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CORPORATE SOCIAL RESPONSIBILITY AND MARKET DEVELOPMENT: A CASE OF MTN UGANDA

BY

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DECLARATION

I **Barigye Nathan** declare that this dissertation is my original work and has never been submitted in any institution for any academic award nor published at any level.

Signed.....

Date.....25/10/2007.....

APPROVAL

This is to certify that this dissertation submitted for examination has been under my supervision.

.....

DR ANDREW MUSIIME

Date 25/10/07.....

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DEDICATION

In appreciation of the profound contribution and support towards the success of this work, I dedicate this material work to Dr. A.P. Canene, Dr, Musiime Andrew, my family, MTN staff and its stakeholders, friends and the academic world.

ACKNOWLEDGEMENT

With God everything is possible.

My sincere acknowledgement goes to Dr. Musiime Andrew, Dr Angelita P. Canene, Dr. Benjamin Y. Nyaboga, my Family, respondents especially MTN staff and its stakeholders, friends as well as my fellow academicians who followed and supported me in all that was required to the success of this study.

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ACRONYMS

CSR	– Corporate Social Responsibility
MTN	- Mobile Telecommunication Network
BSR	- Business for Social Responsibility
SME's	- Small scale and Medium sized Enterprises
NGO's	- Non Governmental Organizations

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ABSTRACT

Corporate social responsibility (CSR) is a familiar concept for big business. Many large companies are allocating time and resources to explore CSR. This growing recognition of CSR has also taken a centre stage in the Ugandan economy where some organizations are undertaking CSR activities. CSR is a concept that frequently overlaps with similar approaches such as corporate sustainability, corporate sustainable development, corporate responsibility, and corporate citizenship.

This study was bent on finding out the links between Corporate Social Responsibility and market development with the aim of determining the importance of corporate Social Responsibility in market Development, identifying the Factors that affect corporate Social Responsibility, and establishing the link between corporate Social Responsibility activities of organizations and Market Development, and was undertaken in western Uganda with a focus on MTN activities.

The study undertook a descriptive research design, and findings reveal that corporate social responsibility goes hand in hand with Activities of MTN Uganda. The study concluded that CSR and market developments are closely related, social responsibility is regarded as an important business issue in market Development and that behaving in a socially responsible manner could provide both demand and supply side benefits to organizations.

CHAPTER ONE

INTRODUCTION

Back Ground of the Study

According to Jane (2000), corporations should use their power and Money to Voluntary Influence for broad social purposes by giving aid to societies rather than aiming at profits alone for a business. This can be done by developing paternalistic programs to support the disadvantaged and the poor members of society through educational, health services and other form of charity.

Corporate social responsibility (CSR) is now a familiar concept for big business. Many large companies are allocating time and resources to explore CSR, implement CSR initiatives, and communicate their CSR commitment. While CSR is not an easy journey for any company, larger companies typically have more resources to allocate to these efforts than do their smaller counterparts

According to WBCSD, (2000), there is no single, commonly accepted definition of the notion of corporate social responsibility and the concept is often used interchangeably with other terms including corporate citizenship, corporate accountability, business ethics, corporate responsibility and sustainability. Moreover definitions vary in different cultural and national settings corporate social responsibility is "the continuing commitment by business to behave ethically and to contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large". Business for

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Social Responsibility (BSR) suggests that the idea of corporate social responsibility relates to business decision-making linked to ethical values, compliance with legal requirements and respect for people, communities and the environment, in a manner that meets or exceeds the ethical, legal, commercial and public expectations that society has of businesses

Corporate social responsibility is a concept with a growing influence within Uganda and around the globe. CSR is a concept that frequently overlaps with similar approaches such as corporate sustainability, corporate sustainable development, corporate responsibility, and corporate citizenship. While CSR does not have a universal definition, many see it as the private sector's way of integrating the economic, social, and environmental imperatives of their activities. As such, CSR closely resembles the business pursuit of sustainable development and the triple bottom line. (Robert Ackerman and Raymond Bauer, 1976).In addition to integration into corporate structures and processes, CSR also frequently involves creating innovative and proactive solutions to societal and environmental challenges, as well as collaborating with both internal and external stakeholders to improve CSR performance.

The last decade has seen an exponential growth in interest in the social, ethical and environmental performance of organizations. This development can be linked to a variety of social and markets factors that include; increased demands from customers for products which have been produced responsibly, growing stakeholder activism in the wake of a series of corporate scandals and environmental incidents, pressures exerted along the supply chain, particularly by larger enterprises seeking to enhance their own credentials, expectations of greater transparency and responsibility in business,

aided by advances in communications and information technology, and growing investor pressure for more ethical investment decisions and responsible business practices.

Faced with such demands, the challenge for an ever increasing number of enterprises has not simply been to create value for the organization's owners and shareholders, but to do so in a way which takes account of social, ethical and environmental imperatives in both society and the market place.

Due to liberalization of Uganda's economy, MTN Uganda launched its services in Uganda in 1998. After acquiring the license it has grown to be a leading telecommunications company in Uganda servicing in excess of 1,000,000 customers than Celtel and Mango. MTN has covered in excess of 90% of infrastructure for example roads and power; it is accessible in villages of small percentage. MTN has contributed to growth in teledensity in Uganda about 4.2%. Services provided by MTN include wireless telecommunication services, Value added services such as roaming, voice mail, short mail and SMS. Other services include providing shared access services in form of pay phones all these services involve handling of cash.

MTN's CSR is modeled on the heritage of giving back to the communities in which we live and work. Being a good citizen has been inherent in the fabric of the company since its inception.

MTN has a deliberate CSR program that addresses the plight of our community's different aspects. We have identified education, housing, charity, cultural initiatives and sports as the main areas in which MTN can make a significant

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impact. Obviously, MTN is not oblivious to the numerous other social issues that affect the community. Click below to read some of our initiatives.

All organizations have an impact on society and the environment through their operations, products or services, and through their interactions with key stakeholder groups including employees, customers/clients, suppliers, investors and the local community. While traditional business models primarily emphasize the economic aspects of organizational activity (e.g. profitability and growth), more modern conceptions of organizational behavior lay equal stress on social, ethical and environmental impacts as exemplified by the notion of 'corporate social responsibility'. It would be fair to say that while some business organizations remain to be convinced that social responsibility is compatible with value creation, a growing number accept that they can and should manage their Social and environmental impacts in ways which benefit both the organization and the wider society.

1.2 Statement of the Problem

Most corporations are faced with the challenge of creation and development of the market which they can sustainably satisfy. In the effort to develop markets, business organizations undertake numerous approaches, and among them corporate social responsibility as a strategy should help organizations to develop markets (Peter, 1997). Basing on the role of corporate social responsibility in market development some corporations often act in a socially responsible manner and deliver quality services to win,

retain and reward customers leading to the development and extension of markets, however, most organizations in Uganda have not implemented corporate social responsibility activities, thus poor market development. Therefore this study is to find out the links between corporate social responsibility and market development.

1.3 Objectives of the study

1.3.1 General

Assess the relationship between corporate social responsibility and market development in organizations. Specifically the study sought to:

To determine the importance of corporate social responsibility in market development in MTN Uganda

To Identify the Factors that affect corporate social responsibility in MTN Uganda

To establish the link between corporate social responsibility activities of organizations and market development in MTN Uganda.

1.4 Research Questions

1. What is the importance of corporate social responsibility in market development?
2. What are the major factors that affect corporate social responsibility?
3. What is the link between corporate social responsibility activities and market development?

