THE ROLE OF CORPORATE SOCIAL RESPONSIBILITY ON DEVELOPMENT PROJECTS: A CASE OF TELECOMMUNICATION COMPANIES IN DAR ES SALAAM

By

Fortunata Justine

Dissertation Submitted in Partial Fulfillment of the Requirements for Award of the Degree of Master of Business Administration in Corporate Management of Mzumbe University

2013

CERTIFICATION

The undersigned certify that they have read and hereby recommend for the acceptance by the Mzumbe University a dissertation entitled **“The role of Corporate Social Responsibility in Social Development Projects: A Case of Multinational Telecommunication Companies in Dar es Salaam”** in partial fulfilment of the requirements for the award of the Degree of Master of Business Administration of Mzumbe University.

……………………………………..

Major Supervisor

………………………………….

Internal Examiner

Accepted for the Board of ………………………………….

DEAN/DIRECTOR,FACULTY/DIRECTORATE/SCHOOL/BOARD

DECLARATION
AND
COPYRIGHT

I, Fortunata Nkya, declare that this dissertation is my own original work and it has not been presented to any other university for a similar or any other degree award.

Signature------------------------------------

Date--

ACKNOWLEDGEMENTS

This study could not have been completed without contributions of many individuals and institutions, to which I feel greatly indebted for their invaluable support. To all of them I wish to express with great humble my heartfelt gratitude for their material and moral support. First of all I wish to thank his Almighty God for providing me with good health during the entire period of my MBA program. I convey my sincere thanks to my supervisor Dr.Mollel who accorded me relevant information, encouragement, patience, genuine criticism and guidance in my research process such that I was able to accomplish this dissertation not only timely but also successfully.

Without the dedicated assistance and cooperation of the Vodacom, Airtel, Tigo and Zantel management, staff during data collection, this research would have been impossible. Similarly, I wish to extend my heartfelt appreciation to all members of faculty, administrative staff and classmates whom I met and worked with, at the Mzumbe University, for their academic, social support and cooperation during the entire course of my studies.

My immediate family and friends contributed a lot to the success of this dissertation. It is in this respect; I therefore, wish to thank them for their endless encouragement and support. I admit that I could not have accomplished this dissertation and the entire MBA programme without their cordial support and assistance both moral and material. I wish to conclude this section by exonerating the individuals and institutions acknowledged in this section from all deficiencies found in this dissertation. The shortcomings should be considered the sole responsibility of the author.

DEDICATION

This dissertation is dedicated to my beloved husband Mr John Rhodes Mero, who has always been the spirit of my inspiration through his tireless efforts and encouragement for my achievements.

LIST OF ABBREVIATIONS

AHD	Africa Human Development
BP	British Petroleum company
CEOs	Chief Executives Officers
CSP	Corporate social performance
CSR	Corporate Social Responsibility
ESRF	Economic and Social Research Foundation
FDIs	Foreign Direct Investment
GDP	Gross Domestic Product
IMF	International Monetary Fund’s
ITs	Institutional Theory
MDGs	Millennium Development Goals
MKUKUTA	Mkakati wa Kukuza Uchumi na Kupunguza Umasikini Tanzania
MNC	Multinational Corporation
NSGRP	National Strategy for Growth and Reduction of Poverty
PSI	Private Sector Initiative
SAAR	Social accountability, auditing and reporting
SAPs	Structural Adjustment Programmes
SBP	Small Business Project
SMEs	Small and Medium Enterprises
SOEs	State-Owned Enterprises
UNECA	United Nations Economic Commission for Africa

URT	United Republic of Tanzania
WB	World Bank

ABSTRACT

The research aimed at assessing the role of CSR by focusing on, what coerce companies' engage in CSR, main CSR targets and processes for implementation within communities. Specifically, the study objectives included studying the main drives that trigger multinational telecommunication companies to engage in CSR practices in Tanzania, assess the main strategies which companies use in implementing CSR in the communities and make analytical comparison on the strategies and targets that companies consider in implementing CSR. The study is a combination of diagnostic and descriptive research design on which quantitative and qualitative data were used. Data which were collected were both primary and secondary. Primary data were collected from a sample of 51 respondents who were randomly selected from the population. Data analysis was done using SPSS where descriptive analysis was done to present descriptive data interpreted into frequencies, percentage, mean and standard deviations.

Findings for the study showed that main drivers towards CRS by telecom companies in Tanzania are to meet political expectation, building company image and reputation, competitive strategy, paying back to community, founding purpose, to meet expectation of the community as well as to comply with legal and political pressures. They do initiate projects, respond to disasters, promote local talents and support government efforts as their strategy of implementing CSR. Approach to CSR combines a strong sense of responsibility with modern business sense and a commitment to quality service for customers and a culture of continuous improvement;

Conclusion: It is high time that these CSR projects are directed to key society problem such as shortage of water areas, dispensaries school facilities and infrastructures as well as get special audit on the usefulness of the fund allocated for such projects.

The study recommends for more community based project that can solve critical problems in the society as well as extend the CSR projects to new areas that are of paramount importance to the society such as water supply and other infrastructures

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER ONE

INTRODUCTION AND BACKGROUND TO THE STUDY

1.1 Introduction

Corporate social responsibility (CSR) has generated a significant debate in academic and corporate circles in recent times. This debate acknowledges the importance of CSR in the first-world, but raises questions regarding the extent to which corporations operating in developing countries have these obligations (Maignan and Ralston, 2002; UNIDO, 2002; Jamali and Mirshak, 2007). Lindgreen et al., (2009) argue that developed countries have developed CSR frameworks, standards, indices, and principles, both locally and internationally to be used in their organizations' practices.

Meanwhile, it has been criticized that standards and principles developed based on the practice of those countries are biased toward the US context, because their global applicability maybe limited. Chapple and Moon, 2005;Matten and Moon, 2004; argue that the accepted practices of CSR considerably vary among different countries due to differences in economic, social, cultural, and political contexts. Other researchers such as Matten and Moon (2008) conclude that nature of the political system, financial system, education; labour and cultural system influence CSR practices. Visser (2007) concludes that traditions strongly affect the organizations' CSR implementation.

Some of the researchers argue that CSR is a "complex phenomenon" (Dahlsrud, 2006) though, some believe that CSR is a universal concept, and can offer significantly beneficial opportunities for both businesses and the societies in which they operate (Dahlsrud, 2006) and contribute to poverty alleviation and social development (Porter and Kramer, 2006).

1.2 Background to the Study

Over the decades Corporate Social Responsibility (CSR) has been promoted as a driver of sustainable development. It is widely believed that the long-term economic growth in societies requires an effective implementation of the principles to responsible business practices. The UN Global Compact, John Ruggie's Protect, Respect and Remedy Framework and the Global Reporting are just a few initiatives that have given CSR a global prominence.

CSR has been on the rise in Tanzania. In the country that experiences yearly growth rates of around seven percent of GDP and the rising foreign direct investment, CSR will definitely play an important role in promoting development that is both ecologically friendly and socially conscious. It may be noted, however that, even with such need and prospects in sight, the evolution of CSR in Tanzania is not straightforward. Despite efforts of companies to contribute in community development, the concept of CSR is still vaguely understood by many.

To date, only a minority of enterprises perceives and practices CSR as a core part of their business activities, let alone having a comprehensive strategic approach for its implementation. Instead, CSR implementation has usually been spontaneous and adhoc. This lack of CSR strategy in businesses is exacerbated by the insufficient engagement of Tanzanian public and civil society actors. Too often, the public and private sectors still look at each other with skepticism; the civil society feels excluded from relevant information sharing. As a consequence, multi-stakeholder engagement, effective coordination and dialogue on CSR remain the main challenges

The last decade has witnessed a tremendous agitation for embracing Corporate Social Responsibility (CSR), and Transparency (absence of corruption), in the development of various sectors of economy but mostly energy and mining projects especially in emerging markets. This is seen as a way of not only encouraging sustainable development, but also mitigating social risks that have a profound impact on a project's bankability (acceptance for funding) and its rate of return (Mbuli, 2010). It has also been seen on a wider scope, as a way around the age long problem of infrastructure decay, environmental degradation, human right abuses, corruption and stagnated development that have become synonymous with resource rich emerging economies.

CSR by Telecommunication Companies in Tanzania

All telecommunication companies operating in Tanzania have at least one or more programs for enhancing the CSR. Consider the case of Vodacom foundation**.** According to the African paper as of Monday, July 2013, Vodacom Foundation - spent about 11bn/- on corporate social Responsibility.

Tigo Tanzania CSR became ingrained into how they operate day-to-day. They have outlined five key areas which are essential for CSR implementations: protecting children against any type of work that would jeopardize their health and safety, or cause damage to their moral standards and prevent them from attending school, reduce energy consumption in all sectors of their activity to recycle wherever the appropriate infrastructures are in place, or to ensure proper disposal of all electronic waste (e-waste) they produce, such as handsets and batteries. This includes e-waste collected by our subcontractors, as well as highlighting the greater need for a responsible use of mobile phones (Annual Report and Accounts 2010 Tigo Tanzania

Airtel Tanzania focuses on educating underprivileged students. In line with this Airtel aimed to: Contribute to support the UN Millennium Development Goals of universal primary education, support local communities by working with Local governments, make a direct and sustainable contribution to African society where they live, enable focused work in the corporate social responsibility arena through adopting abandoned schools as our primary focus Set Airtel apart from its competitors.(http://www.africa.airtel.com. All these show that CSR has given the importance that it deserves by the largest telecom companies in Tanzania this is why the study intended to understand their role in development projects.

1.3 Problem Statement

Despite the existence of good viewed examples of CSR in different countries Tanzania being one of them, there remain challenges how these initiatives are regulated and to which extent they affect the national economy. There is no evidence showing if there is an official agency responsible for monitoring and gathering data on national CSR activities. Critiques have been raised on the use of CSR as a lens to view local economic development. The government is said to lose revenue through tax reductions as an incentive to companies with effective CSR programmes. While the government agencies are trying to lower exorbitant tariff on some services e.g. mobile phones, some companies are said to lure citizens with CSR activities while maintaining high charges on their products and services.

In some places there has been what seems to be mere peanuts in forms of education, health facilities and other social services (Ngowi, 2012; Festo, 2009). This raises some important questions on the role of CSR; is it homogenous across the globe? Does CSR reflect socio-cultural conditions? Do companies modify their CSR to national and local needs? In the words of Visser (2006): "CSR according to what (or whose) definition?" In light of the above, this research investigated how CSR manifests itself in Tanzania. To do so, the study explored why companies engage in CSR, what companies include on their CSR agendas, and how companies put their CSR into practice within Tanzania societies.

1.4 Research objectives

The main objective of the study was to assess the role of CSR by focusing what coerce companies to engage in it, the main targets and its processes of implementation within communities. Specifically the study objectives included;

i. To assess the main drivers that trigger multinational telecommunication companies to engage in CSR practices in Tanzania.
ii. To assess main strategies companies used in implementing CSR in the communities.
iii. To make analytical comparison on the strategies and targets that companies consider in implementing CSR.

1.5 Research Questions

This study was guided with the following research questions;

i. What are the main drivers that trigger multinational telecommunication companies to engage in CSR practices in Tanzania?
ii. What are the strategies that multinational telecommunication companies use in implementing CSR in the communities?

iii. Is there any difference on the strategies and targets that companies consider in implementing CSR in the communities?

1.6 Significance of the Study

This study is expected to provide evidence based on findings to different groups of individuals. The study is expected to contribute to the existing body of knowledge in the field of CSR. Outcomes of the study reveal how multinational telecommunication companies engage themselves in CSR practices. Throughout the study, the researcher managed to establish the link between multinational telecommunication companies 'policies and the roles played by corporate social responsibility in social development within communities. The study also aimed at establishing companies' strategic comparisons and pinpointing the gap that needs to be filled by the companies' management in the implementation of CSR.

Given the fact that, CSR is not a new concept in Tanzania as it started years ago, there is little attention to multinational telecommunication companies and its role on social developments in Tanzania. The findings of this study therefore, add new information to higher learning institutions as teaching materials and will act as a case study for students to develop their knowledge on the subject. In doing so, it will motivate them in carrying further studies for the purpose filling the knowledge gap that might be on the subject. Further, the study is expected to contribute much of information to the standard and policy making bodies such as Ministry of Communication, Science and Technology and Tanzania Communications Regulatory Authority (TCRA). Lastly, but not least, the study leads to fulfillment of the partial requirements for the award of Master of Business Administration in the Corporate Management of the Mzumbe University.

1.7 Scope of the study

This study was extensively based on multinational telecommunication companies operating in Tanzania. The main reason for selecting these companies is an intense public debate concerning the extensive spending on CRS and its impact on health and environmental issues. Finally, it is appropriate and highly related to CSR analysis since these companies integrate CSR values into their operations. This study excluded financial components that are directly connected to the shareholder profit, while it incorporated the stakeholder approach.

Due to data availability and respondents, the researcher opted for the multinational telecom companies with contact of some of the employees at the Head Quarters for easy follow up. To avoid negligence of the respondents, researcher distributed questionnaires directly to respondents and made a close follow up accordingly.

1.8 Limitation of the Study

In the course of doing this study, a number of limitations was encountered among them being, time and financial constraints which resulted from short time allocated for the study. This is because the researcher had only six months to start up the thesis to final draft in order to meet the set timeframe of the MBA program. This led to concentration on the company’s headquarters where as the researcher could have visited some beneficiaries of CRS who are located up country. In some cases, respondents have a tendency of neglecting research work claiming to be busy to fill the administered questionnaires. This lead to late submission of the administered questionnaires and limiting enough time for data analysis and sometimes assign junior staff who might not be well informed on some of the information regarding the organization. Furthermore, confidentiality of data specifically from companies and regulatory bodies among others made it difficult to access some data which could be useful to the researcher in the course of the study.

CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

This Chapter presents Literature Review related to the study. It is divided into two parts. Part one covers key concepts and theoretical literature review involved in the study. The other part covers empirical literature review from published and unpublished researches, papers and articles related to this study.

