INFLUENCE OF COMMUNITY RELATIONS CORPORATE SOCIAL RESPONSIBILITY STRATEGY ON PERCEIVED FIRM PERFORMANCE IN TELECOMMUNICATION SECTOR IN RWANDA

[1*] **Venerande Kayirangwa**
kayiven2000@yahoo.fr

[2**]**Professor G. S Namusonge**
gsnamusonge@gmail.com

[3**]**Dr. Julius Warren Kule**
kulewarren@gmail.com

[1] _PhD candidate, Department of Business Administration in the School of Business (Strategic Management), Jomo Kenyatta University of Agriculture and Technology, Kenya_
[2] _Jomo Kenyatta University of Agriculture and Technology/ Nairobi-Kenya_
[3] _Jomo Kenyatta University of Agriculture and Technology /Kigali-Rwanda Campus_

Abstract

This study is concerned with Influence of community relations Corporate Social Responsibility strategy Practices on Perceived firm's Performance in telecommunication sector in Rwanda. The study aimed to analyze the influence of corporate social responsibility practices on firm's performance as general objective in MTN, TIGO and AIRTEL in Rwanda. To analyze the influence of strategic community relations on the targeted telecom firms' performance are the specific objectives of the work. Qualitative and quantitative research design are used and performed by primary and secondary data collected from the targeted companies' managers and staff in charge of CSR through interview and questionnaires, and reports provided by these telecom companies and RURA recorded during years 2012-2016. Targeted population of the study was 228 managers and CSR related staff from MTN Rwanda (110), TIGO Rwanda (80) and AIRTEL Rwanda (38) to give sample size of 145 staff in question found by using stratified random sampling and all questionnaires were distributed where 114 of them were retrieved representing 79.1%. This work used both inferential and descriptive statistics, and data are treated by using Excel and SPSS package while regressed model and correlation coefficients were utilized to analyze the relationship between variables. Results found show that all the telecommunication companies in Rwanda had the focus of improving the education, health and economic empowerment system in accomplishment of government priorities and they gained the public confidence, thus improve firm's image and reputation, increasing or retention of potential customers, benefited competitive advantage, and then after their profits. The findings revealed that, in combination with other factors like quality management, committed staff, quality and quantity of products, business environment, etc., CSR practices may improve perceived firm performance.

Keywords: _Corporate Social Responsibility, community relation, perceived firm's performance_

Introduction

Corporate social responsibility (CSR) is a recent phenomenon in the corporate world and has a bone of contention when it comes to academic study in terms of its identity. CSR is a commonly used term today that indicated community relations with a firm, especially in developed countries for large firms (Hamid & Ruhaya, 2011). Besides conducting business activities and pursuing financial benefits, corporate bodies have also several other roles and responsibilities towards the society such as the social and environmental responsibilities and business contributions that would benefit the society at large (Margolis and Walsh, 2001).

Indeed, the concept of CSR and its variants; public accountability, corporate governance, corporate citizenship and corporate sustainability; have even found inroad application lately into the telecommunication sector (John, Victor & Umoh, 2015). Zhang Weiping opines that "The goal of CSR should be to be a human centered company and achieve harmonious growth with the local community" (Maya Forstater et al., 2010). The term "corporate social responsibility" became popular in the 1960s and has remained a term used indiscriminately by many to cover legal and moral responsibility more narrowly construed (DeGeorge, 2010). For the decades, it has been seen that corporate social responsibility was voluntary works to some companies, but now due to rapid industrialization and competition, every business, small or big need to have corporate social responsibility policy in place. It has become a communication channel between customers and companies (Mudaheranwa et al., 2014).

In the 1970s business managers applied the traditional management functions when dealing with corporate social responsibilities (CSR) and community relations issues, while in the 1980s, business, social interest and community relations came closer and firms became more responsive to their stakeholders (Rosamaria, 2011). A modern concept of CSR has improved in the 1970s (Carroll, 1999). In the modern commercial of this world, firms and their managers are subjected to well publicize pressure to play an increasingly active role in society so called community relations (Carroll, 1999). The idea that business is part of society, and therefore has community and national responsibilities is established in the culture, and economic history of many African countries. Surveys of CSR amongst businesses in Africa have found that the most common approach to CSR issues is through philanthropic support, in particular focusing on education, health and environment (Maya Forstater et al., 2010). Some companies operating in Rwanda, especially telecommunication companies are practicing CSR and spend huge amounts of money in their commitments to the community than their competitors, even when they operate in the same industry, and the government of Rwanda is also picking up interest in CSR by recognizing investors on the basis of their CSR initiatives. Generally, businesses in Rwanda incorporated explicit CSR strategies in their business models and policies (Guus et al., 2013).