1.5 Scope of the Study

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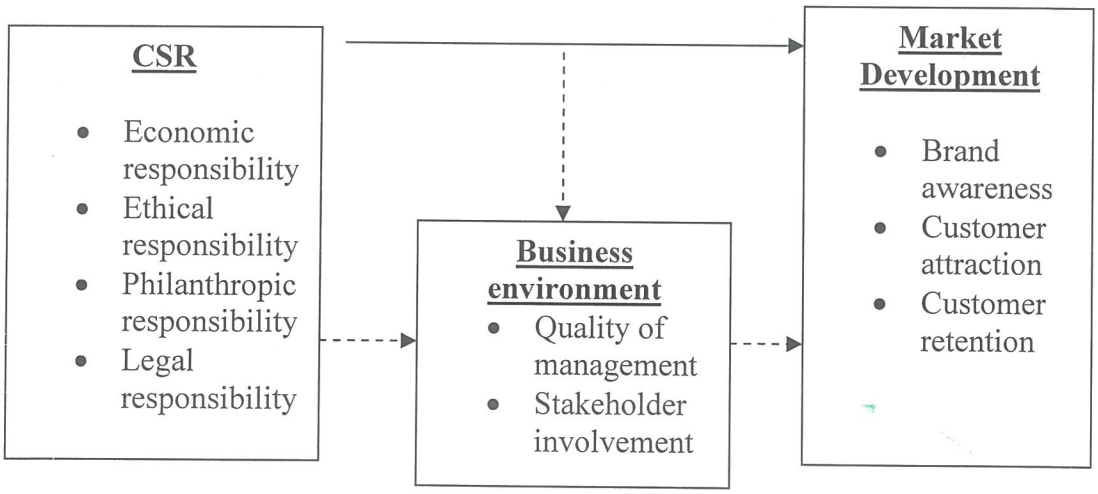
In order to establish the link between CSR and market development in organizations, the researcher conducted a study on MTN Uganda in western Uganda since there are still so many projects that could realize the efforts of corporate social responsibility. The study focused on corporate social responsibility as undertaken by MTN Uganda to give a base for a representative comparison between different organizations on CSR activities.

1.6 Purpose of the Study

The study will provide valuable information about CSR upon which organizations can base to understand and make decisions relating to market development.

1.7 Conceptual Framework

Figure 1



Source: Literature as adapted from Carroll's Pyramid (1991)

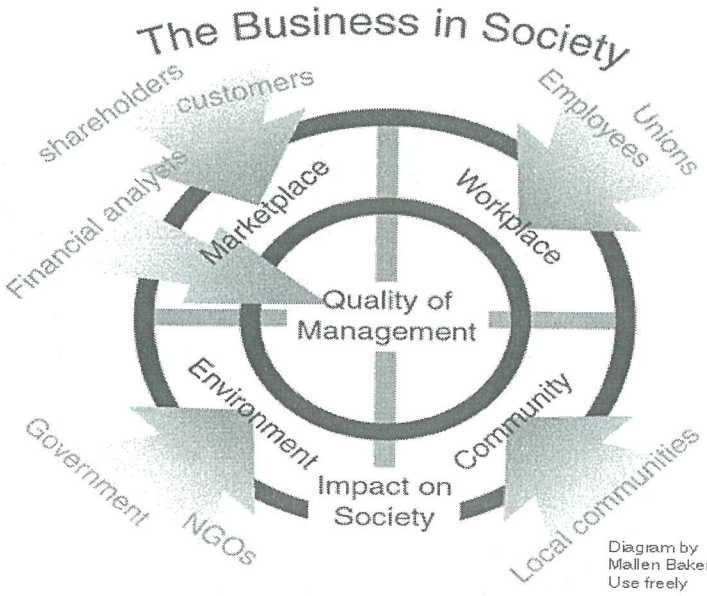
CSR activities especially the economic, ethical, legal, and philanthropic responsibilities undertaken by organizations do

influence and impact on the markets which these organizations are directly or indirectly serving. The CSR activities as implemented by organizations have links to Brand awareness, Customer attraction and Customer retention and consequently leading to market development. However, the business environment around which the organization operates intervenes in the influence CSR has on Market Development because of the internal and external aspects of the organization.

Companies need to answer two aspects of their operations: The quality of their management - both in terms of people and processes and the nature of, and quantity of their impact on society in the various areas.

Figure 2

The Business in Society



Source: Mallen Baker (2000) –

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CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction to Corporate Social Responsibility

It is difficult to offer a straightforward definition of Corporate Social Responsibility (CSR), when not even the experts agree. (Maignan, Ferrell, and Tomas, 1999) However, in today's globalised marketplace, there is growing acceptance that the corporate sector has a role to play in securing a sustainable future. The scope of this is variously defined as:

Business for Social Responsibility - who you are, what you do and what you say about it.

Business in the Community - CSR is about how companies manage their business processes to produce an overall positive impact on society.

CSR network - CSR demands that businesses manage the economic, social and environmental impacts of their operations to maximize the benefits and minimize the downsides.

UK government - CSR is essentially about companies moving beyond a base of legal compliance to integrating socially responsible behavior into their core values.

The notion, if not the jargon, of CSR has been around since the 50s, when academics and business leaders first began to identify and articulate the impact of global businesses on society. Now more and more companies are getting involved in areas such as human rights,

fair trade, local economic development, non-discriminatory employment practices and reducing waste and emissions (William1996)

This was originally driven by regulation of the utilities in the 80s and early 90s, which spawned the first-generation environmental reports. The social dimension emerged as the business community's response to complaints that it had failed to create trusting relationships with its stakeholders. Notably, numerous food scandals in recent years have in marketing terms turned consumers into choosers - indicating that the balance of push and pull between providers of products and services and customers who may or may not choose them has changed. (Roberts, 2003)

So how does a company convince a 'chooser' to choose its products and services over those of its competitors? As Wally Olins said in The Economist in September 2001: 'The next big thing in brands is CSR...it will be clever to say there is nothing different about our product or service, but we do behave well'. Unfortunately, the marketeers saw this as an opportunity to deliver brand promise and many offers turned out not to be what it said on the tin. It's no wonder that consumers are increasingly cynical when 'healthy option' ready meals turn out to have more than the recommended daily allowance of salt in one serving.

This has hampered the development of CSR in that more and more companies have allowed the marketeers to hijack the agenda, causing CSR to become confused with greenwash, cause-related marketing and chequebook charity.

So how can business overcome growing consumer cynicism? Business for Social Responsibility's definition (above) is an

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admirably succinct way to say that organizations have to 'walk the talk'. In marketing terms, brand promise needs to be replaced by brand integrity. Effective stakeholder communication has therefore become a key issue for companies that want to respond effectively to consumers who don't want to leave their values at home every time they go shopping.

Increasingly well-informed stakeholders now demand clear, hard facts about a company's social and environmental performance. People want to know, for example, that children did not make their trainers, that the manufacturing process does not pollute the environment excessively and that their food is safe to eat.

Such growth in consumer pressure has been matched by increased regulatory requirement to report on what is material to a company's historic and future performance, including its impact on the environment and the wider community.

This information needs to be presented in a way that is accessible, honest and engaging. More than that, companies are now expected to form partnerships with their stakeholders. Rather than just talking to them about their performance, they must find ways to empower stakeholders with information listen to their opinions and involve them in key business decisions.

Clarkson (1995) asserts that the communication challenge for responsible companies is compounded by the fact that most businesses have numerous stakeholder groups, each with very different demands, expectations and communication needs. The right medium and message for employees may not be right for consumers, and entirely inappropriate for the Non Governmental

Organizations (NGOs) and the regulatory bodies that monitor business performance.

Instead of simply promoting a brand or even helping businesses talk to their audiences, design and communication consultancies must now create channels of dialogue between stakeholder and corporation, tailored to the communication needs of different audiences.