2.2 Theoretical Reflection of CSR

From the literature there is a great heterogeneity of theories and approaches of CSR, based on the variety of disciplines, such as sociology, philosophy, accounting, management, finance, law and politics (Banerjee, 2007, 2008; Porter and Kramer, 2006). Examination of existing literature indicates that there are numerous definitions of CSR, thus making it very difficult for theoretical measurement. Even though these definitions are clear and understood, universal definition for CSR remains a problem. For this reason researchers are moving from just identifying CSR activities, to examining the strategic role of CSR in organizations. The following sections reviews a number of theories on CSR as applied in different perspectives.

2.2.1 Utilitarian Theories

According to Garriga and Mele (2004) as cited in Ismail, (2009), the utilitarian theories state that "the corporation serves as a part of the economic system in which the function is mechanical i.e. traditionally known as in profit maximization". CSR ideas emerged after a realization that there is a need for an economics of responsibility, embedded in the business ethics of a corporation. Hence, the old idea of *laissez faire* business gives way to determinism, individualism to public control, and personal responsibility to social responsibility. Utilitarian could also be taken synonymously with instrumental theories (Jensen, 2002) in which the corporation is seen as only an instrument for wealth creation, and its social activities are only a means to achieve economic results.

The utilitarian theories are related to strategies for competitive advantages. The proponents of these theories are, for instance, Porter and Cramer (2002) and Litz

(1996) cited in Ismail, (2009) who views the theories as bases for formulating strategies in the dynamic usage of natural resources of the corporation for competitive advantages. The strategies also include altruistic activities that are socially recognized as instruments for marketing. The utilitarian theory, therefore, suggests that the corporation needs to accept social duties and rights to participate in social co-operation. Thus with utilitarian theorist it is noted that largely telecommunication companies tend to give back to society in terms of corporate social responsibilities in order to create competitive position over others like Vodacom foundation is targeted to area with large customer base or new areas where the company need favorable mention by the public via the established projects.

2.2.2 Managerial Theory

CSR practices can be approached by using managerial theory. Secchi's (2007) stresses the logic of managerial theory that emphasizes corporate management in which CSR are approached by the corporation internally. Managerial theory makes the difference between utilitarian and managerial perspective of CSR by suggesting that everything external to the corporation is taken into account for organizational decision making. Managerial theories have been divided into three sub-groups which are corporate social performance (CSP); Social accountability, auditing and reporting (SAAR); and Social responsibility for multinationals.

CSP aims at measuring the contribution of the social variable on economic performance. Managerial theory under CSP is based on the assumption that business depends on society for its growth and sustainability within five dimensions on its existence in the corporate chains: 1) Centrality measures the way CSR is compatible with mission of the core goals; 2) specificity gauges the advantages CSR brings to the corporation; 3) pro-activity that measures the degree of reaction to external demands; 4) voluntarism that accounts for the discretion the firm in implementing CSR; and 5) visibility refers to the way the responsible behavior is perceived by community of stakeholders. The CSP managerial theory generates interests in the sense that CSR considers socio-economic variables to measure firms' socio-economic performance, as well as to link social responsibility ideology to business strategy.

On the other hand SAAR is strictly related to social performance contributions through accounting, auditing and reporting procedures. SAAR means that a firm accounts for its action. By doing so, firms are controlled and regulated in their actions towards performing their core business while responsible to the relevant community. The three activities are separate managerial activities but they are interrelated to each other. All these contribute to the socially responsible behavior of a firm, which finally measures the corporations ‘activities that have social impact. Firms are involved in SAAR activities for communication needs, to have better stakeholder involvement and for discloser concerns. Thus telecommunication companies in Tanzania seeks close involvement of the society through establishing various CSR programs that are geared toward solving certain social problem.

However, CSR for multinationals (MNCs) grows as a result of global competitions and challenges they faced. This aspect of managerial theory comes into being as a result of the responsibility the managers have to shoulder by defining useful tools about the CSR for the MNCs to survive in foreign countries. Donaldson (1989, cited in Secchi, 2007) refers to the MNCs as ‘moral agents’, analyzed on the basis of the moral values when managers make decision in the firms, going beyond profit maximization. The logic of CSR for MNCs is also derived from the fact that when cultural clashes become relevant due to events such as protests, demonstrations, boycotts, strikes and other negative actions against the employers. The answer to these actions is the formulation of ‘code of conduct’ that should be adopted by MNCs. The success of this initiative, however, depends on client expectation and corporate reputation; the level of trust, acceptance, and cooperation shown by the stakeholders and community of workers. With these utilitarian theorists it is clearly observed that one of the key drives that necessitated the need for telecommunication companies to engage in corporate social responsibility is to enjoy economic benefits resulting from positive response from customers who feel happy to enjoy the profit.

2.2.3 Political Theories

The origin of the political power of CSR is based on Davis’s (1960) idea which proposes that business is a social institution and it must use power responsibly. It is also noted that the causes that generate the social power are from inside and outside of the corporation. Detomasi (2008) further argues that strategies firms choose to adopt CSR initiatives are conditioned in part upon the domestic political institutional structures present in the home market. Political theories further demonstrate the links between economic globalization pressures felt by the companies, domestic political structures where the companies are in, and CSR policies. It is noted that for telecommunication companies whether local or multinational must do something to win political supports e.g. establishing projects that tries to solve key community problems that need the help of the government gives chance to political appreciations to these companies for instance Vodacom and Fistula campaign which was formally initiated by government but letter adopted and financed by Vodacom foundation.

2.2.4 Resource-Based-View-of-the-Firm (RBV) Theory

This theory, as introduced by Wernerfelt (1984 in McWilliams et al., 2005) presumes that firms are collections of heterogeneous resources and capabilities that are imperfectly mobile across firms. Barney (1991) further refines this theory by maintaining that if these resources and capabilities are unique, significant, rare and non-substitutable; they can constitute a lasting source of competitive advantage. This theory was applied to CSR for the first time by Hart (1995) who focuses only on environmental and social responsibility. He concludes that social responsibility can represent a resource or capability that leads to a sustained competitive advantage. The RBV theory was again tested, but this time using firm-level data on environmental and accounting profitability, and the finding was that firms with higher levels of environmental or social performance had superior financial performance (Russo and Fouts, 1997). These tests go to prove the underlining fact of the RVB theory.

After it had been established that engaging in CSR would result in increased financial performance, McWilliams and Siegel (2001) designed a simple model to help companies decide on the ideal level of resources to devote to CSR, using a cost/benefit analysis. In this model, two companies that produced identical products were the bases for the test. However, the difference between these two was that one of the firms, in addition to its product, assigned an additional “social” attribute or feature to the product, which was valued by some consumers or, potentially, by other stakeholders. Therefore, in order to know the level of resources to channel towards CSR activities or attributes that would be assigned to a product, managers need to conduct a cost/benefit analysis. This is done by assessing the demand for CSR and also evaluating the cost of satisfying this demand (McWilliams and Siegel, 2001).The telecommunication companies in Tanzania feel part of the society by using part of their financial resources into creating more strong competitive popstions.

2.2.5 Integrative Theories

According to Garriga E and Mere Carne D (2004), this group of theories looks at how business integrates social demands, arguing that business depends on society for its existence, continuity and growth. Social demands are generally considered to be the way in which society interacts with business and gives it a certain legitimacy and prestige. As a consequence, corporate management should take into account social demands, and integrate them in such a way that the business operates in accordance with social values. So, the content of business responsibility is limited to the space and time of each situation depending on the values of society at that moment, and comes through the company's functional roles (Preston and Post, 1975). In other words, there is no specific action that management is responsible for performing throughout time and in each industry. Basically, the theories of this group are focused on the detection and scanning of, and response to, the social demands that achieve social legitimacy, greater social acceptance and prestige. Telecommunications companies in Tanzania have proved to use the social demand gap that could have covered by the government to win the mass support (customer loyalty) .This is evidenced by the integrating their CSR projects toward the areas where they are mostly demanded by the society for instance School books (Vodacom Tanzania), buildings (Airtel Tanzania) and clean water to the society hence use the CSR projects as the way of interacting with present and expected customers.

2.2.6 Ethical Theories

These are based on ethical responsibilities of corporations to society. They are based on principles that express the right thing to do or the necessity to achieve a good society. As the main approaches, Garriga and Melé distinguish the following:

Normative stakeholder theory; which considers fiduciary duties toward all stakeholders of the firm i.e. suppliers, customers, employees, stockholders, and the local community. Its application requires reference to some moral theory. Universal rights, based on human rights, labour rights, and respect for the environment. Sustainable development, aimed at achieving human development, while taking into account both present and future generations. To evaluate its own sustainability, the business should adopt a "triple bottom line", which would include not only economic, but also social and environmental aspects of performance. The common good approach, which maintains that business, must contribute to the common good, because it is a part of society. The corporation has many means to achieve this: by creating wealth and providing goods and services efficiently and fairly, while at the same time respecting the dignity and the inalienable and fundamental rights of the individual. It may also contribute to social well-being and a harmonious way of living together in just, peaceful and friendly conditions, now and in the future.

2.2.7 Instrumental Theories

According to this theory, a corporation is an instrument for wealth creation and this is its sole social responsibility. Only the economic aspect of the interactions between business and society is considered. So, any supposed social activity is accepted if, and only if, it is consistent with wealth creation. CSR is a means to the end of profit. ‘The only one responsibility of business towards society is the maximization of profits to the shareholders within the legal framework and the ethical custom of the country’’.

Cause-related marketing refers to a particular form of marketing involving the cooperative efforts of a "for profit" business and a “nonprofit organization” for mutual benefit. “The brand manager uses consumer concern for business responsibility as a means for securing competitive advantage. At the same time a charitable cause receives substantial financial benefits’’ (Smith and Higgins, 2000, p. 309).Thus telecommunication companies in Tanzania use CSR as the area of creating more wealth through creating strong customer base basing on the extent of the corporation created by CSR projects.

2.2.8 Relational Theory

Relational theory has a root from the complex firm-environment relationships. As the term implies, interrelations between the two are the focus of the analysis of CSR. Relational theory is further divided into four sub-groups of theories which are business and society; stakeholder approach; corporate citizenship; and social contract. Business and society is proposed to mean ‘business in society’ in which CSR emerges as a matter of interaction between the two entities. One of the measures of CSR is the development of economic values in a society. Another is a person’s obligation to consider the effects of his decision and action on the whole social system. Stated in the form of a general relationship, social responsibilities of businessmen need to reflect the amount of social power they have. Stakeholder approach has been developed as one of the strategies in improving the management of the firm. It is also said as a way to understand reality in order to manage the socially responsible behavior of a firm. The stakeholder approach further considers a firm as an interconnected web of different interests where self creation and community creation happen interdependently; and individuals behave altruistically. Based on Garriga and Mele’s (2004) analysis, stakeholder approach is both within the integrative and ethical theories, where the former emphasizes the integration of social demands and the latter focuses on the right thing to achieve a good society. These are supported by the work of Mitchel, Agle and Wood (1997) where balances among the interests of the stakeholders are the emphasis; and the work of Freeman and Phillips (2002) that consider fiduciary duties towards stakeholders of the firms, respectively. The only way for telecommunication companies to create a close social-business relationship with its key customer is by forming the strong base on CSR that are targeted toward either solving public problems or bringing together the society in enjoying the profit earned by the company. It is clearly observed that each telecommunication company in Tanzania is trying hard to ensure the complex nature of its organization which could not allow customer to interact is eliminated by creating social projects or events that are geared towards bring society close to them for instance with Vodacom foundation major projects have been linked to education, health, water and other safety issues e.g. road shows presenting different messages to drivers, all these to build strong mutual relationship with the society.

2.1 Definition of Key Terms and Key Concepts

An uncontested definition of CSR is yet to appear in the literature (Maignan and Ralston, 2002; Dahlsrud, 2006). As noted by Birch and Moon (2004), there is no single formula for CSR. Rather, CSR may be referred to as a multifaceted, dynamic and context specific (Moon, 2007). Consequently, a number of definitions have emerged over the past fifty years to express the role and responsibilities of business in society (Visser, 2006; Blowfield and Frynas, 2005). According to Macmillan (2005), "CSR is a term used in describing a company's obligations to be accountable to its stakeholders in its operations and activities. Socially responsible companies will consider the full scope of their impact on communities and the environment when making decisions, balancing the need of stakeholders with their need to make a profit".

There are myriad definitions of CSR, each considered valuable in their own right and designed to fit the specific organization. The majority of definitions integrate the three dimensions to the concept, that is, economic, environmental and social dimensions. For the purpose of this study the researcher adopted CSR defined by Holme and Watts (2000) as *"*The commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local community and society at large*"*.

The popularity of the CSR concept emerged in 1960s due to increase in disposable income which made people to focus on other issues beyond earning a living thus exposing the weaknesses of capitalism in taking care of corporate stakeholders (Asongu, 2007). Concerns about CSR were raised due to the recognition of the fact that the government failed to solve many societal problems (Asongu, 2007). Discussions on CSR have varied across historic periods up to contemporary times. Traditional discussions were centered on economic, legal and ethical obligations. Contemporary discussions on CSR termed it as a strategic tool where CSR initiatives are put in line with business objectives in order to benefit not only the society but the business as well (Lantos, 2001). In this regard, companies would advertise their CSR to promote corporate image and build reputation, which at the end benefits the company financially.

Some scholars like Quester and Thompson (2001) emphasize that giving back to society is in a company's best financial interests. They explain this by saying that social goals will in the long run generate profit since the nature of the market provides financial incentives for perceived socially responsible behavior. Lantos (2001) also adds that a company's activities under CSR are designed to bring exposure to the company, improve its reputation and brand image which reflects positively on profits. Jones (1997) and Corell (2001)

2.1 Concept of CSR in Tanzania

The concept of CSR practices in Tanzania can be traced back since independence in 1961 as it embedded from both socio-political and economic. In order to understand the roots of CSR practices in Tanzania the following background is reviewed from independence to date. After independence, Tanzania was a socialist government and the private sector was not considered to be the sufficient engine for economic growth and efficient allocation of resources. This is because it created substantial economic differentials between ethnic groups and foreigners with greater perception that; the concentration of economic power within a few individuals and ethnic groups and the uneven distribution of wealth was a source of inequality and potentially vulnerable to social tension (Bijleveld et al., 2007).

