AN ASSESSMENT OF CONSUMER PERCEPTION ON CSR IN THE

TELECOMMUNICATION INDUSTRY IN GHANA

By

FRANK OFORI AGYEKUM

(B.A. Sociology)

A Thesis submitted to the Department of Marketing and Corporate Strategy,

Kwame Nkrumah University of Science and Technology in partial fulfillment of the

requirements for the award of the degree

MASTER OF BUSINESS ADMINISTRATION

(MARKETING OPTION)

School of Business, KNUST

College of Humanities and Social Sciences

November, 2015

DECLARATION

I hereby declare that this submission is my own work towards the MBA 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.

Frank Ofori Agyekum   ………………………   …………………

(PG9642913)

Name of Student   Signature   Date

Dr. Henry Mensah   ……………………………   …………………..

Name of Supervisor   Signature   Date

Dr. Ahmed Agyapong   ……………………….   …………………

Head of Department   Signature   Date

DEDICATION

I dedicate this work to my dear wife Cynthia; you are my inspiration and strength. To my

Dad and Mum, Rev. & Mrs. Ofori and to my brother and sisters: Willie, Ruth and Esther.

I share your love and unity.

ACKNOWLEDGEMENT

My first thanks goes to God for bringing me to the completion of this work. To my wife, Cynthia who has always been there for me thanks for your love and support. Thank you my sister Ruth and your team for your great assistance during the data collection period. My next gratitude goes to my senior brother, Mr. Alexander Otchere-Fianko (Tutor-Kumasi Polytechnic) for his objective criticism of the whole work, which brought my attention to things that I would otherwise not have noticed. Thanks to all who supported me in diverse ways. Most importantly, my deepest gratitude goes to Dr. Ahmed Agyapong of KNUST Business School and Dr. Henry Mensah of IDL -KNUST for their excellent supervision during the entire period of writing this thesis.

ABSTRACT

The study examined consumer perception on CSR in the Telecommunication industry in Ghana with the view to shed more light on societal expectations to give direction to companies who wants to engage in CSR initiatives as to which areas will have maximum positive impact. The study employed quantitative approach and data was collected from a survey. Self-administered questionnaires were the main instrument used for data collection. Descriptive statistics was used to analyze the quantitative data with the aid of statistical package for social sciences (SPSS) version 21.0.The findings of the study revealed that all the factors of customer expectations which included proper customer management and service, lower tariffs and fair price, good network connectivity and more social projects proved to be very important and as such Telecom companies should adopt pragmatic approach to include customer management practices, charging of fair price and provision of good network connectivity in their CSR policies as a means of satisfying customers' expectations to enhance customer loyalty. The findings also show that the CSR activities of the Telecom companies have significant positive impact on the loyalty of their customers. The study recommends, among others, that Telecom companies should continue to provide educational support, health support and economic empowerment to benefit the communities in which they operate.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURE

LIST OF ABBREVIATIONS

AGI	Association of Ghana Industries
CSR	Corporate Social Responsibility
FES	Friedrich Ebert Foundation – Ghana
GEA	Ghana Employers Association
GHBC	Ghana Business code
GNCCI	Ghana National Chamber of Commerce & Industry
ICT	Information Communication Technology
NCA	National Communications Authority
NEPAD	New Partnership for African Development
NGOS	Non-Governmental Organizations
OECD	Organisation for Economic Co-operation and Development
PWDs	Persons with Disability
SMEs	Small &Medium Size Enterprises
SOEs	State Owned Enterprises
SPSS	Statistical Program for Social Sciences
TELECOM	Telecommunications
UN	United Nations
WBCSD	World Business Council for Sustainable Development

CHAPTER ONE

GENERAL INTRODUCTION

1.1   Introduction

In order for organizations to survive in the competitive marketing environment, they need to note that their long term survival partly depend on their ability to confront social and environmental issues by being socially responsible (Collier & Esteban, 2007). In recent years, research has revealed the importance of Corporate Social Responsibility (CSR) and its significant impact on organizational performance (Dixon-Ogbechi, Aiyeku, Haran and Jarutirasarn, 2011). The concept CSR has been defined in different ways by various scholars. For instance, Pitt (2012) defined CSR in terms of three distinct constructs: environmental CSR, external social CSR and internal social CSR. Environmental CSR encompassed any action undertaken in order to promote environmental sustainability; external social CSR dealt with initiatives aimed at addressing the needs of individuals and communities while internal social CSR dealt with the degree to which organizations address social asymmetries with regards to gender, race, sexual orientation and disability (Aguilera, Rupp, Williams and Ganapathi, 2007; Orlitzky, Siegal and Waldman, 2011; Pitt, 2012).

Given this, the study is concerned with the aspect of external Corporate Social Responsibility (CSR) aimed at satisfying the consumers' needs and wants. Some scholars such as Swaen and Chumpitaz (2008), Persais (2002) and Guchait, An1ner and Wu (2012) viewed CSR as "obligations that companies have to integrate environmental and social parameters into their modus operandi and long-term development policies". To this effect, Robins (2005) and Málovicsa, Csigene and Kraus (2008) opined that CSR is

1

centered on the notion that the business sector should not only concentrate on profit-oriented commercial activities but also play a non-economic role in society.

1.2 Background of the study

In a free market economy like that of Ghana, the term "corporate social responsibility" has become part of the country's development and business agenda. In essence, multinational companies have been operating in various sectors to maximize profits, generate employment and contribute to the overall growth of the economy. The economy of Ghana has as well been supportive by creating favorable business climate for the growing volume of investments.(Atuguba & Dwomoh, 2006) Multinational and local companies especially in the mining and communication sectors of the economy are known to have "good" corporate social responsibility (CSR) when they undertake social projects for the benefits of local communities that are deprived. These projects may include building schools, recreational centers, hospitals or even sponsoring scholars and students. (Yeboah, 2010).

In one way or the other, the various telecommunication companies operating in the country have strived to display their good corporate image by helping in developmental projects.

There is no doubt that these telecommunication companies have helped in projects including building and renovating schools, provisions of health and sanitation facilities among others.

In a similar vein, these same companies are perceived by customers as charging call rates that are absolutely above the ability of the ordinary Ghanaian especially with those living on less than one dollar a day. Even disheartening is the fact that customers pay high

charges for services that are very poor. It is in its way unique for the man in the rural area to trek to a higher height before being connected to make calls. (Yeboah, 2010) These contradictory facts in the telecom industry gives the indications that what a company perceives as socially good might not be perceived by the customer as such.

1.3 Problem Statement

In the domestic arena, there is no comprehensive or readily available document on CSR in Ghana. Non-the-less, there are varieties of policies, laws, practices and initiatives that together provide the CSR framework in Ghana. In other words, CSR in Ghana is regulated by policies, legislation, and other forms of Law. There are, in addition, specific laws regulating particular industries and sectors of the economy such as banking, insurance, mining and commerce and which have bearing on CSR. These provisions, though useful, do not expressly address issues of corporate social responsibility (CSR) (Atuguba, 2006).

Until the year 2006 when the Ghana Business Code (GHBC) was launched through the collaboration of the Association of Ghana Industries (AGI), Ghana Employers Association (GEA) and the Ghana National Chamber of Commerce & Industry (GNCCI) to introduce and deepen the practice of CSR in business operations, there was no set norms to guide the conduct of business and acceptable standards with regards to the environment and anti-corruption in business. The GHBC, which is modelled along the lines of the United Nations (UN) Global Compact, focuses on the triple bottom line (profit, planet and people) as performance measures of businesses operating in the country. The GHBC has ten major principles all of which underscore the substance of CSR and are fashioned after existing laws in Ghana. Interestingly, organisations are not obliged by law to sign up to the GHBC. It is a voluntary measure, which allows the

operations of organisations to be reviewed along four broad categories- human rights, labour standards, environment and anti-corruption. Member organisations are awarded certificate of good practice when their operations are found to be in line with the prescriptions in the GHBC. Due to its voluntary nature, not many organisations have signed up to it. Of the many Small & Medium Size Enterprises (SMEs) and large scale manufacturing industries that belong to the GNCCI and the AGI, less than 60 had signed up to the GHBC as at April, 2014. This is perhaps due to the fear of scrutiny that goes with the certification process and reflects the level of acceptability and appreciation of the CSR concept in Ghana (Amponsah – Tawiah, 2007).

In the absence of a clear CSR policy, individuals, advocacy groups and public agencies seeking to hold corporations responsible to their social responsibilities usually encounter difficulties in doing so because of the absence of a readily available source document on CSR for reference in Ghana. Also, companies seeking to meet their corporate social responsibilities are not sure that they are doing what they should be doing, (Atuguba and Dowuona-Hammond, 2006). This study which examines consumer perception towards corporate social responsibility seeks to throw more light on societal expectations which when fulfilled by corporations through their CSR activities will help them reap tangible benefits, as asserted by Lassonde Pierre (President of Newmont Mining Corporation), who summed the practise of CSR as a relationship of corporations with society as a whole, and the need for corporations to align their values with societal expectations in order to avoid conflicts and reap tangible benefits. **(**www.reports-and-material.org/newmount-ghana**, 2005)**

1.4 Research Objectives

The general objective of this study is to examine the perception of consumers towards corporate social responsibility. The study seeks to achieve the following specific objectives:

1. To identify the various focus areas of CSR activities undertaken by companies in the Telecommunication industry in Ghana.

2. To assess the expectations of customers from the Telecommunication Industry on their CSR policies

3. To assess the impact of CSR projects undertaken by Telecommunication firms on customers' loyalty.

1.5 Research Questions

The research seeks to answer the following questions:

1. What are the various focus areas of CSR activities undertaken by companies in the Telecommunication industry?

2. What are the expectations of customers from the Telecommunication industry on CSR policies?

3. What are the impacts of CSR projects undertaken by the Telecommunication firms on customers' loyalty?

1.6 Significance of the study

In their final report to Friedrich Ebert Foundation (FES) - Ghana on "Corporate Social Responsibility in Ghana" Atuguba et al stated that **"**In the absence of a clear CSR policy, individuals, advocacy groups and public agencies seeking to hold corporations responsible to their social responsibilities usually encounter difficulties in doing. Companies who are also seeking to meet their corporate social responsibilities are not

sure that they are doing what they should be doing" (Atuguba and Dowuona-Hammond, 2006). There is therefore the need for this study which reveals the expectations of consumers with regards to CSR activities, a valuable factor to consider when formulating CSR policy. This study also assesses the impact of CSR activities on customers and communities which gives a fair idea on which CSR activities to focus on, so as to satisfy the needs of customers.

The findings of this study would not only benefit the telecom firms but also very important for policy formulation especially in the area of consumer interests by the bodies that oversee CSR activities in Ghana. Finally, the study will contribute to existing knowledge on CSR and serve as a springboard for further studies.

1.7 Overview of Methodology

A quantitative method was proposed in this study and quantitative data was collected from a survey. Self-administered questionnaire were the main instruments used for data collection. In addition, Companies' profiles were obtained from MTN, Vodafone and Tigo websites. 384 questionnaires were distributed to all classes of customers who are using products of these three selected Telecommunication Companies. All data collected were coded and analysis were carried out using Statistical Program for Social Sciences (SPSS) version 21.0 measuring the means of all factors of the responses and generating frequencies, percentages, standard deviations, minimum and maximum ranges for discussion.

1.8 Scope of the study

The study focused on customers of the three telecom companies in the telecom industry in the Kumasi metropolis selected purposely for this study. And these companies were Vodafone, MTN and Tigo. One Hundred and ninety two (192) users of MTN network

were conveniently selected whiles one hundred and twenty (120) and seventy (70) were conveniently selected for Vodafone and Tigo networks respectively. This selection was based on the number of users of the various selected networks. Questionnaires were administered to these selected customers of different age and educational background, among others.

1.9 Limitations.

The study was supposed to be done on all the six Telecom Companies in Ghana but due to time and resources constraints, it was limited to only three. Some of the questions on the questionnaires were returned unanswered by the respondents and others could not be traced at the time of running the analysis. The study covered only mobile telecom users within the Kumasi Metropolis in the Ashanti Region of Ghana. In addition, the research and analysis was based only on the customers' point of view, the service firms' perspective about this subject was not considered in the study.

