

Awareness of the Concept of Corporate Communication among the Youth: A Case of Equity Bank's Social Responsibility Programmes in Kisii County, Kenya

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Abstract

As one of the components of corporate communication, corporate social responsibility (CSR) is gaining currency in both for-profit as well as not-for-profit organizations the world over as

it enhances good corporate management and sustainable development. Although many corporations in Kenya are engaged in CSR activities, Equity Bank has tended to employ a more transformative approach. Majority of those who are targeted to benefit from the bank's CSR programmes comprise the youth. However, there is very little known about the extent to which the public, including the youth, is aware of these programmes, particularly in Kisii Central sub-county of Kisii county, Kenya. Thus the study sought to fill this gap. The descriptive survey research design was used. The study population comprised 897 youths in the sub-county who had benefitted from the bank's CSR programmes. Simple random sampling was used to select 180 of them to participate in the study. Additionally, five (5) respondents who were knowledgeable on the bank's CSR programmes concerning youth empowerment were purposively involved as well. An interview guide and questionnaire were used to gather information to be analyzed. Descriptive statistics including frequencies, percentages and graphs were used to present the data. The study revealed that the level of awareness among youths of the bank's range of CSR programmes was low. The study recommends that the youth be sensitized on all the bank's CSR programmes. Apart from laying ground for further research, the findings are of great benefit to the concerned policy makers, academicians and other stakeholders.

Keywords: corporate communication, social responsibility, youth empowerment

1. Introduction

In a bid to improve on their management styles and images before the public, a growing number of organizations are initiating corporate social responsibility (CSR) programmes. Research has particularly pointed to the potential business benefits of the internal as well as external communication of CSR efforts (Morsing & Schultz, 2006). Macharia (2012) asserts that CSR is an area that has potential to significantly boost a company's public image. If well executed, a CSR project endears a brand in the minds and hearts of the people in an emotional manner as opposed to other communication methods that sell a product to them.

Although CSR has gained unprecedented popularity for decades now, controversies and debates still remain regarding its definition. Noked (2013) observes that CSR generally refers to how a company addresses and manages its environmental, social, corporate governance as well as economic impacts and how they affect stakeholders. And, while opinions differ on how responsibility should be allocated across the public and private sectors, corporate stakeholders, including shareholders, employees, customers, suppliers, communities, governments and regulators are demanding that companies recognize a broader scope of responsibility in addressing some of the most challenging social and economic problems in society.

It is important however, to note that CSR is not about rewards. Instead, it is an effort by organizations to deploy their resources in a way that helps the organizations build a mutually productive and sustainable relationship between them and the communities with which they do business. If well implemented, a CSR is a win-win initiative for both the organization and the CSR beneficiaries (Infotrak East Africa, 2013). Accordingly, it would be interesting to find out how many Kenyans out there understand the concept and intent of executing CSR

and how best they can utilize the relevant opportunities to augment their socio-economic development.

More importantly, it is worth to observe that the success of CSR initiatives largely depends on the communication of the same to stakeholders. Manheim and Pratt (1986) note that effective communication can help build corporate identity as a contributing member of the society, a good citizen and a social leader. Generally, CSR is associated with positive corporate virtues and reflects an organization's status and activities with respect to its perceived societal obligations. Editors, legislators and other important opinion leaders in the United Kingdom, for example, consider CSR communication as important when they judge a company (Dawkins, 2004). Macharia (2012) notes that corporations in Kenya have taken to CSR with gusto in an attempt to improve transparency and accountability in their business transactions, ethically improve profitability, self regulation and implement community development programmes. Indeed, many organizations such as Equity Bank, Kenya Commercial Bank, Safaricom and East African Breweries have formed foundations to help them implement their respective CSR programmes.

It has been argued that the Equity Group Foundation, which was founded in 2010, has tended to transform the concept of philanthropy and CSR in Kenya to a level previously unknown (Equity Bank, 2013). The foundation focuses on six key social thematic areas of education and leadership development, financial literacy and access, entrepreneurship, agriculture, health, innovation and environmental protection. The bulk of the beneficiaries of this creative venture constitute the youth. As per WWB Agenda (n.d), the youth are the backbone of the nation. They can change the future of the society with their well-being. Thus, they are social actors of change and can serve as a pressure group to lobby governments in defining their priorities. Accordingly, we should therefore foster, develop and support youth initiatives, including promoting a strong representational youth voice in the service and decision-making life of our community. We should also engage youth as resources at the grassroots, national and international levels.

