



**PHILANTHROPIC AND ECONOMIC CORPORATE SOCIAL RESPONSIBILITY AND PERFORMANCE OF SAFARICOM PUBLIC LIMITED COMPANY IN NAIROBI CITY COUNTY, KENYA**

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**ABSTRACT**

*The purpose of this study was to look at how Safaricom Public Limited Company's performance in Nairobi City County, Kenya, is affected by philanthropic and Economic corporate social responsibility. The study was guided by the triple bottom line theory, the resource-based view theory, the stakeholder theory, and the Carroll theory. This study employed a descriptive research design. The analytical unit was Safaricom Plc, situated in Nairobi City County, Kenya. The observation unit consisted of 144 employees, including 55 senior-level managers and 89 middle-level supervisors. To guarantee that each respondent was fairly represented, the stratified sampling approach was used to split the respondents into two groups. The responders were chosen by simple random selection. There were 105 responses in the sample. The study used a semi-structured questionnaire. Respondents who were not part of the main study at Safaricom Plc were given ten surveys. The study employed face validity, criterion validity, and content validity to ensure a strong relationship between the test and its intended assessment. The reliability of the surveys was assessed using the Cronbach Alpha test. Qualitative data was presented narratively through the use of content analysis. Quantitative data was examined using descriptive statistics like mean and standard deviation. Furthermore, inferential statistics such as correlation analysis and multiple regressions were employed to determine the impact of each variable. The results were displayed using tables and graphs. The study found that the company's performance was much enhanced by both, philanthropic corporate responsibility and economic corporate responsibility. According to the study's findings, Safaricom's dedication to environmental social responsibility draws in prospective investors who are increasingly searching for businesses that follow sustainable business practices. By tackling social concerns and encouraging community growth, Safaricom is able to identify and reach underserved markets, growing its customer base. Its economic social responsibility programs also show the company's dedication to the community and economy, which fosters consumer trust and boosts sales and customer retention rates. According to the report, Safaricom should implement sustainable business practices, like using renewable energy sources, cutting waste, and consuming less energy. Safaricom can create a thorough corporate social responsibility (CSR) structure that prioritizes areas and fits well with its company goals and community requirements.*

**Key Words:** *Philanthropic, Economic, corporate Social Responsibility*

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## INTRODUCTION

Improving performance is essential for businesses because it enables them to satisfy the constantly shifting needs and expectations of their clients, maximize resources and cut expenses, boost employee engagement and satisfaction, and assist businesses in adapting to changes in the external environment (Huckman & Zinner, 2018). Customers have high expectations and are always searching for superior goods and services in the hectic corporate world of today, according to Jelenic (2021). As a result, organizations must constantly concentrate on improving their performance to make sure they are offering top-notch goods and services that either match or exceed the expectations of clients. Thus, businesses can ensure their long-term survival and prosperity by giving performance improvement top priority. The performance of Malaysian telecommunication companies has been significantly enhanced by the successful implementation of CSR strategies by taking part in socially conscious activities, such as lending support to neighborhood improvement initiatives, encouraging environmental sustainability, and ensuring ethical business practices whereby these companies have gained the trust and loyalty of their customers (Jasni, Yusoff, Zain, Mdyusoff & Shaffee, 2020). Hamid and Atan (2021) observe that CSR initiatives have helped Malaysian telecommunication companies that have promoted a spirit of trust and cooperation in order to cultivate positive connections with all of their stakeholders, including employees, customers, suppliers, and the neighborhood, by actively engaging with these stakeholders and attending to their issues. As a result, there has been an increase in consumer loyalty, improved supplier connections, and employee morale and productivity.

CSR initiatives have enabled telecommunication companies in Zimbabwe to strengthen their connections with stakeholders, such as staff members, clients, vendors, and the neighborhood, which have enabled them to customize their goods and services appropriately, resulting in higher client

satisfaction and market share (Chufama, 2019). Tsokota, T., & Mutongi, C. (2023) observe that the CSR initiatives have helped telecommunication companies in Zimbabwe to mitigate risks and comply with regulatory requirements which has enabled these companies to minimize the risk of legal and reputational issues. Therefore, by prioritizing social and environmental responsibility, the telecommunication companies in Zimbabwe have not only improved their financial performance but have also contributed to the overall well-being of the communities they operate in.