Problem statement

The fact that the researcher observes from the empirical literature, the different researchers from differente countries do not have same understanding on CSR practices and perceived firm performance of their case studies. For instance, Shoukat & Muhammad (2014) sayed that telecommunication firms which implement CSR earn more profit for the long term periods, the study of John, Victor and Umoh (2015) showed that except staff welfare, significant relationship existed between Corporate Social Responsibility (CSR) and competitive advantage in telecommunication companies, which is the indicator of firm performance, but they did not indicate how CSR affect firm performance in developing countries as Rwanda, means here in Rwanda they also are not sufficient knowledge on the relationship between SCR and firm performance. This shows the subject of CSR practices and firm performance is tackled from various perspective.

This current study found a gap, whereby the above studies did not analyze the impact of corporate social responsibility practices on perceived firm performance based on community relations, as the best focuses of CSR. Even though RURA indicated that telecommunication companies in Rwanda nvest more in various activities of corporate social responsibilities ranging from education, health, sport,… but the reports do not show the real influence of CSR practices in this firm performance and also there are few (if not) studies in Rwanda indicated how CSR can facilitate business performance especially in telecommunication sector. From these, the researcher come up with an idea of carrying out a research called corporate social responsibility and performance of telecommunication firms in Rwanda.

Objectives of the study

To analyze the influence of community relations strategy practices of corporate social responsibility practices on perceived firm performance of telecommunication sector in Rwanda. To find out the relationship between of strategic community relations and performance of telecommunication sector in Rwanda.

Research hypothesis

1. H_0: Community relations do not influence performance of telecommunication sector in Rwanda.

Justification of the study

The research provides information related to this topic, it is hoped that this study will act as a resource tool to both private and public sectors, especially telecommunication sector. To the researcher, this research can be useful for enhancing more knowledge about SCR and skills of doing research. The research comes up with remedies to problem resulting from poor CSR practices in Rwanda. The research results are meant to act as inputs to customer care mechanism in the process of building a good image for a company.

Scope of the study

The study focuses on community relations strategy of Corporate Social Responsibility and perceived firm performance of telecommunication sector. It has been carried out in three telecommunication companies in Rwanda such as MTN located in Kigali City, Gasabo District, TIGO located in Kigali City, Nyarugenge district, and AIRTEL Rwanda located in Kigali City, Gasabo District. It covers the period between 2012 and 2016. This helps to ensure that research is specific to determine period of time because of access to information.

Limitations of the study

During the process of this research, was encounter some constraints imposed on the researcher, as the study was carried among the different telecommunications companies in the regional, it was very difficult and limited to generalize the results of the study. Some managers were unwilling to reveal real financial performance information. However, this was mitigated through the use of perceptual measures that had the overall effect of allowing researcher to infer financial performance. Other respondents were needed to ensure if it is legal with the institution to answer such questions or to give true answers that might affect their job. However, the researcher used the possible mechanism to found the solutions.

Literature Review

The theories relevant to the community relations Corporate Social Responsibility strategy have been written by different authors; they help on explanatory and give the information on Corporate Social Responsibility (CSR) and perceived firm performance. Relational theory has a root from the complex firm-environment relationships. As the term implies, interrelations between the two are the focus of the analysis of CSR. Business

and society is proposed to mean 'business in society' in which CSR emerges as a matter of interaction between the two entities. Corporate citizenship of the relational theory strongly depends on the type of community to which it is referred. It is a path that a corporation may take to behave responsibly. Fundamentally, it is about the relationship that a corporation develops with its stakeholders, and therefore, the former has to continuously search for engagement and commitment with the latter. Corporate citizenship based on Garriga and Mele's (2004) analysis is an approach used under the integrative and political theories and this is supported by Swanson (1995) and Wood and Lodgson (2002), respectively. It may suported also by the utilitarian theories, CSR ideas emerged after a realization that there is a need for an economics of responsibility, embedded in the business ethics of a corporation. Hence, the old idea of laissez faire business gives way to determinism, individualism to public control, and personal responsibility to social responsibility (Jensen, 2000). Utilitarian could also be taken synonymously with instrumental theories, in which the corporation is seen as only an instrument for wealth creation, and its social activities are only a means to achieve economic results (Garriga & Mele, 2004).The strategies also include altruistic activities that are socially recognized as instruments for marketing.

