

**CUSTOMER PERCEPTION ABOUT CORPORATE SOCIAL  
RESPONSIBILITY IN THE TELECOMMUNICATION INDUSTRY**

KNUST

By

**Daniel Boateng Kusi (BSc Planning)**

**A Thesis Submitted to the Department of Marketing and Corporate Strategy,  
Kwame Nkrumah University of Science and Technology in Partial Fulfillment of  
the Requirement for the Degree of**

**MASTER OF BUSINESS ADMINISTRATION  
(Marketing Option)**

**NOVEMBER, 2015**

## DECLARATION

I hereby declare that this submission is my own work towards the Master of Business Administration (Marketing Option) and that, to the best of my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

**Daniel Boateng Kusi**

Name of Student

Signature

Date

Certified by:

**Mr. Samuel Yaw Akomea**

Name of Supervisor

Signature

Date

**Dr. Ahmed Agyapong**

Head of Department

Signature

Date

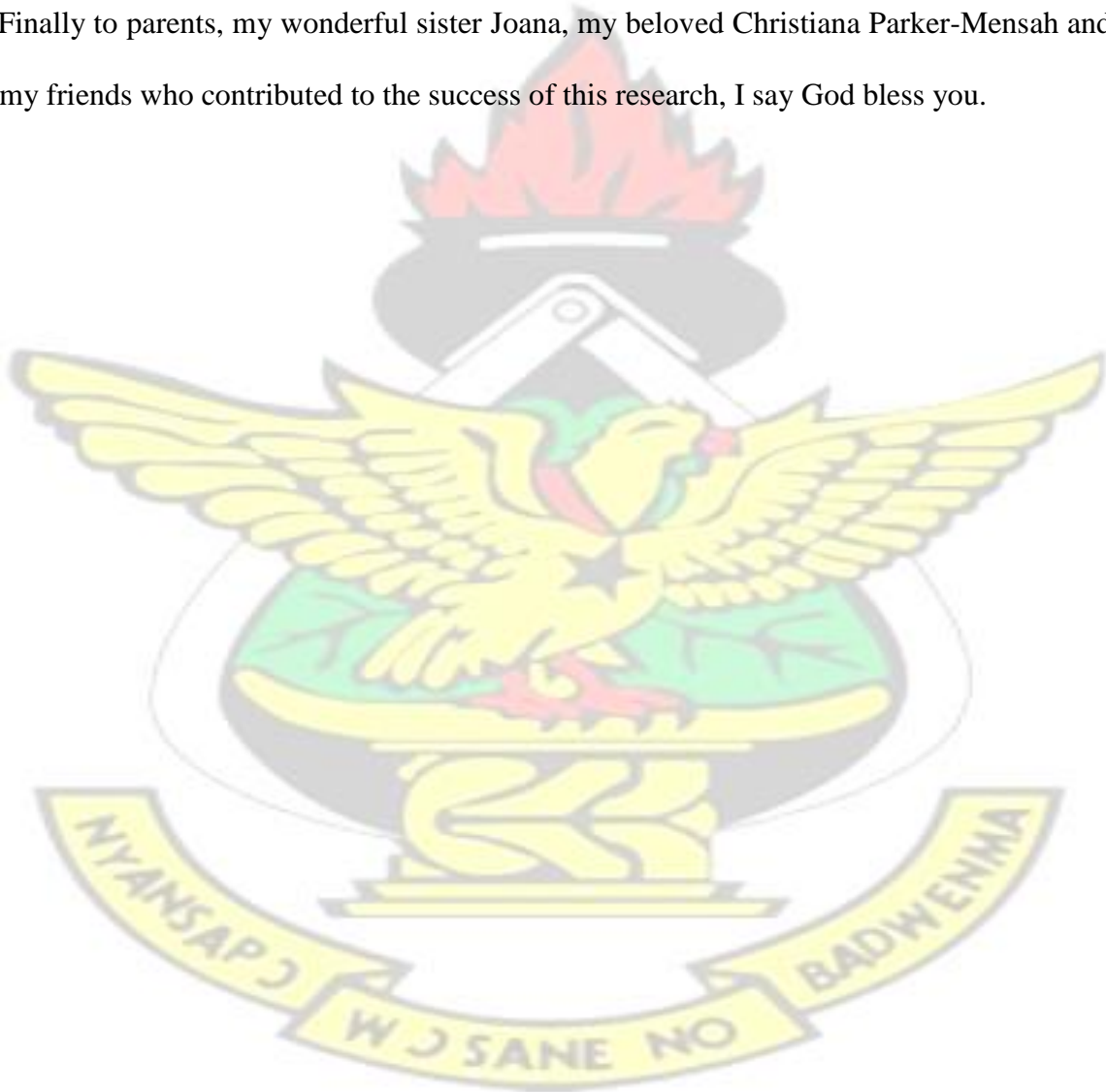
## ABSTRACT

In a highly competitive global market, mobile telecommunication companies must strive to present an image of themselves as companies that are very responsible socially. Active participation in socially beneficial programs provides extra advantages to the company. The research explores the perception of customers on the various Corporate Social Responsibility (CSR) activities of firms in the mobile telecommunication industry. Drawing on Carroll's pyramid, various dimensions of CSR activities are investigated. The importance placed by consumers is evaluated on the four responsibilities of firms – economic, legal, ethical and philanthropic. Based on primary data collected via a self-administered survey in Kumasi evidence is provided to show the perception of customers in the telecommunication industry. Findings from the study showed that according to the index, the highest rated activity was the offering of quality products and least rated activity was the reasonable return on investment. The study found out that according to customers, mobile telephone networks do not engage a lot in philanthropic activities such as response to natural disasters and community involvement. Philanthropic activities were averagely rated as the least activity engaged in by the companies. The study showed that the most important CSR activity was the offering of quality products; the next important activity was the issue of offering quality services. The least important activity was not engaging in corrupt activities. The study showed that the most important activity perceived by the customers was engaging in CSR economic activities. From the research findings it is recommended that mobile telecommunication companies should focus more on offering quality products and services to their customers.

## ACKNOWLEDGEMENT

To God be the glory great things He has done. I would like to thank my thesis supervisor, Mr. Samuel Akomea, for his invaluable insight and guidance throughout the project. I would like to express my sincere gratitude to my father in the Lord, Pastor Obed ObengAddae and the presbytery of Christ Cosmopolitan Incorporated for their support during the course of my studies.

Finally to parents, my wonderful sister Joana, my beloved Christiana Parker-Mensah and my friends who contributed to the success of this research, I say God bless you.



# KNUST

## TABLE OF CONTENTS

DECLARATION.....	2
ABSTRACT .....	ii
ACKNOWLEDGEMENT.....	iii
TABLE OF CONTENTS .....	iv
LIST OF FIGURES .....	vi
LIST OF TABLES .....	vi
CHAPTER ONE.....	1
GENERAL INTRODUCTION.....	1
1.1 Background of the Study.....	1
1.2 Problem Statement .....	2
1.3 Objectives of the Study .....	3
1.4 Research Questions .....	3
1.5 Significance of Research.....	4
1.6 Scope of Study .....	4
1.7 Research Methodology.....	4
1.8 Structure of the Study.....	5
CHAPTER TWO.....	6
LITERATURE REVIEW .....	6
2.1 Introduction .....	6
2.2 Corporate Social Responsibilities .....	7
2.3 The categories of CSR .....	12
2.5 Public Perceptions .....	26
2.6 Conceptual Framework .....	32
2.7 Summary .....	33



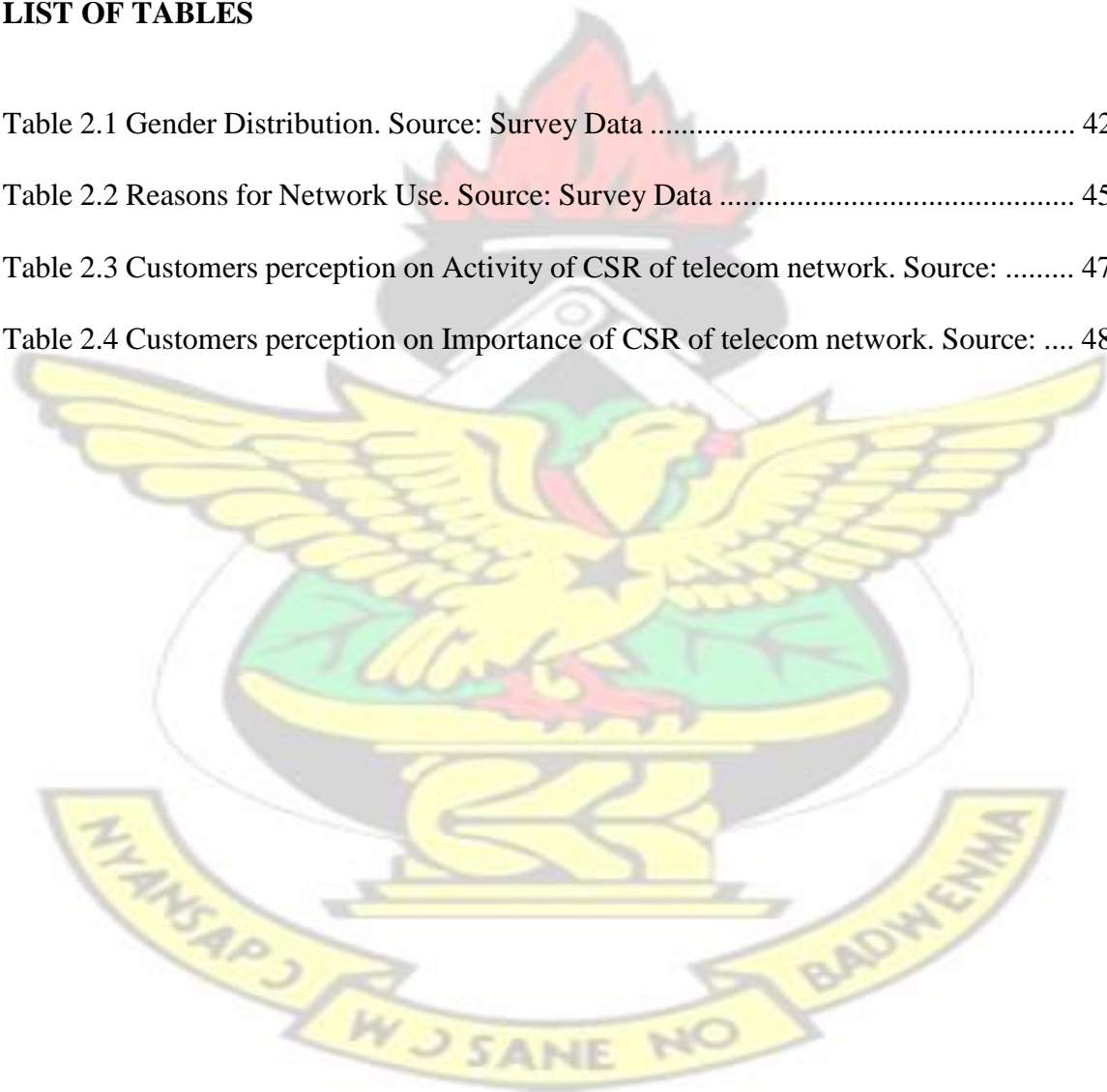
CHAPTER THREE .....	33
METHODOLOGY .....	33
3.1 Introduction .....	33
3.2 Research Paradigm .....	34
3.3 Sources of Data .....	36
3.4 Unit of Analysis .....	37
3.5 Population and Sample Frame .....	37
3.6 Sampling Size .....	37
3.7 The Sampling Technique .....	38
3.8 Data Collection Instrument .....	38
3.9 Pilot Testing .....	39
3.10 Data Analysis .....	39
CHAPTER FOUR .....	40
RESEARCH ANALYSIS AND RESULTS .....	40
4.1 Introduction .....	40
4.2 Analysis of Demographic Data .....	41
4.3 Customers perception on Activities of CSR of telecom network .....	45
4.4 Customers perception on Importance of CSR of telecom network .....	47
4.5 Conclusion .....	49
CHAPTER FIVE .....	50
CONCLUSIONS AND RECOMMENDATIONS .....	50
5.1 Introduction .....	50
4.6 Attaining the Research Objectives .....	51
4.7 Review of Objectives .....	52
4.8 Limitations of the Research .....	53
4.9 Direction for Future Research .....	54
REFERENCES .....	54
APPENDIX ONE .....	59
QUESTIONNAIRE .....	59

## LIST OF FIGURES

Fig. 2.1 Carroll’s CSR Pyramid. Source: Carroll (1991) .....	12
Fig. 2.2 Source: Carroll (1991) “The pyramid of Corporate Social Responsibility: .....	32
Figure 2.1 Area of Study. Source: Survey Data .....	43
Figure 2.2 Type of Network Use. Source: Survey Data .....	44

## LIST OF TABLES

Table 2.1 Gender Distribution. Source: Survey Data .....	42
Table 2.2 Reasons for Network Use. Source: Survey Data .....	45
Table 2.3 Customers perception on Activity of CSR of telecom network. Source: .....	47
Table 2.4 Customers perception on Importance of CSR of telecom network. Source: ....	48



## CHAPTER ONE

### GENERAL INTRODUCTION

#### 1.1 Background of the Study

Corporate Social Responsibility (CSR) has no concise definition. Different organizations have framed different definitions to answer two dimensions of their operational activities: the quality of their management – with respect to both people and processes; and the nature and quantity of their impact on the public in the various areas. Altschuller and Smith (2011) present the view that, stakeholders anticipate that companies will control the social and environmental effects of their activities. Many organizations have thus adopted corporate social responsibility (CSR) programmes in answer to these apprehensions. Companies around the world find themselves engaging in CSR for one reason or the other; either as strategic means of enhancing their brand image, which will usually in the long run establish and protect brand reputation (Catalyst Consortium, 2005) and build commercial goodwill for the company, or because of personal duty to help society (Smith, 2003). Though some of these programmes are integrated into the operations of the company, many more of such programmes are not made an integral part of the organization's operations but are simply taken as acts of charity, public reporting through newspaper and television media so as to create the impression that they are practicing CSR.

