AN INVESTIGATION INTO THE IMPACT OF CORPORATE SOCIAL RESPONSIBILITY (CSR) ON ORGANISATIONAL PERFORMANCE IN TELECOMMUNICATIONS SECTOR IN ZIMBABWE.

BY

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A DISSERTATION PROPOSAL SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE MASTER DEGREE IN BUSINESS ADMINISTRATION (MBA)

GRADUATE SCHOOL OF MANAGEMENT

FACAUITY OF COMMERCE

UNIVERSITY OF ZIMBABWE AUGUST 2015

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DECLARATION

I, Manenji Munyaradzi, do hereby declare that this dissertation is the result of my own investigation and research, except to the extent indicated in the acknowledgements, references and by comments included in the body of the report, and that this dissertation is therefore, my original work and has not been presented in part or in full for any other degree in any other University.

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I, Dr. Samson Ruturi confirm that the work reported in this dissertation was carried out by the candidate under my supervision as school supervisor. This dissertation has been submitted for review with my approval as school supervisor.

----------------------------------------------                                -----------------
Supervisor signature                                    Date
DEDICATION

To my one and only wife Caroline Chitate for the continued support to this end. I humbly appreciate and cherish your love, support and attention together with my four brothers Tawanda, Tafadzwa and Tapiwa and Martin for their understanding during my studies.
ACKNOWLEDGEMENTS

1) To God my savior be the glory and righteousness for the strength and wisdom that he granted me during my studies to this end

2) My sincere appreciation goes to my friends Ronny Kagande, my brothers Tawanda, Tafadzwa and Tapiwa for supporting and bearing with me throughout my studies.

3) I extend my sincere gratitude to my supervisor, Dr S. Ruturi for the support, encouragement, feedback and guidance throughout the period when I was doing my dissertation. Special thanks to all the lecturers whom I have interacted with during my studies at the University of Zimbabwe and all the organisations that granted me permission to distribute my questionnaires and all the respondents who took their time from their busy schedules to complete my questionnaires.

4) I am very grateful to all the people who have been a tremendous source of inspiration and may I mention the following:
   i. Dr M. Sandada for the valuable information, ideas and moral support.
   ii. My group members for the encouragement and valuable ideas.
   iii. My boss and workmates for the continued support and encouragement throughout the period.
   iv. Brethren from church for the prayers
ABSTRACT

Corporate social responsibility has a positive impact on economic growth of a country by contributing to inclusive growth and business performance. Telecommunications companies operating in Zimbabwe are involved in corporate social responsibility in one way or another. They are trying to improve business performance from conducting good CSR practices. The main objective of this study was to investigate the impact of corporate social responsibility on organisational performance in the telecommunications sector in Zimbabwe.

The researcher used the quantitative (positivist) approach. The survey technique was used and questionnaires were disseminated and some were send via email by the researcher. The study population was composed of 1000 people which included managers, employees and customers of the telecommunications companies mainly operating in Harare metropolitan province. The sample size for 101 which comprised of 11 managers, 30 employees and 60 customers. For the purpose of this research the researcher used the probability sampling method which specifically is the stratified random sampling method. Questionnaires were used because they had similar set of data, easy to distribute and allowed anonymity and a high response rate.

The study recognized that good CSR practices lead to brand loyalty, employee motivation and commitment and improved sales performance of an organisation. Little has been done to investigate the impacts of CSR activities on business performance and reduction of various social problems in society. The study revealed that good CSR practices are vital for telecommunications companies to gain competitive advantage and improving business performance. It is recommended that all companies should be involved in CSR activities since it is embedded in corporate governance practices and to reduce social problems.
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# LIST OF ACRONYMS OR ABBREVIATIONS

<table>
<thead>
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<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>CSR</td>
<td>Corporate Social Responsibility</td>
</tr>
<tr>
<td>WBCSD</td>
<td>World Business Council for Sustainable Development</td>
</tr>
<tr>
<td>ESAP</td>
<td>Economic Structural Adjustment Program</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organizations</td>
</tr>
<tr>
<td>POTRAZ</td>
<td>The Postal and Telecommunications Regulatory Authority of Zimbabwe</td>
</tr>
<tr>
<td>CFP</td>
<td>Corporate Financial Performance</td>
</tr>
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CHAPTER ONE: INTRODUCTION

1.1 INTRODUCTION

The Zimbabwean economy has gone through turbulent changes from hyperinflation period of 2005 -2008 and the post dollarization era of 2009 to date. There has been swings in economic performance that have had great impact on the performance of organizations in various industries. Due to the economic hardships that have been faced by most companies it has become imperative that these companies carry out corporate social responsibility (CSR) to build their images, increase market share and to improve employee motivation and commitment to an organisation. Benefits from CSR appear, for example, as an increase in sales and market share, the strengthening of employee motivation and retention, reduced business expenditures, a higher attraction to potential investors, and a stronger corporate image and brand (Baron, 2009; Kotler, 2009). The connection between CSR and firm performance has been examined by a wide range of scholars, though the relationship is unclear. The explanation is that, this relationship has many indirect factors influencing it and this is the reason why this study considers employee motivation and commitment, brand image building, and market share and sales as three probable mediators in the relationship between CSR and firm performance.

The broader conception of corporate governance requires not only honesty, transparency, and accountability to shareholders, but also responsibility to all stakeholders. Businesses must keep their activities in harmony with society’s ethical, legal, and communal goals. CSR is the firm’s obligation to evaluate the effects of its decision on the external social system in a manner that will accomplish social benefits along with the traditional economic gains. The term 'Corporate Social Responsibility' came about in the late 1960's and early 1970's after many multinational corporations used it to describe organisational activities that impacted their responsibility towards the greater environment. CSR involves operating a business in a manner that surpasses the legal & public expectations that society has of businesses. The World Business Council for Sustainable Development (WBCSD) defines CSR as: ‘The commitment of business to contribute to sustainable economic development, working with employees, their families and the local communities’. CSR consists of a set of policies, practices, and programs that are
integrated throughout business operations intended to ensure that the company maximises the positive impacts of its operations on society.

CSR issues are broadly understood to be within the social, political & legal, environmental, economic and ethical categories. Carroll (1979; 1991) differentiated between four types of CSR, namely: Economic responsibility (jobs, wages, services); Legal responsibilities (legal compliance and playing by the rules of the game); Ethical (being moral and doing what is just, right, and fair) and discretionary or social (optional philanthropic contributions). Examples include efforts to alleviate public problems for example poverty reduction in an effort to enhance society’s welfare and improve the quality of life. For a company to be considered a CSR company, it must at least engage in two or more of these issues which are economic, legal, ethical and social.

Many scholars consider CSR as encompassing two broad dimensions which are internal and external. On the internal level companies relook at their in-house priorities and accord due diligence to their responsibility to internal stakeholders who are mainly employees, addressing issues relating to skills and education, workplace safety, working conditions, human rights, equity considerations, equal opportunity, health and safety, and labour rights (Jones, Comfort and Hillier, 2005).

External dimension of CSR practices has been done by a variety of authors in literature (Deakin and Hobbs, 2007). Priority shifts to the need for corporations to assume their duties as citizens, and accord due diligence to their external economic and social – stakeholders and the natural environment (Munilla and Miles, 2005).

Good CSR practices encompasses the following: Environment, policies carried out by the company to reduce the environmental impact of its activities. Labour Practices/Human Resources, that is internal policies and processes oriented to the staff for the development of their work in a safe and healthy environment, equal opportunities, encouraging work-life balance, training, participation and dialogue, with the aim of permanent development. Social performance, which is company participation on social, cultural and sporting projects of the environment. Good administration which encompasses set of rules and practices oriented to the appropriate decision-making inside the company (consensus, responsibility, efficiency,
transparency, participation and law enforcement), so as to take into account the interests of the whole organization and society. The variables that have been put forward are employee motivation and commitment, increase in market share and sales, promotion of brand image and consumer customer identification.

1.2 BACKGROUND TO THE STUDY

In Zimbabwe, concern with the social impact of business activity seems to have gathered momentum with the introduction of the Economic Structural Adjustment Programme (ESAP). In contrast, in the United States of America this discourse can be traced as far back as the early 1950s (Frederick, 1983, 150). In Zimbabwe, where the economy is far from being stable, most companies evidently view CSR as a move that would further eat into their already limited profit margins. This explains why most companies operating in Zimbabwe still do not have CSR policies. For most of those that do, it is only on paper as there is nothing on the ground to show they are actually implementing the policy. Social and environmental problems are wreaking havoc in the country as a result of poor corporate governance practices. As a result of not taking CSR seriously, there is in the country a strong belief that generally, locally-operating companies care only for their personal economic growth and nothing about the well-being of the communities in which they operate. But labelling all profit-making companies in Zimbabwe as selfish would not be fair, as there are some companies operating in the same economically unstable environment, but have done a lot to improve the communities in which they operate. Many Zimbabwean companies do not traditionally engage in areas of public welfare. These firms have little knowledge about the benefits of corporate social responsibility in improving company performance in the long run. The result is that companies make decisions on CSR with limited background information. Recently, however, Zimbabwean companies especially those in the telecommunications sector are starting to see the positive benefits of these programs. With a recently stabilized economy, middle class Zimbabweans have the purchasing power to choose between service providers and are showing a growing appreciation for non-political, local community engagement.
A combination of public ownership of a sizable segment of the economy and government's interventionist policies in economic and social affairs is responsible for the previously relative lack of interest in the social impact of business in Zimbabwe. Since the attainment of independence, social problems have increased, many of which are a direct outcome either of business activity or of policies implemented as a means of reducing the cost of doing business. If Zimbabwe is to move forward, corporate governance issues should take centre stage so that there is community buy in and stakeholder support in the businesses.

Businesses must serve a need and a higher purpose to the communities within which they operate.

Listed firms are mostly particular about the market perception whereas, non-listed private entities tend to use CSR as an advertising ploy which is assumed at the proprietor’s whim. Unfortunately, as a country, Zimbabwean firms cannot afford to rest on their laurels as poverty and disease continue to wreak havoc on the social fabric of communities.

CSR cannot be left solely to Non-Governmental Organizations (NGOs) who have a totally different sectorial agenda altogether. The corporate sector needs to be proactive and take advantage of the synergies that exist and address the gaps that result from the scope of activities of government and NGOs in order to attain inclusive growth in the economy. It is important for businesses not only to provide products and services to satisfy the customer, but also to ensure that the business is not harmful to the environment in which it operates. CSR focuses on achieving economic success through responsible corporate governance in a company's core area of business. CSR pushes organisations to do better because their actions affect customers, suppliers, employees, shareholders and the community at large. Partnerships with the communities, particularly those that have been disadvantaged, can help companies build productive relationships and stimulate economic growth in disadvantaged areas.

CSR has many diverse angles, it guarantees good and safe working environment for the employees, fairness among employees, harmless and high quality products and services for the customers, following of government rules and regulations, not involving in immoral business practices, not to put an end to environment for earnings and to effort for the improvement of the society (Razaq et al, 2013). Majority of the studies on CSR have focused on the developed economies of the world and a little work has been done in developing countries like Zimbabwe.
1.3 STATEMENT OF THE PROBLEM

The overall research problem addressed in this study is that despite an increase in budget allocation for CSR practices by telecommunications sector, little has been done to analyse the impact of CSR on company performance. For example Econet Wireless increased the number of scholarship beneficiaries on Capernaum Trust from 10 000 in 2009 to over 30 000 in 2010. Some commentators argue that companies have no legitimacy to pursue broader social goals, this role should be pursued by governments acting for their citizens. According to http://ewzinvestor.co.zw/annual-reports/ and studies carried out in Econet Wireless indicated that the organisation channels six percent ($1.25 million) of its profits every year towards CSR activities. Some stakeholders in Zimbabwe especially employees of these companies are complaining about this budget allocation because they believe that it eats into their limited profits and the money can be used to improve their salaries, or can be invested to earn interest. However on the other hand management and customers view CSR as a noble initiative because it improves company performance and helps to generate inclusive growth in Zimbabwe. Businesses must serve a need and a higher purpose to the communities within which they operate. Since the attainment of independence, social problems have increased, many of which are a direct outcome either of business activity or of policies implemented as a means of reducing the cost of doing business. Companies need to recognize that they cannot act independently from the society and environment in which they operate. If the issue of CSR is not addressed with the urgency that it deserves, the long term survival of the companies will be jeopardized due to increase in social problems and widening of the gap between the rich and the poor. Companies are also facing problems of retaining the right staff because of lack of internal CSR practices. Nevertheless, the impact of CSR on business performance has hardly been analysed in the Zimbabwean context. It is against this background that it has become necessary to undertake this research to investigate the impact of CSR on organisational performance in telecommunications sector in Zimbabwe.
1.4 RESEARCH OBJECTIVES

The overall research objective is to establish the impact of CSR practices on organisational performance in the telecommunications sector.

The objectives of this study are

(i) To ascertain how internal CSR practices stimulate employee motivation and commitment to an organisation.
(ii) To determine the linkages between CSR practices and the building of stronger organisational brands.
(iii) To ascertain if good CSR practices help to improve the sales performance of organisations in the telecommunications sector.

1.5 RESEARCH QUESTIONS

The overall research question for the study: Do CSR practices influence organisational performance in the telecommunications sector?

Research questions for the study are as follows:

(i) Do internal CSR practices help to build employees commitment to an organisation?
(ii) How strong is the linkage between CSR and building of stronger organisational brands?
(iii) Can a company’s sales be improved as a result of good CSR practices by organisations in Zimbabwe?
1.5.1 Research Hypothesis

Overall hypothesis: There is a positive relationship between organisational performance and corporate social responsibility practices.

Alternative overall hypothesis: There is no relationship between organisational performance and corporate social responsibility practices.

H1: There is a positive relationship between CSR practices and employee motivation and commitment to an organisation.

H2: An enterprise undertaking its corporate social responsibility will have a positive impact on its brand image.

H3: There is a positive relationship between CSR practices and sales performance.