Secchi (2005) further divides the utilitarian group of theories into two, namely, the social costs of the corporation and the idea of functionalism. The social cost theory has a basis for CSR in which the socio-economic system in the community is said to be influenced by the corporate non-economic forces. It is also called instrumental theory, because it is understood that CSR as a mere means to the end, which leads to the fact that the social power of the corporation is materialized specifically in its political relationship with society (Garriga & Mele, 2004).

CSR PRACTICES
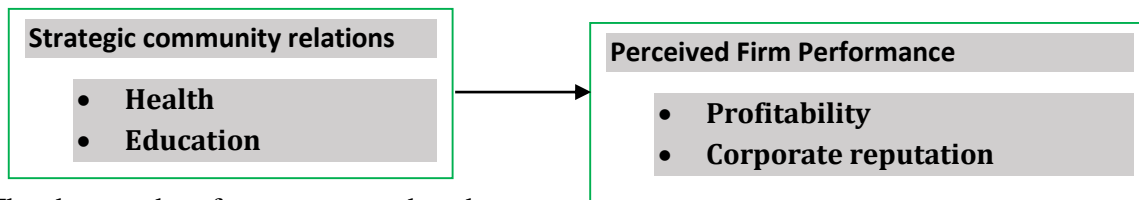
The theory, therefore, suggests that the corporation needs to accept social duties and rights to participate in social co-operation.

Methodology

Research methodology is a systematic, theoretical analysis of the methods applied to a field of study Irny and Rose (2005). The research philosophy may split the overall research design into sampling design which deals with the method of selecting items to be observed for the given study; the statistical design which concerns with the question of how many items are to be observed and how the information and data gathered were analyzed by using SPSS package as tool; and the operational design which deals with the techniques by which the procedures specified in the sampling, statistical and observational designs can be carried out. The target population is oriented on managers and staff in charge of CSR from the three communication companies. Total targeted population was found by using Yamane's formula ($N=S/1+e^2*S$) to find 228 persons as indicated in Table 1.

Table 1: Target Population and Sample frame

Company	Targeted population	Formula	Percentage	Sample size
MTN Rwanda's managers and other staff directly in charge of CSR	110	$N_1=n*N_1/N\%$	48.30	70
TIGO Rwanda's managers and other staff directly in charge of CSR	80	$N_1=n*N_1/N\%$	35.23	51
AIRTEL Rwanda's managers and other staff directly in charge of CSR	38	$N_1=n*N_1/N\%$	16.48	24
Total	**228**		**100**	**145**

Source: RURA & Researcher, 2016

A sampling frame includes a numerical identifier for each individual from each telecommunication company, and other identifying information about characteristics of the individuals, to aid in analysis and allow for division into further frames for more in-depth analysis. The level of precision or sampling error was 5% and 95% confidence level, total targeted population is 145 managers and other staff directly in charge of CSR from three telecommunication companies in Rwanda, the sample size is determined using the Yamane's formula, $n = \frac{N}{1+N(e)2}$, and then, sample size , n= 145 ($\frac{N}{1+Ne^2} = \frac{228}{1+228*0.05^2} = 145$). This study used stratified sampling method followed by simple random sampling to choose 145 employees from 228 as indicated into Table 1.