The telecommunications industry in Ghana has been advancing increasingly. In just 1996, the telephone density of Ghana was 0.26% meaning that there were 2.6 telephone lines for every 1,000 people including 35 payphones in the entire country. Out of this number, 32 of these payphones were situated in Accra (NCA, 2012). Currently, there is one phone for every four Ghanaians. This incredible upsurge in the tele-density has been a consequence



of the establishment of the National Communications Authority (NCA) in 1997 and the ensuing deregulation of the telecom industry.

The deregulation made the economic milieu more favourable and thus increased the prospects for ambitious entrepreneurs and large telecom companies to establish and increase the growth of wireless telephony resulting in significant investment by operators in Ghana. There are currently six GSM operators named in order of leading market share: MTN, VODAFONE, TIGO, AIRTEL, GLO MOBILE, and EXPRESSO and two fixed line operators VODAFONE and AIRTEL. The Global System for Mobile Communication (GSM) industry has provided employment to millions of the Ghanaian populace. Companies in the telecommunication industry in Ghana for example are seen as being involved in CSR activities. Their involvement in such activities is definitely for the good of the community and its members.

In line with the research topic, the effect of the various CSR strategies and activities of the telecommunication firms in Ghana is measured or tested by both the objective and subjective criteria. The research finds out about the perception (subjective) of the public specifically customers on the various CSR activities of firms in the communication industry - AIRTEL, ESPRESSO, GLO, MTN, TIGO, and VODAFONE.

## **1.2 Problem Statement**

Observing the corporate strategies and marketing activities of companies in the telecommunication industry of Ghana, it is noted that various dimensions of CSR activities are engaged in by these companies. Theoretically, existing models on CSR have provided an understanding of how these activities are expressed. The models also give insight into how companies should hold in high esteem the negative effects its operations bring into

the environment and also the needs of the community in strategizing the CSR activities to be of benefit to the society. The choice of CSR in corporate strategies by companies around the world serves as a means of enhancing their brand image, which will usually in the long run establish and protect brand reputation (Catalyst Consortium, 2005) and build commercial goodwill for the company. However due to personal duty to help society (Smith, 2003) the particular choice of CSR might not communicate the very reason for it which is social responsibility. Social responsibility among other things must be valued in the eyes of the society thus the need to research the customer's perception of CSR. The main objective of this study is to examine strategies and activities of corporate social responsibilities in the telecommunication industries and the customer perception about the activities of the companies.

### **1.3 Objectives of the Study**

- i. To identify CSR activities of Ghanaian telecommunication companies.
- ii. To ascertain the perception of customers concerning the level of frequency of CSR activities of the telecommunication companies understudy
- iii. To discover the perception of customers on the importance of CSR activities of the telecommunication companies

### **1.4 Research Questions**

- i. What CSR activities do Ghanaian telecommunication companies engage in?
- ii. What is the perception of the customer concerning the level of CSR activities of the companies?
- iii. What is the perception of the customer concerning the importance of various CSR activities of the companies?

### **1.5 Significance of Research**

The research has both a theoretical and practical significance. Theoretically, it augments the intellectual works in the developing country in this research area. This intellectual shortfall is addressed by testing the market based effect of CSR in the Ghanaian business setting. This will strengthen the literature of CSR with empirical evidence for the industry and the academia. Practically this study inspires top level management and corporate marketing managers to enunciate a firm's principal competencies in order to effectually draft CSR strategies that will grant competitive advantage of firms from other business organizations with comparable business proclivities. It will also help managers to make sure that the competencies communicated in their businesses are effectively positioned or constructed cognitively in the minds of stakeholders for effective differentiation of a firm's corporate image.

### **1.6 Scope of Study**

The research analysed the organizational CSR strategies in the mission statements and the observed activities CSR activities in the media of all the companies in the telecommunication industry – AIRTEL, ESPRESSO, GLO, MTN, TIGO, and VODAFONE. A survey is performed in Kumasi Metropolis among tertiary students on how the customer interprets these CSR activities.

### **1.7 Research Methodology**

The research combined both quantitative and qualitative research methods to achieve the objectives of the study. Qualitative instruments were used to analyse existing literature on concepts, theories and arguments on dimensions of corporate social responsibilities, perceptions of customers and competitive advantage for fundamental insight. The review

was based on scientific data from extant literature through journals, publications of corporate bodies and books.

From the literature review an informal interview was conducted on key personnel of the various telecommunications to elicit information on the CSR activities engaged by the firms. As a result of the information gathered, a questionnaire was subsequently formulated. The target population were all customers of the various telecommunication companies operating in Ghana. The questionnaires were sent out to the sampled customers to rate the level of frequency of CSR activities and its importance. A five point Likert scale was developed to achieve this. Using a purposive and convenience sampling approach a total number of 86 individuals were surveyed. Due to the objective of the study, a relative importance index was used to test the rating levels of the respondents.

### **1.8 Structure of the Study**

The dissertation is divided into five (5) separate but interconnected chapters. Chapter One contains a general introduction and background to the research. The problem is properly presented and the need for the research is explained and validated. The research aim, objectives, and scope are presented, and the research questions are formulated. After the short awareness into the topic of this thesis in chapter one, chapter two provided a thorough overview of the relevant literature in the decisive fields of the research by which fundamental insight to the problem is drawn. An explanation of the research design and its execution procedure was given in chapter three. Chapter four displayed the results of the survey which are discussed and interpreted. The main conclusion of the entire research work rounds up with the limitations and recommendations in chapter five.



## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Introduction

As a global concept, Corporate Social Responsibility (CSR) has been understood and practiced by companies in Ghana. CSR has no general definition, neither is there an exact theory to elucidate companies' CSR practices (Choi, 1999). Its capability and potential is to influence and make affirmative contributions to the advancement of society and businesses. Helg (2007) asserted that numerous definitions of CSR are coined to fit the related organization in order to incorporate economic, environmental and social aspects. It typically refers to transparent business practices that are premised on ethical values, conformity to legal demands and deference for people, communities and the environment (Catalyst Consortium, 2005). The impetus of several organizations in Ghana is the need to make increasingly high levels of profit to the disadvantage stakeholders. Some fail to respond sufficiently to the needs of host communities and the welfare of employees (cheap labour is often the preference) as well as to the protection of the environment and development of the community.

Research shows that CSR can cause an upsurge in the profit margin, sustainability, integrity and repute of any business that includes it in its strategy or policy. To have a just share of the total market, it is required of all marketing oriented firms to develop an attractive Corporate Social Responsibility (CSR) programme that can give it an urge to compete favourably. Thus, making corporate social responsibility the foundation on which they can display themselves to compete successfully to their merit. Numerous people have the belief that efforts at CSR made by organizations are simply campaigns to endorse and boost corporate brands. According to Carpenter *et al.*, (2010) some people have advanced



the criticism that CSR as employed by some organizations is but a shallow and insincere parade; sheer window-dressing.

The provision of corporate social responsibility is commonly found to be a part of the mission statement of most Ghanaian corporations. These corporations must have come to the realization that averring that CSR is one of their mission statements appeals to stakeholders in a unique way. Consequently, corporations are progressively taking greater cognizance of CSR and giving it more recognition. Many Ghanaians are illinformed of CSR; hence, anytime an organization does something out of the ordinary or 'grand' for the society, such an organization and its management are lauded for being kind, helpful and benevolent. Literature on CSR, Telecommunication and Ghana and public perception is reviewed to gain firm insight on the topic for further analysis.

## **2.2 Corporate Social Responsibilities**

CSR may be defined, consistent with McWilliams and Siegel (2001), as actions on the part of a firm that appear to advance the promotion of some social good beyond the immediate interests of the firm/shareholders and beyond legal requirements.

At every point in time, every society has had a certain level of expectancy that organizations would act dutifully, by some definition. As early as in the eighteenth century, the great economist and philosopher Adam Smith stated in his traditional economic model of business that the needs and desires of society could best be met by the unrestrained interaction of individuals and organizations in the marketplace. Participants in the marketplace are obliged to behave with all honesty and justice in their relations with each other in order to make a free market a realization. Then a century afterward, novel technologies occasioned more efficient production of goods and services, development of

large and powerful organizations and improved standard of living. The Industrial Revolution contributed to radical and exploitative business and societal policies of survival of the fittest. Owners of the large and powerful industries indulged in philanthropic activities but not as representatives of their companies. By the twentieth century, a counterattack against the large corporations had begun. The big businesses were disparaged as being overly powerful and engaged in practices that were antisocial and anticompetitive. Laws and regulations, such as the Sherman Antitrust Act, were legislated to restrain the big corporations and to safeguard employees, consumers, and society in general. The labour movement also called for greater social responsiveness on the part of business.

Though the character and range of corporate social responsibility has altered with the passage of time, CSR as a concept began in the twentieth century (Gray, 2000). In the 1960s and 1970s the idea was widely used in the civil rights movement, consumerism, and environmentalism society's anticipations of business. Society began to anticipate that business will willingly and freely take part in finding solutions to the problems of society whether they were responsible for the problems or not. Corporations were expected to exceed their economic and legal responsibilities and take responsibility for issues pertaining to the progress of society (Gray, 2000). The growth of CSR can be traced back to globalization and expectations that businesses or firms would fill the gaps left behind by failures of global governance (Frynas, 2005). From 1972 to 1973, the National Association of Accountant (NAA) in the USA had instituted a committee on Accounting for Corporate Social Performance.

### **2.2.1 Various Views of Corporate Social Responsibility**

One of the early works in CSR literature was by Bowen (1953) who wrote *Social*

*Responsibilities of the Businessman.* From thence, there has been an modification in terminology from the social responsibility of only business to CSR (Garriga and Mele, 2004). Beforehand, Carroll (1979) developed CSR theory with his conceptual model of corporate performance, which is commonly used among CSR scholars even now. (Arli and Lasmono, 2009). He stressed that social obligations ought to tackle the entire scope of duties business has to society. It must express or encompass the economic, legal, ethical and discretionary categories of business performance. Carroll (1979) proposes that companies should trail four components. The first component is economic responsibility. This speaks of the basic obligation of the business to make profit and grow bigger. The second component is legal responsibility. A business has to comply with the law and ensure its operations fit within the legal structure of the society in question. The third component is ethical responsibility. A business has must have regard for other people's rights and must conform to societal expectations of right, fairness and justice. The last and utmost component is philanthropic responsibility. A business ought to add to, assist and promote the community as a whole and enhance the value and worth of society (Snider et al., 2003). For instance, studies in marketing have acknowledged CSR as a business body's adherence to meeting the demands that could carry profit for the general community (Albinger and Freeman, 2000; Sen and Bhattacharya, 2001). The World Business Council for Sustainable Development (2006) has defined CSR as the sustained dedication of business to act ethically and promote the development of the economy alongside enhancing the worth and value of the life of the workforce and their relations plus that of the local community and general society. Studies in management have defined CSR as a company's dedication to operate in ways that are not only economically but environmentally sustainable, also taking cognizance of multiple stakeholder interests and making the most of economic, social and environmental values

(Matten et al., 2003; Waddock, 2004). Though there are still dissensions on any one definition of CSR, each definition is generally predicated on the conception that CSR pertains to how business takes account of their effects and bearing on the economic, social and environmental aspects of society by means of its mode of operation.

Many studies on CSR found human resource as the theme most recounted by corporations in the US, UK and Australia (Nafez and Kamal, 2000; Gray et al., 2001). As shown in the discourse above, previous studies on CSR were limited to definitions of the themes or dimensions connecting to CSR.

These dimensions were later expanded in empirical research associated with the quantity and observations on CSR disclosure, features of disclosure companies and reporting medium (Gray et al., 2001).

Nkanga (2007) postulated that CSR encompasses the devotion organizations exhibit to promote the economic development of a native community and the general society. This can be explicated as a tactical move that the corporate level of an organization assumes; the community in which its operations are centred is the primal focus through the provision of social intervention programmes such as sponsorships, sporting activities, recreational activities and social infrastructure such as social infrastructure such as schools, hospitals, roads, electricity and water supply.