On the account of the above, generalization of the findings may be subject to some degree of error although the extent of the error may be negligible

1.10 Organization of the study

The study was divided into five (5) chapters. Chapter one is the general introduction into the research. It highlights the background to the study, research problem, objectives of study, and research questions among others. Chapter Two covers the review of related literatures with regards to the research topic in question. Chapter Three details the methodology used for the research. Chapter Four focuses on the analysis of data collected, findings and discussions and Chapter Five draws the summary of findings, conclusions and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

In 1917, when Henry Ford stood in a Michigan courtroom defending his decision to reinvest Ford Motor Company's accumulated profits on plant expansion while slashing the price of Model T vehicles, he stated the purpose of his company this way: 'To do as much as possible for everybody concerned, to make money and use it, give employment, and send out the car where the people can use it ... and incidentally to make money ... Business is a service not a bonanza' (Lewis 1976, italics added). Ford's idea of business as a service to society was not only derided by the shareholders, but also by the court which granted Dodge brothers 'request for maximum dividends (Supreme Court of Michigan 1919). In 1999, 80 years later, Henry Ford's great-grandson, William Clay Ford Jnr. took the helm of the company and tried again to convince his company's stakeholders of the importance of business as a service to society: 'We want to find ingenious new ways to delight consumers, provide superior returns to shareholders and make the world a better place for us all' (Meredith 1999).This time around, however, the younger Ford not only faced no lawsuits, but also received considerable support from various stakeholders of the company, including shareholders. Why did the shareholders of Ford Motor Company respond so differently in the two periods? There has perhaps been a cultural shift in favor of social responsibility during the intervening 80 years, especially during the1960s. However, the more critical reason is because the meaning and business implication of CSR in 1999 was much more palatable to shareholders than the one advocated in 1919.

In 1919, the concept of social responsibilities of a corporation was vaguely framed in moral and macro-social terms such that shareholders could not see how it served their interest or how it was related to the performance and management of the corporation. Therefore, like Adam Smith (1976), Dodge brothers saw no tangible benefit in running a business with the greater public goods in mind. Considering that there is no established logical linkage between CSR and profit and that most shareholders invest in a company not to make a difference in society but to gain a sizeable financial return on investment, Dodge brothers' decision to sue Ford was perfectly rational behavior. (Paul Lee, 2008)

2.2 Corporate Social Responsibility – An overview

Corporate social responsibility is an imperative phenomenon in corporate world which came into a common use in the late 1960s and early 1970s, as many multinational corporations were formed that time. In the beginning, Corporate Social Responsibility (CSR) used to refer to the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of actions which are desirable in terms of objectives and values of our society. After 1960s, the literature on CSR developed considerably and in that time it was defined as the new concept of social responsibility which recognizes the intimacy of the relationships between the corporation and the society with a realization that such relationships must be kept in mind by the top managers of the corporation and the related groups for the overall betterment of the society. The World Business Council for Sustainable Development (WBCSD) stakeholder dialogue on CSR states that "Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local community and society at large"(WBCSD, 1999) In its broadest sense,

corporate social responsibility reflects the needs and demands of the society, which goes beyond the mere economic one. (Sarker, 2014)

Banerjee (2001) however criticizes CSR discourse by stating that it reflects merely narrow business interests, which marginalizes and excludes broader stakeholder interests. Furthermore, empirical research has consistently shown that CSR traditionally focused on the issues of interest to powerful economic stakeholders while neglecting "ecojustice" issues that are of relevant to less powerful social stakeholders (Belal O' Dwyer et al). Ecojustice is concerned with intergenerational equity which includes issues of equality, child labor and poverty alleviation. Backman (2005) suggests that CSR should include such activities as employment of minority groups, reduction of pollution, greater participation in programs to improve the community, improved medical care, improved industrial health and safety-these and other programs designed to improve the quality of life are covered by the broad umbrella of social responsibility".

Llewellyn (2009) argues that CSR may result in corporations obtaining a more powerful position within society. She suggests that it is naïve to expect corporations to accept greater social responsibilities without requiring something in return. In accepting responsibilities, corporations would incur costs and in return they would claim rights. Others argue that CSR is merely a window-dressing, or an attempt to preempt the role of government as a watchdog over powerful multinational corporations. (Handerson 2001, Sarker 2014).

2.3 Carroll's CSR Pyramid

According to Carroll (1979, 1991) the concept of social responsibility is mainly driven by the economic, legal, ethical, and discretionary expectations that society has of organizations at any given point in time. It is therefore imperative that businesses and/or

corporate organizations undertake their activities in a manner that either conforms to or exceeds the ethical, legal commercial and public expectations society has of businesses. Nonetheless, Carroll (1991) posits that an important goal of a company is to provide financial return to its shareholders. However in trying to fulfill the financial returns of shareholders corporate activities must be undertaken bearing in mind people's opinion and the legislation of a country; reason being that corporate organizations stand to lose on its financial gains in the event that it is perceived as a 'bad' company within its operational area or be found flouting legal requirements of its host country. The CSR pyramid developed by Carroll (1991) therefore emphasizes that a company has four different aspects of CSR that need to be taken into consideration in order to fulfill its obligations towards the society; the economical, legal, ethical and philanthropic responsibilities.
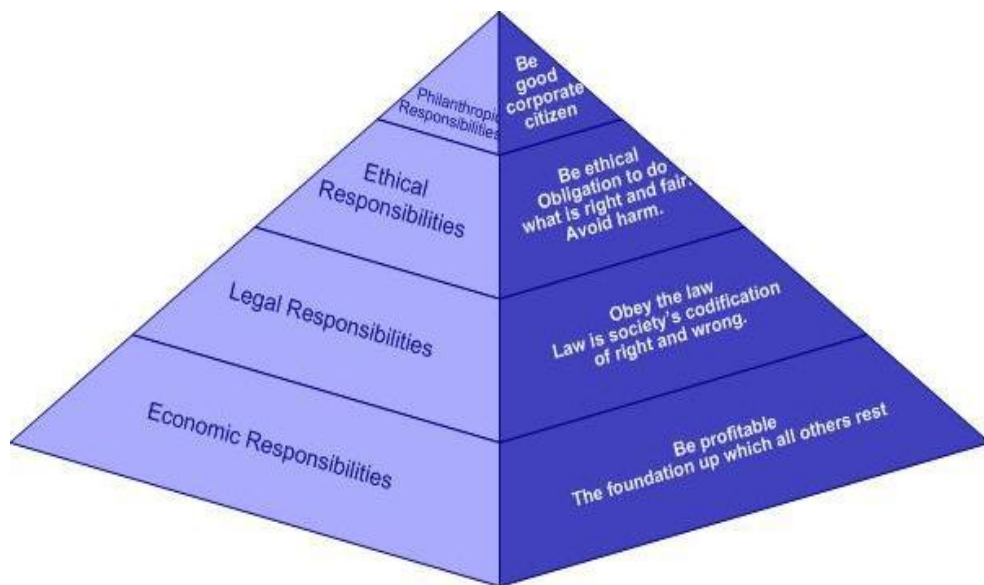
Carroll's CSR Pyramid

Fig 1.1 Carroll's CSR Pyramid

a. **The Economic Responsibilities** are the first and foremost social responsibilities of a business organization, the foundation upon which all other rest. Any business institution has the responsibility to produce goods and services the society wants and to sell them at an (acceptable) profit. As in the words of Carroll, "The economic responsibility component of the pyramid constitutes the fundamental reason corporate organizations exist." That is to maximize shareholders value whiles remaining competitive within the market they operate, without which a company cannot and will not survive.

The economic components of CSR are: to perform in a manner consistent with maximizing earnings per share; to be committed to being as profitable as possible; to maintain a strong competitive position; to maintain a high level of operating efficiency; to be consistently profitable in order to achieve a successful position on the market.

b. **The Legal Responsibilities** are strictly co-related with the economic ones and they reflect the society's expectations regarding businesses to fulfill their economic mission within the framework of legal requirements. In other words, although firms seek to maximize shareholders value, all businesses must ensure they operate within the rules and regulation of their host countries. The most important legal components of CSR are: to perform in a manner consistent with expectations of government and law; to comply with various state and local regulations; to be a law-abiding corporate citizen; to be defined as one that fulfils its legal obligations in order to be successful; to provide goods and services that at least meet minimal legal requirements.

c. **The Ethical Responsibilities** of a company embrace those activities and practices that are expected or prohibited by societal members even though they are not codified into law. A business organization has the obligation to avoid

harm and to do what is right, just, and fair. Carroll emphasizes that most often the legal requirements are derivatives of ethical aspect of CSR which then becomes written law.

A company has to take into account also the ethical components of its activity: to perform in a manner consistent with expectations of societal mores and ethical norms; to recognize and respect new or evolving ethical / moral norms adopted by society; to prevent ethical norms from being compromised in order to achieve corporate goals; to do what is expected morally or ethically in order to become good corporate citizen; to recognize that corporate integrity and ethical behavior that goes beyond mere compliance with laws and regulations.

d. **The Discretionary / Philanthropic Responsibilities** are those about which society has no clear-cut message for business – they are left to individual judgment and choice, but business is expected to contribute financial and human resources to the community and to improve the quality of life. Carroll explains it more by defining it as mainly, activities corporate organizations engage in so as to be perceived as "good corporate citizen. The philanthropic responsibility is not required by law or interested parties. It is the means by which companies increase their reputation and goodwill (Carroll, 1991).

The philanthropic components of CSR are: to perform in a manner consistent with the philanthropic and charitable expectations of society; to assist the fine and performing arts; to engage managers and employees in voluntary and charitable activities within their local communities; to provide assistance to private and public educational institutions; to assist voluntarily in those projects that enhance a community's quality of life (Carroll, 1991).

2.4 Forms of Corporate Social Responsibility

Kotler and Lee (2005) have identified six major initiatives under which most CSR related activities fall, generating also a positive impact on the company:

Cause Promotions**:** A corporation provides funds, in-kind contributions, or other corporate resources to increase awareness and concern about a social cause or to support fundraising, participation, or volunteer recruitment for a cause.

Cause-Related Marketing**:** A corporation commits to making a contribution or donating a percentage of revenues to a specific cause based on product sales; most commonly, this offer is for an announced period of time, for a specific product, and for a specified charity.

Corporate Social Marketing**:** A corporation supports the early development and/or implementation of a behaviour change campaign intended to improve public health, safety, the environment, or community well-being.

Corporate Philanthropy**:** A corporation makes a direct contribution to a charity or cause, most often in the form of cash grants, donations, and/or in-kind services. This initiative is perhaps the most traditional of all corporate social initiatives and for many decades was approached in a responsive, even ad-hoc manner, but more corporations are now experiencing pressures, both internally and externally, to move towards a more strategic approach, choosing a focus and tying philanthropic activities to the company's goals and objectives.

Community Volunteering**:** A corporation supports and encourages employees, retail partners, and/or franchise members to volunteer their time to support local community organizations and causes.

Socially Responsible Business Practices**:** A corporation adopts and even conducts discretionary business practices and investments that support social causes to improve community well-being and protect the environment.

2.5 CSR in Ghana

In Ghana, the socialist orientation of her first President Dr. Kwame Nkrumah gave the impression perhaps rightly or wrongly that State Owned Enterprise (SOE's) was able to solve societal problems. This in a way limited corporate organisations' social obligations. However, in recent times there has been a clarion call on organisations to undertake social programs, as government alone cannot handle societal problems. This has affected the implementation of the concept in the country. CSR activities in Ghana are spearheaded by large scale multi-national companies. The multifaceted problems of the country's low per capita income, weak currency, capital flight, low productivity, low savings, among others make it almost impossible for indigenous companies, most of which are engaged in the retail and in the production of primary commodities, to undertake social actions. Large scale manufacturing, telecommunication and mining companies such as MTN and AngloGold among others have however been instrumental in the social development of the country (Tawiah, 2010).

It is however interested to note that a study on CSR in Ghana indicated that of the 28 interviews conducted in 12 companies, most companies are engaging in CSR mainly due to pressure from international agencies that issue funds and other forms of assistance to

these companies rather than consumer pressure, pressure from NGO's and civil society groups (Rahman, 2000).