According to the Kisii Central District Development Plan 2002-2008 (Republic of Kenya, 2002), the youth have been marginalized in most sectors and their input is never considered in the improvement of their lives as well as empowerment of the community. To reverse this scenario, there are campaigns initiated by companies, including banks, and non-governmental organizations to supplement the government's efforts to empower the youth. As noted earlier on, Equity Bank is engaged in a wide range of programmes directed towards empowering the youth. But there have been claims that such CSR programmes have not been adequately communicated to the youth in Kisii Central sub-county. This prompts questions concerning the level of public awareness of such programmes, a gap that this study endeavoured to fill. The specific objective of this study was to determine the beneficiaries' level of awareness of the whole range of Equity Bank's CSR programmes geared towards empowerment of the youth in Kisii Central sub-county, Kenya.

1.1 Public Awareness of CSR

According to Ufadhili Trust (2013), advocacy and awareness creation is crucial in giving

CSR a fixed identity by providing information as well as dispelling misconceptions. However, Trudel and Cotte (2009) assert that consumers know far less about the organizations they buy from and yet the premise of ethical consumerism is that informed consumers can promote CSR. Accordingly, consumer preference for products deemed ethical or sustainable is expected to encourage firms to be more socially responsible. Indeed, there is evidence to suggest that this is becoming an increasingly mainstream phenomenon. But mainstream or not, what consumers really know about the social responsibility of companies as well as how their consumption decisions are influenced by the limited information available to them on company practices are some of the pertinent questions to be considered. As per Smith, Read and Lopez-Rodriguez (2010), the CSR halo effect suggests consumers might extrapolate from a small number of examples of CSR-related practices. This is critical for businesses to understand, both in general and in the specific ways in which such behaviour is manifest. It is important to note that this has major implications for company CSR strategy, especially what initiatives are undertaken and how they are communicated.

Due to various benefits brought about by CSR practices, companies have realized the importance of CSR communication and facilitated the flow of relevant information to stakeholders. According to Morsing and Schultz (2006), messages about socially responsible initiatives are likely to evoke strong and often positive reactions among stakeholders. Maignan and Ferrel (2004) argue that the extent to which companies communicate their CSR activities would greatly influence stakeholders' awareness of it. Companies are increasingly working with stakeholders to understand their views and concerns on various environmental, social, corporate governance and economic issues (Noked, 2013). The companies also strive to incorporate and address such views and concerns in their strategic decision making processes.

Research suggests that the more companies expose their ethical and social ambitions, the more likely they are to attract critical stakeholders' attention. Accordingly, critical stakeholder attention is not restricted to a company's decisions and actions, but also focuses on the decisions and actions of the suppliers, consumers and politicians which may spur criticism towards a company. Wigley (2008) found out that when participants were exposed to information about a company's CSR activities, they had more positive attitudes and stronger purchase intentions for that company's products. In communicating CSR, companies employ a wide range of ways to reach stakeholders and targeted audiences including corporate brochures, newspapers, magazines, TV, radio, trade publication, intranet and corporate websites. According to Morsing and Schultz (2006), technological developments including the internet, websites and social media as new communication methods have been adopted by companies to present themselves as socially responsible. Today, more and more companies designate a special part of their corporate websites for communicating CSR with their stakeholders and as a channel for image building. Companies also need to establish bonds to stakeholders to invite them to participate in their CSR initiatives. This study made an attempt to establish how the youth who had benefitted from Equity Bank's CSR programmes initially came to learn about them.

