EFFECT OF CORPORATE SOCIAL RESPONSIBILITY ON EMPLOYER BRANDING: A SURVEY OF STAKEHOLDERS IN SELECTED TEA FACTORIES IN KERICHO COUNTY, KENYA

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DEDICATION

I dedicate this thesis to my entire family. You have had invaluable input into this research thesis.

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ABSTRACT

Corporate Social Responsibility (CSR) basically refers to what is done by organizations to positively influence the society in which it exists. This could include, healthcare initiatives, preservation of cultural heritage and beautification of cities /towns, community relations, special education/ training programs and scholarships and volunteer assistance programs. This study examined the effects of Corporate Social Responsibility on employer branding; a survey of stakeholders in selected tea factories in Kericho County. The specific objectives examined the effect of tea factories' CSR sensitivity to multiple stakeholders comprising shareholders, employees, community and customers on employer branding. This research will therefore be of significant contribution to the knowledge body in invoking managers to compile and publish data on CSR to test and enrich existing literature. Findings of the study will add into the body of knowledge and may contribute to development or confirmation of the existing theory. Future researchers and students will benefit a great deal since the study will be a learning base and help them understand the effects and benefits of CSR on employer branding. The study will also be a source of reference on issues related to CSR. The study was anchored on social contracts and stakeholder theories. The study adopted cross-sectional research design sine it involved different groups of respondents. The target population of 5002 stakeholders of the tea factories was selected to cater for those populations that had experienced the effects of CSR. A sample of 370 respondents was randomly selected using Yamani Taro formula. Data was obtained from self-structured questionnaires. A pilot study was done and a reliability of 0.936 was actualized. Analysis of data was done using descriptive and inferential statistics and presentation done using tables. The findings showed that there exist a positive and significant relationship between CSR towards employees and employer branding with r value of 0.349; customer and employer branding with r value of 0.329; community and employer branding with r value of 0.364; shareholders and employer branding with r value of 0.402 and the overall R^2 value of 0.636 was obtained which showed the variation in the dependent variable are explained by the independent variables. The study concluded that CSR towards the selected stakeholders had positive and significant effects on employer branding. The study made several recommendations. First, the enhancement of staff welfare, training and development, health and safety and promotions based on qualification and experience to maximize the productivity of employees. Secondly, the engagement of CSR towards community through welfare initiatives, education and health and by establishing CSR projects and charity to promote harmony with the community. Thirdly, CSR though quality assurance, product information and customer feedback to ensure customer satisfaction and loyalty. Lastly, promotion of shareholders' satisfaction by involving them in the routine running of factory activities, declaration of dividends, provision of financial records during audits and sponsorship of trips annually. The study suggested that similar research on other sectors of the economy could be considered, especially the service sector including health, insurance and hospitality sectors. The study also suggested that further research of a similar study could be carried out with a focus on other stakeholders including suppliers, Investors and government.

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LIST OF ABBREVIATIONS AND ACRONYMS

ANOVA   Analysis Of Variance

CSR   Corporate Social Responsibility

IBM   International Business Machines

KMO   Kaiser-Meyer-Olkin

KPMG   Klynveld Peat Marwick Goerdeler

KTDA   Kenya Tea Development Authority

MLR   Multiple linear Regression

MNC   Multi-National Corporations

NACOSTI   National Council for Science, Technology and Innovation

NGO   Non- governmental Organization

PMCC   Pearson's Product Moment Correlation Coefficient

QMS   Quality Management System (ISO 9001)

SFSB   Syarikat Faiza Sendirian Berhad

SME   Small and Medium Enterprises

SPSS   Statistical Package for Social Scientists

DEFINITION OF TERMS

Community is a group that is organized around common values and is attributed with social

cohesion within a shared geographical location, generally in social units larger

than a household.

Corporate Social Responsibility refers to what is done by organizations to positively influence

the society in which it exists.

Customer is to a person, company, or other entity which buys goods and services produced

another person, company or entity.

Employees are people who are hired to provide services to a company on a regular basis in

exchange for compensation and who does not provide these services as part of an

independent business.

Employer branding refers to a targeted, long-term strategy to manage the awareness and

perceptions of existing employees, potential employees and related

shareholders with regards to a particular firm.

Factory is a building or group of buildings that contains a plant assembly for the manufacture of

goods.

Social Responsibility is the idea that businesses should not function normally, but instead

should contribute to the welfare of their communities.

Shareholder is a person, group or organization who owns shares and other benefits dividends

and tax reliefs in a company.

Stakeholder refers to an individual or group who has a vested interest in an enterprise and

whose support is required for an enterprise to be successful.

CHAPTER ONE

INTRODUCTION

1.1 Overview

This chapter gives a background to the study, statement of the problem, objectives of the study, research hypothesis, justification of the study, significance of the study, scope of the study, limitations and assumptions of the study.

1.2 Background of the Study

Corporate Social Responsibility (CSR) refers to what is done by organizations to positively influence the society in which it exists. It is a relatively new approach towards recruiting and retaining the best possible human talent within an employment environment that is becoming more competitive, Backhaus and Tikoo, (2004). This could include, healthcare initiatives, preservation of cultural heritage and beautification of cities /towns, community relations, special education/ training programs and scholarships and volunteer assistance programs. The idea is basically giving back to the society what the business has taken in the pursuit of creating wealth. CSR is viewed as a strategic tool of responding to various expectations of multiple stakeholders (Lai,Chiu, Yang & Pai, 2010; Maden, Ariken, Telci & Kantur, 2012).

Different views exist on how effective CSR is on the success of the company. Most managers engaging in CSR use it as a means to simply reach their goals by exploiting the company shareholders, Friedman (1970). Employees are the most important factor for the company's ability to create its bond and all other stakeholders. The organization human capital are therefore vial when creating an improved company brand since they are the larger part of the communication of the company's brand, Raj and Jyothi, (2011). Developing CSR projects helps

organizations to build reputation amongst internal and external stakeholders and through attracting talent, recruiting, retaining and motivating employees. Companies which do not recognize this and even respond appropriately will put their triple bottom line and survival at risk, Ghoshal and Moran (1996). Engagement with stakeholders enhances and sustains a firm's revenue generation through improved relationship with customers, employees and other stakeholders, Harrison and Wicks, (2013).

Employer brand refers to the image of an organization as 'a great place to work' in the mind of current employees and key stakeholders in the external market which includes, candidates, customers, clients and other key stakeholders. Therefore, the art and science of employer branding is concerned with the attraction, engagement and retention of initiatives whose target is to enhance a company's employer brand, Minchington (2010). According to Sullivan (2004), employer branding is considered a long term strategy used to manage the perception and awareness of existing employees, potential employees and related stakeholders with regards to particular firms. The increased focus on employer branding is highlighted in the 2007-2008 Trends List from the Society for Human Resource Management, as a strategy being used in today's competitive business environment.

It is a relatively new approach towards recruiting and retaining the best possible human talent within an employment environment that is becoming more competitive, Backhaus and Tikoo, (2004). It is described as the sum of the company's efforts to communicate to existing and prospective staff what is desirable in the workplace Lioyd, (2002). Generally, employer branding is a Human Resource strategy adopted from marketing, whose focus is purely on current and potential employees of a company.

It refers to the organization's image that is perceived by employees, shareholders and stakeholders. The entire employer branding process is essential in ensuring that talented individuals are retained within the company as other talented people continue applying for positions in the company which also ensures that core competencies and long-term competitiveness are maintained by companies, Seghal and Malati (2013). The success of business has been based on attracting and retaining the right talent as it is an important factor. Companies must therefore strive to win the talent of war in order to achieve success as well as competitive advantage, Sehgal and Malati (2013).

In today's businesses, CSR is an important and essential drive of corporate assets. These businesses have chosen to implant their CSR initiatives into employer branding to improve the manner in which they are presented as a creative and socially active organization. Many organizations outline formal CSR agenda and attend to societal matters in a responsible manner but rarely follow a strategy that links the two together. Businesses, therefore ought to follow a strategy that aims at linking the two notions. According to Hatch and Mirvis (2010), CSR stir internal forces whereas the brand makes it attractive externally. The process helps to create social work in a meaningful and symbolic way which is beneficial to those within the organization and externally within the stakeholders and the publics.

One of the most important aspects of creating a strong employer brand is by being able to make communications about the CSR activities that companies practice, this helps in creating a strengthened relationship between the company and its stakeholders (Du, Bhattacharya & Sen, 2010). CSR is therefore the ability of the business to contribute to sustainable development by

working with employees, their families, local community and the society at large with an aim of improving their quality of life.

According to (Lichtestein et al., 2010), companies have indicated that they are becoming socially responsible. Countries and states have recognized their benefits of participating in CSR. World Business Council for Sustainable Development argued that CSR practices give firms and states competitive advantage against their competitors, Hohnen (2011). Developed countries have implemented CSR as an undertaking which must be done by the corporate organization. Also, big organizations are currently practicing CSR, Crowth and Aras, (2008). Therefore, if the values of the employer match with those of their employees, employees within the company are more likely to produce the wished communication of corporate values outwards towards the public, Raj and Jyothi (2011). This helps in building a foundation of the corporate brand image for potential employees who have the possibility of receiving the right message through the present communication.

According to Wafula (2012), CSR as an emergent concept in Kenya is not well developed in the country. The awareness level is steadily increasing through considered philanthropic and voluntary rather than a legal requirement, Hohnen (2011). Kenya's slow uptake of CSR is attributed to the nature of the nation's economy. Large organizations who are involved in CSR in Kenya do that because of financial stability, Wafula (2012).

Various studies have been done to examine CSR and employer branding across the globe. There is a lot of evidence that has a positive correlation with employer branding. For example, Stus (2018) did a study on CSR as an Employer Branding tool in selected companies listed in Warsaw Stock Exchange in Poland. The study focused on three sectors; the banks, clothing and energy

sector. Findings revealed that a positive correlation existed between CSR and Employer Branding.

Dokania and Pathak (2013) did a case study on CSR and employer branding in Information technology industry in India. The study sought to find out how CSR activities fulfill the needs of the prospective as well as present employees and how use and effective communication of CSR help companies to attract, motivate and retain talents. Ching et al. (2015) in their study sought to identify the correlation between internal CSR practices (work life balance, health and safety, training, workplace diversity and human rights) and employees' quality of work life (commitment, trust and job satisfaction) among Malaysian service firms. The findings showed that internal CSR practices are positively and significantly correlated with employees' quality of work life.

Bustamante (2014) did a study of CSR and its potential role in employer brand in Germany. The study aimed at checking the relevance of workplace related CSR and other general CSR aspects for potential employees' attitudes and preferences towards companies. Findings indicated that majority of the respondents consider the importance of some aspects of workplace CSR while general CSR seemed to be of minor importance for employer choice in Germany.

In Africa, Ibrahim (2017) did a study on the relationship between CSR and employer attractiveness in Egypt. The purpose of the study was to identify the relative importance of the legal, economic and discretionary dimensions of CSR to the Egyptian job seekers and to determine whether the individual's income moderates his /her attraction to high performing CSR organizations or not. Research findings suggested that employer attractiveness is one of the

competitive advantages gained through CSR. Findings also revealed that the legal and economic responsibilities have a higher impact on employer attractiveness than discretionary ones.

Ibrahim (2014) conducted a study on CSR practices among Small and medium Enterprises (SMEs) in Egypt. Research findings indicated that the presence of a conducive and institutionalized environment in a country in favour of CSR acts as a catalyst for economic and social development. Fadun (2014) did a study to examine CSR practices on stakeholders' expectations in Nigeria. The study identified main stakeholders as employees, community, customers and shareholders, in the business environment context in Nigeria. Findings revealed that CSR enhances corporate image hence competitive advantage and demonstrates sensitivity to multiple stakeholders.

Locally, Keino, Gachunga and Ogollah (2016) did a study on the effect of recruitment on employer branding in the mobile telecommunication sector in the Kenya. Findings revealed that in most of the telecommunication companies in Kenya, recruitment of employees is done using advertisements and before being hired, applicants are fully informed about the job qualifications. Findings also revealed that vacancies are filled from qualified employees who are working in the organization which also confirmed that organizations have started realizing the importance of attracting talented employees. Further, Marika, Magutu and Gacheri, (2017) conducted a study on CSR and employer attractiveness among business students at the University of Nairobi, Kenya. The study aimed at determining whether CSR affects organizational attractiveness. Findings revealed that how organizations handle their legal responsibility, economic responsibility, environmental responsibility and philanthropic responsibility of CSR affects the decision of prospective employees to seek employment with an organization.

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Social and ecological responsiveness is a battle ground for competitive success in today's business, Porter and Kramer (2011). Product manufacturing generates waste and pollution an also exploits natural resources, hence to control their negative impact on stakeholders sustainably, Gabreath (2009).

According to Cruz and Ramos (2015), CSR heightens the need for organizations to adopt policies whose focus is on the importance of eliminating or minimizing harmful practices meted on stakeholders. Tea factories are known to provide different services to different stakeholders hence it should be accepted that the interaction with the wider community is part of the trading environment since the community provides both customers and resources to fulfill the firms' objectives. As such the community is positively influenced by the benefits gleaned from the trading world and therefore shares a degree of responsibility for how these tea factories perform and contribute.

From the above studies, it is clear that CSR has a positive influence on different sectors. However, such researches were mainly done in developed countries and very little being done in Africa. This view was supported by Cheruiyot and Maru, (2012) who observed that research into CSR in Africa is relatively neglected. Moreover, there are relatively few studies in the manufacturing sector. The study sought to determine the effects of CSR on employer branding in selected tea factories in the Kenyan perspective.

1.3   Statement of the Problem

There is an increasing significance of CSR globally. According to Bustamante (2014), CSR plays a potential role of branding an employer by making an employer an attractive place to work. Employer branding is an instrument which differentiates a company from its competitors

in the eye of current and potential employees (Petkovic, 2008). To consider the efficiency and company image in the use of CSR the indicators are stakeholders, that is, employees, customers, community and shareholders. Various studies have been done in different sectors, for example, in the information technology industry, in telecommunication sector, in Small and Medium Enterprises (SMEs), in institutions and service firms. However, no research has focused on the manufacturing firms. This study therefore sought to determine the effect of CSR towards employees, customers, community and shareholders of selected tea factories; on employer branding in tea factories in Kericho County, Kenya since over time there have been several challenges in the tea sector some of which have led to closure of businesses.

1.4   General Objective of the Study

The main objective of this study was to determine the effect of Corporate Social Responsibility on employer branding in selected stakeholders in tea factories in Kericho County.

1.5   Specific Objectives

This study was guided by the following specific objectives:

   i.   To determine the effect of employee CSR on employer branding in selected tea factories in Kericho County.

   ii.   To establish the effect of community CSR on employer branding in selected tea factories in Kericho County.

   iii. To assess the effect of customer CSR on employer branding in selected tea factories in Kericho County.

iv.   To examine the effect of shareholder CSR on employer branding in selected tea factories in Kericho County.

1.6   Research Hypotheses

The following hypotheses were formulated to test the research questions:

H_{01}: Employee CSR has no significant effect on employer branding of selected tea factories in Kericho County.

H_{02}: Community CSR has no significant effect on employer branding of selected tea factories in Kericho County.

H_{03}: Customer CSR has no significant effect on employer branding of selected tea factories in Kericho County.