An organization's capacity to operate efficiently and make the most of its resources in order to achieve, desired results is referred to as organizational performance (Makhamara *et al* 2022). According to Almatrooshi, Singh and Farouk (2021) the organizational performance is often assessed through various performance indicators and metrics, which can be both quantitative and qualitative can support businesses in monitoring their development, pinpointing areas for growth, and making wise choices to increase performance. As a result, performance can be viewed as a thorough measure of how successfully a business is achieving its aims and objectives. Efficiency, client base, and market share were used to gauge performance in this study. According to Hoque and James (2021), market share is a crucial metric for assessing an organization's competitiveness and success in its sector, giving businesses important information about how they are doing in comparison to rivals and the market as a whole. According to Hoque and James (2022), examining market share trends over time can reveal important details about an organization's performance and growth. For example, a steady rise in market share could suggest that the company is successfully carrying out its business plan and solidifying its position in the market. On the other hand, a drop in market share can indicate that the company is falling behind rivals or having trouble satisfying client demands.

Cai (2019) observe that when assessing how effective an organization is in terms of reaching customers, it is crucial to analyze how well the company can connect with and involve its specified demographic which makes it possible to assess this by utilizing different metrics like customer acquisition, retention rates, customer satisfaction scores, and overall brand awareness. Zand, Keramati, Shakouri and Noori (2022) observe that analysis of customer base enables organizations to gain valuable insights into how well they are fulfilling their clients' requirements and expectations. This information can then be used to make strategic decisions and improvements to enhance customer reach and ultimately drive business growth. Efficiency is the key metric used to gauge organizational performance as it directly measures how effectively resources are utilized to achieve desired outcomes as it encompasses various aspects such as time management, cost-effectiveness, productivity, and overall operational effectiveness (Bartuseviciene & Sakalyte, 2019). According to organizations can pinpoint areas in need of development, put plans in place to boost output, cut expenses, and ultimately achieve their goals more effectively by focusing on efficiency. In addition, productivity is a key component of efficiency, measuring the output generated per unit of input.

The corporate social responsibility refers to the ethical and environmentally friendly business methods that a company uses to improve society and the environment. These practices include community involvement, environmental sustainability, philanthropy, and ethical labor practices (Lindgreen, Swaen & Maon, 2019). According to Windsor (2021), incorporating corporate social responsibility into a business's operations can improve its reputation, draw in and keep talent, and forge closer bonds with stakeholders and customers. Corporate social responsibility's ultimate objective is to enhance the world while simultaneously promoting sustained financial success. In this study, corporate social

responsibility was evaluated in terms of economic, philanthropic, ethical, and environmental social responsibility. Using philanthropic corporate responsibility as a corporate social responsibility (CSR) strategy to improve organizational performance entails incorporating charitable endeavors into a business's broader CSR programs, which extend beyond conventional CSR practices, which usually center on community involvement, ethical business practices, and environmental sustainability (Ayoola, 2017). Thorne and Ferrell (2022) observe that engaging in philanthropy stimulate innovation and creativity within an organization which enables companies to be exposed to new perspectives and ideas that inspire innovative solutions to business challenges. Ijeoma and Oghoghomeh (2019) observe that the economic corporate responsibility as a CSR strategy involves a company taking into consideration the economic impact of its operations impact a number of stakeholders. Singh and Misra (2021) assert that by giving fair pay, benefits, and working conditions for employees first priority, businesses may increase employee morale, productivity, and retention rates. This can therefore result in increased employee happiness and engagement, which will ultimately improve overall organizational performance.

Safaricom PLC, a publicly traded mobile network operator in Kenya, has its headquarters at Safaricom House in Nairobi. One of the most successful businesses in East and Central Africa, and the biggest telecom operator in Kenya. Among the services the company provides are mobile phones, mobile money transfers, consumer electronics, cloud computing, e-commerce, data, music streaming, and fiber optic services. Safaricom has an estimated 35.6 million members and holds a 64.5% market share in Kenya as of 2020. Safaricom has a 92.2% market share in SMS and a 69.2% market share in voice (Safaricom PLC, 2020). By digitizing its operations, goods, and services, Safaricom PLC is transforming digitally to improve its customers' digital experiences. In order to adapt

to new digital models, the corporation has begun digitizing processes including marketing, customer service, and sales. Sales force automation has been implemented in over 200,000 locations, self-service platforms such as the mySafaricom App (which has over 700k daily users), Voice Biometrics (which has over 1.5m enrollments), Chatbot (which has 102k unique users), and a stronger focus on digital marketing due to the increasing number of customers using the internet are some of the results. Flexible working methods are assured by all of these variables (Safaricom PLC, 2020).