During this period most of social and economic code of conducts retained most of the features of the codes from the former colonial regime, hence Tanzania's ability to promote CSR and to protect the public interest remained limited (Shivji, 1976) in Lauwo and Otusanya, 2012).

As a result the government was forced to address its endemic poverty through introduction of number of institutional reforms, including Arusha Declaration 1967. During the era, the Government attempted to bring the economic sector and the political sphere under the control of the state through nationalization policies which aimed at promoting socio-economic development, public accountability, responsibility, good governance and corporate responsibility (Killian, 2006; Ngowi, 2009). However, lack of public accountability and too much discretion and monopolistic control skewed the benefits in favour of the political elites instead of the intended societal beneficiaries (Bagwacha, Mbele, Van-Arkadie, 1992).

Following the Parastatal reform programme initiated in the late 1980s – early 1990s with the aim of reducing Parastatal dominance and promoting a larger role for the private sector, the country engaged in massive privatization of the public owned enterprises. Around 400 state-owned companies, from handicrafts factories to the national airline, were sold off or privatized. Since then the number of private companies operating in the country increased significantly and the Government has continued to implement strategies geared towards strengthening the enabling environment for cooperation with the private sector. Legal and regulatory framework has been put in place and the need for partnerships between the government and private sector is well understood and prioritized. This overarching development framework for partnerships is provided for by the Tanzania Development Vision 2025 and the National Strategy for Growth and Reduction of Poverty (NSGRP/MKUKUTA I&II) and endorsed by the Five Years Development Plan (URT, 2011).

Although the concept of CSR is relatively new in Tanzania, private business support on local communities existed long before (ibid). In addition, the Government provides a certain amount of support for CSR activities in the country. The recently launched "Presidential Award on CSR and Empowerment" in the extractive industry is among the examples of political backing provided by the Government to promote CSR. The award is intended to align corporate policies and practices of companies in the extractive industry with sustainable development (Tansheq, 2012). There is, however, minimal support from the active politicians towards CSR in Tanzania.

Recent publications indicated that some companies have hitherto contributed less to government coffers in terms of taxes than they ought to have done in an environment of greater transparency and accountability (the Guardian, 2012). This has been criticized to a great extent by the Tanzanian politicians who also question the companies' CSR activities.

According to African economic report of (2012), Tanzania's economy has remained resilient to the global economic and financial crisis and is expected to remain buoyant following a Gross Domestic Product (GDP) growth of 6.9 percent in 2012 and forecast of 7.1 percent in 2013. Services, industry and construction continue to be the driving forces. Although agriculture constitutes the most important sector of the economy, employing more than 80% of the population, the sector's contribution to GDP is declining (URT, 2011; Africa Human Development (AHD) Report, 2012) cited in Arnold et al., 2012). To overcome this challenge, the Government has spearheaded the "Kilimo Kwanza" initiative to encourage private sector participation in agricultural activities (AHD, 2012) cash crops, including coffee, tea, cotton, cashews, sisal, cloves, and pyrethrum account for the vast majority of export earnings.

However, prolonged drought causing food shortages and frequent power outages continue to affect output. African economic report estimates indicate that exports contribute to GDP growth at an average of 10% and the budget deficit stands at 5.5% of GDP an improvement from 6.6% of GDP in 2011, and 7.1% in 2010. Meanwhile, Tanzania's inflation rate moved from 12.7 in 2011 to about 16.1 % in 2012 (African economic report, 2012). This rate is the result of higher food prices and reduced power production. The shilling has been under pressure since the beginning of 2010, falling by 10.6% in 2011 and making imports more expensive. Increased oil imports for power generation are driving strong demand for foreign currency.

Despite the economic challenges, Tanzania's strategic location makes it a natural East African hub for investors seeking to exploit not only resources but also a growing market of about 527 million consumers in East and Southern Africa (URT report, 2011). While it is challenging to measure the direct contribution of private businesses to the GDP growth, data and information available suggest that the private sector operations in the country account for a large part of economic growth (Arnold et al., 2012). On the same line, the economic contribution of CSR activities cannot be underestimated. CSR projects implemented in Tanzania have also managed to contribute to growth through local economic development programmes and projects. Multinational companies such as BP have partnered with seven Tanzanian corporations and Small Business Project (SBP), an independent specialist support and research organization based in South Africa, to establish the “Private Sector Initiative” (PSI) a $1.2 million program which enables Tanzania SMEs to acquire resources, skills and business (Lundsgaarde, et al., 2012).

The program has helped to develop opportunities to build and strengthen business links between corporations and SMEs, helping to build up the local SME presence and to develop the local economy (World Bank, 2010). Similar CSR initiative is reflected in the partnership between Yara International ASA, Norfund, Norad, the Rockefeller Foundation, Rabobank, the Agricultural Council of Tanzania and the Tanzanian authorities who have formed a broad partnership to improve the lives of small farmers in Tanzania. The partnership helps to build expertise in local institutions, and provides training and a credit line that ensures that farmers have access to small loans to buy the required input goods (cited in Arnold, 2012).

Tanzania has made a good progress in few Millennium Development Goals (MDGs) but a lot remains to be done to achieve these goals (Wangwe and Chale, 2010 in Arnold, 2012). Recent data and review of achievement of the goals outlined in the Tanzania National Strategy for Growth and Reduction of Poverty (NSGRP/MKUKUTA) as well as the Poverty and Human Development Report (2011) show some positive trends: Indicators for living standards and social welfare are said to have improved: educational access has expanded at all levels; infant and under-five mortality has declined but maternal mortality remains high; HIV prevalence rates have declined and HIV care and treatment services show improvements, due in large part to external support. However, Improvements in water coverage are not evident; Child labour is high, especially in rural areas; Household poverty is highest among the elderly and in terms of governance and accountability, the decentralization and the process of strengthening fiscal autonomy and transparency at local government level is slow.

It worth noting that some positive trends highlighted above are attributed to positive contribution of private sector companies through CSR programmes. On the one hand, a number of notable successful projects including construction of classrooms, health care facilities, sponsorship to health workers, access to clean water and sanitation, HIV&AIDS awareness campaigns, pollution control projects and the like have been made possible through companies' CSR initiatives.

2.3 CSR implementation Approaches

2.3.1 Motivations for Corporate Social Responsibility

Swanson (1995) did an influential work on Wood's (1991) CSR concept and outlined three motivations that drive the commitment to CSR. Firstly, following a utilitarian perspective, CSR is viewed as a useful mechanism for a company to achieve performance objectives (Swanson, 1995). Secondly, taking a negative duty approach, companies adopt CSR initiatives to conform to stakeholders' norms defining appropriate behaviour. Based on the notion that "society grants legitimacy and power to business" (Davis, 1973), CSR is viewed as a legitimacy tool. Thirdly, the positive duty view advocates that CSR may be self-motivated rather than a response to social pressures. These motivations have been categorized by Maignan and Ralston (2002) into performance-driven, stakeholder-driven, and value-driven which correspond with the utilitarian, negative duty and positive duty approaches respectively. To implement CSR at a practical level, there must be "an action dimension to complement the normative and motivational component of social responsibility" (Jamali and Mirshak, 2007).

2.3.2 Reasons for Implementation of Corporate Social Responsibility

Wood (1991) proposes that companies employ different processes of social responsiveness to address social issues. Wood *(ibid)* delineates three interconnected domains by which companies respond to the pressures of the external environment: environmental assessment, stakeholder management, and issues management. Clearly, each domain has a focus on different issues. Thus, the focus of CSR and the processes employed are inexorably linked.

However, Maignan and Ralston (2002) found that companies adopt range of processes that were narrower in scope than those described by Wood (1991). Also, they were linked to more specific issues and activities. These included philanthropic programmes, air quality management, and health and safety programmes. In some cases, these processes contribute to the common good irrespective of whether the company will reap financial rewards (Jamali, 2007). This type of CSR sees companies going beyond "preventing or rectifying harms they have done… to assuming liability for public welfare deficiencies that they have not caused" (Lantos, 2001).

Alternatively, other CSR processes can create win-win situations whereby companies can achieve economic goals whilst promoting social welfare. Lantos (2001) describes this as strategic CSR while Quester and Thopmson (2001) describe this form of CSR as philanthropy aligned with profit maximization. Accordingly, companies engage in social responsibilities that are relevant to their interests, operations, and actions" (Wood, 1991). As such, there is reason to believe that CSR will vary between industries. Bertels and Peloza (2008) support this notion as they discovered an industry to play a significant role in the CSR strategies of companies. Similarly, Silberhorn and Warren (2007) and Holme and Watts (2001) found that different industries put emphasis on different aspects of CSR. Halme and Laurila (2008) propose that more variables relating to industrial sector must be introduced to this genre of research.

Hamann (2003) proved other examples of reasons to implement CSR policy are given based on local community opposition, ranging from protests to sabotage, that can cause costly delays in production or even termination of production. Such production delays are particularly problematic in the context of increasingly demanding customers in just-in-time supply chains; Customers of raw materials are becoming more and more concerned about the production conditions of the materials and increasingly demand certification (e.g. ISO 14001) and apply social sustainability standards; Good community relations are crucial for a company's reputation, which, in turn, is vital to the company's access to financial resources, Government permits and highly qualified and motivated staff; Reputation of a company plays a role on a local and international level. On a local producing level, good reputation leads to improved relations with communities and well motivated employees. On the international level reputation can play a role in getting access to finances and reacting to demands from stakeholders.

2.4 Empirical Literature Review

Shergill (2012), assessed consumers perception towards the corporate social responsibility; specifically, Shergill's study assessed the gap between the expectations and perceptions of consumers about the companies regarding their social responsibility. This was a descriptive study with scientific method which provided description of the state of affairs as it exists at present. This study aimed at helping companies to understanding the expectations of consumers about the corporate social responsibility, so that companies can fulfill their duty in an appropriate manner. In this study, the sampling unit was consumers of various companies of India. Collected data was analyzed by the use of statistical techniques that measure average and match paired test method together with ranking method, where the respondents have ranked all the answers. Data findings have shown that consumers have higher expectations as compared to what they perceive. As a result it creates huge gaps between the expectations and perceptions of the consumers regarding the social responsibility of the companies. However, this study was restricted to a number of consumers in urban areas.

Bankas (2010) investigated the role of Corporate Social Responsibility (CSR) in creating Corporate Brand Awareness. University students were identified by the telecommunication companies as an attractive target group with financial prospects. Therefore, questionnaires sought to find the views of 120 students that provided insight to the role that CSR plays in creating corporate brand awareness in the telecommunication industry. The results showed that CSR plays a role in creating brand awareness for the companies that are highly engaged which were Zain and MTN. This is particularly so because, these companies made sure that customers and the public at large were aware of their CSR activities. On the other hand, the CSR activities of a company like Kasapa were not known to the public and so it was considered to be inactive in CSR. It is also important to mention that, most consumers factor into their purchasing decision, the element of brand awareness, implying that they were more likely to purchase a product or service of a brand that they are more aware of. Therefore, creating brand awareness through CSR moves a company further to completing the purchase of its product or service. Other benefits derived from using CSR as a tool in creating corporate brand awareness include protection of brand reputation and a solid foundation for brand perceived loyalty and quality.

Katamba (2010), conducted cross sectional research design, with quantitative research methodology, this research found that CSR, ethical citizenship, organizational culture could predict about 38% of reputation, with Organizational culture (OC) being the highest predictor, followed by CSR, while Ethical citizenship being an insignificant predictor. The researcher concluded that the insignificancy of ethical citizenship may explain the prevalent unethical acts of these financial institutions. Also organizational culture being the highest predicator of these institutions' reputation may explain why they have product portfolios that are often revisited. To strengthen their reputation, we recommend that these institutions, in addition to Bank of Uganda's efforts, devise means of ensuring a certain degree of ethical behaviours by having in-house trainings in ethics, conducts of conduct as well as undertaking some CSR activities for example encouraging their customers (like suppliers) to comply with environmental regulations.

Mugisa (2009), conducted descriptive research study sought to answer the question and provide information to various stakeholders on the effect of CSR, on business operations and performance with a focus on Uganda firms. A survey questionnaire was used to collect primary data on factors that influence CSR practice, and approaches embraced by Ugandan corporations in their practice of CSR. Archival documents and analysis of financial results from 2007 – 2010 of two publicly listed corporations was collected and analyzed against CSR expenditure for the four year period. Trend analysis indicated that CSR has a positive effect on internal business processes and the non– financial measures of performance notably corporate image, goodwill and market share. A positive effect of CSR was further observed on sales revenue. CSR practices were, however, found to have a negative effect on financial performance measures. Results of the study indicated that CSR is just one of the myriad factors that affect business operations and performance as there are many other factors that business managers need to take into consideration regarding operations and performance. The insights obtained in the study are of relevance to stakeholders and managers of an organization small or big in nature.

Giblert (2008) assessed an insight of corporate social responsibility (CSR) in Kenya; specifically, the study questions the way in which CSR manifests itself in Kenya. The research uses the concept of CSR within a framework of corporate social performance (CSP) to investigate CSR in Kenya. The research adopts the central tenets of institutional theory (IT) as used in sociology. Institutional factors are assumed to influence CSR, and subsequently are used to evaluate CSR in Kenya. The finding shows that CSR is motivated by institutional factors. It also shows that the understanding of CSR in Kenya differs from those in developed countries. Whereas CSR is understood to be mainly altruistic with the sole aim of contributing to the welfare of society in Kenya, companies originating outside Kenya recognize its potential for achieving economic objectives. The study also discusses the implication of the findings to practice and policy, proposing that the lack of government regulations and effective CSR institutions in Kenya need attention.

