in order to increase their market share, customer satisfaction and sales growth. This means that media firms should embrace economic responsibility through actions such as being as profitable as possible, performing in a manner consistent with maximizing earnings per share and maintaining a high level of operating efficiency.

Additionally organizations should develop economic initiatives to allow quality improvements in terms of workers' life and the population in which these organizations (SMEs) are situated (Maldonado-Guzman et al., 2018). Galbreath (2008) found that legal and discretionary (philanthropic) dimensions had the biggest impact on reducing employee turnover. Galbreath then suggested that one explanation for the finding might be that firms who demonstrate compliance with the law or offer outstanding care for employees or communities may be in the best position to diminish employee loss. On the other hand, economic, legal, and discretionary dimensions of CSR were positively associated with customer satisfaction meaning that firms who meet customer needs through offering valued products (economic CSR), ensure customers are not harmed in any way by meeting legal standards (legal CSR), or who treat employees well through benefits and high salaries (discretionary CSR) might be reaping the rewards of higher customer satisfaction (Galbreath, 2008).

Additionally, Kinyanjui et al. (2018) also established that engaging in legal and ethical CSR practices influences the performance of the Public sector institutions in Kenya thereby positively contributing to organizational performance of Public Universities. Hence, focus on organizational legal and ethical practices would significantly increase the performance of public sector organizations.These results further support the findings of the study by Osisioma et al. (2015) where the study summarized that social responsibility is necessary for organizational performance and as such corporate firms in Nigeria should make every effort to increase their commitment to social responsibility activities.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the research findings, conclusions and recommendations of the study. The discussion is a summary of findings regarding the research objectives, hypotheses and conclusions of the study. The chapter concludes with discussion on implications of the study to stakeholders' theory and practice and gives suggestions for further research.

5.2 Summary of the Findings

The general objective of the study was to determine the effect of Corporate Social Responsibility on performance of media houses in the Media industry in Nairobi County. The study was guided by five specific objectives. After the Pearson Correlation analysis was done, the results revealed the following:

The first objective was to determine the effect of philanthropic responsibility on performance of the media firms. The results showed that philanthropic responsibility had a positive but insignificant relationship with organizational performance.

The second objective was to determine the effect of economic responsibility on performance of the media firms. After the Pearson correlation was done, the analysis revealed that there was a positive and significant relationship between economic responsibility and organizational performance.

The third objective was to determine the effect of environmental responsibility on performance of the media firms. The results revealed that there was a positive and insignificant relationship between environmental responsibility and organizational performance.

The fourth objective of the study was to establish the effect of ethical responsibility on performance of the media firms. After the analysis was done, the results found a positive and insignificant relationship between ethical responsibility and organizational performance.

The fifth objective was to establish the effect of legal responsibility on performance of the media firms. The results revealed a positive and significant relationship between legal responsibility and organizational performance.

The last objective was to establish the joint effect of philanthropic responsibility, economic responsibility, environmental responsibility, ethical responsibility and legal responsibility on performance of the media firms. The corresponding hypothesis for the joint effect of the CSR dimensions on performance of the Media firms was tested using multiple regression analysis. The regression results showed that a combination of the five dimensions of CSR had a positive and significant effect on organizational performance.

5.3 Conclusions

The correlation results of the study reveal that all dimensions of corporate social responsibility positively affect organizational performance. These findings lead to the following conclusions: that when media houses/firms in Nairobi, Kenya practice corporate social responsibility they will achieve higher levels of organizational performance in terms of sales growth, market share and customer satisfaction. Media stakeholders will view them favourably as a result and will be drawn to their services, consequently marketing them to potential listeners, viewers and readers through their word of mouth.

If the managers of media houses want to significantly improve organizational performance, then it will be necessary to incorporate CSR initiatives as a strategy in their organizations, so that they become part and parcel of daily activities of their firms. These activities will make media houses to acquire the image of responsible corporate citizens which will work well for their corporate reputation. Due to the nature of their industry, the media firms have the advantage of quick visibility and instant outreach to their target audience. As a result, the media houses will be looked upon favourably by their various stakeholders including the government and the entire community in which they are located. This will then lead to increased viewership, translating to increased sales, increased market share and customer satisfaction.

