

KAMPALA INTERNATIONAL UNIVERSITY

**The impact of corporate social responsibility on the performance of an
organization**

A case study of East African Breweries limited

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PROJECT REPORT

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PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE
AWARD OF BACHELORS DEGREE IN INTERNATIONAL
BUSINESS ADMINISTRATION**

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DECLARATION

CANDIDATE

MUHANJI M M SAMSON declares that this is my own work, and that it has at no time been submitted to any college or university for any academic credits.

NAME: MUHANJI M M SAMSON

SIGNATURE



.....

DATE

21/09/2008.

.....

APPROVAL

This project has been submitted with my approval as the university supervisor.

NAME: MR. MALINGA R.

SIGNATURE

A handwritten signature in blue ink, appearing to read 'Malinga R.', written over a dotted line.

DATE

21/09/06

DEDICATIONS

This project is dedicated to my mother Abigael A. Imbosa my sister violet Alubisia who encouraged and supported me both morally and financially.

I also wish to dedicate this project to those who participated in one way or another to ensure the completion of the project.

My friends too shall not be forgotten as they are a pillar when it comes to motivation and determination on my completion of this project thus for that I dedicate this project to them.

ACKNOWLEDGMENT

I wish to extend my gratitude to persons who participated in one way or another to ensure the completion of this research. In particular; I wish to thank participants from the following organizations.

- East African Breweries Uganda
- Links cyber café Uganda

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LIST OF ABBREVIATIONS

- | | |
|-------------|--|
| 1- C.S.R- | Corporate social responsibility. |
| 2- E.A.B.L- | East African breweries limited. |
| 3- K.B.L- | Kenya breweries limited. |
| 4- U.B.L- | Uganda breweries limited |
| 5- S.R.I.- | Social responsibility investment. |
| 6- U.N.- | United nations. |
| 7- PESTEL- | Political economic social technological environment and legal factors. |

ABSTRACT

The concept of corporate responsibility helps a firm look at the different needs of the society in which it operates in and designs a strategy of giving a helping hand.

Part of the responsibility of the firm is to set aside some of its profits to facilitate this initiative.

From the organization point of view this concept plays a major role, in that it helps the organization create a positive image to the society, it also put the firm at a competitive lead against other organization in the same industry.

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CHAPTER ONE

1.0- INTRODUCTION

This section provides the foundation of the entire study of corporate social responsibility, by defining what corporate social responsibility is and also it is at this stage that a brief history of the organization under study is revealed dating back from the time of incorporation.

1.1- BACKGROUND OF THE STUDY

Corporate social responsibility has become an important element of business, small and medium enterprises have not been left behind. Not long ago, business all over the world were driven purely by profit motive, as long as they were profits, they did not bother to give any return to the community around them.

Corporate social responsibility refers to selection of corporate goals and evaluation of outcomes not only by criteria of profitability and organizational well being but by ethical standards of social desirability.

Types of corporate social responsibility activities operating on ethical level higher than what the law requires, contributing to civic charitable and non-profit organization, provision of profits for employee and improving quality of work level, exploiting economic opportunities judged to be less profitable but more social desirable than some alternatives using corporate resources to operate a program that addresses some major social problems.

(A). THE COMPANY

This phenomena of corporate social responsibility has and it's still going to impact positively to the companies operation, first the companies image and reputation in the public eye will be positive, this will make more people have an interest in the firm and thus would fill proud to be associated with it. This association can clearly be seen when more people are willing to purchase shares from the firm, besides shares the firm will enjoy massive purchase of its product by the ever increasing number of people who want to trade with the organization.

With the increase of people who are willing to trade with the firm and again more wanting to purchase the shares of the firm, then its obvious the profits gained will be high and therefore the companies' performance will grow rapidly to levels of International recognition.

(B). THE COMMUNITY

It's through this venture of corporate social responsibility that the community has greatly benefited, for example the standards of living amongst the unprivileged members of the society has gone up, because members of the community have had access to basic needs that otherwise was perceived as a dream and very difficult for them to enjoy because of the economic constrains which they face, among the basic needs enjoyed brought about by the aspect of corporate social responsibility, are food, clothing, clean consumption water, just but to name a few.

Besides the basic needs corporate social responsibility, aspect has driven organization to construct schools and provide learning materials to children's who are able to learn but are not in a position.

(C). THE ENVIRONMENT

Since most organization and more so industry don't just operate in a vacuum but instead within the environment thus it's important to focus at the companies contribution to the environment but it is good to note that the environment is not a stake holder but it's within where the stakeholders do operate thus there is need to take good care of the environment in which they operate from, because it is in this environment that industry dispose off their waste products which leads to the degradation of the environment, pollution also is caused by the activities of the industry, thus the phenomena of corporate social responsibility dictates that the firm do make provision of taking care of the environment, through cleaning and maintaining the highest hygiene to enable man kind survive in it and eventually makes the operation of the firm run smoothly in a clean, well maintained environment

(D). THE GOVERNMENT

From the activities brought about by corporate social responsibility, like the construction of schools, maintaince of infrastructure, and many other projects that are of importance to the economy which are to be undertaken by the government, this aspect of corporate social responsibility, has made organization take up some of this projects, and from this you realize that the pressure from the government tends to decline and therefore when the government is planning its budget for the coming financial year, it becomes more flexible to focus on other important policies that are meant to uplift the general economic welfare of the nation.

