Corporate Social Responsibility in Kenya: Blessing, Curse or Necessary Evil?

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1 Introduction

The concept of Corporate Social Responsibility (CSR) has been characterized by contestations and operational lacunas. This makes the concept unclear, fuzzy and subject to a multiplicity of interpretations (Idemudia, 2014; Okoye, 2009). Furthermore, CSR is understood differently in diverse contexts, which results in its underdevelopment (Visser, 2008). This has led to confusions and difficulties in efforts to implement the CSR agenda.

Despite the increasing interest in CSR research in different contexts and situations, the role of CSR in developing countries, and in particular during challenging times, has been neglected. Such challenges include the following: financial crisis, climate change, political upheavals, extreme poverty, and conflict. Indeed, most studies on CSR in challenging times have focused mainly on financial crisis. It has been reported that attention to CSR has increased in the recent past following serious financial scandals and the collapse of large corporations in Europe and the United States of America (USA).

Since these challenging environments are more prominent in certain contexts (e.g. developing countries) than others, the need for CSR studies in such contexts is critical. The issues facing developing countries have been worsened by challenges surrounding political, social, economic, legal and environmental issues in some developing countries. Thus, CSR calls for a range of strategies, depending upon different contexts and situations. For instance, while in times of economic crisis organizations could focus on cost reduction strategies, other challenging circumstances may call for alternative strategies. Inevitably, most organizations reduce their expenditure on CSR during times of financial crunch. However, some

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organizations have managed to pursue CSR activities in spite of financial difficulties, and for good reasons. For instance, it is argued that pursuing environmental CSR initiatives in times of crisis and recession helps firms to cut costs and increase their CSR budgets without changing their prices (Quelch & Jocz, 2009).

Furthermore, CSR is founded on the premise that organizations interact with economic, social, cultural, environmental and legal systems because business affects and is affected by wider societal interests. The definition of CSR may vary from context to context, due to the differing focus, approach and expectations of stakeholders. CSR is generally used to describe the complex and multi-faceted relationship between business and society, and the accountability of business and business activity in terms of its social and environmental impact (Tarus, 2015). Thus, in developing countries, CSR is perceived as the formal and informal ways in which businesses contribute to improving the governance, social, ethical, labor and environmental conditions of the countries in which they operate, while remaining sensitive to prevailing religious, historical and cultural contexts (Visser, 2005).

CSR's breadth and flexibility has led to an operational and conceptual lacuna, although CSR is becoming increasing prominent in academic circles. Accordingly, no single universal definition of CSR is agreed upon in Kenya. Every practitioner and scholar perceives CSR differently and yet claims to know what CSR is or ought to be. However, most of what is perceived to be CSR in Kenya is actually not so. This scenario leads to serious local abuses of CSR. For instance, most CSR initiatives involve cash, voucher, food or other material donations, but these are purely philanthropic kneejerk responses that are not based on long term social perspectives., CSR is thus organizations' long-term commitment to social, economic, legal and environmental rights and responsible outcomes for the sustainability of humanity. Arising from the aforementioned, the purpose of this chapter is to succintly espouse the state of CSR in Kenya in such times, and ultimately critically examine whether it is a blessing, curse or necessary evil.

The chapter is organized as follows: we begin by discussing the Kenyan context, and what constitutes CSR in such a context; next, we examine the social, economic, environmental and politicalchallenges faced by corporate organizations operating in Kenya in pursuit of CSR and inherent status of CSR as either a blessing, curse or necessary evil; then, we examine the methods used by the Government of Kenya, SME's, International Organizations and NGO's to mitigate the identified challenges; finally, we derive some theoretical, practical and research implications from the results of the study.

2 The Kenyan Context

Kenya is an East African country that gained independence in 1963. It is a regional hub for trade and finance, with a population of approximately 46.2 million and an area of approximately 582.646 km^2. Kenya's Gross Domestic Product (GDP) is approximately US$22.78 billion, with an annual growth of 5.8% (World Bank, 2016), and a recently declared low middle-income status. It has a fairly good infrastructural facilities and services sector. Agriculture makes up 19% of GDP, industry 18%, and services 62.6%. The country is the world's third largest exporter of tea. Other important foreign exchange earners include coffee, horticulture, tourism, and mining. Thus, Kenya has unique economic, political, social, cultural, and regulatory conditions relevant to CSR. After independence in 1963, the government promptly declared war on poverty, disease, and illiteracy. Since then, Kenyans live two decades longer, fertility and infant mortality have been cut by half, and school attendance has more than doubled (World Bank, 2016). GDP per capita has increased eightfold, and the financial sector is now the third largest in sub-Saharan Africa, after South Africa and Nigeria.

However, despite this positive outlook, the country's socio-economic prospects face serious challenges as the country enters an '*adolescence age*' characterized by crisis and challenges including unprecedented political intolerance and insecurity, persistent poverty and high unemployment, rapid urbanization, persistent gender inequality, climate change, corruption, social decay and environmental degradation. Kenya's human development indicators have remained relatively low. The country has a vibrant multi-party democracy and active civil society groups.

Thus, a great deal of reflection is needed on how to transform the lives of the majority of Kenyans. Nearly four in ten Kenyans still live in poverty, many of them youths, women, and elderly people. Maternal mortality is among the highest in Africa, despite a workforce that is more educated than the African average. Although GDP growth is relatively solid, and Kenya is classified as lower middle-income country, this growth has yet to reach the takeoff level necessary to transform Kenya into a modern market economy and to change the lives of ordinary Kenyans (World Bank, 2016).