Most FTSE top 100 companies now produce CSR reports alongside their annual reports. Published either in print or as part of a company website, these reports usually follow a standard format. They outline the company's social and environmental performance, show performance against targets set the previous year and set out targets for the year ahead. CSR reports often try to encourage feedback through posted or online feedback forms. There is a move to more web-based reporting because companies can publish more information, tailored to different audiences, and users can choose what they read. But there are disadvantages too, because the web is still accessible to only half the UK population and, even if they have access, users can get lost in poorly structured information.

According to Davis and Blomstrom (1995), companies that aim to innovate in CSR practice are increasingly integrating CSR issues into the way that they do business, and aligning their company vision and value statements with the CSR agenda. This moves them towards so-called triple bottom line, or sustainability, reporting, which combines their financial, social and environmental performance in a single report.

Although CSR reports are essential to give a picture of a company's social and environmental performance, it is clear they have

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limitations as tools for inclusive dialogue. The amount of complex information demanded by reporting best practice means that reports can make dull reading for non-expert audiences. For this reason, companies are beginning to look beyond the CSR report and find new avenues to reach non-specialist audiences, such as consumer groups and employees, to invite their feedback and opinions.

As CSR matures, more effort will be targeted at communicating with customers by integrating CSR issues into a company's brand, and less on producing lengthy reports. This will drive product and service innovation, as well as brand.

2.2 The Importance of Social Responsibility

Griffin, and Mahon, (1997), Corporations experience benefits as a result of their CSR initiatives. This is interesting when one considers that deriving business benefits was not a deciding factor for any of these companies to undertake CSR. One of the most consistent benefits cited was the competitive advantage they felt resulted from their CSR initiatives, something they expect will only grow in the future as consumer purchasing trends demonstrate the public's increasing demand for ethical products and services.

According to Laura (2002), CSR balances power and responsibility as power and responsibility go together because businesses committed to social responsibility are aware that if they misuse power they might loose the business they currently have altogether

Peter (1997),CSR promotes long term profits for the business as it creates wealth for all stakeholders making the business sustainable in long run as the business survives and even thrives.

CSR corrects social problems caused by businesses. It enables the firm to respond to changing stakeholders' demands as the public now are more than ever expect higher levels of social performance from business in terms of cleaner environment, safe products, fairness to work places and privacy protection.

Roberts, (2003) Behaving in a socially responsible way is an important consideration for the organizations. Given the nature of the sample, it is not surprising to find that this positive orientation towards CSR was tempered by a significant degree of pragmatism. Socially responsible behaviors tend to become more important once the organization had achieved its commercial and economic goals and that the latter might be seen as the springboard from which action in the wider community could be launched.

Corporate Social Responsibility (CSR) is a concept which encourages organizations to consider the interests of society by taking responsibility for the impact of the organization's activities on customers, employees, shareholders, communities and the environment in all aspects of its operations. This obligation is seen to extend beyond the statutory obligation to comply with legislation and sees organizations voluntarily taking further steps to improve the quality of life for employees and their families as well as for the local community and society at large

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In crowded marketplaces companies strive for a unique selling proposition which can separate them from the competition in the minds of consumers. CSR can play a role in building customer loyalty based on distinctive ethical values· Several major brands, such as The Co-operative Group and The Body Shop are built on ethical values. Business service organizations can benefit too from building a reputation for integrity and best practice. so businesses should be more responsible for their environment

2.3 Approaches to CSR

A main approach for CSR is community-based development projects, such as the Shell Foundation's involvement in the Flower Valley South Africa. Here they have set up an Early Learning Centre to help educate the community's children, as well as develop new skills for the adults. Marks and Spencer is also active in this community through the building of a trade network with the community - guaranteeing regular fair-trade purchases. Often alternative approaches to this are the establishment of education facilities for adults, as well as HIV/AIDS education programmes (Carroll, A. 1998).

The majority of these CSR projects are established in Africa. A more common approach of CSR is through the giving of aid to local organizations and impoverished communities in developing countries. Some organizations do not like this approach as it does not help build on the skills of the local people, whereas community-based development generally leads to more sustainable development.

2.3.1 Forms of CSR

According to Geoffrey (2003) the social performance of accompany has several dimensions for example Corporate Philanthropy, Corporate responsibility and corporate Policy.

Corporate Philanthropy: Includes charitable donations to non profit groups of all kinds.

Corporate responsibility: Involves every thing from hiring workers to making safe products, minimizing pollution and using energy wisely.

Corporate Policy: Refers to the position affirm takes on social and work whenever it is needed to solve asocial problem because a business may be pushed out if it ignored the concept of CSR to its stake holders.

2.4 Concept of Stake holders

According to Williams (1996), every decision that managers make and every action that an organization takes affects those around it. In similar manner the business is affected by those who contact it.

It may not have realized that as a customer a business you are one of the many key stake holders of that business. You influence the volume, colors, and options to be produced as you make purchases.

Competitors are other stake holders as it involved in products, employee, and environmental safety regulation making the government actually expects the firm to abide by government laws and regulations as it conducts business activities.

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According to James (2002) stake holders are hose people and groups affected directly by or indirectly by the companies activities and decisions and include general public, social activists etc.

2.5 Why are Companies Engaged In CSR?

Companies those are socially responsible in making profits also contribute to some, although obviously not all, aspects of social development. Every company should not be expected to be involved in every aspect of social development. That would be ludicrous and unnecessarily restrictive. But for a firm to be involved in some aspects, both within the firm and on the outside will make its products and services (for example financial services) more attractive to consumers as a whole, therefore making the company more profitable. There will be increased costs to implement CSR, but the benefits are likely to far outweigh the costs. Corporate social responsibility is not a new issue. The social responsibility of business was not widely considered to be a significant problem from Adam Smith's time to the Great Depression. But since the 1930s, and increasingly since the 1960s, social responsibility has become an important issue not only for business but in the theory and practice of law, politics and economics.

In the early 1930s, Merrick Dodd of Harvard Law School and Adolf Berle of Columbia Law School debated the question "For who are corporate manager's trustees?" Dodd argued that corporations served a social service, as well as profit-making function, a view repudiated by Berle. This debate simmered for the next 50 years,

according to Gary von Stange, before it once again sprang into prominence in the 1980s in the wake of the "feeding frenzy atmosphere of numerous hostile takeovers". This concern for the social responsibility of business has even accelerated since the fall of the Berlin Wall, which symbolized the collapse of communism and (more importantly) the onset of turbo-charged globalization

Wood, (1991) further acceleration has occurred in the past few years. Global concerns have been given an additional edge by the awful events of 11 September. The collapse of Enron and WorldCom, and their auditor Arthur Andersen, due to dubious accounting practices, has raised the level of scrutiny of large companies, as well as their auditors. And this, at the time of writing, is in spite of the most company-friendly President of the United States known in modern times. Even the President has broached, albeit tamely, the notion of the responsibility of corporations. Moreover, previously quiet CEOs have begun to note the pressure. In a rare public appearance in June 2002, the Chairman and Chief Executive of Goldman Sachs, Henry Paulson Jr. noted, after the collapse of the Enron Corporation in late 2001, that "I cannot think of a time when business over all has been held in less

We are now seeing consumers avoiding what they see (rightly or wrongly) as socially irresponsible products or the products of companies that have allegedly not acted in society's best interest. Enterprises have noted that social responsibility is good for business for, and from, each of the seven main azimuths within which they trade and operate. These are: their shareholders and potential

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investors; managers; employees; customers; business partners and contractors or suppliers; the natural environment; and the communities within which they operate, including national governments. Such azimuths are now commonly known as an enterprise's stakeholders. On the plus side, according to the United States Social Investment Forum, for the first time ever, over $US1 trillion in assets are under management in the United States in socially and environmentally responsible portfolios.