1.2-BACK GROUND OF EAST AFRICAN BREWERIES LIMITED

East African Breweries traces its origin back in 1922 when it was then called Kenya Breweries limited

Kenya breweries was incorporated in 1922 as a private company and the first beer was brewed then. The first batch was delivered to the Stanley hotel in Nairobi, Kenya.

In 1923 the company held its first annual general meeting and one Mr. Spurvier was appointed as the chairman. It's in the same year that the founder of Kenya breweries limited, Sir George Thirst was killed in an elephant hunting accident.

East African breweries has opened subsidiaries in the three east African countries, that is Kenya, and the company is called Kenya breweries, in Uganda the company is known as the Uganda breweries, and finally in Tanzania where the company is known as the Tanzanian breweries.

As mentioned east African breweries being the mother company of Uganda breweries is a premium beverage group dedicated to delivering world class beer to the market. East African breweries is the largest brewing group in east Africa with an annual turn over of kshs. 30 Billion and it has the largest share of the beer industry in the region.

The company, which employs 1096 people, with an estimated 2million others deriving their livelihood directly or indirectly from it, is owned by 23000 local institutions and individual investors who hold 49.97 per cent of shares. Diageo, the world's leading premium drinks corporate that operates in some 180 countries, owns 50.03 per cent of the shares.

EABL traces its history to 1922 when Kenya Breweries was founded at Ruaraka, on the outskirts of Nairobi. It is yet to decide what to do with the full fledged brewery it acquired from South African Breweries in 2001, as part of a truce the two companies

negotiated to stop their all out price war then. Mahinda says shareholders will decide on what step to take concerning the mothballed plant during the next Annual General meeting (AGM).

1.3- ETHICAL CONSIDERATION

Corporate social responsibility, is not doing something for profit making to an organization but rather for the social needs of the society, it tends to give hope of life for the unprivileged members of the society by providing them with what they don't enjoy for their livelihood, and making them better off than how they were before. due to factors such as economic constrains, the organization is in a position to do this from the profits they make in their due course of business activities. Not only do organization improve the living standards of the unprivileged people but by also taking care of the environment they operate in. All this activities and many more undertaking by the firm for the betterment of man kind without the aspect of self interest, then the bigger picture of corporate social responsibility is ethical.

1.4- STATEMENT OF THE PROBLEM

Corporate social responsibility is a new concept for most business organization, this entails coming up with activities that supports the community, thus creating harmony and goodwill between the firm and the society. This concept require the firm to go an extra step in its budget and make provisional strategy so as to accomplish this concept. However some if not most organization consider corporate social responsibility as burden/leakages in their profits

The study was to identify the relationship that exists through corporate social responsibility, activities and the benefits that the economy derives. Since any initiative undertaken through corporate social responsibility entails the use of money therefore its was important to know how much was going to be spend and how it would affect the economy of the nation, and the performance of EABL as a whole.

1.5- OBJECTIVES OF THE STUDY

- ❖ To identify the economic implication of corporate social responsibility, on the
Performance of East African breweries
- ❖ To identify what kind of activities are initiated by an organization that adopts the
aspect of corporate social responsibility.
- ❖ To identify the companies strategy of implementing corporate social
responsibility.

1.6- SIGNIFIGANCE OF THE STUDY

The study was meant to reveal who exactly can stand out and justify that corporate social responsibility, was of a positive contribution, therefore there were a number of stakeholders who have greatly benefited and many more were discovered to have benefited from this aspect of corporate social responsibility.

1.7- RESEARCH QUESTIONS

- ❖ What was the implication of corporate social responsibility, on the performance of East African breweries
- ❖ Was the activities brought about by corporate social responsibility adopted by East African breweries influenced other organization in the region to join in by adopting the concept and has the governments of the region appreciated the role played by the organization, and if that is the case what assistance has the governments extended to the East African breweries to justify its appreciation?
- ❖ What were the long term strategies that East African breweries had to implement, so that it can continue with this venture of CSR, and try to be ahead of other firms that are fast coming up and adopting to this aspect of CSR?

1.8- SCOPE OF THE STUDY

The scope of the study was limited on the impact of corporate social responsibility on the performance of East African breweries (Uganda) located in Port Bell.

Port bell is a small industrial center near Kampala in Uganda which has a harbour and is used for international traffic across lake Victoria.

The port is named after sir, Hesketh Bell, a British commissioner, who took over administration of Britain's interest in Uganda in 1906. The nearest town is luzira.