While Kenya's poverty level has declined, inequalities and regional disparities in wealth distribution remain high. Better macro-economic conditions in the past decade have helped to improve the welfare of Kenyans, but the poor remain susceptible to drought and climate induced vulnerability. Progress has been made across other dimensions of social development, including school attendance and the enrollment ratio between boys and girls. The educationtransition from one level to another has improved due to increased public and private investment in the education sector, child mortality has improved, and immunization coverage has increased. Access to electricity, clean drinking water and better sanitation has increased steadily, but coverage remains low.

On governance, Kenya continues to rank poorly in the Transparency International Corruption Perception index. Recent political reforms have strengthened Kenya's governance record, though it remains mixed. Kenya still remains vulnerable to external and domestic risks, and it continues to underperform relative to its potential and vision 2030 target, as well as compared with its peers in the East African Community and in Sub-Saharan Africa. Furthermore, there is emerging fiscal pressure resulting from the implementation of devolution, a key plank in addressing inequalities in the country that is at the heart of the new constitution as a key vehicle for addressing spatial inequalities (World Bank, 2016). Devolution promises to transform Kenya, through accountable and transparent institutions, inclusive growth, and the equitable delivery of public goods and services. But the sharing of power and resources between national and county governments continues to pose a major challenge.

Kenya's prospects for success are promising: the country has the largest economy in East Africa, with a significant potential to further capitalize on regional markets and to strengthen its position as the region's economic powerhouse. With over 40% of the population under the age of 15, Kenya stands to benefit from a significant demographic dividend as this population enters the workforce, provided that sufficient jobs can be found in time. The Kenya Vision 2030 development plan (vision, 2007) identifies three key pillars: economic, political, and social. Moreover, the recent discovery of oil, gas, and coal represents a great opportunity for Kenya's overall development, which may propel it further towards middle-income country status in the medium term, given the impetus provided by the Government's vision 2030 social and economic transformation framework.

3 CSR in Kenya

While CSR is a contested concept (Moon, 2002), its operationalization, implementation and application is context specific (Cheruiyot & Tarus, 2016). Mainstream CSR studies in Kenya, though minimal compared with similar research conducted in South Africa and Nigeria, have focused on institutional analysis (Muthuri & Gilbert, 2011), sectors prone to social irresponsibility, such as employees in the horticultural sector and tourist hotels (Cheruiyot & Maru, 2012; Opondo, 2006), human rights (Cheruiyot & Maru, 2014), CSR in Kenya reflections and implications (Cheruiyot & Tarus, 2016), and the general impact of CSR engagement on firm performance (Tarus, 2015).

Thus, CSR research in Kenya, as in other developing countries, is relatively underdeveloped, relies heavily on case studies, and focuses prominently on multinational companies (Cheruiyot & Tarus, 2016; Muthuri, Matten, & Moon, 2009). More succinctly, CSR in Kenya has been defined as the long-term commitment of organizations to social, economic, legal and environmental rights and responsible outcomes for the sustainability of humanity (Cheruiyot & Tarus, 2016). Furthermore, CSR in Kenya is characterized by voluntary actions of a philanthropic nature and is weakly regulated. In the Kenyan political-legal and socio-cultural nexus, four approaches to CSR have been identified: the political, ethical (Garriga & Melé, 2004), altruistic and philanthropic CSR (Cheruiyot & Tarus, 2016).

In our view, CSR in Kenya, like elsewhere in Africa and the developing world, is critical and controversial, and is subject to varied interpretations, conceptualizations and operationalization. This state of confusion can be attributed to its relative underdevelopment in theoretical terms and its inappropriate contextual application. There are several perspectives or motives that account for the development of CSR in Kenya. These contextual perspective include, but not limited to, the various developmental stages a country undergoes. In Kenya, one of the greatest challenges is that the country has entered an unprecedented stage of development. This is explored in the next section.

4 Is Kenya Facing Adolescence Age Crisis?

In this chapter, we argue that Kenya is facing challenging times, after 50 years as a republic. This era is akin to a human life cycle stage called adolescence. Thus, we have typified this Kenyan era as "Kenya at adolescence-age." Like the human developmental stage, it is crisis ridden. As a nation, the crisis is characterized by, among other things, unprecedented political intolerance and insecurity, economic difficulties and greed amid economic growth, persistent poverty and high unemployment, rapid urbanization, persistent gender inequality, climate change, corruption, social decay, and environmental degeneration. These factors arise in the midst of resilience, optimism, an enlightened population, new opportunities, and promising prospects in the country. Inherent in these factors is whether or not CSR is a blessing, curse or necessary evil. The following are the political, economic, social, legal and environmental challenges that characterize the country's developmental stage and ultimately characterize CSR either as blessing, curse or necessary evil.

Political Challenges

Political CSR stresses the power of companies in society over other actors and their corresponding responsibility in the political arena. As such, it articulates the presence of firms in relation to other political actors, such as civil society, the political elite, community leaders, and the public. Large local and multinational companies exert influence on the country's political environment by providing corporate donations and employment opportunities. Thus, examining political CSR at the macro level, as a framework for organizations to engage with the public and the state for sustainability is necessary, but faces challenges that may impede achievement of the overall goal. Hereinafter, some political challenges faced by corporate organizations operating in Kenya in pursuit of CSR are described.

First and foremost is weak *democracy and poor politicalgovernance*. Kenya is largely an open society, with democratic systems and good political governance structures, which at times is treated by some political actors as dispensable, especially in the pursuit of political power. This was more pronounced previously, before the advent of political pluralism in the country. Weak democracy and poor political governance fails to provide an enabling environment for business to implement social programs. Organizations face this challenge as they engage with political actors in search of support for their CSR programs.

