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ABSTRACT

This study was conducted to determine the effects of corporate social responsibility practices on the performance of blue-chip companies in Kenya. The study findings were useful to organizations in formulating strategies that would assist them to build their corporate image in the increasingly competitive business environment that demands them to be creative and innovative. The study was informed by three theories namely; Carroll's CSR theory, the triple bottom line theory, and the stakeholder theory. Concerning methodology, the descriptive research design was used to analyze qualitative and quantitative data. The study targeted the leading blue chip firms in the banking, aviation, telecommunication, oil, and fast fast-moving consumer goods sectors. A total of 94 respondents participated in the study. In addition, stratified random sampling was applied to ensure that every respondent had an equal chance of participating in the study. Data collection was done using structured questionnaires administered systematically by the researcher. The data collected was then analyzed using Statistical Package for Social Sciences. Descriptive statistics were presented using percentages, frequency mean, and standard deviation. Inferential statistics identified the relationship and association between the variables. The study concluded that economic responsibility has a negative effect on the performance of blue-chip companies since this may mean that the organizations will have to be obliged to pay taxes that promote economic growth, which in turn affects the performance of the company for instance reducing the retained earnings of the company which is a long term source of finance to the company. Philanthropic responsibility in most cases is usually done by the companies, not for financial gain as this was evident from the study although the relationship is positive responsibility of each company to ensure that ethical practices are embraced in the company since they have a significant and favorable impact on the overall performance of blue-chip companies in Kenya and legal responsibility of a company is key to its existence although legal obligations such as tax can result to a decrease in profits thereby affecting the performance of organizations since one of their financial goals is profit making.

Keywords: *Corporate Social Responsibility, Economic Responsibility, Philanthropic Responsibility, Legal Responsibility, Ethical Responsibility, and Organizational Performance.*

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INTRODUCTION

In a dynamic and volatile business environment, organizations have changed roles in the sense that they are more interested in social life than the traditional aim of earning profits. Communities in developed nations such as the United States of America are the agents while the institutions are the source of the business environments. It's both voluntary and involuntary roles that everyone plays in society to ensure that this chain continues for the longest time possible. African nations including South Africa have made tremendous progress in ensuring corporate social responsibility through gold mining firms and sports sponsorship organizations (Kaingu, 2016). According to Aras and Crowther (2013), corporate social responsibility is a subject of importance, particularly in the present time from global, regional, and local spheres. It is a concept that requires organizations to commit to improving the environment within which it operates and social performance beyond legal obligations. CSR means the commitment to improving the well-being of communities through philanthropic activities and the contribution of an organization's resources toward uplifting the standard of living (Charkraborty, 2010).

Corporate social responsibility consists of four main dimensions namely; economic, discretionary, ethical, and legal responsibilities that the society has towards a company at a given period of time (Carroll, 1999). First and foremost, economic responsibility entails programs that have a direct or indirect positive economic impact on the company such as revenue and share value maximization (Schwartz and Carroll, 2003). Secondly, legal responsibility involves a company's responsiveness to legal expectations obligated by society and which conforms to rules and regulations. Third, discretionary responsibilities are activities that are determined by a firm's desire to participate in social programs that are not imposed by law and are not expected to be exercised by the company. While, ethical responsibility requires companies to practice activities, standards, and norms that although not codified into law, are expected of them (Visser, 2011). These constructs of corporate social responsibility informed the study variables as identified by Carroll (1999).

According to Venkatraman and Ramanujam (2020), organizational performance serves as an indicator that indicates how successfully an organization achieves its objectives. The performance of an organization can be determined by examining the organization's efficiency and effectiveness in accomplishing the laid objectives. Osoro (2012) explained that performance is analyzed in the context of an organization's ability to attain its objectives by exploiting critical resources. In this context, Kenyon, Meixell, and Westfall (2016) defined operational performance as the strategic dimensions of competing firms that consist of operational-level indicators such as flexibility and delivery. Credible operational performance enhances customer satisfaction through the delivery of quality products and services in the short term. Greater operational performance hence indicates efficiency in terms of prudent use and management of resources in an organization.