1.9- DEFINATION OF KEY WORDS

i. IMPACT

This is the consequence that occurs after a specific cause of action, or the outcome of certain activities. In relation to this study the impact is meant to be a positive outcome because of the concept of CSR.

ii. CORPORATE

This refers to formation or being a corporation, having a legal existence distinct from that of the individuals who compose it.

iii. SOCIAL RESPONSIBILITY

Concerns with human beings in relation to each other, or dealing with the human condition, health, social problems living or linking to each other.

Naturally living or breeding in organized communities. Therefore there is an element of duty owed to one another.

iv. PERFORMANCE

This is the act of carrying out or doing, for example in the performance one regular duties. It can also mean the execution or accomplishment of an action, operation or process undertaken or adhered to.

v. ORGANISATION

This means an institution that carries out business activities, or a group of persons united for some purpose. In the study the organization is the East African breweries limited

CHAPTER TWO

LITERATURE REVIEW

2.0- INTRODUCTION

This section deals with analysis of existing literature on the subject with the objective of revealing contributions, evidences that is in support with the concept under study, which is corporate social responsibility, it is also at this stages that weakness and gabs that did exist are reveled

Literature review is normally carried out according to the theme of this study and it reflects the objectives, hypothesis and or the research questions.

2.1- RELATED LITERATURE REVIEW AND OTHER RESEARCH WORKS

2.2- THE NEED OF USING CHARITY TO BUILD IMAGE

Make no mistake about it. The corporate world is ruling the world, they are calling out this heavy responsibility without raising any qualms at all. The world political, economic and even social direction is decided by business leaders. Both in government and the U.N., men and women in grey suits must consult business before making any fundamental move that might affect the peoples way of life. However as in other aspects of life, the privilege of leaderships comes responsibility to the subject. Privilege without commensuration, accountability is dictatorship, thus corporation must be contented with this fact if they have to remain relevant.

Why is it that business rather than government or the U.N. is shaping the global destiny?

The answer is rely simple. People are looking for opportunities and wealth. They are concerned about their future well being and terrified about the prospect of losing their current privileges. But business cant assume that they will have it going for them forever.

The powers currently enjoyed by the business leaders, unless tamed by higher sense of

responsibility and acts of goodwill, could lead to a crisis of trust in the market place and that could severely affect the global economy. This brings as to today's buzzword in almost every board room: corporate social responsibility (CSR). Corporate social responsibility promoters argue that companies are persons that must be held responsible for every action taken at every level. Since good citizenship is a virtue that many strive for, companies that seek to distinguish themselves must be in the fore front in championing the cause of these people around them. Thus it is not possible to change the corporate image of any activity even where the best strategy are employed. An image can only be what it is in the minds of people. However it must be stressed that corporate social responsibility, is an important aspect of business that not only impact on the profits but can also draw public sympathy, a much needed element in times of distress.

Second, good corporate citizen must be sensitive to the needs and rights of their employees. It is not about reasonable salaries but also about dignity of the individual employee as well as commitment upholding the inalienable rights of the human resource as spelt out in the international conventions. The third fundamental aspect of corporate social responsibility, is what some would call "caring for the earth" no business operates in a vacuum. All of them depend on the environment for their survival.

The earth carrying capacity is becoming greatly strained as industrial degrades our agricultural land, chock marine ecosystem and pollute the air. Spending a fraction of the profits in affluent treatment might seem like an unnecessary expenditure. But there is no better long term investment than safeguarding the integrity of the local environment.

2.3- COMPANIES REALISING THE NEED TO GIVE BACK TO THE SOCIETY

In region we have witnessed big corporation buying double page advertisement to inform us of their good work and at the same time announcing massive profits they make. Today more people have realized that we are all interconnected through globalization and that problems like poverty, exploitation and the growing population rate in one part if the world will not stay isolated geographically. Recent allegation by corporation of corruption in the corporate sector like that of Enron the giant American energy company that is hit by scandals of top executive conned it billions of dollars, this has brought into focus the relationship between the corporation and the communities they operate in. not surprisingly corporate social responsibility, is now being debated worldwide. The broad definition of corporate social responsibility, highlights the voluntary role of business in contributing to a better society and a cleaner environment beyond its financial and capital commitments.

Different organization have gone their own way and have defined corporate social responsibility, but there is considerable common ground between them. The fundamental issue is how companies have managed their business process to produce a positive impact on society. Thus companies need to address two aspects of their operation. The first is the quality of their management both in terms of people and process, the second is the nature and the quality of their impact on society in various areas.

Stakeholders are interested in activities of the company. Most look to the outer circle, what the company has actually done, it's impact on the environment and local communities , or how it treats and develops its workforce. Among the various stakeholders, it is financial analysts and past financial performance that are

predominantly focused on as an indicator of likely future performance.

The world business council for sustainable development in its report titled “making good business sense” written by *Lord Holmes* and *Richard Watts* used this definition-:

corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

The report gave some evidence of the difference perception of what this should mean from a number of different societies worldwide. The definition were different as corporate social responsibility, is about capacity building for sustainable livelihood. It respects cultural differences and finds business opportunities in building the skills of employees, the community and the government. “from Ghana through Uganda to Philippines and far beyond brazil” corporate social responsibility, is about business giving back to the society.