Furthermore, a *high-level of corruption* impedes CSR implementation. In Kenya, corruption remains high. For instance, during the period 1996–2015, the Kenya corruption index stood at 22.16 points out of 100, as reported by Transparency International (where 0 is very corrupt and 100 very clean). Kenya has continued to score poorly in the global corruption index over the years. The country's state of corruption is important. First, corruption creates an impetus for the misplacement of social priorities, as actors corruptly influence CSR projects. Secondly, it creates an enabling environment for unethical practices by organizations. Organizations are therefore faced with the vice of corruption during the implementation of their social programs at the community level. The impact of corruption is worsened in cases where CSR programs are implemented by other agencies on behalf of donors.

Furthermore, there is a lack of corporate *transparencyand accountability*. Many corporations fail to disclose pertinent information to stakeholders, despite the requirement for full disclosure in accordance with the Capital Markets Authority (CMA) and corporate governance guidelines. This lack of accountability is seldom reported, even though the state of affairs is symptomatic of corporate failure. Furthermore, funding institutions are faced with this challenge as they monitor and evaluate CSR projects.

Moreover, there is heightened *politicalactivism*. Kenyan society is a relatively enlightened political society, with heightened political activism surrounding electoral cycles. CSR programs, while well intentioned and potentially supported at the community level when at their best, are likely when at their worst to face unwarranted political criticism, social cynicism, and resistance.

In addition, there is *constrained unionism*. While unionism is sanctioned by the Kenyan constitution and thus legally guaranteed, it is tacitly discouraged by some corporate actors, and responsible unionism is uncommon. Similarly, *critical advocacy* is another challenge. Civil society, while highly represented and vocal in Kenya, is unduly critical of organizations. This acts as a driver to CSR strategies and policies. Further, *enlightened Consumerism* presents a challenge. Customers are largely well informed and have a wide range of available choices. However, knowledge distribution is asymmetrical, and favors wealthy over poor customers. Moreover, traditionalCSR practices in Kenya are derived from Western perspectives on CSR and ethical consumerism.

Finally, *governance* is a critical issue. Kenya's aggregate governance performance is trailing the in the world average index, based on the following World Governance indicators: (i) Voice and Accountability, (ii) Political Stability and Absence of Violence, (iii) Government Effectiveness, (iv) Regulatory Quality, (v) Rule of Law, and (vi) Control of Corruption. Although the implementation of the constitution is a major milestone in uplifting Kenya's governance performance, there is a need for an integrated approach to governance. For example, corruption is a vice that for a long time has been related to government. However, the current trend is for the private sector to contribute to it through bribery. Improvement of Kenya's governance system has thus far been instigated by various actors, including, but not limited to the following: pressure groups, the media, NGOs, corporate entities and legislative mechanisms. There have been cases where corporate entities have played the role of whistleblowers and have taken a stand on matters of corruption, calling on government to account for specific corruption activities.

LegalChallenges

This category of challenges relates to laws and regulations that constraint organizations and the citizenry from engaging and benefiting from CSR. Legal challenges faced by corporate organizations operating in Kenya in pursuit of CSR include non-existent or weak legislation on CSR, which makes CSR a purely voluntary affair. Where legislation exists, it is poorly enforced. Kenya's constitution promulgated in 2010 with national and county Governments coexisting creates an opportunity for responsible Government. It creates a system of checks and balances in public positions. However, it is marred by poor coordination and overlaps between the two levels of Government. This creates difficulties in the execution of a CSR agenda. Furthermore, CSR practices are generally adopted from Western perspectives on CSR, and hence most legal provisions are characterized by legal lacunas. There is also lack of tax-exempt provisions that would motivate individuals and organizations to invest in CSR.

The Constitution of Kenya recognizes and protects human rights. Article 19 (2) provides that the protection of human rights is meant to preserve the dignity of individuals and communities and to promote social justice and the realization of the potential of all human beings. To achieve this, the Constitution has a raft of articles designed to uplift and protect human rights, including the following: right to life (Article 26), equality and freedom from discrimination (Article 27), human dignity (Article 28), freedom and security (Article 29), right against slavery, servitude and forced labor (Article 30), right to privacy (Article 31), and right to freedom of conscience, religion, belief and opinion (Article 32).

Other Articles covering human rights include freedom of expression (Article 33), freedom of media (Article 34), right of access to information held by the state and other persons required for the exercise or protection of any right or fundamental freedom (Article 35), freedom of association, which includes the right to form, join or participate in the activities of the association of any kind (Article 36), the right to assemble, demonstrate, picket and present petition to public authorities peacefully (Article 37), political rights, which includes the right to participate in the activities of political parties (Article 38), freedom of movement and residence (Article 39), and the right to acquire or own property (Article 40).

Furthermore, the Constitution has created Commissions charged with the responsibility of protecting and promoting human rights. Article 59 (1) states that the Kenya National Human Rights and Equality Commission shall be established to promote respect for human rights and to develop a culture of upholding human rights, promoting gender equality, monitoring and investigating complaints about human right abuses, and acting as a principal organ of the state in ensuring compliance and obligations under treaties and conventions relating to human rights. The Constitution mandates the Commission to receive complaints on human right abuses and take remedial action.