2.6 CSR in the Telecom Industry in Ghana

The Telecom industry in Ghana has been rife with intense competition for the past decade. This is mainly due to the attractive nature of the industry which has led to six main competitions into the industry namely, MTN, Vodafone, Tigo, Airtel, Glo and Expresso. With companies marketing strategies increasingly moving from transactional toward a focus on building mutual relationship with customers, building strong corporate image as well as the quest to achieve competitive advantage (Kotler 2000; Gronroos and Ravald, 1996), these six telecommunication networks mentioned above have adopted a marketing tool known as Corporate Social Responsibility. In the past, financial performance was the major criterion to evaluate a firm's value. Higher ranks were given to firms that provide greater margins financially. Maximization of Shareholders' wealth was by far, the focal point of profit driven organisations. In this decade however, the perception about CSR has changed significantly (Aasad, 2010). In Ghana, specifically in the telecommunication industry, the environment is typically competitive, characterised by legal environment aimed at ethical behaviours on the part of business and societal expectations that business should be more ethical and socially responsible. Thus, in decision making process, companies try to avoid actions that may breach any regulation or negatively impact their reputation in order to avoid consumer dissatisfaction (Aasad, 2010). The National Communications Authority (NCA) is the organisation that monitors the activities of telecommunication companies in Ghana (www.nca.org.gh.com)

2.7 The National Communication Authority Act, 1996 (Act 524)

The national Communication Authority (NCA) was established in 1996 by Act 524 to among other things: ensure that there are provided throughout Ghana as far as practicable such communication services as are reasonably necessary to satisfy demands for the services; ensure that communications system operators achieve the highest level of efficiency in the provision of communication service and are responsive to customer and community needs; promote fair competition among persons engaged in the provision of communications services; protect operators and consumers from unfair conduct of other operators with regards to quality of communications services and payment of tariffs in respect of the services; protect the interest of consumers; to facilitate the availability of quality equipment to consumers and operators; to promote research into and the development of technologies and use of new techniques by providers of communications services and to develop adequate human resources in collaboration with such other government departments and agencies as the Authority considers appropriate.

In addition to the above functions, the NCA is responsible for advising on policy formulation and development strategies for the communications industry; ensuring strict compliance with the act and any regulations made under it; and granting licenses for the operation of communications system in the country; and to provide guidelines on tariffs chargeable for the provision of communications services. It is clear that the Authority is well placed to ensure CSR in respect of corporations in the Telecommunications sector. Another provision in the law that is of particular relevance to CSR is the mandate given to the Authority to issue standards of performance in consultation with operators. If an operator fails to meet any required standards, he shall be required to pay any person who is adversely affected by the failure such compensation as may be determined by the Authority. This is a progressive provision especially in the area of consumer protection.

The requirement for payment of compensation upon failure to meet the required standard does not preclude any other remedy at law which may be available or any other measure or sanction that may be taken or imposed by the Authority in respect of the act or omission which constituted that failure. To keep the public aware of the operations of communication operators and the activities of the NCA, the law requires the Authority to publish in the Gazette, and in such other newspaper of national circulation, notice of every modification, suspension or cancellation of a license made under the Act. To promote good customer relations, section 35 of the Act requires every operator to establish a procedure for dealing with complaints by its customers or potential customers in relation to the provision by the operator of the relevant communication services. In establishing these procedures, the operator is required to consult with persons or bodies that constitute a fair representation of customers for whom he provides the services; and the proposed procedure or modification must have been approved by the Authority. The operator is obliged to disseminate or publicise the approved procedure in such a manner as the Authority may require and send a description of it free of charge to any person who asks for it. The law also envisage disputes between operators and customers and provides for referral to the Authority any dispute in which it is alleged that the operator has exercised undue discrimination against a customer in respect of charges or terms applied, or to be applied for the provision of the services in question; or has shown undue preference to any other person in respect of the charges or terms to the detriment of the customer. Another interesting provision in our law which seeks to secure privacy and protect users of communication facilities is contained in section 42 on misleading interception and non- disclosure of messages. By this provision, a person who is or has been an employee of an operator is prohibited from sending or attempting to send by means of communication equipment or facility any message which to his knowledge is

false or misleading or is likely to prejudice the efficiency of any service or endanger the safety of any persons. Where an offence under this Act is committed by a corporation or by a member of a partnership, every director or officer of that corporation or any member of the partnership or other persons concerned with the management of the firm shall be guilty of the offence and shall, on conviction, be liable to a fine and shall in addition be liable to the payment of compensations for any damage resulting from the breach unless he proves to the satisfaction of the court that he exercised due diligence to secure compliance with the provisions of the Act; and the offence was committed without his knowledge, consent or connivance (www.nca.org.gh)

2.8 CSR Activities of the Telecommunication Firms in Ghana.

It is not a secret that telecom operators have popularised corporate social responsibility (CSR) in this country. Until the telecom operators came, Ghanaians were short-changes when it comes to CSR. In fact, the other major CSR contributor is the mining sector, but the difference is that mining operations are deemed by the communities where they operate as depriving them of their livelihood so then CSR becomes necessary and compensatory. Telecom operations on the other hand rather improve people's lifestyles and conditions and yet they are at the forefront of CSR in this country (Dowuona, 2011).

Six main Telecommunications firms are currently in operation in Ghana. MTN, Vodafone, Tigo, Airtel, Espresso and Glo, all of which are involved in a variety of CSR activities and projects in communities throughout the country.

Table 2.1 Summary of CSR activities by the three selected Telecom Companies

Mobile Operator/ CSR Project	MTN	VODAFONE	TIGO
Education	Construction or renovation of School Blocks, offices and stores, capacity building for teachers, provision of learning aids, construction or renovation of libraries, sponsorship to educational sponsorships, construction of ICT facilities and provision of computers, construction of Dormitories, community reading clubs established	Reading clinics, catering and vocational training for both the physically challenged, sign language education, refurbishment and school buildings, ICT training in deprived communities, alternative livelihood skills training, construction or renovation of libraries	Construction and refurbish of classroom buildings at selected communities, Construction or refurbishment of schools with offices and stores, educational scholarship, provision of pupils school uniforms, books and other branded gift items
Health	Construction & refurbishment of Hospital wards, units and facilities, provision of medical equipment, facilitation of workshop for SHS students on HIV Aids & Drug abuse,	Health screening and counselling, distribution of insecticide treated mosquito nets, construction and refurbishment of Hospital wards, units and facilities, supporting children with cerebral palsy, , provision of medical equipment, EBOLA awareness campaign, support Live Chat with Doctors, media health education	Provision of Medical equipment, Construction or refurbishment of medical wards and units, Provision of Water reservoirs to health facilities,

	Entrepreneurship mentorship, capacity building and creation of opportunities for graduates, MTN Hit makers, Provision of capital, equipment, machinery and logistics to support selected micro enterprises, improving lives of PWDs, Provision of motorised tricycles, transforming lives of women in Shea butter production.	Supporting volunteers who want to help in community development with their skill, Advocating for the use of agrochemicals, mango farm initiative for an orphanage, agricultural input support and marketing of farm produce, skill training for women in underprivileged communities, donation of fibre-glass speed boats to NADMO	providing customers with connectivity which enables them to do more with their lives, support for social entrepreneurs with innovative ideas that address challenges to children's wellbeing, Tigo Smile Champions, Christmas party for less privilege children and female head porters in Accra
Economic Empowerment			
Environment & Sanitation	Provision of boreholes for clean and portable water. Sponsorship of clean up exercise	Provision of boreholes for clean and portable water	Supporting teaching primary school students the importance of recycling – effective way of disposing plastic waste.

Source: (Website of case companies, 2015)

2.9 Customer Perception on Corporate Social Responsibility

Perception is the mental image framed in the mind through observations and experiences.

Previous researches confirm that consumers perceive business firms differently based on

their CSR inclination. Corporations must ensure that consumer, who actually decides the

fortune of the business must be aware and frame a positive image in their mind about CSR initiatives. Oberseder, Schlegelmilch (2001) and Hussain and Hussain (2003)

Murphy (2013) and Wigley (2008) observed that awareness about CSR initiatives influence consumer's attitude positively and they have stronger intention to purchase the company's offerings. Moreover Becker-Olsen, Cudmore and Hill (2006) and Ellen, Webb and Mohr (2006) assert that motives behind the CSR initiatives plays a great role in shaping consumer's perception towards businesses. So consumers having high awareness level about the CSR initiatives perceived positive image about those corporations that are socially responsible and in turn, it influences their product evaluation and purchase decision. Romani et al (2013) explored the construct of gratitude, which was posited to mediate the perceived effect of CSR. A positive emotional reaction was produced when a consumer sensed that a company performed a behaviour that was morally valued.

A study conducted by He and Lai (2012) concluded that functional and symbolic images portrayed through CSR enhanced brand loyalty. Carroll (1979) who also did some work on consumer perception of CSR pioneered the dimensionalization of CSR by ranking economic, legal, ethical and discretionary practices as the motivators behind CSR. Aupperle *et al.* (1985) went further and established correlations among the dimensions but declared that each factor held discriminant validity.

Findings of an article on corporate social responsibility from the consumers' perspective in a Chinese setting provide evidence to show that Chinese consumers are more supportive of CSR. It also showed that Carroll's pyramid of responsibilities can be applied in China. The study also evaluated the importance placed by Chinese consumers on the four responsibilities of firms – economic, legal, ethical and philanthropic – and

finds that economic responsibilities are most important while philanthropic responsibilities are of least importance. The nature of these differences is important for firms intending to use corporate social responsibility for strategic purposes. (Ramasamy & Yeung, 2009)

A similar study by Isabelle Maignan (March, 2011) in her article "Consumers' Perceptions of Corporate Social Responsibilities: A Cross-Cultural Comparison" conducted a consumer survey in France, Germany, and the U.S. The study investigated consumers' readiness to support socially responsible organizations and examined their evaluations of the economic, legal, ethical, and philanthropic responsibilities of the firm. French and German consumers appeared more willing to actively support responsible businesses than their U.S. counterparts. While U.S. consumers valued highly corporate eco-nomic responsibilities, French and German consumers were most concerned about businesses conforming to legal and ethical standards. These findings provides useful guidance for the efficient management of social responsibility initiatives across borders and for further academic inquiries

Another study on CSR and Perception of telecommunication industries in Bangladesh revealed that 48% of respondents think mobile operators are maintaining CSR to highlight their organizational activities, 20% believe that operators engage in CSR to promote business, 21% believe CSR should strengthen their positions in the corporate world while 15% believe that the Telcos genuinely engage in CSR. Sarker (2014)
Overall, the study suggests that CSR is perceived by customers as a business tool adopted by these Telcos to ensuring the maximum profit and enlargement of their organizations.

2.10 Impact of CSR

Corporate social responsibility (CSR) is not just about doing the right thing. It means behaving responsibly which offers direct and indirect benefit to the firm undertaking the CSR activity and the society (the customer included).

2.11.1 Impact of CSR on Society

The earliest mention of the social responsibility of business was when Bowen caped the phrase social responsibilities of businessmen in his book titled in 1953 (Bowen 1953).Below is a diagram that depicts how business engages with society by Baker (2004).

According to (Baker 2004) these areas form the areas that can indicate what the performance of CSR is in a Company and the community. According to him a focus in CSR leads to good quality of management which means that the organization benefits from the CSR.

According to Carroll (1983), "corporate social responsibility involves the conduct of a business so that it is economically profitable, law abiding, ethical and socially supportive. To be socially responsible then means that profitability and obedience to the law are foremost. This relates to the firm's ethics and the extent to which it supports the society in which it exists with contributions of money, time and talent".

CSR has shown businesses that they can stimulate development in markets. This is not very evident most of the time but the case of the 1977 Sullivan Principles drafted by Reverend Leon H. Sullivan to encourage US companies working in Apartheid South African to adopt non-discriminatory labor practices is an example. The Sullivan Principles of Corporate Responsibility were meant to create a positive change in the

human rights abuses that were going on in South Africa (Eds Mullerat 2005).This directly affected the communities as it encouraged a change in the access to income opportunities for the discriminated populations of blacks and pushed for integration of society starting at the work place (. Eds Mullerat, 2005) continues to state that this in effect later led to the drafting of The Global Sullivan Principles of CSR which in turn informed the development of the UN Global Compact offering a way for businesses to voluntarily integrate principles of human rights, social justice and economic development in their running. In developing countries we have continued to see the role of the private sector grow. This is exemplifies by the NEPAD(New Partnership for African Development) initiative, a Public Private Partnerships for development which is also encouraged by the World Bank in seeing Businesses role in supporting development. This includes private businesses receiving the tasks to work on contracts with governments for major infrastructural projects important to development that are usually only left to governments to do, sectors such as Energy, Roads and Water (Maya, 2010).In the past there was the Social Contract that the philosopher Rousseau mentioned between Government and the people. In this times Government was the main employer and economic driving force. Today it is business that is increasingly taking this place. In the same way the Social Contact outlined the relationship between a government and the people. CSR and its upcoming principles will be the contract between society and businesses (Maya 2010). The business main role is producing goods and services that fulfill a need in society. Therefore the emergence of CSR has been precipitated by a push from society to have businesses more accountable it may mean there is a need that business is not meeting and needs to. In Africa, companies have found themselves taking part in projects that may seem much unrelated to business in the short term like building schools, supporting tuition, digging boreholes or opening clinics (Maya 2010).However ,

in the longer term these steps at reducing such things as morality rates, increasing access to education hence economic opportunity will lead to increasing average incomes and sustaining a population who will have associated with these companies brands and would repay this in loyalty.