H_{04}: Shareholder CSR has no significant effect on employer branding of selected tea factories in Kericho County.

1.7   Justification of the Study

In developed economies, a substantial proportion of the total economic activities is accounted for by manufacturing. Amakom (2012) in his study noted that in the manufacturing sector, the interest in research arises from the factories' consequences on society and environment in which they are located and its significant impact on the nation's economy as it is the basis for determining the efficiency of a nation's economy. Therefore, a study in the effect of CSR on employer branding was worth undertaking as it would guide in the formulation of policies and guidelines which will also create harmony between manufacturing firms and various

stakeholders. According to Tilakasiri (2012), previous studies have focused on CSR in developed countries and only a few on developing countries.

By practicing CSR, tea factories will create a competitive edge and further convince their customers that the community at large is their concern. Stakeholders (employees, shareholders, customers and community) will also benefit from the study since it will create awareness on them on how the tea factories are contributing towards CSR hence enable them outline the benefits derived from CSR. Well-coordinated activities that are connected to the company's strategy tend to strengthen a firm's competitiveness and also makes a significant social impact, Porter and Kramer (2011).

1.8   Significance of the Study

The management may be able to design policies that help in incorporating social responsibility as well as relating CSR and employer branding and coming up with a strategy that will see them succeed whether adopting or refraining from it depending on the outcome. This study being amongst the few in the Kenyan context, will offer a rich empirical source to academicians and researchers by creating a better understanding on the relationship between CSR and employer branding and stimulate future research on the subject considering the limited body of knowledge in the manufacturing sector.

This research will therefore be of significant contribution to the knowledge body in sensitizing managers in mainstreaming and also targeting their efforts to environmental and social concerns which emanate from their operations in their efforts to obtain competitive advantage. This will invoke managers to compile and publish data on CSR to test and enrich existing literature. As the findings of the study will add into the body of knowledge, it may contribute to development or

confirmation of the existing theory. Future researchers, students of business management, commerce, entrepreneurship, and social sciences will benefit a great deal since the study will be a learning base and also provide more insight and understanding on the effects and benefits of CSR on employer branding. The study will also be a source of reference on issues related to CSR.

1.9   Scope of the Study

This study focused on key stakeholders of selected tea factories in Kericho County. The areas of social responsibility that the study focused on were social responsibility towards employees, customers, community and the shareholders. The period of study was from January through September of 2019.

1.10   Limitations of the Study

The limitation was the fear of the employees to give information regarding how they were treated for fear that the management would victimize them if they gave negative information. This was overcome by making stakeholders know that the information they gave was confidential and in no way was their identity going to be revealed.

1.11   Assumptions of the Study

This study assumed that there was going to be full cooperation from the respondents and that they were going to give accurate information without lying. Assumption was also taken that CSR was the only tool for employer branding while other factors were constant without significant effect. It was also assumed that the role of social responsibility towards stakeholders on employer branding of Tea Factories was similar to other organizations.

CHAPTER TWO

LITERATURE REVIEW

2.1   Introduction

This chapter discusses relevant literature, the dependent and the independent variables, theoretical framework, conceptual framework and summary of the literature review.

2.2   Empirical Literature

The following relevant literature has been reviewed based on the research objectives;

2.2.1   Corporate Social Responsibility

Corporate Social Responsibility (CSR) refers to a set of practices, programs and policies which when integrated into operation of businesses and in the process of making decisions, with intension to ensure maximization of positive impacts of a company's operations on society, Spitzeck (2009).

It also refers to organizations' ongoing commitment to act ethically and enhance the development of economy while enhancing the personal satisfaction of representatives, their families, the network and the general public. (Turcsanyi & Sisaye, 2013; & Al Azmi, 2012; Obeidat, Sweis, Zyod, Masa'deh & Alshurideh 2012). Generally, CSR involves organizations' ability to achieve a balance between its expenses and the profits achieved in order to maximize a positive influence and minimize any negative effects to achieve the society's contribution, Grbac and Loncaric, (2009). They are the strategies used by organizations to conduct business in an ethical and society friendly way.

Different views exist on how effective CSR is on the success of the company. Most managers engaging in CSR use it as a means to simply reach their goals by exploiting the company shareholders, Friedman (1970). Employees are the most important factor for the company's ability to create its bond and all other stakeholders. The organization human capital are therefore vial when creating an improved company brand since they are the larger part of the communication of the company's brand, Raj and Jyothi, (2011). Therefore, if the values of the employer match with those of their employees, employees within the company are more likely to produce the wished communication of corporate values outwards towards the public. This helps in building a foundation of the corporate brand image for potential employees who have the possibility of receiving the right message through the present communication, Raj and Jyothi (2011).

Various stakeholders' perspectives have been used to view CSR, Cochius, (2006). Firms which are responsible socially are also competitive economically and strive to fulfill tasks
including provision of healthy and safe working conditions, acting ethically, ensuring that the products and services offered react to the necessities of the users, performance above minimum requirements, respect for environment, and company integration into the community is required, Rigoberto & Daza, (2009). However, as long as the process of decision making and governance structures have not integrated corporate social responsibility issues, corporations will not act responsibly. Reports show that CSR information is released by 80% of global fortune 250 firms and 75% have in place a formal CSR strategy, which highlights great importance. (KPMG, 2008).

According to Bénabou and Tirole (2010), various corporate social responsible behavior types, for example, being mindful of ethics, supporting arts and universities, being environmentally friendly, being investor friendly and being respectful of communities, can be engaged in organizations. Cegarra-Navarro and Martínez-Martínez, (2009) suggested that activities such as, fair treatment of employees, community contribution towards cultural and art programs and performing responsible acts towards environment. There should also be competence for stakeholder goodwill and their differentiation from competitors through a combination of social welfare and business opportunities, Misani, (2010).

The engagement in socially responsible activities is of great significance to organizations, for example, maximizing stakeholder loyalty and strengthening the relationships and minimizing conflicts with the different stakeholders (Ali, Rehman, Ali, Yousaf, & Zia, 2010). It also helps in organizational cost reduction through elimination of negative social effects and the enhancement of the positive ones, building and sustaining corporate reputation, corporate and social value alignment which leads to positive performance outcomes as well new opportunity identification and positive performance outcomes, Buciuniene, and Kazlauskaitė, (2012).

While reporting on CSR, there is need for business to ensure it covers consumer issues, human rights, fair operating practices, community involvement and development, labour practices and the environment, Njenga (2015). Organizations are members of a society and they take resources for use from the society. Based on this, it is the responsibility of corporations to return value for the extracted resources since the society has powers to determine and decide the value to be returned by corporations. According to Johnson and Scholes (2011), shareholders should be

concerned about issues of CSR since implementation of most measures makes the company to be in a better condition of being good for the society at large.

According to Gross (2010), both private and public organizations are faced with pressure from non-governmental organizations (NGOs), socially responsible investors, regulators, activists and communities, to behave as responsible corporate citizens. Nowadays, many of the best practice companies have clear policies and often include CSR programs in their business strategies, which illustrates the importance of CSR, Crowther and Aras (2008). CSR is considered an important strategy since it increases employee engagement, attracts and retains investors, attracts more job candidates, attracts more customers and generally improve the public image of organizations, Meister (2012).

2.2.2 Employee Corporate Social Responsibility and Employer branding

Various stakeholder groups frequently subject organizations to pressure to invest in CSR activities. This pressure emanates from the increase in public recognition of employee rights in the workplace. It includes working conditions, fair wages, social security, fair labour practices and health care. CSR is a tool used to attract, motivate and retain productive workforce by improved labour practices and working conditions, Bremner (2016).

The ability to retain employees for sustainable organizational performance is due to the fact that they are considered as valuable organizational resources Tilakasiri, (2012). Together with employers, employees are engaged in a social contract that affect the firms' performance and at the same time build a good reputation; employees provide labour for the firm while their skills

and productivity is compensated by the employer. Organizations with good CSR policies attract high quality employees, Greening & Turban, (2000).

Hoskins (2005) in his studies assumes that companies have to treat employees properly so as to motivate and retain them. The USA and the UK research findings show that employee commitment and satisfaction levels are reflected by internal CSR and hence impacts the productivity of employees and profitability of companies. Employee representatives or focus groups may be engaged by employers with an aim of establishing the areas of interest. Thereafter, evaluation of Internal CSR impact may be evaluated using employee surveys. Employees may perceive issues such as, flexibility, remuneration, working conditions, training, employment terms and working hours (Hoskins, 2005).

According to Skudiene and Aruskeviciene, (2010), in the research on motivation it showed that internal CSR activities are incentives used to motivate employees. Aguerela, et al., (2007) in their study showed how internal CSR have positive impacts on employee turnover, satisfaction, loyalty, retention, recruitment and commitment, enabling employers to use it as a profile to enhance motivation on employees.

Researches done by other scholars prove that CSR supports employee organizational commitment. The corporations' good deeds help in motivating employees to have discussions with other outside associations and the feeling of having a place (Markos & Sridevi, 2010). Benefits of CSR can be attained by involving employees in decision making with regards to actions that should be taken in relation to the employees, the community and the environment. The more the influence of CSR actions on employees, the higher their organizational commitment and consequently the higher their productivity, Markos et al. (2010).

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Business leaders in today's fast changing environment have discovered that the existence of highly performing workforce is vital as it ensures the survival and growth of companies. The engagement of employees is therefore organizations' top priority as it ensures enhanced innovation, high productivity, reduced hiring costs through bottom line performance and a high retention of talented employees, (Harvard Business Review, 2013). According to studies done by Clarkson (1995), CSR activities result in a positive attitude and improved behavior, employees being considered as critical stakeholders compared to other stakeholders of a company. Glavas & Kelly (2014) carried out studies on the effects of CSR activities on employees. In their study, company CSR activities were linked to an increase in morale and commitment and their findings were that CSR would positively affect the retention rate of the company.

Staff training enhances expertise and employee skill which invokes creativity and innovation and also enables them to be more productive, a competitive advantage in the fierce market competition, Fu and Shen (2015). Employee retention is of significance in cost reduction in staff training, recruitment and retention of knowledge, Sweeney (2009). Social responsible companies increases a company's ability to attract and retain employees and therefore have a lesser risk of negative publicity and hence reduced costs of recruitment, training and development and labour turnover. Career development and training provide committed and engaged employees who perform better and are less likely to leave the company (Ching et al., 2015; Tilakasiri, 2012).

To ensure developmental nurture of engagement, workers and employers need to develop a two-way relationship, Markos & Sridevi (2010). Engaged workforce by organizations is vital as employees desire to do challenging and meaningful good jobs while employers desire to deliver their best to ensure the company's success. This win-win situation can only be achieved through

engagement (Gross, 2014 & Vratskikh, Masadeh and Maqableh, 2016).This is supported by Sahoo, & Sahu, (2009) who defined employee engagement as a way of building great relationships with employees through the provision of enriching professional experiences, embracing good management philosophies and through the recognition of employees' potential and talent. This is believed to ensure organizational success. Examples of Engaged employees qualities include the believe in supporting the organization, the possession of high energy levels, enthusiasm, motivation of co-workers, wise self-starters and their deep job engagement.

This study considered investigating employees' remuneration in terms of adequacy and time, their working conditions, employee recruitment and treatment, policies such as, diversity and equal opportunity, improvement of health and safety, internal promotions and balance of work life.

2.2.3   Community Corporate Social Responsibility and Employer branding

This refers to an organization's involvement of business with the community in areas including; economic development, education, transfer of technology, health care, and protection of environment. This is done by companies differently; some have established non-profit corporate foundations while others give directly. Companies use CSR to appease communities that would rather be hostile by supporting community interests for purposes of conducting their activities in harmony.

Agarwal, (2008) argued that in addition to the production of goods and services, society expects provision of benefits including employment, environmental conservation, infrastructure and improved lifestyle from organizations. CSR practices mainly target poverty eradication, human

rights protection and environmental protection, Tilakasiri (2012). Tower Perrin, (2009) developed a methodology for assessing the employee perspective on Sustainable Business Practices which covers five areas; employee sustainable behaviors, awareness and perceived importance among employees, environmental performance, social and community performance and ethical and legal performance. These practices represent a company's continuing commitment in behaving ethically and contributing and its contribution to economic development as well as improving the quality of life of its workforce, family and the society at large.

A company can provide job opportunities, product/service availability, entrepreneurship, financial contributions and innovative culture to the local community. Companies that actively consider the community's wellbeing could gain good will in return, Hohnen (2007). Companies need healthy societies to succeed and a healthy society needs successful companies for innovation, wealth job creation, taxes and contributions which to improved living standards. The health of community and employees is of great value. Regardless of whether they are removed from their primary product lines and markets, organizations are expected to respond to pandemics. Food companies are held responsible for cancer, diabetes, obesity and related diseases, Porter and Kramer, (2011).

The community commitments of business lie on both the local community context and company's characteristics. Okeudo (2012) in a study examined social responsibility impacts on the general public. The conclusion was that the general public stands to profit by organization social responsibility. Communities receive the financial rewards of a solid independent venture showcase, and furthermore appreciate how an assortment of private companies makes the

network exceptional and charming to live in. It is the role of an organization to develop a community from which they operate.

It is argued by Barton, (2007) that organization's role as far as being responsible to the community includes transfer of technology. The focus is on three international technology transfer mechanisms: the human resource flow; public-sector technology support flow; and private technology flow from developing countries to MNCs. His argument for greater mobility within, the world's scientific enterprise globalization and reassertion of economic rationale to invest in public sector research in developing countries. Through the coordination of these activities, it enables the targeted community to gain in terms of marketing and product development, such as quality, better prices and the concern for people's wellbeing.

According to Porter and Kramer (2011), CSR is viewed as the key worth since it creates a shared value; benefit for the business and that of the society; the company and the community success become mutually reinforcing. Measuring how better off a company becomes through the implementation of CSR is not easy, Peterson (2013). However, there is need to measure the projects' impact on target communities. If a project is started by a company, management, expected revenue if any, costs, sustainability logistics and the beneficiaries have to be established. Sustainability of CSR projects is achieved though capacity building and empowering the recipients economically, Ratemo (2015).   This study examined community gains from the CSR practices of the firms which include, creating closer ties between community and corporations, health, education, sponsorship, community welfare, protection of environment and human right corporate sustainability.

2.2.4 Customer Corporate Social Responsibility and Employer branding

Consumers represent an important stakeholder group and therefore directing CSR activities, companies need to adopt a customer-centered approach. It is the social responsibility of a business to ensure safeguarding of consumers through customer care, product quality, pricing, information and feedback. According to Sweeney (2009), CSR affects consumer attitude towards a product and the firm.

Consumer information about the safe and responsible use of products is very critical for customer loyalty. It is the obligation of producers to inform the users about foreseeable misuse of products and dangers that can arise during operation as well as warning them accordingly using warning sticks and manuals, Ibrahim (2014). According to Lawrence and Weber (2011), consumer pressure comprises consumer protection, after sales services, provision of consumer information and the expectation that companies will produce safe products.

Product safety and quality is assured through standardization mark and QMS (ISO 9001).Standardization mark is strategic in that particularities (features, value for money, serviceability and aesthetics) combine to conform to customer expectations. Quality is seen from two perspectives; conformance to expectation (the customer side) and conformance to specification (the supplier side), (Cruz & Ramos, 2015 Yin *et al.,* 2013). Customer stakeholder responsibility best practice involves ensuring service excellence and product quality in terms of timely customer feedback and, technology and sustainable product (Yin *et al*., 2013). Consumers are concerned about their environmental and social conditions under which their products and services are produced and tend to express their preference through their purchase behavior, Pedersen (2015).