Morsing and Schultz (2006) note that CSR engagement today requires more sophisticated and

ongoing stakeholder awareness and calls for appropriate CSR communication strategies than previously. Wamitu (2014) notes that CSR provides a platform for dialogue among governments, non-profit organizations and businesses to cope with the various economic, social and environmental problems facing the world. It enables members of the public to become aware of the intentions of CSR activities, understand their rights and the role they should play. Moreover, they will be in a position to contribute in suggesting what should be prioritized by businesses as they choose CSR activities. These pieces of work greatly informed this study.

It has been reported that Equity Bank's business model as well as leadership has continued to draw local, regional and global attention (Equity Bank, 2013). Among others, the model is said to be studied in some of the leading business schools in the world while the developing countries, especially in Africa and Asia seek to learn from the bank's low margin but high volume model. Against this background, this study made an effort to establish the degree to which the public, including the youth, were informed about Equity Bank's range of CSR programmes.

2. Methodology

The study used the descriptive survey research design. According to Wimmer and Dominick (2011), a descriptive survey attempts to describe or document current conditions or attitudes, that is, to explain what exists at the moment. Both primary and secondary data were used in the study. In particular, primary data was collected through the use of questionnaires and interview guides while secondary data was obtained from journals, books, theses and the internet. Simple random sampling was used to select 180 youths who participated in the study. In addition, five (5) respondents considered to be well-informed about Equity Bank's CSR programmes, particularly those involving the youth in the sub-county were purposively included so as to gather information relevant to this study. Thus, a total of 185 respondents were involved in this study.

The data was analyzed both qualitatively and quantitatively. While qualitative data was analyzed in a systematic manner in order to arrive at relevant conclusions and formulation of recommendations, quantitative data was analyzed by use of the Statistical Package for Social Sciences (SPSS- Version 13.0). Data was presented using such descriptive statistics as frequencies, percentages and graphs. The findings are presented, interpreted and discussed as per the specific objective of the study in the following section.

3. Data Presentation, Interpretation and Discussion

Among the respondents in this study, there were 100 males and 80 females, translating to 55.56% and 44.44%, respectively. Thus, majority of the respondents were male. The fact that there were more males than females who participated in this study indicates that there was gender imbalance among the youth who have benefitted from Equity Bank's CSR programmes. There is need therefore, for more females to be encouraged to take part in the bank's CSR activities in order to narrow gender disparity.

3.1 Beneficiaries of Equity Bank's CSR Programmes

The respondents were asked to indicate Equity Bank's CSR programmes from which they had benefitted. Table 1 below presents the findings.

Table 1. Beneficiaries of Equity Bank's CSR programmes

Programme	Frequency	Percentage
Education and leadership	49	27.22
Financial literacy and Entrepreneurship	108	60.00
Agriculture	04	2.22
Health	02	1.11
Environmental protection	10	5.56
Innovation	07	3.89
Total	180	100.00

Source: Researcher (2014).

It can be seen from the table that 60% of the respondents benefitted from financial literacy and entrepreneurship while 27.22% others benefited from education and leadership programmes. This finding seems to agree with the argument that in addition to education and related concerns, programmes that empower small-and-medium scale enterprises have become popular in the recent years, along with a growing focus on young people (Rawabi Holding, 2013; Jakarta Post, 2012). In addition, it can be observed that 5.56% of the respondents benefitted from environmental protection activities, innovation (3.89%), agriculture (2.22 %) and a paltry 1.11% from health. Figure 1 is a graphical representation of the data.

Figure 1 shows that majority of the beneficiaries, that is, 60% and 27.22 % were in the financial literacy and entrepreneurship as well as education and leadership programmes, respectively. This implies that there was more awareness on financial literacy and entrepreneurship as well as education and leadership programmes compared to the other four CSR programmes. This is due to the reason that the bank engages itself more on financial issues like offering credit facilities, including loans and mortgages and sponsoring education activities which are usually well publicized. According to Corporate Watch (n.d), corporations make donations to charity only if they see potential profit in it. Thus, there is always an intention to have more benefits compared to what goes to charity.

