

5

Mainstreaming Corporate Social Responsibility for Environmental and Social Development in Kenya

Rahab N. Nyaga

Abstract

Corporate Social Responsibility (CSR) has been viewed as businesses giving back to society and companies managing their processes and conducting business in a way that will not harm society or the environment. Mainstreaming CSR for environmental and social development means that companies integrate environmental and social concerns in their business operations and in their interactions with stakeholders on a voluntary basis. In Kenya, CSR is a relatively recent phenomenon and many organisations are yet to figure out how to incorporate it in business. The literature reviewed in this paper is on CSR and how it can be mainstreamed for both environmental and social development. The theory that informs this study is the systems theory, which brings out interdependence and interconnectedness, both of which indicate that taking care of environmental and social development is vital for business success. This was a descriptive study that utilised questionnaires and in-depth interviews to collect data. The findings established that CSR is the key vehicle that organisations use to address social and environmental concerns. There is however need for awareness and training to ensure that CSR is mainstreamed and that funds address key concerns in society.

Keywords: corporate social responsibility (CSR), environmental development, mainstreaming, social development, interdependence, interconnectedness

Introduction

There is growing recognition that businesses are part of the solution to creating a more stable, healthy and prosperous world. Sustainable development requires the integration of social, environmental and economic considerations. Sustainable development refers to a mode of human development which aims to meet human needs while ensuring the sustainability of natural systems and the environment, so that these

needs can be met not only in the present, but also for generations to come (UN, 1987). Corporate Social Responsibility (CSR) is the umbrella title under which organisations usually address environmental and social issues as part of their public relations and community involvement initiatives. CSR is also described as corporate conscience, corporate communication, responsible business and corporate citizenship among other terms. Holmes and Watts (2000) see CSR as essential for the long-term prosperity of companies as it gives an opportunity to demonstrate the human face of business. Perception of this human face is vital for businesses to be accepted by society. It is the way companies communicate their concern and care for society, and get involved in providing solutions. It has long been accepted that the development agenda cannot be left to the central government to handle on its own, but needs to involve all national stakeholders for sustainability.

Emphasis on environmental, social and economic sustainability has become a focus of many CSR efforts. Sustainability was originally viewed only in terms of preserving the earth's resources. In 1987, the World Commission on Environment and Development (WCED) published *Our Common Future*, a landmark action plan for environmental sustainability. The commission defined sustainability as "meeting the needs of the present without compromising the ability of future generations to meet their needs." Companies are now challenged by stakeholders including customers, employees, investors and activists to develop a blueprint for how they will sustain economic prosperity while taking care of their employees and the environment. This paper focuses on the environmental and social aspects of sustainable development, which are often the focus of CSR in companies. This study was carried out in Kenya among 16 corporates in the manufacturing and service sectors.

Definitions

A 2009 publication on CSR in sub-Saharan Africa by the German Ministry for Economic Cooperation and Development (BMZ 2009, p. 8), states that:

CSR refers to the accountability of corporates, to both shareholders and stakeholders for their utilization of resources, for their means of production, for their treatment of workers and consumers and for their impact on the social and ecological environment in which they operate.

Business for Social Responsibility (BSR) defines CSR as achieving commercial success in ways that honour ethical values and respect people, communities and the natural environment (Sood & Arora, 2006). It is the responsibility that sees businesses go beyond the statutory obligation to comply with legislation, and act to benefit society. It also sees organisations voluntarily taking further steps to improve the quality of life for their employees and their families, as well as for the local community and society.

Challenges in defining CSR have been evident. BMZ states that there are more than 450 inscriptions covering CSR related concepts, definitions, topics, key role players and institutions in the field (2009, p 21). They summarise CSR as “a comprehensive concept referring to the way in which corporates exercise responsibility and accountability for the economic, social and environmental impact of their business decisions and behaviours” (2009, p. 9). BMZ, however, points out that in sub-Saharan Africa, CSR is philanthropy oriented and focuses more on the community and aspects of the environment and less on the marketplace and workplace. This has resulted in education, health and poverty alleviation topping CSR initiatives list in the region.

These definitions, concepts and views demonstrate how much businesses need to consider environmental and social concerns to demonstrate responsibility and accountability necessary to survive in a competitive business environment. Although still a relatively new concept, CSR has become important on the Kenyan corporate scene, especially in the last decade. This has been due to business competition, increased awareness and social pressure. Evuleocha (2005) however, states that the idea of CSR is neither new nor radical, as the concept has a long and varied history. Carroll (1999) adds that evidences of the business community’s concern for society can be traced for centuries. Similarly, Sood and Arora (2006), state that the idea of corporate involvement in social well-being as a voluntary response to social issues and problems, and responsible behaviour in business, is as old as business itself. Formal writing on CSR however, according to Carroll (1999), is only a 20th century phenomenon and renewed interest by corporations even more recent.