Carroll is striving for universality with his model, but it has not been properly tested in contexts outside of America. What evidence there is to date suggests that different cultures and sub-cultures not only give different nuances to the meaning of each component, but may also assign different relative importance (Burton et al., 2000; Crane, 2000; Edmondson et al., 1999; Pinkston et al., 1994). Although this chapter has not followed Carroll's positivist empirical approach to test his CSR Pyramid, one might speculate that such research would add further evidence of the variability of CSR in different cultural contexts.

2.6 The Business Case for CSR

Milton Friedman's oft-cited pronouncement that the "social responsibility of business begins and ends with increasing profits" implies that social issues are best left for any one but business. However, as international organizations, such as the United Nations, its agencies and the World Bank, are having less and less impact on human development and are seeing their funding reduced, and as the pressure increases on governments to spend less and less, the

problems of underdevelopment and unemployment refuse to go away.

According to Carroll, and Buchholtz, (2003) it is logical, therefore, in the absence of public funds, or even in partnership with existing institutions, that business must play a greater role in human development issues than ever before. In the longer term, richer consumers and improved worldwide income distribution is obviously good for business. But should business be directly involved in these issues, or simply pay taxes and rely on governments and public organizations to use these taxes wisely? In other words, is it simply enough for business to maximize profits in anticipation that this is in the best interests of human development.

Laura (1997) asserts that, It is difficult, in either statistical or quantitative terms, to make a strong causal link between CSR actions and such financial indicators as share prices, market value, return on assets invested and economic value added (EVA). This is because a correlation does not necessarily mean a causal link and a good correlation could simply occur by chance, although no correlation is obviously not a good sign! What most commentators have done up to now is to argue, *qualitatively*, that there is a business case.

There are at least six main issues:

First, equity created in a company's reputation or brand can easily be harmed or even lost. This is particularly the case for companies whose brand equity depends on company reputation. Reputation is

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built around intangibles such as trust, reliability, quality, consistency, credibility, relationships and transparency; and tangibles such as investment in people, diversity and the environment.

Second, access to financing is an issue since, as will be seen below, the market for socially responsible investment (SRI), though still relatively small, is growing. This increase is a result of the growing support for the business case for CSR, together with regulatory

Third, CSR is an important factor for employee motivation and in attracting and retaining top quality employees. It is noteworthy that the World Bank has an evolving programme on partnership with the private sector and corporate social responsibility called "Business Partners for Development".

Fourth, innovation, creativity, intellectual capital and learning are helped by a positive CSR strategy. Given that 80 per cent of the value of many new economy companies is now their intellectual capital, its preservation through the positive treatment of internal stakeholders is becoming more and more necessary.

Fifth, better risk management can be achieved by in-depth analysis of relations with external stakeholders. Factors such as new technologies and changing societal, regulatory and market expectations are driving companies to adopt a broader perspective when analyzing the range of risks that they may encounter. Expensive and time-consuming lawsuits, as well as lost investments,

are driving companies to take a more proactive stance to establishing the necessary guidelines and processes to minimize this kind of risk. Given the increase in cross-border business relationships and the threat of cross-border litigation, boards have to consider the risk management standards of business partners, and even suppliers. CSR also helps in compliance with regulation and the avoidance of legal sanctions, while the building of relationships with host governments, communities and other stakeholders can enhance a company's reputation and credibility and be of vital importance should it encounter difficulties in the future with regard to its investment decisions.

Sixth, there is a wider impact as public expectations grow of greater CSR as a result of the heightened public debate on the benefits and shortcomings of globalization and the perceived role of business in this process. Nevertheless, for each benefit there is a cost. To date there has been, to my knowledge, only one in-depth benefit-cost analysis of CSR in a corporation, namely by the Cooperative Bank in the United Kingdom, which found that between 15 and 18 per cent of its pre-tax profits could be directly attributed to its ethical stance. Such exercises will undoubtedly be more common in the future. The types of items that would need to be included in such exercises are listed

Carroll's pyramid is also very simplistic and static, failing to capture the complexity of CSR in practice. For example, Crane and Matten (2004) believe that the main limitation of the model is that it "does not adequately address the problem of what should happen when

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two or more responsibilities are in conflict" (44). In fact, Carroll reports an "interesting finding" in his original empirical study, namely that "the more economically oriented an organization is, the less emphasis it places on ethical legal, and discretionary/philanthropic issues" (461), but he fails to suggest how to resolve such conflicts.

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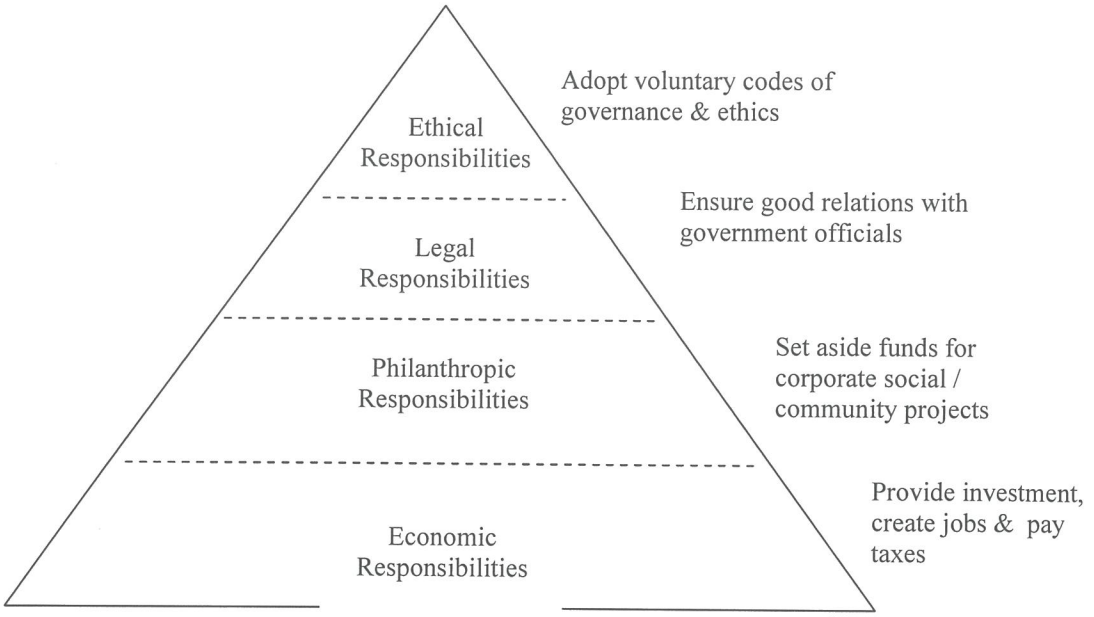

Source: The Pyramid of Corporate Social Responsibility: Carroll, (1991)

2.7 Corporate Social Responsibility and Marketing

Socially Responsible Marketing is the concept that evolves the way of marketing by keeping in mind the ethical, environmental, legal, public, social and cultural values and issues of society and targeted

market. We can say that social responsibility should be built-in in any marketing campaign and be part of comprehensive marketing and advertisement plan. (Wartick, and Cochran, 1985)

All marketing means or media should be coherent with targeted market culture and values. And it should be designed and marketed by knowing that how it will affect the life of people and what message it delivers. It's became very important for corporate companies especially multinationals to keep focus on these things according to countries political, social and moral values for successful market penetration.
Fombrun, (2000), asserts that, socially responsible marketing helps companies to increase corporate goodwill, building brand awareness, socializing of their corporate messages and ultimately boost in sales. Companies which market products and services without taking care of social welfare and responsibility towards public issues are generally unable to reach at mass level and provide no advantage over competitors. Worldwide initiatives were taken by corporate companies to invest some part of welfare

In current environment the pressure is on businesses to be more socially responsible: to act with integrity and wider social purpose. Social responsibility acts as a chance to build a stronger, more sustainable and responsive brands. Now companies focus on healthy activities with the local issues at the top of the social agenda - and at the forefront of their customers' concerns. (European Commission 2001), this strategy helps to build stronger in root acceptability of their services and products. By highlighting social concerns and vocal strong on these issues, companies can gain higher sales in competitive markets. It's the plus that can add good percentage in

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sales and Global companies always focus on these things to boost their sales.