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According to Sen and Bhattacharya (2001), customers tend to view organizations which carry out CSR activities in a positive way and tend to identify with them. The positive customer discernments leads to customer satisfaction and loyalty. A firm's strategic management agenda focuses on customer loyalty and management of attrition. Firms develop long-term and mutually beneficial plans by creating and maintaining the loyalty of customers, Aaker (1996). Customer loyalty may be described as the ability of customers to continuously believe that an organization's product or service remains the best option to them. Whenever they face the decision to purchase, they take the option. In addition, loyalty refers to the ability to stick to company's products or services despite the existing problems because of the company's goodness to them in the past and how their issues are addressed when they raise. It is the customer's willingness to do business with the company.

Loyal customers get products or services which they require and believe to be superior to those of competitors. Such customer mindsets go beyond normal interactions but believe that there is a bigger relationship with the firm than the products or services which they buy and thus increases brand loyalty and creates customer satisfaction. According to Galbreath (2009), customers develop perceptions on forms through CSR initiatives which impact on customer satisfaction, word-of-mouth, product use, expectations based on advertising and service interaction. Companies that implement CSR practices are higher in terms of brand image and reputation compared to companies that do not, Nzulwa (2013). This study examined customer gains from the CSR practices of the firms from various perspectives which include, customer information and feedback, quality assurance, pricing, and procedures of resolving complaints,.

2.2.5 Shareholders Corporate Social Responsibility and Employer branding

Management of the organizations is expected to be responsible towards the shareholders of the said organizations. Looking at owners from a perspective of shareholder, priority should be on their interests as they are seen as special stakeholders. Businesses Can be influenced by them and in the long run compensate for higher risks hence they should be given priority over other stakeholders (Borglund, De Geer, Sweet, Sjostorm & Windell, 2012).

Much have been done on the concept of CSR and shareholder value but there is no consensus on whether CSR improves the value of shareholders. While investigating the relationship that exists between CSR and shareholder value, Bechetti (2007) discovered that absolute value abnormal returns had a significant upward trend, irrespective of the event type, a critical negative impact on the unusual returns was seen.

Indeed, even in the wake of controlling the simultaneousness of shocks on financial distress and seasonality of stock market, there is noted persistence on the latter effect. However, it was noted that CSR led organizations to focus on strategic goals from shareholders' value goal maximization on stakeholders' broader set. Conclusions made showed that the market penalized the exit from Social Responsibility Index and ethical funds, Bechetti (2007). Baruch, (2013) did an examination on CSR impacts on shareholder' money in a related study. The study tried to find out whether CSR does any good or wastes money for the shareholders and made conclusion that from CSR, business upside (potential gain) is modest at best. Also, from damage to communities and environment reputational shortcomings can be huge. The recommendations of the study indicated that companies should just practice CSR if it enhances sales and earnings.

The study therefore examined whether organizations were carrying out activities as a way of being responsible towards their shareholders for example, whether shareholders were involved in the decision making processes, shareholders' complaints on factory management, provision of financial records during audits, provision of financial statements and periodic reports to them on factory activities, information of general factory performance and whether declaration of dividends was done on the basis of profits realized at the end of the year.

2.2.7 Employer Branding

'Employer brand' was first used in the early 1990s to signify an organization's reputation as an employer. However, the topic was first brought into surface by Ambler & Barrow, (1996). They defined employer brand as "the package of functional, economic and psychological benefits by employment and identified with the employing company". In the internal perspective, employer brand is directed at current employees while the external focus is on other stakeholders, and primarily potential employees. The retention of current employees as well as the attraction and recruitment of new employees are core processes related to the Human Resource Department, Morocko and Uncles (2008).

It refers to the organization's image that is perceived by employees, shareholders and stakeholders, Seghal and Malati, (2013). It is a relatively new approach towards recruiting and retaining the best possible human talent within an employment environment that is becoming more competitive, Backhaus and Tikoo, (2004). According to Lioyd (2002), employer brand refers to the sum of the company's efforts to communicate to existing and prospective staff what is desirable in the workplace.

An individual who identifies herself with the company's image is more prone to apply to a position. Therefore it is important for firms to communicate their employer brand so as to attract applicants that are considered suitable for the company and the specific position, Backhaus and Tikoo (2004). According to Bustamante (2014), employer brand helps potential employees to understand their future workplace. Nowadays organizations are aware that through the practice of employer branding, the best talents in the market can be attracted, retained and motivated. Initially, many organizations used to offer good compensation packages as a way of attracting talents, but gradually it has been observed that it is not only good salary that attracts employees; other factors also influence their choice of organizations.

Employer brand helps potential employees to understand their future workplace, Bustamante (2014). It also refers to the identity based development and position of a company as an attractive and credible employer for both potential and existing employees, Deutsche Employer Branding Akademie, (2007). From the perspective of an employer, their brand combines strategic capabilities, human capital and culture into its reputation as the best place to work (Ewing, Pitt, De Bussy & Berthon, 2002). It serves as an instrument to differentiate a company from its competitors in the eyes of current and potential employees (Althauser, 2001 & Petkovic, 2008), either by creating sympathy and affection or by providing functional benefits of the workplace, for the company in question (Scholz, 1992 & Petkovic, 2008).

From the perspective of current and future employees, it helps in providing orientation through conveyance of a clear image of emotional and functional workplace Petkovic, (2008). The two perspectives are not necessarily aligned and therefore the main objective in employer branding

should be to consider multiple stakeholders and try projecting the right employee experience (Moroko & Ucles, 2009; Mosley, 2007).

Employer branding shows a firm's uniqueness, encourages employees that their company is a good place to work at and allows the firm to differentiate itself from competitors, Seghal and Malati, (2013). Its purpose is to construct an image as an employer; the image being influenced by the benefits which are proposed by human resource management, Panczuk and Point, (2008). To consider the efficiency and company image in the use of CSR, the following indicators were employed; employee attraction and retention, employee relations and fair treatment, customer satisfaction/loyalty, internal and external processes, product/service quality and financial performance the basis being from the perspective of the multiple stakeholders, that is, employees, customers, community and shareholders.

2.3   Theoretical Framework

Relevant theories for the study were examined in order to relate them with the study;

2.3.1   Social Contract Theory

Social contract theory is also referred to as "legitimacy theory", "license to operate" and "the iron law of responsibility", Hilson (2014). It is a mutual relationship and trust between an organization and stakeholders, with a set of assumptions and rules about behavioural patterns. Stakeholder management is grounded in the concept of the social contract which focuses on the relationship between stakeholders and the business, Sweeney (2009).

Social contract theory defines the relationships with employees, customers, shareholders, creditors, community, government and other stakeholders. Internally, employees become more

productive when their benefits, interests and working conditions are guaranteed in the corporate internal contract. Externally, protecting the environment, abiding to law and ensuring products' quality will help companies to establish a good reputation and corporate image which also creates and sustains competitive advantage, Fu and Shen (2015).

The social contract theory recognizes that the firm has to seek favour from the society in which it operates. It also assumes that social contracts bind businesses by firms making agreements performing various actions that are socially desired after the approval of firms' objectives and other rewards which ultimately generates an existence that is continuous. Organizations exist and act by permission of society at large, hence obliged to be sensitive to various stakeholders. Organizations will eventually face externally imposed controls over their behavior if they act in ways that are not consistent with society's expectations. Thus, firms are obliged to preserve their image of a legitimate business with legitimate methods and aims, Sweeney (2009).

In this study, the contributions of social contract theory are based on the sense that for any gain from various stakeholders in relation to good image and winning of customers and community's goodwill, organizations ensure their social responsibilities. The theory is based on two important ideas; tea factories need to legitimize activities and legitimacy process conferring benefits to business. The first element is compatible with the idea of social responsibility being a tool in employer branding.

Here, legitimacy's need for all companies differs due to the level of social to pressures exposed to the companies and the extent this pressures are responded to. There are several indicators of social responsibility and their responses in tea factories. These factors are potential determinants of employer branding and they include, employees, customers, suppliers and shareholders. The

other component implies that through a legitimate behavior tea factories can expect to benefit on the basis of social responsibility activities.

2.3.2 Stakeholder Theory

Stakeholder theory was presented by Freeman (1984) with a positive view of managers' support of CSR. The theory asserts that managers ought to satisfy a variety of constituents (e.g. customers, workers, local community and suppliers) who tend to influence the outcomes of firms. The theory's implication is that through certain non-financial CSR activities perceived to be important, firms can benefit a lot. Donaldson and Preston (1995) expanded the stakeholder theory by stressing on the ethical and moral dimensions of CSR together with the business case for engaging in such activity.

According to this theory, organizations are not accountable to their shareholders but they are obligated to consider the interests of other stakeholders that can be affected or can affect the achievement of organization's objective, Sternberg (1996).This view is supported by Gond *et al*., (2010) who stated that managers' responsibility is not only to represent the interest of all stakeholders but they have a wider responsibility of coordinating all stakeholder interests, balancing them in case of conflict and maximizing the sum of benefits over medium and long term. Therefore, stakeholder theory challenges the view that shareholders are more privileged than other stakeholders.

Under this theory, management of organizations should be done to benefit all those who have a stake in the organization because all parties are important, Omran and Ramdhony (2015). According to Kim and Park (2011), while employees invest their time and intellectual capital,

communities provide education and infrastructure for future employees, customers invest their repeated business and trust and shareholders invest their money in enterprise. Thus, business organizations must play an active role in society in which they operate.

The theory's application to this study is premised on the framework that tea factories saw the need to satisfy a bigger chunk of the stakeholders by engaging in various CSR activities such as protection of environment, provision of quality products/ services, healthcare initiatives, preservation of cultural heritage and beautification of cities /towns, employee and community relations, special education/ training programs and scholarships and volunteer assistance programs.

2.4   Conceptual Framework

The study examined a comparison of two variables, key stakeholders being independent variable and Employer Branding being dependent variable. The independent variables are categorized as Employee Social Responsibility, Customer Social Responsibility, Community Social Responsibility and Shareholder Social Responsibility. This relationship is represented by figure 2.1.

Independent Variables   **Dependent Variables**

Corporate Social Responsibility

Employee CSR
• Salary
• Working condition

Employer branding

Community CSR
• Community welfare
• Health and education

Employee attraction and retention
- Employee relations
- Customer satisfaction/loyalty
- Product/service quality
- Internal and external processes
- Financial performance
- Efficiency of work

Customer CSR
• Quality assurance
• Pricing

Shareholder CSR
• Involvement
• Information
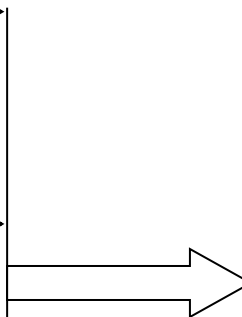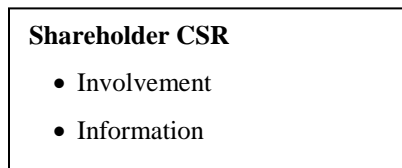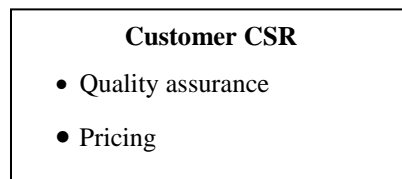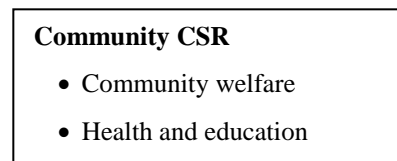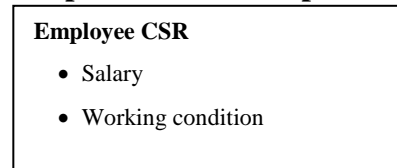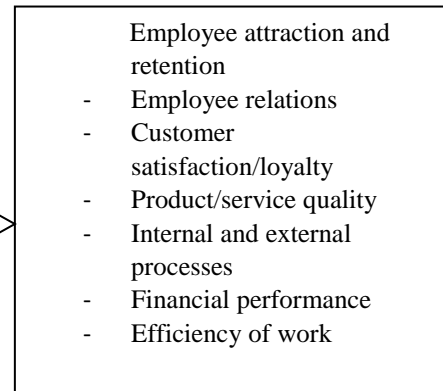
Figure 2.1   Conceptual Framework of the effect of CSR on employer branding

Source: Researcher (2019)

2.5   Identification of Knowledge Gap

CSR studies have focused on various sectors of the economy. Dokania and Pathak (2013) conducted a study in Information technology industry in India. Ibrahim (2017) did a study on the relationship between CSR and employer attractiveness in Egypt. Fadun (2014) did a study to examine CSR practices on stakeholders' expectations in Nigeria. Ibrahim (2014) conducted a study in small and medium sized enterprises. Ching *et al*. (2015) conducted a study to identify the correlation between internal CSR practices and employees' quality of work life among

Malaysian service firms while Keino, Gachunga and Ogollah (2016) did a study in the mobile telecommunication sector in Kenya. This research focused on the manufacturing sector in Kenya.

Different CSR studies have used different constructs. According to Fadun, 2014; Tizro *et al.*, (2015) some studies have used Carroll's model; ethical, legal, economic and discretionary while others have used stakeholders Carroll's model ,however, has failed to capture the multiple stakeholder concerns characterizing business operations. This study operationalized CSR in multiple stakeholders specifically; shareholders, employees, community and customers since stakeholder concerns are essential in business operations.

Available CSR studies are a combination of survey studies and empirical desk reviews. According to (Ching *et al.,* 2015; Fadun, 2014; Fu & Shen, 2015; Galbreath, 2009; Sweeney, 2009; Tilakasiri, 2012; Tizro *et al.,* 2015; Yin *et al.,* 2013), survey studies uses empirical review to form the foundation of analyzing the newly collected data. On the other hand, pure empirical desk reviews mainly depend on the works of others (Chung & Safdar, 2014; Cruz & Ramos, 2015). This study adopted descriptive survey research design.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1   Introduction

This chapter contains the research design, the area of study, the population being targeted, the size of the sample and the procedure used for sampling, instruments used to collect data, the validity of the instruments, instrument reliability, the procedures of data collection, analysis and presentation of data, and ethical consideration.

3.2   Research Design

According to Mugenda and Mugenda (2003), research design refers to a plan that specifies the procedures and methods used to collect and analyze data, methods of collecting and analyzing data. It is the framework for collecting, measuring and analyzing data.

This study adopted cross-sectional research design since it allowed the researcher to assemble several study samples selected from the same population and record variable measures and on analysis can generalize the findings across the population. Different advantages related with this design incorporates efficiency, the possibility of collecting the needed data in a relatively short time and it does not require long-term cooperation between the researcher and the respondents.

3.3   Location of Study

The study area was Kericho County. The area receives high rainfall especially during the months of April through August. The main economic activity being practiced is farming where Irish potatoes, maize, coffee and tea are grown. Rearing of livestock was also practiced in the region. The climate of the area is cool and wet which is suitable for the growing of tea. A number of tea

factories are found in these areas as a result of the tea farming which is carried out mostly in large scale.