Zorn (2008) did a study to examine the Corporate Social Responsibility (CSR) projects in sub-Saharan Africa of a set of 28 leading consumer product companies. The focus was on the economic benefits which the companies can gain from the CSR projects if they are conducted in a certain manner. A number of potential business benefits resulting from CSR are introduced, and the idea that CSR is comparable to Research & Development (R&D) efforts is examined. As a basis for the analysis, a framework provided by Michael Porter and Mark Kramer was utilized, introducing a set of criteria for CSR which is effective in the sense that it creates shared value for the company and the society. These criteria are complemented by contributions from a number of other authors, and then applied to the companies' reported CSR projects. An index that measures the effectiveness of the CSR projects is computed, leading to a ranking of these companies by their CSR performance. The index was used in a variety of comparisons between companies' CSR performance, economic performance, and R&D spending, and the results were interpreted in regards to this paper's hypotheses. To illustrate the validity of these results, four companies' CSR efforts are analyzed in-depth; elaborating on the reasons for the respective index ranking they received. The study concluded that CSR projects according to Porter and Kramer's framework are recommendable for companies because they are not a zero-sum game, but, on the contrary, can generate economic benefits for the companies while helping 'good causes.'

Sriramesh, Wanyin and Ting (2007) in their study explored the perceptions about corporate social responsibility (CSR) among a sample of corporate executives (512) and the CSR practices of a sample of corporations (74) in Singapore. A web-based survey and personal interviews were the primary methods of data gathering. The study tried to assess the activities, motivations, decision-making processes, stakeholders, communication processes, resource allocation, evaluation, and benefits of CSR among the sample corporations in Singapore. Their findings revealed that while the sample corporate executives were able to define the concept of CSR comprehensively, identifying a range of parameters and stakeholders pertaining to CSR, actual practice tended to revolve around the philanthropic dimension. The sample corporations were motivated by different factors to practice CSR, which authors saw as being driven by either a *proactive*, *accommodative*, or *reactive* approach. Authors also discovered that lack of commitment among some corporations to evaluating CSR practices might have been because these corporations did not establish CSR goals in the first place. Based on these findings, authors offered a framework to evaluate how different stakeholders (whom we refer to as *drivers)* can help promote CSR in Singapore. Authors evaluated the effectiveness of these drivers based on their potential impact on corporations and their current activity level pertaining to CSR, and assessed their strengths and weaknesses. While we identified the government and the corporations to be in the best position to raise CSR awareness and performance, other drivers can collaborate to increase their individual effectiveness.

In the study conducted by Amaesh et al., (2006), which drew empirical evidence from indigenous firms on the meaning and practice of CSR in Nigeria, it was found that indigenous firms perceive and practice CSR as corporate philanthropy aimed at addressing socio-economic development challenges in Nigeria. This finding confirms that CSR is a localized and socially embedded construct, as the ‘waves’, ‘issues’ and ‘modes’ of CSR practices identified amongst indigenous firms in Nigeria reflect the firms’ responses to their socio-economic context.

Based on a study done in India, there is very minimal effect of CSR on net sales in the public sector (Singh and Ahuja, 1993) and as such, agencies in the government sector engage less in CSR activities. The private sector on the other hand engages more in CSR because of close monitoring by government. Companies in the private sector employ CSR as a strategy to overcome the criticism of exploitation of resources in developing countries and also to benefit through positive effects on profits. This is not to say that, CSR is only centered in the private sector however, those in the public sector are less active in CSR activities because they see no direct bearing on profits and also, these public companies have less monitoring from stakeholders. This study drew conclusion that net sales were not significantly associated with CSR.

Rukonge (2006), explores the socio-economic dynamics and outcome of the influx of transnational corporations in mining sector, focusing on interactions between various actors at community level. It looked on dynamics within gold and tanzanite mining communities in Mererani area in Tanzania. Specifically, the study aimed at studying the mining activities and the changing local social system among artisanal and small-scale miners, their communities and the role played by transnational corporations. This study employed two theoretical frameworks Stacey’s *modus operandi* as locality study approach in discussing the local social system in Mererani and Alyson Warhurst’s tri-sector concept of corporate social responsibility with a focus on tri-sector and local drivers as determinants of reduced misconceptions among actors and increased gains accrued to stakeholders. The empirical material collection and methods involved observation, key informants interviews, focused group discussions with national level civil servants at relevant ministry, non-governmental organizations and discussions at local level where mining activities take place.

Study findings revealed that all gains and costs in mining areas cannot be attributed to transnational corporation as cause-effect relationship. There are more factors to be considered including the shift of government from owner and actor in mining industry to facilitator and regulator of the same industry, as the regulatory and facilitator's roles that the government committed to undertake haven't been fully performed and there are various challenges to address on internal policies and practices. Due to limited employment opportunities in rural areas, community continue to influx in mining areas despite the fact that the guru small-scale miners believe their lives are worse-off. Artisanal miners who are parents initially could afford to send their children to better schools offering good educational services. The small-scale miners cannot compete with investors, and policy provision does not give them enough room to engage in gainful enterprise; they end up using same crude tools, low investment and low profits. The study further concluded that communities have lost their livelihoods through loss of self-employment and weakened livelihood sources. To get a full picture on socio-economic impact of TNC, further researches are needed.

Proti (2012), aimed at showing the role of corporate social responsibility in the sustainable development of the African society. The paper explained how businesses have the role of impacting positively through their activities on the environment, consumers, employees, communities and all other members of the public sphere by encouraging community growth and development, and voluntarily eliminating practices that harm the public sphere, regardless of legality. The study was a review of the literature on the role of corporate social responsibility to society. Both theoretical and empirical studies were reviewed and general role of corporate social responsibility was identified. The study therefore found that: All what is called profit by a businessman is from the society.

Business should not be a burden to a society but a friend and participate to the social development. A socially responsible business is more profitable than the traditional businesses as customers and investors prefer socially responsible businesses; African governments will not achieve Millennium Development Goals unless the private sector intervenes. The continent is still poor, people have no access to education, food, health care, clean drinking water or even basic human rights, and poverty is compounded by corruption, conflicts over resources, economic stagnation and violence. Children sleep on streets; others share water with wild animals; dirty towns, and environmental degradation threatening lives of Africans; the power of business today in the development of society cannot be undermined. A tremendous change in a society can be seen in a short time if Banks and financial institutions, educational institutions, communication, transport and manufacturing companies and many others can help in the social development and involvement in social projects. Each one in its time and resources can inject any social project for the benefit of all to eliminate poverty, diseases and illiteracy.

2.5 Synthesis of the Study

Throughout literature review the researcher tries to point out the concept of CSR practices by different companies and the role they play in social development projects. Despite the existence of such good viewed examples of CSR in Tanzania, there remain challenges on how these initiatives are regulated and the extent to which they affect the national economy. While the government agencies are trying to lower exorbitant tariff rates on some services e.g. mobile phones, some companies are said to lure citizens with CSR activities while maintaining high charges on their products and services. This raises some important questions on the role of CSR if meant to CSR homogenous across companies? This study investigated how CSR manifests itself in Tanzania. To do so, the research explored why companies engage in CSR, what companies include on their CSR agendas, and how companies put their CSR into practice within Tanzanian societies.

According to Lantos' (2002) categorization of CSR is applied to evaluate the purpose of CSR. In this research, CSR is considered to be influenced by the institutional environment in which companies operate. Institutional, relational, utilitarian and political theories can explain any emergent patterns of CSR as companies are subject to normative, cognitive and regulative pressures that enable or constrain their uptake of specific types of CSR. Therefore, the research applied the principles of Institutional, relational, utilitarian and political theories to evaluate how and why CSR occurs as it does in Tanzania.

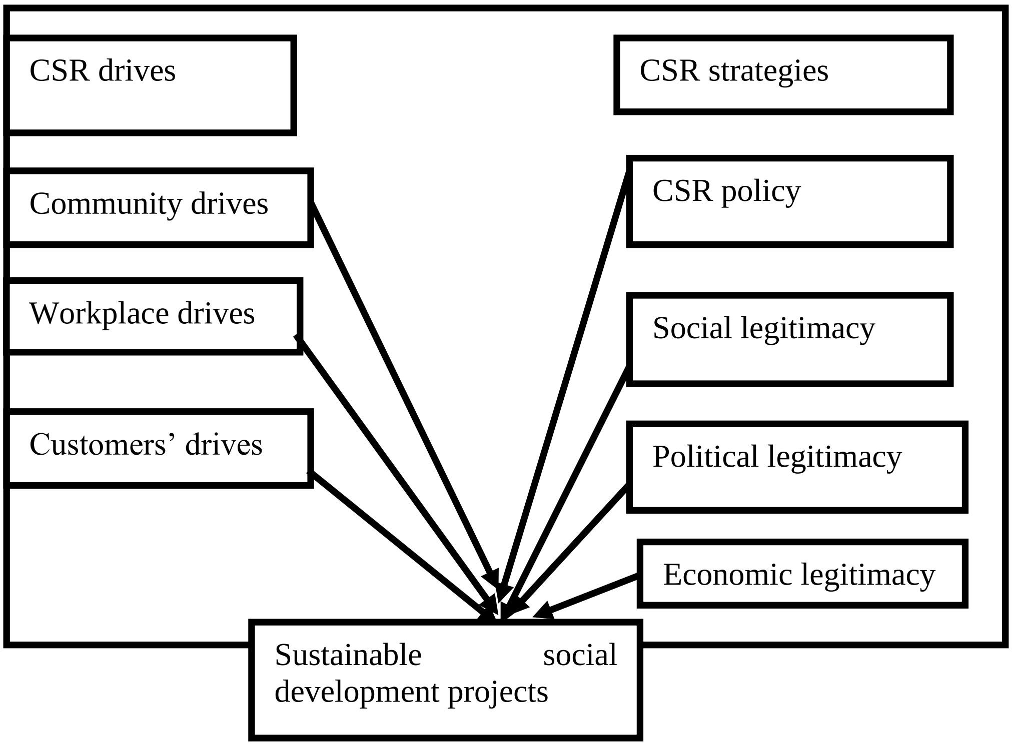
Bagnoli and Watts (2003) find that the tendency of firms to engage in strategic CSR depends on two factors: the intensity of competition in the market and the extent to which consumers are willing to pay a premium for social responsibility. The first factor can be said to exist in the telecom industry in Tanzania. The competitive nature of the industry as a result of the presence of multinational telecom company in a relatively Tanzanian market is probably one of the reasons for the engagement in CSR activities by most companies in that industry.

2.6 Conceptual Framework

The researcher in the study focused mainly on the concept of CSR employed by multinational telecommunication companies in Tanzania; Essentially, the basic normative premise of CSR "is that organizations should act beyond their traditional business boundaries, their purpose no longer restricted to generating profit but extended to include a contribution to the cohesion of society and consideration of the social development" (Schoemaker and Jonker, 2006, cited in Gilbert, 2008).

In short, advocates of CSR propose that businesses have responsibilities above and beyond that of profit maximization. To examine the current status of CSR implemented by multinational telecommunication companies in Tanzania on what CSR entails and how it is implemented the researcher adopted the four-part definition of CSR developed by Carroll (1979) as a framework for investigation

Figure 2.1: Conceptual framework



Source: Researcher own construction, (2013)

CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction

The purpose of this chapter is to present the underlying principles of research methodology and the explanation of the research method which the researcher found to be appropriate for the study.

3.2 Research design

Research design can be defined as the conceptual structure within which research is conducted; it constitutes the blueprint for the collection, measurement and analysis of data (Kothari, 2004). The process of designing a research study involves many interrelated decisions. The most significant decision is the choice of the research approach because it determines how the information will be obtained. This was a cross-sectional study. The main reason for employing this design was to enable the researcher to investigate on the role of multinational telecommunication companies CSR practices and its contribution in social development projects in Tanzania with minimum expenditure of effort, time allocated and money.

3.3 Research Approach

According to Hair et al (2000), most research objectives can be met by using one of three types of research designs: exploratory, descriptive and causal.

This study can be regarded as descriptive; According to Hair et al (2000), descriptive research uses a set of scientific methods and procedures to collect raw data and create data structures that describe the existing characteristics (such as attitudes, intentions, preferences, behaviors, evaluations) of role of internal audit in fighting corruption. Nature of this study was designed to use mixed methods or both quantitative and qualitative methods. The researcher in this study decided to use the mixed method approach by considering the nature of the problem identified, the available knowledge about the problem and availability of resources for the study.

Since there is existing body of literature on the field of CSR practices conducted in different places, the study focused on the concept perceived by these companies and the strategies employed to contribute into social development projects, bearing in mind that there are no published studies; researcher adopted descriptive and diagnostic research designs.

3.3 Sampling Technique

In this study, both probability and non-probability sampling designs were adopted; non probability sampling technique because the researcher used purposive sampling technique to select multinational telecommunication companies. Probability sampling because was used as the researcher employed stratified sampling techniques to select employees. According to McDaniel and Gates (2004), the major alternative sampling methods can be grouped under two headings: probability sampling and non-probability sampling methods. Non-probability samples are those in which specific elements from the population have been selected in a non-random manner. The researcher can arbitrarily or consciously decide which elements to include in the sample. Commonly used non-probability sampling techniques include convenience sampling, judgemental sampling, quota sampling and snowball sampling (Malhotra& Birks 2006; McDaniel & Gates 2004). Probability samples, on the other hand are selected in such a way that every element of the population has known non-zero likelihood for selection. Simple random sampling is the best-known and most widely used probability sampling method. Probability sampling methods also include systematic sampling, stratified sampling and cluster sampling (McDaniel & Gates 2004).

In this study, both probability and non probability sampling design were adopted; non probability sampling design because the researcher used purposive sampling technique to select multinational telecommunication companies. Probability sampling because the researcher employed stratified sampling techniques to select employees.

3.4 Study Population and Sample Size

According to TCRA *annual* report (2012) there are seven multinational telecommunication companies operating in Tanzania namely Vodacom, Airtel, Tigo, Zantel, TTCL, Sasatel and Benson. In this study population included all multinational telecommunication companies with high network coverage all over the country. For this reason, sample size for this study was drawn from the four big companies (Vodacom, Airtel, Tigo and Zantel). For the sake of limited time allocated for data collection, the researcher used stratified sampling where respondents in the identified population were subdivided into strata as: Managers, Accountants, Administrators, Marketing executives; each at least representing different operational levels and business units of the corporation.