Social Challenges

The first social challenge is *Educationand Training*. This is a crucial aspect of CSR in Kenya, and certain companies invest significant resources in uplifting the educational standards in the country. Few recent examples of such firms are as follows: Safaricom, a Telecommunication company, has built a school that accommodates up to 1000 needy students. The secondary school dubbed M-Pesa Academy is a Ksh. 3 Billion ($ 30 Million) project that targets needy but bright students. It is built and owned by M-Pesa Foundation, a charity organization established by Safaricom in 2010. In the same vein, Equity Bank is pursuing the provision of education and mentorship for bright students. Equity Group Foundation and The MasterCard Foundation, with additional funding support from USAID, UKAid, KfW, Equity Bank, and individuals and institutions under the Wings to Fly program, has been implementing a comprehensive secondary scholarship support programs for top performing yet needy (orphaned or vulnerable) students in the sub-counties across Kenya. In providing this opportunity to Kenyan children who may have otherwise gone unnoticed, the Wings to Fly program is in line with Kenya's vision 2030 to transform Kenya into a middle-income economy led by well-educated and trained citizens.

The objective of the scholarship program is to provide financial support and leadership empowerment tools to such students. The scholars under this program receive support for all their needs (tuition, accommodation, books, uniform, transport to and from school, shopping and pocket money) while attending secondary school for 4 years. The program, which includes 2000 students this year, will bring the total number of scholarships given under the Wings to Fly program to a total of 10,377 in 5 years.

The Wings to Fly Program is a public-private partnership between the Equity Group Foundation, Mastercard Foundation, UKaid and USAID. The program provides full scholarships that include tuition, room and board to enable academically gifted but economically disadvantaged and vulnerable children to pursue secondary and tertiary education. USAID's contribution of $17.5 million will provide for comprehensive scholarships, leadershiptraining, and mentoring to at least 2166 Wings to Fly scholars over a 5-year period. Overall, the initiative will support 7300 young Kenyans with access to a full secondary education by 2019. The selected young people also receive leadership development, career guidance, and mentorship to help them realize their potential. Other banks that have invested in education include the Co-operative bank and the Kenya commercial bank.

Secondly, *Healthand HIV/Aids Challenge*: The HIV and AIDS pandemic is a global crisis, and constitutes one of the most formidable challenges to development and social progress. It is eroding decades of development gains, undermining economies, threatening security and destabilizing societies. The HIV/AIDS pandemic poses a serious challenge to development in Kenya. An estimated 1.6 million people, or roughly four per cent of the population, are living with HIV in Kenya. Every year an average of 89,000 adults and about 11,000 children in Kenya are infected with HIV. About 11,000 Aids-related deaths, a quarter of total deaths, occur among children (Otieno, 2015). The effects of HIV/AIDS is long-lasting, ranging from increased poverty arising from high spending on Medicare, increased absenteeism among employees, high labor turnover, reduced worker productivity, disruption of investment in child education, and reliance on philanthropy for survival. These consequences are severe for a country in which everybody is expected to be productive.

In recognition of the impact of HIV/AIDS in Kenya and its effect on individual business enterprises, the corporate sector, alongside government and other development agencies, have initiated a number of programs to mitigate HIV/AIDS. For example, the government has developed an HIV/AIDs Policy to guide organizations in the management of HIV/AIDS at workplace. Similarly, corporate entities have initiated programs to manage the spread of HIV/AIDS, such as non-discrimination of affected staff, taking appropriate infection control precaution at workplace, and providing care and support, including offering counseling services for infected and affected staff.

Furthermore, there are efforts concerning conflict and peace building. Although Kenya is considered to be peaceful, unlike her neighbors, closer scrutiny reveals an unprecedented wave of internal and cross-border conflicts. These conflicts, which mainly manifest themselves as political, economic, environmental conflicts, conflicts over natural resources, land and tribal clashes and, recently, terrorism, are sending signals that all is not as rosy in Kenya as the outside world has been erroneously led to believe. Pastoralists in northern Kenya have borne much of the brunt of internal conflicts, and considerable efforts have been directed at addressing their specific conflicts by a number of stakeholders that include government, religious organizations, community-based organizations and corporate entities. For example, Kengen Company has worked in partnership with other stakeholders to bring peace to some of the regions. These include Turkwel and Moroto in Eastern Uganda, where the company has supported trans-boundary initiatives.

CSR in Kenya often takes the form of investments in community projects, such as supporting or fully funding educational initiatives and health projects. By investing in the community, the corporation improves its own support system, enhances the loyalty of its workforce, and signals to consumers that it is part of the social fabric. An example of such an initiative is the Equity Bank's "Wings to fly project", which provides scholarships for bright but needy Kenyan students.

While social challenges exist everywhere, they are prominent in developing countries, thus giving impetus to CSR initiatives in such contexts. However, the social challenges are quite diverse, ranging from conflict, poverty, and even unemployment. Attention has been drawn to social problems such as conflicts, war, and insecurity in Africa, and their implication for CSR.

Some of the social challenges faced by corporate organizations operating in Kenya in pursuit of CSR include, among others: the prevailing social deprivation and destitution, where the enormity of the social challenges makes the contribution of CSR merely nominal, social discrimination, illiteracy and low levels of education, which make the uptake of some social initiatives difficult. Furthermore, disease and ill health in communities, particularly among those that migrate in pursuit of pasture and water, make it difficult to provide social services to the dispersed population. Such factors as social mobility, cultural barriers, ethnicity and social disparities between the rich and poor provide enormous challenge for organizations seeking to develop CSR strategies.

While research into CSR in times of war and insecurity is rare, particularly in Africa, these are the times when CSR is most needed, to alleviate human suffering in such contexts. Organizations have taken responsibility in countries characterized by poverty, conflict and limited statehood (Kolk & Lenfant, 2013).