1.6 SIGNIFICANCE OF THE STUDY

The research is targeted to benefit the following:

1.6.1 The Researcher

The study contributes towards improving the researcher’s knowledge and understanding of CSR practices and how it influences business performance. It also helps the researcher in career advancement in the telecommunications sector.

1.6.2 The University (Graduate School of Management) and Academia

The research is an addition of literature for review in future by other students and members of staff who may wish to undertake a research on the area of CSR.
1.6.3 Telecommunications Industry and POTRAZ

The research seeks to come up with findings which are of paramount importance to Telecommunications sector and the government, especially POTRAZ. Some feasible recommendation based on findings, will be made to address the dilemma and challenges being faced by companies as a result of neglecting CSR practices.

1.6.4 Other Companies in Zimbabwe

The research will benefit many companies and organisations by undertaking CSR practices to generate inclusive growth in our country whilst improving their business performance and minimizing social problems.

1.6.5 The Public at Large

The research will also help in alleviating the burden of budgetary allocations by government to support social problems. The private sector will take it upon themselves to help the communities in which they operate by funding some social projects and reducing environmental degradation. Employees of various companies will also benefit from internal CSR practices that will be adopted by companies in order to motivate and retain the right staff.

Corporate social responsibility will help in the inclusive growth of our economy and helps in minimizing social, economic, legal and environmental problems in the country thereby leading to improvement in organisational performance. Improvement in organizational performance will also result in improvement in the economic development of Zimbabwe which will have various downstream benefits in the economy as a whole.

1.7 LIMITATIONS OF THE STUDY

Funding requirements: There will be need to adequate funding to ensure that the study is effectively done. Time: the study is on a broad population. There are deadlines to finalisation of the study. Time constrains are likely to be experiences which will call for efficiency in the process of the research.
1.8 STRUCTURE OF THE DISSERTATION

Chapter one introduced the subject matter and its background, problem statement, research objectives, research questions, significance and scope of the study.

Chapter 2: This chapter covers the literature review that is related to this study. The researcher will do an analysis of different articles and journals which are related to the impact of CSR on company performance. The literature review carried out in this chapter will assist in the discussion of the results in chapter four whereby the research will analyse and bring out the findings of the research.

Chapter 3: This chapter will explain the research design, framework, research strategies, and the population under study and the sampling techniques to be used by the researcher. It will give an outline of research approaches, research strategies, research philosophies procedures and technics that will be used in carrying the research and collecting of data for interpretation and analysis.

Chapter 4: In this chapter the research findings are interpreted and a discussion will be conducted on the results of the research.

Chapter 5: This chapter marks the conclusion of the research and the recommendations that the researchers related study recommendations. All the references and appendices that were used in the research will be listed in this chapter. It is that final chapter of the research.

1.9 CHAPTER SUMMARY

Chapter one cover the introduction to the study that is mainly the impact of CSR on organisational performance in the telecommunications sector. It also covers the background to the study whereby the researcher brings out the perceived benefits which are associated with undertaking corporate social responsibility. Why is it that organizations continue to channel a lot of funding towards CSR activities in Zimbabwe despite harsh operating environment. It also touched on how CSR activities will assist in reducing various social problems in society.
Five research objectives have been deduced and the main objective of the study is to establish the impact of CSR on organizational performance in the telecommunications sector in Zimbabwe. In line with the objectives there are also five research questions and the main question is ‘Do CSR practices influence organisational performance? The research hypothesis proposes that there is a positive relationship between brand image, market share and sales performance and employee motivation and commitment and CSR practices.

The research is expected to provide knowledge and insight on the impact of undertaking CSR activities in the telecommunications sector and other policy makers like POTRAZ. It is assumed that the results will also assist parastatals and Government organisations operating in various African countries. Finally this chapter provides the dissertation outline and summary chapter for the first chapter then the references.
CHAPTER TWO
LITERATURE REVIEW

2.1 INTRODUCTION

This part covers the following areas of the study: - The first part presents theoretical review of the study. The second part explores the empirical literature review of the study. The third part provides literature gaps to be covered by the study. The fourth part provides conceptual framework which will guide this study.

Today, corporate social responsibility is considered as part of business strategy, there are many debates and reports about the nature and value or business opportunities that can be achieved when implementing corporate social responsibility. CSR can be a source of opportunity, innovation, and competitive advantage rather than just a cost, a constraint, or charitable deed. CSR helps in achieving economic growth and inclusive growth of all citizens. Studies in various corporate governance texts have concurred on the importance of CSR and its positive impact on organization performance. The various authors emphasizes the realization of benefits such as increase in sales and market share, strengthening of employee motivation and retention and stronger corporate image and brand. However other studies hold the view that the reason for CSR is for business and to increase the profitability of the firm.

2.1.1 FORMS OF CORPORATE SOCIAL RESPONSIBILITY PRACTICES

CSR practices are broadly understood to be within the social, political & legal, environmental, economic and ethical categories. Carroll (1979; 1991) differentiated between four types of CSR, namely: Economic, legal, ethical and discretionary or philanthropic contributions. Examples include efforts to alleviate pressing public and social problems (e.g., poverty, illiteracy) in an attempt to enhance society’s welfare and improve the quality of life. Companies must at least engage in two or more of these issues for it to be considered CSR. According to Carroll (1983), “corporate social responsibility encompasses the conduct of a business so that it is economically profitable, ethical, law abiding and socially supportive. To be socially responsible means that company’s profitability and conformity to the law are the most important conditions when
discussing the organisation’s ethics and the extent to which it supports the society in which it exists with contributions of money, time and talent”.

Some companies are directly or indirectly involved in one or more socially responsible activities, such as environmental protection, using of energy saving programs or employees’ rights. Ararat (2006) study revealed that CSR in Jordan is generally driven by increased international and local competition due to liberalisation; concerns for efficiency and productivity.

![Figure 1.1: The Pyramid of CSR (Carroll, 1991)](image)

**2.1.1.1 Economic responsibilities**
This is where a company provides investment, create jobs and pay taxes in the country in which the organisation is based.

**2.1.1.2 Legal responsibilities**
This is where companies are expected to obey the laws of the land and operate in accordance with the constitution of the country. This involves companies abiding by the laws of the countries in which they operate in. Law is society’s codification of right and wrong. Play by the rules of the game.
2.1.1.3 Ethical Responsibilities
This is where companies make it an obligation to do what is right, just and fair and avoid harm at all costs. This is where companies practice fair treatment and reward of employees at the workplace without unfair treatment of workers and favouritism. Companies also try to reduce waste and emissions to minimise environmental damage and degradation.

2.1.1.4 Philanthropic Responsibilities
Companies are expected to contribute resources to the community and improve the quality of life. Activities that are directed at helping the poor in society for example providing access to education for orphaned children and responding to national crises. It also includes activities such as charitable contributions; employee volunteer programs; corporate involvement in the education sector, employment programs and product safety and quality.

Some people lose sight and find it difficult to focus and define where to start, or how to participate in influencing society. Others may believe that social responsibility is for government and others and overlook the fact that those participating do not take the place of those who are not. Every entity must be involved in CSR activities in order for the economy to move forward.

Moreover, some non-profit and public organisations in Zimbabwe encourage the undertaking of CSR practices among companies by organizing some projects that enhance their social responsibility.

2.2 PERCEIVED BENEFITS OF CSR PRACTICES
Earlier organizations were considered only as profit maximizing entities. However, with a change in the structure of business environment, the role of organizations has altered dramatically. Today, organizations are an essential part of social life (Karaibrahimoglu, 2010). CSR is basically a tool for organizations to carry out diverse activities to fund and resolve social problems and to fulfil their commitment towards society. It also allows the organizations to generate and assign the resources in effective and efficient way (Petrick & Quinn, 2001).

According to https://www.iisd.org/business/issues/sr.aspx, some of the positive outcomes that can arise when businesses adopt a policy of social responsibility include company benefits
which are; improved financial performance; lower operating costs; enhanced brand image and reputation; increased sales and customer loyalty; greater productivity and quality; more ability to attract and retain employees; reduced regulatory oversight; access to capital; workforce diversity and product safety and decreased liability.

CSR practices are understood to reduce room for conflicts and corporate social responsibility is a topic of a high importance in the entire world. Hopkins (2004) believes that CSR shall be practiced in developing countries, since it will provide a peaceful approach to resolving problems occurring in these countries, such as the conflict in the Middle East. He believes that if companies and institutions reflect more on CSR, the room for conflict must be reduced.

2.3 CSR AND EMPLOYEE MOTIVATION AND COMMITMENT

2.3.1 Job Satisfaction

A company which carries out internal CSR activities is more likely to retain high levels of qualified personnel because of job satisfaction and the pride in belonging to a socially responsible company. Companies that improve working conditions and labour practices also experience increased productivity and reduced error rates. According to a 2007 study which evaluated one thousand U.K. workers’ perceptions of their organisations’ corporate social responsibility practices showed that participating actively in CSR efforts is related to higher employee engagement levels. The survey revealed that working for a company whose employees view positively CSR efforts has a significant and favourable impact on how they rate their pride in the organisation, their complete satisfaction, their willingness to endorse it as a place to work and their intention to stay. Sirota Survey Intelligence (2007) carried out a global survey and found that 1.6 million employees who have a favourable view of their company’s CSR commitment are positive about other factors which are vital to its success.

2.3.2 Employee Rewarding Systems

This calls for employees reward system and opportunities for personal development. A company that ignores this responsibility might likely face a risk of losing productive, highly
motivated employees, a company should ensure that the work environment is safe, both physically and socially and should aim to be the employer of choice in all areas of operation.

Some research on corporate social responsibility linked CSR practices to corporate financial performance. Relatively few studies have focused on worker’s sentiments towards CSR. However, little research so far has focused on employee’s perceptions towards CSR and its influence on their organisational commitment. On the other hand companies are also worried about high employee turnover, absenteeism and employee low motivation towards work and organisation. According to http://www.academicjournals.org/AJBM; researchers on employee behaviour and corporate social responsibility have suggested use of CSR to build strong employee bond with corporations and to achieve better employee and organisational performance. Studies have also confirmed positive effects of employee commitment on organisational performance. Committed employees are considered as a critical success factor for any organisation.

To develop sound relationships with employees organisations are using corporate social responsibility as a strategic tool. Corporate social responsibility is being utilized by leading organisations to establish good association not only with external stakeholders but also internal stakeholders such as employees. In the same line of thinking, CSR can also directly influence employees as they are more likely to be motivated by working in a better working environment (see COM 2001, 7) or get motivation from the participation in CSR activities such as volunteering programs. In the same way, CSR activities can affect the attractiveness of a company for potential employees either directly or indirectly.

2.3.3 Employee Welfare

Studies suggested that corporate social responsibility increases employee commitment level with the organisation, because CSR interventions also included activities for the welfare of employees and their families. Many other studies including Backhuas et al. (2002); Peterson (2004); Dawkins (2004) stated that corporate social responsibility attracts motivated potential employees and improves commitment level of existing employees. In the same line of thinking,
Brammer et al. (2007) notes that CSR increases employee organisational commitment. This study therefore, investigates the effects of CSR on employee organisational commitment in the context of Zimbabwe. When an organisation practices CSR activities every year, employees are more likely to be proud of and committed to the organisation. This is because our individual identities are fairly tied up in the organisations that we work for.

Specifically, by increasing organisational commitment, it is believed firms reduce absenteeism and turnover, improve employee productivity and firm performance, and become more attractive to applicant pools (Brammer, Millington, and Rayton 2007; Jha and Jha 2009; and Brenner 2010). Brammer et al. (2007), Turker (2009), and Kim et al. (2010) all report empirical results supporting a positive relationship between employee perceptions of CSR and employees organizational commitment. Yet, all three suggest limitations to their own studies and the need for additional work.

2.3.4 Good Working Conditions

Corporate social responsibility for employees include compensation, fair treatment at work, remuneration policy and employee training and acceptable good working conditions. Organisations like Econet wireless have good internal CSR practices where they encourage employees to further their studies by availing study loans and leave days. This improves employee commitment in the long run because they will feel valued by the organisation. Organisations which meet these requirements also create team cohesion and improved productivity at the workplace. Strong culture has a positive impact not only to the business itself but spread very well in the business community. This is what every corporates wants to build. Moreover business costs of constantly looking for new personnel and training will be reduced.

Employees are often considered an organisation’s most important stakeholder group because, as well as being a key resource, they represent the company in its actions. What motivates an employee to join, engage, and stay with an organisation is increasingly: the total reward package on offer; the unique opportunities that come from being a member of that organisation; a level of synergy between individual and organisation in values; being a member of a respected and
reputable team and the effect this has on self-identity; the existence of fairness and trust in the organisation and its leaders; and opportunities for employees to enact their jobs in a way that is consistent with their personal values and ethics.

2.4 LINKAGE BETWEEN CSR AND BUILDING OF STRONGER BRANDS

2.4.1 Brand Value and Reputation

Brand value and reputation’ refers to any benefits realised from responsible business that improve the value of the brand and/or the reputation of the brand or organisation. In marketing studies which were done in Europe, there is ample evidence to suggest that without other intervening factors, an organisation's level of corporate social responsibility can truly attract and retain customers. Smith and Alcorn (1991) in a national survey found that 45.6% of the participants indicated that they were most likely to switch brands in a bid to support a company which donates to charitable causes. This implies that corporate social responsibility investment can affect sales performance and market share of a firm. Revenue will escalate from greater sales and market share. Researchers argue that CSR can lead to increases in revenue to companies that practise it. These can be realised indirectly through an improvement in brand visibility/image or directly for example, by corporate social responsibility driven market development.