Table 3.1 Proposed Sample size

	Airtel	Tigo	Vodacom	Zantel	Total
Top mgt officials	2	2	2	2	8
Middle mgt officials	7	7	7	7	28
Operational level staffs	6	6	6	6	24
Total	15	15	15	15	60

Source: Data survey, July 2013

The number was chosen because it was thought to give sufficient data required for the study. A disproportionate stratified random sampling procedure was used to select the sample where; respondents were sorted by level in the management hierarchy and a percentage in each level calculated as 53% from top management, 67% from middle level management, and 36% from the operations level staff. However, only 51 respondents agreed to participate in the study and that makes sample size to be 51 respondents. Thus the response rate was 85%

3.5 Data Collection Techniques

Both primary and secondary data were collected. Primary data were obtained using administered questionnaires and interviews and for the case of secondary data various documents and publications from the visited companies were used.

3.5.1 Questionnaire

In this study, structured questionnaires were used as one of the research instruments. Questionnaires had both closed and open-ended questions. Close ended questions were used to measure extent to which CSR practices have impact on social development in the communities. Respondents were asked to rank each statement from absolutely disagree to absolutely agree. Open-ended questions were used to capture the respondents' opinions the difference in CSR approaches practiced by multinational telecommunication companies in Tanzania. This was advantageous to respondents as they were given the complete freedom of response. The questionnaires were structured in simple English to be understood by respondents.

3.5.2 Interview

The researcher conducted interview with the employees of telecommunication companies on the main drives that trigger for companies to engage in CSR practices in Tanzania, strategies the companies use to implement CSR in the communities. The interviewing procedure enabled the researcher to get the inner feelings of the respondent, hence, providing auxiliary information on the CSR practices and its role in social development projects. The method also gave room to the researcher to make more elaboration to the respondents at the same time avoiding bias responses to the research questions.

3.5.3 Secondary Data Collection Methods

Documents are written or recorded materials which are not prepared at the request of the inquirer or for the purpose of evaluation (Guba and Lincolin, 1995). For this study other information was obtained through reading different text books which gave information about the title in study, CSR practices manuals, journals, and annual reports on the phenomena under research.

3.6 Data Analysis Method and Presentation

In this study data were analyzed using Statistical Package for Social Scientists (SPSS). After data clearing and data coding, they were transferred to SPSS 16.0 and statistical analysis was done to accomplish research objectives. The statistical analysis used included Cronbach's Alpha values for reliability testing, multiple regression analysis to test the hypotheses and analysis of variance tests (ANOVA). Descriptive data was analyzed and results were defined in terms of percentage and frequencies and presented into charts and tables.

CHAPTER FOUR

DATA PRESENTATION, INTERPRETATION AND DISCUSSION

4.1 Introduction

This chapter provides the data analysis and discussion part of the study. The collected data were analyzed in three parts related to demographic characteristics, research objectives in relation to the conceptual framework of the study. The findings were presented by the simple statistical methods like simple frequencies and percentage presented in tables and graphs. Frequency analysis was used to analyze the demographic characteristics of the respondent's while analysis of mean was used to evaluate the following; main drives triggers multinational telecommunication companies to engage in CSR practices in Tanzania, strategies companies use to implement CSR in communities and to make analytical comparison on the strategies and targets that companies consider in implementing CSR. Accordingly, the results are carefully interpreted and discussed throughout this chapter.

4.2 Descriptive Analysis

This section presents the descriptive analysis of employees' responses to each item in the study questionnaire. From a total of 60 questionnaires distributed, 53were returned. The returned questionnaires were carefully checked, and two questionnaires with missing data were discarded, remaining with 51 usable as most items were sufficiently responded to. The response rate was 85.0 percent. Such a response rate is considered sufficient for statistical reliability and generalizability of the study. This relatively high response rate was attributed to the self-administered approach undertaken in distributing questionnaires.

A summary of findings on respondents profile along three variables: age, gender, level of education, position within the organization and working experience has been presented in the following tables below:

4.2.1 Distribution by Sex

The study involved the distribution of respondents' by gender. Findings are shown on table 4.1 below:

Table 4.1: Sex distribution among respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Males	20	39.2	39.2	39.2
	Females	31	60.8	60.8	100.0
	Total	51	100.0	100.0	

Source: Field Data (2013)

Table 4.1 above shows that the distribution of respondent by gender involved 39.2% males and 60.8% females. data shows that the mean age of the respondents was 29 years with standard deviation of 2.8.This shows that men and women were given a greater chance of taking part in the study and hence, unbiased findings are suggestively reflected in this study.

4.2.2 Age Distributions

Respondent were asked to show their age distribution and findings are shown in table 4.2 below:

Table 4.2 Age Distribution among Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 30 Years	17	33.3	33.3	33.3
	Between 30-40 Years	15	29.4	29.4	62.7
	Above 40 Years	19	37.3	37.3	100.0
	Total	51	100.0	100.0	

Source: Field Data (2013)

Table 4.2 above shows that the distribution of respondents by age was that, 33.3% were of age below 30 years, 29.4% between 30 to 40 years while above 40 years were 37.3% This shows that respondents of different age groups were involved hence; the findings reflect views and opinions from different age groups which can be used in representing such age groups.

4.4.3 Education Level Attained by Respondents

Respondents were asked to express the highest level of education they had reached. The intention was to ensure relevant respondents were included in the study. Findings are shown in table 4.2 below:

Table 4.3: Education level attained by respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma	7	13.7	13.7	13.7
	advanced diploma	11	21.6	21.6	35.3
	First degree	25	49.0	49.0	84.3
	Masters and above	8	15.7	15.7	100.0
	Total	51	100.0	100.0	

Source: Field Data (2013)

Table 4.3 above shows that large number of respondents involved under the study were bachelor degree holders where 49% were first degree holders, followed by advanced diploma 21.65%, Masters 15.7% while diploma holders were 13.7%.With these findings, it is evident that majority of respondents held a level of education which allowed them to be in a position to share their experiences on what their companies real did on corporate social responsibilities.

4.3.4. Respondents' Work Specification

To ensure that only respondents with direct link to what their companies were doing under their Corporate Social Responsibility (CSR) were involved in the study since not everyone in the company had a direct link with the companies' CSR. The findings are shown in table 4.4 below:

Table 4.4.Respondents' Work Specification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Assistant CSR officer	7	13.7	13.7	13.7
	Head of CSR/managers	11	21.6	21.6	35.3
	operational officer	25	49.0	49.0	84.3
	Customer care staffs	8	15.7	15.7	100.0
	Total	51	100.0	100.0	

Source: Field Data (2013)

Table 4.4 above shows that the study used 13.7% assistant CSR officers, 21.6% were head of CSR/project managers/coordinators, 49% Operational officers, while 15.7% were customer care staffs. Thus, from the above findings it is observed that the distribution of respondent by work specification involved almost large part of staffs who were the main part who dealt with CSR projects either in implementing, or designing of the key projects that needed to be undertaken by their company hence, these findings are expected to reflect the true picture of the role of Corporate Social Responsibility on development projects.

4.3.5. Respondents' Working Experience on CSR Issues

The researcher was also interested on understanding the number of years used by employees from mobile telecom companies on dealing with corporate social responsibility issues. The intention was to see if the respondents under the study real understood CSR issues. Findings are shown in table 4.5 below:

Table 4.5 Respondents' working experience on CSR issues

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 2Years	11	21.6	21.6	21.6
	2-4 Years	20	39.2	39.2	60.8
	Above 4 Years	20	39.2	39.2	100.0
	Total	51	100.0	100.0	

Source: Field Data (2013)

Table 4.5 above shows that distribution of respondents by number of years they had been working with the CSR comprised of 21.6% less than one year, 39.2% 2-4 years while 39.2% more than 4 years. From these findings it is observed that majority of respondent had worked for the period of more than 2 years and above hence, the study, suggestively used well experienced respondents who were capable of telling what was real happening with the CSR and various development projects.

4.3 Findings Per Each Research Objective

This part shows findings based on the three research objectives. The study was guided by the following objectives: To assess the main drives that trigger multinational telecommunication companies to engage in CSR practices in Tanzania. To assess main strategies companies used in implementing CSR in the communities. To make analytical comparison on the strategies and targets that companies consider in implementing CSR. Findings are shown in the section below:

The Main Drives that Trigger Multinational Telecommunication Companies to Engage in CSR Practices in Tanzania.

Respondents' were asked to express their degree of awareness with the existence of Corporate Social Responsibilities (CSR) at their company and whether they ever involved in undertaking various CSR activities. Thereafter, they were asked to tell drivers towards the implementation of CSR. Findings are shown on the following sections:

4.3.1.1 Awareness and Participation on CSR

Respondents were asked to express their degree of awareness as well as participation level towards carrying out activities falling under CSR. The intention was to see if respondents were aware and had ever involved in undertaking CSR function within their company. Findings are recorded in table 4.6 below:

Table 4.6 Awareness and participation on CSR

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Aware but never involved on it	5	9.8	9.8	9.8
	Aware and involved on it	44	86.3	86.3	96.1
	Completely unaware of CSR	2	3.9	3.9	100.0
	Total	51	100.0	100.0	

Source: Field Data (2013)

Table 4.6 above indicates that when respondents were asked to express the awareness level as well as their participation levels with the CSR they showed that 9.8% were aware but never involved on it, 86.3% were aware and involved on it while 3.9% were completely unaware with the existence of Corporate Social Responsibility (CSR) at their company.

Findings from table 4.6 above shows that large number of respondents involved under the study were aware and involved under the CSR almost 96.1% hence the study had used relevant respondents with CSR experiences.

4.3.1.2 Main Drivers Towards Implementation of CSR Projects

The study was much interested on understanding the key drivers that make multinational telecom companies in Tanzania to engage in corporate social Responsibilities. To ensure respondents were free and open to tell without any force behind, they were given open ended questions to list down whatever they thought was the main force towards the CSR. Findings are recorded in table 4.7 below:

Table 4.7.Main drivers towards implementation of CSR projects

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	To meet political and economic expectation	3	5.8	5.9	5.9
	Reputation and image building	8	15.4	15.7	21.6
	Strategic and competitive forces	10	19.2	19.6	41.2
	Paying back to society	6	11.5	11.8	52.9
	Founding purpose	3	5.8	5.9	58.8
	Expectation of the community	12	23.1	23.5	82.4
	Law and political pressure	9	17.3	17.6	100.0
	Total	51	98.1	100.0	

Source: Field Data (2013)

Table 4.7 above indicates that when respondents were asked to tell what they real thought were the drivers towards the implementation of CSR projects at their telecom companies they listed out the following drivers: 5.9% to meet political and economic expectations, 15.7% for reputation and image building, 19.6% for strategic and competitive forces, 11.8% paying back to society, 5.9% founding purpose, 23.5% to meet expectation of the community while 17.6% to meet the law and political pressure. Multinational telecom companies in Tanzania are required by the investment laws and acts to provide health insurance and generally acceptable good/safe conditions of work under provisions of the Employment Act of 1999, Occupational Health and Safety Act 2003

From table 4.7 above it is observed that largely, the drivers towards the implementation of Corporate Social Responsibilities projects (CSR) are to a large extent for the benefit of their company. Companies that need to build and maintain favourable mention by the public as well as building political, social and economic acceptability need to invest much on the community. Failure to do so may give chance to new competitions that may position themselves in the mind of their opponents hence, enjoying the economies of scale. This is evidenced by huge investment in CSR projects by Vodacom Tanzania about 11Billions, Zantel in Epiq Bongo star search, Tigo under environment, health and school supports as well as Airtel with so many projects all over the country supporting physical and social infrastructures.

The findings based on interview suggest that favourable working conditions and health insurance are considered to be among the important CSR aspects for multinational telecom companies as they are used as strategy for motivating and retaining productive employees. “A critical component of our responsibility to the employees is the health programme, through which medical coverage is extended to our employees, their spouses and dependants” (Respondents from Tigo).

‘My company is committed to providing a challenging and rewarding working environment in which employees can realize their full potential and contribute to its business success. They respect the dignity of their employees and have adopted policies which aim to eliminate any form of discrimination, harassment or bullying against our employees’ (Respondent from Zantel).

Likewise, in case of Vodacom, it was expressed that ‘Vodacom is committed to diversity in a working environment where there is mutual trust, respect and where everyone is accountable for their own actions and feels responsible for the performance and reputation of our company’ (respondent from Vodacom Tanzania) Furthermore, ‘Bharti Airtel claims to instill values of social commitment and responsibility among its staff by encouraging employees to participate in community work and to start initiatives of social dimension’ (respondent from Airtel).

4.3.2 Main Strategies Companies Use to Implement CSR in Communities

Research objective number two aimed to assess main strategies companies use to implement CSR activities. The intention was to know strategies used by telecom companies in implementing CSR. Findings are shown on the section below:

4.3.2.1 Existence of CSR Strategy

Respondents were asked to tell if their company had any strategy of implementing corporate social responsibilities. Findings are show in table 4.8 below:

Table 4.8 Existence of CSR strategy

Valid	Yes	50	96.2	98.0	98.0
	No	1	1.9	2.0	100.0
		51	98.1	100.0	

Source: Field Data (2013)

Table 4.8 above shows that 98.8% of all respondents agreed that their company had different strategies of implementing Corporate Social Responsibility (CSR). However only 2% of all respondents disagreed. The implication we found from these findings is that largely respondents acknowledge the presence of CSR strategies within their companies.

4.3.2.2 Strategy Used by Tigo Tanzania in Implementing CSR Projects

Respondents from Tigo Tanzania were requested to tell strategies they were using to implement CSR. To attain this, respondents were given a set of four statements to chose their strategy or otherwise list others. Findings are recorded in 4.9 below:

Table 4.9 Strategy used by Tigo Tanzania in implementing CSR projects

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Initiating new projects	4	7.7	30.8	30.8
	Supporting government efforts	7	13.5	53.8	84.6
	Combating negative impacts to society	2	3.8	15.4	100.0
	Total	13	25.0	100.0	

Source: Field Data (2013)

Table 4.9 above indicates that Tigo Tanzania uses the following strategy or techniques to implement corporate social responsibilities: 30.8% in initiating new projects for instance water supply to communities, 53.8% supporting government efforts and 15.4% combating negative impacts in the society.