Theoretical Framework

This study was based on the systems theory. The general systems theory as an approach to knowledge was first developed by Ludwig von

Bertalanffy (1973), a well-known biologist, in the 1920s. Here is how Bertalanffy puts it:

It seems legitimate to ask for a theory, not of systems of a more or less special kind, but of universal principles applying to systems in general. In this way, we postulate a new discipline called *General Systems Theory*... It is a general science of “wholeness” which until now was considered a vague, hazy, and semi-metaphysical concept. In elaborate form, it would be a logico-mathematical discipline, in itself purely formal but applicable to the various sciences (1973).

Social science is one area where systems theory has been applied. In this study, for example, corporates with their business processes and need for public approval, the environment and its care as well as the publics and their need for social development were seen as interdependent components making a whole system. As Littlejohn (2008) states, “a system is a set of objects or entities that interrelate with one another to make a whole.” In public relations, Cutlip, Center and Broom (1994, p. 207) view a system as “a set of interacting units that endure through time within an established boundary by responding and adjusting to change pressures from the environment to achieve and maintain goal states.” In the case of corporates, the set of interacting units includes the organisation and the publics with which it has or will have relationships. Systems theory is therefore about interdependence and gives us a way of looking at relationships. It “gives us the notion of parts and wholes, allows us to look at structure and provides insight into how parts are related” (Baskin, Aranoff & Lattimore, 1997, p. 54). This study looked at organisations as systems that interact with their publics and the environment and adjust to manage relations of interdependence that enhance environmental and social development. Austin and Pinkleton seem to agree with the concept of adjustment and adaptation and hold that “organisations are most effective when they acknowledge they interact with, affect and are affected by their environment. They need to bring in resources that enhance their success and deflect threats that can compromise their survival” (2001, p. 270).

There are closed systems, which have no interchange with their environment. The closed system model most often refers to physical systems. An open system is one that receives matter and energy from its environment and is oriented towards life and growth. Baran and Davis (2003, p.209) state that “an open system consists of parts that interrelate in such a way that the overall system can monitor its environment and

adjust to both internal and external changes.” These systems are said to be dynamically balanced in that they are able to maintain their integrity and high level of organisation while undergoing significant changes. They are able to combine stability with change. Littlejohn (1989) adds that first; a system has objects, which are parts, elements or members of a system. Second, a system has attributes or the qualities or properties of the system and its objects. Third, a system must possess internal relationships among its objects. These relationships imply mutual effect or interdependence. Finally, systems possess an environment. This means they do not exist in a vacuum but are affected by their surroundings. This mutual effect or interdependence makes systems theory ideal for considering how corporates can mainstream CSR for environmental and social development for mutual benefits

Research Design

This study utilized descriptive survey design. Descriptive design was appropriate as it is used to obtain information concerning the current status of phenomena and to describe what exists with respect to variables or conditions in a situation. Survey aids in describing the status quo (Key, 1997). Chandran (2004) explains that a descriptive survey leads to the profile development of a situation or a community of people by acquiring complete and possibly accurate information. It describes a process or a relationship. Neuman (1997) concurs and states that descriptive survey is aimed at:

- Providing an accurate profile of the research groups or subjects
- Describing a process or relationship
- Generating information that will stimulate new possible explanations, and
- Providing basic background information or context (p. 20)

Van der Walt (2006) states that in a descriptive study, the emphasis can be on an in-depth description of a specific topic, or the frequency of an occurrence. Babbie (1998) says that this approach is typical when a researcher examines a new interest or when the subject of study itself is relatively new. A research by BMZ (2009), states that CSR in sub-Saharan Africa is still in its infancy. Descriptive survey was therefore appropriate for researching CSR, which is a relatively new subject of study (Caroll, 1999), and for examining how mainstreaming CSR can enhance environmental and social development.

Literature Review

The literature reviewed focused on CSR and its use as a tool to enhance relationships with stakeholders for organisational success. Concepts of CSR for environmental development, social development and mainstreaming were also reviewed.

Corporate Social Responsibility

CSR is generally seen as businesses going beyond their legal obligations to manage the impact their activities have on society and the environment, or funding social programmes with the aim of winning societal goodwill. Manning (2006) sees CSR as one of the 'umbrella' labels under which many of the emerging issues are addressed. He lists some of these issues as human rights, health, renewable energy, child labour and eco-efficiency. This list tallies to a great extent with Wynhoven's (2006) global compact performance model's key areas of human rights, labour standards, environment and anti-corruption, which he states an organisation needs to address in order to be a good corporate citizen. Manning (2006) and Wynhoven (2006) not only highlight CSR as an emerging issue, but also one that corporates need to address if they are to be considered socially responsible. Manning (2006) adds that although CSR is regarded positively, it is often not integrated in the core business of organisations, which curtails its effectiveness. Bergmans (2006) echoes these sentiments and states that there is need for turning CSR into a primary corporate process, and that this entails more than isolated projects linked to the corporate identity. The aspect of making CSR a primary corporate process would establish it as a legitimate area of focus, deserving allocation of resources.