3.4   Target Population

Population refers to entire unit sets to be used in making inferences for the study (Kothari 2003). Target populations refers to the units in which the findings of the investigation are summed up (Dempsey, 2003). The target population for the study was 5002 respondents which included shareholders, customers, employees and communities of selected tea factories in Kericho County. The management was targeted since they were in control of factory activities including the practice of CSR. Other employees, customers and community were also targeted as they were among those who received CSR benefits and were in a position to tell whether they actually received the benefit or not. The target population is shown in the Table 3.1.

Table 3.1

Target Population

	Ketepa Tea Factory	Litein Tea Factory	Kabianga Tea Factory	Momul Tea Factory	Total
Respondents	**Target population (N)**	**Target population (N)**	**Target population (N)**	**Target population (N)**	**Total target**
Top management	162	108	54	81	405
Factory employees	1109	757	527	852	3245
Customers	189	149	108	95	541
Community	148	230	257	176	811
Total	**1608**	**1244**	**946**	**1204**	**5002**

Source: KTDA (**2019**)

3.5 Sample and Sampling Procedure

Kothari and Gaurav (2014) defines a sample as a subgroup that is carefully selected as a representative of the population on which inference about the aggregate is made information obtained. According to Ching *et al*., (2015) sampling helps in providing accuracy speed and flexibility as well as reducing the research costs. The study adopted random sampling technique in selecting respondents.

Three hundred and seventy questionnaires was issued then collected for analysis. According to Wiersma, (2005) a sample of at least 30 must exist in order for generalization of findings to take place. The Yamani Taro (1967) formula was applied to determine the sample size. It implied that the determining factors of the population being targeted were desired sample size and the maximum acceptable margin of error/sampling error. Mathematically, it is expressed as;

$$n = \frac{N}{1 + Ne^2}$$

Thus:

n represents the size of a sample N represents the population being targeted and e represents maximum margin of error that is acceptable (5%). Therefore, from the population of 5002 employees, the number of sample n, is found to be:

Sample, n=5002/ {1+5002(0.05) ^2} =370

From the population of 5002 employees, selection of 370 employees was done as a sample.

Table 3.2

Summary of the Sample Size

	Ketepa Tea Factory		Litein Tea Factory		Kabianga Tea Factory		Momul Tea Factory		Total	
Respondents	**Target population (N)**	**Sample Size**	**Target population (N)**	**Sample Size**	**Target populatio n (N)**	**Sample Size**	**Target population (N)**	**Sample Size**	**Total target population**	**Total sample size**
Top management	162	12	108	8	54	4	81	6	405	30
Factory employee	1109	82	757	56	527	39	852	63	3245	240
Customers	189	14	149	11	108	8	95	7	541	40
Community	148	11	230	17	257	19	176	13	811	60
Total	**1608**	119	**1243**	92	**945**	70	**1204**	89	**5002**	**370**

Source: Research Data (**2019**)

3.6 Data Collection Instruments

This study utilized self-administered questionnaire. The questionnaires were given to each of the respondents to fill and collected after a period of two weeks. In the questionnaires, questions were designed in a manner that answers the research questions and divided into two sections, one which gave the personal information of the respondents and another which provided information on the basis of objective thematic areas.

3.6.1 Validity of the instrument

This is how much an instrument measures what is intended to quantify. Babbie (2010), refers to validity as how accurate the data obtained in the study represents the study variable. The study utilized content validity. According to Kothari and Guarav (2014), content validity measure is primarily judgmental on the basis of how much the instrument represents the concept under study. The validity of the instrument was tested through expert input which involved consulting with the research specialists in the university and subject matter experts. It was also done through the adoption of questionnaires used in prior studies including Ching *et al*., (2015); Sweeney (2009) and Tilakasiri (2012). Valuable remarks, comments and amendments with the research supervisors' guidance aided the instrument's validity. The research experts had to tick the items on the questionnaire to confirm that they helped in answering the research questions. The study objectives were checked against the content of the responses which were given by the respondents.

3.6.2 Reliability of the instrument

Reliability test is used to obtain the stability, dependability or consistency of data. It is a measure of the degree to which a research instrument yields consistent results for repeated trials, Kothari and Gaurav (2014). If repeated measurements gave the same results as it did when it was measured the first time, then it was reliable but if it gave different results, then it was unreliable (Mugenda & Mugenda 2008). Reliability test was conducted using Cronbach's alpha. If the Cronbach's alpha value is more than 0.70, survey items are consistent and reliable, Ching *et al*., (2015).

Pilot study was conducted in Kuresoi tea factory, Nakuru County to enable elimination of items that were likely to cause irrelevance in the study. The test of questionnaires of 10 respondents was done, similar to those in the main enquiry. According to (Saunders *et al.,* 2012), pilot study is dependent on the availability of financial resource and time and a minimum of 10 respondents are recommended by most studies. In this study, a Cronbach Alpha value of 0.936 was obtained. Pilot study enabled the researcher to make modifications and corrections to the questionnaire and hence made it more suitable for the study by making the questions precise and clear and at the same time remove any form of ambiguity. Amendment of the instrument was done accordingly after piloting.

3.7   Data Collection Procedures

Permission to carry out the study was sought from National Council of Science, Technology and Innovation (NACOSTI) after the university's approval. The researcher sought authority to conduct the study in the selected tea factories and consent from the respondents to participate in the study. Hard copies of questionnaires were administered to the employees, customers, community and shareholders. A research assistant was used to distribute the questionnaires and collect them again after they had been filled by the respondents. The assistant would also be required to make clarification of questions on the questionnaires in case of any.

3.8   Data Analysis and Presentation

Editing, coding and classification of collected data was done to ensure good and efficient analysis. Data was converted to numerical codes representing variable attributes and posted in a code book. Data from all questionnaires was posted and a clean-up done using the International

Business Machines (IBM) Statistical Package for Social Science (SPSS) input spreadsheet for purposes of analysis. Data in SPSS was then analyzed using descriptive and inferential statistics.

3.8.2 Descriptive Analysis

This shows the summary of variable measurements presented in terms of frequency distribution, variability, central tendency and symmetry. Variability is expressed in terms of variance, range and standard deviation. Central tendency is expressed in terms of mean, mode and median. Symmetry is denoted by skewness and Kurtosis (Kothari and Gaurav, 2014). The study used descriptive statistics such as percentages, standard deviation and mean. Descriptive summaries were then presented in tables and figures.

3.8.3 Inferential Analysis

This draws inferences about the population, basis being the sample results. The study used multiple regression analysis and Pearson's Product Moment Correlation Coefficient (PMCC), to test the significance of the relationship between predictor variables and the dependent variable. According to Gujarati and Porter (2010), MLR analysis is a technique used in analyzing the association between several independent variables and a single dependent variable. Tests in this study were generated from SPSS.

The results were analyzed from SPSS regression output. The F statistic and coefficient determination ($R^{2)}$) were used to test joint strength of the relationship between independent variables (CSR) and dependent variable (employer branding) at 5 percent level of significance. F statistic is used to determine whether the joint relationship is statistically significant. R^2 measures goodness of fit and shows the extent to which the dependent variable is jointly explained by the independent variable(s); the higher the $R^{2,}$ the better the model specification.

The individual strength/significance of each independent (predictor) variable was tested using t-test. If the p-value is less than 0.05, the relationship between dependent and independent variables is significant and vice versa, Gujarati and Porter (2010). Assessment of direction, magnitude and significance of the relationship was done using the model coefficients (estimators). Inference about the population was generated using SPSS output which presents the sample analysis.

3.9   Ethical Considerations

The researcher ensured that she maintained all the ethical standards as much as possible. The respondents were briefed on the importance of the study and how they are going to benefit to avoid suspicion on anything. The questionnaires were framed in such a way that the identity of the respondent would not be revealed. The researcher also put into consideration the ethical practices which included confidentiality of responses, integrity and honesty in handling data and information collected and reporting of findings from the proposed study and used her original work while analyzing, interpreting and presenting the data collected to avoid plagiarism. Permission to carry out the study was sought from National Council of Science, Technology and Innovation (NACOSTI) after the university's approval. The researcher also sought authority to conduct the study in the selected tea factories and consent from the respondents to participate in the study.

CHAPTER FOUR

RESULTS AND DISCUSSIONS

4.1   Introduction

This chapter presents the research findings by giving factual evidence on the basis of research objectives. It discusses the response rate, pilot test, validity and reliability of the survey constructs. The findings are presented on the basis of descriptive and inferential statistical analysis. The results from the analysis formed the basis for discussions.

4.2   Background Information

The responses on the effects of corporate social responsibility on employee branding were received and analyzed.

4.2.1   Response Rate

Response rate refers to the total number of responses divided by the total number in the sample. It depends on the nature of respondents and the data collection method used. A response rate of approximately 35 per cent is reasonable for most academic studies which involve the top management (Saunders et al., 2012). Out of the 370 questionnaires that were administered, 358 questionnaires were properly filled and returned back. This indicated a response rate of 96.7% which was very appropriate for further data analysis.

4.2.2   Reliability Test

The data collection instrument was pilot tested to guarantee their unwavering reliability. A pilot test is done to enable elimination of items that are likely to cause irrelevance in the study,

(Monette et al., 2002). The test was conducted in Kuresoi Tea factory where 10 respondents participated. The pilot study process, enabled the researcher to address issues that seemed ambiguous with an effort of maintaining the original intension of the instrument. The reason for the pilot study was to find out the shortcoming of the study instrument and help in adjusting them thereof; check the clarity of the inquiries or things and furthermore inspire remarks that could help the researcher recreate the surveys for the motivations behind change and alterations of the instruments. Table 4.1 show the Cronbach alpha result of the variables used in the study.

Table 4.1

Reliability Test

Constructs	No. of Items	Cronbach Alpha
CSR towards employees and employer branding	8	0.797
CSR towards customers and employer branding	7	0.796
CSR towards community and employer branding	7	0.840
CSR towards Shareholders and employer branding	7	0.840
Overall Reliability	29	0.936

Source: Research Data (2019)

According to Sekaran (2003), a Cronbach alpha of 0.8 is good, 0.7 is an acceptable range while if it is 0.6 and below, is poor. The reliability of the research instrument as per table 4.1 revealed

that all the variables used in the study were above 0.7 and the overall reliability of the instrument was above 0.8 thus the instrument was good and the data collected was reliable and dependable.

Table 4.2

Bio Data Information

	Below 20yrs	20 - 30 yrs	30-40yrs	40-50yrs	50-60yrs	Above 60yrs
What is your age in years	33 (9.2%)	69 (19.3%)	85 (23.7%)	101 (28.2%)	38 (10.6%)	32 (9.0%)
	Top Management	**Junior Management**	**Customers**	**Community**	**Shareholders**	**General Worker**
What role do you play in this project?	33 (9.2%)	66 (18.4%)	65 (18.2%)	78 (21.8%)	44 (12.3%)	72 (20.1%)
	Less than 1year	**1-2yrs**	**2-3 years**	**3-4 yrs**	**4-5yrs**	**Above 5 yrs**
How long have you been in your position?	20 (5.6%)	52 (14.5%)	93 (26.0%)	109 (30.4%)	53 (14.8%	31 (8.7%)
	KCSE	**Certificate**	**Diploma**	**Bachelors' Degree**	**Masters' Degree**	**Doctorate Degree**
What highest level of education did you attain?	25 (7.0%)	58 (16.2%)	57 (15.9%)	150 (41.9%)	68 (19.0%)	0 (0.0%)

Source: Research Data (2019)

From results in Table 4.2 on bio data information of respondents, it can be noted that majority of the respondents were aged between 40 to 50 years and were 101 (28.2%) of all the respondents, those between 30 to 40 years were 85 (23.7%), those between 20 to 30 years were 69 (19.3%),

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those between 50 and 60 years were 38 (10.6%) those below 20 years were 33 (9.2%) and those

above 60 years were 32 (9.0%). This implies that all working class ages participated in the study

and that all the respondents were mature enough to respond to the questions on the questionnaire.

The respondent who worked in the tea factories from the community were 78 (21.8%), general

workers were 72 (20.1%), junior management employees were 66 (18.4%), customers were 65

(18.2%), shareholders were 44 (12.3%) and the top management were 33 (9.2%). This implies

that all section of workers working in tea industry was represented. Majority of the respondents

had worked for the tea firm for between 3 to 4 years, this is according to 109 (30.4%) of all the

respondents, those who had worked for the company for between 2 - 3 years were 93 (26.0%),

those who had worked for 4 – 5 years were 53 (14.8%), those who had worked for 1 - 2 years

were 52 (14.5%), those who had worked for more than 5 years were 31 (8.7%) and those who

had worked for less than one year were 20 (5.6%). This implies that all the respondents had

worked for the tea company hence were in a good position to respond to the study questionnaire.

Majority of respondents in tea factories were Degrees holders, this is according to 150 (41.9%)

who were in agreement, Master's Degree holders were 68 (19.0%), Certificate holders were 58

(16.2%), Diploma holders were 57 (16.2%) and those who had Kenya Certificate of Secondary

Education certificate were 25 (7.0%). No one among the respondents had a Doctorate degree.

This implies that all the respondents were educated enough to respond to the questions.

4.3   Corporate Social Responsibility Activities

Respondents were asked to indicate the corporate social responsibility activities which the tea

factories had undertaken. Their response are captured in table 4.3.

Table 4.3

Tea Factory CSR Activities

Statement	Yes	No
Tea factory prioritizes people from within the community for employment opportunity.	278 (77.7%)	80 (22.3%)
Construction of infrastructure, specifically roads is done by the tea factory together with provision of water for domestic use.	255 (71.2%)	103 (28.8%)
Tea leaves are packaged in the right quantity and quality and sold to customers at fair prices.	243 (67.9%)	115 (32.1%)
Sponsorship of sporting activities as a way of appreciating different talents and uniting people from different walks of life is done by the tea factory.	222 (62.0%)	136 (38.0%)
The tea factory has constructed health centers to enhance the health of staff families and people from the nearby communities.	223 (62.3%)	135 (37.7%)
The tea factory has constructed schools, sanitation facilities and provided equipment to enhance education.	226 (63.1%)	130 (36.3%)
Donation of basic amenities, for example, food stuffs and beddings to the less fortunate members of the community is done by the tea factory.	210 (58.7%)	148 (41.3%)
The factory plants trees and clears wastes as a way of conserving the environment.	205 (57.3%)	153 (42.7%)
Scholarships of high school, college and university students from poor families.	185 (51.7%)	173 (48.3%)
Employees and shareholders are sponsored to go for holiday trips annually.	161 (45.0%)	197 (55.0%)

Source: Research data (2019)

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According to results of Table 4.3 on company CSR activities; the tea factories prioritizes people from within the community for employment opportunity in the tea factory since 278 (77.7%) representing the majority respondents agreed while 80 (22.3%) disagreed.

On construction of infrastructure, particularly roads and provision of water for domestic use, 255 (71.2%) respondents agreed while 103 (28.8%) disagreed. According to 243 (67.9%) respondents, tea factories package their tea leaves in the right quantity and quality and sell them to customers at fair prices; 115 (32.1%) disagreed. Sponsorship for sporting activities as a way of appreciating different talents and uniting people from different walks of life was one of the CSR activities being undertaken by tea factories since majority of the respondents who were 222 (62.0%) agreed while 136 (32.1%) disagreed.