4.3.2.3 Strategy Used by Vodacom Tanzania to Implementing CSR Projects

Table 4.10 below show strategies used by Vodacom Tanzania

Table 4.10 Strategy used by Vodacom Tanzania in implementing CSR projects

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	initiating new projects	4	7.7	30.8	30.8
	supporting government efforts	4	7.7	30.8	61.5
	Combating negative impacts to society	5	9.6	38.5	100.0
	Total	13	25.0	100.0	

Source: Field Data (2013)

Table 4.10 above indicates Vodacom Tanzania uses four main CSR strategies: 30.8% initiating new projects such as supporting rural communities with solar energy in their community schools and dispensaries; again, Vodacom is now implementing a Vistula based project to support mothers from all over the country to fight this probem, 38.5% combating negative impacts to the society, respondents showed that people claim that telephone towers had negative impacts to nearby community hence, to seek acceptance by the society they have invested on community based projects near their towers, moreover others 30.8% show that they are supporting the government in its effort of bringing development to people.

From the above findings it is observed that like tigo, Vodacom also is using similar strategies that are targeted towards solving social problems as well as supporting the existing government in attaining its development goals.

4.3.2.4 Strategy Used by Airtel Tanzania to implement CSR Projects

The researcher involved 13 respondents from Airtel key personnel who were dealing with the CSR in explaining strategies used by their company in executing the CSR issues. Findings are shown in table 4.11 below:

Table 4.11.Strategy used by Airtel Tanzania in implementing CSR projects

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Responding t disasters	4	7.7	33.3	33.3
	working with community	7	13.5	58.3	91.7
	Combating negative impacts to society	1	1.9	8.3	100.0
	Total	12	23.1	100.0	

Source: Field Data (2013)

Table 4.11 above indicates that 33.3% of their strategy based on responding to disasters such as flood, Mbagala and Gongo la Mboto explosions where they said they used a lot of money in supporting victims, Others were working with community in community based activities while others were combating negative externalities resulting from their activities or activities of others in supporting the global efforts of making the environment clean.

The findings above show that, similarly, CSR used by airtel Tanzania is used for supporting the community to increase social wellbeing as well as supporting global and local development initiatives.

4.3.2.5 Strategy Used by Zantel Tanzania to Implementing CSR Projects

The following are strategies used by Zantel Tanzania in supporting the community through CSR.Findings as shown in table 4.12 below:

Table 4.12 Strategy used by Zantel Tanzania in implementing CSR projects

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Responding t disasters	5	9.6	41.7	41.7
	Promotion of local talents	5	9.6	41.7	83.3
	Combating negative impacts to society	2	3.8	16.7	100.0
	Total	12	23.1	100.0	

Source: Field Data (2013)

Table 4.12 above shows that Zantel Tanzania has various strategies of implementing CSR ranging from 41.7% responding to natural disasters, 41.7% promoting local talents where they have invested more than 500m for Epiq Bongo Star Search for the purpose of developing young boys and girls' talents. Moreover, they have various strategies targeted to combating negative externalities affecting the society.

The implication we can derive from the above findings is that almost all telecom companies have similar strategy of dealing with society based problems. Moreover, findings show that they have invested largely in ensuring that CSR is practiced to give back part of their profits.

4.3.2.6Motivating Factors towards CSR

Respondents were given a set of questions to rate how important were each attributes in motivating their companies to implement CSR. The findings are shown below:

Table 4.13: CSR policy improves competitiveness

CSR Policy Improves Competitiveness	Frequency (N)	Percentage (%)	Mean	Standard deviation
Agree	14	27.5	**3.7338**	**1.50745**
Strongly agree	19	37.3		
Not sure	3	5.9		
Disagree	12	23.5		
Strongly disagree	3	5.9		
TOTAL	**51**	**100**		

. Source: Field Data (2013)

Corporate social responsibility implementation provides social and political legitimacy within the multinational telecom companies within the country, this was indicated by 62.7% of the respondents who strongly and generally agreed on the statement with mean score value of 3.2129 which implies that respondents believe that their companies implement CSR for social and political legitimacy which is in line with Carol philanthropic principle **(Table 4.13)**

Table 4.14: CSR gives us social and political legitimacy

CSR gives us social and political legitimacy	Frequency (N)	Percentage (%)	Mean	Standard deviation
Agree	24	47.1	**3.2129**	**1.99434**
Strongly agree	8	15.6		
Not sure	1	1.9		
Disagree	7	13.7		
Strongly disagree	11	21.6		
TOTAL	**51**	**100**		

Source: Field Data (2013)

Results of the study has further indicated that majority of the respondents about 60.8% strongly and generally agreed that CSR implementation improves company's financial performance as they perceived that through CSR activities multinational telecom companies attract and retain their customers hence, increasing their sales volume and hence, business performance. This was perceived with mean score value of 2.78, while 39.2% of the respondents had different views on the statement and they indicated that CSR implementation does not improve company's financial performance as they contribute back into the society **(Table 4.14)**

Table 4.15: CSR improves company's financial performance

CSR improves company's financial performance	**Frequency (N)**	**Percentage (%)**	**Mean**	**Standard deviation**
Agree	16	31.4	**2.7795**	**1.91739**
Strongly agree	15	29.4		
Not sure	-	-		
Disagree	9	17.6		
Strongly disagree	11	21.6		
TOTAL	**51**	**100**		

Source: Field Data (2013)

On the other hand, results of the study have shown that 64.8% of the respondents strongly and generally agreed that CSR implementation helps their companies to improve their image and reputation within the country. This was indicated by mean score value of 3.0646 while 34.3% of the respondents disagreed on the statement. This suggests that multinational telecom companies in Tanzania build their image and company's reputation through implementation of CSR activities.

Table 4.17: CSR helps to improve company's image and reputation

CSR Improves Company's Image and reputation	Frequency (N)	Percentage (%)	Mean	Standard deviation
Agree	19	37.3	**3.0646**	**1.55546**
Strongly agree	14	27.5		
Not sure	-	-		
Disagree	12	23.5		
Strongly disagree	3	11.8		
TOTAL	**51**	**100**		

Source: Field Data (2013)

Despite the fact that respondents mentioned that existence of CSR policy was in line with social and political legitimacy within their companies or improves their competitiveness or financial performance build their company's image and reputation; the researcher went further to assess the main strategies that are implemented by the multinational telecom companies in relation to their CSR drives. In a set of five statements representing 1="Not at all", 2="To a minor extent", 3 ="To a moderate extent", 4 = "To a major extent" respondents were requested to indicate their level of perception on CSR strategies used by their companies. Findings of the study indicated that these strategies are grouped based on the business performance in competitive marketing, caring for customer and community and workplace factors.

Multinational telecom companies in Tanzania operate under high competitive environment and each company struggles for profit making since the law requires them to practice CSR activities and give back to the community. This category was aimed at stressing the importance of businesses making sufficient profits for their survival and growth to be able to serve societal needs. Respondents were asked whether they believed profit maximization to be a strategy for the organization of CSR practice and findings indicated that respondents agreed that to some extent companies maximize profit in order to practice CSR activities and this was accompanied with a mean of 3.16 and a standard deviation of 1.419 **(Table 4.17).**

The researcher observed responses in this category as a clear representation of the need to keep customers happy which is central to sales growth which may in the end enhance profit.

Table 4.18: Profit maximization as strategy for CSR implementation

Profit maximization	**Frequency (N)**	**Percentage (%)**	**Mean**	**Standard deviation**
Not at all	12	23.5	**3.1658**	**1.41908**
To a minor extent	14	27.5		
To a moderate extent	13	25.5		
To a major extent	12	23.5		
TOTAL	**51**	**100**		

Source: Field Data (2013)

Respondents further, indicated that to a large extent they used corporate image as strategy for CSR implementation with mean score value of 4.3200 which suggests that multinational telecom companies implement different strategies to improve their product and services through investment in modern equipment and technology, rebranding of the logos as a way of repositioning in the market and improving on corporate image, streamlining operations to reduce on wastage and costs, coming up with new products **(Table 4.18)**

Table 4.19: Corporate image as strategy for CSR implementation

Corporate image	**Frequency (N)**	**Percentage (%)**	**Mean**	**Standard deviation**
Not at all	9	17.6	**4.32**	**1.019**
To a minor extent	10	19.6		
To a moderate extent	15	29.4		
To a major extent	17	33.3		
TOTAL	**51**	**100**		

Source: Field Data (2013)

Apart from the feelings that companies invest much on building their corporate image and reputation, respondents also indicated that companies implement CSR strategies so as to enhance customers' loyalty through which they maintain and attract more customers. This was perceived with a mean score value of 3.8058 **(Table 4.19).**

Table 4.20: Customer loyalty as strategy for CSR implementation

Customer loyalty	**Frequency (N)**	**Percentage (%)**	**Mean**	**Standard deviation**
Not at all	14	27.5	**3.8058**	**1.1131**
To a minor extent	19	37.3		
To a moderate extent	6	11.8		
To a major extent	12	23.5		
TOTAL	**51**	**100**		

Source: Field Data (2013)

CSR practices has many dimensions including that one which focuses on employee responsibilities in which respondents agreed to a greater extent that their companies promote diversity of workforce and follow strict procedures to stop any form of discrimination in the workplace. This was perceived with a mean score value of 4.0455 **(Tale 4.20).**

Table 4.21: Diversity of workforce as strategy for CSR implementation

	Frequency (N)	Percentage (%)	Mean	Standard deviation
Not at all	8	15.7	**4.0455**	**1.0279**
To a minor extent	23	45.1		
To a moderate extent	10	19.6		
To a major extent	10	19.6		
TOTAL	**51**	**100**		

Source: Field Data (2013)

Respondents on the other hand indicated that their companies set procedure in place to respond to every customer complaints; this is achieved through 24 customer care services in which customers call and get assistance all the time. Respondents rated this statement with mean score value of 3.6870 **(Table 4.21).**

Table 4.22: Compliance customer complaints as strategy for CSR implementation

	Frequency (N)	Percentage (%)	Mean	Standard deviation
Not at all	13	25.4	**3.687**	**1.16887**
To a minor extent	17	33.3		
To a moderate extent	9	17.6		
To a major extent	12	23.5		
TOTAL	**51**	**100**		

Source: Field Data (2013)

4.3.3 Analytical Comparison on the Strategies and Targets that CompaniesConsiders in Implementing CSR.

Objective number three aimed at making analytical comparison on the strategies and targets that companies consider in implementing CSR; the comparisons were made based on their responsibilities. Respondents were asked in the interview which CSR activities had been committed to CSR by the corporations they work for. Results in this section are presented based on the interview responses and establishment of the common themes. Findings of the study revealed that multinational telecom companies in Tanzania employ corporate philanthropy CSR approach. This includes monetary donations in areas such as education, housing, health, social welfare, sports and entertainment and the environment.

Table 4. 23 CSR approach implemented by companies

	Philanthropy
Tigo	Well being, education and environment.
Vodacom	Programmes covering education, health and welfare as well as safety and security
Zantel	Nurturing Talent, Community Help, Education, Health and building meaningful relationships with our stakeholders through engagement
Airtel	Education, health, communication and environment

Source: Field Data (2013)

80% of the respondents during interview agreed that their company had provided funding to the community's well being. This was also confirmed in the annual reports of these companies where it was found that researched companies were involved in sponsoring number of projects and campaigns.

4.3.3.1 Airtel CSR Approach

In education sector, Airtel has been sponsoring education through Shule yetu project from 2009. The main areas has been providing teaching aids including books to more than 900 schools and reduce the gap of books per student from 1:10 to 1:5 and they have a target of reaching to 1:3 ratio. They have managed to provide more than 32 form six best top 8 boys and girls who were selected to join universities in the country and 16 graduates who are now working in reputable corporate organizations in the country. They support the inter universities quiz competition, called Airtel

Africa Challenge which is now at regional level with universities from over 10 African countries participating. The competition provides knowledge and builds relationships for our future leaders.

In the health sector, Airtel has supported the annual Geita Gold Mine Kilimanjaro Challenge; that aims at supporting the fight against HIV/AIDS, by collecting funds through Mount Kilimanjaro hike.

Communication sector: As part of millennium development goals to provide quality health care services, Airtel has partnered with Earth Institute & Ericsson and establish millennium village in Tabora. The company has demonstrated their commitment by "providing telecom services to 240 personnel in the Millennium Village in order to support the smooth operation of this project. Airtel Tanzania has in addition provided emergency numbers that they believe will improve access to health care, education and emergency services at Mbola village."

Airtel and Ericsson have also upgraded Airtel's existing infrastructure around the Lake Victoria and build an additional 21 radio sites to provide mobile coverage of up to 20 kilometers in the lake. Through this, Airtel has provided mobile coverage to over 90 percent of the fishing zones, where up to 5,000 people die each year from accidents and piracy. Also Airtel employees contribute to any charity of their choice in terms of time, skills, knowledge or money, improve the quality of education provided in the rural areas, to underprivileged children, working hand in hand with the governments.

4.3.3.2 Tigo CSR Approach

Tigo has a strong CSR program that supports a wide range of activities within the focus of education, health/wellbeing and environment, so as to contribute in improving lives of many people in community that it serves.

Health CSR targets; through Tigo together, Tigo is supporting CCBRT's activities in detecting and treating childhood eye problems (mainly cataract) and funding of the training for healthcare providers in basic emergency obstetric and neonatal care.

Today, only 16 per cent of children in Tanzania under the age of five are registered with civil authorities the goal beingto rapidly increase this number (UNICEF, 2012). Mobile birth registration; Tigo Tanzania has partnered with UNICEF and RITA (Registration Insolvency & Trusteeship Agency) to develop and pilot an innovative mobile application to register children under the age of birth registration by allowing Mothers to send their child data from their mobile phones via SMS to a receiving server with a central database in RITA.