However, since this is long term not many companies see this as a priority or more importantly incentive enough. Those that do stand to reap lots of benefits.

2.11.2 Impact of CSR on Companies

One area of great interest for companies when it comes to CSR is whether a focus on CSR will affect financial performance positively or negatively. The literature in this regards suggests that the debate became even more engaging after Milton Friedman (1970) asserted that the only social responsibility of business in to create profits. Many studies have however been done to reveal the impact of CSR on businesses.

A study on some selected CSR activities summed up its findings as follows: Reducing waste will lead to saving costs, Increasing Energy Efficiency thus reducing carbon emissions and harm to the environment also reduces the costs of operation; good labor practices leading to better retention and through CSR projects increases the reputation of the company thus attracting and retaining top talent. Findings of the study also reveal that companies also benefit from capturing the market for sustainable goods and services staying ahead of their competitors (Maya 2010).

Prahalad (2005) coined the term fortune at the bottom of the pyramid where he postulated that if corporations could turn their focus to those who he called people at the bottom of the pyramid they stand to make profits. His rational was that the poorest have been ignored by business and not had access to goods and services that are essential even for development. If corporations could innovate in their products and meet the demands

of the market he claims exist, then these products would help uplift the poorest out of poverty and in so doing create sustainable development and increase their participation in the market economy leading to more profits for companies.

2.12 Challenges of CSR

Some people believe that the actual responsibility of a business is only to its owners and shareholders (Friedman, 1970). Others believe that a business should be held accountable for all of its actions (past, present and future) that impact the environment and community. One of the common criticisms of corporate social responsibility is that there is a conflict between the purpose of business and the concept of social responsibility. It is argued by many business people and economists that the true purpose of business is to make a profit for the benefit of shareholders. Doing anything outside of this purpose undermines this fundamental business principle. If an organization has a responsibility to its shareholders to make as much profit as possible, how can it justify spending some of those profits on socially responsible projects or making decisions that will negatively affect the bottom line? Essentially, this argument against social responsibility remains true until consumers and shareholders begin to expect a business to act in a responsible way (Koestoer, 2012).

Another criticism of corporate social responsibility is that the actual benefit received by the community is negligible or non-existent. Social responsibility should result in positive outcomes for both the business and the community. However, often the results fall heavily in favour of the business involved. Businesses invest a comparatively small amount into community projects and then use their efforts to promote their brand and gain access to markets all around the world. The public relations and brand building they receive far outweighs their investment in socially responsible projects. One of the serious

challenges that businesses face when becoming involved in corporate social responsibility is growing consumer cynicism. Consumers now recognize that for many organizations, social responsibility is simply a public relations campaign in disguise (Curran, 2005). They are sceptical about the true motivation behind corporate social responsibility and are not easily convinced that a business is acting in the best interests of the community and environment.

Even businesses that are genuine in their commitment to social responsibility face the challenge of winning over customers. Businesses need to be careful to not be seen boasting about their socially responsible endeavours. Basically, consumers view this as a marketing ploy and often disregard what is being said as simply trying to drum up good public relations. This is especially apparent when businesses have made profits from irresponsible behaviour of many years and then expect praise from consumers when they suddenly start to make small changes to their practices (Singh, 2014).

Another significant challenge that results from socially responsible behaviour is that it can negatively affect business profit margins. How can a business justify spending on activities that provide no measurable returns for the business? Of course, the solution is to find socially responsible projects that do offer some tangible benefits; however, many consider this to corrupt the motivation behind responsible business practices. It is debatable as to how much a business should sacrifice in its pursuit of social responsibility (Chatman, 1991)

Corporate social responsibility also comes under criticism because it is disposable or reversible. Many businesses get involved in sustainable projects when economic conditions are excellent and they have plenty of disposable resources, however, as soon as conditions worsen, their community projects are the first thing to go. This can be

detrimental to groups who were reliant on the assistance they were receiving from the organization. This mindset of stakeholders especially customers affects the brand image (Sethi, 1979)

2.13 Customer Defined

Wikipedia (2013) defines a customer sometimes known as a client, buyer, or purchaser as the recipient of a good**,** service**,** product, or idea, obtained from a seller**,** vendor**,** or supplier for a monetary or other valuable consideration.

2.13.1 Types of Customer

Customers are generally categorized into two types; an intermediate customer or trade customer who is a dealer that purchases goods for re-sale and an ultimate customer who does not intend to re-sell the things bought but either passes them to the consumer or actually is the consumer (Wikipedia, 2013).

2.14 What constitute the needs of Telecom Customers

Rosa Say in her article "Managing customer complaints" (2014) believes that friendliness is the most basic of all customers' needs, usually associated with being greeted graciously and with warmth. She explained that all that customers need is to be acknowledged and welcomed by someone who sincerely is glad to see us. A customer shouldn't feel they are an intrusion on the service provider's work day. She was again of the view that customers need to feel that the service person understands and appreciates their circumstances and feelings without criticism or judgment. Customers have simple expectations that those who serve them can put themselves in their shoes, understanding what it is they came to us for in the first place.

She again said customers need to feel they are being treated fairly. Customers get very annoyed and defensive when they feel they are subject to any class distinctions. No one wants to be treated as if they fall into a certain category, left wondering if "the grass is greener on the other side" and if they only received second best.

She again mentioned control which according to her represents the customers' need to feel they have an impact on the way things turn out. The ability to meet this need for them comes from the willingness to say "yes" much more than say "no." Customers don't care about policies and rules; they want to deal with service providers in all reasonableness.

Rosa again believes that customers need to feel that other avenues are available to getting what they want accomplished. They realize that they may be charting virgin territory, and they depend on service providers to be "in the know" and provide them with the "inside scoop." They get pretty upset when they feel they have spun their wheels getting something done, but all along, there was a better way which was never suggestion.

Arussy (2011) believes that telecom customers would want to talk to an empowered call centre agent who has the authority to help solve their problems, want call centre agents to be prepared with information so the customer doesn't need to provide it repeatedly, want their problems resolved as quickly as possible, want to be treated with respect and do not want to be taken for granted, want to talk to a kind and understanding human being.

Suttle (2012) was also of the view that customers go where they are certain that a service will meet their expectations. She was of the view that it might seem a contradiction, but while customers want certainty, they also seek out variety. A certain amount of

uncertainty or mystery adds excitement and adventure to the customer experience. Whether it's wondering what the "soup of the day" might be, or selecting from an expanded variety of predictably excellent products, customers feel energized when their experience with a particular company brings them a bit of unpredictable delight. According to her, customers are eager to do business with companies that value them and seek out customer feedback to show that customer opinions matter. When their feedback is responded, it makes an even bigger positive impression that will keep customers coming back.

Marilyn stated that emotional connection drives decisions. For instance, making eye contact and offering a greeting the moment your client walks through the door makes an instant connection and taking a person down the aisle to find a product is more connecting that simply telling them where to go. Customers want to feel cared for and cared about. People prefer to do business with people they like. She also believes that this is the age of the educated consumer and therefore customers will prefer a company who help them become better at using their product and services and offer helpful instruction or an in-depth special report which help customers gain insights.

A new national survey titled, "The Cost of Poor Customer Service: The Economic Impact of the Customer Experience," by Genesys Telecommunication Laboratory revealed that roughly 73 percent of customers ended a relationship in the United Kingdom due to a poor customer service experience. While surveying over 514 customers based in the United Kingdom, Genesys also found that it's the younger generation of customers that are more likely to leave their service providers behind, versus older customers who are more set in their service provider ways. The study reported that the average value of each lost relationship is £248, or about $394, per year,

for a total of £15.3 billion, or $24.3 billion, a major figure in today's unstable economic times. ughly 39 percent of U.K. consumers said that it is critical for companies to provide more intelligent self-service so they are not trapped in unproductive automated systems. Therefore, customers – especially the younger demographic – prefer speaking to a live customer representative, and a friendly one at that, when calling for a service issue or question. And, with 83 percent of consumers welcoming a more proactive engagement approach as a way to improve their experiences, companies need to perfect their customer service.

According to the data, consumer satisfaction increases when companies meet four key needs: competency, convenience, proactive engagement and personalization. Keith Pearce, senior director of EMEA Marketing at Genesys, said that most businesses understand that turning the customer experience into an emotional engagement adds value to their brain and results in consumers who are more loyal and satisfied.

One common expectation of any consumer is to get his or her money worth, however, when it comes to Ghana, no matter how much of a demand the consumer makes, they are still likely to be given less value for the hard earned cash. One of the sectors which champion this lopsided relationship between what they offer and what consumers pay is the telecommunication sector in Ghana. Most of the networks in Ghana are a mess. You do not have to be with them to know how poor they are with their services. Their customers will easily give you the sentiments from their facial expressions and unending complaints; if the phone of every person you try to reach is not switched off, then all the people you are calling are busy on their phones; if there is no network congestion, then the phone call you are paying for will cut off anytime the conversation is getting interesting; if the internet modem you purchased will not take forever to open a page, then it will disconnect the moment you see something that you really want to read or

look at; if the little rains will not disrupt your internet service, it will surely make it excessively slow; if the credits (units) on your phone are not being stolen by dwarfs when you have not used them, then you are a lucky Ghanaian. Do not get excited, even with your luck, you will still be told you have no credit to make a call when your balance says otherwise; if you do not have to wait till your battery dies before you get to speak to a customer service agent, she or he will intentionally cut the phone call when you begin to tell him/her your problem and he/ she figures out she cannot help (Suru, 2014).

Currently telecom consumers in Ghana are faced with numerous troubles including schemes designed by some of the telecom companies to take hard earned currencies from the people of Ghana and attitudes that have no regards to public interest. All that the Ghanaian consumer expects is that, telecom companies should deliver the services they promise and for which the consumers are paying them monies.

2.15 Customer Loyalty and Corporate Social Responsibility

Often customer loyalty is used as opposed to brand loyalty to emphasise that loyalty is a feature of people, rather than something inherent in brands. Unfortunately, there is no universally agreed definition of loyalty (Jacoby & Chestnut, 1978; Dick & Basu, 1994; Oliver, 1999).

In a study conducted by Saunders (2006), it is found that the percentage of consumers who are more likely to recommend a brand that supports a good cause over the one that does not is 52%. Meanwhile, 55% of consumers contend that in a recession they will buy from brands that support good causes even if they are not necessarily the cheapest. Companies that have made CSR a central part of their businesses are reaping the benefits in the form of company sustainability, reducing liabilities, and insurance costs, as well as improved brand image (Saunders, 2006).

To win loyalty in today's markets, companies have to focus on building and maintaining customer loyalty and CSR has become a useful tool in this regard. However, the relationship between CSR and customer loyalty remains largely unexplored (Liu and Zhou, 2010).

Chaffey (2008) defined consumer loyalty as a desire on the part of the customer to continue to conduct business with a given company overtime. Kotler and Armstrong in their book " Corporate Social Responsibility and Consumer Loyalty " use the idea of repetitive buying patterns of a particular brand as an indication of consumer loyalty. This also includes a verbal promotion of the currently used product or services by the incumbent consumer to others who have yet to try a particular product or service (Kotler and Armstrong, 2008).

2.16 Stakeholder Theory of CSR

The stakeholder theory holds the view that firms have a responsibility to satisfy the interests of their diverse constituents, referred to as stakeholders. Stakeholders according to Freeman (2004) are "those groups who are vital to the survival and success of the organization". In other words the actions or inaction of these groups can make or unmake an organization. Friedman and Miles (2006) emphasizes therefore that, the efforts of organizations should be aimed at managing the interest, needs and viewpoints of these groups. Henriques and Sadorsky (1999) identified four main categories of stakeholders likely to show concern for the impacts of corporate activities. These categories include organizational, community, regulatory and media stakeholders. Organizational stakeholders are "those who are directly related to an organization and have the ability to impact its bottom line directly" (Henriques and Sadorsky1999). These may include

customers, employees, shareholders and suppliers (Clarkson, 1995). These groups are absolutely essential to the success and survival of the firm, both in the short and long term. Community stakeholders include environmental and human rights defense groups, along with other potential activists present in the areas where the firm operates. The regulatory stakeholders group is made of Governments, trade associations, and competitors. In a nutshell, the stakeholders' perspective according to (Maignan et. al., 1999) requires businesses to address the responsibilities placed on them by their stakeholders. It is therefore ethical for companies to be fair or just by giving acceptable treatment to their customers.