2.4- PILLAR OF CORPORATE SOCIAL RESPONSIBILITY

Not long ago businesses all over the world were driven purely by the profit motives. As long as they were profits, they did not bother to give any returns to the community around them. However today the situation is different. The people are demanding more than mere taxes from the business world. Corporate social responsibility, dictated that business gives back part of what they earn to the community, and as the pressure mounts organization that do not subscribe to corporate social responsibility, are finding it difficult to handle such demands, often leading to poor image and even boycotts of their products. Public relation will play a crucial role in making organization assimilate corporate social responsibility, programs. If they don't then the trading result will dwindle and soon one will be hearing of buy-offs or receivership arrangement.

What is this spirit of corporate social responsibility, and why now?

Consumers are now more informed than before; the world has become a global village and what is happening in Tasmania can be instantly seen and heard in Cape Town. This has brought about a shift in consumer demands and placed more responsibilities on business. Organizations that used to take advantage of consumer ignorance now face a tougher challenge rebuilding lost trust. The world is witnessing what has come to be known as “reputation recognition”. Activities have taken to the stage to inflict image damage on corporations that do not fulfill consumer expectations. The internet and other non-traditional media are providing a good channel for these campaigns, no matter how good your press relations are, you will be hit through the web that has a global reach, if you happen to ignore corporate social responsibility demands and in the long run can be greatly detrimental.

The 2002 Environics corporate social responsibility monitor revealed that 58% of Americans pushed companies for their corporate social behaviour.

The principle behind corporate social responsibility lies in the simple notion that it is common courtesy to reward whoever is responsible for your daily bread. And consumers have now realized that every purchase they make gives bread to the business while draining their own pockets. It is therefore proper to demand some returns from companies trading in their locality. A close relative of corporate social responsibility, is social responsibility investment (SRI), which dictates that every investment a company makes should carry with it a package of social and economic returns to the community. The role of public relations is crucial in this regard.

Its practitioner will advise employers on the impact of investment to stakeholders and

articulate what has come to be known as PESTEL, (political, economic, social, technological, legal and environmental), issues related to such investments.

With the desire to look behind the commodity label increasing, consumers will be demanding to know who manufactured and how. And to win the hearts of stakeholders, companies will have little option but to employ corporate social responsibility, and social responsibility investment.

In this region corporate citizenship can play a key role in supporting poverty eradication programs through corporate social responsibility, if every organization comes out with genuine programs for assisting the community, the living standard would rise, purchasing power would go up and ultimately business would boom.

For a corporate to know the right corporate social responsibility, strategy it will have to strike a conversation with consumers and listen to their views and thus this will lead them to know which direction to take in formulating corporate social responsibility strategy. Once adopted, it will be necessary to communicate the strategy to the general public.

2.5- WHY DON'T CORPORATE ORGANISATION EMULATE BILL GATES

An article in the east African weekly newspaper dated 21st June 2005, stated that the worlds richest person Bill Gates, had give US \$12.5 million in grants towards a cancer project for poor African women. That the fund targets poor countries is encouraging. But third world countries should not portray their social problems as a burden to be met by developed countries. Corporate organization in the continent should emulate the Microsoft corporation founder in terms of giving back to the community it should be understood that tackling social problems is the obligation of every privileged person. Those with means should assist the needy in order tom achieve a harmonized society. The tendency to blame the government for the poverty and other problem in the country

should stop. This corporation should realize that African governments can only achieve the united nation millennium development goals by 2020 if they take their social responsibility role seriously.

Let the rich share some of their blessing with the poor as one way of bringing the huge gap between the two social classes.

CHAPTER THREE

METHODOLOGY

3.0- INTRODUCTION

This section presents the overall strategy to be used in data collection and analysis.

Following the research questions, the study was to utilize several methods of research to collect data from the field and analyze them in a descriptive and correlation manner.

The activities were meant to answer the questions and test the research hypothesis posed in the study. Initially a suitable research design was discussed, this was then tied with a description of the target population, design of a suitable sample, data collection methods and procedure and data analysis.

3.1- RESEARCH DESIGN

The main task of this research was to provide a systematic framework which would be used to consider the general reflection of the role of corporate social responsibility, in the global business world of today.

The study was descriptive which used qualitative research method, this was used because it revealed, experiences that was necessary in more profound understanding and all analysis of related aspect.

The study mainly focused on EABL (UG) as a business organization which stood out to provide the best information needed practically, since the company had over the years adopted this concept

3.2- TARGET POPULATION

Mostly those who were targeted were the employees of EABL (UG) limited at port bell in Kampala and some of the unprivileged members of the society who reside in the slum areas and some of the suburbs area in Kampala.

The target population were mostly single mothers who have been divorced by their Husbands, the sick, the youth mostly who mostly participated in sports activities, orphans whose parents died because of AID'S pandemic.

There were also those people who work with the East African breweries and are assigned the responsibility of implementing the corporate social responsibility, program on behalf of the organization.