### **Statement of the Problem**

The top telecom provider in Kenya, Safaricom Plc, has continuously demonstrated strong operational performance over the years. The company has consistently reported impressive revenue figures, showcasing its ability to generate substantial income. For example, in the fiscal year 2020/2021, Safaricom recorded a total revenue of Ksh 262.6 billion, representing a 4.1% increase compared to the previous year. As of March 2021, Safaricom had a total of 35.6 million customers, representing an increase of 9.8% over the prior year. But, in recent years, Safaricom Plc Kenya's performance has shown a decline due to increased competition, regulatory changes, and economic uncertainties that have impacted its financial results. One key indicator of Safaricom's declining performance is its revenue growth, which has slowed down in recent quarters. Furthermore, Safaricom's market share has been eroded by the entry of new players in the telecommunications industry, leading to increased competition and pricing pressures.

### **Objective of the study**

To examine the effect of philanthropic and Economic corporate Social Responsibility on performance of Safaricom Plc within Nairobi City County, Kenya.

## **LITERATURE REVIEW**

### **Theoretical Review**

The resource-based view theory, the Carroll theory, the triple bottom line theory, and the stakeholder

theory are among the ideas reviewed in this part that serve as a framework for the investigation. These are shown as follows;

### **Resource Based View Theory**

Penrose (1959) created the Resource Based View (RBV) theory outlining a framework for managing company resources, implementing diversification strategies, and enhancing production capabilities. Penrose's work was the pioneer in defining the company as an integrated collection of resources to tackle and solve issues related to achieving its objectives and strategic actions. In Penrose's (1959) theory of managing firm resources effectively, managers have a crucial role in identifying and pursuing production chances. Managers have the ability to modify the resources that contribute to productive services and the demand conditions that impact their production capabilities in a dynamic setting. Nevertheless, not every manager and company has equal access to these entrepreneurial skills. Businesses with highly skilled senior management are able to make the most of their advanced production abilities, leading to exceptional financial results.

Safaricom has received praise for its steadfast dedication to corporate social responsibility programs, especially in the field of education, health, and environmental sustainability. Therefore, by applying the RBV theory, Safaricom can identify and leverage its unique resources and capabilities to drive its CSR efforts and enhance its performance. For example, in distant parts of Kenya, access to healthcare and education services can be made possible by Safaricom's vast network infrastructure and technological prowess. Raising awareness and money for environmental conservation projects can be accomplished by utilizing its strong brand recognition and consumer base. Furthermore, the RBV theory highlights the significance of dynamic capabilities, which are defined as a company's capacity to innovate and adjust to shifting stakeholder expectations and market conditions. Safaricom's dedication to CSR demonstrates its ability to adapt to societal

demands and use its resources and skills to solve environmental and social issues. This flexibility has the potential to improve Safaricom's standing, draw in and keep clients, and eventually boost its long-term financial results.

### **Carroll Theory**

The Carroll theory was developed by Sean and Carroll (2005). The utilization of Carroll's theory in organizational settings involves applying the framework to understand and address the various responsibilities and organizations' responsibilities to the environment and society. Carroll's theory, also known as the Corporate Social Responsibility (CSR) pyramid, provides a comprehensive framework that outlines the different dimensions of CSR that organizations should consider. Sean and Carroll (2005) observe that economic responsibility, or the company's duty to produce a profit and give its shareholders a return on their investment, is at the base of Carroll's pyramid. This implies that in organizational contexts, businesses must pay close attention to their financial performance and make sure they are reaching their financial objectives.

Moving up the pyramid, the next level is legal responsibility. This dimension emphasizes that organizations must comply with all applicable laws and regulations. In organizational settings, this means that companies need to ensure that they are operating within the legal boundaries and are not engaging in any illegal activities (Lu, Ren, Zhang, Rong, Ahmed and Streimikis, 2020). In organizational settings, this means that companies must take into account the moral ramifications of their choices and make morally sound choices. Lastly, charitable obligation is at the summit of the pyramid (Carroll, 2022). This dimension emphasizes that organizations should contribute to society and give back to the community. In organizational settings, this means that companies should engage in activities such as corporate philanthropy, volunteering, and supporting social causes. The hypothesis is pertinent to the research because by utilizing Carroll's theory, Safaricom Plc can assess its current CSR practices and identify areas for

improvement. Safaricom can evaluate its economic, legal, ethical, and philanthropic responsibilities and develop strategies to enhance its performance in each dimension. This can involve implementing policies and procedures to ensure legal compliance, establishing ethical guidelines and codes of conduct, and initiating philanthropic initiatives.