Corporate social responsibility according to European Commission (2001) include collaborations and partnerships with social organizations and NGO's , public policy issues management, cultural change and developing high moral values, strategic plans in lining with public policies, stakeholders relations, marketing and corporate communications, and community involvement and reaching to mass scale levels.

According to Menon (1997), corporate social responsibility has become an effective strategy to involve firms, large, medium and small, to achieve sustainable development in societies. A large number of firms are currently engaged in delivering social and economic benefits to local communities across the globe. Socially responsible marketing also includes marketing for social cause. Using this Companies help non-government organizations based on the some percentage values of their sales or profits. In many countries by investing on social issues companies can also get tax redemptions and benefit plans from governments.

Marketing socially involves direct or indirect help of local societies, charities and working for social organizations that help in poverty elevation, increasing education levels, working for disabled, health improvement programs in rural areas etc. Governments can boost social sector and provide high living standards to deprive rural and urban areas and people using flexible policies for those companies which are highly investing on social issues.

Corporate companies generally have responsibility for work and feels empowerment by showing progress in certain areas by direct help (WBCSD 2001). Same social responsibility applies to misleading marketing campaigns of alcoholic beverages and adult products. It is generally observed that in almost all advertisements, companies show unrealistic results of their products and create fantasy for ordinary people, which contradicts their daily life style. These create the desire in people to get the product without knowing the harmful effects and long term health issues.

Also many local initiatives were taken by corporate and local companies in Pakistan to help children in education sector, women's in legal issues, cancer patients, and disabled persons and senior citizens benefits. Though there is huge gap in providing these basic facilities to common people and to deprive areas. Government initiatives in social sectors are not as much fruitful as the work done by private sector due to the red tape bureaucracy, corruption and lack of skilled persons to implement the government policies in social sectors.

2.7.1 Market Development Process.

Maignan and Ferrell (2001), contend that as a process market development is effective for developing all types of business, and delivers business growth via new products or services to existing customers, existing products or services to new customers, or New products or services to new customers.

2.7.2 Establish Market Development Aims and Targets

The market development process also according to Maignan and Ferrell (2001) involves a clear focus on the aims and objectives that guide organizational efforts to establish markets. Such aims might

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include identifying target market(s), sectors and niches, assessing existing sales, source/utilize a suitable prospect database; developing strategic propositions, designing response and sales processes and providing the required monitoring, measurement and reporting systems.

2.8 Challenges of CSR in Market Development

Wartick and Cochran (1985) state that companies face common challenges when developing and implementing CSR initiatives. Specifically:

The cost of implementing CSR is high, particularly in the primary resource and manufacturing sectors, where the cost of industry regulations and technical overhead is perceived to be onerous.

Sourcing environmentally friendly products is problematic due to limited availability. Businesses rarely have the purchasing power to influence their local suppliers to provide environmentally and socially responsible products.

While purchasing trends show a shift in demand to more socially and environmentally responsible products and services, the bulk of consumers do not yet make their purchasing decisions according to this criterion. Educating consumers on the impacts of their purchasing decisions is difficult, and makes it less appealing for Corporations to shift their products / services to being more socially and environmentally responsible.

Internal communications and training for employees on CSR practices is challenging for Corporations due to resource constraints and the lack of affordable, external support.

2.8.1 Solutions to the Challenges

To help them overcome these challenges, corporations at all stages of CSR implementation, they need resources that provide comprehensive information that goes beyond what is available through existing informal networks and the internet. (Matten, 2003). Suggestions included workshops to learn from peers that have developed and implemented CSR initiatives in their own companies; access to communications specialists, with both internal and external communications support; strategic consulting on how to build a successful CSR organization; access to consultants; and, tools that calculate the results and metrics of their CSR initiatives.

According to Wood, (1991), Companies engaged in CSR, their strong commitment to continued CSR efforts is evident. They are looking for guidance in these efforts, however, and at this point, are not yet receiving the support they need to take their CSR commitments to the next level.

2.9 Responsible Business Practices in Corporations – Doing Good without Knowing It

Robert and Raymond, (1996), listed a number of CSR activities underway that most companies/businesses do not consider being "socially responsible", just good businesses. CSR initiatives underway in the following three areas;

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Employees: employee relationships are regarded as integral to the success of businesses. Most companies take pride in treating their staff well. Having loyal and long-term staff seems to be a prerequisite for any successful CSR initiative.

Environment: Many of the businesses begin their CSR efforts with a range of environmental initiatives (Business for Social Responsibility 2003*).* For most, these initiatives are small but important steps, such as changing the type of paper purchased or conducting an environmental audit to identify improvements they can readily make. For some, the environmental initiatives are more far reaching.

Community: In terms of community engagement,. At one end of the spectrum, smaller and lower-profile companies have few, if any, community initiatives underway. At the other end of the spectrum, the larger and higher-profile companies have strong links to their community, and as such have more comprehensive community initiatives. They show this support by donating a number of goods and services to local organizations. Interestingly, most businesses do not consider this type of philanthropy anything more than just good business, while for corporations, philanthropy is often their first foray into CSR. (Business in the Community *et* / (2002)

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter includes various methodologies that portray how the study was carried out. It presents the methods, techniques and procedures that were used in order to gather the required data for the study it comprises of several sub sections such as: - research design, research population, sampling methods, data, collection methods, data collection instruments.

3.1 Research Design

This describes the nature and Pattern the researcher used. Descriptive research design was used in the study. The research undertook a descriptive cross sectional approach. Designs based on the results from the questionnaires and interviews with the managers and clients in order to be able to present such sufficient and reliable information. The descriptive study involved collecting data that help in answering questions concerning the current status of the case under study.

3.2 Sources of Data

The sources of data for this research were Primary and Secondary sources.

Primary data was collected and recorded by the researcher for the first time through questionnaires directly from the field and it included the following;

Key information, collected from managers and officers MTN Uganda

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In depth, structured questionnaires were administered to clients of MTN in order to get to the core of the problem.

Secondly data relevant to the study was reviewed from documents, concerning corporate social responsibility by visiting public libraries, published material, journals pamphlets and the internet.

3.3 Sampling Procedure

Because of the nature of the study, simple random sampling and purposive sampling techniques were employed where a sample was selected without bias from accessible population of clients and this was due the fact that each member of the target population has an equal and independent chance of being included. A sample was selected from the stratum by simple random sampling. Stratified sampling was undertaken to ensure the management and the staff get proper representation in the sample chosen while purposive sampling was used to select the clients. This ensured that correct and reliable information was got from the relevant people

3.3.1 Sampling Frame

It was carried out in western Uganda specifically Bushenyi and Mbarara districts as a case study and the sample unit included staff/management and clients of MTN Uganda. The case study parameters are determined by the fact that it's impossible to include all clients of MTN Uganda. Reliability of data that was required for research, the cost of the research in light of the limited resources, the operational limitations of traveling to up country.

3.3.2 Sample Size

This composed of 155 respondents and they were broadly divided into two categories i.e. clients and business managers.

3.3.3 Sample Selection

Due to the nature of this study which is heterogeneous, the sampling frame included management and clients of MTN Uganda the sample size was determined using simple random selection and the sample selection for clients was arrived at using simple non-probability purposive sampling technique, while stratified sampling was used for management and staff

3.4 Data Collection Methods and Instruments

The researcher used structured questionnaire and documentary analysis In the process of collecting primary and secondary data, the selection of these tools was guided by the nature of data that was required, as well as by the objectives of the study.