2.17 Consumer as a Stakeholder

Many authors or researchers perceive customer as a primary stakeholder and believe that company's long-term survival is truly dependent on consumer. Clarkson (1995) opined that customers are essential for survival of companies and represent a central feature of every CSR report. It would not be wrong if we say that consumers are responsible for the ultimate survival of any business. They not only affect the business performance but also affect other stakeholders of the firm like employees, investors, supplier, etc.

Business firms can attract the customers by being socially responsible, offering the best, innovative and eco-friendly products or services. Therefore, it would be imperative to say that consumers have enough power to become key drivers for CSR to the extent that they could even compel business firms to become more socially and environmentally responsible.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

In order to have a successful and reliable research, emphasis was placed on the exact method used in gathering the data and the best way the data would be assessed and analyzed. Areas covered included the research design, research approach, research strategy, population, sample size & sampling techniques, data collection instrument, data analysis, reliability and validity. The chapter also talks about the organizational profile of case companies describing their history and their position in the industry.

3.2 Research Design

Research design is the blueprint or detailed outline for the whole research. According to Singh (2006), research design is a mapping strategy that is based on sampling technique. It essentially includes objectives, sampling, research strategy, tools and techniques for collecting the evidences, analyzing the data and reporting the findings. Saunders *et al* (2009) also stated that, there are three categories of research design: exploratory, descriptive and explanatory (or causal). They indicated that research design allows the researcher to meet the purpose of the research as the overall plan employed in relation to philosophies, approaches, strategies, choices, techniques and procedures to obtain answers to research questions and for testing the hypothesis outlined

In the past two decades, research approaches have multiplied to a point at which investigators or inquirers have many choices. Three of these approach are quantitative, qualitative and the mixed methods. (Creswell, 2003)

Quantitative approach could be explained by using mathematical based methods whilst qualitative approach could be used by employing interpretive, naturalistic and subjective methods. The mixed approach employs both the quantitative and qualitative methods. This study therefore employed the quantitative approach in soliciting data from customers of Vodafone, MTN and Tigo.

3.3 Research approach

According to Saunders et al (2009), there are two main research approaches: deduction and induction. With deduction, a theory and hypothesis are developed and a research strategy designed to test the hypothesis. Data analysis follows theory. With induction, data are collected and a theory developed as a result of the data analysis. Theory follows data analysis. This research adopted the deductive approach. Self administered questionnaire was used for quantitative data from customers of MTN, Vodafone &Tigo. The self administered questionnaire had a very simple structure to enable the researcher cover all research questions. The choice of this method was imperative as they provided better opportunities to answer research questions and to better evaluate research findings and to make inferences.

3.4 Research Strategy

Research strategy is "an empirical inquiry that investigates a contemporary phenomenon within its real life context especially when the boundaries between phenomenon and concept are not clearly evident" (Yin et al, 2003). Saunders et al, (2009) classify research strategies into seven areas namely: experiments, survey, case study, action research, grounded theory, ethnography and archival research. Wikipedia (September 2013) defines **Survey research** as a research often used to assess thoughts, opinions, and

feelings. Survey research can be specific and limited, or it can have more global, widespread goals. Today, survey research is used by a variety of different groups.

Psychologists and **sociologists** often use survey research to analyze behaviour. A survey consists of a predetermined set of questions that is given to a sample. A survey can be anything from a short paper-and-pencil feedback form to an intensive one-on-one in-depth interview. This study used the survey strategy. The aim was to assess the consumer perception on CSR activities in the Telecom industry by getting responses from a set of question given to mobile phone users.

3.5 Sampling Procedure

This section discussed the population of the study, sample size and sampling technique adopted to select the respondents for the study.

3.5.1 Population and Sample size

3.5.1.1 Population

According to Cooper & Schindler, (2001) cited by Saunders *et al* (2009) population is the total collection of elements about which one wish to make some inferences. A population is the subject of which the measurement is being taken. The detailed population dynamics for this study is found in Table 3.1. For the purpose of this research, the population comprised all mobile users in Ghana.

Table 3.1. List of respondents' population size, and sample size

Mobile phone users of the selected telecom networks	Population size in Ghana	Sample size
MTN	**14,207,778**	**192**
Vodafone	**7,159,566**	**120**
Tigo	**4,315,719**	**72**
Total		**384**

Source (organizations' web sites and Author's construct, 2015)

3.5.1.2 Sample size & Sampling techniques

Sampling is the process of examining a representative number of people or things out of a whole population (Saunders, et al, 2009). According to them, sampling techniques provide a range of methods that allow the researcher to reduce the amount of data needed to be collected by considering only data from a subgroup rather than all possible cases or elements. It was not possible to survey the entire population, however; efforts were made to select a representative sample that can address the research questions. According to Saunders, et al, (2009) researchers normally use 95% level of confidence and certainty.

They further suggested a sample size of 384 for a population of between one million (1m) and ten million (10m) to attain the 95% confidence level or 5% margin of error.

The target population for this research consisted of mobile phone users in Ashanti region. In order to increase precision and to minimize sampling bias, three Telecom companies out of the six in Ashanti Region were selected and they are: MTN, Vodafone and Tigo. The sample size was selected using the convenience sampling. Three Hundred and Eighty four respondents were sampled in the Kumasi metropolis based on the findings of Saunders et al (2009).

3.6 Sources of data

According to Saunders et al, (2009) there are two main sources of data. These are primary data and secondary data, both of which are used in this study. They defined Primary data as data that are gathered for the first time for a specific research or purpose while secondary data are data already collected, which has been published and for which new researchers can rely on as a source of information. This is data collected for a purpose other than the problem at hand. They are existing information made up of publications such as books, journals, articles, internet sources, and other already

established facts. This study used questionnaire as instruments for collecting the primary data from the field whiles that from the secondary source for the literature review was from papers on the topic, website, and internet among others.

3.7 Data Collection Tools

There are many techniques of data collection for research work. Some of the methods are questionnaires, interviews, observations, documentary analysis among others. Each data collection instrument is more suitable for a specific research strategy

Since this study was more of a survey, structured questionnaires were used. The questionnaire was developed based on the research questions and objectives, and was designed to include open ended and closed ended questions. The open-ended questions solicited free responses from the respondents, and the closed-ended questions allowed respondents to choose one response out of several.

3.7.1 Questionnaire Design

A structured questionnaire was prepared to elicit information on the perception of customers with regards to the CSR activities of the selected Telecom companies. The questions were prepared after intensive review of literature from journals, articles, books, official publications, thesis reports, interviews, observations, and internet resources. The questionnaires which consisted of both categorical and scale type question items were used to gather the information on the perceptions of the respondents on the CSR activities of the selected companies. Samples can be found in appendices.

3.8 Administration of the questionnaire

Due to the large sample size, additional hands were employed to administer the questionnaires.

3.9 Data Analysis

Critical analysis and evaluation of the data were done to ensure that the researcher comes out with pertinent findings and make suitable recommendations. All data were coded and analysed using Statistical Program for Social Sciences (SPSS) version 21.0 to measure the means of all factors of the response to generate frequencies, percentages, standard deviations, minimum and maximum ranges for discussion.

3.10 Quality of the research

The validity and reliability of the data collected for this research largely depended on the quality of instruments and procedures of collecting data used (Saunders et al 2009).

To ensure that data collected was reliable and valid, the researcher made sure that:

- The questions were formed in such a way as to make it easy for respondents to understand them.

- The questions asked were as few so as to produce the information required.

- The questions required answers that are straight forward and precise.

- The questions were directly related to the information required

- The question was such that it could be answered honestly and without bias.

3.11 Ethical Issues

Ethics has been described as system of morals, rules, standards and behaviours. Research ethics present researchers with a code of moral guidelines on how to perform research in a morally acceptable way (Struwing & Stead, 2001). Such guidelines aim to prevent researchers from engaging in scientific misconduct, for instance: distortions and inventing data, plagiarism, republishing secondary data as original contribution without proper acknowledgement, failure to uphold the confidentiality of research respondents

and participants, poor and ineffective conduct of a study, unrepresentative data sample and falsely reporting results (Saunders et al, 2003).

Every human institution has a number of ethical issues to observe. Disclosing the confidentiality of the information collected from interviewees is among several ethical issues. These were addressed by first explaining the significance of the study to the respondents and ensuring that their personal data that could bring out their respective identities were not disclosed in the data collected.

The participants engaged in this study were given a brief background of the study so that they appreciate their individual roles in the data collection activity so as to find answers to the research questions. The respondents were encouraged to take part in the process willingly and were given the option to opt out in case it would be an inconvenience in any way.

3.12 Organizational Profile for selected Case Companies

3.12.1 MTN Ghana

Launched in 1994, the MTN Group is a leading emerging market operator, connecting subscribers in 22 countries in Africa, Asia and the Middle East. The MTN Group is listed on the JSE Securities Exchange in South Africa under the share code: "MTN." As of 30 June 2013, MTN recorded 201.5 million subscribers across its operations in Afghanistan, Benin, Botswana, Cameroon, Cote d'Ivoire, Cyprus, Ghana, Guinea Bissau, Guinea Republic, Iran, Liberia, Nigeria, Republic of Congo (Congo Brazzaville), Rwanda, South Africa, Sudan, South Sudan, Swaziland, Syria, Uganda, Yemen and Zambia. MTN's brand is the most valuable in Africa, and is ranked in the top 100 brands worldwide. MTN's shares constitute the biggest primary listing on the JSE – Africa's largest stock exchange.

MTN, the leading provider of telecommunications services in Africa and the Middle East, entered the Ghanaian market following the acquisition of Investcom in 2006. MTN's overriding mission is to be a vehicle for Ghana's economic growth and development, helping to promote Ghana's strong development potential from the provision of world-class telecommunications products and services, through to innovative and sustainable corporate social investment initiatives. (http://www.mtn.com.gh/about-mtn)

3.12.2 Vodafone Ghana

Vodafone Ghana is one of the latest additions to Vodafone Group Plc, the world's leading mobile telecommunications company. This follows the successful acquisition of 70% shares in Ghana Telecommunications Company (GT) for $900 million dollars by Vodafone International Plc on July 23, 2008. Vodafone Group Plc is making significant in-roads in Africa and currently operates in Kenya, South Africa, Tanzania and Mozambique. It has significant presence in Europe, the Middle East, Asia Pacific and the United States through the company's subsidiary undertakings, joint ventures, associated undertakings and investments. Vodafone Group has more than 315 million customers, excluding paging customers, calculated on a proportionate basis in accordance with its percentage interest in these ventures. Operational in 31 countries, the company is ranked among the top 10 global companies by market capitalization. Vodafone has a unique portfolio of products and services that includes high speed access to the internet, mobile services and fixed lines. The company applies the latest industry technology and is keen on building the most versatile network. The company has a deep sense of social responsibility and this done through responsible employee volunteerism, providing access to communication in deprived communities and investing hundreds of thousands

of Cedis through the Vodafone Ghana Foundation in social causes. Vodafone Group Plc acquired Ghana Telecommunications Company (GT) which was established after World War II as a wing of the then Post and Telecommunications Corporation. In order for the company to function as a commercially viable entity, it was split into two autonomous divisions by the government of Ghana, Ghana Postal Services and Ghana Telecom. Two years later, GT was privatized to G-Com Ltd and subsequently contracted to Telenor Management Partners (TMP) of Norway to manage. A Ghanaian management team then took over the affairs prior to Vodafone's acquisition. (http://vodafone.com.gh/About-Us)

3.12.3 Tigo - Ghana

Millicom International Cellular (MIC) S.A., operators of Tigo, is a leading international developer and operator of cellular telephone services worldwide primarily in emerging markets operating across Latin America and Africa.

The company provides affordable, widely accessible and readily available cellular telephony services to more than 30 million customers in 13 emerging markets in these continents.

The success of Tigo is based on the triple 'A' business model which stands for Affordability, Accessibility and Availability. This guarantees that their subscribers experience the best services at the most affordable rates throughout the 10 regions of Ghana and beyond. (http://tigo.com.gh/About-Us)

CHAPTER FOUR

DATA ANALYSIS AND DISCUSSION OF RESULT

4.0 Introduction

This chapter presents the analysis of the field data collected and interpreted to answer the research questions for this study. The findings were discussed under the following headings in line with the objectives of the study: Corporate Social Responsibility Awareness and Telecommunication industry's focus areas in their CSR activities, Customer expectation & Perception and CSR impacts. The result was presented in the form of frequency tables, using Statistical Package for Social Scientist (SPSS) version 21.0, to run frequency, mean, standard deviation and percentages.