2.4.2 Corporate Sponsorship and Public Relations

According to Crampton & Patten, (2008), recognition of the importance of CSR as a marketing and strategic tool has risen radically since 2001. In the year 2012 in USA, corporates, individuals, and foundations gave more than three hundred and sixteen billion United states dollars to charitable activities (Giving USA Foundation, 2013), such as support of NGOs, cause-related promotions, employee volunteerism in community programs, employment opportunities for disabled people and members of the minority ethnic groups, and sponsorship
of charitable events and activities (Vlachos, Tsamakos, Vrechopoulos, & Avramidis, 2009). The spread of activities which reflects the effect of CSR initiatives and practices on consumers (Sen & Bhattacharya, 2001). In the same vein, researchers and scholars indicated that sponsoring sport activities planned for philanthropic causes is amongst the most effective CSR activities (Chakraborti & Roy, 2013). In fact these researchers reported that sponsoring charitable sporting occasions gives organisations a substantial foundation in competitive advantage through the increase in customer loyalty (Bortoleto & de Moura Costa, 2012), brand equity (Menon & Kahn, 2003), and influencing consumers buying behaviour (Kim, Smith, & James, 2010). In addition to substantiate this argument, in a survey of Korean consumers it was stated that 78% of participants were willing to pay more money for products which were bought from socially responsible companies (Garcia, 2010).

\[ 2.4.3 \text{ Trust} \]

Majority of private limited companies say that they embrace corporate social responsibility not only because it is the right thing to do, but also because it helps in the building of strong brands. Implementation of a CSR policy may generate a trusting relationship that leads stakeholders to become committed to the organization through actions such as customer loyalty, stockholder capital investments, and supplier investments (Bhattacharya & Korschun, 2006). Individuals who were aware of the CSR initiatives have a better positive organisation related associations and showed greater company identification with the organisation and pointed out a higher intent to buy products, seek employment, and invest more in the company than participants who were unaware of the CSR initiative. Research identifies that activities such as improved environmental performance, corporate standards and values in operations and customer treatment can improve the ability of a company’s brand to attract consumers, employees and investors.
2.4.4 Strong Corporate Values

Angshuman Paul (2007), pointed out that CSR does not promote a brand and its effect can never be visible in the profit & loss account of a company. CSR plays a role in overall corporate objectives, as a better society means greater future market potential. Corporate social responsibility is arguably the most important thing on any brand marketer's mind. It's important because studies increasingly show that consumers will spend their money on brands that reflect their values and concerns (Mark Choueke, 2009). CSR practically has the same effects as advertisements, because it sheds a positive light on a brand or product.

In previous studies which were undertaken, it was concluded that consumer preference for a company’s products (Kim et al., 2010), brand choice (Barone, Miyazaki, & Taylor, 2000), and purchase intention (Sen & Bhattacharya, 2001) are positively related to CSR practices. Moreover, previous researchers established that corporate social responsibility affects brand performance characteristics, such as brand loyalty, brand awareness and brand equity (Lai, Chiu, Yang, & Pai, 2010).

2.4.5 Related Studies

Related studies which were done on CSR practices, established different results which states that CSR practices will lead to additional costs for an entity, which would result in comparative disadvantage to their rivals without CSR actions (Ullmann, 1985).

Studies in various corporate governance texts have concurred on the importance of CSR and its positive impact on organization performance. The various authors emphasizes the realization of benefits such as increase in sales and market share, strengthening of employee motivation and retention and stronger corporate image and brand. However other studies hold the view that the reason for CSR is for business and to increase the profitability of the firm.
2.4.6 Recognition by the Public

Furthermore, most organisations believe that undertaking CSR practices can position themselves in a way that they will be recognised by the public (Kotler & Lee, 2005), because carrying out social responsibilities allows companies to build good images and reputation (Fombrun & Shanley, 1990; Giannarakis & Theotokas, 2011). Hence, a company carrying out its policy of social responsibility can improve its good image and create a sustained competitive advantage (Porter & Kramer, 2006; Boonpattarakan, 2012). When a brand image is very strong in a customer's mind, the products or services can obtain greater attraction easily, therefore a consumer buying spree could be initiated (Shamma & Hassan, 2011). Brand loyalty can be measured by four variables which are repetitive buying, expedited buying, buying numerous products of the same brand and limited switching to other brands (Blatterg & Neslin, 1990).

CSR could be a beneficial for building a positive brand image and building consumers” positive attitudes so it is a key source of competitive advantage. Endorsing brand image with the help of CSR initiatives assures positive comments and eventually has a positive impact on the brand because a firm is crystal clear about its external communications as well as internal practices. Managers of the many organizations in UK and Bulgaria agree that the Corporate Social Responsibility activities help firms to enhance the image and reputation of the firm. Research shows that managers of the firms in UK alleged that the Corporate Social Responsibility activities conducted by their firms support their “market position” and “product brand”

2.4.7 Absenteeism and Employee turnover

Specifically, by increasing organisational commitment, firms reduce absenteeism and high employee turnover, improve company’s productivity and firm performance, and become highly attractive to potential employees. (Mathieu and Zajac 1990; Brammer, Millington, and Rayton 2007; Jha and Jha 2009; and Brenner 2010). Brammer et al. (2007), Turker (2009), and Kim et al. (2010) all report empirical results which supports a positive relationship between employee perceptions of corporate social responsibility and employees commitment to the organisation.
On the other hand, Angshuman Paul (2007), points out that CSR does not promote a brand and its effect can never be visible in the profit & loss account of a company. This is the same thinking with Milton Friedman in 1970, who believes businesses should not adopt corporate social responsibility programs because they are outside the profit-making scope and are unnecessary expenditures.

**2.4.8 Reduces Marketing Costs**

Corporate social responsibility is arguably the most important thing on any brand marketer's mind. It's important because studies increasingly show that consumers will spend their money on brands that reflect their values and concerns (Mark Choueke, 2009). CSR practically has the same effects as advertisements, because it sheds a positive light on a brand or product.

In the same line of thinking, (Mejri & De Wolf, 2012) asserts that customers recognition of entities became more active as they were made more aware of corporate social responsibility, and their attitudes would finally affect their willingness to buy. When customers minds have an image of a strong brand, the products on offer can easily obtain increased attraction, meaning that consumers buying splurge could be triggered (Shamma & Hassan, 2011). Brand loyalty can be measured by four elements: repetitive buying; expedited buying; buying various products of the same brand; limited changing to other brands (Blatterg & Neslin, 1990).

If an organisation carries out community oriented CSR practices such as sponsoring charitable activities, it will inevitably improve and strengthens its brand image (Waddock et al., 2002; Brunk, 2010). According to Park, Jaworski etal (1986) the benefits to companies which accrue as a result of carrying CSR activities in the community involves effective promotion of a brand image which includes functional, symbolic and experimental image. CSR could be a beneficial for building a positive brand image and building consumers positive attitudes so it is a key source of competitive advantage. Endorsing brand image with the help of CSR initiatives assures positive comments and eventually has a positive impact on the brand because a firm is crystal clear about its external communications as well as internal practices. Managers of the many organizations in UK and Bulgaria agree that the Corporate Social Responsibility activities help firms to enhance the image and reputation of the firm. Research shows that managers of
the firms in UK alleged that the Corporate Social Responsibility activities conducted by their firms support their “market position” and “product brand”

Other benefits of undertaking CSR activities include building of a good reputation which makes it easier to attract the right employees in the organisation. Employees will be more committed to their jobs and therefore will be more likely to stay longer thereby reducing the total costs and disturbance of recruitment and retraining. CSR also helps organisations to ensure that they comply regulatory requirements and laws of the land. Good stakeholder management with local authorities reduces the complexities of doing business. Evaluation of the impact of your business in society will help all organisations to develop new products and services that are more likely to surpass stakeholders’ expectations. Understanding the wider impact of your business can help you develop new products and services. CSR can make companies more competitive and lessons the threat of sudden damage to your reputation.

Customers and entire society consider corporate social responsibility as an important factor to decide the cost, quality and progress of an enterprise. Because of important of corporate social responsibility, many corporations can pay a lot of money for corporate social responsibility to become a perfect business model, responsible for society, and have beliefs of community.

2.4.9 Risk reduction

CSR practices also help in risk reduction, that is goodwill and enhanced reputations can reduce risk of boycotts and minimise negative press. The Internet has improved access to information and consequently facilitated public pressure on larger organisations especially. Being proactive with environmental legal compliance can reduce the impact of social concern and negative community impact.

However those who are against CSR practices believe that CSR can be an exercise in vainness. Every company’s management has a fiduciary duty to all its shareholders, and CSR directly opposes this, argues Aneel Karnani, professor at the University of Michigan in a Wall Street Journal article. The responsibility of executives to shareholders is to maximise profits and
increase shareholder value each year. A manager who leaves profits in favour of some benefits to society is more likely to lose his job and be replaced by someone who puts profits as a top priority.

2.5 IMPACT OF CSR PRACTICES ON SALES PERFORMANCE

2.5.1 Attract Customers

From marketing studies which were conducted, ceteris paribus, a company's practices of CSR can actually attract customers. In a national survey done by Smith and Alcorn (2009) found that 45.6% of the participants indicated that they were likely to shift brands in favour of those who donates to charitable events. This implies that CSR investment can positively affect market share of any entity leading ultimately leading to increases in revenue. Revenue increases can be reached indirectly through improvement in brand image or directly through market development.

Before making any purchase decision, customers consider a company’s CSR activities (Bhattacharya and Sen 2004, Penn Schoen Berland 2010). Their research suggests that customers are willing to spend an extra amount for products of those firms with high CSR engagement and practices. Work from other authors in the same discipline argue that although consumers are not prepared to pay a higher price, they are more likely to purchase goods from organisations which are into corporate social responsibility. These results support Baron’s (2001) insight that “a practice that is labelled as socially responsible raises the demand for the firm’s products”. Some companies carry out strategic CSR activities which positions themselves to maximize firm value.
2.5.2 Good Reputation

A majority (77%) of consumers think that companies should be socially responsible, according to a survey by branding company Landor Associates cited by the University of Pennsylvania's Wharton School. Consumers are drawn to those companies that have a reputation of being a good corporate citizen. Research at Tilburg University in the Netherlands showed that consumers are prepared to pay a 10 percent higher price for products they deem to be socially responsible. CSR practices must have a direct financial impact which refers to cumulative financial impact, where there is improved access to capital, reduced penalty payments, direct cost savings due to proactive measures, improvements in investors’ relations and shareholder value, and also impact on returns and revenues directly attributable to responsible business practice.

2.5.3 Comparative Advantage

Whilst on the other hand, similar studies established different results which showed that CSR actions and investments leading to additional costs for an organisation, which would lead to a comparative disadvantage as compared to their rivals without those actions. Costs can be separated into opportunity costs, sunk costs and recurrent costs. Opportunity costs include any activity that could not have been undertaken due to capital and labour being bound to the CSR activity, which might result in lost revenues (Sprinkle & Maines, 2010). Some scholars (Economist, 2004) presume CSR may cause companies to add additional costs which will reduce their profits. The Economist, 2005 contends that CSR reduces both profits and social welfare due to most of CSR activities having at least some cost. Therefore, CSR seems only increase the total expense and lead companies get in losses and no advantages at all.

2.5.4 Profitability

The study of CSR and its relation to corporate profits is growing. The most recent study on this subject is by Cristiana Manescu. In her thesis, "Economic Implications of Corporate Social Responsibility and Responsible Investments,” at the University of Gothenburg's School of
Business, Economics and Law, Sweden, she wrote on December 6, 2010 that, “the results [of her thesis] reveal that CSR activities do not generally have a negative effect on profitability, but that in the few cases where they have a positive effect, this effect is rather small.

On balance, surveys and the research literature suggest that what most executives believe intuitively, that CSR can improve profits, is possible. And almost all public companies today want to be seen engaging in CSR activities. That is clear admission of how important CSR might be to their bottom line, no matter how difficult it may be to link it to profits.

### 2.5.5 Improved Financial Performance

This comes as a result of an improvement in the brand image and customer loyalty. Understanding the relationship between CSR and corporate financial performance (CFP) has spurred a large academic literature. In their recent review, Margolis et al. (2007) report that 167 studies have examined the CSR-CFP link between 1972 and 2007. These studies have been surveyed in no less than 16 review articles. In their meta-analysis of these studies, Margolis et al. (2007) conclude that the overall correlation between CSR and CFP, more precisely, the coefficient of CSR in their regression was positive but small. In a meta-analysis of 127 multiple regression studies between 1972 and 2002, Margolis and Walsh (2003) examine the connection between social and financial performance and concluded in a positive relationship between corporate social performance and corporate financial performance (Margolis and Walsh, 2003). Cheng et al. (2014) argues that CSR can strengthen the relationship with a company’s stakeholders and further adds that firms using CSR tend to lower its capital constraints through better access to bank loans which makes it easier to undertake strategic investments. Another factor which has been highlighted as a beneficial reason for corporations to work actively with CSR is the increased influence of various stakeholders (Grafström et al. 2008). In subsequent years, several researchers have noted similar results regarding a positive relationship between CSR and financial performance (Simpson & Kohers, 2002; Lai et al., 2010; Saeidi et al., 2015).
2.6 CONCEPTUAL FRAMEWORK

Below is a conceptual framework of the study under review.

<table>
<thead>
<tr>
<th>Intermediate variables</th>
<th>Independent Variables</th>
<th>Dependent variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strengthening employee motivation, retention and commitment</td>
<td><strong>Internal CSR practices</strong></td>
<td>Improved Business Performance</td>
</tr>
<tr>
<td>Strong brand image</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase in sales and market share</td>
<td><strong>CSR Practices</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Internal CSR practices**
- Human resources policies; share ownership schemes, educational loans, fringe benefits, health and safety at work.