The researcher pre-tested them to ten expert respondents. The data from pilot research were tested using Cronbach's Alpha (Coefficient). To validate the ordinal logistic regression, the assumption of proportional odds was check by the test of parallel line. The chi-square was performed and the decision was made based on the p-values of chi-square test. To show the level of contribution, the pseudo R-Square was used. Presentation of data was done using appreciation of table and figures with respective description of figures. Time series data from RURA's reports (number of subscribers in internet and mobile telephone, investments in CSR actions and % of market share of the taken telecom companies from 2012 to 2016) and cross-section data form closed questionnaires are used in this research. In this study, the reliability analysis was conducted for all asked questions in questionnaire and by using SPSS package, the Cronbach Alpha values (range 0 to 1) was obtained. The closer to one the better questionnaire is i.e : greater than 0.9 – Excellent, 0.8-0.9 – Very Good, 0.7 -0.8 – Good George and Mallery, (2003). See table below.

Table 2. Reliability test result

Cronbach's Alpha	N of Items
.72	32

Provide the following rules of thumb for Cronbach Alpha values: greater than 0.9 – Excellent, 0.8-0.9 – Very Good, 0.7 -0.8 – Good, 0.6-0.7 – Acceptable, 0.5-0.6 – Pool, Lower than 0.5 – Unacceptable. Thus a Cronbach Alpha value 0.708 is good. The result, as indicated in table 2, showed that the questions asked have relatively

high internal consistency as their Cronbach's Alpha coefficients were between 0.7 and 0.8. The survey questionnaire was therefore reliable.

Information collected from the field is classified into nominal ordinal and scale if applicable to form common data. The instrument is then scrutinized to determine the extent to which they are filled up and whether they have errors, inadequate responses or irrelevancies.

Data coding is done whereby categories of responses have been identified, classified and then recorded. Descriptive and inferential statistics were done and the Statistical Package for Social Sciences (SPSS) was used to analyze data, confidence level of 95% and a p-value of ≤ 0.05 are required to show evidence of accepting the proposed research question where Spearman's rho correlation and ordinal logistic regression model was applied to ascertain the relationship between the independents and the dependent variables. Those statistical tools were chosen based on the type of variables under study; The following is ordinal logistic regression model for each binomial variable (j=1), the binomial regression is given by $ln\frac{p_j}{1-p_j} = \beta_{0j} + \beta_{1j}x_1 + \beta_{2j}x_2 + \cdots (1)$ Here, p_j : Probability of success for the variable (j=1) :"community relations" β_j : The regression coefficient (j = 0, 1.).

Findings

Community relations 'corporate social responsibility strategy on perceived firm performance Results

It was decided in the study to assess the influence of community relations CSR strategy practices in the three biggest organizations. CSR activities from 2012 – 2016 in that corporation was examined. Primary data were obtained and secondary data were utilized from reports provided by the companies in question, from Rwanda Utility Regulatory Authority (RURA) and from different journals related to SCR. The second part bears questions on core issues in relation to corporate social responsibility (CSR) activities and effects on companies' performance.

Community relation strategy results

Table3: Community relation results in percentage

Strategic Community relation	Strong agree	Agree	Undecided	Disagree	Strongly disagree
Increase company's productivity.	23.7	38.6	22.8	10.5	4.4
Raise company's reputation.	52.6	28.1	7.0	12.3	0.0
Create a more positive work environment.	40.4	29.8	15.8	10.5	3.5
Promotion of cooperation between the organization & its outside world.	47.4	31.6	10.5	10.5	0.0
Improving competition against other companies	31.6	42.1	13.2	9.6	3.5
Better behavioral control in the society.	21.9	42.1	18.4	10.5	7.0
Community relation	**36**	**35**	**15**	**11**	**3**

Source: Survey data

Table 3 shows that strategic community relation was supported by respondents closely to 71 responses (62%), 15 respondents (13%) were undecided while less than 11% of respondents (14 respondents) are not agreed for firm performance due to the strategic community relation. Better company's image and reputation and good

cooperation came in front of other indicators respectively by 80.7% and79% for promotion of cooperative, followed by company's competition with 73.7%), positive work environment by 70.2%, better behavioral control in the society representing by respondents 64.0% and lastly positive impact on productivity and profitability with frequency of 62.3% respondents.