Onwuegbuchi (2009) stated that “CSR is the deliberate inclusion of public interest into corporate decision making and the honouring of a triple bottom line of people, planet and profit”. This variously means that CSR policy involves self-regulation, obedience to rules and regulations, ethical standards, environmental responsibility and sustainability, consumers’ satisfaction, employee welfare, communities and the benefits of stakeholders.



An additional conceptual framework for understanding CSR is the implicit versus explicit CSR. Matten and Moon (2004) theorised that explicit handles organizational policies with the aim of bearing responsibility for what interests society while the implicit CSR is the formal and informal institutions of a country that provide corporations with a stipulated share of responsibility for the welfares and concerns of society. Implicit CSR encompasses ethics, norms and regulations which produce the demand for organizations to deal with areas considered vital by stakeholders.

Lohman and Steinholtz (2004) perceive CSR to be a grouping or blend of three distinct agenda namely; sustainability, corporate accountability and corporate governance. Sustainability suggests harmonizing the social, economic and environmental aspects of the world in order to avert imperilling subsistence in the long term. Corporate accountability pertains to an organization's reliability and integrity as well as its capability to manage resources efficiently. Corporate governance handles the way an organization is managed trustworthily and with dependability and lucidity.

Carroll (1991) showed that CSR comprises social responsibilities which are economic, legal, ethical and philanthropic. The economic side deals with accountability to profit; the legal constituent pertains to the society's expectancy from companies to abide by the rules and regulations of the land; the ethical dimension relates to the expectation society has for companies to accept values and norms; the philanthropic responsibilities pertains to companies being respectable corporate citizens. These stages are as described in Carroll's (1991) CSR pyramid. In view of this description, CSR takes the form of meeting legal requirements, upholding ethical values and engaging in philanthropy.



## 2.3 The categories of CSR

This study will analyse CSR in the concept of Carroll (1991) since all the above categories can be summarised in the four main categories of CSR.



Carroll's CSR Pyramid

**Fig. 2.1 Carroll's CSR Pyramid. Source: Carroll (1991)**

### 2.3.1 Economical responsibility

It begins with the traditional stage of economic responsibility, where an organization's only responsibility is to be profitable. McWilliams and Siegel (2001) delineated a theoretical model in which two companies sell like goods, only that one of the companies made the decision to include an extra "social" characteristic to its good. Consumer's stakeholders prize this social characteristic. In other words, companies concurrently evaluate the requirement for CSR and the cost of meeting this demand and then conclude on the ideal or optimum grade of CSR to deliver. As far as research is concerned, the papers by Baron (2001) and McWilliams and Siegel (2001) were the first to overtly model "profit-maximizing" CSR. Baron (2001) developed the phrase "strategic CSR." He defines

CSR as the “private provision of a public good.” Worth noting is the fact that Baron (2001) states that organizations contest for customers who have a sense of duty socially by clearly connecting their social contribution to the sale of products. An example of such strategic CSR is Ben and Jerry’s devotion to contribute 7.5% of its pretax profit to social causes. In this theory of the firm-based model, managers conduct a cost benefit analysis to decide the quantity of resources to devote to CSR activities/attributes. A primary inference of a theory of the firm/strategic perspective on CSR is the likelihood of this action being is likely to be fixed into the company’s business-level differentiation strategies.

For instance, a “hybrid” model of a Honda Accord produces a lesser amount of pollution as compared to a standard Honda Accord. Several consumers will think the hybrid car to be superior to the standard model. Other consumers are also willing to pay a price premium for the hybrid car, on the condition that the social characteristic of less pollution is something they consider to be of import to them. Other kinds of CSR investment pertain to the embracing of processes of production related to CSR, where the point of emphasis relates to the degree to which the firms’ production methods are socially responsible. Therefore, many natural food companies such as Hain Celestial Group Incorporated label their products indicating the usage of organic ingredients that are free of pesticides.

### **2.3.2 Legal Responsibility**

The next stage refers to the duty of businesses to be legally responsible in the way through which they obey the laws of the land of operation. As noted by Newson and Deegan (2002), the theory of legitimacy depends directly on the concept of social contract where businesses must prove their legal responsibility by operating by the codification of right and wrong of the location of operation. CSR therefore, can be regarded as a reaction to

factors in the environment that the company operates in, and pressure received from the society and stakeholders. It underscores how firms are reliant on their environment, the anticipations of the society that could change across time and the means by which firms attempt to justify their existence in society by making their activities legitimate (Cormier and Gordon, 2001; Tilling and Tilt, 2010).

Legitimacy theory is founded on the ground that organizations will indicate their legitimacy by divulging information in the annual reports (Cho and Patten, 2007). Many preceding CSR studies made use of legitimacy theory, although the outcomes were erratic (Wilmshurst and Frost, 2000). Companies use different strategies to make their behaviour legitimate (Cormier and Gordon 2001; Newson and Deegan, 2002), to administer their legitimacy that is projected to change over time or to manage pressure on them from the society (Thornton and Ocasio, 2008). This is because organizations consistently seek to make sure that they are seen as operating within the values of their respective societies and that their operations are perceived by societies as being 'legitimate'.

Cormier and Gordon (2001) delineated the clarification on the four comprehensive strategies of legitimacy used by organizations when their legitimacy is threatened. The first strategy is educating the society concerning the intent of the organization to step up its performance or change its operation. The second strategy is to change the opinions of society concerning the action of organizations without necessarily altering those actions (Cormier and Gordon, 2001). The third strategy is to redirect or sway the attention of society away from the matter concerned to other alternative matters. The last strategy is to modify society's expectations about the organization's performance. On the basis of the above tactics, the assumption is that legitimacy theory will explicate the organization's

behaviour that is disputed to affect the society and stakeholders' perceptions about the companies.

As legitimacy is a concept of social contract, society can be interchanged with all that the company concerns them as part of the organizations contract. Stakeholders theory has however been separated from legitimacy theory by some schools of thought as motivations for CSR disclosures. Stakeholder theory pertains to organizational management and ethics. Gray et al. (2001) argue that the legitimacy and stakeholder theories are neither distinct nor opposite, but they are perceived as coinciding perspectives between the political economy. What these arguments suggest is that the definition of 'social' is not clear as well as the definition of 'responsibility'.

Is 'responsibility' recommended in order to connect with legal requirements (e.g., Sarbanes-Oxley) or are corporations bound to a higher standard only shown in ex post? The flexibility of this consent is seen in the fact that societies differs with locations. Gray, et al., (2001) recognized that factors which formed CSR practices are cultural and national variances. The firms in US states which have more liberal governments engage in more corporate profit 'redistribution' than their counterparts in less liberal states (Liston-Heyes and Ceton, 2007), This implies that corporate social activity responds to a political purpose.

### **2.3.3 Ethical Responsibility**

Deegan (2006) uses stakeholder theory to explain the ethical level of CSR. According to him, ethical level relates to accountability model. It is based on the assumption that all stakeholders are entitled to fair treatment as well, the manager must administer the organization such that it profits all stakeholders. Deegan and Unerman (2006) additionally enunciate that, the obligations of the organization to a stakeholder is determined by the



effect of the organization on the life of that stakeholder rather than the degree of that stakeholder's power (economic) over the organisation.

Put differently, the stakeholders have fundamental rights (for example, to safe working conditions, fair pay, etc.) and these rights should not be infringed. This pertains as well to their rights to information on the way in which the organization is affecting them (Deegan and Unerman, 2006). The managerial division of stakeholder theory has made efforts to explicate management's reaction to demands from particular (typically powerful) stakeholders, that is, the means by which they should be managed if the organisation is to subsist. According to Philips et al., (2003), a stakeholder's power to impact corporate management is seen as a function of the stakeholder's level of power over resources needed by the organisation. Hence, activities of organizations, as well as public reporting will be directly correlated to the expectations of specific stakeholder groups; or as explicated by Gray et al. (2001), information is a chief aspect that can be utilized by the organization to manage (or manipulate) the stakeholder so as to win their backing and support, or to divert their antipathy and disapproval.

#### **2.3.4 Philanthropic Responsibility**

At the top of the pyramid is the matter of philanthropy, where businesses become good corporate citizens and use a portion of their profits for charitable causes. While it is difficult to ascertain managers' true motives for engaging in corporate philanthropy, we can study the impact of this activity. In particular, we examine a potential major consequence of corporate giving—the enhancement of market growth. Wood and Jones (1995) argue that particularly, organizations programs of philanthropy are meticulously designed to empower organizations to draw and keep customers, leading to increased market share in the long run. Noteworthy is the fact that although we emphasise market



share, we acknowledge that benevolent donations can bring about other economic profits, such as better-quality employee hiring or an upsurge in innovation.

Most organizations utilize the greatest percentage of their contributions on education. As expected, organizations that deal with health and human services are the main beneficiaries of pharmaceutical companies. Arts and cultural, environmental, and community causes also get considerable corporate support in the form of monetary and nonmonetary contributions, such as inventory, land, stock, and employee time. Organizations can directly donate to a charitable cause or through corporate sponsored foundations (Petrovits, 2006). Galaskiewicz (1997) and Marquis, Glynn and Davis (2007) discovered that while only 11% of the press releases examined were cause-related, these press releases produced 34% of the media impressions. For instance, Sears Roebuck evaluates that its \$50,000 product contribution to needy families, which was broadcast by a nationally syndicated television program, resulted in a surge of \$13-\$40 million in sales (Rochlin et al., 2001).

The debate over the legitimacy and effectiveness of corporate philanthropy particularly, is as old as corporate participation in such activities. The greater fraction of the research on CSR endeavours to empirically create a business case for such activities (Margolis and Walsh, 2001). Conferring from a study by the Committee to Encourage Corporate Philanthropy (2008), in spite of the extensive growth in corporate philanthropy over the past twenty years, it is still debated as some critics maintain that corporate contributions deplete shareholder wealth and disrupt the attention of managers, while others assert that the business sector is not giving satisfactorily.

If philanthropy promotes financial performance, then corporate charity is as economically permissible and acceptable as other business expenditures, such as research and development, capital expenditures, and marketing campaigns, and should be assessed

by traditional business decision tools (Capon, Farley and Hoenig, 1990; Roman et al, 1999). However, if corporate philanthropy is a dissemination of profits (shareholder funds), diverse considerations and criteria (social value measures) must be applied to assess giving activity (Margolis and Walsh, 2001; Orlitzky *et al.*, 2003).

Williams and Barret (2000) and Werbel and Wortman (2000) give evidence that charitable contributions are optimistically related to the standing of the firm. Philanthropy can enhance the reputation of a company and promote the loyalty of its customers, hence decreasing the price elasticity of demand. It can also raise consumer demand directly. These studies imply that firms use philanthropy to draw and maintain customers but only offer indirect evidence of a link between giving and financial performance (Fombrun and Shanley, 1990). Corporate philanthropy may improve shareholder value by increasing sales, raising the morale of employees and productivity (Greening and Turban, 2000)

Numerous studies document a favourable association between advertising and corporate philanthropy (Fisman *et al.*, 2006). For instance, Phillip Morris was disparaged for spending \$100 million to advertise \$75 million of charitable giving. Fisman, *et al.*, (2006) generated a model where philanthropy is an exorbitant signal of reliability when product quality is unobservable, and predict corporate philanthropy will be higher in industries where a firm's image is essential to customers.

Lastly, even if a firm's real motivation for being involved in corporate philanthropy is to increase the growth of revenue, it might not realize this benefit in the long run. Firstly, customers may become dissatisfied and embittered with a company's philanthropy if they see that the company is exploiting a good cause for purposes that are bottom line.

Understanding of individual consumers' perception regulates the relationship between charity and sales. Thus, if this mechanism is valid, we expect firms that engage in

philanthropy to have more loyal, satisfied customers, which, in turn, promotes market share growth

## **2.4 Telecommunication Industry in Ghana**

Business establishments generally, irrespective of scale of operation be it large or small are significant actors in advancing the development agenda of the nation. Generally, business interests that operate in the Ghanaian economic terrain are confronted with unique challenges of infrastructure, extending from poor road networks, high degree of cash transaction, difficulty in accessing of effective credit lines, environmental challenges, erratic and unreliable power supply, infrastructural limitations, deficient supply of essential raw materials, unreliable governmental machinery and policies among a plethora of daunting limitations. Such an atmosphere proves inimical to the thriving of businesses that operate here rendering many business firms anaemic of great success. In the face of this rather saddening tide of events, the telecoms sector rather remarkably has witnessed accelerated progression and prosperity. The sprouting success of the telecoms sector thus has positioned it as a substantial contributor to the nation's gross domestic product (GDP).