Werther and Chandler (2006) highlight the important aspect of interdependence with stakeholders, the economic system and communities. This is in line with the systems theory that forms the theoretical framework of this study. Dealing with all these stakeholder groups is key to an organisation's success, and appreciating the interdependence that must be managed is important in appreciating others' input into organisational success. Corporates need to acknowledge these relationships of interdependence between them and stakeholders and recognise too the need to manage them.

CSR for Environmental Development

This decade, an area that has received attention in CSR in Kenya, is environmental education and environmental stewardship, or environmental care. This is in line with worldwide concern about climate change and responsible action. The Global Compact Performance Model, which was launched by The United Nations Secretary General at the World Economic Forum in 1999 (Jonker & de Witte, 2006) lists the environment as one of the four key areas that measure responsible corporate citizenship. The other areas are human rights, labour standards and anti-corruption. These three latter areas deal directly with stakeholders' welfare, especially employees, and are often seen as necessary for doing business. Compliance with requirements of these three areas is ensured by laws that have long been in existence in the developed world. It is the environment that has often been neglected and laws governing its care often ignored.

The environment has been defined as the totality of conditions and influences that affect the way things live and develop. Things here refer to both living and non-living like rocks, water, air composition, soil acidity and temperature (Munyua & Onyari, 1996). Corporations have been known to take initiatives that respond to environmental challenges thus contributing to better management of the environment, as the United Nations (UN) Benchmark Corporate Environmental Survey (1993) found out. This survey of 400 corporations was undertaken to measure and evaluate the phenomenon of corporate greening, also called corporate citizenship and corporate responsiveness, as it is anchored in corporate management policies and practices.

The survey found out that a profound transformation occurred in the 1990s in corporate management of environmental and occupational matters, where numerous corporations took up the challenges of environmental concerns and were enthusiastically managing their environmental impacts. In this UN report (1993), the Secretary General for UN Conference on Environment and Development, Maurice Strong captured the mood thus:

We have already begun the transition to a new era in which environmental issues will increasingly drive our economic life. The transition to economically sound and sustainable development is as imperative for the continued viability of our economy as it is for our environmental security. Every business that impacts on the environment

must accommodate the fact that the environment will have an important impact on its business (1993, p. 2).

The UN (1993) report also showed that companies were not only attempting to manage their impacts on the environment, but were also strategically combining future need for raw materials from the environment with beneficial environmental stewardship.

Not all companies are, however, willing to commit themselves to ethical and safe processes of producing goods and services despite legislation requiring the same. Sood & Arora (2006) highlighted a research carried out by Consultancy and Research for Environmental Management (CREM) in Europe and India. Dutch corporations and their Indian counterparts were interviewed on their CSR practices. The findings indicated that Dutch corporations operating in India practised CSR very partially. Although these Dutch corporations had CSR policies and codes of conduct, they usually ignored them in their Indian operations.

This often happens in developing countries where trans-national corporations are known to ignore environment, health and safety measures in their operations, which they would never do in their home countries. It can only be hoped that this is no longer the case.

Writing about creation, Christians and environmental stewardship, Gnanakan (2006, p. 119) defines stewardship as “encapsulating the two sides of human relatedness. There is the relationship to God on the one hand, and to the non-human creation of God on the other.” The human being as God’s steward is therefore accountable to God and responsible for his fellow creatures. Manning (2004) states that good stewardship calls for businesses to take steps to avoid harm to the environment. Gnanakan (2006) sees responsible stewardship for today as having four aspects. First is recognizing the harmony, unity, purity and integrity in creation. He says a respect for creation will elicit the respect for the rights of creation, and our care for creation will show in our love to protect, conserve and bring healing to a wounded world. Ecology implies interrelatedness and this will show in our own feelings of anguish for a creation that has been ill-treated. He sees the second aspect as that of conserving and preserving creation’s resources. Conservation calls for responsible use, while preservation means protecting endangered species and not only carefully using resources for present needs, but

also ensuring generations to come will use them too. The third aspect is the demonstration of responsible lifestyles. Greed and materialism, according to Gnanakan, have caused havoc and disparity, which continue unabated with human exploitation. He states that the fourth aspect calls for an acceptance of the rights and privileges of all God's community and creation, including rights of future generations.

As people have become more aware of the direct and indirect negative impacts of business activities on the natural and social environment, ways have been sought to control businesses (Antal, 1992). Lantos (2001) recognizes this pressure on businesses and states that today, the public demands that businesses make social issues part of their strategies. Economic and legal means have been used to try to make businesses act responsibly, as the common assumption has been that businesses only existed to make profit. Daft (2000) however, points out that the purely profit-maximizing view is no longer considered an adequate criterion of performance.

According to Werther and Chandler (2006), the pursuit of profit should be integrated with CSR, and businesses need to see beyond profits and realise they need to give back to society and consider society's claim to a shared environment. The demand and pressure that Lantos, Daft and Werther and Chandler see businesses being subjected to, will only rise with increased environmental awareness. The changing roles of business call for change in strategies in order to be relevant and responsive to stakeholder needs and claims. Patronising businesses in the future could be informed by the CSR initiatives customers see the corporations engaging in.