Encouraging Entrepreneurship; through ‘reach for change’ program where customers can win their business startups through purchasing of the airtime from 1000 Tshs. Also they support women entrepreneurs by educating them on financial literacy and providing them with small-scale loans via mobile financial solution Tigo Cash. This enables thousands of women to increase their earnings and have the possibility of sending their children to school, access good healthcare and have the means to provide for their families.

Tigo has partnered with the Non Profit Organization Reach for Change; they focus on identifying and strengthening the best social entrepreneurs in the local community. These social entrepreneurs are provided with financial support, but most significantly mentorship from our employees who are well equipped to provide business knowhow, marketing skills, technical competence or any other relevant support they require to bring their project to realization.

Facilitating Education and Training; Tigo provides learning materials, they use their infrastructure to connect remote areas and draw on the experience of their people to mentor children in school. Through ‘Tigo Tuchange’ is a programme where Tigo customers contribute money by buying airtime through TigoRusha during a designated hour for education assistance campaign. Any airtime purchased during this hour is the amount Tigo contributes towards the initiative.

4.3.3.3 Vodacom CSR Approach

Vodacom Tanzania through its Vodacom foundation, has participated into community responsibilities in various ways including support and sponsorship of projects. The Vodacom Foundation has supported over 120 projects to date, ranging from fundraising for the awareness and eradication of fistula in Tanzania, the provision of teaching facilities to schools, the economic empowerment of women in rural areas to the provision of water to communities in semi-arid areas; For safety and security through Serengeti Wild Dogs Project; The Vodacom Foundation is supporting the Serengeti Wild Dogs Conservation Project, the first corporate-backed conservation project in Tanzania. They are collaborating with the government and Tanzania Wildlife Research Institute to bring wild dogs, which have been nearly extinct since 1993, back to the Serengeti. Wild dogs are important part of a vibrant Serengeti ecotourism landscape. Monitoring their behaviour and education programs is helping create new jobs in Tanzania.

M-Pesa Women Empowerment Initiative; The Vodacom Foundation is guiding women in Tanzania to start businesses and enhance their small- and medium-sized enterprises through an innovative business training and money lending program. There has been a tendency among some women entrepreneurs who were issued with loans and instead of using the money for the intended purpose they go out buying clothes for themselves and buy alcohol for their husbands. As the project coordinator, the Vodacom Foundation encourages responsible use of loaned money, which is distributed and then repaid through M-Pesa; Vodacom's mobile phone money transfer service. Empowering women entrepreneurs is part of Vodacom's larger ethos of helping and improving the communities in which it does business.

Health sector initiatives: Moyo Campaign which is run in partnership with CCBRT hospital and has to date allowed 1365 women living with fistula to access life changing treatment as well as the M-Pesa Women Empowerment Initiative (MWEI) which seeks to ensure that rural and peri urban women are active players in the economy. In health and well being to both rural and peri-urban healthcare, Vodacom in partnership with Marie Stopes, provided a bus that is equipped with all the necessary telecommunications capabilities required to keep it in contact with the major health centers. Vodacom foundation provides support in skills improvements of service providers, and procuring contraceptive commodities for Kisarawe District in the Coastal Region.

4.3.3.4 Zantel CSR Approach

Zantel through ZNET project has offered free computer and internet training to masses in Mbagala area. This initiative helps to address the problem of internet penetration and consequently make internet services available to the entire community where ZNET café are available. Community help through health Zantel as part of Etisalatis helping theTanzanian government contribute towards two of the Millennium Development Goal 5 (MDG5) which seeks to reduce maternal mortality in childbirth by 75% and deliver universal access to reproductive health by 2015.Through Etisalat mobile Health pilot project with the support from Bill and Melinda Gates foundation implemented safe delivery project in Zanzibar whereby Zantel, established mobile banking accounts for the traditional birth attendants working with the project. After registering the TBAs with their mobile banking accounts, Zantel assisted with the project by opening pay points in the project areas and by providing training to the TBAs in use of their mobile banking service, Ezy-Pesa.

Zantel nurturing Youth Talent projects has implemented Epiq Bongo Star Search (BSS) which helps Tanzanian youths to achieve their dreams through Music. Also Epiq Open Mic is another platform for the youth of Tanzania aims at teaching youth the basics of music from the well-known music producer Marco Mathias Chali. Also Zantel has established a special budget under its Corporate Social responsibility program where regional and district leaders can apply for funds to cater for community projects such as water, education and health services.

4.4 Discussion of the Findings in Relation to the Literature Review

In the case of objective number one the study assessed main drives that trigger multinational telecommunication companies to engage in CSR practices in Tanzania. Findings of the study show that three main drives trigger multinational telecom companies in Tanzania to practice CSR activities namely, community, workplace and customers. The drives refer to philanthropic type activities and programs, in relation to the importance of ethical conduct, legal compliance, and economic viability. Respondents believe that CSR policies follow philanthropic approach in which they contribute the lasting benefits to the society through ethical and economic concerns, maintaining good relationship with the community while fostering business development, improving health of the community as well as social relevance and uplifting of the living standards.

This finding is in line with those reported by other researchers such as (Carol, 1991; Jamali and Mirshak, 2007; Gilbert, 2008; Mugisa, 2011) who found that multinational companies in developing countries engage in CSR activities as part of voluntary activities. Findings also suggest that multinational telecom companies in Tanzania are required by the investment laws and acts to provide health insurance and generally, acceptable good/safe conditions of work under provisions of the Employment Act of 1999, Occupational Health and Safety Act 2003. This is in line with the findings reported by (Katamba, 2008) and Bush (2005) who articulated CSR as not just about philanthropic/charitable giving; rather it is the whole way in which a company interacts with its employees through favourable working environment.

CSR as marketing strategy in which market is meant to perceive the organization as a pro-people company, make customers feel connected to the business thereby improving customer satisfaction and financial returns. In order to ensure that they focus on customer care training of the frontline staff to ensure that they are trained and equipped to enhance the customer experience and services, and to create a stronger bond and relationship between their companies and its customers. Gilbert (2008) found that companies use market place as one of the competitive environment. This finding also is in line with the Utilitarian theory which suggests that companies formulating strategies in the dynamic usage of natural resources of the corporation for competitive advantages mean while resuming social duties (Garriga and Mele, 2004).

The understanding of CSR in the multinational telecom companies in Tanzanian context thus seems anchored in the context of voluntary action, with the economic, legal, and ethical dimensions assumed as taken for granted. As articulated by one of the respondents ‘‘a company needs to be in tune with the societies and communities in which it makes a living; this implies going beyond economic, legal and ethical responsibility and aligning itself with the community in which it operates’’ (Head of corporate social responsibility). A similar conception of CSR was expressed by one of the respondents, highlighting that ‘‘we realize that we operate within a bounded space and that giving back to the community is of paramount importance; investing in the community implies a better environment to conduct our business’’ (Manager, Airtel). Another respondent articulated a similar view, noting that ‘‘we hold strongly to our civic responsibility and we strive to make a visible difference in our community’’ (CSR officer, Tigo).

These findings have indicated main four motivating factors for CSR implementation by multinational companies in Tanzania. Findings have shown that existence of CSR policy in line with social and political legitimacy within their companies improves their competitiveness with other multinational telecom companies, improves their financial performance building their company’s image and reputation. And through these factors multinational telecom companies employ different strategies such as profit maximization by offering of the affordable services and products targeting different customer segments, investment in modern equipment and technology, rebranding of the logos as a way of repositioning in the market and improving on corporate image, enhancing customers’ loyalty and promoting diversity of workforce and follow strict procedures to stop any form of discrimination in the workplace. These findings are in line with the Carroll (1991) who expressed economic responsibilities, such as being profitable, creating new products and services, and creating jobs, as the “first and foremost social responsibility of business”.

Approach to CSR combines a strong sense of responsibility with modern business sense and a commitment to: quality service for customers and a culture of continuous improvement; an emphasis on strong public accountability; responsible employment practices with well trained, well managed and motivated employees, who are fairly rewarded; contributing to community well being and playing a full role as a corporate social responsibility. Results from this research indicate that the CSR activities that were engaged by multinational telecom companies in the areas of the customer, employee, and community fit in the legal, economic, ethical and philanthropic aspects as highlighted by Carroll (1991). Good working conditions for the employees, disclosure requirements, sales growth, product quality and services fit in well with the economic and legal aspects while awareness campaigns, donations to the community, tree planting among others fit in well with the ethical and philanthropic aspects.

Apart from the philanthropic implementation of CSR approach, findings of the study have revealed that there is no strong regulatory pressure from the Tanzania Communication Regulatory Authority (TCRA) for creating an environment to the uptake of sustainable CSR activities to the community. As this was related to the CSR approaches and priorities taken by the companies, it was indicated that all of the companies engage themselves in education through contribution of teaching aids and sponsorship of the best students, health and economic empowerment except for Zantel Company which also implements talent nurturing in relation to lifestyle. These similarities and differences appear to be influenced by the institutional environment in which they operate.

The adoption of CSR by multinational telecom companies in Tanzania is in contradiction with the political theory suggestions by Davi's (1960) and Detomasi (2008) who argue that strategies firms choose to adopt CSR initiatives are conditioned in part upon the domestic and international political institutional structures present in the home market. Political theories further demonstrate the links between economic globalization pressures felt by the companies, domestic political structures where the companies are in, and CSR policies. Findings of this study have revealed that multinational telecom companies in Tanzania adopt CSR activities mainly as a function of social normative pressures in society, which account for the largely altruistic nature of CSR practices. In response to calls for business to address the dilemma of Tanzanian societies, CSR is primarily philanthropic, often employed on an ad hoc basis removed from the core functions of the companies

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This section presents summary results of the study followed by conclusions and recommendations as were drawn from the findings.

5.2 Summary of the study

The research aimed at assessing the role of CSR by focusing on what coerce companies' to engage in CSR, main CSR targets and processes for implementation within communities. Specific objectives of the study included, investigating the main drives that trigger multinational telecommunication companies to engage in CSR practices in Tanzania; assessing main strategies companies use to implement CSR in the communities and to make analytical comparison on the strategies and targets that companies consider in implementing CSR.

The study can be regarded as a combination of diagnostic and descriptive research design because it has tried to describe companies motivating drives towards CSR practices and compares companies' strategies in setting CSR targets on which quantitative and qualitative data were collected from a sample of 51 respondents whom were randomly selected from the population sample. Research questionnaires, interview guide and desk research were the methods used to answer the research questions arising from the stated objectives. The questionnaire and interview guide were used to collect primary data while publications and periodic reports were used as the source for secondary data. The researcher felt the methodology adopted for this research was appropriate to achieve the objectives of the study. Data analysis was done by SPSS where descriptive analysis was done to present descriptive data interpreted into frequencies, percentage, mean and standard deviations.

Findings of the study have shown the following to be key drivers towards the implementation of CSR projects to meet political and economic expectations, first, building company images and reputations, as a competitive strategy, paying back to the community, complying with the founding purpose, to meet society expectations, as well as complying with legal and political pressure.

Apart from that, the findings indicated main four motivating factors for CSR implementation by multinational companies in Tanzania. Findings have shown that existence of CSR policy in line with social and political legitimacy within their companies improves their competitiveness with other multinational telecom companies, improves their financial performance building their company's image and reputation. And through these factors multinational telecom companies employ different strategies such as profit maximization by offering the affordable services and products targeting different customer segments, investing in modern equipment and technology, rebranding of the logos as a way of repositioning in the market and improving corporate image, enhancing customers' loyalty and promoting diversity of workforce and follow strict procedures to stop any form of discrimination in the workplace.

More over the four companies seem to use the following strategies in implementing CSR function: Initiating new projects, supporting government efforts in already established projects, combating negative effects to the society, responding to disaster as well as promoting local talents in artistically and literary works.

Approach to CSR combines a strong sense of responsibility with modern business sense and a commitment to: quality service for customers and a culture of continuous improvement; an emphasis on strong public accountability; responsible employment practices with well trained, well managed and motivated employees, who are fairly rewarded; contributing to community well being and playing a full role as corporate social responsibility. Results from this research indicate that the CSR activities that were engaged in by multinational telecom companies in the areas of the customer, employee, and community fit in the legal, economic, ethical and philanthropic aspects as highlighted by Carroll (1991). Good working conditions for the employees, disclosure requirements, sales growth, product quality and services fit in well with the economic and legal aspects while awareness campaigns, donations to the community in the areas of education, health and wellbeing were the most frequently addressed community issues, which reflects the particularity of Tanzanian socio-economic conditions. But in most of the cited community projects, contributions were often one off events rather than long term projects and did not always relate to the core competencies of the company. In these instances, CSR was altruistic in nature according to Carroll (1991) categorization on philanthropic aspects.

5.3 Conclusion

A growing body of evidence from this study as well as from other researchers asserts that a company can do well if it incorporates CSR strategies in its core business activities. Well-known companies have already proven that they can differentiate their brands and reputations as well as their products and services if they take responsibility for the well-being of the societies and environments in which they operate. These companies are practicing Corporate Social Responsibility (CSR) in a manner that generates significant returns to their businesses.

Telecommunication companies in Tanzania have played a major role in supporting minor projects while earning a lot from citizen. It is high time that these CSR projects are directed to key society problem such as shortage of water areas, dispensaries school facilities and infrastructures as well as special audit on the useful of the fund allocated for such projects.

5.4 Recommendations for actions

Main Drivers for CSR Implementation in the Community

Multinational telecom companies focus on customers, community, workplace and market place main drives on which they follow philanthropic, economic, social and political legitimacy principles. Respondents regard corporate social responsibility as philanthropic approach with minimal public awareness. It can be recommended that the increase in publicity and attention towards CSR will likely continue and there is need for leaders and corporations to protect their reputations in the eyes of stakeholders. Pressure to address problems arising from CSR comes from: NGOs, investors, governments, suppliers, customers, employees, regulators and the media. All these raise questions whether companies are living up to their Vision and Values in regard to environmental and social responsibility and whether organizations actively demonstrate CSR. At first, corporations did not believe that these groups could have any real influence on corporate behaviour, but there is now increasing awareness that a company that does not deal with environmental and social risk factors may damage its value in the market. It is important to note that, consumers, or customers are not always end users but may be clients, or other companies in supply chains whoever they are, reputation matters.