**CSR practices**
- Brand value and reputation, corporate sponsorship and public relations, Trust, Strong corporate values

**CSR Practices**
- Attract customers, good reputation, comparative advantage, improved financial performance

Figure 2.2: Conceptual Framework of the study
2.7 CHAPTER SUMMARY

In chapter two CSR was broadly defined as ‘the commitment of business to contribute to sustainable economic development in a manner that reduces social problems, working with employees and their local communities’. CSR is practiced to ensure that companies maximizes their positive impacts on society. It was noted that undertaking CSR activities helps organisations in retaining a motivated and highly committed employees, increasing market share and sales performance. The chapter also brings about how critical CSR is in building strong organisational brands that will help organisations to maintain a competitive advantage in the market place. The conceptual framework for the area under study was developed and the researcher came up with three hypothesis to support the positive relationship between the independent and dependent variables. Three cases that were of relevance to the topic were analysed. Based on the findings from the literature, the researcher found that there is a gap in literature considering the Zimbabwean context in the area of corporate social responsibility and its perceived benefits. Similar studies were conducted in Europe and Asia, though the studies were not done in the telecommunications sector. The following chapter will be looking at the research methodology.
CHAPTER 3

RESEARCH METHODOLOGY

3.1 INTRODUCTION

This chapter presents information regarding how the research was conducted and the researcher’s line of reasoning and motivation in selecting particular methods, approaches and strategies. The selections are based guidelines set by previous researchers whilst adhering to the purpose of the research. This chapter gives information about the research methodology through which data was collected and the general philosophy upon which the collection and analysis of data was based. The purpose of the chapter is to justify the research design used. The research population, research design, sampling techniques, sample size and data collection techniques are outlined in this chapter. The instruments that will be employed for data collection and analysis plan are described in the chapter.

3.1.1 RESEARCH OBJECTIVES

The overall research objective is to establish the impact of CSR practices on organizational performance in the telecommunications sector in Zimbabwe.

The objectives of this study are;

(iv) To ascertain how internal CSR practices stimulate employee motivation and commitment to an organisation.

(v) To determine the linkages between CSR practices and the building of stronger organisational brands.

(vi) To ascertain if good CSR practices help to improve the sales performance of organisations in the telecommunications sector.

3.2 RESEARCH DESIGN

Research designs are generally classified into three broad categories. These are exploratory, descriptive and explanatory. Exploratory design is used to seek new insights that are useful to clarify your understanding of a problem, to have a precise nature of a problem and it is used
when problems are in preliminary stage & when topic or issue is new. Exploratory study may develop hypothesis but does not seek to test it and it provides insights about relationship between variables. Exploratory studies are performed through literature search, depth interviews where questions will be unstructured. It is not conclusive.

Under a descriptive study, the objective is to describe things and it answers the ‘‘who, what, where, when, why, & how questions. The Researcher knows what has to be studied & where to look for the solution e.g. variables to be studied are known beforehand. Research is conducted to have clear picture about people, events or situations and secondary data are available and it is conclusive and it seeks to answer a research question not to test hypothesis. There is use of both structured and unstructured questions, conducted at later stages of decision making and the results may be conclusive.

For the purpose of this study, the researcher is using explanatory study which is also called causal research and it seeks to establish the causal relationships between variables i.e. Independent vs. dependent variables. The objective is to confirm or disconfirm theory and the variables are clearly defined. Testing hypothesis is the main objective and it is confirmatory and conclusive.

3.2.1 Research Philosophies and Paradigms

A research paradigm is a basic set of beliefs, assumptions and premises that is shared by a certain group of professionals (researchers, consultants, teachers, accountants). The beliefs guide how research should be conducted. There are basically three commonly used research paradigms which are positivism, Interpretivism and realism.

Interpretivism is also called anti-positivist or constructivist and is derived from social sciences. Individuals & groups make sense of situations based upon their individual experience, memories & expectations. Meaning of a phenomena is a result of experience that results in many different interpretations. Interpretivists believe that reality is contextual or relative. Focus is to understand what respondents think and feel and is associated with qualitative approaches.

Realism disagrees with positivists’ over-deterministic view or structured view (little room for choice due to causal and effect relationship). Also disagreed with Interpretivists’ totally
relativist view (highly contextual). It takes aspects from both positivist and interpretivist positions. In line with positivists, realists argue that phenomena is objectively & scientifically studied. Like Interpretivists, realists attach value to social reality. It bridges the perceived extremes of positivists & Interpretivists. Assembles the views of these 2 paradigms. It is associated with mixed methods or triangulation.

Positivism is derived from natural sciences and they believe that knowledge is valid if it is developed by testing hypothesis that is derived from theory. Knowledge is valid if acquired objectively (facts) and externally (researcher detached from respondents). Knowledge is explained by cause and effect relationships and focus is on facts that are gathered and measured using quantitative methods (surveys, experiments, statistical analysis). Depends on large samples, highly structured data collection & analytical procedures and is associated with quantitative approaches.

A positivist approach has been taken, this is because of the need to produce conclusive results on the issue. It seeks to obtain evidence objectively and assert the phenomenon can be studied objectively. This paper examined the relationship of corporate social responsibility and dimensions of brand image, employee motivation and commitment as well as increase in market share and sales. The primary data will be collected with the help of both personally administered questionnaires and mails and it will be a cross sectional study. Respondents will be managers from different private limited companies in Harare Metropolitan province. Data will then be analyzed with the help of SPSS and hypotheses will be tested using correlation and regression analysis.

3.2.2 Approaches

There are basically three approaches which are qualitative, quantitative and mixed method research methodologies. Hall (2008) defines qualitative study as a study that mainly relies on the collection of qualitative data. Qualitative research enables the researcher to study the respondents’ social and material circumstances, experiences, views and perspectives and histories (Morlarty, 2011). The qualitative approach can be defined as research that utilizes
open ended interviewing to explore and understand the attitudes, the opinions, the feelings and
the behaviour of individuals or a group of individuals. This approach can take many forms such
as focus groups, in depth interviews, mini-groups, etc. This approach focuses on in-depth
understanding of subjects through such techniques as participant observation and narrative
analysis.

Such methods as participant observation, action research, interviewing and narrative analysis
can be used in qualitative research (Kothari, 1985). The major strength of the qualitative
approach is that it can best be used for depth rather than breadth of information while
quantitative surveys are good for gathering the breadth of information regarding the quantity or
value.

Qualitative research is best used for discovering underlying motivations, the feelings, the
values, the attitudes and the perceptions. The main limitation of the qualitative approach is that
the results are not statistically projectable to the population under study. This limitation is
largely created by two facts, the first is that recruiting participants is rarely completely
representative, and second, the very nature of qualitative research necessitates small sample
sizes.

Hall (2008) defines quantitative data as a scientific approach that mainly relies on the collection
of quantitative data and statistical analysis. It measures and derives concepts. Quantitative
research method mostly involves large random samples and cases of statistical inferences. The
objective of quantitative research is to determine the relationship between an independent
variable and dependent variable in a population. Quantitative research designs are either
descriptive or experimental. With the descriptive study, it establishes associations through
variables.

This study utilises a quantitative and deductive approach. A quantitative approach is considered
suitable as the purpose of the study is to examine the relationship between CSR and company
performance from a statistical perspective regarding telecommunications companies in
Zimbabwe. Further, a quantitative approach is commonly applied in research when working
with statistical figures (Bryman & Bell, 2011). A deductive approach is considered most
suitable as the research is based on existing theory and the results of previous research. The
empirical result is tested and compared to previous research, hence it is can be considered a deductive approach (Saunders et al., 2009). Quantitative approach was used because we seek to objectively quantify the impact of the factors and provide results and recommendations on key factors to be paid attention to in order to improve business performance whilst reducing social problems.

3.2.3 Research Strategy

The choice of a research strategy is determined by research questions, objectives, extent of existing knowledge, amount of time & other resources and own research philosophy. Under quantitative research strategies we have experiments, observations and surveys.

Under experiments, the purpose is to study causal relationships i.e. a change in one variable produces a change in a dependent variable. Mostly used in explanatory research to how and why answers.

Under surveys the researcher collects the same information about all the cases (individual people) in a sample and questions are standardized. A questionnaire was administered to a selected sample of individuals from the population which was identified by the researcher. A survey is usually used in a research methodology which is intended to collect data from a specific population or a sample from that population, and make use of interviews or questionnaires as the survey instrument.

The objective is to get consistent answers to consistent questions. There are basically two types of surveys which are structured surveys which use formal lists of questions asked of all respondents in the same way and unstructured surveys which let the interviewer probe respondents and guide the interview according to their answers.

Sample surveys are a vital tool for collecting and analysing data from selected participants. Surveys are widely accepted as a vital instrument for applying and conducting basic social science research methodology. Survey research methods include personal, telephonic and postal interviews. An experimental study on the other hand establishes causality. The main strengths of this approach is that it has high precision control. The precision is achieved through quantitative and reliable measurement. Control is achieved by sampling. With the quantitative
research, the hypothesis is tested through a deductive method and the use of quantitative data for statistical analysis.

### 3.3 POPULATION AND SAMPLING

#### Table 3.1: Population and Sampling

<table>
<thead>
<tr>
<th>Position/Strata</th>
<th>Location</th>
<th>Total Population (N)</th>
<th>Gender</th>
<th>Number (n)</th>
<th>Sample selection method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>Harare</td>
<td>100</td>
<td>M 70</td>
<td>F 30</td>
<td>30</td>
</tr>
<tr>
<td>Employees</td>
<td>Harare</td>
<td>600</td>
<td>M 400</td>
<td>F 200</td>
<td>50</td>
</tr>
<tr>
<td>Customers</td>
<td>Harare</td>
<td>300</td>
<td>M 150</td>
<td>F 150</td>
<td>45</td>
</tr>
<tr>
<td>TOTAL</td>
<td>Harare</td>
<td><strong>N=1000</strong></td>
<td><strong>620</strong></td>
<td><strong>380</strong></td>
<td><strong>n=125</strong></td>
</tr>
</tbody>
</table>

#### 3.3.1 Target Population

According to (Kahn, Gloria, & Roberta, 2006), target population refers to any group of individuals that have one or more characteristics in common that is of interest to the researcher. The target population in the research is made up of managers, employees and customers of telecommunications companies in Zimbabwe. From this population of study a sample was selected which was considered a true representation of the Zimbabwean economy.
3.3.2 Sample Collection

A stratified random sample approach was used, respondents were divided into three strata which were employees, managers and customers. Random sampling will be done within each strata. Justification for this is that the issue is cutting across all organizations in Zimbabwe and there is need for input from every stratum. This study is conducted to analyse the influence of CSR actions in developing employee organizational commitment, building brand image and in increasing sales and market share. This is an exploratory research based on primary data. The primary data is collected from professionals working in different organizations. The sampling population is employees, managers and customers of telecommunication companies in Harare. The sample included respondents from both genders and diverse backgrounds, different professions, ages, so that results can be generalized.

3.3.3 Sample Size

A Sample of 101 respondents was chosen from a population of 1000 respondents. A sample is “a smaller collection of elements from a population which is used to define truths about that population” (Krathwohl, 1993). To enhance reliability of the research results, the sample included respondents from each strata who were selected randomly in their gender proportion. The sample sizes (n) for the strata were calculated as ten percent of the total population (N) and proportional representation in gender. The sample will therefore be a true representative of the stakeholders in the telecommunications sector in Zimbabwe. Amongst the individuals selected were customers, employees and managers who provided valid input on the matter of CSR practices in Zimbabwe.

3.3.4 Sampling Techniques

There are basically two sampling techniques which are probability and non-probability sampling techniques. The researcher will make use of both probability and non-probability sampling techniques.
3.3.4.1 Probability Sampling Technique

Saunders et al (2009) states that “probability sampling is most commonly associated with survey-based research strategies where you need to make inferences from your sample about a population to answer your research question(s) or to meet your objectives”. With probability sampling, the chance of each case being selected from the population is known and is equal for all cases. This implies that it is possible to answer research questions and to achieve your study objectives that require to estimate statistically the features of the population from the research sample. The central aspect of probability sampling is its ability to represent the population under study. Probability sampling methods include simple random, systematic, stratified random and cluster sampling. For the purpose of this study the researcher used stratified sampling and simple random sampling.

3.3.4.2 Stratified Sampling

Individuals who formed part of the population were selected using stratified sampling as this allowed the researcher to pick the respondents that delivered the best information in order to satisfy the research objectives in question and probably have a vast knowledge on the impact of CSR on company performance. Stratified random sampling is an adjustment of random sampling in which the population is divided into strata based on one or a number of characteristics. That is, the sampling frame was divided into a number of subsets. A random sample was then drawn from each of the strata. The selected individuals were then put into strata which included managers, employees and customers using the stratified random sampling.

3.3.4.3 Stratified Random Sampling

Use of stratified random sampling allowed an analysis from different stakeholders with different backgrounds. Stratified random sampling proved to be useful in trying to capture key population attributes in the sample. It managed to produce characteristics in the sample that were proportional to the overall population, as it provided a sample that was highly representative of the population studied, this observation was also highlighted by (Kish, 1965).
3.3.5 Non Probability Sampling

In non-probability sampling methods, the probability of each item being selected from the total population is unknown and it is not possible to answer research questions or to address objectives that require statistical inferences about the features of the population. Non probability sampling uses a number of techniques to choose samples based on subjective judgment. One can still generalise from non-probability samples about the population, but not on statistical grounds. Non-probability sampling methods include quota, snowball and convenience sampling. The researcher used convenience sampling on the selection of customers in order to reduce time.

3.4 DATA COLLECTION METHODS

There are basically two types of data collection methods which are secondary and primary methods.

For the purpose of this study, the researcher will adopt the use of primary data sources.

Primary Data

Primary sources according to (Peterson, 2002) are directed explanations or descriptions of events. The researcher will use the primary source of data because it is free from misinterpretations and loss of data as the researcher will mainly focus on relevant data specific to the research problem. (Jolley & Mitchell, 2007) Justified that primary data is adopted when collecting information because it is reliable and valid. Current data will be important in the research because it gave a realistic view to the researcher on the impact of CSR. When administering questionnaires to companies the researcher will have to leave or email the questionnaires and collect them at a later given date. For most companies the researcher will have to make constant follow ups to ensure that the questionnaires are filled. The researcher will also call the respondents he would have emailed the questionnaires in order to remind them to complete the questionnaires.
3.4.1 The Questionnaire

A structured questionnaire was used to collect data. Questionnaire questions were adopted from previous studies. Saunders & Thornhill, 2007 states that a questionnaire is a common place instrument for observing data beyond the physical reach of the observer. The questionnaires were designed to measure the dependent and independent variables to find the relationship between CSR and company performance. All questions in the questionnaire were based on the three hypotheses generated for this research. According to (Saunders & Thornhill, 2007) in designing a questionnaire, reliability and validity are crucial to its ability to elicit consistent responses.