Until 1999 when the Environmental Management and Co-ordination Act (EMCA) was enacted, there were no laws that ensured environmental care in Kenya. The Ministry of Environment and Natural Resources existed but in its broad mandate, had no mechanism to enforce environmental care. NEMA (National Environment Management Authority) in Kenya, established under EMCA, is charged with implementation of the requirements of this Act. The implementation has been so slow that up to today (2015), more than a decade since enactment, few cases have reached the courts despite rampant evidence of environmental neglect and abuse. Environmental care seems to call for more than legal provisions and action. It seems to call for awareness on why we need to care for the environment, goodwill and proactive initiatives from companies and citizens.

CSR for social Development

Early CSR practices focused on philanthropy as a driver of CSR. Today, that notion has been supplanted by a broader commitment that focuses on protecting and improving the lives of workers and the communities in which companies do business. Evuleocha (2005) posits that since corporations possess the power to control and influence the quality of life for employees, customers, shareholders and residents of local communities in which they operate, that power necessarily entails responsibility. The core belief is that corporations have responsibilities to society beyond profit maximization. As Wambua (2006, p. 12) states, “corporate giants the world over are judged by the scale of their social responsibility programmes, and the edge in corporate success has shifted from the balance sheet to giving back to society.”

The profit motive is however not totally cast aside. Du Plessis (2005, p. 42) points out that “CSR is also known as CSI because the organisation invests in a specific cause to uplift the community and in the process increases profits.” There is therefore a strong investment case for CSR in organizations. The goodwill generated in uplifting society ensures that workers renew their commitment to the company, and customers keep coming back. This ensures profitability and sustainable business operations for the company. An example of CSI in East Africa is Unilever Tea Company Limited in Tanzania, a company I worked for in the 1990s. This company had established 35 nursery schools and day care centres for its tea plantation workers in Mufindi area, in the southern part of Tanzania. These institutions provided child care, basic learning, uniforms and food for the children, six days a week. This provision was over and above regular employee benefits. This CSR strategy ensured that the company always had adequate supply of workers, who happily worked without having to worry about their young children. Here, the business gained in terms of stable labour force and a good reputation, even as it considered employees’ welfare.

Mainstreaming CSR

Mainstreaming CSR means developing policies that integrate responsible practices into daily business operations, and reporting on the progress made toward implementing these practices.

Werther and Chandler (2006) show that this is in line with current thinking on CSR as they state that:

There are changing expectations on businesses: that they will manage their overall impact on society, that they will seek to maximise the positive contributions and minimise the negative, and in addition, that they will act as genuine corporate citizens, using their skills, resources and other assets to help resolve common problems. This is the case whether those problems are global issues like climate change or local ones like crime or poor education. And corporates should respond to those expectations because ultimately, it is good for business if those problems can be tackled. (p. xiv).

Twelve leading European companies have shown that embedding corporate social responsibility (CSR) into all levels of their company really makes business sense. In a new CSR Europe/E&P report, titled *Exploring business dynamics – mainstreaming CSR in a company's strategy, management and systems*, industry leaders like Danone, BP, Johnson & Johnson Europe and STMicroelectronics argue that CSR can offer a primary competitive advantage in determining the success and sustainability of any business and that it is not just something that companies are doing to appear altruistic (CSR Europe, 2002).

In the report, companies that have distinguished themselves as frontrunners in CSR explain how they have managed to translate the concept of CSR into a daily business reality, using tools such as integrated management performance systems, the balanced scorecard, and new forms of staff training and recruitment. Companies such as Shell, BP and Novo Nordisk show how they have managed to combine CSR issues with a strong performance culture by making non-financial goals up to one third of their performance appraisals and reward structures. The report gives concrete examples of how these pioneering companies are making CSR part of the DNA of their organisations through strong leadership and sophisticated people management. They see CSR as a driver for innovation and a shaping force of their corporate culture. They recognise that integrating corporate responsibility requires new business skills and managers need to embrace a new approach to decision-making. CSR is about better management of existing practices. This report is

supported by the European Commission, DG Employment and Social Affairs, which emphasised the importance of mainstreaming socially responsible practices in its recent Green Paper (CSR Europe, 2002).

Mainstream investors are being challenged to consider CSR issues when analysing companies. The United Nations Environment Program Financial Initiative asked one of the world's largest law firms to research on whether institutional investors such as pension funds and insurance companies are legally permitted to integrate environmental, social and governance issues into their investment decision-making and ownership practices. The resulting report released in October 2005, concluded that investors were not only permitted to but also sometimes required to take such factors into account. Having a CSR budget and engaging in occasional CSR initiatives do not result in mainstreaming. There is need to build capacities and competencies through peer group networking and individual champions helping colleagues.

Findings

Results from the study of the 16 Kenyan companies and how they have handled CSR for environmental and social development, are presented below.

CSR for Environmental Development in Kenya

Kenyan companies have been involved in environmental initiatives although not in a structured or systematic way. The findings of this study indicated that no clear, uniform or objective criteria emerged as having been used to identify and select CSR initiatives in environmental education and stewardship. The most popular were those initiatives in line with the core business of the company. The most influential reason stated, however, was concern for, and desire to conserve the environment. This implies a good knowledge on the part of sampled corporations of the need for environmental care. Figure 1 below shows the environmental initiatives that Kenyan companies engaged in.