The upward journey of growth and significance of Ghanaian telecommunications industry is one that is outstanding and cannot be hidden under the bushel; in a rather short span of time, it has grown by leaps and bounds. A while back, the rampant access to a private line by individuals in the nation was unheard of. At the infantile stages of the

Fourth Republican economy that is in 1996, Ghana's entire the telephone density stood at a minute 0.26%. The implication of this historical fact of our economy was that for every 1,000 people there were only 2.6 telephone lines. This included the scanty 35 payphones in the entire spread of the nation of which 32 were dispersed across the sprawling capital,

Accra. This placed Ghana in the lowest rungs in the hierarchy of African nations telephone density. The story today is one to take great pride in; presently, for every three persons there is access to one telephone. The story of Ghana's pioneering role in the present telecommunication revolution on the continent is illustrious: As far back as 1992, it rolled out the premier cellular mobile network in subSaharan Africa. Ghana was in the company of the premier league of African nations to have connectivity to the information super highway: Internet; in addition to the introduction of ADSL broadband services. Furthermore, Ghana spearheaded the concept of market liberalisation and deregulation in Africa when it privatised Ghana Telecom (GT) as far back as 1996.

The upsurge in Ghana's tele-density coupled with the burgeoning of the telecoms sector into a vibrant economic force necessitated the institution in 1997 of the National Communications Authority (NCA) and in tandem, the deregulation of the telecom industry. The regulatory body is in charge of licencing, tariffs, interconnection, taxation, Mobile Number Portability (MNT), infrastructure sharing and Registration of subscribers. From that point, there has been no turning back with the emergence of one of Africa's most robust and spirited mobile markets in Ghana. Presently the turf of the telecoms industry has six key players, including regional giants such as MTN, Vodafone, Millicom (Tigo) and Airtel, formerly Zain until the India based Bharti Airtel took over the reins in 2010. Expresso is the fifth telecoms operating company. In 2012, with much infrastructure roll out and marketing fanfare, Nigeria based Globacom made its entry as the sixth mobile player beefing up the industry. Another milestone of the telecoms industry is the cessation of the monopolistic pricing of international bandwidth with the entrance of three new international fibre links between 2010 and 2012. This in addition to the national fibre-optic framework that the various networks have established has stirred up a revolution in



Ghana's broadband. It has also opened the floodgates for the seamless merging of technologies and services.

The growth of the subscriber base of the telecom players has not evolved without expense. Increase in subscription has come at the expense of the average revenue per user (ARPU) which has fallen below US\$5 per month for some of the players in the industry. A key feature of our telecoms industry is that saturation of the voice market peaked in mid-2012 at 90% penetration. There exists however great promise and budding prospects in both subscriber and ARPU terms for mobile data services. Presently Blackberry, Mobile TV and 3G mobile broadband services have been rolled out in the nation and they already represent the majority block of Internet connectivity in the country. The Global System for Mobile Communication (GSM) industry also provides mobile content and applications like money payments, money transfers and money banking as well as insurances, as well as electronic learning, government and commerce.

There has been the creation of a broad spectrum of employment opportunities by the GSM industry ranging from distributors or retailers of GSM phones recharge card sellers or GSM phone repairers. In all of this, ability to purchase a reliable mobile handsets as well as convenient access to a wireless service sums up being in touch for the consumer. Marginal changes have been experienced by all industry players with respect to their market share last year. As of January, 2013 the patronage of cellular/mobile voice services was 26,086,795 whereas a total number of 288,263 fixed operation subscriber (NAC 2013).

It is understood across sectors that the major pre-occupation of senior managers - attaining competitive advantages, is the most challenging issue of firms in the 21st century. Industries of the century including telecommunication compete in a complex and



challenging context that is continually transformed by many factors from globalization and the growing use of information technologies (Denisi *et al.*, 2003). In the telecommunication industry competitive advantage cannot be downplayed as such tools like quality, speed, innovation, leadership, time utility, place utility and various other factors matter a lot. In view of this a firm must endeavour to build a competitive advantage predicated on a sustainable competitive strategy.

Competitive strategy is seen as the plan of action or comprehensive series of steps which serves as the road map to making the business entity take a pole position in the industry. It considers both offensive and defensive actions aimed at empowering the business firm compete in the industry from a position of advantage in order to gain a superior return on investment for the firm. Thus deliberate pursuit of competitive strategies yields. In this vein, strategic steps such as corporate social responsibility as well as customer strategies such as customer relationship management, excellent/quality service delivery, cost leadership, distribution, differentiation and a host of others are of vital essence. This research focuses on Corporate Social Responsibility (CSR) as the competitive strategy in the telecommunication industry in Ghana.

The telecommunication industry provides applications and services that are both searchable and experience services. The NAC provides general information of all the operators concerning products, tariffs and other necessary information for making a choice of operator. However issues of corporate social responsibilities are informed by the firm as part of their corporate strategies and in their annual reports. Despite the challenges however, some telecommunication firms in Ghana are surviving and viable in bringing to pass CSR expectations. How well they thrive in doing this is another question. Whereas there is sufficient evidence of the impact of telecoms industry is on the lives and economy

of Ghanaians, the concern to ensure that lives and the environment are not compromised should not be swept under the carpet.

McWilliams and Siegel (2001) hypothesised on the propensity for a firm to engage in CSR; they opined that a firm selling an experience good is more likely to engage in CSR than a firm producing a search good. Experience goods must be used or consumed before their actual worth to the consumer can be established. Some samples of experience goods and services include vehicles, appliances, weight control programs as well as mutual funds. The advertisement of experience goods emphasises the reputé of the company for goods that are of high quality. Search goods and services however are readily assessed before their acquisition, and the greater percentage of advertisements on this wise encompass information about the accessibility and price of the product. Typical examples of search goods include clothing, footwear and furniture.

As well, it is likely that the kind of CSR practiced is made to suit the sort of experience goods sold by the organization or company. Some firms may therefore discover that it is more advantageous for them to employ a type of CSR that is more evident to the public. Such CSR tailored to be visible to the public could constitute substantial philanthropic donations, the avoidance of laying off workers or the adoption of ‘green’ purchasing policies. All these are actions that could possibly draw the attention of the public indicate social responsibility. For instance, certain prospective customers of a bank - which is categorized as the sale of an experience service – would probably focus more of their attention (at the margin) on the generous contributions of the organization to particular causes in the native community or how much its employment policies favour families than with characteristics of service quality or trustworthiness.

Sustainable development may be defined as development that provides for the prevailing necessities of the current time without diminishing or impairing the capacity of posterity to provide for their own needs. The making of profit must therefore not be the sole interest of firms; they must be concerned about values of society and the environment wherein they operate. The European Union's Green paper on CSR defined CSR as a "concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis" (Green paper promoting a European Framework for Corporate Social Responsibility, 2001).

Gray, *et al.*, (2001) asserted that the differing dynamics of culture and nationality shape CSR practices. Per Carroll's (1991) assertion, economic obligations will be at the peak of the ladder with the practice of CSR. Such obligations may encompass the development of the community hosting the firm, imbursements to national and local governments, the usage of indigenous suppliers, the hiring of indigenous labour, corporate governance, among many others. On the ladder, charitable giving comes after economic obligations. After this comes legal obligations and at the lowest level is ethical obligations. Amaeshi *et al.*, (2006) identified that native African firms practice CSR as corporate philanthropy to take care of the social and economic difficulties of the country. Numerous countries in Africa place premium on economic obligations as a result of the devastating impact of the vicious cycle of poverty on the continent and as such, philanthropy is ranked second in importance.

The European Foundation for Quality Management (EFMQ, 2004) stated that there are three aspects of CSR namely, social, environmental and economic. The aspect of social obligations pertaining to CSR pertain to educating and expanding indigenous labour, supplying the necessary know-how to community programmes, human rights, labour

rights, etc. The aspect of environmental obligations entail preventive tactics to avert or reduce negative impacts, backing for enterprises that encourage higher environmental responsibility, the creation and dissemination of technologies that are environmentally friendly. For example, the use of materials that are recyclable in lieu of dangerous solvents could be initiated to ensure the preservation of the environment. The leading law for the environment is Decree 86 of 1992 on Environmental Impact Assessment (EIA) which is obligatory for the development projects pursued by all private and public sectors..

Following McWilliams and Siegel (2000), the researcher includes market share as a measurement variable. The inclusion of market share is premised on the conception that investments in CSR performance in the right category may result in higher market share. Managers may spend firm resources on social categories that are not needed by the public thereby reversing the direction of causality. A size variable is added to control for the likelihood that big companies are more susceptible to pressure groups or the probability that there are economies of scale in CSR. McWilliams and Siegel (2000) note that it may be suitable to incorporate R&D investment in this equation, as CSR ought to be connected to the novelty of products and diversity in strategies, generally. Thus, equations of the following order are estimated.

In order to control the variables, firms are picked from the same industry and hence have similar background variables. The key issue with the firms is the input and output prices, and the particular category of social responsibilities (feature in its product and other social investments that it undertakes). The price differentials surface for the reason that a firm that includes a more expensive social responsibility is probable to charge a premium price (relative to its competitors) for its product.



## 2.5 Public Perceptions

As extension of perspectives gleaned from Bagnoli and Watts (2003), and McWilliams and Siegel (2001) models, the researcher analyzes that, consuming public demand for CSR is based on the notion that consumers are inclined in conviction that a dependable and honest firm will churn out better products thus, CSR is viewed by consumers as a prompter of such honesty and dependability. In direct opinion, we take the stance that consumers' view CSR operations as a reflection of the traits of the search and experience good sold by the firm. That is the reason why experience and search goods are more likely to be associated with CSR. CSR then becomes a form of product differentiation--a form of advertising to establish or sustain brand loyalty. Firms engage in CSR if it anticipates benefits greater than costs relating to the categorization of search and experience goods.

Philip Nelson (1970, 1974), who expounded the taxonomy of such goods is regarded as the originator of the notion of experience and search. His work was greatly extended by Liebermann and Flint-Goor (1996) who were of the same school of thought. Lancaster (1981) observed the section of the consumer public that place the highest premium on product information are consumers of high quality products. Such consumers, take cognisance that low prices are reflective of low quality however high pricing is does not necessarily confer premium quality on a product. Seeing that well-to-do consumers have a higher propensity to make demand high caliber goods, CSR as an indicator of product quality is likely to be related with high-end goods and services that generally produce higher profit margins. The producer of a search good such as food or furniture might choose CSR, e.g., to use pesticide-free ingredients or pledge not to use old-growth wood. In such an instance, the compelling reason for consumer preference will be to support the environment or a related social cause rather than regarding CSR as an indirect agent of soliciting product information.

Literature suggests that input and output prices, and background variables such as product type, market structure, and regulatory environment are the variables that are likely to influence a firm's decision to adopt a CSR stance. Bagnoli and Watts (2003) extend Baron (2001) by dissecting and expounding on the impact of the structure of competition in the marketplace for the private good impacts on CSR. It is assumed that when the consumer has perfect information about the product in the market, the consumer is of a ready disposition to pay since the firm produces a good or service with jointly provided advantages. A major conclusion of their research relates to the fact that social responsibility of a company increases when there is high competition in the market for the good or service.

Other papers (Baron, 2001; Feddersen and Gilligan, 2001) provide invaluable perspectives on the strategic significance of CSR, with respect especially to the role of asymmetric information. While observation of CSR attributes can be done easily according to some schools of thought, it is also agreed that in some instances assessment of a firm's performance on the social front comes with some difficulty for both consumers and other stakeholder. The level of information asymmetry with respect to internal functions can be solved by the firm itself or by activists. It is a well-known fact that certain corporate players publish their social responsibility works in their annual report; McDonalds, Motorola, and Nike fall in that category. The publishing of the social responsibility operations can be viewed as a form of advertisement especially when the CSR involved are of a general type. Even though in certain corporate circles this practice is hailed, elsewhere it is shunned. This is because it is deemed to be biased to present the company in a good light as it has been processed by senior management. Feddersen and Gilligan (2001) affirm that there is a way to go about this situation; that is to have public spirit activists furnish consumers with a public good, i.e., reliable information to aid the choosing of socially responsible firms.

### **2.5.1 Customer Loyalty**

Customer loyalty is attitude or behaviour of customer toward company product, brand, and service. It is a commitment to repurchase the goods of company within competitive environment. Research states that about seventy-seven percent of customer choice of a company's brand depends upon the company reputation in the social environment (Dagnoli, 1991). Customers always are in search of some benefit from the company, thus CSR tends to positively influence purchases by consumers (Maignan and Ferrell, 2004). CSR is usually undertaken by corporate firms by patronizing the activities of non-profit organizations and/or positive ethical practices. This usually leads to customer loyalty, which then influences customer behaviours by means of the percentage of purchase (Lichtenstein et al, 2004). Consumers have increasingly developed an interest in corporate social responsibility (Benezra, 1996) and consumers' perceptions of this responsibility directly impacts their convictions and responses to new products and services put out by a company (Brown and Dacin, 1997). A company which is socially responsible, research reveals that 88 percent of consumers are of a greater likelihood to make purchases from that company (Smith, 1996). People or consumers like those company which fulfil the social need of people. Company image come from the combination of a person's trust, feelings and impressions about a company (Van Rekom, 1997).