3.4.1 Questionnaires

Questionnaires were structured that aimed at getting all the necessary data from respondents. This method was used because it's helpful in obtaining specified quantitative and qualitative information with accuracy and completeness. They are cheap to administer and are convenient for collecting data from such a large population within a short period. The questionnaires were administered by research assistants through head hunting and face to face contacts

3.4.1 Documentary Review

This method involved reading documents related to CSR and It is advantageous because it enabled the researcher to get first hand information through critical examination of recorded information. It was also used to cross check information received from other research procedures

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3.5 Validity and Reliability of research instruments

The reliability of research instruments was concerned with the extent to which the research instruments yield the same results. 10% of the questionnaires were used in pre-testing and Pre-testing of instruments revealed that that the instruments would yield the same results on repeated trials hence the research instruments were reliable on repeated trials.

3.6 Method of data analysis

The data collected was analyzed and presented using, formatted tables and in text forms as modes of data presentation. Significant tests were employed to process and analyze the data. The tables were used to arrange data in a more presentable form

3.7 Research Procedure

Research topic was handed to the supervisor and the school of post graduate studies for approval. Research instruments too were approved, the researcher then obtained an introductory letter and authorities from the relevant authorities that helped to introduce the researcher to the field of the study and actual administration of instruments was then done. Data from primary source was collected, sorted, organized, tabulated and edited to reveal frequencies and, percentage and compared with other relevant notes and actual analysis was finally done.

3.8 Ethical Consideration

Bearing in mind the ethical issues, the researcher provided the respondents with the necessary information as regards the main purpose of the research, expected duration and procedures to be followed, and be in position to keep privacy and not disclose the confidentiality of respondents and researchers responsibility.

3.9 Challenges

Respondents were some times not forthright in answering questions this was overcome by giving them reasonable assurance that the responses were strictly for academic purposes and probing more as the questionnaire involved checks and balances.

Difficulty in accessing the respondents due to their busy schedules however the researcher used multiple skills like call back, re-arranging appointments, and extensively mapping.

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CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION

4.0 Introduction

The chapter discusses the analysis and presentation of findings to achieve the overall objectives of the research study

4.1 Demographic Responses

Background characteristics of the respondents were considered in this analysis because

Table1: Gender / Sex Composition

Sex	Frequency	Percentage
Male	90	58.1
Female	65	41.9
Total	155	100

The findings indicate that the majority of the respondents were Male (58.1%) and Female constituted 41.9% and thus there are more Men using MTN services than Female. (MTN 2006)

Table 2: Age Group Composition

Age Bracket	Frequency	Percentage
20-29	30	19.4
30-39	58	37.4
40-49	41	26.5
50-59	17	11
60 Above	9	5.8
Total	155	100

The findings indicated that majority of respondents were in the age bracket of 30-39 as they have already established assets and are much aware of the importance of Using MTN services.

Table 3: Level of Education of Respondents

Level	Frequency	Percentage
Primary level	10	6.5
O Level	22	14.2
A. Level	44	28.4
Diploma	30	19.5
Degree and above	49	31.6
None	0	0
Total	155	100

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The findings indicated that the majority of respondents were literate meaning that the respondents were able to answer all the questions and give the required information about Corporate Social Responsibility and it is an indication that the majority had the knowledge on how Corporate Social Responsibility Activities Can led to Market Development.

Table 4: Marital Status of Respondents

Status	Frequency	Percentage
Married	118	76.1
Single	30	19.4
Divorced	3	1.9
Widowed	4	2.6
Total	155	100

The findings indicated that the majority of the respondents are married and according to Milton Friedman's, social responsibility of business begins and ends with increasing profits after taking into consideration the status of stake holders.

4.2 Corporate social Responsibility and Market development

Table 5: Activities of Corporate Social Responsibility

Activities	Frequency	Percentage
Schools	90	75
Health services	87	72.5
Home stead	85	70.8
School Fees	60	50
Charitable Funds	100	83.3
Sports	110	91.7

The findings indicated that corporate social responsibility goes hand in hand with Activities of MTN Uganda. According to Laura (1997) corporate social responsibility consists of the capacity of a business to respond to social pressures. This suggests the ability of a business organization to survive through adaptation to its business environment. This is particularly the case for companies whose brand equity depends on company reputation. Reputation is built around intangibles such as trust, reliability, quality, consistency, credibility, relationships and transparency, and tangibles such as investment in people, diversity and market development.

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Table 6: MTN Corporate Social Responsibility Activities

	Frequency	Percentage
Schools construction	30	86.7
Home stead	28	80
School Fees	27	77.1
Charitable Funds	33	94.3
Sports/clubs	34	97.1
health services	29	82.9

Analysis of the survey data indicated that there was little attempt by the respondent organizations to engage in socially responsible behaviour in a formal and structured manner. Although MTN had built up regular patterns of support for various charities, local causes and organizations (e.g. sports clubs) and some individuals had committed specific amounts of time to significant roles in the local community.

Table 7: Responses from clients on Benefits from Activities of Corporate Social Responsibility

Benefits	Frequency	Percentage
Improved standards of living	65	54.2
Education Standards	80	66.7
Reduced number of school drop out	60	50
Image improvement of our country	75	62.5
Improvement in literacy levels	65	54.2

The survey revealed that respondents saw CSR as conferring benefits on the organization both on the demand and supply side. It should be stressed that commercial benefits (e.g. increased revenue and/or profits) was not a pre-requisite to socially responsible behavior, rather it was a potential and often intangible outcome of a firm's actions.

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Table 8: Responses from Management on Benefits from Activities of Corporate Social Responsibility to the stake holders

Benefits	Frequency	Percentage
Improved standards of living	28	80
Reduced number of school drop out	27	77.1
Image improvement of our country	34	97.1
Improvement in literacy levels	30	85.7

The findings revealed that CSR has an impact on economic or financial returns a company. Managers made a reference to the way in which practices like charitable donations, support for community projects, ethical purchasing and environmental sustainability act to "raise the firm's profile".

Table 9: Activities of Corporate Social Responsibility and customer Attraction

Response	Frequency	Percentage
Yes	92	59.3
No	63	40.7
Total	155	100

Corporate Social Responsibility (CSR) is an important factor for customer motivation and in attracting and retaining customers as evidenced by 51.7%.

4.3 Corporate Social Responsibility and Marketing

Table 10: Corporate Social Responsibility Activities Contribute MTN effort to Increase Market

Response	Frequency	Percentage
Increased sales	115	95.8
Increased Brand Awareness	119	99.2
Increased Company community Profile	87	72.5
Increased Customers	115	95.8

The findings revealed that Corporate Social Responsibility Activities Contribute MTN effort to Increase Market through innovation, creativity, intellectual capital and learning coupled with CSR as marketing strategy. Given that 99.2 per cent of the respondents said that activities lead to increased brand awareness of MTN.

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Table 11: Table showing CSR on market development

Rate	Frequency	Percentage
1	0	0
2	5	14.3
3	5	14.3
4	20	57.1
5	5	14.3
Total	35	100

According to Menon, A. and Menon, A. (1997), corporate social responsibility has become an effective Marketing strategy that involves firms, large, medium and small, to achieve sustainable development in societies.