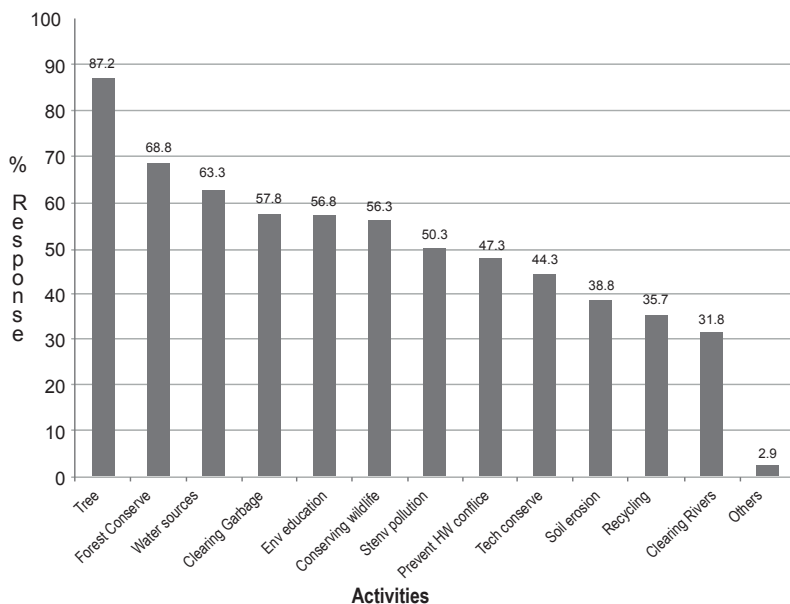


Figure 1: Environmental initiatives that Kenyan companies engaged in

Key

Activity	Code
Tree planting	Tree
Conserving forests	Forest Conserve
Protecting water sources	Water sources
Clearing garbage	Clearing Garbage
Environmental education	Env. education
Initiatives to conserve wildlife	Conserving wildlife
Stopping environmental pollution	St env pollution
Prevent human-wildlife conflict	Prevent HW conflict
Use technology to conserve natural resources	Tech conserve
Stopping soil erosion	Soil erosion
Recycling waste materials	Recycling
Cleaning polluted rivers	Cleaning Rivers
Other initiatives	Others

Tree planting was one environmental initiative that all the sampled companies participated in. A possible major reason for this was that the Kenyan leading newspaper, *The Nation*, set a national agenda for tree

planting by leading in a campaign to re-forest the Kenyan water towers. The newspaper ran articles in their daily releases on why conservation of the water towers was critical for provision of water to the nation. They invited others to join them in the effort to save the water towers by buying tree seedlings to plant. This resulted in a nationwide tree planting effort that saw millions of trees planted. Each tree planting session served as an opportunity for environmental education for those directly involved and for Kenyans in general due to the good media coverage.

CSR for social development in Kenya

CSR initiatives for social development in Kenya included projects that contribute to education, hunger alleviation, provision of water and health services among others as shown in Table 1 below:

Table 1 CSR initiatives that contribute to social development

<i>Activity</i>	<i>No of Respondents</i>	<i>% Respondents</i>
Education (formal)	307	79.9
Hunger alleviation	270	70.3
Sponsoring sports	254	66.1
Community awareness	245	63.8
Providing water	210	54.7
Providing equipment	203	52.9
Offering health services	190	49.5
Income generating projects	182	47.4
Others	46	12.0

Information captured in Table 1 is from responses to a question on utilization of CSR funds by companies, and whether they contributed to social development. Education and hunger alleviation ranked highest in the list of social development priorities.

A classic case of a company’s contribution to social development was that of Magadi Soda Company (MSC), situated 120km south–west of the Kenyan capital city, Nairobi. MSC is the largest soda ash manufacturer in Africa. Soda ash is used to make glass, detergents and industrial chemicals. MSC has given the neighbouring Maasai community access to its fully equipped hospital for both in and out-patient services and subsidizes up to 70% of the cost. The vulnerable and needy are often treated free of charge. The company has also undertaken construction of healthcare facilities for the community as well as mobile clinics. On education, MSC has built both primary and secondary schools for the community, which have both day and boarding facilities. The boarding

facility is especially beneficial as the Maasai can leave their children in school as they migrate with their herds looking for pasture. This ensures the children get education and a better future. MSC also sponsors Maasai children to tertiary institutions and employs them after completion of their studies. The company also provides food to the community during drought.

The MSC is located in a dry area and the nearest water source is 40km away. The company has not only piped the water for those 40km, but also freely supplies water to the community along the way. This is a life-line for the pastoralists as they can water their animals without having to walk to distant rivers. Once the raw water reaches MSC, it is treated and then freely supplied to neighbouring communities by road or rail. The company has also built and maintains the 86km road that connects it to the nearest government-maintained road. This road is open to all and has opened up economic activities in the area. MSC has won corporate citizenship awards for many years in Kenya for its unparalleled contribution to the social development of communities that neighbour the company.