3.3- DATA ANALYSIS

The unit of analysis was the primary source of data or information. The units of analysis utilized in the study was the representatives of the regional office in Uganda, and the parent East African breweries limited.

This were the management officials of respective region, especially the regional employees, the financial and administrative officers. The cohort represented policy makers, sub regional heads and officers in charge of financial management of the organization.

The rationale used to target them was that they were in a good position to explain accurately the challenges, strategic status and future requirements. In addition the rationale used for the Kampala branch (EABL) was that it represented the hub of major East African breweries limited operation in Uganda. In this way it was likely to be adequate representative of the entire target of the east African economic domain.

3.4- SAMPLING STRATEGY

Using a combination of multistage and purposive sampling, regional distribution and depots of beer outlets was selected in the region to represent the entire stakeholders and clientele. The Kampala offices of EABL, at Port Bell was a reference point in the entire research stage.

In the second stage, Selection of senior management staff, employees who were actually send out and practice CSR, was selected through a stratified random sampling method. Other stakeholders (the government representative and customers), were positively selected. The sample size was estimated to be 50 units of the total population.

The rationale of using this random sampling was to achieve adequate representation of the entire target region.

3.5- DATA COLLECTION METHOD AND PROCEDURE

Primary and secondary data provided a comprehensive picture of the problem in question.

The research collected both forms of data from interviews, observation and reviews from respondents, including the units of analysis and in formats.

The main instrument of data collection was a semi-structured questionnaire. The questionnaire was self administered to enable respondents within the EABL, have an easy task answering them.

The research guided interviews were conducted among management staff and members of the unprivileged community. The interview were subliment with primary source of data and reinforced observation of management practice and activities that makes CSR, a success.

This was to generate and facilitate the collection of quantitative and qualitative data.

Other sources of secondary data were obtained from organization records and the companies strategic plan of operation to be a market leader.

The data provide documentary evidence that enabled the researcher to conduct contents analysis of strategic plan and other relevant policy documents.

CHAPTER FOUR

DATA ANALYSIS AND FINDINGS

4.0- INTRODUCTION

This chapter presents how often data collection, thorough observation, interviewing and questionnaire methods was coded, edited, organized and analyzed and then presented both qualitatively and quantitatively using described statistical tools such as tables, charts, and percentage.

4.1- PERSONAL DATA

The aim of the analysis and presentation is to establish notable relationship between internal and external factor that impact the aspect of corporate social responsibility. Data for analysis was collected from a sample of 50 units, which were taken randomly from a population frame of 100 units. Though this population was from Kampala region where a branch of east African breweries is located and also the beneficiary of corporate social responsibility are found. There was full corporation of respondents interviewed and only 60% respondents answered the questionnaire that were sent out due to literacy difference from the population.

JOB TITLE	RESPONDENTS	% OF POPULATION
Top managers	2	4%
Employees	5	10%
Beneficiaries		
(i)-men	18	36%
(ii)-women	25	50%
TOTAL	50	100%

TABLE 4.1 SAMPLES USED FOR ANALYSIS

SOURCE: PRIMARY DATA

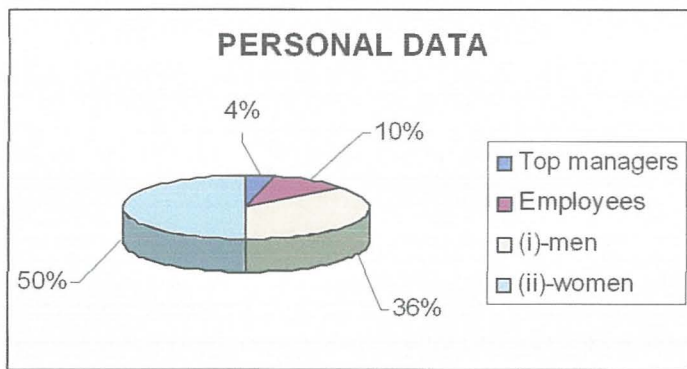


Figure 4.1

From the management point of view, the concept of corporate social responsibility was given full approval in that it was of significance impact to the firm by creating a positive image to the public.

The employees of the firm claimed that the concept did open avenues for them in terms of job promotion and that more of the staff within the organisation increased. Therefore more jobs were created because of corporate social responsibility.

The stakeholders also viewed the concept of CSR, as a positive initiative to the firm because of the projects the organisation took up on behalf of them, the government claimed that some national project were taken up by the organisation so as to improve the living standards of the society.

4.2- CHARACTERISTIC OF THE SAMPLE

In this study it was assumed that the factors influencing corporate social responsibility are the different needs of the society and the company's image that helps it to be competitive in the alcohol beverage industry. Therefore it was important to describe these characteristics in relation to the contribution of corporate social responsibility aspect. To meet these objectives a total of 50 people were interviewed and only 20 respondents within the Kampala region.

4.3- PROJECTS THAT ARE UNDERTAKEN BY THE COMPANY

In the study the respondents claimed that the organization has engaged in a lot of the

Project under corporate social responsibility, which includes:

- fees payment to the poor children
- health services like the assistance to sickle cell people
- sponsoring sport activities like the rugby
- Provision of water and environment cleaning.