### **2.5.2 Purchase Intention**

The willingness and demand of a customer to buy a company's product or access a service on offer rises in sync with its CSR programmes (Brown and Dacin 1997; Sen and Bhattacharya 2001). As a matter of fact, when company's ethical behaviour exceed from customer expectation it will positive correlate with purchase intention of customer (Creyer and Ross 1997). In a broader perspective, consumers give more response to those



companies that conduct their business with a keen sense of responsibility socially and environmentally (Creyer and Ross 1997; Ellen et al 2000; Sen and Bhattacharya, 2001), and have adverse reactions to companies that are not (Barrett, 1996). Consumers increase the frequency of purchase of those products on which they have believed and trust to secure future. As (Pirsch et al, 2006), consumers are increasingly factoring companies' business practices and perceived values into their purchasing decisions (Sen and Bhattacharya, 2001). There is direct and indirect response of customer purchase intention towards CSR but when the effect was indirect, consumers purchase high quality product even at negative circumstances. Consumers have assumptions regarding the ethical conduct of corporate firms and this has a direct bearing on the purchase behaviour of consumers. (Creyer *et al.*, 1997). Findings concluded that the ethicality of a firm's behaviour is an important consideration during the purchase decision, ethical corporate behaviour is expected, they will reward ethical behaviour by a willingness to pay higher prices for that firm's product, and although they may buy from an unethical firm, they want to do so at lower prices which, in effect, punishes the unethical act (Nkanga, 2007).

The domain of the [Social Issues in Management Division] encompasses: the Social Environment (which deals with topics bordering on corporate social responsibility, corporate philanthropy, stakeholder management, and corporate social performance); the Ethical Environment (which has topical divisions such as corporate codes of ethics, corporate crime, individual ethical behaviour, the influence of the organization on ethical conduct, ethical implications of technology, and the assessment of personal values and corporate culture exist); the Public Policy Environment (whose scope covers issues such as political action committees, and the legal and regulatory areas); the Ecological Environment (which deals with the subject matter of environmental management and various ecological issues);[and] the Stakeholder environment (which relates issue of



impact of corporate use of technology, workplace diversity, corporate governance, and public affairs management). The vastness of this self-appointed task may be wholly valid statutory-wise and an embodiment of the stake of the members of that division but creates issues when one attempts to operationalize a definition that reveals when a corporation is or is not socially, ethically, politically responsible or acting in accordance with conflicting and confusing norms of a society. An all embracing attempt to conceptualize all these facets into one whole will result blurry and abstract concepts that are virtually Attempts to be all encompassing lead to overly complex fuzzy conceptualizations that are virtually impossible to substantiate or reject with empirical evidence. The science of corporate social responsibility thus loses out. I subsequently will make a case that CSR is no freebie despite contrary hopes that there is scanty if any logical or empirical evidence that more social activities conducted by corporations are likely to be socially enhancing and can be socially harmful. In other words, the search for the holy grail of CSR— “doing well by doing good” —is a lofty aspiration that is venerable in spirit but has no practical reality in day to day living. In respect of this I refer to an apt statement from Elizabeth Taylor: “The problem with people who have no vices is that generally you can be pretty sure they’re going to have some pretty annoying virtues”. The point I raise on this wise is, is the socially responsible corporation a myth? Corporations, inherently, have opposing virtues and vices that ensure that they will never be truly socially responsible by even the narrowest of definitions of the term. Even NGOs, with no professed vices, will possess very annoying virtues. This transcends the simplistic cognisance that multiple stakeholders with multiple agendas exist at multiple levels (Aguilera, et al. 2007). The position that I will herald subsequently is that CSR may not be de facto good or bad and that like any other organizational apparatus it lies in the plane of neutrality it is utilized in a specific situation by actors with vested interest. In this I am rehashing and emphasising the detailed and

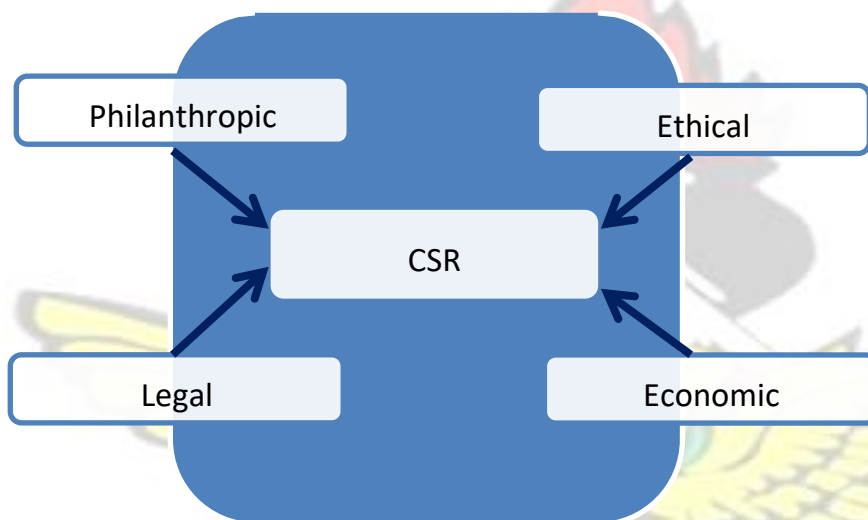
coherent critique of CSR made by Banerjee (2007) but doing so from a different angle. I commence with a caveat. I do not opine that individuals do not have ‘values’ and ‘beliefs’ that matter to them and that corporations and their managers do not have incentives—personal, professional and societal—to behave in ways that are ethical and positive to the society by some definition of what it means to be ‘ethical’. I am neither presenting a view of swallowing hook, line and sinker corporations and their structures for what they are: a sort of corporate equivalent to “boys will be boys”. Or that people—individually or in groups— playing their roles as managers, employees’ customers, social activists and so on, cannot make alterations to industry structures, organizational models or perceptions of the role of corporations through their activities (Waddock 2008). I distinctly opine that the any stance assumed by a firm and its management be it, social, ethical or otherwise, has trade-offs that cannot be swerved or ignored. Corporations can assume greater virtue on some dimensions (or by the definition of virtuousness by some individuals or groups), but this will without doubt result in a price on other dimensions (or a cost borne by those with other definitions of virtuousness). As these trade-offs are rarely going to be Pareto optimal, they will invariably involve a trade-off of values and a ‘judgment’ about what is ‘better’ or ‘worse’. CSR, like most aspects of life, has very few, if any, “win/win” outcomes.

Without a central focus on corporate philanthropy, related marketing research has revealed, in experimental setup, that corporate social responsibility regularly than otherwise provokes a tide of positive impact on the consumer and it creates an endearing bond with the brand. (e.g., Brown and Dacin, 1997; Sen and Bhattacharya, 2001). Luo and Bhattacharya (2006) reveal that corporate social responsibility, as measured by Fortune’s yearly subjective grading of the “most admired companies,” shows a strong positive linkage with customer approval and contentment. Furthermore, prior research (e.g.,

Anderson et al., 1994; Ittner and Larcker, 2001) has shown that customer satisfaction is connected to future fiscal performance. With the background of these studies, we postulate that customer satisfaction umpires the relationship between corporate benevolence and earnings.

## 2.6 Conceptual Framework

CSR theory (Carroll, 1991)



**Fig. 2.2 Source: Carroll (1991) “The pyramid of Corporate Social Responsibility: toward the moral management of organizational stakeholders”**

Philanthropic Responsibilities -

The goodwill and efforts to promote the welfare of others by willful generosity to socially centred purposes. It is a positioning to be good corporate citizens.

Ethical Responsibilities -

Activities and social conduct that are approved of or barred by society in line with its moral principles even though they are not enshrined in statute books.

Legal Responsibilities-

Business to adhere to the laws and regulations promulgated by the government as the criteria for operation by business firms.

Economic Responsibilities - Earn economic profit.

## **2.7 Summary**

Chapter two of this study has supplied a thorough overview of relevant literature in the decisive fields of the research. The various dimensions of Corporate Social Responsibility were explored and their interrelations to the impact of telecom organizations were investigated and presented.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1 Introduction**

Research methodology is understood as the comprehensive means to the design process commencing with theoretical underpinnings through the collection of data and analysis of the data (Collis and Hussey, 2003). This Chapter presents the methodology adopted for this study. As mentioned earlier on Chapter one of this report, the methodology involved desk survey (literature review), informal interview and survey questionnaires. Generally



the desk study has involved literature search for definitions and explanations to terms and theories associated with corporate social responsibility. The approach for data collection is introduced. Data analysis techniques employed are presented where the study heavily adopted descriptive statistics and relative importance index. The research methodology settled on for this research work conforms to the underlying conceptual definitions and was informed by appropriate philosophical traditions.

### **3.2 Research Paradigm**

There are issues with respect to the philosophical scheme and methodological procedure that have to be duly noted and regarded in a study. Philosophical questions of existence, knowledge, and value, have significant impacts in the research design (Koetting, 1996; Tashakkori and Teddlie, 1998). Consequently, there is need to have a good perspective and attend to philosophical issues of ontology, epistemology, axiology, and methodology as they definitely influence the preferences with respect to research instruments (Tashakkori and Teddlie, 1998). The term ontology is used to respond to the query on the kinds of entities that are present or are in existence in the world. Ontology thrives on dealing with questions pertaining to the actuality of a 'real' world that is not dependent of our knowledge; it is a theory of the nature and relations of being (Marsh and Stoker, 2002). According to De Vos (1998), ontology refers to the nature of reality and human behaviour. The ontological position can be objectivism or constructionism. Bryman (2001) posits that, whilst the objectivism is an ontological stance that intimates that social phenomena confront us as external facts that are beyond our reach of influence, constructionism rather connotes that social phenomena and their significance are continually being carried out by their social actors.

The philosophical position adopted for this research is objectivism. This is because in marketing management, the retail marketing strategies used by managers are formulated independently of the social actors thus the consumers (Gray et al., 2001). Consumers are only left with the act of choice making which is directed by their subjective reactions with respect to perceptions, attitudes and intentions towards the strategies adopted by the marketing managers. More so, the innovative retailing strategies exist as external facts that taper across the sphere of influence of the researcher. The strategic issues are objective realities and not constructions of the researcher. However, the subjective effect of the actors on choice making is of much importance to this study. Hence, the radicalism of the objectivism is unperfected by the subjective interpretations of the strategies and how it affects consumer behaviour.

Though individual interpretations of CSR in the telecommunication industry were collected and regulated to respond to the research question and objectives of this academic work, the research followed the positivists approach to knowledge. The research was conducted among customers (subjective); the behaviour of the customer is of great importance to this research as a result of the individual customer's interpretation of the telecommunication companies. A survey on customer perceptions, attitudes and intentions was structured objectively and measured statistically in the study. The exclusive utilization of nomothetic methodology was necessitated by the objective nature of CSR strategies coupled with the need for description of the relationships between CSR categories and perception of the public. The main research tool used in collecting data in this research is the survey so as to exempt the influence of the researcher's values. A structured and statistically controlled research analysing method was also used in analysing the data.

The axiological position adopted for this research was pragmatism. The researcher was of the view that the preference of what to study or how to study could be interrogated by both subjective and objective yardstick. Functionality is the main drive to methodology. The values of the researcher played no role in determining what were recognized as facts in the interpretations made to establish the magnitude of effect of retail store image on purchase intention.

The study used a quantitative research method for an accurate measurement and description of the various relationships and interrelationships that exist between and among consumer perceptions, attitudes and behaviours on CSR and market shares. The qualitative analysis led to the in-depth knowledge or understanding of the above relationships. The main variables were the categories of CSR and customer behaviour hence the customer perception of CSR.

### **3.3 Sources of Data**

In undertaking this research, the statistical information which served as the empirical evidence for the work was gained from both primary and secondary sources. The composition of the secondary sources consulted for this work spans review of relevant literature from sources such as journal articles, books, published and unpublished thesis and reports. Primary data is from the field survey and the secondary data is literature from worked papers, journal and annual reports from the telecommunication networks. An initial step conducted in the study and which informed the questionnaire design was the informal interview of key personnel (customer relation officers) in the various mobile telecommunication companies. Having identified the major categories of CSR from the literature review, the interview sought to identify CSR activities mostly undertaken by the

mobile telecommunication companies. These informal interviews led to the identification of 13 activities which were subsequently used for the survey.

### **3.4 Unit of Analysis**

Unit of analyses are the customers of the telecommunication industries in Ghana and the telecommunication companies.

### **3.5 Population and Sample Frame**

A population denotes the complete set of cases or elements from which a sample is taken (Saunders *et. al.*, 2007). The population for this study consisted of adults who are customers of the telecommunication networks in Ghana. The estimated population of Kumasi Metropolis according to the 2010 census by the Ghana Statistics Service is 2,035,064 (GSS, 2012). However the targets are the adults as they will be true reflection of users of the GSM that will consider CSR. The entire population was considered to be too large by the researcher considering time and funds as limitations. Hence, a sample size was used.