The model of questionnaire for CSR was referring to three important variables which affected its relationship on performance. The first independent variable contains items applying to employee motivation and commitment; the second independent variable contains the impact of CSR on building of strong brands and the third independent variable was focusing on CSR impact on sales performance. The questionnaires consist of three sections: Section A was designed for demographic information, section B was measuring the independent variables and Section C measured the dependent variables. The research questionnaire consisted of introduction part, instructions on how to complete it and four principal parts. The parts were as follows;

1. Socially responsible CSR practices of the company – major section with 11 likert scale questions allowing the respondents to freely choose their opinions
2. Impact of internal CSR practices on employee motivation and commitment- 4 questions
3. Impact of CSR practices on building of strong brands – 3 questions
4. Impact of CSR practices on sales performance- Concluding Questions – 3 final questions focusing on sales performance and market share

The respective questionnaire form is attached as appendix 1

In developing the questionnaire which was used to collect data, the researcher kept the questions simple and avoided ambiguous, leading, double-barrelled and hypothetical questions and focused questions on a single concept as was highlighted by (Noble, Rajiv, & Kumar, 2002).
The researcher made use of structured items which required respondents to choose from items presented among options using a five point likert scale ranging from strongly disagree to strongly agree. Structured items do not require a lot of time on the part of the respondents to formulate their response. The questionnaire was made in a way to preserve anonymity and the first page of the questionnaire introduced the researcher to the participants where it was clearly indicated that the information provided is for academic purposes and will not be disclosed to third parties without their permission. To add more, the structured questions enabled the researcher to obtain data that will be easy to tabulate as was highlighted by (Gay, Mills, & Airasian, 2006).

For the purpose of this study, a survey approach and self-administered structured questionnaires were used for data collection. The justification for using a survey is that the issue at hand is cutting across all firms and stakeholders in the country. There is need to gather as much data as possible from telecommunications companies in Harare metropolitan province.

**Advantages of self-administered Surveys**

The researcher has chosen to focus on the self-administered survey technique because it offers several advantages over alternative methods:

- Respondents answer at their convenience.
- The respondents will have time to deeply think about the issues highlighted in the questionnaire and hence provided meaningful answers.
- There is no need to set up interview appointments.
- With structured questions, responses will be standardized, which will assist the researcher in interpreting responses from large numbers of respondents and this will make it easy to analyse and interpret basing on structured question.
- Surveys are delivered wherever the mail or email goes: city or country, home or office.
- No interviewer is present to inject bias in the way questions are asked.
- The low cost-per-completion makes it an economical method of surveying large samples.
- Quick and low cost as compared to observation and experimental method.
Generalized results are provided if appropriate sample is used.

Allow replication of studies in different settings to allow comparisons.

**Disadvantages of Self-administered Surveys**

- Respondent’s reluctance to answer questions asked by unknown interviewers about things they consider private.
- The researcher had no control for misunderstood questions, missing data, or untruthful responses.
- Often there will be no strong motivation for respondents to respond especially from customers hence the researcher had to make regular check up on the questionnaire respondents to motivate them to respond.
- Busy people may not want to take the time and relies on brevity rather than depth.

**3.5 DATA COLLATION AND ANALYSIS**

Data analysis was done using statistical software SPSS, correlation coefficients will be calculated for each of the hypothesis. First, the Likert scales were analysed to determine the internal consistency and reliability of the scales via Cronbach’s alpha, following the procedures related by George and Mallery (2010). Individual items were dropped from a scale if their removal would increase the Cronbach’s alpha (and the reliability) of the overall scale. This procedure and its results are detailed in Chapter 4. The average of the remaining items in the scale was then taken, resulting in one value ranging from one to six for each of the concepts being measured. Combined with the demographic variables collected in the second half of the study, these were analyzed using appropriate, mostly nonparametric statistics including chi-square analysis, correlations (see Chapter 4). The data analysis comprised of examining the questionnaire for completeness and correctness, coding and keying data into a database in SPSS, and performing an analysis of descriptive responses from the questionnaire according to frequency distributions and descriptive statistics. In this research all surveys which were not complete were discarded from the analysis. Descriptive statistics and frequency tables were constructed to demonstrate results with respect to each research question.
3.6 VALIDITY AND RELIABILITY TESTS

For an instrument to be credible, it must be valid & reliable. Validity is the extent to which an instrument measures what it is intended to measure (Saunders & Thornhill, 2007). There are two types of validity which are internal validity and external validity. External validity/Population validity refers to the ability of an instrument to produce results that can be generalized to respondents outside your sample. Internal validity refers to what extent is the instrument measuring what it is supposed to measure. Reliability is defined by the authors as the degree of consistency with which an instrument measures the attribute it is designed to measure. To ensure the validity and reliability of the instruments used, questionnaires will be piloted and adjusted before they are administered to respondents and interview guide will also be piloted. The reliability of the instruments will also be checked using internal consistency. The internal consistency is the degree to which the items make up the scale are all measuring the underlying attributes (Pallant, 2010).

3.7 LIMITATIONS

This study has been undertaken by the researcher under background of limited time (six months) to submit the dissertation. It was largely affected because of limited time and ability to interface with a significant number of stakeholders who are in the telecommunications sector as employees. The researcher failed to undertake in depth interviews. Another limitation was inability to access real financial data relating to how much the telecommunications companies have invested in the various segments of the needy people in society. The study was largely conducted in Harare and Chinhoyi and has not been able to cover the rest of the country due to limited time and other resources which have not been easy to procure.

3.8 ETHICAL CONSIDERATIONS

To ensure confidentiality and anonymity and that the respondents’ views will not be exposed to the public domain the researcher intends to collect, store and use the data in the manner that no one understands its source. Furthermore, respondents were given true and sufficient information to help them to decide whether they wish to be research participants. Informed
consent was obtained from participants in the survey and questionnaire phases, before they completed the survey instrument or participated in the main portion of the survey, and—as required by the researcher for use as a setting for this research.

3.9 CHAPTER SUMMARY

The major purpose of this chapter was to describe the research methodology used in this study, describe the procedure used in designing the instrument, explain the sample selection and collecting the data, and provide an explanation of the statistical procedures used to analyse the data. This chapter has presented the details of the method and procedures for this dissertation research study. The use of a self-administered survey questionnaire within a quantitative research design addressed the purpose of the research: An investigation into the impact of corporate social responsibility (CSR) on organisational performance in telecommunications sector in Zimbabwe.
CHAPTER FOUR
DATA ANALYSIS, PRESENTATION & INTERPRETATION

4.1 INTRODUCTION

Chapter four presents an examination of findings from the conducted research as outlined in chapter three. The findings of this study were evaluated based on the concepts in chapter two which is the literature review and the primary data that was collected using questionnaires. It looks at the response rate, presentation and interpretation of results from the questionnaire that was administered. Pie charts, bar charts, and tables will be used to analyse and interpret the data.

4.2 DEMOGRAPHIC ANALYSES

4.2.1 Response Rate and Analysis

The questionnaire was sent to employees, managers and customers of telecommunications companies in Harare metropolitan province by hand delivery and emails. A sample of 120 respondents was selected for the study. In total 120 questionnaires were distributed and 113 were returned of which twelve were spoiled so a total of 101 questionnaires were correctly filled. This represented a response rate of 94.2% which warrant the validity of the research finding as postulated by Saunders who said any response rate above 50% warrant the validity of the findings of the study.
Table 4.1: Response rate

<table>
<thead>
<tr>
<th>Serial</th>
<th>Rank</th>
<th>Population</th>
<th>Sample</th>
<th>Returned questionnaires</th>
<th>Response rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Manager</td>
<td>100</td>
<td>30</td>
<td>26</td>
<td>86.7%</td>
</tr>
<tr>
<td>2</td>
<td>Employees</td>
<td>300</td>
<td>50</td>
<td>46</td>
<td>92%</td>
</tr>
<tr>
<td>3</td>
<td>Customers</td>
<td>600</td>
<td>45</td>
<td>41</td>
<td>91%</td>
</tr>
<tr>
<td>4</td>
<td>Total</td>
<td>1000</td>
<td>125</td>
<td>113</td>
<td>90.4%</td>
</tr>
</tbody>
</table>

The respond rate above 50% is regarded by literature as fairly good. From the three categories of people who participated in this research employees have the highest response rate of 92% and managers had the lowest response rate of 86.7%. The reason that could be given for low response rate amongst managers is that they were too busy with strategic planning and implementation over the period. However the overall response rate was good and the researcher distributed the questionnaires in person and through electronic mail to the employees who were at the work station during the time that he visited the organisation. More customers responded to the questionnaire this could be so as a result of them being major stakeholders of the company, they felt that the results can help the organization to reduce various social problems in society and give them real value for their money.
Figure 4.1: Frequency of Respondents

Figure 4.1 above shows that amongst the respondents, 41% were employees, 36% were customers and 23% were managers. Employees constitutes the bigger percentage of the respondents because they are the ones who the researcher focused much on. Managers are generally few in every organisation and this is why they had the least percent in the study respondents.

4.2.2 Population Distribution (Frequencies)

The data relating to the impact of corporate social responsibility (CSR) practices on employee motivation and commitment, building of stronger brands and sales performance in the telecommunications sector in Zimbabwe was collected and the frequencies were obtained from different respondents relating to gender, age, level in organization, work experience and level of education.
Table 4.2: Gender

<table>
<thead>
<tr>
<th>gender of respondent</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>female</td>
<td>47</td>
<td>46.5</td>
<td>46.5</td>
<td>46.5</td>
</tr>
<tr>
<td>Valid male</td>
<td>54</td>
<td>53.5</td>
<td>53.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>101</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.2.3 Gender Demographics

There is a small difference in terms of gender of the population who responded to the questionnaire. The response rate showed that 54 males responded which constitute 53.5% as compared to 47 female responded which constitute 46.5% of the response. The reasons for high male respondents is that most managers and customers in the study were males.

4.2.4 Age Group of Respondents

Table 4.3: Age composition of respondents

<table>
<thead>
<tr>
<th>age of respondent</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>below 18 years</td>
<td>18</td>
<td>11.9</td>
<td>11.9</td>
<td>11.9</td>
</tr>
<tr>
<td>19-30 years</td>
<td>45</td>
<td>44.6</td>
<td>44.6</td>
<td>56.4</td>
</tr>
<tr>
<td>31-45 years</td>
<td>25</td>
<td>24.8</td>
<td>24.8</td>
<td>81.2</td>
</tr>
<tr>
<td>46-50 years</td>
<td>13</td>
<td>12.9</td>
<td>12.9</td>
<td>94.1</td>
</tr>
<tr>
<td>above 50 years</td>
<td>6</td>
<td>5.9</td>
<td>5.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>101</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
From the results of the survey shown in Table 4.3 the majority of the respondents (44.6%) constituting 45 respondents were in the age group ranging from 31 – 45. This could be explained by the nature of telecommunications companies which prefer to employ abled bodied and active men and women and most customers who completed the questionnaire were in this age group. Only six respondents from the population were above 50 years representing 5.9% of the total population and this could be so because most telecommunications companies are now employing employees on fixed contracts which sometimes are not renewed. So for those with 50 years or more they can be managers.

### 4.2.5 Academic Qualification of Respondents

Table 4.4: Academic Qualification of Respondents

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>o/a level</td>
<td>14</td>
<td>13.9</td>
<td>13.9</td>
<td>13.9</td>
</tr>
<tr>
<td>certificate/diploma</td>
<td>21</td>
<td>20.8</td>
<td>20.8</td>
<td>34.7</td>
</tr>
<tr>
<td>bachelors degree</td>
<td>41</td>
<td>40.6</td>
<td>40.6</td>
<td>75.2</td>
</tr>
<tr>
<td>masters degree</td>
<td>25</td>
<td>24.8</td>
<td>24.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>101</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.4 above and Fig 4.2 below shows that 41 respondents were having bachelor’s degrees which constitutes 40.6% of the total respondents and 25 had masters’ degrees whilst 21 had diplomas. This is because Zimbabweans are highly educated people who value their education. Only 14 respondents had either ordinary or advanced level certificates and they are yet to go to tertiary institutions because they are still young.
Figure 4.2: Academic qualification of respondents
4.2.6 Work Experience of Respondents

Table 4.5: Work experience

<table>
<thead>
<tr>
<th>Work experience</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-5 years</td>
<td>55</td>
<td>54.5</td>
<td>54.5</td>
<td>54.5</td>
</tr>
<tr>
<td>6-10 years</td>
<td>20</td>
<td>19.8</td>
<td>19.8</td>
<td>74.3</td>
</tr>
<tr>
<td>11-15 years</td>
<td>15</td>
<td>14.9</td>
<td>14.9</td>
<td>89.1</td>
</tr>
<tr>
<td>above 15 years</td>
<td>11</td>
<td>10.9</td>
<td>10.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>101</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

A total of 55 respondents which constitute 54.5% of the people interviewed were between 1- 5 years in their current position. This can be a result of the fact that most telecommunications companies do not employee people on a permanent basis but they usually give fixed term contracts which can or cannot be renewed. Only 11 respondents out of the 101 questionnaires returned which is 10.9% indicated that they have been with the organisation for more than 15 years. These could be permanent workers and an assumption is that they really possess top managerial positions with lots of experience in the sector.