### **Stakeholder Theory**

In 1984, Edward Freeman installed the stakeholder concept, which holds that an enterprise ought to don't forget the pursuits of all parties involved in selection-making, not just shareholders. Employees, clients, suppliers, communities, and other people impacted by the business's decisions are all considered stakeholders. Freeman asserts that a business can achieve sustainable success and long-term value by considering the requirements and worries of all stakeholders. The way businesses handle their connections with different stakeholders has been influenced by this theory, which has had a main impact at the fields of enterprise ethics and company social duty. Stakeholder theory is essential in influencing Safaricom Plc's performance through its corporate social responsibility (CSR) strategy, because it acknowledges that businesses have a duty no longer only to their shareholders however also to a variety of stakeholders, along with staff contributors, clients, providers, communities, and the surroundings. For this reason, the business can improve its normal overall performance, popularity, and sustainability by way of realizing how important it is to satisfy the demands and expectations of its stakeholders. Safaricom Plc will be able to show its dedication to ethical business practices and make a positive impact on society and its stakeholders through its CSR efforts.

### **Empirical Review**

#### **Philanthropic Corporate Responsibility**

The impact of philanthropic corporate social responsibility (CSR) strategies on the perception of business performance in Rwanda's telecom industry was examined by Kayirangwa, Namusonge, and Kule (2018). Primary and secondary data are

gathered from the managers and staff in charge of corporate social responsibility at the targeted organizations through surveys, reports, and interviews conducted by telecom companies and RURA between 2012 and 2016. Both qualitative and quantitative research designs make use of this data. The study focused on 228 managers and CSR staff from MTN Rwanda (110), TIGO Rwanda (80), and AIRTEL Rwanda (38), with a sample size of 145 employees selected using stratified random selection. Findings indicate that every telecommunications company in Rwanda aimed to enhance the education, health, and economic empowerment sectors to align with government objectives, ultimately resulting in gaining trust from the public. This improves the company's reputation, attracts and retains customers, provides a competitive edge, and ultimately leads to increased profits. Nevertheless, the research identifies a lack of context by focusing on performance within the telecommunications industry in Rwanda.

Tomno (2016) investigated how manufacturing organizations' strategic positioning is affected by philanthropic corporate social responsibility. 19,318 residents of Kenya's Kibera slums, specifically in the Soweto neighborhood, participated in the focus group. The basic random sample approach was used to select 99 respondents in total. The instrument used to collect the data was a survey. The data was summarized using summary statistics. The data that was studied was compared and conclusions were drawn using further statistical techniques. Humanitarian PCSR was found to be most closely associated with corporate strategic positioning, followed by PCSR that is altruistic in the areas of health, education, and the environment. Yet, the research highlights a lack of context since it solely focused on a Case Study of Unilever Kenya.

Ayoola (2017) looked on how the organizational performance of specific manufacturing companies in Nigeria was affected by philanthropic corporate social responsibility. The manufacturing companies chosen are Unilever Nigeria Plc, Cadbury Nigeria Plc, and PZ Cussons Nigeria Plc. For the study,

information on the three manufacturing companies' organizational performance (profit after tax) for a five-year period (2010–2014) was extracted from their annual reports. Residents of the communities where these businesses operate made up the respondents. The study selected 150 participants using a straightforward random sampling technique. According to the report, Nigerian manufacturing companies' commitment to philanthropic CSR efforts has a positive and noteworthy effect on their performance. However, the study's analysis of the performance of certain Nigerian manufacturing companies shows a lack of context.

### **Economic Corporate Responsibility**

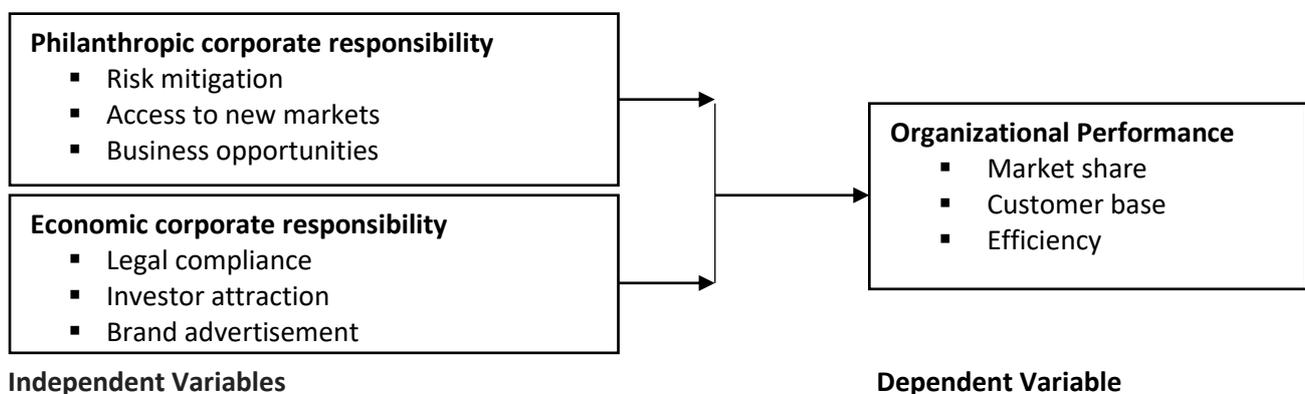
Chebet and Muturi (2018) investigated the impact of economic corporate responsibility on organizational performance. A descriptive design was employed in the investigation. The study focused on the intended audience of Sony Sugar and Chemelil Sugar, two sugar plants in the Western region. The study included 132 participants selected from a total of 200 individuals in the target population. Information was gathered through the distribution of structured surveys that were completed by the participants themselves. The study's findings demonstrated that economic activity significantly affects organizational effectiveness, underscoring the fundamental responsibility that businesses have to the society in which they operate. However, the study was based at the Sony and Chemelil sugar factories.