Table 12: Table showing Corporate Social Responsibility Activities' Contribution to MTN effort to Increase Market

Response	Frequency	Percentage
Increased sales	34	97.1
Increased Brand Awareness	34	97.1
Increased Company community Profile	30	85.7
Increased Customers	28	80

The findings revealed that Corporate Social Responsibility Activities Contribute MTN effort to Increase Market through innovation, creativity, intellectual capital and learning coupled with CSR as marketing strategy. Given that 97.1 per cent said that CSR leads to increased brand awareness and increased sales respectively of MTN. Fombrun, C. (2000), asserts that, socially responsible marketing helps companies to increase corporate goodwill, building brand awareness, socializing of their corporate messages and ultimately boost in sales

Table 13: Table showing Marketing Strategies of MTN Uganda

Strategies	Frequency	Percentage
Promotions	35	100
Corporate Social Responsibility	28	80
Advertising	30	85.7
Increased Customers	28	80
Market research	32	91.4

The findings revealed that MTN depended on promotions heavily as marketing strategy indicated by 100%,and Socially responsible marketing helps companies to increase corporate goodwill, building brand awareness, socializing of their corporate messages and ultimately boost in sales. Companies which market products and

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services without taking care of social welfare and responsibility towards public issues are generally unable to reach at mass level and provide no advantage over competitors.

Table 14: Table showing whether companies use CSR as a marketing strategy

Response	Frequency	Percentage
Yes	135	87.1
No	20	12.9
Total	155	100

The study revealed that 87.1% agreed that CSR is being used by MTN Uganda as marketing strategy; this is in line with Cochran (1985) as he contended that social responsibility should be built-in in any marketing campaign and be part of comprehensive marketing and advertisement plan.

4.4 Corporate social responsibility and challenges in market development

Table 15: Table showing corporate social responsibility and challenges in market development

	Frequency	Percentage
Reduce The cost of implementing	32	85,7
Sourcing environmentally friendly products	25	71.4
Internal communications and training for employees on CSR practices	28	80
Make relevant, proactive and easily accessible	29	82.9

The findings reveled that Marketing socially involves direct or indirect help of local societies, charities and working for social organizations that help in poverty elevation, increasing education levels, working for disabled, health improvement programs in rural areas etc

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Table 16: Awareness of MTN Products and Services

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	Frequency	Percentage
Adverts	65	41.9
Activities of MTN	40	25.8
Self	4	2.6
Friends	17	10.9
Radios	12	7.7
Television	17	10.9
Total	155	100

Socially responsible marketing helps companies to increase corporate goodwill, building brand awareness, socializing of their corporate messages and ultimately boost in sales. Companies which market products and services without taking care of social welfare and responsibility towards public issues are generally unable to reach at mass level and provide no advantage over competitors.

Table: 17 Response on how Corporate Social Responsibility activities Influence Customers to stay with MTN

Response	Frequency	Percentage
Yes	57	47.5
No	83	52.5
Total	155	100

It's became very important for corporate companies especially multinationals to keep focus on customers in terms of customer royalty for successful market penetration. Socially Responsible Marketing is the concept that evolves the way of marketing by keeping in mind the ethical, environmental, legal, public, social and cultural values and issues of society and targeted market.

4.5 Corporate Social Responsibility and Stake Holders

Table 18: Social Responsibility and Interest of Stake Holder

Response	Frequency	Percentage
Yes	130	83.8
No	25	16.2
Total	155	100

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Table 19: Whether Corporate Social Responsibility takes Stake Holders concerns

	Frequency	Percentage
Yes	40	25.8
No	115	74.2
Total	155	100

The findings revealed that stakeholder such as owners, suppliers, employees, customers, competitors, domestic and foreign governments, non-profit organizations and environmental and consumer protection groups have an effect on the performance of an organization.. An examination of these might show how a corporate code of ethics affects the day-today decision making of the firm with reference to social responsibility. It may also be concerned with human resource policies, such as the positive or negative effects of corporate hiring and employee benefits practices. External stakeholder effects concern the impact of corporate actions on persons or groups outside the firm. They may involve, for example, the negative effects of a product recall, the positive effects of community-related corporate philanthropy or, assuming that the natural environment is a stakeholder, the effects of toxic waste disposal.

Table 20: Corporate Social Responsibility and Stake Holders Relations

Response	Frequency	Percentage
CSR	32	91.4
Rewarding Customers	30	85.7
Quality service	28	80
Societal issues	20	57.14

The findings revealed that MTN Uganda can develop lasting Relations with Customers through CSR, Rewarding Customers etc because these stake holders affect the achievement of the firm's objectives, such as owners, suppliers, employees, customers, competitors, domestic and foreign governments, non-profit organizations and environmental and consumer protection groups.

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CHAPTER FIVE

DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

The research has revealed that CSR and market developments are closely related and go together. If CSR is well practiced, it also helps the organization to develop its markets.

The research has revealed that social responsibility is regarded as an important business issue in market development, irrespective of the size, age, sector, primary purpose or location of the enterprise. MTN Uganda demonstrated a positive commitment to socially responsible behaviour, engaged in a variety of socially responsible actions and did so irrespective of any benefits that such actions might bring to the organization. Much of this activity tended to occur within the local community and regularly included donations to local causes and charities, support for local organizations and educational establishments, employee-focused forms of assistance and some initiatives to improve the environmental performance of the organization.

The evidence suggests that CSR is seen predominantly as a 'social' imperative, with ethical and environmental considerations much less evident among the sample organizations. In general the view expressed by respondents was that CSR was concerned with 'giving something back to the local community' by supporting local individuals, causes and organizations seeking different forms of assistance.

Substantial emphasis was also placed on helping employees to solve their personal and emotional problems whether through time off without penalty, help with expenses incurred at weddings or funerals or loans of property or cash to overcome temporary difficulties. A large part of the activity in this latter area reflected a paternalistic and morally based approach by employers to the well-being and happiness of their staff. Such an approach had the concomitant effect of engendering employee loyalty and commitment, thereby creating value for the organization in the longer term.

While there was recognition that behaving in a socially responsible manner could provide both demand and supply side benefits, this was not a significant factor in encouraging organizational responses. Organizational and individual involvement in social, ethical or environmental initiatives appears to have been driven predominantly by the personal attitudes, values and beliefs of the individuals owning and/or managing the sample organizations. These attitudinal pre-dispositions were shaped in turn by religious, cultural and/or moral influences within the individual's environment.

External factors do not appear to have played an important role in the decision by organizations to act in a socially responsible manner, other than with regard to marketing.

There is little, if any, evidence to suggest that firms sought to capitalize on their actions by formally publicizing their CSR goals and achievements in the wider community, although some recognition of their contribution undoubtedly occurred through collaborative activity, networking and normal patterns of communication. The picture that emerges is of a relatively low-key

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approach by organizations in this area, with most firms quietly and unobtrusively engaged in socially responsible forms of behavior irrespective of organizational gain.

As far as barriers to further involvement in CSR as marketing strategy were concerned, most organizations perceived few obstacles other than those traditionally associated with being enterprises, namely business priorities, lack of time and resources. nor was there any substantial indication that government could or should play a significant role in encouraging socially responsible behavior within the business community. Whilst some respondents made reference to possible financial incentives and improved information or greater publicity, firms on the whole indicated a preference for private decision and action in this arena, with government providing an enabling and supporting role rather than directing business behavior.

5.2 Recommendations

From the research findings, the researcher gleaned the following insights and recommendations. For clarity, the researcher organized recommendations into two groups:

5.2.1 Recommendations for Corporations/Businesses

It's important for organizations to interact well with the environment in which they operate; therefore it's recommended that organizations should seek out beneficial relationships with key stakeholders.

The study and literature revealed the importance of the internal environment in CSR, therefore its important that organizations Involve employees in identifying implementing CSR activities.

Since CSR activities involve costs, it's recommended that organizations should apply a cost benefit analysis on them to ensure that they are also beneficial to the organizations as they do to the society.

Organizations should clearly engage in supportive CSR activities as this brings society closer to the organizations, and consequently stakeholders realize the business firm and its products.

5.2.2 Recommendations for organizations engaging and supporting Businesses

These organizations should gather data on the business case for CSR and use this information to motivate profit driven business leaders to engage in CSR.

Provide access to professional advice that can help Businesses promote their environmentally or socially responsible product choices both internally (to employees) and externally (to NGOs, customers and the community), through cost effective peer learning sessions that include training, networking and coaching.