The ANOVA results also show that all the CSR dimensions jointly had a positive and significant effect on organizational performance in the organizations studied. The results from the current study support the view that involvement in CSR has the potential to lead to improved firm performance and in this case the media firms will enjoy better sales growth, increased market share and more customer satisfaction. A greater level of CSR adoption and implementation leads to higher levels of business performance. Therefore, because the main goal of a high percentage of businesses is to obtain profit margins from investments, then if enterprises, especially SMEs, want to achieve this goal and basic objective, they should implement all activities that allow higher levels of social responsibility; mainly because it is social responsibility which significantly and positively impacts business performance (Maldonado-Guzman et al., 2016).

The finding that corporate social responsibility significantly and positively affects organizational performance also empirically confirms the views of the stakeholder theory which underpinned this study. Park (2010) maintains that the stakeholder theory proposes a positive association between CSR activities and organizational performance. According to Freeman (1984), the stakeholder theory is about the broad view of stakeholders where the corporation has responsibilities towards them beside those who are the main or primary stakeholders of the corporation. Thus, stakeholder theory takes into account individuals or groups with a stake in the company including shareholders, employees, customers, suppliers and the local community (Jones, 1980).

Lastly, the findings of this study are important in that they helped answer the question in the researcher's mind as to whether the media houses engaging in CSR initiatives have experienced any advantages at all in terms of change in their organizations' bottom-line. The answer was an emphatic yes seeing as it were that the results revealed an increment in the organizations' performance of slightly over 80% during the period under study in comparison to the previous year. The overall mean for organizational performance was (M = 4.15).This means that the engagement in CSR activities had boosted the performance of the organization's sales, market share and customer satisfaction.

5.4 Recommendations

This study was underpinned by the stakeholders' theory to determine the effect of philanthropic responsibility, economic responsibility, environmental responsibility, ethical responsibility and legal responsibility on performance of the firms in the media industry. The findings of the study conducted on media houses in Nairobi County have various implications for management policy and practice as explained below:

5.4.1 Recommendations for Management Policy and Practice

The results of this study have implications for management policy and practice. The correlation results show that philanthropic responsibility, economic responsibility, environmental responsibility, ethical responsibility and legal responsibility jointly have a positive effect on performance of the firms. This implies that to enhance organizational performance, managers need to integrate all dimensions of corporate social responsibility, craft appropriate CSR strategies for their companies, ensure they are proactively implemented in order to increase their market share, sales growth and customer satisfaction thus giving them competitive advantage over their competitors.

The ANOVA results show that all dimensions of CSR jointly have a positive and significant effect on performance of the media houses. This implies that Managers need to perform philanthropic, economic, environmental, ethical and legal activities that impact society as a whole, since it will allow them to substantially improve their corporate image, increase their visibility, products and services, reaching a broad social recognition as a responsible company by the community, which will generate without a doubt higher levels of organizational performance. Additionally, for firms to increase performance managers should seek to achieve a successful position on the market, maintain a high level of operating efficiency and put in place economic measures that favour all their stakeholders.

Managers should also be compliant with the law and take responsibility for illegal behaviour. Such actions by the firms will in turn reduce negative publicity/reputation usually generated as a result of lawsuits that may follow because of committing illegalities. Management policy makers should embrace more ethical responsibility in their organizations in terms of providing value to customers and ensuring the organization has policies that guarantee equal compensation regardless of gender etc. If the organization crafts such policies and ensures day to day implementation, there is a likelihood that the organizational performance will increase significantly because of enhanced good relations between the firms and their various stakeholders such as the employees, suppliers and members of the surrounding community. This is a view shared by Kavaliauskė and Stancikas (2014) who found that consumers prefer the quality of service and customer satisfaction in the sectors of finance and telecommunications.

Other recommendations include the following: the stakeholders’ theory was the only theory of reference for the study. Other theories may be used to complement it in future studies. Since the CSR dimensions under study explained 86.9% variation in organizational performance of the firms studied, there is need for future research to study other factors which affect performance of the firms in the media industry that might account for the remaining 13.1%. Finally, other researchers may also include other respondents like employees in their studies in order to have a more representative study sample and eliminate bias in responses.