Construction of health centers to enhance the health of staff families and people from the nearby communities had been undertaken by tea factories according to 223 (62.3%) respondents who agreed while 135 (37.7%) respondents disagreed. Majority of the respondents, 226 (63.1%) agreed that construction of schools, sanitation facilities and provision of equipment to enhance education had been undertaken by tea factories while 130 (36.3%) disagreed.

Tea factories donated basic amenities, for example food stuffs and beddings to the less fortunate members of the community according to 210 (58.9%) respondents who were in agreement while 148 (41.3%) disagreed. Tree planting and clearance of waste as a way of conserving the environment was done by tea factories according to 205 (57.3%) respondents whose response was positive despite 153 (42.7%) who disagreed.

Majority of the respondents, 185 (51.7%) agreed that tea factories offered scholarships to high school, college and university students from poor families while 173 (48.3%) disagreed.

Employees and shareholders are not sponsored to go for holiday trips annually according to 197 (55.0%) of the respondents who disagreed while 161 (45.0%) of the respondents were in agreement.

Table 4.4

Descriptive Statistics on Company CSR Activities

Statement	Analysis N	Mean	Std. Deviation
Tea factory prioritizes people from within the community for employment opportunity.	358	1.2235	0.41715
The tea factory constructs infrastructure specifically roads and provides water for domestic use.	358	1.2877	0.45333
Tea leaves are packaged in the right quantity and quality and sold to customers at fair prices.	358	1.3212	0.46760
The tea factory sponsors sporting activities as a way of appreciating different talents and uniting people from different walks of life.	358	1.3799	0.48604
Construction of health centers to enhance the health of staff families and people from the nearby communities is done by the factory	358	1.3771	0.48534
The factory constructs schools, sanitation facilities and provide equipment to enhance education.	358	1.3743	0.49604
The factory donates basic amenities, for example, food stuffs and beddings to the less fortunate members of the community.	358	1.4134	0.49313
Tree planting and clearance of waste as a way of conserving the environment is done by the factory.	358	1.4274	0.49539
Scholarships of high school, college and university students from poor families is done by the tea factory.	358	1.4832	0.50042
Employees and shareholders are sponsored by the tea factory to go for holiday trips annually.	358	1.5503	0.49816
Valid N (list-wise)	358		

Source: Research Data (2019)

According to descriptive statistic in Table 4.4, the overall mean was found to be 1.3842 and the standard deviation being 0.4404. These findings revealed a positive relationship between CSR and employer branding. The findings are supported by Spitzeck, (2009) who observed that CSR is a set of practices, programs and policies which when integrated into operation of businesses and in the process of making decisions, with intension to ensure maximization of positive impacts of a company's operations on society. In addition, findings were supported by Meister (2012) who considered CSR as an important strategy since it increases employee engagement, attracts and retains investors, attracts more job candidates, attracts more customers and generally improve the public image of organizations.

Table 4.5

Communalities of Company CSR Activities

Statement	Initial	Extraction
Tea factory prioritizes people from within the community for employment opportunity.	1.000	0.632
Construction of infrastructure, that is, roads and provision of water for domestic use is done by the factory.	1.000	0.496
Tea leaves are packaged in the right quantity and quality and sold to customers at fair prices.	1.000	0.514
Tea factory sponsors sporting activities as a way of appreciating different talents and uniting people from different walks of life.	1.000	0.405
The tea factory constructs health centers to enhance the health of staff families and people from the nearby communities.	1.000	0.498
The tea factory constructs schools, sanitation facilities and provides equipment to enhance education.	1.000	0.495
Donation of basic amenities, for example, food stuffs and beddings to the less fortunate members of the community is done by the tea factory.	1.000	0.548
The tea factory plants trees and clears waste as a way of conserving the environment.	1.000	0.372
Scholarships of high school, college and university students from poor families is done by the factory.	1.000	0.541
Employees and shareholders are sponsored by the factory to go for holiday trips annually.	1.000	0.512

Extraction Method: Principal Component Analysis.

Source: Research Data (2019)

Table 4.5 shows that tea factories give priorities to people from within the community for employment opportunity since it had the highest factor component of 63.2%. Donation of basic amenities, for example, food stuffs and beddings to the less fortunate members of the community had a factor of 54.8%, Scholarships of high school, college and university students from poor families had a factor of 54.1%, Tea leaves are packaged in the right quantity and quality and sold to customers at fair prices had a factor of 51.4%, Employees and shareholders are sponsored to go for holiday trips annually had a factor of 51.2%. Construction of health centers to enhance the health of staff families and people from the nearby communities had a factor of 49.8%, Construction of infrastructure, specifically roads and provision of water for domestic use had a factor of 49.6%, Construction of schools, sanitation facilities and provision of equipment to enhance education had a factor of 49.5%. Sponsorship of sporting activities as a way of appreciating different talents and uniting people from different walks of life had a factor of 40.5% and Tree planting and clearance of waste as a way of conserving the environment had a factor of 37.2%. This implies that the major corporate and social responsibility activities which have been undertaken by the tea factories were that of giving employment to the community and the least CSR done by the tea factories is tree planting and clearance of waste as a way of conserving the environment.

4.4   Employee CSR and Employer Branding

Respondents were asked to respond to the question relating to corporate social responsibility towards employees on employee branding. The response were in a Likert scale where Strongly Agree – 5, Agree – 4, Undecided – 3, Disagree – 2, Strongly Disagree – 1. Their responses are presented in table 4.6.

Table 4.6

Employee CSR and Employer Branding

	1	2	3	4	5
Workers are employed based on their qualifications without having a bias on any of them.	173 (48.3%)	120 (33.5%)	6 (1.7%)	35 (9.8%)	24 (6.7%)
Whenever there is a job vacancy, it is made known to potential employees so that they can all get a chance of applying for the same	117 (32.7%)	165 (46.1 %)	5 (1.4%)	32 (8.9%)	39 (10.9%)
For positions that do not require skills, applicants from within the community are given priority.	114 (31.8%)	57 (15.3&)	6 (1.7%)	52 (14.5%)	129 (36.0%)
The salary paid to employees is commensurate with their qualifications and experience	117 (32.7%)	115 (32.1%)	3 (0.8%)	59 (16.5%)	64 (17.9%)
Employees are satisfied with the amount paid to them and have not raised any complain	116 (32.4%)	102 (28.5%)	2 (0.4%)	78 (21.8%)	60 (16.9%)
The payment of salaries is always made at the right time and there has never been a case of delays	114 (31.8%)	95 (26.5%)	6 (1.7%)	78 (21.8%)	65 (18.2%)
The working conditions is good, humane and safe and there has been no incident of accidents as a result of negligence on the side of the management	105 (29.3%)	107 (29.9%)	4 (1.0%)	81 (22.6%)	61 (17.2%)
Promotions are always carried out on merit and priority is given to the most experienced and skilled personnel	107 (29.9%)	81 (22.6%)	6 (1.7%)	72 (20.1%)	92 (25.7%)

Source: Research Data (2019)

According to the results in Table 4.6, majority of the respondents, (48.3%) strongly disagreed and 120 (33.5%) respondents disagreed that workers were employed based on their qualifications without having a bias on any of them. This was true to 35 (9.8%) respondents who agreed and 24 (6.7%) respondents who strongly agreed that workers were employed based on their qualification and that there was no biasness in the employment of workers. However, 6 respondents (1.7%) respondents were undecided. Whenever there was a job vacancy, it was made known to potential employees so that they could all get a chance of applying for the same. This was strongly disagreed by 117 (32.7%) respondents which represented the majority while 165 (46.1%) respondents disagreed. The respondents who agreed were 32 (8.9%), 39 (10.9%) respondents strongly agreed while 5 (1.4%) respondents were undecided.

Table 4.6 shows that for positions that did not require skills, applicants from within the community were given priority since 129 (36.0%) which represented the majority of the respondents strongly agreed while 52 (14.5%) respondents agreed. Respondents who strongly disagreed were 114 (31.8%), 57 (15.3%) disagreed and 6 (1.7%) were undecided. Salary paid to employees was commensurate with their qualifications and experience. This was not true according to 117 (32.7%) respondents who strongly disagreed and 115 (32.1%) respondents who disagreed. The respondents who strongly agreed were 64 (17.9%) while 59 (15.5%) respondents disagreed. However, 3 (0.8%) respondents were undecided.

Employees were satisfied with the amount paid to them and had not raised any complain according to 78 (21.8%) respondents who agreed and 60 (16.9%) respondents strongly agreed. However, 116 (32.4%) respondents strongly disagreed, 102 (28.5%) respondents disagreed while 2 (0.4%) respondents were undecided. Majority of respondents, 114 (31.8%) strongly disagreed

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and 95 (26.5%) respondents disagreed that the payment of salaries was always made at the right time and there had never been any case of delays. The respondents who agreed were 78 (21.8%), 60 (16.9%) respondents strongly agreed while 6 (1.7%) respondents were undecided.

Table 4.6 further reveals that majority of the respondents, (107) 29.9% disagreed while (105) 29.3% strongly disagreed that the working conditions in the tea factories was good, humane and safe and there had been no incident of accidents as a result of negligence on the side of the management. The respondents who agreed were (81) 22.6%, (61)17.2% strongly agreed while (4)1.0% respondents were undecided. Promotions were always carried out on merit and priority was given to the most experienced and skilled personnel according to (92) 25.7% respondents who strongly agreed and (72) 20.1% respondents agreed. This was not true according to the majority, (107) 29.9% respondents who strongly disagreed and 81 (22.6%) who disagreed. However, (6) 1.7% respondents were undecided.

Table 4.7

Descriptive Statistics on employee CSR and Employer Branding

Statement	Analysis N	Mean	Std. Deviation
Workers are employed based on their qualifications without having a bias on any of them.	358	1.8296	1.03253
Whenever there is a job vacancy, it is made known to potential employees so that they can all get a chance of applying for the same	358	2.0028	0.95998
For positions that do not require skills, applicants from within the community are given priority.	358	2.1732	1.16588
The salary paid to employees is commensurate with their qualifications and experience	358	2.3073	1.24595
Employees are satisfied with the amount paid to them and have not raised any complain	358	2.4525	1.35627
The payment of salaries is always made at the right time and there has never been a case of delays	358	2.4441	1.30758
The working conditions is good, humane and safe and there has been no incident of accidents as a result of negligence on the side of the management	358	2.5140	1.34667
Promotions are always carried out on merit and priority is given to the most experienced and skilled personnel	358	2.7235	1.49848

Source: Research Data (2019)

Table 4.7 on descriptive statistics on corporate social responsibility towards employees and employer branding, most of the CSR activities towards employees had been undertaken by tea factories since the overall mean had a factor of 2.306 while the standard deviation was 1.2392 These findings were supported by Hoskins (2005) whose studies assumed that companies have to treat employees properly so as to motivate and retain them and concluded that evaluation of internal CSR impacts may be done using employee surveys where employees may perceive issues such as flexibility, remuneration, working conditions, training, employment terms and working hours.

Table 4.8

Communalities of Employee CSR and Employer Branding

	Extraction
Workers are employed based on their qualifications without having a bias on any of them.	0.697
Whenever there is a job vacancy, it is made known to potential employees so that they can all get a chance of applying for the same	0.668
For positions that do not require skills, applicants from within the community are given priority.	0.676
The salary paid to employees is commensurate with their qualifications and experience	0.514
Employees are satisfied with the amount paid to them and have not raised any complain	0.456
The payment of salaries is always made at the right time and there has never been a case of delays	0.612
The working conditions is good, humane and safe and there has been no incident of accidents as a result of negligence on the side of the management	0.708
Promotions are always carried out on merit and priority is given to the most experienced and skilled personnel	0.474

Extraction Method: Principal Component Analysis.

Source: Research Data (2019)

According to Table 4.8, the working conditions in the tea factories were good, humane and safe and there had not been incidents of accidents as a result of negligence on the side of the management with a factor of 70.8%, workers in the tea factories were employed based on their qualifications without having a bias on any of them had a factor of 69.7% and whenever there was a job vacancy, it was made known to potential employees so that they would all get a chance of applying for the same had a factor of 66.8%. For positions that did not require skills, applicants from within the community were given priority since it had a factor of 67.6%, the payment of salaries was always made at the right time and there had never been a case of delays because it had a factor of 61.2%, salary paid to employees was commensurate with their qualifications and experience with a factor of 51.4%. Promotions were carried out on merit and priority was not given to the most experienced and skilled personnel since it had a least factor of 47.4% and employees were not satisfied with the amount paid to them and have raised any complain had a factor of 45.6%. This revealed that the working conditions in the tea factories was good, humane and safe and there had been no incident of accidents as a result of negligence on the side of the management in the tea factories despite employees working in the tea factories being dissatisfied with the amount paid to them and had raised complain to the tea factories management since it had the least factor.

4.5   Community CSR and Employer Branding

Respondents were asked to respond on the question relating to corporate social responsibility towards community on employee branding. The response were in a Likert scale where Strongly Agree – 5, Agree – 4, Undecided – 3, Disagree – 2, Strongly Disagree – 1. Their responses are presented in Table 4.9.

Table 4.9

Community CSR and Employer Branding

Statement	1	2	3	4	5
Our company has always been participating in the community activities	180 (50.3%)	71 (19.8%)	3 (0.8%)	42 (11.7%)	60 (17.4%)
Our company has been sponsoring students to carry out their studies	96 (26.8%)	154 (43.0%)	4 (1.1%)	36 (10.1%)	68 (19.0%)
Whenever there is an occasion in the neighboring community our company sends representatives to contribute towards the success of the occasion	142 (39.7%)	88 (24.4%)	5 (1.4%)	45 (12.6%)	78 (21.8%)
Infrastructure, specifically roads have been constructed by this company and has benefited the community at large	36 (10.0%)	110 (30.7%)	2 (0.6%)	126 (35.2%)	84 (23.5%)
The community has had their youths employed in our company	72 (20.0%)	84 (23.5%)	2 (0.6%)	125 (34.9%)	75 (20.9%)
We ensure that there is no pollutants released out of the factory which can affect the lives of the society	120 (33.5%)	102 (28.5%)	3 (0.8%)	60 (16.8%)	73 (20.4%)

Source: Research Data (2019)

According to Table 4.9, majority of the respondents, 180 (50.3%) strongly disagreed while 71 (19.8%) respondents disagreed that tea factories company had always been participating in the community activities. The respondents who agreed were 42 (11.7%), 60 (17.4%) respondents strongly agreed while 3 (0.8%) respondents were undecided.

Majority of the respondents, 154 (43.9%) disagreed together with 96 (26.8%) respondents who strongly disagreed that the tea factories had been sponsoring some students to carry out their

studies. The respondents who agreed were 36 (10.1%), 68 (19.0%) strongly agreed while 4 (1.1%) respondents were undecided.

Whenever there was an occasion in the neighboring community tea factories sent representatives to contribute towards the success of the occasion. This was according to 78 (21.8%) respondents who strongly agreed and 45 (12.6%) respondents who agreed. However, the majority of the respondents, 142 (39.7%) strongly disagreed, 88 (24.4%) who disagreed and 5 (1.4%) respondents were undecided. Infrastructure, specifically roads, had been constructed by the tea factories and had benefited the community at large according to 126 (35.2%) respondents who agreed and 84 (23.5%) respondents who strongly agreed. The respondents who disagreed that were 110 (30.7%), 36 (10.0%) respondents strongly disagreed while 2 (0.6%) respondents were undecided.