Another institution that has contributed to social development in Kenya is Equity Bank. This bank is a strong advocate of education and normally identifies the top Kenya Certificate of Secondary Education (KCSE) girl or boy from every district in Kenya and sponsors them through university. These students also get a chance to work at the bank during vacations and are often employed by the bank upon graduation. The bank has also partnered with Kenyatta University where Equity Bank sponsors all second year students (about 2,000) to spend time in their communities educating the public on various subjects like book-keeping, good farm management, health issues, environmental care or just attending to any identified area of need in the community.

Other social development initiatives by various companies in Kenya include sponsorship of sports, medical camps, provision of equipment for various social and economic projects, building of schools and community centres and social education on pertinent issues.

Mainstreaming CSR in Kenya

The concept of CSR is indeed quite new in Kenya and not well understood. Mainstreaming it as a primary company process is not something Kenyan companies have fully embraced. A number have a

designated CSR officer, the rest of those who consider CSR a primary company process in their organisations either have a CSR vote or some periodic CSR activity within the public relations or corporate affairs departments. Better understanding of the nature and strategic use of CSR and concern for environment could aid companies in making CSR a primary company process in Kenya.

A company that has made noteworthy effort in this area is Cooper Kenya. Cooper K-Brands Limited is the leading animal health company in East and Central Africa. Food security is Cooper Kenya's major environmental initiative and their aim is to chart new ways of doing things. Together with research centres like Kenya Forestry Research Institute (KEFRI) and International Centre for Research in Agroforestry (ICRAF), they have identified tree species that could be grown on the farms in dry areas for both food and environmental conservation. Their environmental focus is the farm not the forest. They are focusing on five species identified by ICRAF as the most suitable. Since they have land at their premises, Cooper Kenya's plan is to start tree nurseries there and supply the seedlings to the farmers in the dry areas. To involve their employees and create awareness, Cooper Kenya is planning to have them work on the seedbeds.

They plan to have five seedbeds for the five species. The employees will be divided into five teams that will compete to grow the best and greatest number of seedlings. The plan is to have the employees work the seedbeds on Friday afternoons so that it counts as part of official work. This is aimed at fostering teamwork, creating environmental awareness and helping ensure food security for communities in the dry areas. Once the seedlings are delivered to the farmers, Cooper Kenya's extension workers will be on hand to help the farmers take care of the seedlings. Since these are farmers they deal with in their daily business, trust has already been built.

Challenges of Mainstreaming CSR

The major challenge to mainstreaming CSR for social and environmental development is attitude. This will need a paradigm shift. As CSR Europe (2002) noted, integrating corporate responsibility requires new business skills and managers need to embrace a new approach to decision-making as CSR is about better management of existing practices. Learning new business skills and new decision-making approaches is not well received

by many managers who cannot see the connection of this effort to the bottom line. Having one-third of annual goals being non-financial can only come through a paradigm shift in the way business is viewed.

Lack of skilled CSR workers in companies has resulted in scattered efforts in the name of CSR. Such efforts neither benefit the community in a sustainable way, nor give the organization the competitive edge CSR has been known to give. To be genuinely, socially responsible, companies must go for solutions that really address the problem, not the symptoms. This calls for skilled strategic CSR professionals. Some investors and shareholders are opposed to mainstreaming CSR and feel that they employ managers to maximise their profits, not to distribute such profits to third undeserving parties in the name of CSR. They hold that social issues should not be the concern of businesses, but should be resolved by the unfettered workings of the free market system, or handled by the government and legislation.

The challenge of measurement has also discouraged mainstreaming of CSR. Although it has been agreed that CSR is good for business, measurements of “how good?” have not been uniform or objective in most cases. Consultants advise that companies should develop a set of relevant Key Performance Indicators (KPIs) and then track them down in a systematic way. Whatever the approach, those not keen on mainstreaming CSR cite lack of objective measurement of CSR’s contribution as a hindrance.

Summary of key findings

1. CSR was the main avenue through which the sampled companies addressed all humanitarian and other non-core business concerns aimed at benefiting society including the environment. CSR provided not only the budgetary line to address the said concerns, but also legitimised them.
2. No clear, uniform or objective criteria emerged as having been used to identify and select CSR initiatives in environmental education and stewardship. Kenyan companies had however, been involved in environmental initiatives although not in a structured or systematic way.
3. CSR initiatives for social development in Kenya include projects that contribute to education, hunger alleviation, provision of water and health services among others.

4. The concept of CSR is indeed quite new in Kenya and not well understood. Mainstreaming it as a primary company process is not something Kenyan companies have fully embraced.
5. The major challenge to mainstreaming CSR for social and environmental development was attitude.
6. The most successful and sustainable CSR initiatives were those in line with a corporate's core business.