5.4.2 Recommendations for Further Study

While this study successfully examines the research variables among media houses in the media industry in Nairobi, Kenya, it also presents rich prospects for several other areas to be researched on in future. The present study was only done over a short period of time. It would, however, be useful to carry out a similar study in the same industry focussing on a longer period of time. Since certain CSR activities need longer periods of time to show results, it would be interesting to conduct a research with a differentiation between short term and long-term impact of CSR on organizational performance.

The research may be expanded to other industries and organizations such as construction, real estate, insurance among others across the country. The research may also be carried out in media firms which are both within Nairobi and outside of Nairobi, across East Africa and the entire Africa taking into consideration financial measures of performance as well.

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APPENDICES

APPENDIX I: RESEARCH QUESTIONNAIRE

SECTION A: ORGANIZATIONAL PROFILE

1. Designation / Title of Respondent: ____
2. Name of firm: ____
3. Number of years in operation:
   1. below 1 year ☐
   2. 2-5 years ☐
   3. 6-10years ☐
   4. 11-15 years ☐
   5. above 15 years ☐
4. What services are offered by the media house? ________________

____

5. What is the market coverage of the media house?
   1. Within Nairobi, other parts of Kenya and beyond ☐
   2. Within Nairobi and other parts of Kenya ☐
   3. Within some parts of Nairobi ☐

SECTION B: CORPORATE SOCIAL RESPONSIBILITY

Part I: Philanthropic Responsibility

1. Please indicate to what extent you agree with the following statements related to philanthropy in your organization. Use the key where 1 = strongly disagree, 2 = disagree, 3 = not sure, 4 = agree and 5 = strongly agree.

	Statements	1	2	3	4	5
i.	Our organization contributes resources regularly to the community and to charity					
ii.	Our organization performs in a manner consistent with the philanthropic and charitable expectations of society					
iii.	Our organization voluntarily supports projects that enhance the community's quality of life					
iv.	Our staff members are constantly involved in charity					

	and volunteer work on behalf of the firm					
v.	Our organization is actively involved in a project(s) with the local community					

Part II: Economic Responsibility

2. Please indicate to what extent you agree with the following statements related to economic responsibility in your organization. Use the key where 1 = strongly disagree, 2 = disagree, 3 = not sure, 4 = agree and 5 = strongly agree.

	Statements	1	2	3	4	5
i.	Our organization is committed to being as profitable as possible					
ii.	Our organization has been profitable in the last 1year					
iii.	The net profit of the firm has consistently been high for the last 1 year					
iv.	The net profit of the firm for the last 1 year greatly related to expectations					
v.	The organization has performed in a manner consistent with maximizing earnings per share					
vi.	Our organization has maintained a strong competitive position for the last 1					
vii.	The company has maintained a high level of operating efficiency					
viii.	The company has achieved a successful position on the market in the last 1 year					

Part III: Environmental Responsibility

3. Please indicate to which extent you agree with the following statements related to environmental conservation/protection in your organization.

Use the key where 1 = strongly disagree, 2 = disagree, 3 = not sure, 4 = agree and 5 = strongly agree.

	Statements	1	2	3	4	5
i.	Our organization regularly advocates for waste reduction					
ii.	Our organization engages in activities aimed at recycling					
iii.	Our organization engages in activities aimed at encouraging energy conservation					
iv.	Our organization engages in activities aimed at reduction of air pollutants					
v.	Our organization advocates for reduction of harmful packaging					
vi.	Our organization encourages use of programs that enhance the efficient use of energy					
vii.	Our organization advocates for use of renewable generated energy and resources					
viii.	Our organization advocates for recycling processes in production					
ix.	Our organization encourages use of recycled and /or eco-friendly office supply					

Part IV: Ethical Responsibility

4. Please indicate to which extent you agree with the following statements related to ethical responsibility in your organization. Use the key where 1 = strongly disagree, 2= disagree, 3 = not sure, 4 = agree and 5 = strongly agree.