The projects are shown in the table below and how much effort has been dedicate to each

Project

CSR PROJECTS	FREQUENCY	PERCENTAGE
School fees	10	20%
Health services	15	30%
Sport activities	07	14%
Sanitary and environment	18	36%
TOTAL	50	100%

TABLE 4.2 CSR PROJECTS OF EABL

SOURCE: PRIMARY DATA

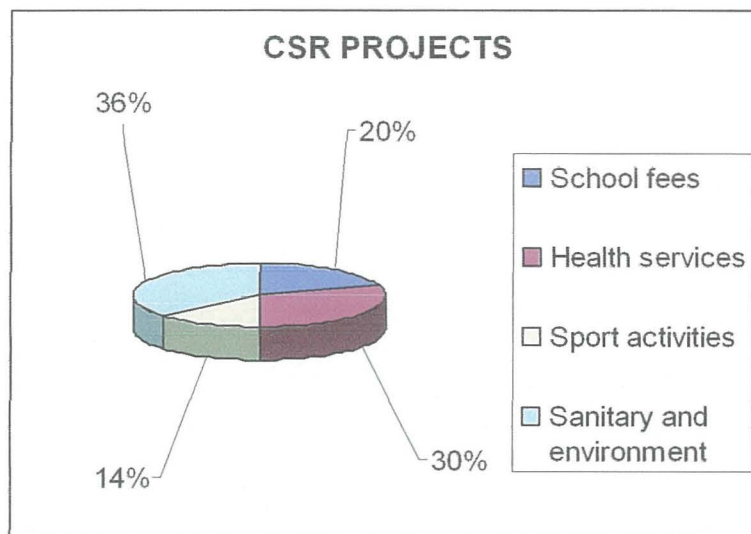


Figure 4.2

The chart above shows the projects that are undertaken by East African breweries.

- **School fees paid to the unprivileged people**

Respondents from the society claimed that east African breweries has paid their education in higher institutions, some have had to attend university due to the concept of CSR, initiated by the organisation by paying fee for the clever students who can not afford university education.

- **Health services**

East African breweries has assisted sickle cell patients by meeting their medical bills and providing the necessary drugs to them. respondents revealed that the company has continued to assist the sickle cell association in Kampala, the kammokya vocational skills school and the national wetlands program in Uganda. The company has donated numerous charities through its appeals committee. The Uganda women effort to save orphans (UWESO) received Ushs. 35million from a charity golf tournament organized and sponsored by East African breweries limited.

▪ Sports activities

Respondents between the age of 18- 25 most of whom are sport men and women said revealed that the organization has responded positively in sponsoring sports activities like rugby and soccer, the management of the company claimed to have provided sports facilities like ball, sport uniform and even upgrading facilities at the sport ground at lugogo rugby grounds in Kampala and the Nairobi ruby grounds.

4.4-AGE DISTRIBUTION

In the research respondents between the ages of 18-25 were 54%, followed by the age between 26-30 were 26% and last the age above 31 years 20%,

VARIABLES	FREQUENCY	PERCENTAGE	
18-25	27	54%	
26-30	13	26%	
>31	10	20%	
TOTAL	50	100%	

TABLE 4.3 AGE DISTRIBUTION

SOURCE: PRIMARY DATA

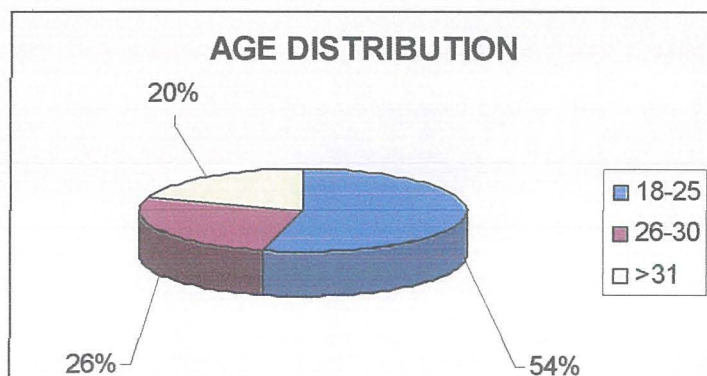


Figure 4.3

The respondents between the ages of 18-25 viewed the concept of corporate social responsibility as good in terms of creating the relationship between the organization and the society. Those between the ages of 26-30 claimed that the firm has increased in its market share and the respondent above 31 mostly the top management claimed that the concept has been of create deal in implementing the company's strategic plans.

4.5- GENDER

The table below shows the percentage of gender of respondents.40% of the sample were male and 60% were female. This was because they were easily reached during the research.