4.1 Response Rate

Out of the three hundred and eighty four (384) questionnaires administered, 302 were returned representing 78.64% response rate as shown in Table 4.1. The response rate can be described as good as it is more than half and this might mean that respondents found the questions quiet convenient and easy to interpret. Even though, few sub questions were not answered and this may have been due to the respondent not being sure of the answer to give or having no idea on the question asked. In all twelve (12) questionnaires, representing 3.13% were returned unanswered and seventy (70) representing 18.23% could not be collected as at the time of running the data. The non-response was due to time constraints and inability to locate some of the respondents.

Table 4.1 Response Rate of the Research

Sample Category	Expected return	Actual return	% of actual return
Customers	384	302	78.64%

Source: Analysis of field data, June 2015

4.2 Customers' awareness of Corporate Social Responsibility (CSR)

Since the purpose of the study is to examine the perception of consumers regarding CSR, it was deemed appropriate to examine the level of awareness of customers regarding CSR in the Telecom Industries. To get the right responses, respondents were given a brief description of corporate social responsibility

4.2.1 Customer understanding of Corporate Social Responsibility

Respondents were first asked to indicate how familiar they are with the term "Corporate Social Responsibility". From Table 4.2, majority of the respondents (82.1%, n=248) indicated that they were familiar with the CSR concept. Comparatively a lower percentage (12.9%, n=39) indicated that they were not familiar with the term whiles 4% remained undecided.

Table 4.2 Customers' Level of familiarity with CSR

Level of familiarity with CSR	Frequency	Percentage
Very familiar	130	43.0
Familiar	118	39.1
Don't Know	12	4.0
Not Familiar	27	8.9
Very Not Familiar	12	4.0

Source: Field Data, 2015

4.2.2 Customer Awareness of CSR projects

The researcher after establishing the fact that a majority of the respondents are aware of the CSR concept went further to seek if respondents are aware of the various CSR projects being undertaken by the Telecom companies. The result shows that 69.5% said Yes whiles 28.5% said No. A follow up question was asked where the researcher asked

46

the respondents to mention these CSR projects being undertaken to benefit the society. The responses were grouped under Health, Education, Economic Empowerment and Environment. Table 4.3 reveals that majority of the respondents (49%, n=148) named projects which was undertaken within the Economic empowerment category, followed by projects within the category of education (23.2%, n = 70), Health (20.5%, n=62) then environment (7.3%, n=22). The results indicate that respondents are aware of projects in all the four categories with Economic empowerment having the highest awareness level. The table again shows that MTN Network was the highest network used by respondents accounting for 50%, n=151, followed by Vodafone (34.8%, n=116) then Tigo (11.6%, n=35). The result explains the researcher's sample size distribution among the three networks selected in Chapter 3.

The researcher sought to find out the factors that motivate respondents to select the network they indicated in the question "Which Network do you use?" From table 4.3, 45.4% indicated that they use a particular network because most of their friends and families use that same network.

15.9% accounting for 48 respondents indicated that they use a particular network because it is involved in community work (CSR) implying that Telecom companies still have a lot to do in terms of their CSR activities in order to attract more customers to their network. More people on the network imply more family and friends which is also another motivating factor to get more people. The factor with the least ratings was "others" (2.3%, n=7) which was comprised of bonus packages, good network connectivity and innovative service.

Table 4.3 Other factors examining the CSR awareness level of respondents

Are you aware of Projects that the Telecom companies are doing which benefits society?	FREQUENCY	PERCENTAGE
Yes	210	69.5
No	86	28.5
If Yes to Question B2, please name one of them.		
Health/ Sanitation	62	20.5
Education	70	23.2
Economic Empowerment	148	49.0
Environmental Protection	22	7.3
Do you own a phone		
Yes	299	99.0
No	3	1.0
If Yes to question B4, which Mobile Network do you use?		
MTN Mobile Network	151	50.0
Vodafone Mobile Network	116	38.4
Tigo Mobile Network	35	11.6
Why do you use the networks in B5 above?		
Most of my friends and families use this Network	137	45.4
High customer service	71	23.5
Low call rate	39	12.9
It is much involved in community work	48	15.9
Other	7	2.3

Source: (Author's own field survey, 2015)

4.3 Customer Knowledge of CSR Focus Areas

Based on the review of literature, four main CSR focus areas of the Telecom companies in Ghana were identified. These include education, Health, Economic Empowerment and Environment &Sanitation. Respondents were asked to rate the factors of knowledge on these CSR focus areas of the selected case companies. The rating was a five point likert scale, ranging from 1 = strongly disagree to 5= strongly agree. The result was presented in the form of descriptive statistics, using means and standard deviations.

4.3.1 Education

The statements on education bothered on support for school buildings, learning aid and educational scholarships. The analysis of the various responses is presented in Table 4.4.

Table 4.4 Descriptive Statistics of Statement regarding educational support

Statement	N	Min	Max	Mean	St. Dev
Telecom Companies constructs or renovate school buildings for communities	302	1.00	5.00	3.6424	1.08963
Telecom companies donate learning aids and equipments to schools & community libraries	302	1.00	5.00	3.6954	1.07520
Telecom companies provide educational scholarships for students	302	1.00	5.00	3.2649	1.18799
Overall Mean				**3.534**	

Source: Analysis of Field Data, June 2015

The result in Table 4.4 shows that customers agree that telecom companies support communities with regard to educational infrastructure (Mean=3.642; SD=1.08). Also, it can be observed that respondents generally agree that telecom companies donate learning materials to support education in various communities. The overall mean of 3.534 for all

the three statements indicates that customers agree that telecom company's CSR activities focus on education.

4.3.2 Health Support

The statements on health examined areas such as construction and renovation of hospital facilities, donation of health equipment, and sponsorship of health screening and awareness. . The analysis of the various responses is presented in Table 4.5

Table 4.5 Descriptive Statistics of Statement regarding health support

Statement	N	Min	Max	Mean	St. Dev
Telecom companies construct or renovate hospitals for communities	302	1.00	5.00	3.3444	1.29680
Telecom companies donates hospital equipment to hospital	302	1.00	5.00	3.3609	1.13486
Telecom companies sponsor health screening and awareness campaigns on diseases	302	1.00	5.00	4.0265	1.03074
Overall Mean				**3.5770**	

Source: Field Data, June 2015

All the three statements scored a mean of more than 3, indicating that customers agree that telecom companies in Ghana support health delivery as part of their corporate social responsibility.

4.3.3 Economic Empowerment

Another CSR focus area examined is economic empowerment. The statements bothered on issues relating to provision of economic opportunities, development of talents and economic empowerment of the vulnerable in society.

Table 4.6: Descriptive Statistics of Statement regarding economic empowerment

Statement	N	Min	Max	Mean	St. Dev
Telecom companies sponsor TV programs that develop talents in the society.	302	1.00	5.00	4.2318	.95718
Telecom companies donate to the needs of the vulnerable to empower them economically	302	1.00	5.00	3.7517	1.21777
Telecom companies provide employment to empower community members	302	1.00	5.00	3.9265	1.03074
Overall Mean				**3.970**	

Source: Source: Field Data, June 2015

It can be observed from Table 4.6 that the overall mean of the statements regarding economic empowerment focus of Telecom companies is 3.9, which means that customers generally agree that Telecom companies focus on economic empowerment as part of their corporate social responsibilities.

4.3.3 Environmental Protection

Two statements were used to assess the CSR potential of the telecom companies as far as environmental protection is concerned. The statements bothered on activities of telecom companies that prevent harm to the environment and the participation of telecom companies to keep the environment clean. The responses are captured in Table 4.7. The

result shows that both statements have mean values of more than 3.5. Also, the overall mean of the statements is 3.6212, meaning that respondents generally agree that Telecom companies generally focus on the protection of the environment as part of their CSR.

Table 4.7: Descriptive Statistics of Statement regarding environmental protection policies of Telecom companies

Statement	N	Min	Max	Mean	St. Dev
Telecom companies support activities that prevent harm to the environment	302	1.00	5.00	3.7815	1.12518
Telecom companies participates in clean up exercise to keep the environment clean	302	1.00	5.00	3.4609	0.93486
Overall Mean				**3.6212**	

Source: Source: Field Data, June 2015

4.4 Expectations of customers from Telecom industry on CSR policies

Respondents were asked to rate the factors of customers' expectations and perceptions of CSR. The rating was a five-Point likert scale, ranging from 1=strongly disagree to 5=strongly agree. It could be seen from table that all the mean ratings for six of the factors were above three (3) whiles one factor was below three (3) indicating that most of the factors were seemingly the case as far as customer perception and expectations of CSR were concerned.

It is discernable from Table 4.8 that "Telecom Companies should focus on service quality in terms of connectivity" mean=4.69 (SD=0.89) was the highest factor. Followed by "Telecom Companies should engage in more social projects" mean=4.61 (SD=0.73), then, "Telecom Companies should focus on lower tariffs and fair price" mean=4.58 (0.83) and "Telecom Companies to focus on proper customer management and customer service" mean=4.46 (SD=1.13). The mean figures indicate that customers expected

Telecom companies to look at improved quality service, fair price and lower tariffs, improve customer service as they engage more in CSR activities though there is an indication from the mean figures that some of the factors are more expected than others.

Table 4.8 Customers' expectations and Perceptions of CSR

Variables	N	Min	Max	Mean	Std.dev
Telecom Companies should focus on proper customer management and customer service.	302	1.00	5.00	4.47	1.13
Telecom Companies should focus on lower tariffs and fair price	302	1.00	5.00	4.58	.83
Telecom Companies should focus on service quality in terms of connectivity	302	1.00	5.00	4.69	.88
Telecom Companies should engage in more social projects.	302	1.00	5.00	4.61	.73
If you agree or strongly agree to D4, please can you suggest some of the other social projects you expect Telecom Companies to do	302	1.00	5.00	2.57	1.13
Telecom Companies engage in social projects to satisfy customer needs.	302	1.00	5.00	3.40	1.48
Telecom Companies engage in social projects to get more profit	302	.00	5.00	3.47	1.54

Source: (Author's own field survey, 2015)

On consumers' perception of CSR activities pursued by the Telecom companies, table 4.8 indicates that "Telecom Companies engage in social projects to get more profit" mean=3.5 (SD=1.54) was rated highest by respondents followed by "Telecom Companies engage in social projects to satisfy the needs of customers" mean=3.40

(SD=1.48).The means of the two statements on customer perception indicate that there seems to be a divided perception that suggests that Telecom companies engage in CSR to satisfy the needs of customers as well as for more profit.

4.5 Corporate Social Responsibility (CSR) and customer loyalty

The researcher also sought to examine the perception of customers regarding their loyalty to Telecom companies that engage in CSR. The two important statements relating to customer loyalty were made and respondents were asked to rate these statements on a five-Point likert scale, ranging from 1=strongly disagree to 5=strongly agree. The descriptive statistics of the responses are indicated in Table 4.10. The result generally shows that the CSR activities embarked upon by the Telecom companies have some level of impact on the loyalty of customers. For instance, customers seem to agree that the CSR activities by Telecom companies influence their loyalty positively. This means that customers consider the CSR activities of their Telecom companies when deciding on whether to remain loyal to them or not.

Table 4.9 Impact of CSR on customer loyalty

Statement	N	Min	Max	Mean	St. Dev
I encourage friends and family members to use the services Telecom companies that gives back to society	302	1.00	5.00	4.2517	1.01777
CSR activities by Telecom companies has a positive impact on my loyalty	302	1.00	5.00	3.7265	0.93074
Overall Mean				**4.000**	

Source: Analysis of Field data, June 2015

It can be observed from Table 4.9 that the loyalty of customers is enhanced through the CSR support offered by the Telecom companies. All the statements have means more than 3.5, which indicates that customers generally agree that CSR activities by Telecom companies enhance their loyalty towards them.

4.5.1 Relationships between CSR focus areas and customer loyalty.

The study also sought to examine the relationship between customers' views on the various CSR focus and customer loyalty. A simple regression analysis was performed to examine the effect of CSR activities of Telecom companies on the loyalty of their customers. Corporate Social Responsibility (CSR) was designated as the independent variable whiles customer loyalty was used as the dependent variable. The result is presented in Tables 4.10, 4.11 and 4.12.

Table 4.10 Model Summary of Regression Result

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.387[a]	.150	.147	1.15323

a. Predictors: (Constant), CSR
Source: Analysis of field Data, June 2015.