4.2.7 Descriptive Analyses

The characteristics of a sample are shown by descriptive statistics. In total 101 respondents managed to fully complete the questionnaire as follows 54 males which constitute 53.5% and 47 females which constitute 46.5%. The distribution was considered fair because males usually dominate in the telecommunications sector.
Table 4.6: Descriptive statistics

<table>
<thead>
<tr>
<th>Gender of Respondent</th>
<th>Level in Organisation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employee</td>
<td>Manager</td>
</tr>
<tr>
<td>Female</td>
<td>23</td>
<td>11</td>
</tr>
<tr>
<td>Male</td>
<td>21</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>44</td>
<td>26</td>
</tr>
</tbody>
</table>

From the above table it can be seen that more female employees participated (23/44) and male managers were more than female managers (15/26). More male customers participated, that is 18/31 as compared to their female counterparts.

4.3 NORMALITY TESTS

In an endeavour to address our research questions, there was a need to carry out inferential statistical tests on the dataset. The normality test can be conducted through either the Shapiro-Wilk test or Kolmogorov-Smirnov test and the decision on which test to use between these two is based on the sample size of the research study. The Shapiro-Wilk test is usually appropriate for small sample sizes (<1000 samples) whilst the Kolmogorov-Smirnov handle sample sizes greater than 1000 samples. The normality test establishes how data is distributed. On a normality test, a p value greater than 0.05 \((p>0.05)\) indicates that the data is normally distributed signifying that the sample selected does not differ significantly from the population of the study and Parametric statistical tests can be performed using this data. On the other hand, if the p value is less than 0.05 \((p<0.05)\), then the data is not normally distributed as a result sample differs significantly from the population and this calls for the performance of Non-Parametric statistical tests on the data. There are two groups of tests that can be applied: Parametric tests for data that is normally distributed and non-parametric tests for data that is unevenly distributed (Saunders et al., 2009). The sample size of this research study constituted of 101 respondents and the Shapiro-Wilk test was deemed the most appropriate for normality analysis since the
Kolmogrov-Smirnova test is suitable for very large samples. To this end, our first port of call before doing the inferential statistical tests was to test our data for normality. The table below gives the results of the normality tests.

Table 4.7: Case processing summary

<table>
<thead>
<tr>
<th>Cases</th>
<th>Valid</th>
<th>Missing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>Percent</td>
<td>N</td>
</tr>
<tr>
<td>PracticeF</td>
<td>101</td>
<td>100.0%</td>
<td>0</td>
</tr>
<tr>
<td>MotivationCommitment</td>
<td>101</td>
<td>100.0%</td>
<td>0</td>
</tr>
<tr>
<td>OrganisationalBrands</td>
<td>101</td>
<td>100.0%</td>
<td>0</td>
</tr>
<tr>
<td>SalesPerform</td>
<td>101</td>
<td>100.0%</td>
<td>0</td>
</tr>
</tbody>
</table>

Table 4.8: Tests of normality

<table>
<thead>
<tr>
<th>Tests of Normality</th>
<th>Kolmogorov-Smirnova</th>
<th>Shapiro-Wilk</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Statistic</td>
<td>df</td>
</tr>
<tr>
<td>PracticeF</td>
<td>.235</td>
<td>101</td>
</tr>
<tr>
<td>MotivationCommitment</td>
<td>.241</td>
<td>101</td>
</tr>
<tr>
<td>OrganisationalBrands</td>
<td>.313</td>
<td>101</td>
</tr>
<tr>
<td>SalesPerform</td>
<td>.241</td>
<td>101</td>
</tr>
</tbody>
</table>

a. Lilliefors Significance Correction

Since our sample size was 101, we used the Shapiro Wilk tests and the decision rule is that if the significance value (p-value) is greater than 0.05, then the dataset is normally distributed otherwise the data is unevenly distributed. From the table above, all the four variables have significant values of less than 0.05 which means they are not normally distributed.
The data is not evenly distributed therefore we use non-parametric tests. P value is less than 0.05 therefore it requires non-parametric tests. According to Journal of Statistical Modelling and Analysis volume 2 (2011) if the significant value of the Shapiro- Wilk tests is greater than 0.05 the data is normal.

4.4 RELIABILITY TEST

To ensure the reliability of the instrument, internal consistency was tested. As advised by Saunders et al, (2008), the researcher made sure that Cronbach’s alpha coefficient met the threshold of at least 0.7. The Cronbach’s alpha coefficient checks the extent to which the items on a data collection instrument are all measuring the same construct. For an instrument data to be reliable, it must have a Cronbach’s Alpha coefficient greater than 0.7 (Malhotra, 2007), (Bryman and Bell, 2015). The Cronbach alpha coefficients for employee motivation, building of strong brands, sales performance and CSR practices were all above the benchmark of 0.7 as depicted in Table 4.9, thereby demonstrating the reliability of the instruments. Reliability test was also conducted to ensure that the questionnaire could be depended upon to secure consistent results upon repeated application in future research studies.

Table 4.9: Cronbach’s alpha reliability

<table>
<thead>
<tr>
<th>Reliability Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cronbach’s Alpha</td>
</tr>
<tr>
<td>N of Items</td>
</tr>
<tr>
<td>.710</td>
</tr>
<tr>
<td>4</td>
</tr>
</tbody>
</table>
Table 4.10: Item-Total statistics

<table>
<thead>
<tr>
<th>Item</th>
<th>Scale Mean if Item Deleted</th>
<th>Scale Variance if Item Deleted</th>
<th>Corrected Item-Total Correlation</th>
<th>Cronbach's Alpha if Item Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>PracticeF</td>
<td>11.426</td>
<td>3.667</td>
<td>.439</td>
<td>.685</td>
</tr>
<tr>
<td>MotivationCommitment</td>
<td>11.158</td>
<td>2.835</td>
<td>.736</td>
<td>.474</td>
</tr>
<tr>
<td>OrganisationalBrands</td>
<td>10.218</td>
<td>5.292</td>
<td>.117</td>
<td>.808</td>
</tr>
<tr>
<td>SalesPerform</td>
<td>11.158</td>
<td>2.835</td>
<td>.736</td>
<td>.474</td>
</tr>
</tbody>
</table>

The overall reliability score as indicated in table 4.9 above was 0.710 and this implies that the research questionnaire had a good level of internal reliability such that the instrument was acceptable for data collection. According to Field, A.P (2005) the cronbach’s Alpha value of 0.7-0.8 is an acceptable value for cronbach’s Alpha, values substantially lower indicate an unreliable scale.

4.4.1 Validity

With regards to validity, a pilot study of fifteen questionnaires was administered and the respondents gave feedback on questions which were not clear and the researcher corrected those questions and made sure that all questions were understandable to the respondents. Furthermore, the supervisor who is the subject expert was consulted and he also gave feedback on the questionnaire which the researcher also considered. The validity of the questionnaire was ensured through consulting practitioners and academicians in the field of corporate social responsibility in order to check for relevancy or ambiguity in the wording of the questions. In addition the questionnaire was also pilot tested to check for questions that were not clear or irrelevant. Lastly for this research was mainly focused on telecommunications sector, the researcher approached subject experts in Econet wireless Zimbabwe for their input on the questionnaire and this also assisted in clarifying all questions that were not clear.
4.5 CORRELATION AND REGRESSION ANALYSIS

In order to examine the relationships between the variables in the study, correlation analysis was conducted. Correlation analysis determines the direction, magnitude and statistical significance of the relationships between the dependent variables (employee motivation and commitment, building of strong brands and sales performance) and the independent variable (CSR practices) and also the relationships amongst the dependent variables themselves.

Direction means the relationship can either be positive whereby high values of one variable are associated with high variables of the other or negative whereby high values of one variable are associated with low values of the other variable. Magnitude quantifies the strength of the relationship whether it’s weak (between 0.1 and 0.3), moderate (between 0.3 and 0.5) or strong (above 0.5) (Saunders et al., 2009). Statistical significance measures whether the relationship depicted could have happened by chance or not. Since our dataset was unevenly distributed and were thus compelled to nonparametric tests, we used Spearman’s rank correlation coefficient (Spearman’s rho) in our correlation analysis. The table below show the results of the analysis.
Table 4.11: correlation analysis

**Correlations**

<table>
<thead>
<tr>
<th></th>
<th>PracticeF</th>
<th>MotivationCommitment</th>
<th>OrganisationalBrands</th>
<th>SalesPerformance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Correlation Coefficient</strong></td>
<td>1.000</td>
<td>.316**</td>
<td>.268**</td>
<td>.316**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.001</td>
<td>.007</td>
<td>.001</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>101</td>
<td>101</td>
<td>101</td>
<td>101</td>
</tr>
<tr>
<td><strong>Correlation Coefficient</strong></td>
<td>.316**</td>
<td>1.000</td>
<td>-0.019</td>
<td>1.000**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.001</td>
<td>.850</td>
<td>.</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>101</td>
<td>101</td>
<td>101</td>
<td>101</td>
</tr>
<tr>
<td><strong>Correlation Coefficient</strong></td>
<td>.268**</td>
<td>-0.019</td>
<td>1.000</td>
<td>-0.019</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.007</td>
<td>.850</td>
<td>.</td>
<td>.850</td>
</tr>
<tr>
<td>N</td>
<td>101</td>
<td>101</td>
<td>101</td>
<td>101</td>
</tr>
<tr>
<td><strong>Correlation Coefficient</strong></td>
<td>.316**</td>
<td>1.000**</td>
<td>-0.019</td>
<td>1.000</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.001</td>
<td>.850</td>
<td>.</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>101</td>
<td>101</td>
<td>101</td>
<td>101</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).**

For purposes of hypothesis testing Spearman’s rank correlation was used because the data was not normally distributed. Correlation analysis was mainly done to establish how variables correlate with each other. Before conducting regression analysis, Spearman rho correlation coefficient was computed in order to ascertain the bivariate relationship between the variables. The correlations range from -1.0 for a perfect negative relationship to +1.0 for a perfect positive relationship (Welman et al. 2005). The level of association between the variables is summarized in Table 4.11 above.
As shown on table 4.11 above, the correlation coefficients for the independent variable against the dependent variables ranged from 0.268 and 0.316 signifying weak and moderate relationships for the independent variable with the dependent variables.

**4.6 OBJECTIVE 1: TO ASCERTAIN HOW INTERNAL CSR PRACTICES STIMULATE EMPLOYEE MOTIVATION AND COMMITMENT TO AN ORGANISATION**

CSR practices and employee motivation and commitment indicate a moderate, positive and statistically significant relationship \[r=0.316, \ p<0.01 \ (p=0.001)\]. Higher levels of CSR practices are associated with moderate levels of employee motivation and commitment.

**4.6.1 Regression Analysis for objective 1**

Having established the strength of correlations between the variables, the study proceeded to conduct a regression analysis because correlations analysis only measure the strength of a relationship but fail to infer the causal relationship between variables. Regression analysis was performed to test the predictive power of CSR practices (independent variable) on employee motivation and commitment, building of stronger brands and sales performance (dependent variables). Tables 4.12-4.20 present the regression results showing the model summary, the F-test and the predictive power of CSR practices on the three dependent variables namely employee motivation and commitment, building of stronger brands and sales performance to a telecommunications company in Harare metropolitan province. The most crucial aspect was to find out whether the framework formulated in chapter two can be of good effect as a model predictor of business performance and also to prove or disprove the hypotheses put forward in chapter two as well. Table 4.12 below depicts the regression model.
Table 4.12: model summary

**Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.368&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.135</td>
<td>.127</td>
<td>.853</td>
</tr>
</tbody>
</table>

<sup>a</sup> Predictors: (Constant), PracticeF

The R-squared value is 0.135 which means that 13.5% of variance in employee motivation and commitment is being explained by CSR practices and the remaining 86.5% is being explained by other variables omitted in the model. The R-square is the proportion of variation in the dependent variables that is explained by the dependent variable. This makes sense because there are other various factors which contributes to employee motivation and commitment besides CSR practices.

**4.6.2 ANOVA for objective one**

Table 4.13: ANOVA for objective one

**ANOVA<sup>a</sup>**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>11.278</td>
<td>1</td>
<td>11.278</td>
<td>15.513</td>
<td>.000&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Residual</td>
<td>71.970</td>
<td>99</td>
<td>.727</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>83.248</td>
<td>100</td>
<td>.727</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: MotivationCommitment

<sup>b</sup> Predictors: (Constant), PracticeF

The F value of 15.513 and P value is less than 0.05 implying that the model is significant, it is fit to predict employee motivation and commitment. The test of overall significance of the regression model (F), otherwise also known as analysis of variance (ANOVA), determines the ratio of the explained to the unexplained variance, and therefore tests if the regression model is statistically significant. The F- value of 15.513 and p<0.05 demonstrates that the model is
statistically significant, that is CSR practices have a significant combined predictive effect on the dependent variable (employee motivation and commitment).

4.6.3 Coefficients

Table 4.14: objective one coefficients

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>2.266</td>
<td>.323</td>
<td>7.006</td>
<td>.000</td>
</tr>
<tr>
<td>PracticeF</td>
<td>.381</td>
<td>.097</td>
<td>.368</td>
<td>3.939</td>
</tr>
</tbody>
</table>

a. Dependent Variable: MotivationCommitment

Employee motivation and commitment B= 0.381,  P = 0.000 (significant) accept

An inspection of the Beta coefficient indicated that there is a statistically significant relationship between CSR practices and employee motivation and commitment (Beta= 0.381: P < 0.05). It can therefore be inferred that CSR practices enhance employee motivation and commitment.

4.6.4 Regression Equation for objective one

Employee motivation and commitment = 2.266 + 0.381 CSR practices. It means improving CSR practices by 1 unit, employee motivation and commitment will increase by 0.381 units (0.381EMC).