Economic Challenges

African economies often face downturns, in comparison to developed economies. Accordingly, business organizations are faced with serious viability and survival challenges during such times. While this is so, communities and publics where firms operate are faced with higher expectations and demands, due to high levels of poverty and deprivation.

Kenya is classed among the world's low middle-income countries. Indeed, poverty in Kenya is a paradox, for the simple reason that although the economy seems to have expanded in the last several years, a large part of the population remains in poverty trap. For instance, in 2013, Kenya was ranked 145th among 186 countries in terms of the Human Development Index established by the United Nations Development Program. Overall poverty levels increased from 48.8% in 2007 to 50.8% in 2008, before declining marginally to 49.8% in 2012 (KIPPRA, 2013).

The fight against poverty is a top priority in Kenya's developmentpolicy agenda. The government's commitment to the realization of MDGs, the elimination of hunger and poverty, and the achievement of inclusive and equitable growth, is contained in various policy documents, such as the Medium Term Plan and Vision 2030. However, a concerted effort is required from all stakeholders, including the corporate sector. It is common in Kenya to find business enterprises implementing poverty reduction and community development programs within their host communities in order to uplift their lives.

Some additional economicchallenges faced by corporate organizations operating in Kenya in pursuit of CSR include, among others: transitory economic depression, leading to low household income; increasing levels of poverty, which increase pressure and expectation; financial crisis; high unemployment among women and youths; high levels of debt at the national level; and, finally, high interest rates and inflationary pressure that create a turbulent economic environment. These are huge challenges to the development of an economically viable CSR plan.

Most studies on CSR in challenging times have focused mainly on financial crisis. Some of the severe consequences of financial downturn are stock index failure, the collapse of financial institutions, higher unemployment, poverty, and governments needing rescue packages to bail out their financial systems (Adamu, 2009). Companies are compelled by financial circumstances to restrict their expenses, including reneging on their corporate social responsibilities as these generate costs (Fernández-Feijóo Souto, 2009; Orlitzky, Schmidt, & Rynes, 2003). Njoroge (2009) concludes that CSR initiatives can be delayed or cancelled because of financial crises. However, the global financial crisis provides great opportunities for companies such as corporate brands, employee satisfaction, economic performance, and increased productivity.

Times of financial crisis are likely to be characterized by uncertain business environments. During such challenging times, both organizations and the relevant parties in society seek to avoid the effects of crisis through remedial actions, such as cutting costs by laying off workers, postponing investments, reducing budgets for the following year, and consuming less. However, it is often suggested that it is a mistake for organizations to reduce their CSR projects.

Environmental Challenges

Environment represents the totality of our surrounding, such as plants, animals, microorganisms, and socio-economic and cultural factors. It includes the physical factors in human surroundings such as land, water, forests, atmosphere, sound, smell, taste, animals and plants, and the social factors of aesthetics, in both the natural and built environment. Environment is an essential feature of Kenya's developmentpolicy, because of the realization that the survival and socio-economic wellbeing of Kenyans is intertwined with the environment.

Having realized the critical role of the environment in Kenya's development, the government has established institutions, policies, laws, regulations and guidelines to manage the environment. For instance, the government enacted The Environment Management & Coordination Act which established the National Environment Management Authority (NEMA). The key mandate of NEMA is to coordinate environmental management activities undertaken by lead agencies and to integrate environmental considerations into development policies, plans programs and projects, examine land use patterns, and carry out surveys which assist in the proper management and conservation of environment. Further, the authority advises government on legislative and other measures for the management of the environment, including the interpretation of relevant international conventions, treaties, and agreements. The authority also coordinates research, surveys and disseminates information about environment management, among other functions. The Environment Management & Coordination Act clearly stipulates those activities that affect the environment, and provides mitigation measures required in order to protect the environment.

The government has also developed several policies to address environmental issues, such as a Wetlands Policy, Wildlife Policy, Forestry Policy, National Energy & Petroleum Policy, among others. Therefore, the Kenyan government has put mechanisms in place to ensure environmental protection and conservation in order to realize its strategic objectives.

Environmental issues are of critical importance to developing countries, in view of climate change, environmental pollution, and degradation. Organizations are faced with decisions concerning the environmental sustainability of their activities. Some of the environmental challenges faced by corporate organizations operating in Kenya include, among others; environmental pollution common in many urban and peri-urban settlements in Kenya, sustainability of productive activities and avoidance of waste, environmental degradation, and the increasingly damaging effect of climate change at the national and global level. The impact of climate change appears particularly critical for the country. Other challenges include environmental health and the increased risk of exposure to life threatening diseases.

5 Motivators of CSR Engagement

Cultural Values Kenyan culture is driven heavily by cultural values anchored in philanthropy and communal ties. In this regard, CSR is a product of Kenya's cultural, social, economic and politicaldevelopment over the centuries. A critical examination of Kenya's cultural, social, economic and political environment reveals this, and demonstrates the deep seated norms, traditions and values that promote social responsibility or irresponsibility among the citizenry. Perhaps more significantly, CSR in Kenya has its roots in a national, social, cultural, and political heritage. Firstly, at the birth of the republic in 1963, the government pledged to fight poverty, illiteracy, and disease. This has significantly shaped the Kenyan agenda for the past 50 years. In addition, the national anthem espouses the tenets of justice, peace, liberty, unity, and service. The cultural context is an important factor in defining CSR in any country (Muthuri & Gilbert, 2011). CSR in Kenya has its roots partly in the cultural and communal context, and more specifically in indigenous and religious concepts.