The community had had their youths employed in the tea factories since the majority 125 (34.9%) of the respondents were in agreement and 75 (20.9%) strongly agreed. The respondents who disagreed were 84 (23.5%), 72 (20.0%) strongly agreed while 2 (0.6%) respondents were undecided. Majority of the respondents, 120 (33.5%) strongly disagreed together with 102 (28.5%) who disagreed that the tea factories ensured that there were no pollutants released out of the factory which could affect the lives of the residents. However, 60 (16.8%) respondents agreed together with 73 (20.4%) respondents who strongly agreed while 3 (0.8%) respondents were undecided.

Table 4.10

Descriptive Statistics on Community CSR and Employer Branding

	Analysis N	Mean	Std. Deviation
Our company has always been participating in the community activities	358	2.0084	1.21956
There are some students that our company has been sponsoring to carry out their studies	358	2.2737	1.13904
Whenever there is an occasion in the neighboring community our company sends representatives to contribute towards the success of the occasion	358	2.2235	1.24811
Infrastructure, like roads, have been constructed by this company and has benefited the community at large	358	2.3184	1.29608
The community has had their youths employed in our company	358	2.4553	1.38093
We ensure that there is no pollutants released out of the factory which can affect the lives of the society	358	2.4972	1.45473

Source: Research Data (2019)

The descriptive statistics on Table 4.10 reveals a positive relationship with an overall mean of 2.296 and a standard deviation of 1.2897 which meant that most community activities had been undertaken by the tea factories. The findings were supported by Hohnen (2007) who observed that companies can provide financial contributions, job opportunities, product /service availability, innovative culture and entrepreneurship to the local community and that companies that can actively consider community's wellbeing could gain good will. Further, the findings

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were supported by Tilakasiri (2012), who concluded that CSR practices mainly target poverty eradication, human rights protection and environmental protection.

Table 4.11

Communalities on Community Corporate Social Responsibility and Employer Branding

	Extraction
Our company has always been participating in the community activities	0.743
There are some students that our company has been sponsoring to carry out their studies	0.761
Whenever there is an occasion in the neighboring community our company sends representatives to contribute towards the success of the occasion	0.617
Infrastructure, specifically roads, have been constructed by this company and has benefited the community at large	0.639
The community has had their youths employed in our company	0.690
We ensure that there is no pollutants released out of the factory which can affect the lives of the society	0.604

Extraction Method: Principal Component Analysis.

Source: Research Data (2019)

From the results in Table 4.11, tea factories had been participating in the community activities since it had a factor of 74.3%, the tea factories had some students that had been sponsored to carry out their studies as revealed by a factor of 76.1%, the community had their youths employed in the tea factories as showed by a factor of 69.0%. Infrastructure specifically roads, constructed by the tea factories had benefited the community at large for it had a factor of 63.9%, whenever there was an occasion in the neighboring community tea factories sent representatives

to contribute towards the success of the occasion for it had a factor of 61.7% and that tea factories ensured that there was no pollutants released out of the factory which could affect the lives of the residents since it had a factor of 60.4%.

4.6   Customer Corporate Social Responsibility and Employer Branding

Respondents were asked to respond on the question relating to social responsibility of customers on employee branding. The response were in a Likert scale where Strongly Agree – 5, Agree – 4, Undecided – 3, Disagree – 2, Strongly Disagree – 1. Their responses are presented in Table 4.12.

Table 4.12

Customer CSR and Employer Branding

	1	2	3	4	5
Customers have their orders supplied on time without delay	156 (43.6%)	97 (27.1%)	6 (1.7%)	41 (11.5%)	58 (16.2%)
Whenever goods are being packaged, it is ensured that they are of the right quantity	103 (28.8%)	140 (39.1%)	10 (2.8%)	43 (12.0%)	62 (17.3%)
The quality of the goods given to the customers is that requested by them or that relevant to the amount they pay	134 (37.4%)	94 (26.3%)	8 (2.2%)	69 (19.3%)	53 (14.8%)
Customers are charged the right price for the products they buy	112 (31.3%)	107 (29.9%)	4 (1.1%)	65 (18.2%)	70 (19.6%)
Whenever customers make inquiries, they are given relevant feedback within the right time	43 (12.0%)	82 (22.9%)	9 (2.5%)	163 (45.5%)	61 (17.0%)
Customers have never raised any complaint regarding the products and services given to them.	116 (32.4%)	150 (41.9%)	8 (2.2%)	25 (7.0%)	59 (16.5%)
Customers have always been satisfied by the products and services given to them	80 (22.3%)	64 (17.9%)	4 (1.1%)	43 (12.0%)	167 (46.6%)

Source: Research Data (2019)

According to the results in Table 4.12, majority of the respondents, 156 (43.6%) strongly disagreed as well as 97 (27.1%) respondents who disagreed that customers had their orders supplied on time without delay. The respondents who strongly agreed were 58 (16.2%), 41 (11.5%) respondents agreed while 6 (1.7%) respondents were undecided. Majority of the respondents, 140 (39.1%) disagreed and 103 (28.8%) respondents strongly disagreed that whenever goods are packaged, it was ensured that they are of the right quantity. 43 (12.0%) respondents agreed, 62 (17.3%) respondents strongly agreed while 10 (2.8%) respondents were undecided.

The quality of the goods given to the customers was that requested by them or that relevant to the amount they paid according to 69 (19.3%) respondents agreed and 53 (14.8%) who strongly agreed. This was not true since the majority, 134 (37.4%) respondents strongly disagreed and 94 (26.3%) respondents disagreed while 8 (2.2%) respondents were undecided. Majority of the respondents, 112 (31.3%) strongly disagreed and 107 (29.9%) respondents disagreed that customers were charged the right price for the products they bought. The respondents who agreed were 65 (18.2%), 70 (19.6%) respondents strongly agreed while 4 (1.1%) respondents were undecided.

Whenever customers made inquiries, they were given relevant feedback within the right time since 163 (45.5%) of the respondents agreed and 61 (17.0%) respondents strongly agreed. However, 82 (22.9%) respondents disagreed, 43 (12.0%) strongly disagreed while 9 (2.5%) respondents were undecided. Majority of the respondents, 150 (41.7%) disagreed and 116 (32.4%) respondents strongly disagreed that customers had never raised any complaint regarding

the products and services given to them. Respondents who agreed were 25 (7.0%), 59 (16.5%) respondents strongly agreed while 8 (2.2%) were undecided.

It was true that customers had always been satisfied by the products and services given to them since the majority, 167 (46.6%) of the respondents strongly agreed and 43 (12.0%) respondents agreed. The respondents who disagreed were 64 (17.9%) and 80 (22.3%) respondents strongly disagreed while 4 (2.2%) respondents were undecided.

Table 4.13

Descriptive Statistics on Customer CSR and Employer Branding

	Analysis N	Mean	Std. Deviation
Customers have their orders supplied on time without delay	358	2.0531	1.16195
Whenever goods are being packaged, it is ensured that they are of the right quantity	358	2.2626	1.13429
The quality of the goods given to the customers is that requested by them or that relevant to the amount they pay	358	2.3101	1.31846
Customers are charged the right price for the products they buy	358	2.5363	1.44267
Whenever customers make inquiries, they are given relevant feedback within the right time	358	2.0810	1.21689
Customers have never raised any complaint regarding the products and services given to them.	358	2.1425	1.11236
Customers have always been satisfied by the products and services given to them	358	2.2179	1.36893

Source: Research Data (2019)

According to the descriptive statistics findings on corporate social responsibility towards customers and employee branding in Table 4.13 revealed a positive relationship. The overall mean was found to be 2.229 while the standard deviation was 1.2508. These findings were supported by Aaker (1996) who noted that a firm's strategic management agenda focuses on customer loyalty and management attrition and that firms develop long-term and mutually beneficial plans by creating and maintaining the loyalty of customers. Moreover, the finding were supported by (Yin et al., 2013) whose study concluded that customer stakeholder responsibility best practice involves ensuring service excellence and product quality in terms of timely customer feedback and, technology and sustainable product

Table 4.14

Communalities on Customer CSR and Employer Branding

	Extraction
Customers have their orders supplied on time without delay	0.729
Whenever goods are being packaged, it is ensured that they are of the right quantity	0.710
The quality of the goods given to the customers is that requested by them or that relevant to the amount they pay	0.585
Customers are charged the right price for the products they buy	0.539
Whenever customers make inquiries, they are given relevant feedback within the right time	0.448
Customers have never raised any complaint regarding the products and services given to them.	0.562
Customers have always been satisfied by the products and services given to them	0.706

Extraction Method: Principal Component Analysis.

Source: Research Data (2019)

From Table 4.14, it can be noted that the tea factories customers had their orders supplied on time without delay since it had a factor of 72.9%, whenever customers' goods were being packaged, tea factories ensured that they were of the right quantity for it had a factor of 71.0%, tea factories' customers had always been satisfied by the products and services given to them since it had a factor of 70.6%. The quality of the goods given to the tea factories customers was that requested by them or that relevant to the amount they paid since it had a factor of 58.5%, tea factories customers had never raised any complaint regarding the products and services given to them as confirmed by a factor of 56.2%, tea factories customers were charged the right price for the products they bought for it had a factor of 53.9% and whenever tea factories customers made inquiries, they were given relevant feedback within the right time was the least with a factor of 44.8%. This revealed that tea factories' customers had their orders supplied on time without delays and that they were not always satisfied by the product and services given to them.

4.7   CSR towards Shareholders and Employer Branding

Respondents were asked to respond on the question relating to shareholder corporate social responsibility on employer branding. The response were in a Likert scale where Strongly Agree – 5, Agree – 4, Undecided – 3, Disagree – 2, Strongly Disagree – 1. Their responses are presented in Table 4.15.

Table 4.15

Shareholder CSR and Employer Branding

Statement	1	2	3	4	5
Management of the business activities is done in line with the shareholders' interest	153 (42.7%)	81 (22.6%)	14 (3.9%)	42 (11.7%)	68 (19.0%)
There is no single business that is done without the knowledge of the shareholders	105 (29.3%)	116 (32.4%)	8 (2.2%)	49 (13.8%)	80 (22.3%)
Shareholders are always called on a regular basis to explain to them the running of the business	143 (39.9%)	79 (22.1%)	10 (2.8%)	49 (13.4%)	78 (21.8%)
Whenever auditors come, they are given all the records of the company to be in a position to check on the progress of the company	133 (37.2%)	101 (28.2%)	8 (2.2%)	41 (11.7%)	74 (20.7%)
During Annual General Meetings, the shareholders have the copies of the financial statements given to them to be in a position to know the true progress of the company	122 (34.1%)	90 (25.1%)	6 (1.7%)	70 (19.6%)	70 (19.6%)
Dividends are always declared based on the amount of profits realized in each particular year.	112 (31.3%)	105 (29.3%)	10 (2.8%)	51 (14.3%)	80 (22.3%)
There is no single time the shareholders have complained about how the company is being managed	105 (29.6%)	100 (27.9%)	9 (9.5%)	68 (19.0%)	79 (21.2%)

Source: Research Data (2019)

According to the results on Table 4.15, majority, 153 (42.7%) respondents strongly disagreed and 81 (22.6%) respondents disagreed that the management of the business activities was done in line with the shareholders' interest. The respondents who strongly agreed were 68 (19.0%), 42 (11.7%) respondents agreed while 14 (3.9%) respondents were undecided. The majority, 116 (32.4%) of the respondents disagreed and 105 (29.3%) strongly disagreed to the fact that there was no single business done by the tea factories without the knowledge of the shareholders.

However, 80 (22.3%) respondents strongly agreed, 49 (13.8%) respondents agreed while 8 (2.2%) respondents were undecided.

Shareholders were not always called on a regular basis for explanation of the running of the business as confirmed by the majority, 143 (39.9%) respondents who strongly disagreed and 79 (22.1%) who disagreed. However, 78(21.8%) strongly agreed, 49 (13.4%) agreed and 10 (2.8%) were undecided. Majority of the respondents, 133 (37.2%) strongly disagreed together with 101 (28.2%) respondents who disagreed to the statement that whenever auditors came, they were given all the records of the company to be in a position to check on the progress of the company. However, 74 (20.7%) respondents strongly agreed, 41 (11.7%) respondents agreed while 8 (2.2%) were undecided.

According to Table 4.15, majority, 122 (34.1%) respondents strongly disagreed as well as 90 (25.1%) respondents who disagreed to the statement that during Annual General Meetings, the shareholders were given copies of the financial statements to be in a position to know the true progress of the company. The respondents who strongly agreed and those who agreed to that were 70 (19.6%) while 6 (1.7%) respondents were undecided.

According to the statement that dividends were always declared based on the amount of profits realized in each particular year, the majority of the respondents, 112 (31.3%) strongly disagreed and 105 (29.3%) respondents disagreed. The respondents who strongly agreed were 80 (22.3%), 51 (14.3%) agreed while 10 (2.8%) respondents were undecided. Majority, 105 (29.6%) respondents strongly disagreed and 100 (27.9%) disagreed to the statement that there is no single time the shareholders had complained about how the company is being managed. The respondent

who strongly agreed were 79 (21.2%), 68 (19.0%) respondents agreed and 9 (9.5%) respondents were undecided.

Table 4.16

Descriptive Statistics on Shareholder CSR and Employer Branding

Statement	Analysis N	Mean	Std. Dev
Management of the business activities is done in line with the shareholders' interest	358	2.1872	1.27512
There is no single business that is done without the knowledge of the shareholders	358	2.4134	1.25782
Shareholders are always called on a regular basis to explain to them the running of the business	358	2.3156	1.34449
Whenever auditors come, they are given all the records of the company to be in a position to check on the progress of the company	358	2.3045	1.31976
During Annual General Meetings, the shareholders have the copies of the financial statements given to them to be in a position to know the true progress of the company	358	2.4134	1.33139
Dividends are always declared based on the amount of profits realized in each particular year.	358	2.4497	1.32694
There is no single time the shareholders have complained about how the company is being managed	358	2.6089	1.43706

Source: Research Data (2019)

According to Table 4.16, the overall mean had a factor of 2.3846 and the standard deviation was 1.1340, a positive relationship between CSR towards shareholders and employer branding. Findings indicated that they were supported by studies done by Baruch (2013) on CSR impacts on shareholder money; in an attempt to know whether CSR does any good or wastes shareholders' money. The conclusions made were that business upside (potential gain) is modest at its best.

Table 4.17

Communalities on Shareholder CSR and Employer Branding

	Extraction
Management of the business activities is done in line with the shareholders' interest	0.444
There is no single business that is done without the knowledge of the shareholders	0.549
Shareholders are always called on a regular basis to explain to them the running of the business	0.585
Whenever auditors come, they are given all the records of the company to be in a position to check on the progress of the company	0.552
During Annual General Meetings, the shareholders have the copies of the financial statements given to them to be in a position to know the true progress of the company	0.514
Dividends are always declared based on the amount of profits realized in each particular year.	0.546
There is no single time the shareholders have complained about how the company is being managed	0.403

Extraction Method: Principal Component Analysis.