Discussion of implications

The study found out that CSR is the most practical tool corporates can use to address societal concerns, especially the environment. This has several implications:

- (a) It is mainly through CSR that corporates can effectively address environmental concerns which in most cases are non-core business. CSR provides not only the budgetary line to address environmental concerns, but also legitimises such concerns.
- (b) Social concerns seemed easier to address than environmental ones. Indicating awareness of the need to care for the environment did not lead to corporates focusing on environmental initiatives but they still focused more on social and humanitarian aid initiatives using CSR funds. This implies that more than awareness is needed to move people to environmentally beneficial action.
- (c) A need to prioritise and have an overall strategic focused approach is implied. The highlighting by the media of the need to plant trees worked to prioritise this initiative and all the companies studied engaged in it. Government leadership and annual priorities could focus CSR funds on critical areas of concern in the environment for observable impact. Involvement of media would be critical for success. Communicating criteria or priorities would ensure national focus for observable results.
- (d) Initiatives in line with the core business of corporates were implied for success in industry-specific interventions. This implies the need to train companies on how to identify social and environmental initiatives that they can engage in without deviating significantly from their core business. This would ensure success as the implementers and monitors would be in-house and would be operating in their areas of expertise.

- (e) There is need to create awareness and to train public relations and corporate affairs managers on the strategic use of CSR to maximise benefits for the company and its publics. The best practices and tested ideas on the use of CSR to enhance environmental and social issues could be shared during such trainings. Such trainings could bring about a paradigm shift that would benefit society in the areas of environmental and social concerns.

Recommendations

The media need to be deliberately and actively involved in propagating mainstreaming of CSR for environmental and social development. Media are powerful and media messages affect society. The agenda-setting power of the media can be used to benefit environmental and social causes. The agenda-setting theory generally holds that the media are powerful in telling people not what to think, but what to think about. Media coverage can elevate the public standing of issues, and changes and the amount of media attention can lead to changes in public priorities (McCombs & Shaw, 1972). The media have an upper hand in communication since this is their core business and could contribute by deliberately focusing on these concerns.

The public needs to put pressure on companies to be socially responsible. This can be done through pressure groups, interest groups or advocacy groups. The public must however be aware of the issues at stake and therefore public education is necessary.

Corporations need to partner for significant impact and not act individually when trying to handle environmental issues. The most disturbing environmental issues which are also the most noticeable are too enormous for any single company to effectively handle. These include issues like deforestation, garbage management, management of rivers and lakes or even controlling human–wildlife conflict. Corporations should partner and address one such prioritised environmental area at a time. An example of this is the way Nation Media Group spearheaded the fencing of the Aberdares Forest to control human-wildlife conflict (Nyaga, 2011).

Corporations and individuals were able to contribute to this project and it was eventually completed. What a single company could not do was accomplished through partnering with others. Such partnerships focus not scatter efforts, give clear criteria on choice of initiatives and

also ensure sustainability. The government is best placed to prioritise since it has jurisdiction over all sectors. If such prioritisation is however not forthcoming from the government, the corporations should then get together as much as possible and pool resources for better impact.

The government should come up with policies, measures and incentives that encourage mainstreaming of CSR for environmental and social development. There should be clear environmental laws and mechanisms for their enforcement. There must be ‘will’ also on the government’s part to enforce these laws without fear or favour. There should be environmental policies that prioritise different aspects of the environment at different times to ensure all are pulling together for better impact. The government therefore needs to give leadership in the areas of environmental law enforcement, prioritising and environmental policy. On social development, incentives connected with taxation could be given to encourage contribution to social development.

Conclusion

Mainstreaming CSR for environmental and social development could greatly contribute to sustainable development in Kenya. CSR being a voluntary response of businesses to social concerns, however, cannot be enforced through legislation to ensure compliance. Mainstreaming CSR will therefore depend on goodwill on the part of organisations, and their understanding of the contribution of CSR to business success. Pressure could be put on the corporates through expression of societal expectations. This however would call for organised lobby groups to address such concerns. Despite the challenges, mainstreaming CSR for environmental and social development would respond to felt and expressed societal needs and concerns.

References

- Antal, A. B. (1992). *Corporate social performance: Rediscovering actors in their organizational context*. Frankfurt: Westview Press
- Austin, E. W. & Pinkleton, B. E. (2001). *Strategic public relations management*. London: Lawrence Earlbaum Ass. Publishers
- Babbie, E. (1998). *The practice of social research* (8th ed.). Belmont: Wadsworth Publishing Company
- Baran, S. J. & Davis D. K. (2003). *Mass communication theory: Foundations, ferment and future*. (3rd ed.). Toronto, Thomson Wadsworth
- Baskin, O. Aranoff, C. & Lattimore, D. (1997). *Public relation: The profession and the practice*. (4th ed.). Boston: McGraw-Hill
- Bergmans, F. (2006). Integrating people, planet and profit. In J. Jonker & M. de Witte (Eds.), *Management models for corporate social responsibility* (pp. 63-67). Heidelberg: Springer
- Bertalanffy, L. (1973). *General systems theory: Foundations, development and applications*. Penguin University Books
- Carroll, A. B. (1999). Corporate social responsibility: Evolution of a definitional construct. *Business & society*, 38(3), 268-295
- Chandran, E. (2004). *Research methods: A quantitative approach*. Nairobi: Daystar University
- CSR Europe. (2002). *Exploring Business Dynamics – mainstreaming CSR in a company's strategy, management and systems*. Retrieved October 20, 2012 from: http://www.csreurope.org/press_releases.php?action=show_press_release&press_id=9
- Cutlip, S. M., Center, A. H. & Broom G. M. (1994). *Effective public relations*. (7th ed.). London: Prencice Hall
- Daft, R. L. (2000). *Management*. (5th ed.). Fort Worth: Dryden Press
- Du Plessis, T. C. (2005). *A theoretical framework of corporate online communication: A market public relations (MPR) perspective*. Unpublished doctoral dissertation, University of South Africa, South Africa