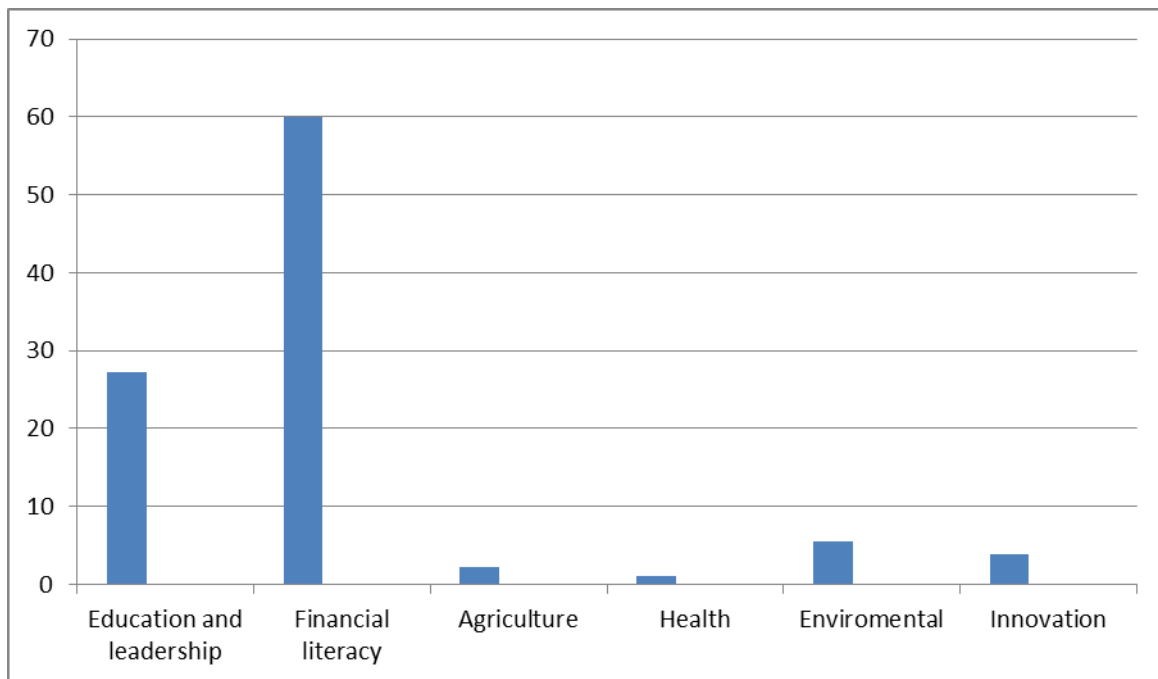


Figure 1. Beneficiaries per Equity Bank's CSR programme

3.2 Awareness of the Range of Equity Bank's CSR Programmes

The respondents were asked whether they were aware of the entire range of Equity Bank's CSR programmes. While 132 of them indicated that they were not aware of all the bank's CSR programmes, only 48 others did. This is equivalent to 26.67% and 73.33%, in that order. Figure 2 summarizes this finding.