First, the '*Harambee*' spirit; a rallying call at independence by the founding president embodies and reflects the strong ancient value of mutual assistance, joint effort, social responsibility, and community self-reliance. It is guided by the principle of collective good rather than individual gain (Winston & Ryan, 2008), by helping others in times of need through donations (Tarus, 2015). The *harambee* spirit entails the provision of support to underprivileged members of the community, by fundraising for school fees and medical bills and the construction of schools, hospitals, and churches, among other community projects (Mbithi & Rasmusson, 1977; Musau, 2014). Although the *harambee* concept was intended to help the poor members of the society, it is common to find wealthy individuals using it to meet pressing obligations. Therefore, philanthropy is part of the Kenyan value system, and thus organizations that do not participate in corporate giving are perceived negatively by the community (Tarus, 2015).

Secondly, making *donations to the poor in society* is central to most of the religions with significant adherents among the Kenyan population, such as Christianity, Hinduism, Buddhism, African traditional religions and affiliated religious organizations. For instance, *Zekat* (or Zakat), a concept that means charity or alms to the poor, is one of the five pillars of Islam, and is practiced by a significant Kenyan Muslim population, who comprise approximately 10% of the country's population. The giving of alms is the practice of charitable giving by Muslims, based on accumulated wealth. It is an obligatory practice for all who are able to do so, and it is considered a personal responsibility for Muslims to ease the economic hardship of other Muslims and to eliminate inequality among the followers of Islam.

The Legal and Regulatory Environment There are several constitutional, legal and regulatory provisions that require CSR engagement in Kenya. First, the Constitution of Kenya explicitly underlines several CSR provisions. In particular, Chapter 2 Article 10 of the constitution clearly outlines the national values and principles of governance, including national unity, the sharing and devolution of power, the rule of law, democracy and the participation of the people, human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination, and the protection of the marginalized. It also emphasizes good governance, integrity, transparency and accountability, and sustainable development. Chapter 4 Article 19 outlines the bill of rights for citizens. Further, Chapter 5 of the constitution of Kenya stipulates environmental protection and, consistently with this provision, the National Environment Policy was developed to address environmental concerns. The policy provides a broad range of measures and actions designed to respond to key environmental issues and challenges. It provides a framework for an integrated approach to the planning and sustainable management of natural resources in Kenya, recognizes vulnerable ecosystems, and prescribes various policy measures to promote mainstream sound environmental management practices, and recommends institutional and governance measures to anchor the achievement of these desired goals.

Market Access Kenya is integrated into the world economy, as evidenced by its annual exports and imports. For instance, the vast majority of exports are in tea, horticulture and coffee. In this regard, Kenyan exports are expected to comply with a raft of ever-growing sets of international rules and industry specific standards. Some of the set standards include the social and environmental conditions of production, such as labor standards and pollution. These form the basis of corporate codes of conduct that the industry has developed to assure key stakeholders of their commitment to corporate citizenship. Certain codes are becoming minimum market entry requirements: specifically, the Ethical Trading Initiative (ETI) in the UK. These codes may present barriers to market entry, especially for small producers, as are most producers in Kenya. Furthermore, there is a growing interest across the world in the adoption of ISO 14001 for export oriented companies.

Stakeholder Activism Several stakeholder groups have emerged in Kenya to put pressure on organizations to be socially responsible. Some of the key pressure groups include development agencies, trade unions, international non-governmental organizations (NGOs), business associations, religious groups, and the media.

Catastrophic Events Catastrophic events are likely to elicit CSR responses from corporate entities, especially those of a philanthropic nature. For example, the terrorist attack at Garissa University College (GUC) where up to 148 people were killed, was one of the most tragic events in the world at the time. This saw a number of diplomatic missions in Kenya and across the globe pulling out all the stops to aid the surviving students by offering scholarships, and medical and other support.

Similarly, the terrorist attack at Westgate Mall, Nairobi, resulted in massive donations and contributions from corporate entities to the affected families.

Community Expectations Community expectations put enormous pressure on organizations to be socially responsible in Kenya. According to Visser (2008), the failure by the government to provide basic public services compels citizens to look to the private sector as an alternative solution to their socio-economicchallenges. A typical case in Kenya was when the Maasai community demonstrated against the Magadi Soda Company in the year 2000. The local community staged a demonstration over the failure of the company to provide employment opportunities (Muthuri et al., 2009). The Maasai community has traditionally relied on livestock rearing as its main source of livelihood, but with persistent drought and the absence of government intervention, the Maasai turned to the Magadi Soda Company for increased social provision and employment. The company had employed few local people, owing to low skill levels and illiteracy among the Maasai community. As an offensive mechanism, the Maasai challenged the company's land lease rights of approximately 225,000 acres, claiming it as their ancestral land (Muthuri et al., 2009). These demonstrations triggered increased philanthropic giving by the company.

Government The Government has been shaping the CSR agenda through the formation of regulatory agencies to oversee CSR and the enactment of legislations and specific codes. The government has established several organs to oversee CSR implementation, such as the National Environmental Management Authority (NEMA), the Kenya Bureau of Standards (KEBS), the Competition Authority of Kenya, the Kenya Consumer Protection Advisory Committee (Kecopac), and the Capital Market Authority and Kenya Flower Council. Furthermore, the government has established legal and regulatory frameworks and codes of conduct to support the CSR agenda, such as National Environmental Policy, Kenya Flower Council Code of Practice for local exporters, Consumer Protection Act No. 46 of 2012, Competition Act, No. 12 of 2010, and Occupational Safety and Health Act, 2007, among others.