4.6.5 Discussion

The results of the study reveal that CSR practices have a positive effect on employee motivation and commitment, building of strong brands and on sales performance. The results for objective 1 shows that the model is significant (ANOVA F-value of 15.513) in explaining employee
motivation and commitment and the R-square value of 0.135 indicates that 13.5% of variance in employee motivation and commitment is being explained by CSR practices. Finally the regression equation shows that there is a positive relationship between CSR practices and employee motivation and commitment. This is supported by literature where many studies found that there is a positive relationship between CSR practices and employee motivation and retention. This is in line with the study that was conducted by Rowden and Conine (2005) on workplace learning organisational commitment and job satisfaction which showed that a positive relationship between the two variables exists. This was supported by Lowry et al (2002) who postulated that employees who are trained and developed are more satisfied with their jobs as compared to those who do not. Swanson, (2008), support the view that training and development is a very critical component to organizations when he pointed out that training and development are key primary elements of human resources development and therefore it is crucial for organizations to train and develop their staff as a way of improving job performance, job satisfaction and organisational commitment.
4.7 OBJECTIVE 2: TO DETERMINE THE LINKAGES BETWEEN CSR PRACTICES AND THE BUILDING OF STRONGER ORGANISATIONAL BRANDS.

4.7.1 Correlation Analysis

Table 4.15: Objective 2 correlation

<table>
<thead>
<tr>
<th>Correlations</th>
<th>PracticeF</th>
<th>MotivationCommitment</th>
<th>OrganisationalBrands</th>
<th>SalesPerform</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spearman's rho</td>
<td>Correlation Coefficient</td>
<td>1.000</td>
<td>.316**</td>
<td>.268**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.</td>
<td>.001</td>
<td>.007</td>
<td>.001</td>
</tr>
<tr>
<td>N</td>
<td>101</td>
<td>101</td>
<td>101</td>
<td>101</td>
</tr>
<tr>
<td>Correlation Coefficient</td>
<td>.316**</td>
<td>1.000</td>
<td>-.019</td>
<td>1.000**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.001</td>
<td>.</td>
<td>.850</td>
<td>.</td>
</tr>
<tr>
<td>N</td>
<td>101</td>
<td>101</td>
<td>101</td>
<td>101</td>
</tr>
<tr>
<td>Correlation Coefficient</td>
<td>.268**</td>
<td>-.019</td>
<td>1.000</td>
<td>-.019</td>
</tr>
<tr>
<td>Organisational Brands</td>
<td>Sig. (2-tailed)</td>
<td>.007</td>
<td>.850</td>
<td>.</td>
</tr>
<tr>
<td>N</td>
<td>101</td>
<td>101</td>
<td>101</td>
<td>101</td>
</tr>
<tr>
<td>Correlation Coefficient</td>
<td>.316**</td>
<td>1.000**</td>
<td>-.019</td>
<td>1.000</td>
</tr>
<tr>
<td>SalesPerform</td>
<td>Sig. (2-tailed)</td>
<td>.001</td>
<td>.</td>
<td>.850</td>
</tr>
<tr>
<td>N</td>
<td>101</td>
<td>101</td>
<td>101</td>
<td>101</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

From the above table, CSR practices and building of strong organisational brands has a correlation coefficient of \( r=0.268 \) which is weak, positive and statistically significant [\( r=0.268, \)]
p<0.01 (p=0.007)]. It shows that there is a significant positive relationship between CSR practices and building of strong organisational brands.

4.7.2 Regression Analysis for Objective 2

Table 4.16: objective two model summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.296</td>
<td>.088</td>
<td>.079</td>
<td>.550</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), PracticeF

The R squared value is 0.088, meaning that the independent variable is explaining 8.8% of variance in building of strong organisational brands and the remaining 91.2% is being explained by other variables omitted in the model.

4.7.3: ANOVA: CSR practices and organisational brands

Table 4.17: ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>2.886</td>
<td>1</td>
<td>2.886</td>
<td>9.540</td>
<td>.003b</td>
</tr>
<tr>
<td>1</td>
<td>Residual</td>
<td>99</td>
<td>.302</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>32.832</td>
<td>100</td>
<td>.302</td>
<td>9.540</td>
<td>.003b</td>
</tr>
</tbody>
</table>

a. Dependent Variable: OrganisationalBrands
b. Predictors: (Constant), PracticeF

The F Value of 9.540 and the significant level of 0.003 which is less than 0.05, shows that the model was fit to predict organisational brands. It also indicates that the relationship between CSR practices and building of strong organisational brands was significant.
4.7.4 Coefficients

Table 4.18: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>3.814</td>
</tr>
<tr>
<td></td>
<td>PracticeF</td>
<td>.193</td>
</tr>
</tbody>
</table>

a. Dependent Variable: OrganisationalBrands

There is a statistically significant relationship between CSR practices and building of strong organisational brands (Beta= 0.193; P < 0.05). It can therefore be inferred that CSR practices enhances the building of strong brands.

4.7.5 Regression Equation

Strong brands = 3.814 + 0.193 CSR practices. It means improving CSR practices by 1 unit, company’s brand image will increase by 0.193 units (0.193SB).

4.7.6 Discussion

Literature review was done in chapter two and from the research findings it was revealed that CSR practices have a positive impact on brand building. This view was consistent with what Kotler & Lee, (2005) postulated that carrying out CSR can make a company more recognisable to the public since CSR practices allows an organisation to build good brand images and a good reputation which is also supported by Boonpattarakan, (2012) whose findings indicated that there is a positive relationship between CSR practices and building of a good image and creation of a competitive advantage in the marketplace. From the above analysis, CSR practices and building of strong organisational brands has a correlation coefficient of r=0.268 which is weak, positive and statistically significant [r=0.268, p<0.01 (p=0.007)]. It shows that there is a significant positive relationship between CSR practices and building of strong organisational brands. From regression analysis, the independent variable is explaining 8.8% of variance in building of strong organisational brands and the remaining 91.2% is being explained by other
variables omitted in the model. It can therefore be inferred that CSR practices helps in building of strong organisational brands.

4.8 OBJECTIVE 3: TO ASCERTAIN IF GOOD CSR PRACTICES HELP TO IMPROVE THE SALES PERFORMANCE OF ORGANISATIONS IN THE TELECOMMUNICATIONS SECTOR.

4.8.1 Correlations
Table 4.19: Objective 3 correlation

<table>
<thead>
<tr>
<th></th>
<th>PracticeF</th>
<th>MotivationCommitment</th>
<th>OrganisationalBrands</th>
<th>SalesPerformance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Correlation Coefficient</strong></td>
<td>1.000</td>
<td>.316**</td>
<td>.268**</td>
<td>.316**</td>
</tr>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td>.001</td>
<td>.001</td>
<td>.007</td>
<td>.001</td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>101</td>
<td>101</td>
<td>101</td>
<td>101</td>
</tr>
<tr>
<td><strong>Correlation Coefficient</strong></td>
<td>.316**</td>
<td>1.000</td>
<td>-.019</td>
<td>1.000**</td>
</tr>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td>.001</td>
<td>.019</td>
<td>.850</td>
<td>.019</td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>101</td>
<td>101</td>
<td>101</td>
<td>101</td>
</tr>
<tr>
<td><strong>Correlation Coefficient</strong></td>
<td>.268**</td>
<td>-.019</td>
<td>1.000</td>
<td>-.019</td>
</tr>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td>.007</td>
<td>.850</td>
<td>.850</td>
<td>.850</td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>101</td>
<td>101</td>
<td>101</td>
<td>101</td>
</tr>
<tr>
<td><strong>Correlation Coefficient</strong></td>
<td>.316**</td>
<td>1.000**</td>
<td>-.019</td>
<td>1.000</td>
</tr>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td>.001</td>
<td>.019</td>
<td>.850</td>
<td>.019</td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>101</td>
<td>101</td>
<td>101</td>
<td>101</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
CSR practices and sales performance has a correlation coefficient of 0.316** which is positive, moderate and statistically significant \([r=0.316, p<0.01 (p=0.001)]\). Higher levels of CSR practices are positively associated with moderate levels of improvement in sales performance.

### 4.8.2 Regression analysis for Objective 3

Table 4.20: objective Three model summary

**Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>R</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.368(^a)</td>
<td>.135</td>
<td>.127</td>
<td>.8526</td>
<td></td>
</tr>
</tbody>
</table>

\(^a\) Predictors: (Constant), PracticeF

The independent variable is explaining 13.5% of variance in company sales performance and the remaining 86.5% is being explained by other variables omitted in the model. The R squared value is 0.135 which means that 13.5% of variance in sales performance is explained by CSR practices.

### 4.8.3 ANOVA: CSR practices and sales performance

Table 4.21: ANOVA for objective Three

**ANOVA\(^a\)**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>11.278</td>
<td>1</td>
<td>11.278</td>
<td>15.513</td>
<td>.000(^b)</td>
</tr>
<tr>
<td>1</td>
<td>Residual</td>
<td>99</td>
<td>.727</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>83.248</td>
<td>100</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^a\) Dependent Variable: SalesPerform

\(^b\) Predictors: (Constant), PracticeF

The F Value of 15.513 and the significant level of 0.000 which is less than 0.05 shows that the model was significant and fit to predict sales performance.
### 4.8.4 Coefficients

Table 4.22: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>2.266</td>
<td>.323</td>
<td>7.006</td>
</tr>
<tr>
<td></td>
<td>PracticeF</td>
<td>.381</td>
<td>.097</td>
<td>.368</td>
</tr>
</tbody>
</table>

a. Dependent Variable: SalesPerform

There is a statistically significant relationship between CSR practices and company sales performance (Beta= 0.381: P < 0.05). It can therefore be inferred that CSR practices enhances company sales performance.

### 4.8.5 Regression Equation for objective 3

Company sales performance = 2.266 + 0.381 CSR practices. It means improving CSR practices by 1 unit, company sales performance will increase by 0.381 units (0.381SP)

### 4.8.6 Discussion of Results

The research sought to assess the impact of CSR practices on employee motivation and sales performance in the telecommunications sector in Zimbabwe. The results of the study reveals that there is a significant positive relationship between CSR practices and sales performance in an organisation. CSR activities helps in attracting customers and this is in agreement with (Bhattacharya and Sen 2004, Penn Schoen Berland 2010) who concluded that, before making any purchase decision, customers consider a company’s CSR activities. The responses were also in agreement with Margolis and Walsh (2003) who examined the connection between social and financial performance and concluded that there is a positive relationship between corporate social performance and corporate financial performance.
However from the literature review there were no studies that were conducted to evaluate the impact of CSR practices on corporate financial performance specifically in the Zimbabwean telecommunications sector. There is a requirement for more regular research aimed at revealing the impact of CSR practices on employee motivation, retention and commitment.

4.9 HYPOTHESIS TESTING

The literature that was reviewed in chapter two assisted in coming up with a conceptual framework model that can be applied to predict how CSR practices influences employee motivation and commitment, building of strong brands and sales performance of a telecommunications company operating in Zimbabwe. Hypothesis testing is done in order to choose amongst two competing hypotheses about the value of a population parameter. The study had three hypotheses and they can be tested using results analysis from SPSS. The hypothesis testing reveals the following;
4.9.1 Hypothesis Testing

Table 4.23: Hypothesis

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Hypothesis Content</th>
<th>Beta Coefficient</th>
<th>Significance Level</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>There is a positive relationship between CSR practices and employee motivation and commitment</td>
<td>0.381</td>
<td>p=0.000;p&lt;0.05</td>
<td>Hypothesis accepted</td>
</tr>
<tr>
<td>H2</td>
<td>Enterprises undertaking CSR will have a positive impact on its brand image</td>
<td>0.193</td>
<td>p=0.003;p&lt;0.05</td>
<td>Hypothesis accepted</td>
</tr>
<tr>
<td>H3</td>
<td>There is a positive relationship between CSR practices and sales performance.</td>
<td>0.381</td>
<td>p=0.000;p&lt;0.05</td>
<td>Hypothesis Accepted</td>
</tr>
</tbody>
</table>

**H1: There is a positive relationship between CSR practices and employee motivation and commitment to an organisation in the telecommunications sector.** The empirical results from this current study confirmed this hypothesis in a significant way. This is also supported by Brammer *et al.* (2007), Turker (2009), and Kim *et al.* (2010) who reported empirical results supporting a positive relationship between employee perceptions of CSR and employees organizational commitment. Dawkins (2004) also concurred that internal corporate social responsibility practices attracts motivated potential employees and improves commitment level of existing employees. From the research findings the hypothesis was accepted.
**H2:** An enterprise undertaking its corporate social responsibility will have a positive impact on its brand image. Results from the research revealed that CSR practices had a positive correlation with the building of strong organisational brands. This view is consistent with the literature from Bortoleto & de Moura Costa. (2012), who reported that undertaking CSR practices gives companies a substantial foundation in competitive advantage through increase in customer loyalty. Kim et al., (2010); Menon & Kahn, (2003) concluded that undertaking CSR activities will help organisations by improving its brand equity and influencing consumers’ purchase behaviour. The above hypothesis is accepted.

**H3:** There is a positive relationship between CSR practices and sales performance. There was consensus amongst the respondents that CSR practices have a positive correlation with sales performance in the telecommunications sector. This is supported by Baron’s (2001) insight that a socially responsible company increases the demand for its products. The hypothesis is accepted.

In conclusion based on the literature review a wide-ranging understanding of CSR practices if properly done will result in improvement in employee motivation and commitment, improvement in brand image and sales growth ultimately leading to positive business performance. Therefore the above three hypotheses based on the research findings and literature review are accepted.

### 4.10 CHAPTER SUMMARY

This chapter presented the results of the research in relation to the objectives and literature review. The results showed that CSR practices influences employee motivation and commitment as shown by the correlation coefficient of 0.316 which is then followed by building of strong organisational brands which has a correlation coefficient of 0.268. The presentation of the findings was done using tables and figures in order to openly bring out the salient issues from the study. This study found that there is positive and statistically significant relationship between CSR practices and employee motivation and commitment, building of strong brands and improvement in sales performance. The respondents who were managers, employees and
customers all echoed that CSR practices impacts on the three dependent variables which are employee motivation and commitment, building of strong brands and sales performance. The following chapter concludes the research and it gives recommendations and suggests areas for further research.
CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS TO THE STUDY

5.1 INTRODUCTION

This chapter gives the conclusions of the study in relation to the research objective. The researcher had come up with appropriate recommendations for telecommunications companies and also some managerial recommendations are constructed on the area for further research.