Malik, Ali, and Ishfaq's (2019) study looked at the connection between economic corporate social responsibility and organizational performance in the banking sector. Both primary and secondary data were collected for this study. The core data came from bank employees, and secondary data came from reports, articles, and the company website. SPSS version 16 was used to analyze the data using regression, correlation, and analysis of variance. The study discovered a connection between a company's performance and its awareness of CSR programs. The study also

discovered a connection between organizational culture and performance in Pakistan's banking industry. The findings of the study are significant for businesses and for upcoming research on the connection between corporate social responsibility and employee performance. However, because exploratory approaches were used in the study, a methodology gap was discovered.

The impact of corporate social responsibility (CSR) on an organization's performance was examined by Muchiri, Okumu, and Kiflemariam (2019). They conducted a survey-based study to look into the

### Conceptual Framework



**Figure 1: Conceptual Framework**  
**Source: Researcher, (2025)**

### METHODOLOGY

**Research Design:** This study employed a descriptive research design. A descriptive research technique comprises gathering information from a selected sample of people through questionnaires or interviews, claim Oranga and Matere (2023). The design gathers a lot of survey data from a representative sample of the target population and is one of the most popular non-experimental research designs in many different fields.

**Target Population:** The observation unit consisted of 144 employees, including 55 senior-level managers and 89 middle-level supervisors. The selection of these respondents was predicated on their direct participation in the execution of the CSR plan.

relationship between CSR and organizational performance, with an emphasis on ICDC. The study's target demographic consisted of thirteen managers from the investee clients as well as every employee at ICDC. The researchers used self-administered questionnaires to gather primary data. The findings demonstrated that organizational effectiveness was greatly and favorably influenced by economic corporate responsibility. However, because the study only looked at the Industrial and Commercial Development Corporation (ICDC), it lacked context.

**Sampling Design and Sample Size:** Respondents were divided into two groups using the stratified sampling technique to ensure that every responder was adequately represented. The responders were chosen by simple random selection. The sample size was calculated using the Taro Yamane (1967) formula.

$$n = \frac{N}{1 + N(e^2)}$$

Where n = Sample size;

N = Population under study

e = The margin error (in this study it was 0.05)

$$n = \frac{144}{1 + 144(0.05)^2} = 105$$

Therefore, 105 respondents were sampled, making up 72.9% of the total population which is 144.

Hence.

**Data Collection Instrument:** The study used a semi-structured questionnaire that allowed participants to express their opinions on various aspects of the study variables. Five parts made up the questionnaire.

**Pilot Study, validity and reliability of the instrument:** A pilot study used a sample size of 10% which was 10 respondents. The study employed face validity, criterion validity, and content validity to ensure a strong relationship between the test and its intended assessment. Content validity guarantees that the tool used to evaluate the subject has all necessary and pertinent elements. The questionnaires' reliability was assessed through Cronbach Alpha test OF 0.7 threshold and this research project achieved a .765 coefficient.

**Data Collection Procedure, data analysis and presentation:** The management of Safaricom Plc, was asked for approval. Participants were given questionnaires by the researcher, who also

explained the study's purpose. the study gathered both qualitative and quantitative data. Survey questions with open-ended answers were used to gather qualitative data. Content analysis, which methodically examines the content of qualitative data, was used to assess the data. Descriptive statistics such as mean and standard deviation were used to analyze quantitative data. Additionally, to ascertain the influence of each variable, inferential statistics including multiple regressions and correlation analysis were used. The SPSS program was used to present the findings in tables and graphs.

## FINDINGS AND DISCUSSIONS

### Response Rate

The response rate was calculated using the 105 questionnaires that were distributed to the respondents in total.