In addition, the government has also set up constitutional commissions to oversee ethical concerns such as an Ethics and Anti-Corruption Commission, a Kenya National Human Rights and Equality Commission (KNHREC), a Commission on Administrative Justice, and a National Gender and Equality Commission. The development of these laws and legislative organs is a deliberate attempt to institutionalize CSR in Kenya. However, the enforcement of and compliance with CSR regulations remains a challenge.

Multinational Corporations Although Kenya has a strong heritage that shapes its CSR profile, her large cosmopolitan foreign constituency, such as multinational organizations, partly shape the CSR profile. For example, Bamburi Cement Company attaches particular importance to the development and well-being of employees and local communities in the places where it operates. Their primary focus is on health and safety, education, and environmental conservation. The company also sponsors sports activities such as rugby. Other multinationals, such as East African Breweries, also invest in CSR programs. The company introduced a sorghum-based beverage—a drought local crop grown in dryland—as a way of empowering communities in such areas to have gainful agriculture and hence to address and improve food insecurity. These initiatives by multinational companies are being replicated by local firms because of increased expectations across society.

The Media The media plays an important role in creating awareness of social irresponsibility and empowering stakeholders with information on issues relevant to CSR initiatives, in areas such as health, education, security, environment, and society in general (Kensall, 2001). While the accuracy of information and the level of reporting is generally weak, Kenya's media industry has played a significant role in identifying social irresponsibility among corporate entities. The freedom of media which is envisaged in the constitution of Kenya has been at the forefront in highlighting the negative impact of entities in various sectors of the economy.

For instance, the lead incident in Owino Uhuru slums in Mombasa in 2014 is a good example of the role played by the media in exposing social irresponsibility. Indeed, the demand for lead batteries by the vehicle, telecommunications, and solar industries around the world has led to the lead battery recycling industries in Kenya, which have grown, while environmental controls have lagged behind. This was highlighted by the case of the Metal Refinery Export Processing Zone, a factory which manually extracts lead metal from used car batteries located in close proximity to the Owino Uhuru Slum. Residents experienced severe cases of lead poisoning with serious health consequences such as loss of neurological function, brain damage, decreased blood production, male infertility, increased blood pressure and even death. The effect of lead poisoning is more severe among small children.

As a result of these environmental hazards, some affected families approached the media with information about the health crisis in Owino Uhuru slum. The media flagged the hazard through investigative reporting, for more than 1 week, which involved interviewing the affected families, the owners of the enterprise, the public health officials, health experts and political class. Within just a few days, the business was shut and the owners left the country to avert arrest. The enterprise has since closed.

Civil Society and Advocacy Groups Africa's long history of social and economic deprivation arising from acts of slavery, colonialism, economic and trade inequalities, resource exploitation and degradation by multinationals calls for an urgent and clear focus on CSR as a social and political empowerment strategy. Indeed, Kenya has a vibrant civil society and advocacy groups, as enshrined in the constitution. There are hundreds of such organizations operating in Kenya, such as Consumers Federation of Kenya (Cofek), Central Organization of Trade Unions (COTU), Centre for Corporate Governance, and Community-based organizations (NGOs/CBOs). In addition, international organizations such as UN Global Compact, UNDP and UNIDO have played a key role in institutionalizing the CSR concept in Kenya.

6 CSR in Small and Medium Enterprises

Small and Medium sized Enterprises (SMEs) have been recognized as the engine that drives development and industrialization. SMEs have been variously defined, depending on the study context. However, in Kenya, consistent with the sessional Paper No. 2 of 2005, an SME is an enterprise with less than one hundred employees, and with an annual turnover of less than four million shillings (GOK, 2005). The role of SMEs in driving development and industrialization in Kenya cannot be overemphasized. The 1999 Baseline Survey conducted by the Central Bureau of Statistics (CBS) shows that there are over 1.3 Million Micro and Small-Scale enterprises employing a total of approximately 2.3 million workers, which accounts for 26 % of the total workforce. It contributes an estimated 13.8% of the country's Gross Domestic Product (GDP).

SMEs are present in almost all sectors of the economy, such as manufacturing and the service industry. In pursuit of their objectives, SMEs also contribute significantly to environmental degradation and pollution, due to factors such as the type and age of technologies used, awareness of the impact of their operations, and other industry-specific characteristics. In particular, the manufacturing SMEs consume substantial resources and also produce a significant share of pollution and resource depletion. For example, the constant logging of forests in Kenya is attributed to SMEs engaged in wood products.

7 Mitigation Strategies

7.1 Governments Mitigation Strategies

The government has formulated several legislations and policies to address CSR. For instance, corporate governance, which is a critical issue in managing organizations, is guided by the Capital Markets Act (CMA Cap. 485A) for public listed companies in Kenya (GoK, Gazette Notice No. 3362, 2002). These guidelines were developed in response to the growing importance of governance issues in Kenya, in order to promote growth in domestic and regional capital markets, to recognize of the role of good governance in corporate performance, capital formation and maximization of shareholders value, and to protect investors' rights, including the separation of power between three arms of governments and the balance of power between National & County Government.