### **3.6 Sampling Size**

Sampling is defined as a process of selecting a section to represent a whole. In most instances it is impractical to conduct a census as conducting a census could be very expensive and time consuming. A sample size of 384 at a confidence level of 95% was estimated. Considering a 90% response rate, the actual sample size was 426, made up of customers of the telecommunication industry in the Kumasi Metropolis. Data was analysed appropriately.



### **3.7 The Sampling Technique**

The sampling techniques employed in this research for the selection of the respondents were convenient and purposive. The respondents were purposively selected because specific data and information were needed by the researcher to measure the involvement level of the respondents which was one of the moderating factors to the effect of store image on purchasing behaviour. Purposively, as Champion *et. al.*, (2010) recommended, age, nationality, geography, and education in evaluating product quality was considered. Thus in gaining field data from the management staff of the various telecommunications networks, purposive sampling technique was adopted. They are positioned to provide the specialised information needful for the effective conduct of the study.

Another sampling technique used was convenient sampling. With this method, the researcher surveyed customers that were willing to provide responses. The convenient technique is an inexpensive and faster way of getting respondents when there is limited time and resources.

### **3.8 Data Collection Instrument**

Questionnaire was prepared to aid in the data collection. The questionnaire was designed specifically to solicit responses from customers that use the mobile telecommunication services in the Kumasi metropolis. Various factors or attributes of CSR and public perception reviewed in the literature were used as the bases upon which the questions in the questionnaire was designed.

The first section of the questionnaires filtered the respondents to allow the expected customers to administer the questionnaire. The questions elicited responses about participants' socio-demographic characteristics and the participants' knowledge about CSR in the telecommunication industry. The subsequent sections were developed in line

with the research objectives. On a whole a period of one month was used in the data collection.

### **3.9 Pilot Testing**

Pilot testing was undertaken with the KNUST MBA students representing the population of educated adults who will consider durability and reliability products when purchasing. Pertinent alterations and modification were carried out in line with the feedback generated from the pilot testing. The definitive questionnaire were then constructed and administered to the respondents to extract responses.

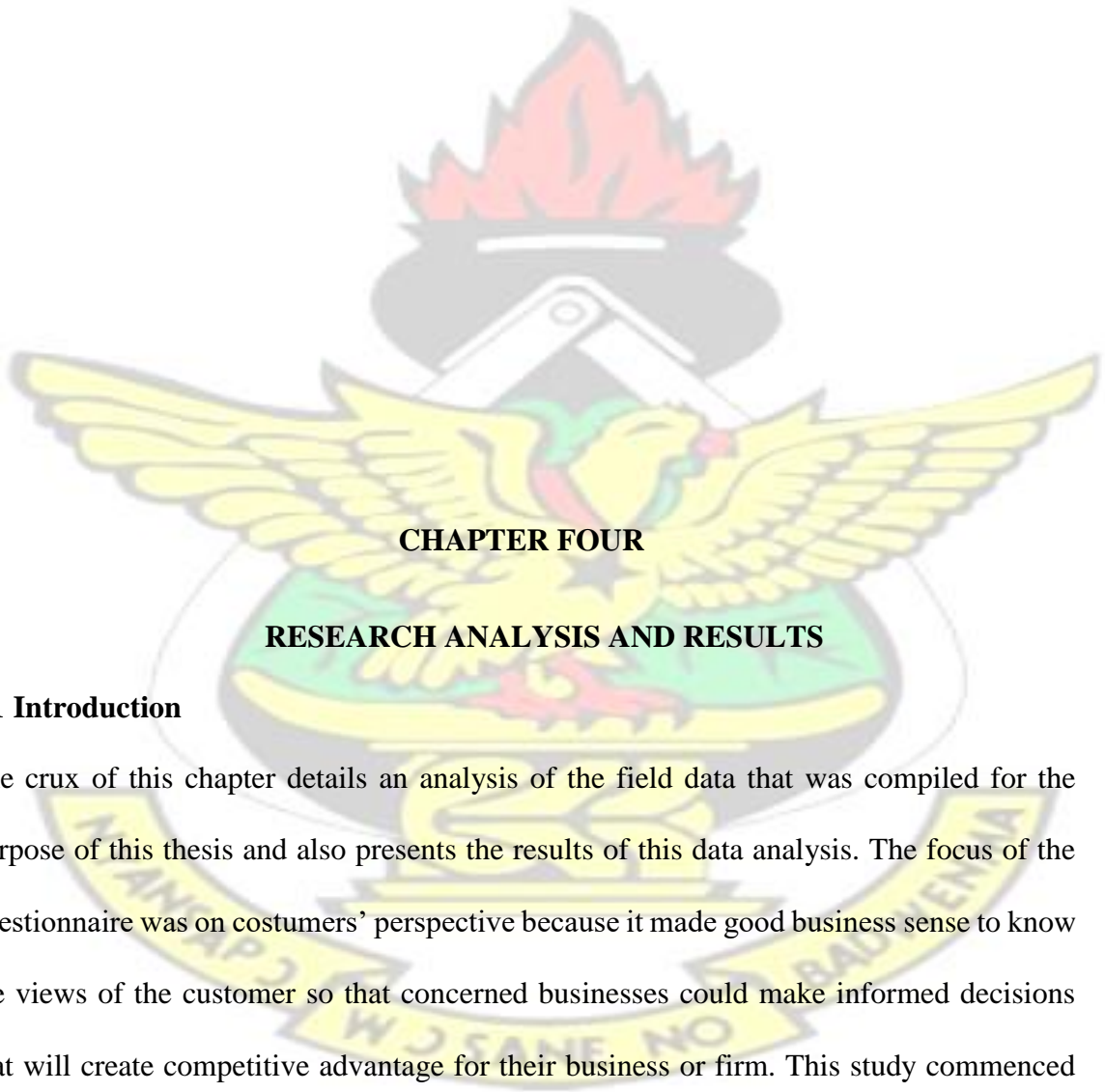
In addition, the questionnaire items are designed and then modified to make them appropriate for assessing perception, attitudes and intentions toward CSR in the telecommunication industry. In the questionnaire, indications of CSR categories are given and rated in Likert 5 point scale. Five research assistants went to various work places and the KNUST and talked about the survey with the respondents. The interview was made during the month of June.

### **3.10 Data Analysis**

Data analysis can be explained “as consisting of three concurrent flows of activity: data reduction, data display and conclusion drawing/verification” (Saunders et. al., 2007). The analysis of data for this thesis hinged on a three-step process expounded by (Saunders et. al., 2007), data reduction, data display and conclusion. Having rounded off the data collection the researcher structured the data for the survey founded on the issues that have been opted for according to the research question and literature review. Data was analysed

using both descriptive data and adopting the t-test to compare means to find higher ranking factor among all the factors proposed.

# KNUST



## **CHAPTER FOUR**

### **RESEARCH ANALYSIS AND RESULTS**

#### **4.1 Introduction**

The crux of this chapter details an analysis of the field data that was compiled for the purpose of this thesis and also presents the results of this data analysis. The focus of the questionnaire was on costumers' perspective because it made good business sense to know the views of the customer so that concerned businesses could make informed decisions that will create competitive advantage for their business or firm. This study commenced with an introductory perspective, then was the reviewing of relevant literature, and description of the research methodology, the focus of this chapter is to introduce the data analysis and discussions of results. The analysis of demographic data used in this study is

conducted using descriptive statistics even as the remainder of the variables are analysed utilizing the relative importance index. Relative importance index is implemented to test rating of the activities of CSR and the importance attached to it by the customers.

The first section deals with the profile of the respondents and the influence such attributes have on the research. The other part also captures detailed analysis of the distinct objectives of the study in relation to the perception of the customer concerning the various CSR activities of the companies. In particular, empirical analysis on the criteria for CSR activities and customers' perception of CSR activities have been thoroughly discussed. Out of the 150 questionnaires distributed, 86 questionnaires representing 57 percent were completed and retrieved. These 86 questionnaires therefore formed the basis of the whole research findings used in the analysis. However, there were missing values in some completed questionnaires. The relatively high response rate of 86 percent is because of personal distribution and the method used in distributing the questionnaire. Most of the respondents were implored to fill the questionnaire immediately they were given.

## **4.2 Analysis of Demographic Data**

### **4.2.1 Gender**

The first question sought to find out the gender of the respondents. The result for this first question indicated that 72.1% who answered the question were male and 27.9% were females showing that the results of the survey were biased towards the male gender. Table 4.1 shows the frequency and percentage of the gender that attempted to answer the question.

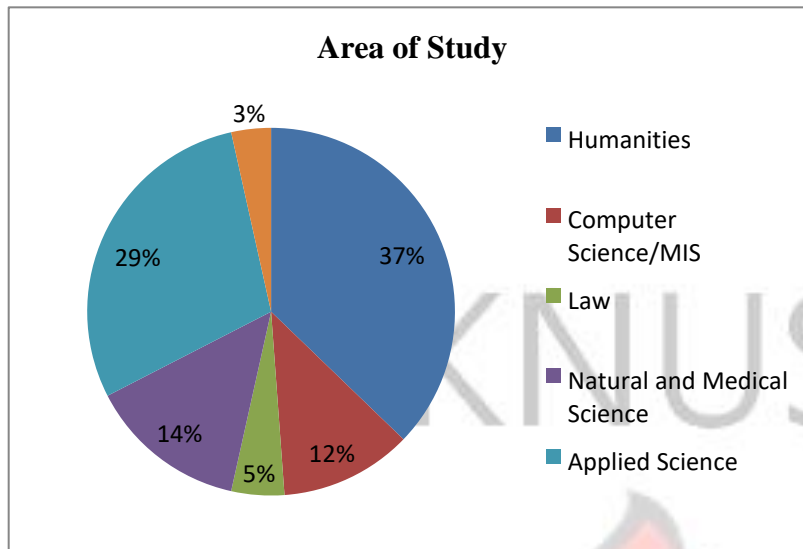


Gender			
	Frequency	Percent	Cumulative Percent
Valid Male	62	72.1	72.1
Female	24	27.9	100.0
Total	86	100.0	

**Table 0.1 Gender Distribution. Source: Survey Data**

#### **4.2.2 Area of Study**

Figure 4.1 presents the area of study of the respondents. Respondents were asked to indicate their area of study in school just to be assured that the targeted respondents actually completed the questionnaire, and not for the purpose of analysis. Whereas 3% indicated that were reading Science, the majority constituting 37% indicated they were reading Humanities and 29% indicated that they were reading applied Science. Further examination of the figure indicates that, of these 58%, more than half are studying science related courses (see Figure 4.1).



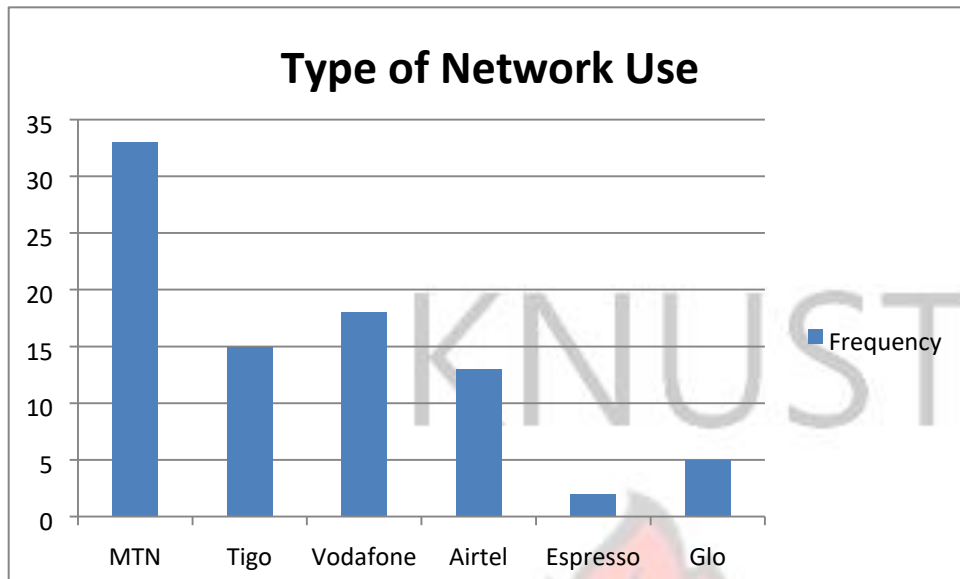
**Figure 0.1 Area of Study. Source: Survey Data**

#### **4.2.3 Ownership of Mobile Phone**

All the respondents indicated that they owned a mobile phone representing 100% of the respondent surveyed. This does not come as surprising since the survey literature showed that an increase in mobile phone usage and this is even higher among tertiary students. The fact that all the respondents owned a mobile phone showed that they were in the position to provide a good perspective on the issue of CSR by the various telecom companies.