Source: Research Data (2019)

From Table 4.17, shareholders were always called on a regular basis to get explanation on the running of the tea factories since it had a factor of 58.5%, whenever auditors came, they were given all the records of the company to be in a position to check on the progress of the company with a factor of 55.2%, tea factories did not do any single business without the knowledge of the shareholders since it had a factor of 54.9%. Dividends were always declared based on the amount of profits realized in each particular year since it had a factor of 54.6%, during Annual General Meetings, the shareholders had copies of the financial statements given to them to be in a position to know the true progress of the company since it had a factor of 51.4%, management of the tea factories business activities was done in line with the shareholders' interest for it had a

factor of 44.4% and there was no single time the shareholders had complained about how the company was being managed was the least with a mean of 40.3%.

4.8 Employer Branding

Respondents were asked to respond on the question relating to employer branding. The response were in a Likert scale where Strongly Agree – 5, Agree – 4, Undecided – 3, Disagree – 2, Strongly Disagree – 1. Their responses are presented in Table 4.18.

Table 4.18

Employer branding

	1	2	3	4	5
Our company has always been the best choice as an employer	168	76	6	34	74
	(46.9%)	(21.2%)	(1.7%)	(9.4%)	(20.7%)
Our company's image has always been good in the eyes of the public and has been attracting a good number of customers	102	133	9	41	73
	(28.5%)	(37.2%)	(2.5%)	(11.5%)	(20.4%)
There has always been efficiency in carrying out activities in our company as all employees are motivated and work extra hard	148	79	14	40	77
	(41.3%)	(22.1%)	(3.9%)	(11.2%)	(21.5%)
We have always been getting positive feedback from the clients and other stakeholders about how our company operates	100	130	10	52	66
	(27.9%)	(36.3%)	(2.8%)	(14.6%)	(18.4%)
By participating in community activities, we have always gotten more income than the expenses	50	94	8	136	70
	(14.0%)	(26.3%)	(2.2%)	(38.0%)	(19.6%)
Participation in CSR has a positive impact on employer branding.	65	76	14	147	56
	(18.1%)	(21.2%)	(3.9%)	(41.1%)	(15.6%)

Source: Research Data (2019)

According to Table 4.18, 168 (46.9%) respondents representing the majority strongly disagreed and 76 (21.2%) respondents disagreed that their tea factory has always been the best choice as an employer. The respondents who strongly agreed that their tea factory had always been the best choice as an employer were 74 (20.7%), 34 (9.4%) respondents agreed while 6 (1.7%) were undecided.

Majority of the respondents, 133 (37.2%) disagreed while 102 (28.5%) strongly disagreed that their tea factories' image has always been good in the eyes of the public and has been attracting a good number of customers. The respondents who strongly agreed were 73 (20.4%), 41 (11.5%) agreed to it and 9 (2.5%) were undecided.

It was not true that there had always been efficiency in carrying out activities in the tea factories since not all employees were motivated and worked extra hard. This was according to the majority of respondents, 148 (41.3%) who strongly disagreed and 79 (22.1%) who disagreed. The respondents who strongly agreed were 77 (21.5% while 40 (11.2%) agreed and 14 (3.9%) respondents were undecided.

Majority of the respondents, 130 (36.3%) disagreed and 100 (27.9%) strongly disagreed that they had always been getting positive feedback from the clients and other stakeholders about how their tea factory operated. The respondents who strongly agreed were 66 (18.4%), 52 (14.6%) agreed while 10 (2.8%) respondents were undecided.

By participating in community activities, tea factories had always got more income than the expenses. This was true according to the majority of the respondents, 136 (38.0%) who agreed as well as 70 (19.6%) who strongly agreed. The respondents who disagreed were 94 (26.3%), 50 (14.0%) strongly disagreed while 8 (2.2%) were undecided.

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Majority of the respondents, 147 (41.1%) agreed while 56 (15.6%) strongly agreed that by participating in corporate social responsibility it contributed to a positive impact on employer branding. However, 76 (21.2%) respondents disagreed, 65 (18.1%) respondents strongly agreed and14 (3.9%) respondents were undecided.

Table 4.19

Descriptive Statistics on Employer branding

	Analysis N	Mean	Std. Deviation
Our company has always been the best choice as an employer	358	2.1285	1.29866
Our company's image has always been good in the eyes of the public and has been attracting a good number of customers	358	2.3128	1.16070
There has always been efficiency in carrying out activities in our company as all employees are motivated and work extra hard	358	2.2458	1.29681
We have always been getting positive feedback from the clients and other stakeholders about how our company operates	358	2.3799	1.23254
By participating in community activities, we have always gotten more income than the expenses	358	2.3296	1.35876
Participating in Corporate social responsibility has a positive impact on employer branding.	358	2.4358	1.52479

Source: Research Data (2019)

Table 4.19 reveals that participating in corporate social responsibility has a positive impact on employer branding since it had an overall mean of 2.3054 and a standard deviation of 1.5385. The findings were supported by Aaker (1991) who established that brand is a critical means used by organizations to create competitive advantage and to differentiate between products and

(Althauser, 2001 & Petkovis, 2008) who observed that employer brand serves as an instrument of differentiating a company from its competitors in the eyes of current and potential employees.

Table 4.20

Communalities on Employer branding

	Extraction
Our company has always been the best choice as an employer	0.801
Our company's image has always been good in the eyes of the public and has been attracting a good number of customers	0.774
There has always been efficiency in carrying out activities in our company as all employees are motivated and work extra hard	0.674
We have always been getting positive feedback from the clients and other stakeholders about how our company operates	0.701
By participating in community activities, we have always gotten more income than the expenses	0.722
Participating in Corporate social responsibility has a positive impact on employer branding.	0.771

Extraction Method: Principal Component Analysis.

Source: Research Data (2019)

Table 4.20 revealed that the tea factories have always been the best choice as an employer since it had a factor of 80.1%, tea factories company's image has always been good in the eyes of the public and has been attracting a good number of customers since it had a factor of 77.4%, participating in Corporate social responsibility has a positive impact on employer branding is true since it had a factor of 77.1%, by participating in community activities, tea factories have always got more income than the expenses since it had a factor of 72.2%, getting positive

feedback from the clients and other stakeholders about how tea factories operates had a factor of 70.1% and having efficiency in carrying out activities in our company as all employees are motivated and work extra hard is paramount for tea factories since it had factor of 67.4%.

4.9   Inferential Statistics

This section presents the results of inferential statistics that were used which included; Pearson correlation coefficient and multiple regression analysis.

4.9.1   Correlation Analysis

Correlation between variables is a measure of how well the variables are linearly related. The correlation coefficients results are between -1 and 1. A result of -1 means that there is a perfect negative correlation between the two values, while a result of 1 means that there is a perfect positive correlation between the two variables. Result of 0 means that there is no correlation between the two variables (Gujarat, 2004). The results are presented on Table 4.21.

Table 4.21

Correlations

		1	2	3	4	5
1. Employee	Pearson Correlation	1				
	Sig. (2-tailed)					
2. Customer	Pearson Correlation	.349**	1			
	Sig. (2-tailed)	.000				
3. Community	Pearson Correlation	.329**	.767**	1		
	Sig. (2-tailed)	.000	.000			
4. Shareholders	Pearson Correlation	.364**	.675**	.662**	1	
	Sig. (2-tailed)	.000	.000	.000		
5. Employer	Pearson Correlation	.402**	.696**	.662**	.740**	1
	Sig. (2-tailed)	.000	.000	.000	.000	

N = 358
** = Correlation is significant at the 0.01 level (2-tailed).
Source: Research Data (2019)

The results in Table 4.21 shows that there exists a strong significant and positive relationship between the CSR variables, at 0.01 level of significance, where r ranged from 0.329 to 0.767 (p values=0.000). From the correlation results, it was evident that significant positive correlations (non-causal relationship) exist between the three predictor variables and the dependent variable. The findings also indicated significantly strong and positive correlation between CSR variables and employer branding in selected tea factories in Kericho County, where CSR towards employee had value of r of 0.349, CSR towards customer had value of r of 0.329, CSR towards community had value of r of 0.364, CSR towards shareholders had value of r of 0.402 and CSR towards employer had value of r of 0.409. This means an increase in CSR activities led to an increase in employer branding of selected tea factories in Kericho County.

Table 4.22

Optimal Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.798[a]	.637	.633	.56993

a. Predictors: (Constant), Shareholders, Employee, Community, Customer

Source: Research Data (2019)

A multiple regression analysis was carried out to establish combined causal relationship between predictor variables and the dependent variable and also test the formulated hypothesis. Table 4.22 present the model summary for the regression analysis between the predictor variables and the dependent variable. The overall $R^2 = 0.637$ which indicates 63.7 percent of the variation in the dependent variable is explained by the predictor variables that are included in the model, that is, the independent variables of CSR to employees, community, customers and shareholders

while 36.7 % variation in the dependent variable is explained by other factors that are not included in the model denoted by (ε) in the model. The R value of 0.798 in Table 4.22 shows that there is a strong and positive correlation between employee, community, customer and shareholder social responsibility, and employer branding of selected tea factories in Kericho County, Kenya. A high degree of correlation among residuals of the regressions' data sets may produce inefficient results (Yupitun, 2008).

Table 4.23

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	.334	.176		-1.896	.059
Employee	.415	.135	.108	3.086	.002
Customer	.301	.063	.257	4.795	.000
Community	.152	.056	.144	2.734	.001
Shareholders	.429	.046	.432	9.354	.000

a. Dependent Variable: Employer

Source: Research Data (2019)

Table 4.23 reveals that employee corporate social responsibility towards has a Coefficient of 0.415, which means that if the index is increased by 1 unit, other factors being constant, employer branding is expected to increase on average by 41.5% units. Shareholder Corporate social responsibility had a coefficient of 0.429 which means that if the index is increased by 1 unit, other factors being constant, employer branding is expected to increase on average by 42.9% units. Customer Corporate social responsibility had a coefficient of 0.301 which means that if the index is increased by 1 unit, other factors being constant, employer branding is expected to increase on average by 30.1% units. Community Corporate social responsibility had

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a coefficient of 0.152 which means that if the index is increased by 1 unit, other factors being constant, employer branding is expected to increase on average by 15.2% units.

4.10   Hypothesis Testing

Inferential statistics was used to test the relationships between variables at 5 percent level of significance. The null hypothesis was rejected whenever p value was less than 0.05, this was in support of the alternative hypothesis, and vice versa.

Hypothesis one, H_{01}: Employee Corporate social responsibility has no significant effect on employer branding in selected tea factories in Kericho County.

This study found a positive relationship between employee corporate social responsibility and employer branding with a coefficient of 0.415 as shown in Table 4.23. This meant that a unit increase in the index led to an increase in employer branding index by 0.415. The relationship is significant (p value = 0.02; $p < 0.05$), therefore the null hypothesis was rejected. It can therefore be inferred that employee corporate social responsibility has a significant effect on employer branding in selected tea factories in Kericho County.

Findings in this study were consistent with previous studies that argued that the relationship between CSR and employees is positive and significant. For example, Glavas & Kelly (2014) carried out studies on the effects of CSR activities on employees. In their study, company CSR activities were linked to an increase in morale and commitment and their findings were that CSR would positively affect the retention rate of the company. Findings are also consistent with a study done by Skudiene and Aruskeviciene, (2010), in the research on motivation which proved that internal CSR activities are incentives used to motivate employees.

The results are consistent with the social contracts theory which defines the relationships with employees, customers, shareholders, creditors, community, government and other stakeholders. Internally, employees become more productive when their benefits, interests and working conditions are guaranteed in the corporate internal contract, Fu and Shen (2015).

Hypothesis two, H_{02}: Community Corporate social responsibility has no significant effect on employer branding in selected tea factories in Kericho County.

The findings of this study revealed a positive relationship between community corporate social responsibility and employer branding with a standardized coefficient of 0.152 as shown in Table 4.23. This meant that a unit increase in the index led to an increase in employer branding index by 0.152. The relationship is significant (p value = 0.01; p>0.05), therefore the null hypothesis is rejected. It can therefore be inferred that community corporate social responsibility has a significant effect on employer branding of selected tea factories in Kericho County.

Therefore, these findings are consistent with previous studies which have shown positive and significant effect of CSR towards community on employer branding. Community-related CSR activities comprising of health, sports, education and donations build confidence and trust and also mitigate risks (Yin et al., 2012). CSR towards community in this research included education, sports, donation, environmental protection and volunteer work. The results were in support of Tilakasiri (2012), that CSR practices mainly target poverty eradication, human rights protection and environmental protection and Porter and Kramer (2011), that CSR is viewed as the key worth since it creates a shared value; benefit for the business and that of the society; the company and the community success become mutually reinforcing.

The findings of this study are in agreement with social contract and stakeholder theories which hold that a company needs to take cognizant of the various stakeholder interests including community. In this study, community was recognized as a key stakeholder for the tea factories for which it has to establish good relations to enable them carry out operations smoothly. This provides a social license for the firm in line with the findings of previous studies by Fu and Shen (2015), Hilson (2014), Mugun (2013) and Popa & Salanta (2014).

Hypothesis three, H$_{03}$: Customer Corporate social responsibility has no significant effect on employer branding in selected tea factories in Kericho County.

This study found a positive relationship between customer corporate social responsibility and employer branding with a standardized coefficient of 0.301 as shown in Table 4.23. This meant that a unit increase in the index led to an increase in employer branding. The relationship is significant (p value = 0.00; p<0.05), therefore the null hypothesis was rejected. . It can therefore be inferred that corporate social responsibility towards customers has a significant effect on employer branding in selected tea factories in Kericho County.

The results are consistent with previous studies which showed a positive significant influence of customer relations on employer branding. Customer satisfaction enhances reputation, reduced price elasticity, lowers costs of future transactions enhances customer loyalty and lowers insulation of current customers from competitive forces, Tilakasiri (2012). The study is in agreement with Nzulwa (2013) that Companies that implement CSR practices are higher in terms of brand image and reputation compared to companies that do not.

The findings of the study are in agreement with the stakeholder theory, which indicates that a company needs to take cognizant of the interests of various stakeholders, customers being included. The company's ecological and ethical practices, quality assurance and consumer information influences consumer behavior, (Palmer, 2012; Sweeney, 2009).

Hypothesis four, H$_{04}$: Shareholder Corporate social responsibility has no significant effect on employer branding in selected tea factories in Kericho County.

The study established a positive and significant relationship between shareholder corporate social responsibility and employer branding with a standardized coefficient of 0.429 as shown in Table 4.30. This meant that a unit increase in the index led to an increase in employer branding. The relationship is significant (p value = 0.00; p<0.05), therefore the null hypothesis was rejected. It can therefore be inferred that shareholder corporate social responsibility has a significant effect on employer branding in selected tea factories in Kericho County.

The results are consistent with previous studies which showed a positive significant influence of shareholder relations on employer branding. CSR towards shareholder in this study included involvement in the decision process, provision of financial statements and reports, information on general factory performance and declaration of dividends on the basis of profits realized at the end of the year. Findings were supported by Baruch, (2013) who did an examination on CSR impacts on shareholder' money in a related study. The recommendations of the study indicated that companies should just practice CSR if it enhances sales and earnings.

Findings are consistent with stakeholder theory which implies that through certain non-financial CSR activities perceived to be important, firms can benefit a lot. Organizations are not accountable to their shareholders but they are obligated to consider the interests of other

stakeholders that can be affected or can affect the achievement of organization's objective, Sternberg (1996).