5.2 CONCLUSION AND ANSWERS TO RESEARCH QUESTIONS

The below assumptions were deduced from each objective that was underlined in chapter one:

Objective 1: To ascertain how internal CSR practices stimulate employee motivation and commitment to an organisation.

The results of the research have shown that CSR practices being done by companies’ helps employees to be satisfied, motivated and committed to their company. In Zimbabwe most telecommunications companies are still lagging behind in terms of internal CSR practices and corporate governance practices. For these companies to improve their organisational performance, there is high need to put emphasis on internal CSR practices because high employee motivation and commitment will lead to improved productivity at the workplace.

Objective 2: To determine the linkages between CSR and the building of stronger organisational brands.

It was evident from the research findings that there is a positive relationship between CSR practices and building of strong organisational brands in the telecommunications sector in Zimbabwe. The results from the study have revealed that companies which undertake corporate social responsibility will improve their brand image and equity as well as customer loyalty.
This will ultimately lead to positive business performance as a result of sales increases and competitive advantage. CSR practices will make the brand known to the public, both in rural and urban areas. Customers will prefer a brand which they are familiar with especially in favour of companies which undertake CSR practices.

This will help the business to prosper even in harsh operating environment because it reduces advertising and marketing costs whilst maintaining a competitive edge in the marketplace. The majority of the respondents fully supported that to a greater extent CSR practices have a major impact on brand image and customer loyalty in the telecommunications sector in Zimbabwe in helping them to achieve their strategic goals and objectives.

**Objective 3**: To ascertain if good CSR practices help to improve the sales performance of organisations in the telecommunications sector.

The findings from the study proved that CSR practices had an influence on sales performance by increasing market share and attracting new customers. The results showed that the effect of CSR practices had a significant positive and moderate correlation coefficient of 0.316 on sales performance. The regression model had an R-squared value of 0.135 revealing that there are other factors that can impact on sales performance which are outside those that were examined by the study. In order to improve sales performance, companies must make CSR a priority because it increases market share even without extra spending on advertising and marketing. This can be an area of further research to determine what other factors influence sales performance in the telecommunications sector other than those examined in the study.

The main objective of the study was to evaluate the impact of CSR practices on organisational performance in the telecommunications sector in Zimbabwe. The study found out that CSR practices are helping the organisations in motivating and retaining committed employees, improve brand image and improved sales performance which will ultimately lead to positive business performance. However there are other benefits besides employee motivation and commitment, building of strong brands and sales performance that companies realise from practicing CSR activities as shown by literature when according to Zhang & Venkatesh (2013)
who postulated that organizations continue to invest in information technology and innovation in order to improve business performance.

Businesses must be good corporate citizens and must obey laws that govern the society and avoid activities that impact negatively on society such as pollution, environmental degradation, discrimination and exposing workers to hazardous working environment. There is also need for corporate directors and executives to carry out social auditing aimed at assessing the social repercussions of business activities.

On the other hand the study is going to help in optimal budgetary allocations to CSR activities by various companies which will lead to a reduction in social problems in society together with actions which protect the environment and programs that are designed to help the disadvantaged people in society. The study is also going to help the Zimbabwean government in formulating policies that will encourage companies to be socially responsible and reap the benefits of positive and inclusive economic growth in the entire nation. The policies must be mandatory and all companies must be obliged to include CSR activities on their annual performance results. POTRAZ must make sure that telecommunications companies operating in the country must have a CSR policy document which must be duly followed and implemented in order to reduce social and environmental problems.

5.3 VALIDATION OF THE RESEARCH HYPOTHESES

The overall research hypothesis stated in chapter 1, states that there is a positive relationship between organisational performance and CSR practices. The hypotheses were formulated as follows;

\[
H1: \text{There is a positive relationship between internal CSR practices and employee motivation and commitment to an organisation.}
\]

\[
H2: \text{An enterprise undertaking its corporate social responsibility will have a positive impact on its brand image.}
\]
**H3: There is a positive relationship between CSR practices and sales performance**

The three hypothesis were tested using correlation and regression analyses and the outcome and regression tests are presented in table 5.1 below;

**5.3.1 Hypotheses testing and outcomes**

Table 5.1: Hypothesis testing and outcomes

<table>
<thead>
<tr>
<th>HYPOTHESIS</th>
<th>DECISION</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: There is a positive relationship between CSR practices and employee motivation and commitment to an organisation.</td>
<td>Hypothesis accepted</td>
</tr>
<tr>
<td>H2: An enterprise undertaking its corporate social responsibility will have a positive impact on its brand image.</td>
<td>Hypothesis accepted</td>
</tr>
<tr>
<td>H3: There is a positive relationship between CSR practices and sales performance.</td>
<td>Hypothesis accepted</td>
</tr>
</tbody>
</table>

The results reveal that good CSR practices by telecommunications companies in Zimbabwe have a positive relationship with employee motivation and commitment, building of strong organisational brands and sales performance. The three hypotheses have proved a positive relationship with business performance. In conclusion, the null hypothesis is accepted and we conclude that good CSR practices enhances company performance. The results are consistent with the findings by Boonpattarakan, (2012) whose findings indicated that carrying out CSR practices helps in building strong brands and in attaining the benefits of comparative advantage.

**5.4 RECOMMENDATIONS**

From the analysis and discussion that was done in chapter four and basing on the conclusion drawn, the following recommendations are made to the management of telecommunications
companies and the researcher wishes that the recommendations will be incorporated when companies formulate their CSR policies and goals.

5.4.1 Internal CSR Practices

CSR practices must be both internal and external for the companies to have a competitive advantage in the market place. Internal CSR practices focuses inside the organisation on what can be done internally to improve the well-being of workforce, their lives and productivity as well as its impact on profitability at the forefront.

It is important for organisations to ensure that all employees are motivated and committed to their work by undertaking internal CSR practices such as provision of educational assistance for career advancement, provision of fringe benefits to employees such as company house, vehicle and staff lines in telecommunications companies. This also includes health and safety standards at the workplace.

5.4.2 External CSR practices

Companies’ mission must be to serve the needs of communities around the world and to fulfil their responsibilities to the public. CSR goes beyond what happens internally in an organisation to the local community and encompasses numerous stakeholders besides employees and shareholders. Companies must be responsible global corporate citizens for nations to achieve inclusive growth to all citizens and reducing social problems in society.

CSR also entails effective protection of the environment & prudent use of natural resources, environmental management and reporting. CSR entails maintenance of high and stable levels of economic growth and employment, strategic and financial planning, corporate governance, accountancy, risk and reputation management, innovation & quality management.

The government must also play a partnering role in CSR activities by merging government activities with activities of businesses and other actors to gain and combine complementary
skills and resources in order to solve matters within the CSR program, either as participants or catalysts. Below is a list of possible practical recommendations that companies must embrace:

1. Developing process improvements which eliminates the use of hazardous waste materials.
2. Withdrawing product offerings that are legal and considered harmful to society.
3. Selecting partners and suppliers who are willing to adopt sustainable social and environmental practices.
4. Use of packaging and manufacturing tools that are environmentally friendly.
5. Developing internal CSR practices to retain employees through supporting their welfare.
6. Measuring, reporting and tracking of accountable goals and actions
7. Protecting privacy of consumer information

5.5 GENERALISATION OF THE FINDINGS

The research covered telecommunications companies that are mainly operating in Harare though a few number of respondents were coming from Chinhoyi. The results of this study can therefore be generalized to other telecommunications companies that are operating in Zimbabwe that did not get an opportunity to participate in this study. The research findings can also be generalized to other sectors in the Zimbabwean economy.

5.6 LIMITATIONS OF THE STUDY

This study has come up with very useful information that can be used by different organizations that are operating within Zimbabwe to improve business performance whilst reducing social problems in society. Despite these positive results, the research cannot escape from limitations and one of the limitations is that the study was largely conducted in Harare and Chinhoyi and has not been able to cover the rest of the country due to limited time and other resources which have not been easy to procure. This study has been undertaken by the researcher under a
background of limited time (six months) to submit the dissertation. It was largely affected because of limited time and ability to interface with a significant number of stakeholders who are in the telecommunications sector as managers and employees. The researcher failed to undertake in-depth interviews. Another limitation was inability to access real financial data relating to how much the telecommunications companies have invested in the various segments of the needy people in society. The other limitation was that it was conducted in one sector which is the telecommunications sector in Zimbabwe, and from this limitation, the results cannot be generalized to other sectors.

5.7 AREAS OF FURTHER STUDY

As this study was limited to telecommunications companies that are operating within the Harare Metropolitan area which is in the urban setting it would be good to extent the research to telecommunications companies that are also operating in rural areas. There is also need to look at other sectors to see if same results will be found. This research had proved that undertaking CSR practices will lead to employee motivation and commitment, improve brand image and improved sales performance of a company in the telecommunications sector. It would also be good to do a further research to see which other factors besides CSR practices influences business performance. There is also need to do further research in ascertaining other benefits that companies get from CSR practices besides employee motivation and commitment, building of strong brands and improving sales performance.
REFERENCES


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International Journal of Business and Social Science Vol. 3 No. 1; January 2012


S. M. M. Raza Naqvi, Maria Ishtiaq, Nousheen Kanwal, 2013. Impact of Corporate Social responsibility on Brand image in Different FMCGs of Pakistan, Interdisciplinary Journal of Contemporary Research in Business Vol 5, NO 1


http://www.bitc.org.uk/research

Dear Sir/Madam

07 January 2016

The researcher is a final year student studying for a master’s Degree in Business Administration with the University Of Zimbabwe Graduate School Of Management. The researcher is conducting a research which seeks to investigate ‘The impact of corporate social responsibility (CSR) on organisational performance in the telecommunications sector in Zimbabwe’. This research is an issue of great importance within Zimbabwe and yet little is currently known about the impact of CSR. You are one of a smaller number of people who are being asked to give your opinion on this issue.

The researcher would greatly appreciate it if you could assist by completing and returning the questionnaire by the 29th of January 2016. If you have any questions you wish to ask or there is anything you wish to discuss, please do not hesitate to telephone the writer on the following numbers: 0774222451 or 0773280620.

All information you provide will be totally confidential and will not be disclosed to third parties without your permission. You will notice that your name and address will not appear on the questionnaire and that there is no identification number. This is purely an academic research and all the information received will be treated in the strictest of confidence.

Thank you in advance for your assistance in this matter

Yours Faithfully

Munyaradzi Manenji
MBA Candidate -R069225A
APPENDIX B: Questionnaire

SURVEY QUESTIONNAIRE                         #............

SECTION A: Demographic information

Please answer by putting a tick in the appropriate box.

1) Gender
   (a) Female:    ■  (b) Male:    ■

2) Age (in years)
   (a) Below 18: ■  (b) 19-30: ■
   (c) 31-45:   ■  (d) 46-50: ■
   (e) Above 50: ■

3) Academic qualifications
   (a) O/A level: ■  (b) Certificate/Diploma: ■
   (c) Bachelors degree: ■  (d) Masters: ■
   (e) PHD: ■

4) Level in organization
   (a) Employee: ■  (b) Manager: ■
   (c) Customer: ■

5) Work experience (in years)
   (a) 1-5: ■  (b) 6-10: ■
   (c) 11-15: ■  (d) Above 15: ■

6) Where are you based?
   (a) Harare: ■
   (b) Any other: ■
SECTION B: Main Body

Below are a number of statements regarding the impact of CSR on organisational performance. Please read each one and indicate to what extent you agree or disagree with each statement. Please for your answer express your level of agreement/disagreement on a five point scale. For your answer, make use of the five (5) point Likert’s scale which varies from “Disagree strongly” (1) “Agree strongly (5) as illustrated below:

<table>
<thead>
<tr>
<th>DISAGREE STRONGLY</th>
<th>DISAGREE</th>
<th>NEUTRAL</th>
<th>AGREE</th>
<th>AGREE STRONGLY</th>
<th>UNKNOWN</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
</tbody>
</table>

CSR Practices

1.1 Your company is actively involved in environmental protection issues

1.2 Your organisation is highly active in practising internal CSR activities that focus on employees’ welfare.

1.3 The organisation has fair labour practices which are both fair to both employees and the company.

1.4 The organisation is doing well in reducing social problems in society

1.5 The organisation is highly active in assisting the disadvantaged people in society (elderly, orphans etc)

1.6 CSR practices being followed by the organisation are in line with good corporate governance practices which takes into account the concerns of various stakeholders.

1.7 The company is helping with creation of jobs in the country

1.8 The company is legally compliant with the rules/laws of the country

1.9 The company is involved in philanthropic activities to alleviate public problems

1.10 The company is helping the nation in improving access to quality education to disadvantaged children

1.11 The company donates to charity activities which are in the country
**SECTION C**

**Objective 1**  To ascertain how internal CSR practices stimulate employee motivation and commitment to an organisation.

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Companies that practice CSR activities increases employee commitment.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.2 Companies use CSR to build strong employee bond and to achieve better employee and organizational performance.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.3 To develop sound relationships with employees organizations are using corporate social responsibility as a strategic tool.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.4 Employees feel proud to be associated with a socially responsible organisation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Objective 2**  To determine the linkages between CSR and the building of stronger organisational brands.

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 CSR investment can affect market share of a firm as revenue increases from higher sales and market share.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.2 Undertaking CSR activities gives enterprises a significant foundation in competitive advantage by increasing customer loyalty, brand equity, and influencing consumers’ purchase behaviour.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.3 Customers are willing to pay more for products purchased from socially responsible companies.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Objective 3**  To ascertain if good CSR practices help to improve the sales performance of organisations in the telecommunications sector.

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1 There is a general preference of the firm’s products from customers in relation to competitors</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.2 The company is opening new branches elsewhere</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.3 The company is being profitable every year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>