5.2.3 Policy Recommendations

For policy makers in the general business environment, its recommended that much effort should be undertaken to encourage organizations and business firms to undertake CSR activities as

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these will lead to the improvement of society's well being as well as market development for the concerned firms.

5.3 Areas for further research

First, a more critical examination of the actual meaning of CSR in the context of individual firms is warranted. As noted in the earlier section on definitions, there is no consensus on the actual meaning of CSR. Indeed, some commentators have observed that the CSR debate is characterized more by attempts to massage corporate egos, than a genuine sign of organizations operating more ethically

There needs to be a careful assessment of mere image and substance in corporate claims to socials responsibility. For example, as Roberts (2003: 249) notes, there are at least four different forms of CSR: the conditions under which CSR is squeezed out by the dominance of financial pressures; the embrace of CSR as a form of public relations, effectively allowing the business to continue as usual; the adoption within the firm of new forms of measurement and incentives to motivate increased attention to the ethical, social environmental impacts; and finally CSR as a dialogue across the corporate boundary with those most vulnerable to the effects of corporate conduct. The task of differentiating between these approaches requires more intensive methods of investigation, incorporating a broader range of actors inside (and outside) the enterprise.

Finally, the role that 'socially responsible' firms might be able to play in integrating other Asian businesses more closely into formal business support networks is worthy of further consideration. Many of the respondents in the present study were linked to formal

business support agencies, acted as informal mentors to other existing and aspiring business owners, and appeared to enjoy influential positions in the local co-ethnic community.

There is currently much debate on the effectiveness or otherwise of existing mechanisms of support for ethnic minority firms. If the experiences of these respondents are typical, there may be an opportunity here for the wider business support community to work with such entrepreneurs to strengthen their links with Ugandan firms.

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www.mhcinternational.com, June 25 2007.

APPENDIX A: TRANSMITTAL LETTER

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Ggaba Road, Kansanga * PO BOX 20000 Kampala, Uganda
Tel: +256 (0) 41 - 266 813 * Fax: +256 (0) 41 - 501 974
E-mail: admin@kiu.ac.ug * Website: http://www.kiu.ac.ug

OFFICE OF THE DIRECTOR
SCHOOL OF POST GRADUATE STUDIES

16st July, 2007

THE HEAD OF MARKETING
MTN Uganda

RE: INTRODUCTORY LETTER FOR MR. BARAIGYE NATHAN MBA/9145/51/DU

The above mentioned, is our student in the School of Post Graduate Studies. He is doing his Master **of Business Administration (MBA - Marketing).**

Barigye is currently doing his research on **"CORPORATE SOCIAL RESPONSIBILITY AND MARKET DEVELOPMENT" A CASE STUDY OF MTN UGANDA,** as a final requirement for the award of Master of Business Administration of Kampala International University.

Any assistance accorded to him will be highly appreciated.

Thank you very much for your services.

for:
PROF. SAMUEL O. OWOLABI
Director, SPGS

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APPENDIX B 1

RESEARCH INSTRUMENT

QUESTIONNAIRE TO STAFF

I am called Nathan Barigye, a student at the above university, undertaking a master degree in Business Administration. As part of the partial fulfillments of this course I am undertaking a study on corporate social responsibility and market development, with a case study on MTN (Uganda)

100: RESPONDENTS BACKGROUND

1O1: What age bracket are you?

20 years – 29 years

30 years – 39 years

40 years – 49 years

50 years – 59 years

60 years and above

102: What is your education level?

Primary Seven and Below	
O'Level	
A'Level	
Diploma	
Degree and above	
None	

103: What is your marital status?

Married	
Single	
Divorced	
Widowed	

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200: CORPORATESOCIALRESPONSIBILITY AND MARKET DEVELOPMENT

201: What kind of Corporate Social responsibility activities do you have in your Company?

1..... 3.....

2..... 4.....

202: How are the activities implemented in the benefiting communities?

.....

.....

203: How are these benefiting communities selected?

1..... 3.....

2..... 4.....

204: What are the benefits of your Corporate Social Responsibility activities to the communities?

1..... 3.....

2..... 4.....

205: How does the Corporate Social Responsibility activities of your company influence market development

Increased sales	
Increased Brand awareness	
Increased company community profile	
Increased customers	
Other (Specify)	

206: On a scale of 1 to 5 (where 1 is least, and 5 more), how do you rate your activities in influencing market development?

1	2	3	4	5

300: CORPORATE SOCIAL RESPONSIBILITY AND MARKETING

301: What kind of marketing strategies do you normally use in your company?

1..... 3.....

2..... 4.....

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302: Can companies use Corporate Social Responsibility as a marketing strategy?

Yes ☐

No (Skip) ☐

303: If yes, how can companies best use Corporate Social Responsibility as a marketing Strategy?

1..... 3.....

2..... 4.....

400: CORPORATE SOCIAL RESPONSIBILITY AND STAKEHOLDERS

401: Does your company's Corporate Social Responsibility have a focus on stakeholders' concerns?

Yes ☐

No ☐

402: What kind of stakeholder related Corporate Social Responsibility activities do you undertake?

.....

.....

403: What kind of stakeholders does your company focus on?

1..... 3.....

2..... 4.....

404: What determines the beneficiaries of your Corporate Social Responsibility activities?

1..... 3.....

2..... 4.....

405: How best can your Company merge its business interests with society interests in its Corporate Social Responsibility activities?

.....

.....

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406: How can your Company develop lasting relations with stakeholders?

.....

.....

.....

Thank you Very Much

APPENDIX B 2

RESEARCH ISNTRUMENT

QUESTIONNAIRE TO STAKEHOLDERS

I am called Nathan Barigye, a student at the above university, undertaking a master degree in Business Administration. As part of the partial fulfillments of this course I am undertaking a study on corporate social responsibility and market development, with a case study on MTN (Uganda)

100: RESPONDENTS BACKGROUND

1O1: What age bracket are you?

20 years – 29 years

30 years – 39 years

40 years – 49 years

50 years – 59 years

60 years and above

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102: What is your education level?

Primary Seven and Below	
O'Level	
A'Level	
Diploma	
Degree and above	
None	

103: What is your marital status?

Married	
Single	
Divorced	
Widowed	

200: CORPORATESOCIAL RESPONSIBILITY AND MARKET DEVELOPMENT

201: What MTN Corporate Social responsibility activities do you see in your community?

1..... 3.....

2..... 4.....

202: What benefits do you get from these activities?

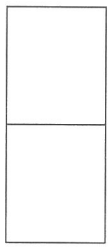
1..... 3.....

2..... 4.....

203: In terms of MTN and its market, how do you think these its Corporate Social Responsibility activities influence your decision to become an MTN customer

Yes

No



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205: If these Corporate Social Responsibility activities influence your decision, how do you think they generally contribute on MTN's effort to increase its market?

Increased sales	
Increased Brand awareness	
Increased company community profile	
Increased customers	
Other (Specify)	

300: CORPORATE SOCIAL RESPONSIBILITY AND MARKETING

301: How do you come to know about MTN's products and services?

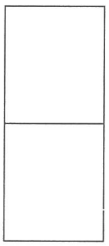
1..... 3.....

2..... 4.....

302: Do the Corporate Social Responsibility activities influence your decision to stay a customer of MTN?

Yes

No



303: How best can MTN package its Corporate Social Responsibility activities to fit your needs?

1..... 3.....

2..... 4.....

400: CORPORATE SOCIAL RESPONSIBILITY AND STAKEHOLDERS

401: Does MTN's Corporate Social Responsibility activities address or take care of your interests?

Yes

No (skip)



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402: If yes how do they take care of your interests?

.....

.....

403: How best can MTN maintain relations with you?

.....

.....

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Thank you Very Much

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