#### **4.2.4 Mobile Network Use**

The respondents were also asked to point out the mobile network which they use. The results indicate that while 38.37% use MTN; Vodafone is the next most popular network used by 20.93% of the respondents; Tigo is the 3<sup>rd</sup> most popular network which is also used by 17.44% of the respondents. Glo and Espresso were the least used network by the respondents and respectively had 5.81% and 2.33%. This shows that perception of the most of the respondents in this study will skewed towards MTN, Tigo and Vodafone as they had the most dominant respondents from the survey. Figure 4.2 mirrors the profile of the respondents in relation to the type of network used.



**Figure 0.2 Type of Network Use. Source: Survey Data**

#### 4.2.5 Reasons for Network Use

The reasons for using the various network was also elicited from the respondents. This was included to find out what influences the choice of network. One of the major reasons why people use a particular network was because of the fact that most of their friends where using the network representing 29.1%. This percentage shows us the power of social influence on the choice of a network.

	Frequency	Percent
Missing	2	2.3
Most of my friends use this network	25	29.1
Cheaper Call Rate	22	25.6
I like their Adverts	8	9.3

Reputation	21	24.4
Others please specify	8	9.3
Total	86	100.0

**Table 0.2 Reasons for Network Use. Source: Survey Data**

The second reason people choose a particular network was because of finances i.e. cheaper call rate. This represents 25.6% of the people surveyed. Only 9.3% indicated that they like the network because of the adverts. Two individuals out of the people surveyed did not respond to this question. Others also specified why they choose the network and one of the reasons included that the network was chosen for it for them by being bought for them without their knowledge.

#### **4.3 Customers perception on Activities of CSR of telecom network**

The study further went on to establish some of the CSR activities that customers viewed as engaged by the various network. Through the literature review a number of CSR activities were established and these activities were listed for the customers to rank based on the level of frequency they perceived to be engaged in by the mobile network companies. The respondents questionnaire were analysed using the relative importance index. The mean ratings and its associated standard deviation were also looked to measure the central tendency of the figure and the measure of dispersion associated with it. The highest mean recorded was 3.24 and this was the same activity ranked as the highest by the relative importance index which is offering quality products. The level of dispersion associated with it was 1.15 which is not so high and shows that the mean is a true reflection of its rating by the customers. The lowest ranked activity was also the activity with the lowest mean which is “reasonable return on investment”, the mean being 2.37 and its



standard deviation being 1.68. This further buttress the result from the relative importance index showing that the ratings from the index is a true reflection of the customers' perception of the activity. It should be noted that two activities had very high deviation (1.78) with one having a mean of 3.05 and the other with a mean of about 2.74. These activities are complying with legal requirement and the other being community involvement. However the ratings associated with these activities is still a true reflection of the rankings they received as it is also reflected in the means they had.

<b>ACTIVITIES</b>				
	<b>RII</b>	<b>Rank</b>	<b>Mean</b>	<b>Std Dev.</b>
<b>ECONOMIC</b>				
<b>Offer Quality Products</b>	0.640	1	3.24	1.15
<b>Offer Quality Services</b>	0.619	3	3.17	1.22
<b>Fair Pricing</b>	0.635	2	3.21	1.36
<b>Pay Employees Well</b>	0.491	11	2.57	1.56
<b>Reasonable Return on Investment</b>	0.458	13	2.37	1.68
<b>PHILANTROPIC</b>				
<b>Improvements in quality of life of employees</b>	0.560	6	2.84	1.58
<b>Improvement in Society Welfare</b>	0.542	7	3.06	1.52
<b>Improvement in Society: Environmental Concern</b>	0.509	8	2.86	1.61
<b>Natural Disasters</b>	0.488	12	2.75	1.56
<b>Community Involvement</b>	0.493	9	2.74	1.78
<b>ETHICAL</b>				
<b>Respect for Human Rights</b>	0.612	4	3.17	1.39
<b>Corrupt Activities</b>	0.493	9	2.55	1.59
<b>LEGAL</b>				
<b>Complying with Legal Requirement</b>	0.609	5	3.05	1.78

**Table 0.3 Customers perception on Activity of CSR of telecom network. Source: Survey Data**

The study showed that according to the index the highest rated activity was the offering of quality products and least rated activity was the reasonable return on investment. The study found out that according to customers' mobile telephone networks do not engage a lot in philanthropic activities such as response to natural disasters and community involvement. The study also showed that most customers perceive the companies not to be paying their employees as they should see as this is ranked 11th. Legally the customers perceive the companies to be working well within the legal environment they are required to work in. Ethically the study also showed that most customers perceive that the companies work with on good ethical grounds. The ranking for the activity "respect for human rights" was placed at 4<sup>th</sup> and not engaging in corrupt activities being 9<sup>th</sup>. Philanthropic activities were averagely rated as the least activity engaged in by the companies with economic activities being rated high by the respondents

#### **4.4 Customers perception on Importance of CSR of telecom network**

The study also investigated the importance of CSR activities that companies were engaged. This was also analysed using the relative importance index. The mean and the standard deviation of each item was also investigated.

<b>IMPORTANCE</b>				
	RII	Rank	Mean	Std Dev.
<b>ECONOMIC</b>				
<b>Offer Quality Products</b>	0.665	1	3.36	1.73
<b>Offer Quality Services</b>	0.656	2	3.36	1.71
<b>Fair Pricing</b>	0.637	4	3.34	1.86
<b>Pay Employees Well</b>	0.623	7	3.35	1.86
<b>Reasonable Return on Investment</b>	0.535	12	2.71	1.98

## PHILANTROPIC

Improvements in quality of life of employee	0.607	9	3.07	1.93
Improvement in Society Welfare	0.644	3	3.3	1.6
Improvement in Society: Environmental Concern	0.628	6	3.18	1.59
Natural Disasters	0.581	11	2.98	1.58
Community Involvement	0.593	10	3.07	1.69

## ETHICAL

Respect for Human Rights	0.630	5	3.15	1.98
Corrupt Activities	0.495	13	2.54	1.75

## LEGAL

Complying with Legal Requirement	0.614	8	3.07	1.98
----------------------------------	-------	---	------	------

**Table 0.4 Customers perception on Importance of CSR of telecom network. Source:**

### Survey Data

The highest mean recorded for most important CSR was 3.36 and this was the same activity ranked as the highest by the relative importance index which is “offering quality products”. Interestingly “offering quality services” had the same mean and was ranked 2<sup>nd</sup> by the relative importance index. Looking at the standard deviations one will realized that “offering quality services had a lower deviation than “offering of quality products”. However their ratings were very close. Offering quality products had a relative importance index of 0.665 and offering quality services had 0.656. The deviation are relatively high as compared to the activity ratings nonetheless the rankings according to the relative importance index is a true reflection of the perception of the customers. The lowest ranked important activity was also the activity with the lowest mean which is “corrupt activities”, the mean being 2.54 and its standard deviation being 1.78. This further buttresses the result from the relative importance index showing that the ratings from the index are a true reflection of the customers’ perception of how important that activity is. The second least rated important activity was

The respondents were also tasked to grade the importance of these activities. This study revealed that the most important CSR activity was the offering of quality products, the next important activity was the issue of offering quality services. The least importance activity was not engaging in corrupt activities. The study showed that the most important activity perceived by the customers was engaging in CSR economic activities. To the customer the study found out that according to customers' mobile telephone networks do not engage a lot in philanthropic activities such as response to natural disasters and community involvement. The study also showed that most customers perceive the companies not to be engaging in community work in response to natural disasters as they should as this is ranked 11th. Legally the customers perceive the companies to be working well within the legal environment they are required to work in as a very important activity. Ethically the study also showed that most customers do not perceive this is as a highly important activity. The ranking for the activity "respect for human rights" was placed at 5<sup>th</sup> and not engaging in corrupt activities being 13<sup>th</sup>.

#### **4.5 Conclusion**

This chapter was dedicated to the analytic examination and discussions of the resulting outcomes obtained from the field survey. It began with a brief discussion of the survey questionnaires and descriptive statistics of the results obtained from the field. The chapter concluded with the relative importance index of the various activities and importance of these activities that the telecom companies engaged in CSR. In addition, the mean score and the associated standard deviations were also investigated for these items. The most rated activity as engaged in by the companies and the most important activity perceived to be engaged in was offering of quality products to the customers.



# KNUST

## CHAPTER FIVE

### CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Introduction

Research has revealed over time that CSR holds enormous potential to bring about a surge in profitability, sustainability, integrity and reputation of any business entity that incorporates it in its strategic management approach. As an idea with a worldwide acceptance, Corporate Social Responsibility (CSR) has been understood and practiced by companies in Ghana. This research has explored and determined the various CSR activities and importance of those activities engaged by telecommunication companies in Ghana.

Literature shows that consumers' insistence on the need for CSR is rooted in the notion that buyers perceive that a dependable and trustworthy firm will churn out better products thus, CSR is perceived by consumers as a pointer of such dependability and trustworthiness. In other words, consumers perceive CSR endeavours as indication of the virtues of the goods vended by the firm in question. CSR then becomes a means of product

differentiation--a mode of marketing to institute or buoy continual loyalty to the brand. Firms adopt CSR if they foresee benefits greater than costs. Amidst, this research studied the perception of customers of mobile telecommunication companies in Ghana. The study sought to establish the perception of these customers in relation to CSR activities in the telecom industry.

The previous chapters presented have explained the theoretical, fictitious, procedural, and practical methods for tackling the agenda of the research. This research ends here as this chapter summarizes the issues raised in the study. In addition, the means by which the main objectives are achieved are outlined and explained; subsequent to this the main conclusions of this study are enumerated. Finally, the chapter draws to a close with recommendations for further research that can be undertaken due to the conclusions arrived at and limitations identified in the study.

#### **4.6 Attaining the Research Objectives**

This research was initiated with the primary aim of exploring the perception of customers on the CSR of Ghanaian telecommunication companies. In order to attain the specified aim, three research objectives were customary.

In order to achieve the research objectives the key research questions articulated to facilitate the inquiry are:

- i. What CSR activities do Ghanaian telecommunication companies engage in?
- ii. What is the perception of the customer concerning the level of frequency of the various CSR activities of the companies?
- iv. What is the perception of the customer concerning the importance of various

CSR activities of the companies?

#### **4.7 Review of Objectives**

In order to determine the CSR activities of telecommunication industry, in depth integrative review was done to identify the mechanisms and other factors. Thus, thirteen (13) activities identified on CSR activities of telecommunication companies. The thrust of this study, as mentioned previously, was to explore the perception of customers on the CSR of Ghanaian telecommunication companies. In line with this, a set of research objectives were evolved in a bid to collectively fulfil this aim. At this point, the research objectives were reviewed to emphasize the extent to which they were realized through the varied stages of the research.

##### **5.3.1 Objective 1: To find out the CSR activities of Ghanaian telecommunication companies engage in**

In order to achieve objective one a literature review was conducted to find out the various dimensions of CSR and also activities of Ghanaian telecommunication companies. The review sought to understand the conceptual underpinnings of CSR and CSR activities that are engaged in by most companies. The study established that there were various views of CSR but Carroll's work (1991) captures almost all these views and hence was used as the basis of this paper. Based on Carroll's work the various dimensions of Corporate Social Responsibility were explored and their interrelations to the impact of telecom organizations were investigated and presented. The study also identified various CSR activities of companies and for the purpose of this paper limited it to 13 activities.

### **5.3.2 Objective 2: To find out customer perception of the level of frequency CSR activities of the telecommunication companies understudy**

Subsequently, respondents were urged to indicate the intensity of frequency of CSR activities drawn from literature of telecommunication companies. The study showed that according to the index the highest rated activity was the offering of quality products and least rated activity was the reasonable return on investment. The study found out that according to customers' mobile telephone networks do not engage a lot in philanthropic activities such as response to natural disasters and community involvement. Ethically the study also showed that most customers perceive that the companies work with on good ethical grounds. Philanthropic activities were averagely rated as the least activity engaged in by the companies.

### **4.7.4 Objective 3: To find out customer perception of the importance of CSR activities of the telecommunication companies**

Subsequently, respondents were assigned to indicate the magnitude of importance of CSR activities drawn from literature of telecommunication companies. In addition, respondents were mandated to grade the importance of these activities. The study showed that the most important CSR activity was the offering of quality products; the next important activity was the issue of offering quality services. The least important activity was not engaging in corrupt activities. The study showed that the most important activity perceived by the customers was engaging in CSR economic activities.