**Table 1: Response Rate**

Category	Frequency	Percentage
Response	101	96.2
Non response	4	3.8
<b>Total</b>	<b>105</b>	<b>100</b>

**Source: Research Data (2025)**

101 out of the 105 questionnaires that were issued were returned, yielding a 96.2% response rate for the study, as shown in Table 1. The study's non-response rate was 3.8% as a result of four questionnaires not being returned. They focused their data analysis on the attained response rate, albeit, as Saunders, Lewis, and Thornhill (2011) suggested that analysis can be justified with a minimum 70% response rate. Because to the high response rate, the sample was more representative of the target population, reducing bias and improving the generalizability of the results.

### Descriptive Statistics Results

Descriptive information for every variable under the specific study objectives is provided in this section. The responses were rated on a 5-point Likert scale, and the findings are shown in this section. The results for each variable were summarized using the percentages (%), mean (M), and standard deviation (SD). The findings are displayed as follows.

### Philanthropic Corporate Responsibility

Table 2 displays the descriptive findings about corporate philanthropy.

**Table 2: Philanthropic Corporate Responsibility**

Statements	M	SD
Safaricom's Plc philanthropic practices have helped in mitigating reputational damage and restored public trust more quickly	4.09	0.876
Philanthropy has demonstrated that the Safaricom Plc is committed to making a positive impact, even in challenging times	4.56	0.448
Safaricom's Plc has been engaged in philanthropy which has opened doors to new markets	4.03	0.948
Safaricom's Plc had been actively in support to social causes which has enable the company to gain access to networks and partnerships that leading to new customers	3.94	1.056
Philanthropy has enabled the Safaricom's Plc to understand and address social issues that may impact their business operations	4.40	0.595
Engaging in philanthropy has helped Safaricom Plc to forge closer bonds with a range of stakeholders, such as clients, staff, investors, and local communities	4.59	0.409
<b>Aggregate mean and standard deviation score</b>	<b>4.27</b>	<b>0.722</b>

**Source: Research Data (2025)**

The results presented in Table 2 indicate a strong agreement among the respondents concerning several key statements. Firstly, it was found that engaging in philanthropy has helped Safaricom Plc to forge closer bonds with a range of stakeholders, such as clients, staff, investors, and local communities (M=4.59, SD=0.409). Furthermore, the data highlights that the company's philanthropic efforts have effectively demonstrated Safaricom Plc's commitment to generating a positive impact, even in challenging circumstances (M=4.56, SD=0.448). These outcomes suggest that the responses acknowledge the importance of Safaricom Plc's dedication to social responsibility and its ability to foster meaningful connections with stakeholders, thereby reinforcing the company's reputation and influence within the community. The results support Ayoola's (2017) research finding that integrating philanthropic is one essential element of employing charitable CSR as a tactic to enhance company performance is incorporating efforts into CSR plans.

There was agreement from the respondents on the following statements; Safaricom's Plc philanthropic practices have helped in mitigating reputational damage and restored public trust more quickly (M=4.09, SD=0.876), Safaricom's Plc has been engaged in philanthropy which has opened doors to new markets (M=4.03, SD=0.948), Safaricom's

Plc had been actively in support to social causes which has enable the company to gain access to networks and partnerships that leading to new customers (M=3.94, SD=1.056) and that philanthropy has enabled the Safaricom's Plc to understand and address social issues that may impact their business operations (M=4.40, SD=0.595). All of these results point to the possibility that Safaricom Plc's commitment to philanthropy not only enhances its reputation but also contributes to its strategic business objectives and market expansion. The finding agree with Thorne and Ferrell (2022) research observation that engaging in philanthropy stimulate innovation and creativity within an organization which enables companies to be exposed to new perspectives and ideas that inspire innovative solutions to business challenges.

The finding also indicate an overall mean and standard deviation score of 4.27 and 0.722 respectively which implies that on average the respondents agreed that philanthropic social responsibility had an influence on the performance of Safaricom Plc. The finding concur with Kayirangwa, Namusonge, and Kule (2018) research observation that every telecommunications company in Rwanda aimed to enhance the education, health, and economic empowerment

sectors to align with government objectives, ultimately resulting in gaining trust from the public.

### Economic Responsibility

Table 3 displays the descriptive findings about economic corporate responsibility.