Results to the Firm's perceived performance from CSR

Table 4: Distribution of respondents regarding firm's perceived performance

CSR actions permit to the firm to have a:	Strong agree	Agree	Undecided	Disagree	Strongly disagree
Improved organizational profitability	20.2	21.9	39.5	12.3	6.1
Improved customers' retention and gained confidence from them	36.8	42.1	13.2	7.9	0.0
Increased firm's image, reputation and goodwill	33.3	52.6	10.5	3.5	0.0
Contributed competitive advantage	28.1	36.8	21.1	11.4	2.6
Perceived firm's performance	**30**	**38**	**21**	**9**	**2**

Source: Survey data

Majority of respondents revealed that corporate social responsibility's actions carried out by MTN, TIGO and AIRTEL in Rwanda to the society can raise clients (90 responses representing 78.9%), increase company's image and reputation (98 responses representing 85.9%), promote competition in term of competitive advantage (74 responses representing 64.9%) and finally improve organizational profitability (48 responses representing 42.1%); thus perceived firm's performance may attempt at 68% given by 78 respondents

Inferential statistics

The ordinal logistic regression analysis result

The use of ordinal logistic regression required the verification of correct classified case, if the cases under study are not correctly classified the use of model 1 can be a menace to our final result Pallant & Manual, **(2010**). The following table presents the correctly classified cases.

Table 5: Correctly Classified cases

		Predicted Response Category					
		Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree	Total
perceived firm's performance	Strongly Agree	34	0	0	0	0	34
	Agree	2	42	0	0	0	44
	Undecided	0	3	20	1	0	24
	Disagree	0	0	0	8	1	9
	Strongly Disagree	0	0	0	0	3	3
Total		36	45	20	9	4	114

Data analyzed by the Author, 2017

The table 5 shows the total number of cases under study (114) and the correctly classified cases were obtained by adding the elements of diagonal in the table, which gives 107 correctly classified cases with percentage of 93.8. This result ensure us that the use of the model (1), will include 93.8% of the total number of cases under study.

Validation of Ordinal logistic regression model (1)

Table 6: Test of Parallel Lines output

Model	-2 Log Likelihood	Chi-Square	d.f	Sig.
Null Hypothesis	.000			
General	.000	.000	39	1.000

The table 6 shows the output of parallel lines test (chi-square 0.000, d.f =39 and p-value =1.000), since the p-value is greater than 0.05 significance level, therefore, we accepted, the null hypothesis, hence the the assumption of proportional odds is met, we can use the model (1) for further analysis.

Table 7: Chi-square test

Model	-2 Log Likelihood	Chi-Square	d.f	Sig.
Intercept Only	277.229			
Final	.000	277.229	13	.000

Link function: Logit.

Source: Data analyzed by Author, 2017

The table 7 represents the Goodness of fil for model(1), the test result are given by Chi-square value(277.229), df=13 and p-value (0.000), since the p-value is less than the 0.005 significance level, therefore, the model (1) is well fitted, the predictor variables explain well enough the response variable.

Table 8: Pseudo R-square

Cox and Snell	.912
Nagelkerke	.977
McFadden	.899

Link function: Logit.

Source: Data analyzed by Author, 2017

The table 8 shows that the different values for pseudo R-square, we have reported Nagelkerke because is normalized with the range (from 0 to 1), Pallant, & Manual, (**2010**). Therefore, the independent variables explain 97.7% changes in the response variable. In other word, the variance of perceived firm's performance is influenced by "community relations" at 97.7%.

Table 9: Contribution of community relations to the response variables results

Parameters	B	Exp(B)	1+Exp(B)	Probability
[X_1=1]	37.476	1.88E+16	1.88E+16	1.0
[X_1=2]	37.476	1.88E+16	1.88E+16	1.0
[X_1=3]	17.390	35689199.18	3.57E+07	1.0
[X_1=4]	17.390	35689201.97	3.57E+07	1.0
[X_1=5]				0
Average				**0.8**
[X_2=1]	54.751	6.00167E+23	6.00E+23	1.0
[X_2=2]	32.486	1.28339E+14	1.28E+14	1.0
[X_2=3]	14.344	1696232.219	1.70E+06	1.0
[X_2=4]	14.344	1696232.146	1.70E+06	1.0
[X_2=5]				0
Average				**0.8**
[X_3=1]				0
[X_3=2]	1.622E-08	1	2.00E+00	0.5
[X_3=3]	1.081E-08	1	2.00E+00	0.5
[X_3=4]				0
[X_3=5]				0
Average				**0.2**
[X_4=1]	20.841	1124763305	1.12E+09	1.0
[X_4=2]	20.841	1124763251	1.12E+09	1.0
[X_4=3]	20.841	1124763238	1.12E+09	1.0
[X_4=4]				0
[X_4=5]				0
Average				**0.6**