- Evuleocha, S. U. (2005). Managing indigenous relations: corporate social responsibility and corporate communication in a new age of activism. *Corporate Communication: An International Journal* 10(4). Retrieved June 12, 2006 from: <http://konstanza.emeraldinsight.com/Insight/ViewContentServlet?Filename=Publishe...>
- Federal Ministry for Economic Cooperation & Development (BMZ). (2009). *Corporate social responsibility in sub-Saharan Africa: A survey on promoting and hindering factors*. South Africa: Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)
- Gnanakan, K. (2006). Creation, Christians and environmental stewardship. *Evangelical Review of Theology*, 30(2), 110-120.
- Holmes, R. & Watts, P. (2000). Corporate social responsibility: Making good business sense. *World Business Council for Sustainable Development*. Retrieved May 30, 2011 from: <http://opentraining.unesco-ci.org/cgi-bin/page.cgi?g=Detailed%2F23110.html;d=1>
- Jonker, J. & De Witte, M. (Eds.). (2006). *Management models for corporate social responsibility*. Heidelberg: Springer
- Key, J. P. (1997) *Research design in occupational education: IRB thesis handbook*. Oklahoma State University
- Lantos, G. P. (2001). The boundaries of corporate social responsibility. *Emerald: Journal of Consumer Marketing* 18(7). Retrieved June 12, 2006 from <http://konstanza.emeraldinsight.com/Insight/ViewcontentServlet?Filename=Publishe...>
- Littlejohn, S. W. (2008). *Theories of human communication*. (9th ed.). California: Wadsworth Publishing Co
- McCombs, M. E. & Shaw, D. L. (1972) The agenda-setting function of mass media: *The public opinion quarterly*, Vol 36, No. 2 (Summer 1972) pp. 176-187
- Magadi Soda Company. (2004). *Preparation of a community development plan Magadi Soda expansion Project*. Intermediate Technology Development Group-East Africa (ITDG-EA)
- Manning, D. J. (2004). Benefits of environmental stewardship. *Review of Business*, 25(2), 9-14

- Munyua, S. J. M. & Onyari J. M. (1996). *An introduction to environmental management*. Nairobi: Jomo Kenyatta Foundation
- Neuman, W. L. (2006). *Social research methods: Qualitative and quantitative approaches*. (6th ed.). Boston: Pearson Education, Inc
- Nyaga, R. N. (2011). *Role of corporate social responsibility in enhancing environmental education and stewardship in the manufacturing and service sectors in Kenya*. Doctoral dissertation, Kenyatta University, Kenya
- Sood, A. & Arora, B. (2006). *The political economy of corporate social responsibility in India*. Geneva: United Nations Research Institute for Social Development (UNSID)
- United Nations. (1987). *Report of the world commission on environment and development*. General Assembly Resolution 42/187, 11 December 1987. Retrieved on September 28, 2013
- United Nations. (1993). *Environmental management in transnational corporations: Report on the benchmark corporate environmental survey*. (Environment series No. 4). New York
- Van Der Walt, E. A. (2006). *A descriptive and exploratory study towards a spiritual intelligence transactional model of organizational communication*. Unpublished doctoral dissertation: University of South Africa, Pretoria
- Wambua, E. (2006, November 12). Building a stronger Kenya through corporate giving. *Financial Standard*, p. 14
- Werther, W. B. & Chandler, D. (2006). *Strategic corporate social responsibility: Stakeholders in a global environment*. London: Stage Publications
- WCED. (1987). *Our Common Future*. Retrieved on October 20, 2012 from: <http://www.un-documents.net/wced-ocf.htm>
- Wynhoven, U. (2006). Global compact performance model, in J. Jonker & M. de Witte (Eds.). *Management models for corporate social responsibility* (pp.63-71). Heidelberg: Springer

Appendix I

Sampled companies per sector

Manufacturing sector

1. Magadi Soda Company
2. Mumias Sugar Company
3. Nairobi Bottlers
4. Cooper Kenya
5. E. A. Cables
6. E. A. Portland Cement
7. Chandaria Industries
8. BAT

Service sector

1. Safaricom
2. KEMRI
3. Nation Media
4. KWS
5. Citi Bank
6. Kenya Airways
7. Equity Bank
8. Safari Park Hotel