**Table 3: Economic Corporate Responsibility**

Statements	M	SD
Safaricom's Plc economic corporate responsibilities have enabled the company to act in a socially responsible manner	4.56	0.836
Safaricom's Plc economic corporate responsibilities have enabled the company to avoid potential legal issues	4.29	0.708
Safaricom Plc has attracted investors who prioritize investing in companies that align with their values	4.53	0.469
Safaricom Plc has successfully drawn in investors who are actively seeking ways to assist ethical and sustainable enterprises by drawing on an expanding pool of cash.	3.67	1.371
Safaricom Plc has been able to differentiate itself from competitors and attracted socially conscious consumers	4.54	0.476
The economic corporate responsibilities has enabled Safaricom Plc to demonstrate commitment to ethical business practices and sustainability thus building trust and credibility with consumers	4.62	0.377
<b>Aggregate mean and standard deviation score</b>	<b>4.37</b>	<b>0.706</b>

Source: Research Data (2025)

The findings shown in Table 3 show a strong agreement from the respondents on the following statements; Safaricom Plc has been able to differentiate itself from competitors and attracted socially conscious consumers (M=4.54, SD=0.476), the economic corporate responsibilities has enabled Safaricom Plc to demonstrate commitment to ethical business practices and sustainability thus building trust and credibility with consumers (M=4.62, SD=0.377), Safaricom's Plc economic corporate responsibilities have enabled the company to act in a socially responsible manner (M=4.56, SD=0.836) and that Safaricom Plc has attracted investors who prioritize investing in companies that align with their values (M=4.53, SD=0.469). These results suggest that the company's proactive approach to corporate responsibility increases its attractiveness to socially conscious investors while simultaneously reducing legal concerns. The finding concur with Ijeoma and Oghoghomeh (2019) research observation that the economic corporate responsibility as a CSR strategy involves a company taking into consideration the economic impact of its operations on various stakeholders.

There was agreement from the respondents on the following statements; Safaricom's Plc economic corporate responsibilities have enabled the company to avoid potential legal issues (M=4.29, SD=0.708) and because investors actively seeking to support ethical and sustainable firms have been drawn to Safaricom Plc, allowing it to access an expanding pool of cash (M=3.67, SD=1.371). These results suggest that the company's proactive approach to corporate responsibility increases its attractiveness to socially conscious investors while simultaneously reducing legal concerns. The finding agree with Singh and Misra (2021) research observation that companies improve employee morale, productivity, and retention rates by giving employees' fair pay, benefits, and working conditions top priority.

Additionally, the results show an overall mean and standard deviation score of 4.37 and 0.706, respectively, suggesting that respondents generally believed that Safaricom Plc's performance in Nairobi City County, Kenya, was impacted by economic corporate responsibility. The results are consistent with research by Muchiri, Okumu, and Kiflemariam (2019), which found that economic

corporate responsibility significantly and favorably affected organizational performance.

### Performance

Table 4 displays the performance descriptive findings.

**Table 4: Performance**

Statements	M	SD
CSR has led to larger market share allowing Safaricom to enjoy economies of scale	2.96	2.040
CSR has led to a larger market share providing Safaricom with a competitive edge over its rivals.	3.07	1.030
CSR has led to a larger customer base providing Safaricom provides useful information and understanding of customer preferences and behavior	2.18	2.820
Safaricom Plc has expanded its customer enhancing their brand reputation and visibility	2.69	2.309
Customers receive goods and services more quickly, which eventually increases customer satisfaction.	3.11	1.890
Efficiency gains have helped the business draw in new clients and keep hold of its current clientele, which has ultimately led to an increase in income.	2.94	2.060
<b>Aggregate mean and standard deviation score</b>	<b>2.83</b>	<b>2.024</b>

Source: Research Data (2025)

The findings shown in Table 4 show a neutral perspective from the respondents on the following statements; CSR has led to larger market share allowing Safaricom to enjoy economies of scale (M=2.96, SD=2.040), CSR has led to a larger market share providing Safaricom with a competitive edge over its rivals (M=3.07, SD=1.030), A wider customer base as a result of CSR has given Safaricom useful information about the tastes and behavior of its customers (M=2.18, SD=2.820), Safaricom Plc has expanded its customer enhancing their brand reputation and visibility (M=2.69, SD=2.309), customers receive goods and services more quickly, which eventually raises customer satisfaction (M=3.11, SD=1.890) and that Efficiency gains have helped the business draw in new clients and keep hold of its current clientele, which has ultimately led to an increase in income (M=2.94, SD=2.060). These findings imply that there is a general perception of neutrality among

respondents on how CSR affects certain facets of Safaricom's business plan. The finding contradicts with the finding of Makhamara, *et al*, (2023) research that the organizational performance is often assessed through various performance indicators and metrics, which can be both quantitative and qualitative can assist businesses in monitoring their development, pinpointing areas for growth, and making wise choices to increase performance.