## **4.8 Limitations of the Research**

As with every any study, certain limitations bound this research. First, due to the nature of the research scope dealing with only major stakeholders, the sample size was relatively

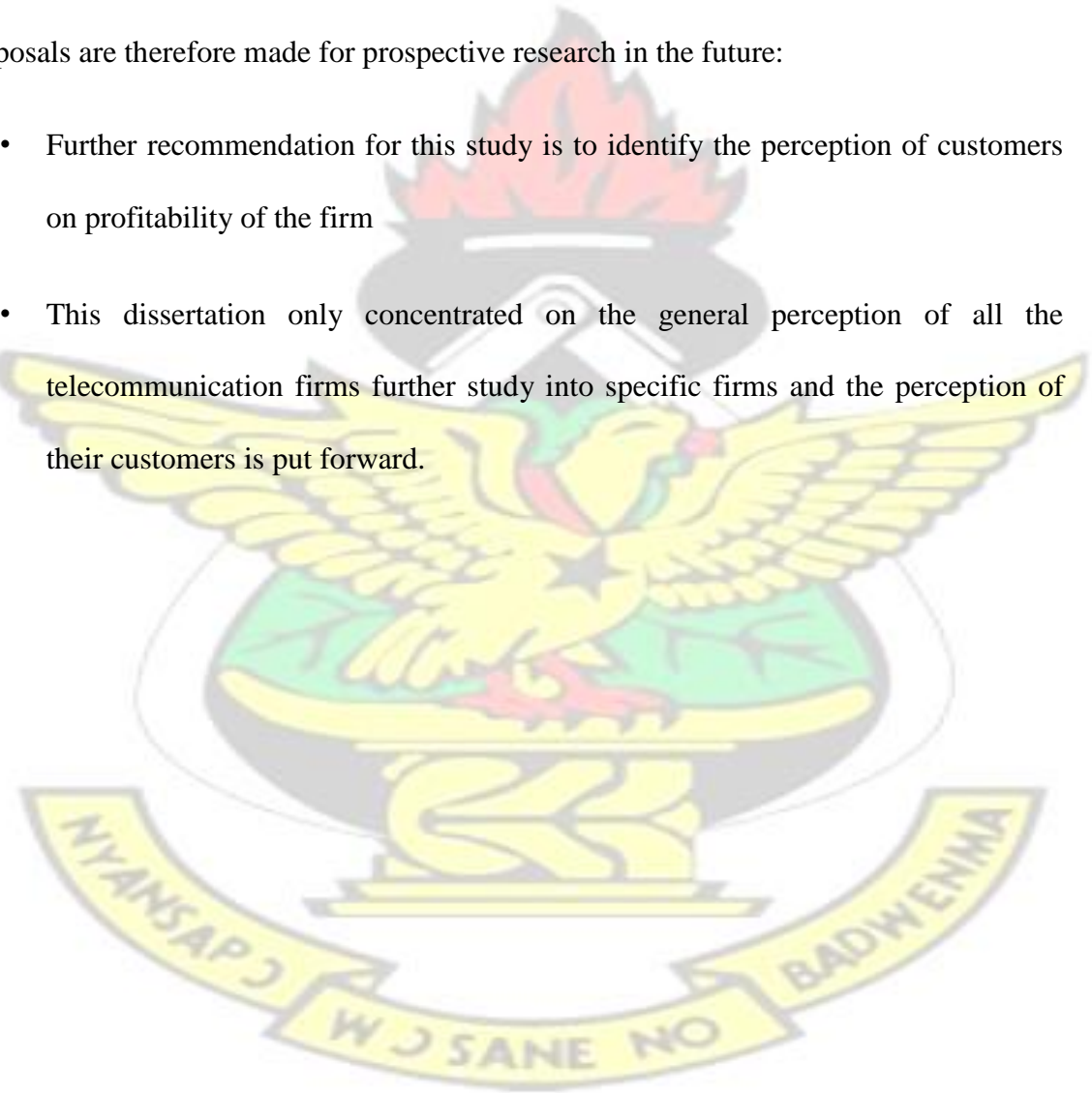


small, which constraints some steps in the statistical analysis. Secondly the research only concentrated on the general view of all the telecommunication firms and not individual firms. There is a possibility that with a larger number of stakeholders more in depth analysis could be performed.

#### **4.9 Direction for Future Research**

This research exposes a number of areas, which need research attention. The subsequent proposals are therefore made for prospective research in the future:

- Further recommendation for this study is to identify the perception of customers on profitability of the firm
- This dissertation only concentrated on the general perception of all the telecommunication firms further study into specific firms and the perception of their customers is put forward.



#### **REFERENCES**

Altshuller, S.A. and Smith, G.A. (2011). Making Corporate Social Responsibility

Systemic. Executive Counsel, [Online] Available: [http// www.executivecounsel.info](http://www.executivecounsel.info)  
(Feb/Mar, 2011)

Baron, D. (2000). "Private politics, corporate social responsibility and integrated strategy,"  
*Journal of Economics and Management Strategy*, 10:7-45.

Belkaoui, A. and Karpik, P.G. (1989).Determinants of the corporate decision to disclose  
social information. *Accounting, Auditing and Accountability Journal*, 2(1), 36-51.

Carrol, A. (1991). The Pyramid of Corporate Social Responsibility: Toward the Moral  
Management of Organizational Stakeholders. *Business Horizons*, 3(2) 12-18 July-August

Carroll, A. B. (1999). Corporate social responsibility. *Business Society*, 38(3), 268 – 295.

CheZuriana M.J., Kasumalinda A. and Rapih, M. (2002). Corporate Social  
Responsibility Disclosure in the Annual Reports of Malaysian Companies: A Longitudinal  
Study, *Social and Environmental Accounting Journal*, 22 (2), pp. 5-9.

Choi, J. (1999). An investigation of the initial voluntary environment disclosure make in  
Korean semi – annual financial reports. *Pacific Accounting Review*, 11(1), 73 –102.

Clarke, J. and Sweet, M.C. (1999). The use of corporate social disclosure in the  
management of reputation and legitimacy: a cross sectional analysis of U.K. top 100  
companies. *Business Ethics: A European Review*, 5-13

Cormier, D and Gordon, I. M. (2001).An examination of social and environmental  
reporting strategies. *Accounting Auditing and Accountability Journal*, 14(5), 587-616.

Deegan, C. and Unerman, J. (2006).Financial Accounting Theory, McGraw Hill,  
Berkshire.

Deegan, C. (2006). Legitimacy theory, in Z. Hogue (Ed.), *Methodological issues in accounting research: Theories and methods*. Spiramus, London.

Fomburn, C., and Shanley, M. (1990). What's in a name? Reputation building and corporate strategy. *Academy of Management Journal*, 33: pp 233-258.

Freeman, R. E. (1984). *Strategic Management: A stakeholder approach*, Pitman Publishing Co., New York.

Friedman, M. (1970). The Social Responsibility of Business is to Increase its Profit. *The New York Times Magazine*, 13 September. Reprint in Donaldson, T., and Werhane, P.

H. (Eds.), *Ethical Issues in Business: A Philosophical Approach*: 217-223. Englewood Cliffs, N.J.: Prentice Hall.

Frynas, J. G. (2005). The false development promise of Corporate Social Responsibility: evidence from multinational oil companies. *International Affairs* vol. 81, no. 3 pp 581-598.

Gray, R. (2000). Current developments and trends in social and environmental accounting, reporting and attestation: a review and comment. *International Journal of Auditing*, 4, 247-68.

Gray, R., Javad, M., Power, M. D. and Sinclair, C. D. (2001). Social and environmental disclosure and corporate characteristics: a research note and extension. *Journal of Business Finance and Accounting*, 28(3&4), 327 – 356.

R., Javad, M., Power, M.D. and Sinclair, C.D. (2001). Social and Environmental Disclosure and Corporate Characteristics: A Research note and Extension. *Journal of Business Finance and Accounting*, 28 (3 &4), pp.327-356

Helg, A., (2007). *Corporate Social Responsibility from a Nigerian Perspective*. A Master

[http://annualreportmtn.com/rev\\_mtn\\_nigeria.htm](http://annualreportmtn.com/rev_mtn_nigeria.htm)

Liston-Heyes, Catherine and Gwen C. Ceton (2007). "Corporate Social Performance and Politics: Do Liberals Do More?" *The Journal of Corporate Citizenship*, 25 (May): 95108.

McWilliams, A. and D. Siegel. 2001. Corporate Social Responsibility: A Theory of the Firm Perspective. *Academy of Management Review*, 26(1):117-127.

Nafez, A. and Kamal, N. (2000). Empirical evidence on corporate social disclosure practice in Jordan. *International Journal of Commerce and Management*. 10(3&4), 18-34.

Newson, M and Deegan, C. (2002). Global expectations and their associations with corporate social disclosure practice in Australia, Singapore and South Korea. *The International Journal of Accounting*, 37, 183- 213.

Nkanga, E. (2007).Nigeria: Telecom Operators and Corporate Social Responsibility. This Day, 31st Jan, 2007.[www.google.adservices.com](http://www.google.adservices.com)

Onwuegbuchi, C. (2009). Telecom Operators as Socially Responsible Organisations. Communication Week Media Ltd. [NigeriaCommunicationWeek.com](http://NigeriaCommunicationWeek.com)

Orlitzky, M., Schmidt, F.L., and S.L Rynes. (2003). Corporate Social and Financial Performance: A Meta-Analysis. *Organization Studies*, 24(3):403-441.

Sen, Sankar and C. B. Bhattacharya. 2001. "Does Doing Good Always Lead to Doing Better? Consumer Reactions to Corporate Social Responsibility." *Journal of Marketing Research* 38 (May): 225-243.

Smith, N. C. (2003).Corporate Social Responsibility: Not Whether, But How? London



<http://www.london.edu/facultyandresearch/research/docs/03-701.pdf>

Zeynep Giarhan-Canli, and Vicki Morwitz. 2001. "Withholding Consumption: A Social Dilemma Perspective on Consumer Boycotts?"



## APPENDIX ONE

### QUESTIONNAIRE

#### PART ONE: RESPONDENT AND BACKGROUND

Please tick the boxes and fill in the blanks if you select others

1. Gender: Male ☐ Female ☐

2. What is your area of study?

- a. Humanities ☐
- b. Computer Science/MIS ☐
- c. Law ☐
- d. Natural & Medical Science ☐
- e. Applied Science ☐

Others Please Specify.....

3. Do you own a mobile phone?

- a. Yes ☐
- b. No ☐

4. If Yes, what telecom network do you use?

- a. MTN ☐
- b. Tigo ☐
- c. Vodafone ☐
- d. Zain ☐
- e. Espresso ☐
- f. Glo ☐

Others Please Specify.....

5. Why do you use this network?

a. Most of my friends use this  
network [ ] b.

Cheaper Call Rate [ ]

c. I like their adverts [ ]

d. Reputation [ ]

Others please specify.....



## PART TWO: ACTIVITY RATING

The table below contains four (4) categories of activities of Corporate Social Responsibility that were identified during literature search. Please rate the frequency of each of the activity in the table below on a scale of 1 to 5, where each scale represents the following rating: (5) = Very often, (4) = often, (3) = sometimes, (2) = rarely, (1) = never

Question: How will you rate the following criteria as to their activity level of the telecom network you use?

CATEGORY	ACTIVITIES	RATING				
		1	2	3	4	5
1. Economic	1.1 Offer Quality Products					
	1.2 Offer Quality Services					
	1.3 Fair Pricing					
	1.4 Pay Employees Well					
	1.5 Reasonable return on investments					
	Do you have any other activity that should be considered? Please specify below and rank					
	i.					
	ii.					
2. Philanthropic	2.1 Improvements in quality of life of employees					
	2.2 Improvements in society: Welfare					
	2.3 Improvements in society: Environmental Concern					
	2.4 Improvements in society: Natural Disasters					
	2.5 Improvements in society: Community Involvement					
	Do you have any other activity that should be considered? Please specify below and rank					
	i.					
	ii.					
3. Ethical	3.1 Respect for Human Rights					
	3.3 Corrupt Activities					
	Do you have any other activity that should be considered? Please specify below and rank					
	i.					
	ii.					
4. Legal	4.1 Complying with legal requirements					
	Do you have any other activity that should be considered? Please specify below and rank					
	i.					
	ii.					
	iii.					



### PART THREE: IMPORTANCE RATING

Please assess the level of importance on each of the activities in the table below on a five-point scale of 1 to 5, where each scale represents the following rating: (5) = extremely important, (4) = important, (3) = fairly important, (2) = least important, (1) = not important

Question: How do you rate the following criteria as to their importance level of the telecom network you use?

CATEGORY	ACTIVITIES	RATING				
		1	2	3	4	5
1. Economic	1.1 Offer Quality Products					
	1.2 Offer Quality Services					
	1.3 Fair Pricing					
	1.4 Pay Employees Well					
	1.5 Reasonable return on investments					
	Do you have any other activity that should be considered? Please specify below and rank					
	i.					
	ii.					
2. Philanthropic	2.1 Improvements in quality of life of employees					
	2.2 Improvements in society: Welfare					
	2.3 Improvements in society: Environmental Concern					
	2.4 Improvements in society: Natural Disasters					
	2.5 Improvements in society: Community Involvement					
	Do you have any other activity that should be considered? Please specify below and rank					
	i.					
	ii.					
3. Ethical	3.1 Respect for Human Rights					
	3.3 Corrupt Activities					
	Do you have any other activity that should be considered? Please specify below and rank					
	i.					
	ii.					
4. Legal	4.1 Complying with legal requirements					
	Do you have any other activity that should be considered? Please specify below and rank					
	i.					
	ii.					

# KNUST