	Statements	1	2	3	4	5
i	Our organization performs in a manner consistent with societal expectations and ethical norms					
ii	Our organization recognizes and respects new or evolving ethical/moral norms adopted by society					
iii	Our organization prevents ethical norms from being compromised in order to achieve corporate goals					

iv	Our organization is committed to providing value to customers					
v	Our company resolves customer complaints in a timely manner					
vi	Our organization encourages employees to develop real skills and long term careers					
vii	Our organisation consults employees on important issues					
viii	Our organisation is committed to the health and safety of employees					
ix	Our organization has policies that ensure equal compensation regardless of gender/sex					
x	Our organization encourages employees to voice concerns without fear of employer retaliation					
xi	Our organization practices non-discriminatory hiring					
xii	Our organization has a low staff turnover.					
xiii	Our organization ensures a work/life balance among employees.					

Part V: Legal Responsibility

5. Please indicate to which extent you agree with the following statements related to legal responsibility in your organization. Use the key where 1 = strongly disagree, 2 = disagree, 3 = not sure, 4 = agree and 5 = strongly agree.

	Statements	1	2	3	4	5
i	Our organization performs in a manner consistent with expectations of government and law					
ii	Our organization is a law-abiding corporate citizen					
iii	Our organization provides goods and services that meet minimal legal requirements					

iv	Our organization takes responsibility for illegal behaviour					

SECTION C: ORGANIZATIONAL PERFORMANCE

6. For each of the following measures of performance, indicate how each measure has changed in your organization in the last 1 year using the key: 1 - significantly Decreased, 2 – Decreased, 3 - Not changed, 4 - Increased and 5 - significantly Increased

	Measures	1	2	3	4	5
i.	Sales growth					
ii.	Market Share					
iii.	Customer satisfaction					

APPENDIX II: MEDIA FIRMS IN NAIROBI KENYA

		Selected media house
Radio, Television, Print and Website		
1. Mediamax Ltd/TV Africa Holdings	-	K24 Tv
2. Standard Media Group	-	KTN
3. Nation Media Group	-	NTV
4. Royal Media Services	-	Citizen TV
Radio, Television and Website		
1. IQRA Broadcasting Network	-	Iqra FM
2. Kenya Broadcasting Corporation	-	KBC TV
3. Bibilia Husema Broadcasting	-	Bibilia Husema Radio
4. Christ is the Answer Ministries	-	Hope FM
5. Future Tech Electronics Ltd	-	Family TV
6. Seventh Day Adventist	-	Hope Channel
7. British Broadcasting Corporation (East Africa Bureau)	-	BBC World Service
Radio and Website		
1. Kenya Episcopal Conference	-	Radio Waumini
2. Go Communications	-	Classic 105
3. Daystar University	-	103.1 Shine FM
4. Radio France International	-	Radio France
5. Multi-Media University of Kenya	-	MMU 99.9FM
6. Bridge Media	-	Homeboyz Radio
7. China Radio International	-	China Radio
8. TransWorld Radio Kenya	-	Sifa Radio
9. Radio Africa Holdings	-	Kiss 100
10. Kenya Institute of Mass communication	-	KIMC Nairobi
11. Capital Group	-	Capital FM
12. International Broadcasting Bureau	-	Voice of America
Television and Website		
1. Around the Globe Services Ltd	-	ATG TV
2. STV Holdings	-	Aljazeera TV
3. Kenyatta University Media	-	KU 99.9 FM

Radio

1. Koch FM	-	Koch (Korogocho) FM
2. Kenya Meteorological Department	-	Kangema FM
3. United States International University	-	USIU 99.9FM
4. Slums Information Development & Resource Centres (SIDAREC)	-	Ghetto FM
5. Lingham Enterprises	-	East FM
6. Eastern Broadcasting Corporation Ltd	-	Mbaitu FM
7. Pamoja Development	-	Pamoja 99.9 FM
8. Stangy Boys	-	Sound Asia
9. Sirwo Enterprises Ltd	-	X-FM
10. Africa Inland Church	-	Truth FM Kenya

Television

1. Unjiru TV	-	UTV

(Source: CAK, 2014)