Table 4.11 Analysis of Variance (ANOVA)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	21.188	1	21.188	15.931	.000[b]
	Residual	398.985	300	1.330		
	Total	420.172	301			

a. Dependent Variable: LOYALTY
b. Predictors: (Constant), CSR
Source: Analysis of field Data, June 2015.

Table 4.12 Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.348	.447		3.017	.003
	CSR	.457	.114	.225	3.991	.000

a. Dependent Variable: LOYALTY

Source: Analysis of field Data, June 2015.

From Table 4.12, it can be observed that CSR has a significant positive effect on customer loyalty (β=0.457; t=3.991; p≤0.01). This means that, all other things being equal, customer's perception about CSR activities positively influence their loyalty. From Table 4.10, it is observe that the R-square value (coefficient of determination) is 0.15, which indicates that 15.0% of the variations in customer loyalty are explained by CSR activities. The F-statistic reported in Table 4.11 is significant at 1% level, which means that the model's predictive power is good.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

The previous dealt with the Analysis and discussion of the results. This Chapter seeks to provide the summary of the key findings. In addition, it also deals with recommendations and conclusion of the study.

5.1 Summary of findings

The study examined three major objectives. The first objective was to identify the focus areas of CSR activities undertaken by companies in the Telecommunication industry, the second being assessing the expectations of customers from the Telecommunication industry on CSR policies and lastly to assess the impact of CSR interventions in Telecommunication industry on customer loyalty. The major findings are as follows:

5.1.1 CSR Focus Areas in the Telecom Industry

The findings revealed that telecom companies in Ghana focus on four main areas as far as CSR activities are concerned. These are education support, health support, economic empowerment and environmental protection. Among these focus areas; economic empowerment appears to be the most important focus area of the telecom companies.

5.1.2 Expectations of consumers of in the telecom industry on CSR policies

The study found that customers of telecom companies in Ghana expect their providers to focus more on service quality in terms of connectivity, engage more in social projects, focus on lower tariffs and fair price and improve their customer management and service. Among these expectations, focus on service quality happens to be the most important expectation of customers with respect to CSR policies of telecom companies.

5.1.3 Impact of CSR on customer loyalty

The impact of CSR on customers was related to their loyalty by conducting correlation and regression analysis. The result shows that the main CSR focus areas; Education, Health, Environmental Protection and Economic Empowerment have positive relationship with customer loyalty. In other words, as customers perceive that these areas are being tackled by Telecom companies, it enhances their loyalty. The regression result also shows that CSR by the Telecom Companies has significant positive effect on the loyalty of their customers ($\beta=0.457$; $t=3.991$; $p\leq0.01$). The R-square of 0.15 means that 15% of the variations in customer loyalty towards the telecom companies are explained by CSR.

5.2 CONCLUSION

The concept of CSR has become more and more common in business practices and customers today almost expect companies to be socially responsible. Even though CSR is very important for companies, it has historically not been a very lucrative approach for them to involve in these activities since its impact cannot be easily measured. The study sought to examine the perception of customer in Ghana regarding CSR interventions in the telecommunication industry of Ghana.

The purpose of the study was to examine how customers perceive CSR activities of telecom companies and their expectations of CSR activities. The study found that the main CSR focus areas of telecom companies in Ghana are health support, education support, environmental support and economic empowerment. The findings also show that customers of the telecom companies expect them to provide quality service in terms of network connectivity. The study further found a positive relationship between CSR activities and customer loyalty.

5.3   Recommendations

The researcher recommends the following:

1. Telecom companies should still help society in the areas of education, health and economic empowerment as a lot of communities are benefiting from these CSR activities. Attention should however be given also to environmental protection since most respondents seemingly knew little about CSR activities in that area.

2. In addition to supporting or spearheading social activity initiatives in the communities, Telecom companies should adopt a pragmatic approach to include customer management practises, charging of fair price and provision of good network connectivity in their CSR policies and initiatives as a means of satisfying customers' expectations and in turn reaping the benefits in the long –run.

3. Telecom companies should engage in more CSR activities to completely change the perception associated   with companies involved in CSR initiatives since based on the study, the negative perception is gradually changing.

4. Based on the findings, CSR has a positive impact on customer loyalty and therefore Telecom companies in Ghana should enhance their CSR interventions in order to improve the loyalty level of their customers.

5. Further studies needs to be conducted from the service firm's perspective to assess employees' expectation, the CSR strategies used and the impact CSR has on employees in the Telecommunication industry.

REFERENCES

Aguilera, Ruth V., Deborah E. Rupp, Cynthia A. Williams, and Jyoti Ganapathi. "Putting the S back in corporate social responsibility: A multilevel theory of social change in organizations." *Academy of management review* 32, no. 3 (2007): 836-863.

Alam, Naznin, and Ahsan Kabir Rubel. "Impacts of Corporate Social Responsibility on Customer Satisfaction in Telecom Industry of Bangladesh." *ABC Journal Of Advanced Research* 3, no. 2 (2014): 26-37.

Amponsah-Tawiah, Kwesi. "Occupational health and safety and sustainable development in Ghana." *International Journal of Business Administration* 4, no. 2 (2013): p74.

Arussy, Lior. "Are You Willing to Socialize With Your Customers?" *CRM Magazine* 15, no. 11 (2011): 8-8.

Asaad, A. "The role of brand equity in the effects of corporate social responsibility on consumer loyalty." *Unpublished master's diss., Universiti Sains Malaysia, Malaysia* (2010).

Atuguba R. & Dowuona-Hammond C. (2006). *"Corporate Social Responsibility in Ghana".* Friedrich Ebert Foundation (FES) Ghana.

Aupperle, Kenneth E., Archie B. Carroll, and John D. Hatfield. "An empirical examination of the relationship between corporate social responsibility and profitability." *Academy of management Journal* 28, no. 2 (1985): 446-463.

Baker, Mallen. "Corporate social responsibility-What does it mean." *http://www. mallenbaker. net/csr/CSRfiles/definition. html, Accessed on* 3 (2004): 2005.

Banerjee, Subhabrata Bobby. "Corporate social responsibility: The good, the bad and the ugly." *Critical Sociology* 34, no. 1 (2008): 51-79.

Becker-Olsen, Karen L., B. Andrew Cudmore, and Ronald Paul Hill. "The impact of perceived corporate social responsibility on consumer behavior." *Journal of business research* 59, no. 1 (2006): 46-53.

Becker-Olsen, Karen L., B. Andrew Cudmore, and Ronald Paul Hill. "The impact of perceived corporate social responsibility on consumer behavior." *Journal of business research* 59, no. 1 (2006): 46-53.

Belal, Ataur. *Stakeholders' perceptions of Corporate Social Reporting (CSR) in Bangladesh*. Aston University, 2006.

Berthon, Pierre R., Leyland F. Pitt, Kirk Plangger, and Daniel Shapiro. "Marketing meets Web 2.0, social media, and creative consumers: Implications for international marketing strategy." *Business horizons* 55, no. 3 (2012): 261-271.

Bowen, Howard R. *Social responsibilities of the businessman*. University of Iowa Press, 2013.

Brammer, Stephen, Gregory Jackson, and Dirk Matten. "Corporate social responsibility and institutional theory: New perspectives on private governance." *Socio-Economic Review* 10, no. 1 (2012): 3-28.

Carroll, A. B, (1991). The Pyramid of Corporate Social Responsibility: Toward the Moral Management of Organizational Stakeholders, *Business Horizons,* 225-235.

Carroll, A. B., A. K. Buchholtz, and A. K. Business. "Society: Ethics and Stakeholder Management." *United States* (2000).

Carroll, Archie B. "The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders." *Business horizons* 34 (1991): 39-48.

Clarkson, Max E. "A stakeholder framework for analyzing and evaluating corporate social performance." *Academy of management review* 20, no. 1 (1995): 92-117.

Collier, Jane, and Rafael Esteban. "Corporate social responsibility and employee commitment." *Business ethics: A European review* 16, no. 1 (2007): 19-33.

Creswell, John W., and Vicki L. Plano Clark. "Designing and conducting mixed methods research." (2007).

Davis, Keith. "The case for and against business assumption of social responsibilities." *Academy of Management journal* 16, no. 2 (1973): 312-322.

Davis, Keith. "Understanding the social responsibility puzzle." *Business Horizons* 10, no. 4 (1968): 45-50.

De Villiers, Charl, and Chris J. Van Staden. "Can less environmental disclosure have a legitimising effect? Evidence from Africa." *Accounting, Organizations and Society* 31, no. 8 (2006): 763-781.

Dixon-Ogbechi, Bolajoko N., Joseph F. Aiyeku, Elizabeth Haran, and Piyachat Jarutirasarn. "Marketers' perception of corporate social responsibility and the impact on company's performance: A study of companies in the nigerian service industry in lagos metropolis." In *International Conference on CRS in Sub-Saharan Africa, December 12-14, Lagos, Nigeria*. 2011.

Ellen, Pam Scholder, Deborah J. Webb, and Lois A. Mohr. "Building corporate associations: Consumer attributions for corporate socially responsible programs." *Journal of the Academy of Marketing Science* 34, no. 2 (2006): 147-157.

Forstater, Maya, and Corporate Social Responsibility Initiative. "Working Paper nº 60; October 2010." *Harvard University–John Kennedy School of Governance* (2010).

Freeman, R. Edward. "The stakeholder approach revisited." *Zeitschrift für Wirtschafts-und Unternehmensethik* 5, no. 3 (2004): 228-241.

Friedman, Andrew L., and Samantha Miles. *Stakeholders: Theory and practice*. Oxford University Press, 2006.

Friedman, Milton. *The social responsibility of business is to increase its profits*. springer berlin heidelberg, 2007.

Greening, Daniel W., and Daniel B. Turban. "Corporate social performance as a competitive advantage in attracting a quality workforce." *Business & Society* 39, no. 3 (2000): 254-280.

Guthrie, James, and Lee D. Parker. "Corporate social reporting: a rebuttal of legitimacy theory." *Accounting and business research* 19, no. 76 (1989): 343-352.

He, Hongwei, Yan Li, and Lloyd Harris. "Social identity perspective on brand loyalty." *Journal of Business Research* 65, no. 5 (2012): 648-657.

Henderson, David. "The case against 'corporate social responsibility'." *POLICY-ST LEONARDS-* 17, no. 2 (2001): 28-32.

Henderson, David. *Misguided virtue: False notions of corporate social responsibility*. New Zealand Business Roundtable, 2001.

Henriques, Irene, and Perry Sadorsky. "The relationship between environmental commitment and managerial perceptions of stakeholder importance." *Academy of management Journal* 42, no. 1 (1999): 87-99.

Hillman, Amy J. and Gerald D. Keim. "Shareholder value, stakeholder management, and social issues: what's the bottom line?." *Strategic management journal* 22, no. 2 (2001): 125-139.

Hussain, B. and M. Hussain. "Corporate Social Responsibility: Do Customers Get What They Expect?" *Journal of Business Studies, Southeast University* 1, no. 1 (2005): 133-139.

Jenkins, Heledd. "Small business champions for corporate social responsibility." *Journal of Business Ethics* 67, no. 3 (2006): 241-256.

Koestoer, Yanti T. "Corporate Social Responsibility in Indonesia: Building internal corporate values to address challenges in CSR Implementation." *Seminar on Good Corporate and Social Governance in Promoting ASEAN's Regional Integration*. Vol. 17. 2007.

Kotler, Philip, and Nancy Lee. "Corporate social responsibility." *Doing the Most Good for Your Company and Your Cause, New Jersey* (2005).

Kotler, Philip, and Nancy Lee. "Corporate social responsibility." *Doing the Most Good for Your Company and Your Cause, New Jersey* (2005).

Lee, Min-Dong Paul. "A review of the theories of corporate social responsibility: Its evolutionary path and the road ahead." *International journal of management reviews* 10, no. 1 (2008): 53-73.

Lee, Min-Dong Paul. "A review of the theories of corporate social responsibility: Its evolutionary path and the road ahead." *International journal of management reviews* 10, no. 1 (2008): 53-73.

Llewellyn, John. "Government, business, and the self in the United States." *The debate over corporate social responsibility* (2009): 177.

Maignan, Isabelle, and O. C. Ferrell. "Corporate social responsibility and marketing: an integrative framework." *Journal of the Academy of Marketing science* 32, no. 1 (2004): 3-19.

Maignan, Isabelle. "Consumers' perceptions of corporate social responsibilities: A cross-cultural comparison." *Journal of business ethics* 30, no. 1 (2001): 57-72.

MarilynSuttle. "Competitive strategies and business performance within the retailing industry." *International Journal of Retail & Distribution Management* 20, no. 5 (2012).