VARIABLE	FREQUENCY	PERCENTAGE
Male	20	40%
Female	30	60%
TOTAL	50	100%

TABLE 4.4: REPRESENTING GENDER:

SOURCE: PRIMARY DATA

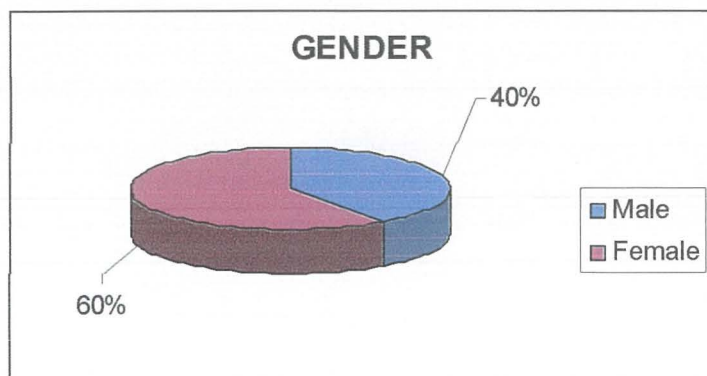


Figure 4.4

The female population as shown in the figure above had full of praise about the concept of corporate social responsibility initiated by the firm, they claim that the concept has had a major significance to the organization because they now find it easy to buy share from East African breweries than before

The male responded by claiming that the concept has improved the living standard of the unprivileged members of the society therefore the company's image is good

4.6- EDUCATIONAL LEVEL

The educational level of most respondents showed that the beneficiaries of corporate social responsibility mostly have attained at least primary level education and the few literate people in population, most of the employees of East African breweries have attained university education or equivalent.

VARIABLE	FREQUENCY	PERCENTAGE
Primary	30	60%
Secondary	8	16%
University and its equivalent	12	24%
TOTAL	50	100%

TABLE 4.5. SHOWING EDUCATIONAL LEVEL

SOURCE: PRIMARY DATA

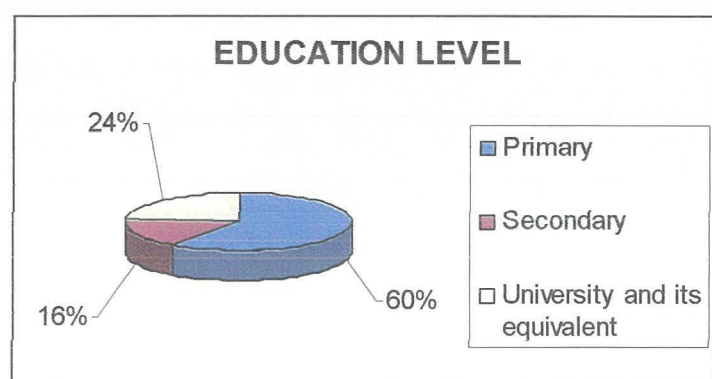


Figure 4.5

The respondents who have at least attained both primary and secondary education viewed the companies performance in terms of brand increase, most of them agreed that the concept of corporate social responsibility has enabled the organization think positively about the welfare the society by producing many brands of low alcoholic content that does not harm the health of it consumers.

The respondents who have attained university education claimed that the concept has helped shape the direction of the organization in terms of implementing positive strategies of countering competitors in the same industry there by placing East African Breweries as the market leader in alcohol beverage

BRANDS OF EAST AFRICAN BREWERIES LIMITED



Figure 4.6

4.7- EMPLOYEES KNOWLEDGE ABOUT CSR AND WHAT THEY FEEL

EABL STAFF	FREQUENCY	PERCENTAGE
AWERENESS AND SUPPORT	50	100

TABLE: 4.6

SOURCE: PRIMARY DATA

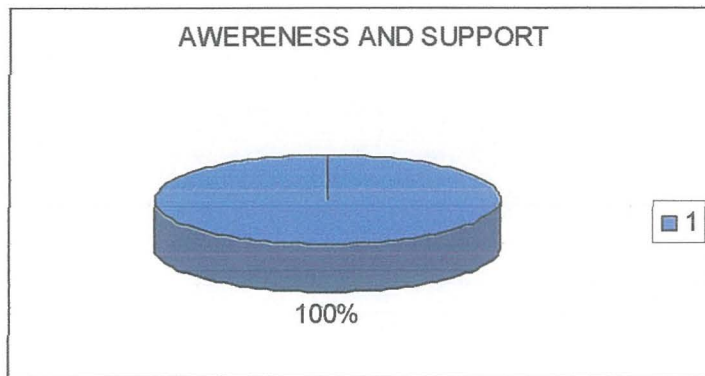


Figure 4.7

From the study it was easy to note that all the employees of east African breweries were all aware of corporate social responsibility concept and they gave their full support, most of them also said they equally fill happy when they are approach by their organization to help in contributing toward the projects that are initiated by the company.

4.8 THE VIABILITY OF CORPORATE SOCIAL RESPONSIBILITY

Respondents claimed that east African is a challenging region to work in and it requires great sensitivity in dealing with partners, local communities and the employees. The employees claimed that the commitment to corporate social responsibility starts at the top, the boars approved almost half of its profit to go towards helping the communities in which they operate in. they claimed that the organization long term is that the communities will view them as a group of companies not only to invest in, but also to

believe in.