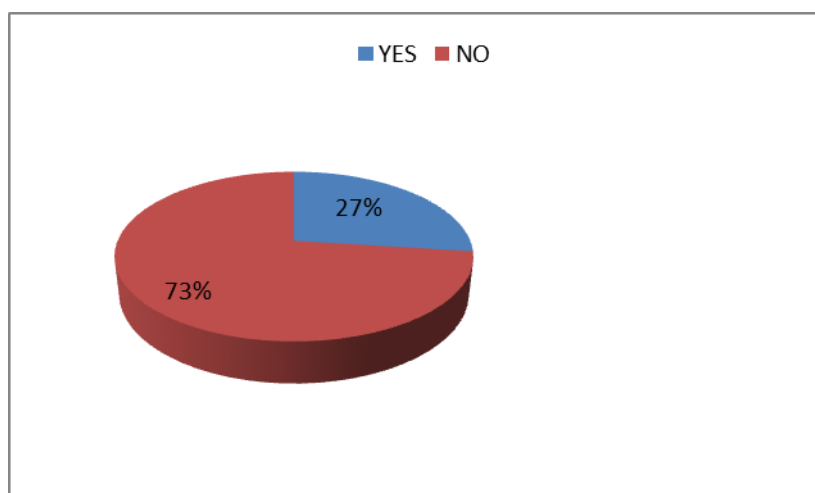


Figure 2. Awareness of Equity Bank's CSR programmes

It can be seen from the figure above that 73% of those who participated in this study were not aware of the entire range of Equity bank's CSR programmes. In other words, such participants were only aware of the specific CSR programmes from which they had benefitted. This implies that sensitization on the bank's CSR programmes among the stakeholders is not effectively implemented. Indeed, this could have led to the low level of participation in most of the bank's CSR programmes. As noted earlier on, this is particularly the case in the environmental protection, innovation, agriculture and health programmes. Sun (2010) advises that for CSR initiatives to succeed, communication of the same is paramount. Similarly, Ufadhili Trust (2013) holds that advocacy as well as awareness creation is crucial in giving CSR a fixed identity by providing information and dispelling misconceptions.

Data from the figure reveals that a paltry 27% of the respondents were aware of the entire range of Equity bank's CSR programmes on offer. This means that apart from the specific CSR programmes they had benefitted from, they were equally aware of the rest of the programmes run by the bank. However, given the small number of beneficiaries who were aware of all the CSR programmes sponsored by the bank, queries about the effectiveness of communicating such programmes to the youth and the public in general come to the fore. This scenario therefore, could hinder the bank's intention towards empowerment of the youth.

3.3 Initial Sources of Information on CSR Programmes

Asked to state how they came to learn, for the very first time, about the CSR programmes offered by the bank, the youths' responses were as recorded in the table below.

Table 2. Initial sources of information on CSR programmes

Response	Frequency	Percentage
From those who had already benefitted	94	52.22
Friends and family members	50	27.78
Radio	18	10.00
Newspapers	09	5.00
Equity Bank's annual reports	05	2.78
When joining Form One	03	1.67
When applying for assistance from the bank	01	0.56

Source: Researcher (2014).

The table reveals that 52.22% of the respondents first came to learn about the bank's CSR programmes on offer through those who had previously benefitted, friends and family members (27.78%), radio (10.00%), newspapers (5.00%), the bank's annual reports (2.78%), when joining form one (1.67%) and while applying for financial assistance from the bank (0.56%). Given that majority of the beneficiaries of Equity Bank's CSR programmes initially learnt about them from those who had benefitted earlier on as well as friends and family

members, it is important that all beneficiaries be made aware of the entire range of the programmes that the bank sponsors. This is because they are the main sources of the CSR programmes provided by the bank to the public, including the youth. However, more effort also needs to be made to popularize radio, newspapers and the bank's annual reports as other sources of information about Equity Bank's CSR programmes.

Similarly, when asked to indicate the means used to sensitize the youth about the CSR programmes offered by Equity Bank, two of the key informants named the officers in charge of youth affairs and road shows sponsored by the bank. Another two and three of the key informants identified brochures and public *barazas* or gatherings as other means used to bring to the attention of the youth the various bank's CSR programmes. These findings are similar to those of Wigley (2008) who found out that companies use means like newspapers, radio, brochures, magazines, TV and websites in communicating CSR to relevant stakeholders.

4. Conclusion

From the findings of the study, it was concluded that awareness among the youth of Equity Bank's entire range of CSR programmes was low. Indeed, the youths were not fully aware of the programmes due to inadequate sensitization on the same. This means that many eligible youths have not been able to benefit from these programmes. To rectify this scenario, therefore, there is need to make deliberate efforts to sensitize the youths and the public as a whole on the various CSR programmes sponsored by Equity Bank so that as many potential youths as possible may benefit from them. This can be done through youth affairs offices, public meetings, local dailies, radio and TV, Equity Bank's website, annual reports and brochures prepared by the bank, among others.

This study focused only on Kisii Central sub-county out of the eight sub-counties in Kisii county, Kenya. Thus the findings can only be generalized to this particular sub-county. To corroborate these findings, similar studies involving a bigger geographical area as well as sample are necessary. Furthermore, the respondents in this study may not have necessarily given their honest feelings concerning the items contained in the data gathering instruments. It is also worth noting that self-report instruments, like the questionnaire and interview schedule used in this study have limitations with regard to both validity and reliability.

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