CSR Approaches Used by Corporations in Practice

The area defined by advocates of CSR increasingly covers a wide range of issues such as plant closures, employee relations, human rights, corporate ethics, community relations and the environment. Responsible companies engaged in CSR should carefully consider their response to economic, environmental, and social issues. These can range from how an organization selects and markets its products or services, manages and remunerates its employees, takes responsibility for its supply chain, interacts with local communities, and addresses environment health and safety and well being.

5.5 Recommendations for Further Study

The study recommends for the following areas to find more about CSR from telecom mobile companies in Tanzania:

Investigative Study on the Transparency of the Projects

Investigative study on the transparency of the projects undertaken by CSR is important. The study is needed to investigate the honesty, transparency as well as compliance with audit issues. Many o projects which are undertaken by these companies are claimed to have been allocated a substantial amount of money than what has been done in the actual area. The study like this will assist in determining key gaps that need to be taken care of.

Assessing Factors Considered for CSR Project to be Established

Generally, criteria necessary for the project to be allocated to the specific group of people are unclear as well as unknown to majority of citizen. This calls for another study to identify and make them clear to everyone since every community needs these projects

REFERENCES

Amaeshi, K. M., Adi, C.B., Ogbechie, C., and Amao, O.O., (2006), Corporate Social Responsibility in Nigeria: western mimicry or indigenous influences?

Arnold, S, et al. (2012), Shaping Corporate Social Responsibility in sub-Saharan Africa; Guidance Notes from a Mapping Survey. Eschborn, Germany: Deutsche Gesellschaftfür Internationale Zusammenarbeit (GIZ) GmbH.

Bagwacha, M.S.D., Mbele, A.V.Y., and Van-Arkadie, B., (1992), *Market Reforms and Parastatal Restructuring in Tanzania*, (Dar es Salaam: Economics Research Bureau).

Bagwacha, M.S.D, and Melyoki, L. (2005), 'Determinants of Effective Corporate Governance in Tanzania', PhD Thesis Submitted at the University of Twente, Netherlands, http://doc.utwente.nl/50856/ (accessed on 21 January 2013).

Banerjee, S., (2007), Corporate *Social Responsibility: The Good, the Bad, and the Ugly*. (Edward Elgar Publishing, Inc.

Banerjee, S., (2008), 'Corporate Social Responsibility: The Good, the Bad, and the Ugly', *Critical Sociology*, 34(1):51-79.

Bijleveld, A., Joanne C., Kanika M., Mark H., Seiji M., and WouterV., (2007), Tanzania and the added value of business for development; Economics and Management in Developing Countries.

Carroll, A. B.: 1979, _A Three-Dimensional Conceptual Model of Corporate Performance_, The Academy of Management Review 4(4), 497–505.

Clarkson M,(1995): "A stakeholder framework for analyzing and evaluating Corporate Social Performance, Academy of management review. 20: 92-117.

Detomasi, D. A. (2008). 'The political roots of corporate social responsibility". *Journal of Business Ethics, 82, 807-819.*

Doing Business in Tanzania: 2011 Country Commercial Guide for U.S. Companies.

Elias,Z.L. & Shaba, G. 2011. *Partnership landscape: Country profile* DeutscheGesellschaftfürInternationaleZusammenarbeit (GIZ) GmbH.

Emel, J., Makene, M. H. &Wangari, E. 2012.*Problems with reporting and evaluating mining industry community development projects: A case study from Tanzania.* [Online] http://www.mdpi.com/2071-1050/4/2/257

Festo, M., (2009), Incentive Package for Foreign Direct Investment (FDI) In Tanzania, TAKNET Policy Brief Series No. 03/2009.Economic and Social Research Foundation

Freeman, R. E. and Phillips, R. A. (2002). Stakeholder theory: A libertarian defense. *Business Ethics Quarterly*, 12(3), 331-349.

Garriga, E. and Mele, D. (2004) Corporate social responsibility theories: Mapping and territory. *Journal of Business Ethics*, 53, 51-74.

Gilbert, E. V., (2008), An Insight into Corporate Social Responsibility in Kenya, a Masters dissertation presented to the University of Nottingham in part consideration for the degree of Master of Arts (MA) in Corporate Social Responsibility.

Hall, A. (2010), Tanzania's Gold Sector: From Reform and Expansion to Conflict. Available online at http://www.fess-global.org/Publications/issuebriefs/Tanzanias_Gold_Sector.pdf

Ismail, M., (2009), Corporate Social Responsibility and its Role in Community Development: An International Perspective. *The Journal of International Social Research Volume 2 / 9 Fall*pp 200-209.

Jensen, M. C. (2002) Value maximization, stakeholder theory, and the corporate objective function. Business Ethics Quarterly, 12, 2,235-256.

Kalyar, M.N., Sabir, H.M., Ahmed, B., and Zaidi, H.R., (2012), Factors Affecting Corporate Social Responsibility: An Empirical Study from

Pakistani Perspective. *Interdisciplinary Journal of Contemporary Research in Business*, Vol 3, No 10, February. Available online at http://www.ijcrb.webs.

Killian, B.M., (2006), 'Globalization Demands and the Governance of Tanzania's Response: A Myth of National Policy Ownership', in Msambichaka, L.A, Mwamba, N.E., and Mashindano, O.J. (eds.), *Globalization and Challenges for Development in Tanzania*, Tanzania: Dar es salaam University Press, pp.557-585.

Lauwo, S., (2011), 'Analysis of Corporate Social Responsibility (CSR) and Accountability Practices in a Developing Country Context: a Study of the Mining Industry in Tanzania', unpublished thesis, University of Essex.

Lauwo, S. and Otusanya, O. J., (2012), Corporate Social Responsibility Reporting in a Developing Country Context: Rethinking the Role of Government Regulatory Controls and NGOs Activism in the Mining Sector of Tanzania.

Lundsgaarde, E., Funk, E., Kopyra, A., Richter, J. &Steinfeldt, H. (2012),*Private foundations and development cooperation: Insights from Tanzania.* GIZ

Mitchell, R. K., Agle, B. R. and Wood, D. J. (1997). Towards a theory of stakeholder identification and salience: Defining the principle of who and what really counts, *Academy of Management Review*, 22(4),853-886.

Mmuya, M., (2000), 'Constitutional Debate, the Status of then Union and Decentralisation', in Engel, U., G. Erdmann and, A. Mehler (eds.), *Tanzania Revisited Political Stability, Aid Dependence and Development Constraints,* Hamburg: Institute of African Affairs.

Ngowi, H. P., (2007), 'Economic Development and Change in Tanzania Since Independence: The Political Leadership Factor', conference paper presented at the African Association for Public Administration and Management, 29th AAPAM Annual Roundtable Conference, Mbabane, Swaziland, 3-7 September 2007.

Ngowi, H. P., (2012), What does it take for Tanzania to benefit from foreign investments? Available online at http://www.thecitizen.co.tz/business/13-

local-business/21107-what-does-it-take-for-tanzania-to-benefit-from-foreign-investments.html

Proti, P., (2012), Corporate Social Responsibility and Sustainable Development NTUI, *Scholarly Journal of Business Administration, Vol. 2(6)* pp. 68-75 August, 2012Available online http:// www.scholarly-journals.com/SJBA

Rukonge, A., (2006),theSocio-economic Impact of Transnational Corporation on Mining Community and Artisanal Small-scale Miners; A case study of Mererani Tanzania, A Published Master's thesis in Development and International Cooperation submitted at the Jyvaskyla University. Available online at http://www.URN_NBN_fi_jyu-2007220.pdf

Secchi, D. (2005). The Italian experience in social reporting: An empirical analysis. *Corporate Social Responsibility and Environmental Management*, 13, 135-149.

Secchi, D. (2007). Utilitarian, managerial and relational theories of corporate social responsibility. *International Journal of Management Reviews*, 9, 4, 347-373.

Shergill, S.S., (2012), Consumers Perception towards the Corporate Social Responsibility: A Case Study of India. *European Journal of Business and Management* Vol 4, No. 4, 2012. Available online at www.iiste.org

Shivji, I.G., (1976), *Class Struggles in Tanzania*, New York Monthly Review Press.

SID, (2009), 'The Extractive Resource Industry in Tanzania: Status and Challenges of the Mining Sector', Society for International Development, Nairobi: Kenya, available at, http://www.sidint.org/PUBLICATIONS/571.pdf (accessed 23 January 2013).

Tansheq report, (2012), JK launching the Presidential Award on the Extractive Industry Corporate Social Responsibility and Empowerment Programme (CSRE), Speech by His Excellency Dr. Jakaya Mrisho Kikwete, President of the United Republic of Tanzania, held At Hyatt Kilimanjaro Hotel on 28th February, 2012. Available online at http://www.tansheq.com/jk-launching-the-presidential-award-on-the-extractive-industry-corporate-social-responsibility-and-empowerment-programme-csre/

The Guardian online news, Cellphone firms should show that CSR matters, Editor on 25th May 2012. Available online at http://www.ippmedia.com/frontend/index.php?l=41936

UNCTAD, (2009), ‘World Investment Report: Transnational Corporations, Agricultural Production and Development’, (United Nations, New York and Geneva).

Wangwe, S. &Charle, P. 2010. *MDGs-based planning in Africa: Lesson, experiences and challenges.* United Nations Economic Commission for Africa (UNECA).

APPENDIX I: QUESTIONNAIRE

Dear Respondent,

Re: Request to fill this research questionnaire.

I am conducting an academic research that will enable me complete my Masters degree of Mzumbe University. The research is entitled: “The Role of Corporate Social Responsibility in Social Development Projects; A Case of Multinational Telecommunication Companies in Tanzania”. I am contacting you because I trust that you are a very resourceful person who can give me some information based on the questionnaire below. The information and responses that you provide, are solely for academic purposes and they shall be treated with the necessary confidentiality.

I therefore request you to fill this questionnaire.

Fortunata Justine

MBA - Corporate Management

Section A: Personal information

1) Gender: (i) Male ( ) (ii) Female ( )
2) Age: 16-25 ( ) 26-35( ) 36-45 ( ) 45 and above ( )
3) Status/Position within organization: ………………………………..
4) How long have you been working for this company? ……………………………
5) Educational Qualifications: ……………………………………………
6) Professional Qualifications: ………………………………….

Section B: Main drives force multinational telecommunication companies to engage in CSR practices in Tanzania.

7) Please express your awareness with the presence of corporate social responsibility in your mobile telecom company(Tick the answer of your choice)

(a) Aware but never involved on it ( )

(b) Aware and involved on it ( )

(c) Completely unaware of CSR ( )

8) Please list main driving forces behind your company Corporate Social responsibilities

…………………………………………………………………………………
…………………………………………………………………………………
…………………………………………………………………………………
…………………………………………………………………………………
…………………………………………………………………………………
…………………………………………………………………………………
……………………………..

9) How important are each of the following motivating factors for your company?

(Please tick or circle: 1 = Unimportant, 2= Moderate, 3= Important, 4 = Very important)

(i) CSR policy improves competitiveness ………………………………1 2 3 4

(ii) CSR gives us social and political legitimacy …………………………..1 2 3 4

(iii) CSR improves our financial performance …………………………..1 2 3 4

(iv) CSR is morally the 'right thing to do'…………..……………………..1 2 3 4

(v) CSR mitigates risks ……………………………………………..1 2 3 4

(vi) CSR helps improve the company’s image ……………………………..1 2 3 4

(vii) CSR enhances company innovation …………………………………1 2 3 4

Section C: Approaches to CSR

10) What issues does your CSR policy target? (Please choose **ALL** that apply)

(i) Health ( ) (ii) HIV/AIDS ( ) (iii) Pollution ( ) (iv) working conditions ( ) (v) Water ( ) (vi) Environment ( ) (vii) Job creation ( ) (viii) Human rights ( ) (ix) Transport and infrastructure ( ) (x) Education ( ) (xi) Fair market prices ( ) (xii) Others……………………………………………………………………….

Section D: Main strategies companies use implementing CSR in the communities

11. Do you have any strategy for implementing CSR in your company?

(a) Yes ( )

(b) No ( )

12. Please indicate to what extent you agree with the following statements with reference to your CSR processes and practices from strongly disagree to strongly agree: (Please tick or circle :))

Where 1= Strongly disagree, 2= Disagree, 3 neither,4= Agree and 5 strongly agree

(a) Tigo Tanzania

(i) Responding to natural disasters ( )

(ii) Opportunity seeking strategy ( )

(iii) In enhancing firm competitiveness ( )

(iv) Supporting government efforts ( )

(v) Others …………………………

(b) Vodacom Tanzania

(i) Responding to natural disasters ( )

(ii) Opportunity seeking strategy ( )

(iii)In enhancing firm competitiveness ( )

(iv)Supporting government efforts ( )

(v) Others …………………………

(c) Zantel /Part of Etisalat

(i) Responding to natural disasters ( )

(ii) Opportunity seeking strategy ( )

(iii)In enhancing firm competitiveness ( )

(iv)Supporting government efforts ( )

Others …………………………

(c) Airtel Tanzania

(i) Responding to natural disasters ( )

(ii) Opportunity seeking strategy ( )

(iii)In enhancing firm competitiveness ( )

(iv)Supporting government efforts ( )

Others …………………………

APPENDIX II: INTERVIEW GUIDE

1. Does the company have a CSR policy? If yes, is this policy written down?

2. How do you find the CSR policies of the company?

3. What influences management's engagement in CSR?

4. Does Government have a role towards organizational behaviour?

5. Are there any specific regulations, statutory or otherwise that the company should comply with as regards CSR?

6. Of what value is engaging in CSR to the business?

7. What different approaches has management instituted in the practice of CSR?

8. In your opinion, does engagement in CSR have any impact on social development?

9. What effect has CSR on stakeholder relationships and satisfaction with the business' undertakings?

10. How does management incorporate CSR costs into the overall social development operations?

11. What more do you think the company should do to make better its CSR engagements?