Respondents stated that as the leading alcohol beverage company in the region, they believe to have a duty to promote the responsible use of alcohol consumed in a responsible manner, since the beverage can be part of a healthy lifestyle. They further stated that the inappropriate consumption of alcohol can have a negative consequence. To this end they will continue to invest in alcohol education programs and continue to adhere to a strict marketing code of practice to cover all the marketing and advertising.

4.9-SUMMARY

This chapter has given out observation on analysis of the impact of corporate social responsibility to the performance of the company i.e. Uganda breweries and its contribution to the society. It has shown that most of the unprivileged members of the society have improved and that the company has appreciated that it does not exist to generate profit for its own purpose alone but also to put provision to share part of its profit with the society through the concept of corporate social responsibility.

CHAPTER FIVE

CONCLUSSION AND RECOMMENDATIONS

5. O. INTRODUCTION

In view of the above finding the aspect of corporate social responsibility on the performance of EABL, its not only limited to show the gains to be gotten from this concept but also as a whole corporate social responsibility plays a vital role in helping the organization recognize the society and there by sharing part of it profits from its operations.

This chapter will focus on recommendation to the stake holders and future research direction, and summary of the chapter.

5.1 SUMMARY OF THE FINDINGS

The research finding has revealed that the concept of corporate social responsibility puts an organization in a situation of knowing that it does not operate in a vacuum environment but rather an environment that is inhibited by mankind who has different needs in the society but are not able to meet them due to economic hardship that they face. Therefore by practicing this concept it does not only creates the reputation to the company's image alone but also tries to uplift the living standards of people through the projects that do come along with corporate social responsibility.

Its is also through the study that it's revealed that the concept of social responsibility impacts the performance of the company in a more positive way, for example this concept has opened opportunities for employment, relationships being building among the different stakeholders who are both directly and indirectly involved with the activities of East African breweries limited.

5.2 RECOMMENDATION

The study has provided an opportunity for the researcher to recognize and appreciate the contribution of corporate social responsibility which has positive impacts to the performance of EABL. The following are some the recommendation that should be taken note of.

❖ MORE EFFORTS SHOULD BE DIRECTED TO THIS CONCEPT

Since most of the activities that are implemented by the organization are of noble course in ensuring that the needs of the society is recognized and taken care off, the company should increase their spending on projects that are of great significance, and needs due attention, by so doing the company will gain a better recognition in the eyes of the society and this will increase its chance of forging ahead against its competitors who are very fast adopting this concept and are using it with the wrong motive.

Since most of the impact brought about by practicing corporate social responsibility has greater benefits to the performance of the organization, then the company should ensure that when it comes to employment it should recruit qualified people who are ethically upright. This will help prevent any temptations of diverting the resources that has been set aside for this purpose and by so doing the element of corruption can not occur.

5.3. FUTURE RESAERCH DIRECTIONS

According to the wider aspect of the study on the concept of corporate social responsibility on the performance of the organization a link should be researched to and show how this is directly related to marketing strategy in that secretly it tries to make the companies image look unique at the expense of other players in the same industry, in a marketing perspective this appears as a strategy of trying to beat out competitors and winning the loyalty of the innocent and naïve members of the society.

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APPENDIX

QUESTIONNAIRE FOR THE RESEARCH ON THE IMPACT OF CORPORATE SOCIAL RESPONSIBILITY

A CASE STUDY WITH EAST AFRICAN BREWERIES (UGANDA)

1. Date of the interview.....

2. Location.....

3. Age: (a) 14-17 ☐

(b) 18-30 ☐

(c) >31 years. ☐

4. Gender: (a). Male. ☐

(b). Female. ☐

5. Marital status: (a) Married. ☐

(b) Single. ☐

6. Education level: (a). Primary. ☐

(b). Secondary. ☐

(c).University. ☐

7. What type of projects are undertaken by EABL in respect to corporate social
responsibility.....

8. How many of these projects are implemented?

(a). 1-5. ☐

(b). 6-10. ☐

(c). 11-15 ☐

(d). 16-20. ☐

9. Are any of the projects financed by East African Breweries?

(a). YES

☐

(b). NO.

☐

10. If the answer is yes, then how many?.....

11. Has the concept of corporate social responsibility been of great benefit to your organization?

(a). YES.

☐

(b). NO.

☐

12. If the answer is yes, briefly explain how?.....

.....

.....

.....

13. Has corporate social responsibility lead to the company increasing more people in terms of employment so as to assist in the operations pertaining the concept?

(a). YES.

☐

(b). NO.

☐

14. If the answer is yes, then how many in number has the company employed due to the concept of corporate social responsibility?

(a). 10-20.

☐

(b). 21-50

☐

(c). 51-100.

☐

(d). above 100.

☐

15. What benefits have been realized by your company due to corporate social responsibility?

(a). tremendous. ☐

(b). good. ☐

(c). non at all. ☐

16. how much does the company set aside on its budget to finance corporate social responsibility?

(a). 10% ☐

(b). 25% ☐

(c). 50% ☐

(d). 100% ☐

17. what is the viability of corporate social responsibility to the operation of EABL

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