7.2 International Organizations and NGO's Challenges Mitigation Strategies

Traditionally, many NGOs engaged in consumer or shareholder activism (Dahan, Doh, Oetzel, & Yaziji, 2010), and use adversarial strategies of litigation against corporate malpractice. They also conduct critical research and fostering public education (Utting, 2005). Other actors include the UN (specifically, UN Global Compact), the African Union, NEPAD, and the African Peer Review Mechanism. Others include international NGOs on human rights, corruption, governance and environmental impacts, the World Bank and IFC, indigenous approaches, and supply chainregulations (e.g. export market regulations). Some roles of these entities include funding opportunities, empowerment programs, training programs, and the provision of basic services.

7.3 Mitigation Strategies by SMEs

The role of SMEs in Kenya is enormous, from job creation, entrepreneurshipdevelopment, and contribution to GDP. As SMEs make their contribution to the national development, it is expected that their activities will have a negative impact not only on the environment but on other areas such as quality jobs and products that meet the required customer standards. For SMEs to be socially responsible, the following mitigation strategies are required:

- Capacity development and the promotion of environmentaleducation and awareness among SMEs
- Promotion of efficient and cleaner production technologies that meet socially responsible standards
- Promotion of employee rights among SMEs, in terms of the provision of conducive work environment and fair remuneration practices, among others

8 Is CSR a Blessing, a Curse or Necessary Evil?

The status of CSR espoused in earlier sections of this paper point to three possible scenarios. These are:

CSR as a Blessing
Most studies on CSR have examined its beneficial effects in developed countries. However, few such studies have been carried out in developing countries, particularly in Kenya, especially in challenging times. Thus, the beneficial effects of CSR have been pursued in various ways by different actors in Kenya.

As discussed earlier, persistence of political, economic, legal, social and environmental challenges calls for CSR agenda to mitigate these.

Traditionally, CSR has promoted the corporate or public image of organizations. Indeed, organizations engaged with CSR activities benefit through the enhancement of their corporate status and image. Indeed, CSR has helped organizations to differentiate themselves from others (Jamali & Mirshak, 2007). In addition, the empowerment of deprived communities, e.g. Safaricom supports economic empowerment projects such as income generation, food security, employment creation, and skills transfer through vocational training.

Moreover, organizations engage in CSR to gain social acceptance and legitimacy. This is akin to a license to operate in the community. Furthermore, CSR is used to bridge the widening divide between rich and poor. This is critical in Kenya, which remains very unequal and where the gap is widening. CSR is also pursued to meet the high social expectations of businesses. In Kenya, some businesses are very large relative to the national economy, which brings an increased level of social expectation.

In a normative sense, business and society are intricately interlinked, and businesses are expected to be good corporate citizens. In another sense, CSR is the right thing to do, and therefore organizations are ethically and morally obliged to undertake CSR.

CSR as a Curse
This perspective is completely opposed to the idea promoted by some organizations that CSR is an unnecessary digression. Such organizations believe that by performing their functions as private enterprises, they are already engaging in CSR, and that the pursuit of CSR would hurt shareholder interests. Others argue that CSR is a costly enterprise without direct benefit to the organization, and that it suffers from free riding problem. Thus amid several political, legal, economic, social and environmental challenges espoused earlier CSR is perceived as a curse.

CSR Is a Necessary Evil
This perspective emanates from actors who are reluctant to pursue CSR, but do so only to meet the minimum possible standard. They would rather not pursue CSR, and would not if it were voluntary. In Kenya, this is the more likely approach to CSR. Since it is mostly voluntary, many organizations shun CSR. However, a few do pursue CSR, as a philanthropic gesture to the communities.

9 Conclusions and Implications

The concept of CSR in challenging times is receiving interest from a range of actors—but it is a multifaceted concept and is far from clear. In Kenya, despite several challenges of a political, social, economic, legal and environmental nature, the lack of an institutional framework has led to haphazard responses to CSR from various stakeholders and actors. Indeed, deepening CSR to respond to crisis situations calls for a regulatory framework. This is because the practice of CSR in a situation of crisis or a challenging era is amenable to a variety of initiatives, approaches, and multiple actors. Thus, in Kenya's adolescence era, CSR is in a state of flux. There is a need to develop management education by focusing on CSR and ethics in local contexts, in order to bolster, deepen and broaden the CSR agenda, and to develop policies and strategies that are specific to local challenges and situations.

Theoretical, Practical and Research Implications

The theoretical implication of the paper is implicitly apparent. While definition of CSR and its operationalization and conceptualization is long overdue, it has been assumed to be context free. However, CSR is context specific and thus, this paper attempts to focus on CSR in challenging times. As such this leads to extension and broadening of CSR agenda to different contexts and operating environments.

In practice, CSR implementation in Kenya and elsewhere in the developing world is erratic, incoherent and unsystematic. indeed, CSR implementation in practice is multifaceted. Accordingly, CSR has been touted as a blessing, curse or necessary evil. There is need to initiate and adopt a regulatory and institutional framework to drive CSR agenda in Kenya and other contexts where CSR agenda is largely voluntary. These CSR programs and initiatives need systematic focus and consistency.

On research implications, in order to deepen and broaden CSR agenda in Kenya and elsewhere in Africa research focus should be on qualitative and quantitative aspects. More specifically, there is need for proper operationalization and conceptualization of CSR agenda, including empirical testing of inherent relationships and attendant implications for theory and practice in Africa generally and Kenya specifically. Thus, CSR concepts, constructs and instruments be developed and tested empirically in various contexts. Granted that CSR is relatively mature in the developed north than the developing south, range of tools and instruments utilized in the former be made custom specific for the latter. More research focus should extent to other relatively ignored CSR areas such as sustainability. The multidisciplinary nature of CSR should be espoused. For instance focus could extent to the economics, sociological, cultural and political aspects of CSR agenda.

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