Source: Data analyzed by Author, 2017

Community relations" was coded as X_1 at different categorical level i.e. strongly agree (1), agree (2), undecided (3), disagree (4) and strongly disagree (5). The ordinal logistic regression coefficient of the community relations are the statistically significant at categorical level 1 to 4 with p-value (0.00) less than 0.05 significance level for each categories as indicated by table 9. The influence of community relations indicator to the of perceived firm's performance is 80% as indicated in table 9.To conclude, there is a signification influence of "Philanthropic practices", to the perceived firm's performance**.**

Correlation results

The following are results that demonstrate the degree of relationship between variables under study. The spearman' rho correlation coefficient was used determine the relation between them. It is used when the variables are not measurable and its range from 0 to 1.

Table 10 Spearman's rho Correlation results

	Perceived firm's performance	Community Relations
Perceived firm's performance	1	.939**
Community Relations	.939**	1

** Correlation is significant at the 0.01 level (2-tailed). Source: Data analysis

Given the results from correlation analysis, community relations are strongly positive correlated as showed by the Pearson correlation coefficients which are greater than 0.75 as appeared in table.

Analysis of variance results

The following are analysis of variance for community relations and different independent variables, the purpose of this test, is to check whether, there is a statistical significant between groups.

Table 11: Perceived firm's performance vs Community Relations result

			Sum of Squares	df	Mean Square	F	Sig.
Perceived firm's performance * Com.Relation	Between Groups	(Combined)	106.468	4	26.617	241.842	.000
	Within Groups		11.997	109	.110		
	Total		118.465	113			

The results in the table 11 shows that there is a statistical significant different between the Perceived firm's performance and community relations as indicated by ANOVA (F=241.8, d.f=4 and p-value(0.00) which is less than 0.05 % level of significance).

Performance in targeted telecom companies due to CSR practices

Table 12 a: Subscribers in mobile telephone June 2012 – June 2016

Years	MTN Rwanda	TIGO Rwanda	AIRTEL Rwanda	TOTAL	% change
2012	3,033,421	1,615,585	110,304	4,759,310	**7.04**
2013	3,599,540	1,900,693	915,110	6,415,343	**34.80**
2014	4,346,721	2,295,233	1,105,065	7,747,019	**20.76**
2015	3,957,986	2,887,328	1,336,679	8,181,993	**5.61**
2016	3,988,604	3,110,540	1,183,964	8,293,108	**1.36**
General increasing	**7.81%**	**17.98%**	**189.98%**		**13.91**

Source: RURA, operators' return

In the year 2016, mobile telephone subscribers increased by 1.4% from 8,181,993 subscriptions recorded in 2015 to 8,293,108 subscribers recorded in 2016. General evolution was 13.91% for the whole period of the study and MTN Rwanda dominated the market by 48.2% followed by TIGO Rwanda with 37.5% and AIRTEL Rwanda by 14.3%.

Table 12 b: Subscribers in internet June 2012 – June 2016

	MTN Rwanda		TIGO Rwanda		AIRTEL Rwanda		TOTAL	
Years	Count	Increment	Count	increment	Count	increment		Change (%)
2012	505263		235234		8874		749371	9.02
2013	517938	2.508595	562000	138.911	198688	2138.99	1278626	70.63
2014	895561	72.90892	971749	72.90907	343549	72.9088	2210859	72.91
2015	1490117	66.38922	1505786	54.95627	525920	53.0844	3521823	59.3
2016	1558669	4.600444	1505773	-0.00086	893866	69.9624	3958308	12.39
G. increasing (%)	36.6		66.7		583.7			44.85

 Source: Field data 2016

The general dispatched internet subscription was 39.4% for MTN Rwanda, 38% for TIGO Rwanda and 22.6% for AIRTEL Rwanda while general increasing of internet subscription in each telecommunication company in Rwanda was characterized by the very high increasing in AIRTEL by 583.74%, middle increase return in TIGO by 66.69% and small increase return in MTN by 36.60%.