Marina, Martin Curran. "Assessing the rate of return of the adoption of corporate social responsibility initiatives." (2005).

Moir, Lance. "What do we mean by corporate social responsibility?." *Corporate Governance: The international journal of business in society* 1, no. 2 (2001): 16-22.

Mullerat, Ramon. *International corporate social responsibility: the role of corporations in the economic order of the 21st century*. Kluwer Law International, 2010.

Murphy, Patrick E. "Marketing, Ethics of." *Wiley Encyclopedia of Management* (2010).

Mwaura, K. "Corporate citizenship: The changing legal perspective in Kenya." In *Interdisciplinary CSR Research Conference, Nottingham, International Centre for Corporate Social Responsibility (ICCSR)*. 2004.

Öberseder, Magdalena, Bodo B. Schlegelmilch, and Verena Gruber. ""Why Don't Consumers Care About CSR?": A Qualitative Study Exploring the Role of CSR in Consumption Decisions." *Journal of Business Ethics* 104.4 (2011): 449-460.

O'Reilly, Charles A., Jennifer Chatman, and David F. Caldwell. "People and organizational culture: A profile comparison approach to assessing person-organization fit." *Academy of management journal* 34, no. 3 (1991): 487-516.

Orlitzky, Marc, Donald S. Siegel, and David A. Waldman. "Strategic corporate social responsibility and environmental sustainability." *Business & society* 50, no. 1 (2011): 6-27.

Ostlund, Lyman E. "Attitudes of managers toward corporate social responsibility." *California Management Review (pre-1986)* 19, no. 000004 (1977): 35.

Pachauri, R. K. "CSR in new dimensions." *The Economic Times* (2006).

Persais, Eric. "Customer perceptions of corporate social responsibility of service firms: impact on customer attitudes and behavioral intentions." (2011).

Post, James E. Lee E. Preston, and Sybille Sachs. *Redefining the corporation: Stakeholder management and organizational wealth*. Stanford University Press, 2002.

Rahim, Rahizah Abd, Farah Waheeda Jalaludin, and Kasmah Tajuddin. "The importance of corporate social responsibility on consumer behaviour in Malaysia." *Asian academy of management journal* 16, no. 1 (2011): 119-139.

Rahman Belal, Ataur. "A study of corporate social disclosures in Bangladesh." *Managerial Auditing Journal* 16, no. 5 (2001): 274-289.

Ramasamy, Bala, and Mathew Yeung. "Chinese consumers'perception of corporate social responsibility (CSR)." *Journal of Business Ethics* 88, no. 1 (2009): 119-132.

Ravald, Annika, and Christian Grönroos. "The value concept and relationship marketing." *European journal of marketing* 30, no. 2 (1996): 19-30.

Rejoinder-statement-re-WACAM-GNA-Article-11-Nov-2005.doc

Riordan, Christine M., Robert D. Gatewood, and Jodi Barnes Bill. "Corporate image: Employee reactions and implications for managing corporate social performance." *Journal of Business Ethics* 16, no. 4 (1997): 401-412.

Roberts, Peter W., and Grahame R. Dowling. "Corporate reputation and sustained superior financial performance." *Strategic management journal* 23, no. 12 (2002): 1077-1093.

Robins, Fred. "The future of corporate social responsibility." *Asian Business & Management* 4, no. 2 (2005): 95-115.

Romani, Simona, Silvia Grappi, and Richard P. Bagozzi. "Explaining consumer reactions to corporate social responsibility: The role of gratitude and altruistic values." *Journal of Business Ethics* 114, no. 2 (2013): 193-206.

Rosa Say. "Managing customer dissatisfaction through effective complaints management systems." *The TQM magazine* 12, no. 5 (2014): 331-337.

Ruf, Bernadette M., Krishnamurty Muralidhar, Robert M. Brown, Jay J. Janney, and Karen Paul. "An empirical investigation of the relationship between change in corporate social performance and financial performance: A stakeholder theory perspective." *Journal of Business Ethics* 32, no. 2 (2001): 143-156.

Saiia, David H., Archie B. Carroll, and Ann K. Buchholtz. "Philanthropy as strategy when corporate charity "begins at home"." *Business & Society* 42, no. 2 (2003): 169-201.

Sandra Lancaster. "Corporate social responsibility as a conflict between shareholders." *Journal of business ethics* 97, no. 1 (2004): 71-86.

Sarker, Md Fouad Hossain. "Corporate social responsibility of telecom industries in Bangladesh: Rhetoric vs. realities." *Social Sciences* 3, no. 6 (2014): 199-207.

Sarre, Rick, Meredith Doig, and Brenton Fiedler. "Reducing the risk of corporate irresponsibility: the trend to corporate social responsibility." In *Accounting Forum*, vol. 25, no. 3, pp. 300-317. Blackwell Publishers Ltd, 1991

Saunders, Mark NK, Mark Saunders, Philip Lewis, and Adrian Thornhill. *Research methods for business students, 5/e*. Pearson Education India, 2011.

Schaper, Michael T., and Lawson K. Savery. "Entrepreneurship and philanthropy: the case of small Australian firms." *Journal of Developmental Entrepreneurship* 9, no. 3 (2004): 239.

Schindler, D. R., and P. S. Cooper. "2003." *Business Research Methods* (2001).

Sethi, S. Prakash. "A conceptual framework for environmental analysis of social issues and evaluation of business response patterns." *Academy of Management Review* 4, no. 1 (1979): 63-74.

Shergill, Sarabjit Singh. "Consumers perception towards the corporate social responsibility: A case study of India." *European Journal of Business and Management* 4, no. 4 (2012): 47-56.

Singh, D. R., and J. M. Ahuja. "Corporate social reporting in India." *International Journal of Accounting* 18, no. 2 (1983): 151-169.

Singh, Yogesh Kumar. *Fundamental of research methodology and statistics*. New Age International, 2006.

Smith, Adam. "An inquiry into the nature and causes of the wealth of nations, The Glasgow edition of the works and correspondence of Adam Smith, vol. 2." *Glasgow: Glasgow Publishers* (1976).

Struwig, F. W. and G. B. Stead. "Understanding reliability and validity." *Andrea Nattrass.(3 rd ed. 2004). Planning, designing and reporting research. Cape Town: Hanli Venter* (2001): 130-142.

Swaen, Valérie, and Ruben C. Chumpitaz. "Impact of corporate social responsibility on consumer trust." *Recherche et Applications en Marketing (English Edition)* 23, no. 4 (2008): 7-34.

Terry Beckman and Peggy Cunningham. "Corporate Social Responsibility in Emerging Markets: The Chilean Experience." In *ASAC*, vol. 28, no. 29. 2007.

Tyrrell, A. "Corporate social responsibility: what's your view." *Accountancy Ireland* 38, no. 1 (2006): 44-45.

Tyrrell, A. "Corporate social responsibility: what's your view." *Accountancy Ireland* 38, no. 1 (2006): 44-45.

Visser, Wayne. "Corporate citizenship in South Africa." *Journal of corporate citizenship* 2005, no. 18 (2005): 29-38.

Vogel, David. *The market for virtue: The potential and limits of corporate social responsibility*. Brookings Institution Press, 2007.

Wigley, Shelley. "Gauging consumers' responses to CSR activities: Does increased awareness make cents?" *Public Relations Review* 34, no. 3 (2008): 306-308.

Yeboah, Stephen. Lifting the Veil of "Corporate Social Responsibility" in Ghana *International Journal of Business and Social Science Vol. 2 No. 17*

Yin, Robert K. *Case study research: Design and methods*. Sage publications, 2013.

Zairi, Mohamed, and John Peters. "The impact of social responsibility on business performance." *Managerial Auditing Journal* 17, no. 4 (2002): 174-178.

INTERNET SOURCES

http://tigo.com.gh/About-Us

http://vodafone.com.gh/About-Us

http://www.mtn.com.gh/about-mtn

http://www.reports-and-materials.org/Newmont-Ghana-

www.nca.org.gh

SURVEY QUESTIONNAIRE

This questionnaire is designed to solicit views from respondents in the Kumasi Metropolis on the topic: An assessment of Consumer Perception on Corporate Social Responsibility in the Telecom- munication Industry in Ghana. Your kind and frank opinion on the issues raised in this questionnaire is very necessary to this research. It is purely for academic exercise. Please the information you provide will be treated in strictest confidence. Your anonymity is very much guaranteed. Thank you for your co-operation.

For: Customers.

QUESTIONNAIRE OVERVIEW

Section A: **CSR Awareness**	
Instructions: For Statements B1 – B6, indicate your opinion for the following statement by placing a checkmark (✓) in the right column. **Background:** **Corporate Social Responsibility (CSR) describes a situation where a Company behaves in a certain way to benefit society. For example, building schools for communities, providing clean and portable water, helping hospitals and a host of other activities that will benefit the people in society.**	
A1 How familiar are you with the term above	**Very Familiar** ☐ ☐

	"Corporate Social Responsibility"	Familiar Don't Know ☐ Not Familiar ☐ Very not Familiar ☐		
A2	Are you aware of Projects that the Telecom companies are doing which benefits society?	Yes ☐ No ☐		
A3	If Yes to Question B2, please name one of them.			
A4	Do you own a phone	Yes ☐ No ☐		
A5	If Yes to question B4, which Mobile Network do you use? (Please tick the major Network you use)	MTN ☐ Vodafone ☐ Tigo ☐		
A6	Why do you use the Network(s) in B5 above	Most of my friends & families use this network ☐ High Customer ser☐ Low call rate ☐ It is much involved in community work ☐ Other (Please Specify)		

Section B: CSR Focus Areas, Objectives 1

Instructions: For Statements C1 – C9, indicate your opinion for the following statement by placing a checkmark (✓) in the right column under the 5-point Likert Scale where: 1=*Strongly Disagree*, 2= Disagree, 3= Undecided, 4= Agree and 5=*Strongly Agree*

	1	2	3	4

		5
B1	Telecom Companies constructs or renovate school buildings for communities	☐ ☐ ☐ ☐ ☐
B2	Telecom companies donate learning aids and equipments to schools & community Libraries	☐ ☐ ☐ ☐ ☐
B3	Telecom companies provide educational scholarships for students	☐ ☐ ☐ ☐ ☐
B4	Telecom companies construct or renovate hospitals for communities	☐ ☐ ☐ ☐ ☐
B5	Telecom companies donates hospital equipments to hospital	☐ ☐ ☐ ☐ ☐
B6	Telecom companies sponsor health screening and awareness campaigns on diseases	☐ ☐ ☐ ☐ ☐
B7	Telecom Companies sponsor TV programs that develop talents in the society.	☐ ☐ ☐ ☐ ☐
B8	Telecom companies donate to the needs of the vulnerable to empower them economically.	☐ ☐ ☐ ☐ ☐
B9	Telecom companies provide employment to empower community members	☐ ☐ ☐ ☐ ☐

		1 2 3 4 5
B10	Telecom companies support activities that prevent harm to the environment	☐ ☐ ☐ ☐ ☐
B11	Telecom companies participates in clean up exercise to keep the environment clean	

Section C: Customer Expectations and Perception, Objectives 2		
Instructions: For Statements D1 – D7, indicate your opinion for the following statement by placing a checkmark (✓) in the right column under the 5-point Likert Scale where: 1= **Strongly Disagree** and 5=**Strongly Agree**		
		1 2 3 4 5
C1	Telecom Companies should focus on proper customer management and customer service	☐ ☐ ☐ ☐ ☐
C2	Telecom Companies should focus on lower tariffs and fair price	☐ ☐ ☐ ☐ ☐
C3	Telecom Companies should focus on service quality in terms of connectivity	☐ ☐ ☐ ☐ ☐
C4	Telecom Companies to engage in more social projects.	☐ ☐ ☐ ☐ ☐
C5	If you agree or strongly agree to D4, please can	

	you suggest some of the other social projects you expect Telecom Companies to do	
C6	Telecom Companies engage in social projects to satisfy the needs of customers	☐ ☐ ☐ ☐ ☐
C7	Telecom Companies engage in social projects to get more profit	☐ ☐ ☐ ☐ ☐

Section D: CSR Impact on Customer Loyalty Objective 3

Instructions: For Statements E1 – E10, indicate your opinion for the following statement by placing a checkmark (✓) in the right column under the 5-point Likert Scale where 1=*Highly dissatisfied* and 5=*Highly satisfied*

		1 2 3 4 5
D1	I encourage friends and family members to use the services of Telecom companies that gives back to society.	☐ ☐ ☐ ☐ ☐
D2	CSR activities by Telecom companies have a positive impact on my loyalty.	☐ ☐ ☐ ☐ ☐