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1   Introduction

This chapter summarizes the research findings regarding the research objectives, hypotheses, draws conclusions and makes recommendations for further research.

5.2   Summary

5.2.1   Corporate Social Responsibility Activities

Findings of this study found a significant effect of CSR activities. This implies that major corporate and social responsibility activities had been undertaken by the tea factories. These findings were in agreement with some previous studies which found the relationship to be significant. For example, Meister, (2012) who concluded that CSR is considered an important strategy since it increases employee engagement, attracts and retains investors, attracts more job candidates, attracts more customers and generally improve the public image of organizations. They are also agreement with Ali, Rehman, Ali, Yousaf, & Zia, (2010) who argued that the engagement in socially responsible activities is of great significance to organizations, for example, maximizing stakeholder loyalty and strengthening the relationships and minimizing conflicts with the different stakeholders.

5.2.2   Employee CSR and Employer Branding

The findings of the study showed that there exists a positive and significant relationship between employee corporate social responsibility and employer branding in selected tea factories in Kericho County, Kenya. Literature review established that CSR creates employee attraction,

motivation and retention hence enhancing employer brand. These findings were in agreement with some previous studies which found the relationship to be positive and significant. Literature revealed that most studies established that CSR helps in attracting, motivating and retaining employees. Bremner (2016), described CSR as a tool used to attract, motivate and retain productive workforce by improved labour practices and working conditions.

5.2.3 CSR towards Community and Employer Branding

The study found a positive and significant relationship between Community CSR and employer branding. These findings were in agreement with previous studies that have argued that the relationship is positive and significant. Agarwal, (2008) argued that in addition to the production of goods and services, society expects provision of benefits including employment, environmental conservation, infrastructure and improved lifestyle from organizations. Hohnen (2007) postulated that companies that actively consider the community's wellbeing could gain good will in return. Community CSR activities including education, sports, donations, sponsorships and environmental protection build confidence and trust and mitigate risks.

5.2.4 Customer CSR and Employer Branding

The findings of this study found a positive and significant relationship between customer corporate social responsibility and employer branding. These findings were in agreement with previous studies that have argued that the relationship is positive and significant. The results were in support of Nzulwa (2013) who concluded that companies that implement CSR practices are higher in terms of brand image and reputation compared to companies that do not. They were also in agreement with (Yin et al., 2013) who held that customer stakeholder responsibility best

practice involves ensuring service excellence and product quality in terms of timely customer feedback and, technology and sustainable product.

5.2.5   Shareholder CSR on Employer Branding

The findings of this study found a positive relationship between shareholder corporate social responsibility and employer branding. These findings were in agreement with previous studies that have argued that the relationship is positive and significant. For example, Bechetti (2007) discovered that absolute value abnormal returns had a significant upward trend, irrespective of the event type, a critical negative impact on the unusual returns was seen. Moreover, conclusions made by Bechetti (2007) showed that the market penalized the exit from Social Responsibility Index and ethical funds.

5.2.6   Employer Branding

The findings of this study found a positive relationship between CSR and employer branding which meant that an increase in CSR index led to an increase in employer branding index. The study is in support of Aaker (1991), who described employer brand as a critical means used by organizations to create competitive advantage, differentiating between products and a new approach in gaining an edge in the competitive world. Through activities such as, employee attraction and retention, employee relations and fair treatment, customer satisfaction/loyalty, internal and external processes, product/service quality, participating in community activities, feedback from clients and other stakeholders about factory operations.

5.3   Conclusions

The study made the following conclusions;

5.3.1   Corporate Social Responsibility Activities

The study found a positive relationship between corporate social responsibility and employer branding which meant that an increase in CSR index led to an increase in tea factory employer branding index. Through CSR activities comprising prioritizing to people from within the community for employment opportunities, donation of basic amenities (food stuff and bedding) to the less fortunate members of the community and providing scholarships to high school, college and university students from poor families, packaging tea leaves in the right quantity and quality and selling them to customers at fair prices, construction of health centers to enhance the health of staff families and people from the nearby communities has enabled tea factories to gain popularity, construction of infrastructure specifically roads and provision of water for domestic use and the construction of schools, sanitation facilities and provision of equipment to schools enhances education to the community. Sponsorship of sporting activities as a way of appreciating different talents brings unity among people from different walks of life and tree planting and clearance of waste as a way of conserving the environment build brand for the tea factory.

5.3.2   Employee CSR and Employer Branding

This study found a positive relationship between employee corporate social responsibility and employer branding which meant that an increase in the index led to an increase in tea factory employer branding index. The working conditions in the tea factories was good, humane and

safe thus reduction in the number of accidents. The tea factories do employment based on qualifications without having a bias on any applicant and whenever there is a job vacancy it is made known by potential employees hence get a chance to apply for the same. Positions that do not require skills, applicants from within the community are given priority; the payment of salaries was not commensurate with their qualifications and experience and was not made at the right time and delayed. Promotions was really done and priority ought to be given to the most experienced and skilled personnel.

5.3.3   Community CSR and Employer Branding

Tea factories ought to participate more often in community activities, they need to sponsor students to further their studies and employ youths in their factories. Infrastructure like roads, constructed by the tea factories had benefited the community and whenever there is an occasion in the neighboring community they ought to send representatives to contribute towards the success of the occasion. The pollutants released out of the factory affect the community ecosystem.

5.3.4   Customer CSR and Employer Branding

Tea factories need to supply customer's orders on time and whenever customers' goods are being packaged; they do it in the right quantity relevant to the amount paid. The tea factories customers often raise complaint regarding the products and services given to them; they ought to be given relevant feedback within the right time when they make inquiries.

5.3.5 Shareholder CSR and Employer Branding

Tea factories need to involve its shareholders on a regular basis in the running of the tea factories, the activities of the factories was not done in line with the shareholders 'interest who complained when the factory is not managed properly. Tea factories ought to give auditors all the records of the company for them to be in a position to check on the progress of the company. Tea factories also need to declare dividends based on the amount of profits realized in each particular year.

5.3.6 Employer Branding

Tea factories are the best choice as an employer since their company's image has always been good in the eyes of the public and has been attracting a good number of customers. Their participation in Corporate social responsibility creates a positive impact on employer branding and leads to generation of more income than the expenses, it also helps them to get positive feedback from the clients and other stakeholders about how tea factories operates leading to efficiency in carrying out operational activities since all employees are motivated and work extra hard.

5.4 Recommendations

The study recommends the enhancement of staff welfare, training and development, health and safety and promotions based on qualification and experience to maximize the productivity of employees. It also recommends the engagement of community social responsibilities through welfare initiatives, education and health and by establishing CSR projects and charity to promote harmony with the community. It recommends customer social responsibility though quality

assurance, product information and customer feedback to ensure customer satisfaction and loyalty. It also recommends promotion of shareholders' satisfaction by involving its shareholders on a regular basis in the running of the tea factories, declaration of dividends and provision of financial records during audits.

5.5   Suggestions for Further Research

The study considered the manufacturing sector owing to the effect of manufacturing operations and its strategic role in the economy. Similar research on other sectors of the economy could be considered, especially the service sector including health, insurance and hospitality sectors. A similar research can also be done with a focus on other stakeholders, for example, government, suppliers and investors.

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APPENDICES

Appendix I: Introduction Letter

To: Whom it may concern

From: Researcher

Date: 2019

RE: QUESTIONNAIRE

My name is Winny Chelangat, a student of Master of Business Administration (Human Resource Management option) at the University of Kabianga carrying out a research study to determine the Effect of Corporate Social Responsibility on Employer Branding in selected Tea Factories in Kericho County, Kenya.

I seek to collect accurate data from tea factories on CSR initiatives strategically focused through stakeholders, to draw conclusions that would contribute to growing literature on CSR as a strategy in employer branding. I kindly seek your permission and cooperation to participate in this study. Ethical requirements including anonymity and confidentiality will be held to the highest level. The study will be used for academic purposes only and key findings will be published in reputable global business journals.

Thanks in advance,

Winny Chelangat 0717175657

winnychela389@gmail.com

Appendix II: Questionnaire

The study attempts to determine the effects of Corporate Social Responsibility on employer branding for academic purpose only. Please fill this questionnaire to help me carry out this research adequately. Do not write your name anywhere in this questionnaire.

PART A: BIO-DATA INFORMATION

	Below 20yrs	20 - 30 yrs	30-40yrs	40-50yrs	50-60yrs	Above 60yrs
What is your age in years						
	Factory manager	**Finance Manager**	**PRO**	**Marketing Manager**	**Human Resource Manager**	**Worker**
What role do you play in this project?						
	Less than 1year	**1-2yrs**	**2-3 years**	**3-4 yrs**	**4-5yrs**	**Above 5 yrs**
How long have you been in your position?						
	KCSE	**Certificate**	**Diploma**	**Bachelors' Degree**	**Masters' Degree**	**Doctorate Degree**
What highest level of education did you attain?						

PART B: COMPANY CSR ACTIVITIES

Please tick where appropriate

	Yes	No
Priority is given to people from within the community for employment opportunity.		
Construction of infrastructure, that is, roads and provision of water for domestic use.		
Tea leaves are packaged in the right quantity and quality and sold to customers at fair prices.		
Sponsorship of sporting activities as a way of appreciating different talents and uniting people from different walks of life.		
Construction of health centers to enhance the health of staff families and people from the nearby communities.		
Construction of schools, sanitation facilities and provision of equipment to enhance education.		
Donation of basic amenities, for example, food stuffs and beddings to the less fortunate members of the community.		
Tree planting and clearance of waste as a way of conserving the environment.		
Scholarships of high school, college and university students from poor families.		
Employees and shareholders are sponsored to go for holiday trips annually.		

PART C: CSR AND EMPLOYER BRANDING

Please use the following scale. (Strongly Agree – 5, Agree – 4, Undecided – 3, Disagree – 2, Strongly Disagree – 1)

Section I: Employee Social Responsibility and Employer Branding

	1	2	3	4	5
Workers are employed based on their qualifications without having a bias on any of them.					
Whenever there is a job vacancy, it is made known by potential employees so that they can all get a chance of applying for the same					
For positions that do not require skills, applicants from within the community are given priority.					
The salary paid to employees is commensurate with their qualifications and experience					
Employees are satisfied with the amount paid to them and have not raised any complain					
The payment of salaries is always made at the right time and there has never been a case of delays					
The working conditions is good, humane and safe and there has been no incident of accidents as a result of negligence on the side of the management					
Promotions are always carried out on merit and priority is given to the most experienced and skilled personnel					

Section II: Community Social Responsibility and Employer Branding

	1	2	3	4	5
Our company has always been participating in the community activities					
There are some students that our company has been sponsoring to carry out their studies					
Whenever there is an occasion in the neighboring community our company sends representatives to contribute towards the success of the occasion					
Infrastructure, like roads, have been constructed by this company and has benefited the community at large					
The community has had their youths employed in our company					
We ensure that there is no pollutants released out of the factory which can affect the lives of the society					

Section III: Social Responsibility of Customers and Employer Branding

	1	2	3	4	5
Customers have their orders supplied on time without delay					
Whenever goods are being packaged, it is ensured that they are of the right quantity					
The quality of the goods given to the customers is that requested by them or that relevant to the amount they pay					

	1	2	3	4	5
Customers are charged the right price for the products they buy					
Whenever customers make inquiries, they are given relevant feedback within the right time					
Customers have never raised any complaint regarding the products and services given to them.					
Customers have always been satisfied by the products and services given to them					

Section IV: Shareholder Social Responsibility and Employer Branding

	1	2	3	4	5
Management of the business activities is done in line with the shareholders' interest					
There is no single business that is done without the knowledge of the shareholders					
Shareholders are always called on a regular basis to explain to them the running of the business					
Whenever auditors come, they are given all the records of the company to be in a position to check on the progress of the company					
During Annual General Meetings, the shareholders have the copies of the financial statements given to them to be in a position to know the true progress of the company					
Dividends are always declared based on the amount of profits realized					

	1	2	3	4	5
in each particular year.					
There is no single time the shareholders have complained about how the company is being managed					

Section V: Employer branding

	1	2	3	4	5
Our company has always been the best choice as an employer					
Our company's image has always been good in the eyes of the public and has been attracting a good number of customers					
There has always been efficiency in carrying out activities in our company as all employees are motivated and work extra hard					
We have always been getting positive feedback from the clients and other stakeholders about how our company operates					
By participating in community activities, we have always had more income than the expenses					
Participating in Corporate social responsibility has a positive impact on employer branding.					

Thanks for your Co-operation

Appendix III: Research License

THE SCIENCE, TECHNOLOGY AND INNOVATION ACT, 2013

The Grant of Research Licenses is guided by the Science, Technology and Innovation (Research Licensing) Regulations, 2014.

CONDITIONS

1. The License is valid for the proposed research, location and specified period.
2. The License and any rights thereunder are non-transferable.
3. The Licensee shall inform the County Governor before commencement of the research.
4. Excavation, filming and collection of specimens are subject to further necessary clearance from relevant Government Agencies.
5. The License does not give authority to transfer research materials.
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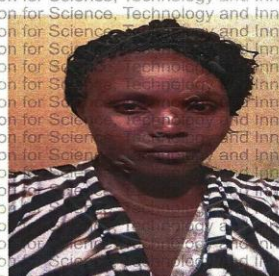
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RESEARCH LICENSE

Serial No.A 23445

CONDITIONS: see back page

THIS IS TO CERTIFY THAT:
MS. WINNY CHELANGAT
of UNIVERSITY OF KABIANGA,
2030-20200 Kericho,has been permitted
to conduct research in *Kericho County*

on the topic: *EFFECTS OF CORPORATE SOCIAL RESPONSIBILITY ON EMPLOYER BRANDING: A SURVEY OF SELECTED TEA FACTORIES IN KERICHO COUNTY, KENYA*

for the period ending:
7th March,2020

Permit No : NACOSTI/P/19/28382/28521
Date Of Issue : 7th March,2019
Fee Recieved :Ksh 1000

Applicant's Signature

Director General
National Commission for Science, Technology & Innovation

Appendix III: Research License

NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

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When replying please quote

NACOSTI, Upper Kabete
Off Waiyaki Way
P.O. Box 30623-00100
NAIROBI-KENYA

Ref: No. **NACOSTI/P/19/28382/28521**

Date: **7th March, 2019**

Winny Chelangat
University of Kabianga
P.O. Box 2030 - 20200
KERICHO.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on *"Effects of corporate social responsibility on employer branding: A survey of selected Tea Factories in Kericho County, Kenya,"* I am pleased to inform you that you have been authorized to undertake research in **Kericho County** for the period ending **7th March, 2020.**

You are advised to report to **the Managing Directors of selected Tea Factories, the County Commissioner and the County Director of Education, Kericho County** before embarking on the research project.

Kindly note that, as an applicant who has been licensed under the Science, Technology and Innovation Act, 2013 to conduct research in Kenya, you shall deposit **a copy** of the final research report to the Commission within **one year** of completion. The soft copy of the same should be submitted through the Online Research Information System.

DR. MOSES RUGUTT, PHD, OGW
DIRECTOR GENERAL/CEO

Copy to:

The Managing Directors
Selected Tea Factories.

The County Commissioner
Kericho County.

National Commission for Science, Technology and Innovation is ISO9001:2008 Certified