Table 13 a Market Share of mobile telephones between MTN, TIGO and AIRTEL Rwanda

Years	MTN Rwanda (%)	TIGO Rwanda (%)	AIRTEL Rwanda (%)
2012	63.7	33.9	2.3
2013	56	30	14
2014	51.3	32.5	14.72
2015	49	35	16
2016	46	36	18
General trend	**53.2**	**33.48**	**13.32**

   Source: Secondary data, RURA, operators' return

For the period of the study, MTN Rwanda dominated the market but in the decreased manner, followed by TIGO Rwanda (first decreasing and then after increasing manner) and AIRTEL Rwanda in increasing manner. The average variation during the period of the study was 53.2% for MTN Rwanda, 33.48% for TIGO Rwanda and 13.32% for AIRTEL Rwanda.

Table 13 b. Market share of internet between MTN, TIGO and AIRTEL Rwanda

Years	MTN Rwanda (%)	TIGO Rwanda (%)	AIRTEL Rwanda (%)
2012	12	-	-
2013	40	44	16

2014	42	43	16
2015	43	42	15
2016	39.64	36.55	23.58
General trend	**35.3**	**41.4**	**17.6**

Source: Secondary data, RURA, operators' return

There is a domination of TIGO Rwanda in share market of internet in term of 41.4% of the total market, followed by MTN Rwanda with 35.3% and AIRTEL Rwanda by 17.6%, the difference from 100% (to mean 5.7%) is dispatched among other telecom companies existing in the country.

Discussion of the Results

Discussion focuses around the community relation in accomplishment of the CSR activities in three telecom companies in Rwanda such as MTN Rwanda, TIGO Rwanda and AIRTEL Rwanda. Companies can no longer achieve economic prosperity without impacting on the life of all the stakeholders and agents. In an attempt to touch the lives of majority of stakeholders and agents if not the whole, telecom companies undertake corporate social responsibility been it voluntary or mandatory. From the study it was found out that, all the telecommunication has a common objective of eradicating poverty and raising standard of living of stakeholders through education, economic empowerment, health and other activities like environment protection and government priorities.

The government of Rwanda has also been very supportive to these companies in their achievement in CSR activities. The ministry of education as well as heal health ministry has good partnership with the companies in realizing the country's vision 2020 of knowledge economy. CSR activities of MTN, TIGO and AIRTEL in Rwanda are not only just voluntary actions of the companies but also a necessary condition for the achievement of the country vision 2020. Qualitative raw data are from interview and open questionnaires while quantitative data are from closed questionnaires and reports from RURA and targeted telecoms industry. This section discusses the analysis and interpretation of data and finally the discussion of the findings.

Conclusions

From the above discussion it can be deduced that, all the telecommunication companies in Rwanda has the focus of improving the education, health and economic empowerment system of the country because they believe that the above mentioned factors are the backbone of a growing economy of the country like Rwanda. Generally, involvements in CSR activities by MTN, TIGO and AIRTEL in Rwanda had several construct motives and were in line with the agency theory assumption: the companies strived to portray themselves as highly socially responsible companies to compete with rivals. One of the primary motivating factors is the belief that CSR actions can increase long term profitability and sustainability of the company as well as enhance the image and reputation of the organization. Managers believed also that CSR practices can increase customers' confidence to the companies and their products. In combination with other factors like quality management, committed staff, quality and quantity of products, business environment, etc., CSR practices may improve more perceived firm's performance.

Recommendations

The study recommends that to the stakeholders and partners, telecommunication companies in question should labor more in informing their stakeholders and partners about their different corporate social investments as they have been established to be a great tool for market performance and profitability because there were no

clear mechanisms for informing public in general about their taken Corporate Social Responsibility actions. To the companies' managers, The telecommunication companies' managers should inculcate beneficiaries in planning of Corporate Social Responsibility actions oriented to them in order to reach their priorities and needs and increase the portion allocated to the CSR actions, company resources before being invested in corporate social responsibility should first be analyzed for impact on the different societies they are intended for to have a great market impact and make the investments equally beneficial to the organization. The different media channels should be balanced and used to the same extent in informing the public about the different corporate social investments by the organization to maximize that impact of the different social investments by the company.

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