Additionally, the results show an overall mean score of 2.83 and a standard deviation score of 2.024, respectively, suggesting that respondents generally had a neutral opinion of Safaricom Public Limited Company's performance. The results are in contrary to Abu-Jarad, Yusof and Nikbin, 2020) research observation that the organizational performance is the capacity to efficiently and effectively leverage its resources in order to attain desired results.

## Multiple Regression Analysis Results

**Table 5: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.882	0.778	0.701	1.0102

**Source: Research Data (2025)**

According to the results shown in Table 5, the adjusted R-squared value is 0.701, indicating that philanthropic and economic corporate social responsibility all have an impact on 70.1% of Safaricom Plc. This implies that the remaining 29.9% of the business's output is attributed to the

aspects of corporate social responsibility that were not investigated.

To evaluate the variations in group means within the sample, ANOVA was utilized, offering insights into the relationships among the studied variables.

**Table 6: Analysis of Variance**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	125.584	2	31.396	37.136	0.004
	Residual	81.162	96	0.845438		
	Total	206.746	100			

**Source: Research Data (2025)**

The mean statistical value of 31.396 was less than the statistical F value of 37.136. Additionally, the significance value was found to be 0.004, which falls

below the significance level of 0.05. Therefore, it may be said that the model showed statistical significance.

**Table 7: Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	t	
1	(Constant)	0.597	0.251		2.378	0.002
	Philanthropic corporate responsibility	0.774	0.197	0.0292	3.929	0.001
	Economic corporate responsibility	0.763	0.225	0.0109	3.391	0.003

**Source: Research Data (2025)**

If the independent factors were held constant, the dependent variable would be 0.597 (59.7%), according to the results in Table 7. The regression equations show that increasing philanthropic corporate responsibility, and economic corporate responsibility will increase Safaricom Plc's performance by 0.708, 0.791, 0.774, and 0.763, respectively;

Performance = 0.597 + 0.728 (philanthropic corporate responsibility) + 0.776 (economic corporate responsibility)

With a beta coefficient of 0.0292 and a p-value of 0.001, the study's conclusions showed that philanthropic corporate responsibility significantly improved Safaricom Plc operational performance. This implies that the company's participation in social responsibility and charity endeavors is linked

to better performance indicators, underscoring the significance of corporate philanthropy in improving business results. The results support Ayoola's (2017) research indicating that Nigerian manufacturing businesses' performance is positively and significantly impacted by their dedication to charitable corporate social responsibility initiatives. According to the study's findings, Safaricom Plc, performed significantly better as a result of economic corporate responsibility. The statistical study produced a p-value of 0.003 and a coefficient of  $\beta=0.0109$ , indicating a substantial association between the company's overall performance measures and its commitment to economic corporate responsibility. This suggests that Safaricom's operational efficiency and financial results should increase as it strengthens its economic corporate responsibility programs. The results support the study by Muchiri, Okumu, and Kiflemariam (2019), which found that economic corporate responsibility significantly and favorably affected organizational performance.

### CONCLUSIONS AND RECOMMENDATIONS

The purpose of the study was to investigate how Safaricom Plc's performance was impacted by its philanthropic corporate responsibility. According to the study, performance and charitable corporate responsibility were significantly positively correlated. By taking part in charitable endeavors, Safaricom Plc has been able to strengthen its ties with a variety of stakeholders, including clients, staff, investors, and local communities. Through its philanthropic efforts, Safaricom Plc has gained insights into and addressed social challenges that could affect its business operations. Furthermore,

these initiatives have showcased Safaricom Plc's dedication to creating a positive influence, even during difficult times. The goal of the study also was to evaluate how Safaricom Plc's performance was impacted by economic corporate responsibility. The company's performance was deemed to have been positively and considerably impacted by economic corporate responsibility. Safaricom Plc's commitment to economic corporate responsibilities has allowed the company to operate in a socially responsible way. This approach has drawn investors who seek to support businesses that reflect their values. Additionally, Safaricom Plc has distinguished itself from its competitors and appealed to consumers who are socially aware. By embracing economic corporate responsibilities, Safaricom Plc has showcased its dedication to ethical business practices and sustainability, thereby fostering trust and credibility among its consumer base.

The study concludes that Safaricom identify and tap into underserved markets by addressing social issues and contributing to community development, thereby expanding its customer base and enhancing revenue potential. Corporate philanthropy increases job satisfaction, boosts morale, and increases employee retention by fostering a sense of pride and purpose among employees. It is concluded also that economic social responsibility programs show Safaricom's dedication to the economy and community, which fosters consumer trust and raises customer retention and sales. Safaricom can reduce the dangers connected to regulatory compliance and potential reputational damage through adhering to economic social responsibility principles.

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