Corporate social responsibility is a fundamental role that requires organizations to respond to the social needs of society within their respective jurisdictions (Carroll & Shabana, 2015). Corporate social responsibility from a global perspective is driven by a number of factors such as ecological sustainability, the power of a brand, globalization, increased affluence, and the free flow of information. Most organizations do pursue corporate social responsibility practices to meet the rising institutional and stakeholder pressures. These drivers may however differ with respect to the size of the company and the degree of internationalization. According to Dhanesh (2014), diverse cultures portend to influence corporate social responsibility. A study conducted by Mazutis and Zintel (2015) established demographic characteristics and personal values as some of the drivers that affect the formation of corporate social responsibility agenda in organizations.

Local studies on corporate social responsibility practice have revealed weaknesses in both the legal and policy frameworks which influence its successful implementation. According to Opondo (2009), the government's reluctance to impose regulations governing the organizations has caused fear that has discouraged local investments. Such fears-, therefore contributed to a setback to the introduction and enforcement of stringent measures which require firms to adhere to socially responsible practices. Regardless of this gap, however, there exists notable structures and legislations that have been put in place to govern corporate social responsibility practices even despite the limited impact. Some of these legislations include; the Environmental management and coordination Act of 1999 which focuses on improving and coordinating the management of the environment (Ministry of Planning & National Development, 2007, and National Economic & Social Council, 2007), The Factories Act of 1951 that focuses on labor rights in industries and the Anti-Corruption and Economic Crimes Act of 2003 which directs the directors of companies to refrain from corruption and bribery (Muthuri & Gilbert, 2011). This study, hence, seeks to investigate the missing links between corporate social responsibility and organizational performance.

Problem Statement

Corporate social responsibility practices have on many occasions proven important to organizations. Although many discussions exist on corporate social responsibility, little is known about corporate social responsibility and organizational performance (Balmer and Greyser, 2006). Numerous studies that have been conducted in different sectors on the subject reveal conflicting results that this study is really concerned about.

A study conducted by Lins, Serveas, and Tamayo (2017) on the impact of corporate social responsibility on firm performance reported a positive outcome. Similarly, Chuang and Huang (2018) carried out research on the perception of company management on corporate social responsibility at Kenya Power and Lighting Company. The study revealed a positive relationship between corporate social responsibility and firm performance. A study done by Ong'olo (2012) established that CSR initiative contributes to performance in terms of sales revenue and profitability. The scholar also established a positive correlation between the market share index and corporate social responsibility. This study dwelled on CSR and the financial performance of listed commercial banks with little focus on this research topic.

According to Mbogoh and Ogutu (2017), corporate social responsibility activities are steadily on the rise in Kenya, with key company players doing their best to beat competitors in terms of endearing themselves to the local communities in terms of participating in community programs, boreholes, educational scholarships, sponsoring charity events, etc. Furthermore, Cheruiyot and Tarus (2016) revealed that organizations are driven into corporate social responsibility programs in order to attain legitimacy and further shareholder demand. This study failed to establish a clear relationship between corporate social responsibility and the financial performance of companies.

Nyaga (2016) in his study observed that corporate social responsibility-related expenditures are treated much the same way managers treat administrative expenses. This raised the question as to whether organizations that are socially responsible would perform better or worse than companies that are not socially responsible. Various studies on corporate social responsibility have been conducted both locally and globally, but few studies focused on the prevailing topic, especially on the study variables. There have been few studies conducted in Kenya on the effect of corporate social responsibility practices on the performance of blue-chip companies as attributed to studies by Mburu (2015) and Cheruiyot and Tarus (2016). This study was conducted to bridge the identified gaps.

Study Objective

This study sought to determine the effects of corporate social responsibility practices on the performance of blue-chip companies in Kenya.

Research Question

The study sought and answered the following research question: How do corporate social responsibility practices affect the performance of blue-chip companies in Kenya?

LITERATURE REVIEW

Previous studies show that organizations pursue CSR initiatives to positively influence their societies in relation to their economic agenda. The concept of corporate social responsibility encourages volunteer-based initiatives aimed at empowering the organization's shareholders. Even though some of these social responsibilities are not directly linked to organizational activities, their effects have an indirect positive impact on the activities of the organization (Ariyabandu & Hulangamuwa, 2018). Fauzi (2017) performed a study to establish the effect of corporate social responsibility on the financial performance of 101 listed firms at the New York Securities Exchange. Results indicate that CSR does not have an effect on the financial performance of firms, particularly those experiencing slack resources and poor management. The study, however, revealed that leverage has a moderate effect on the interaction between corporate social responsibility and CFP.

A study conducted by Okoth (2014) on the impact of corporate social responsibility, in particular, economic responsibility on the performance of commercial banks in Kenya for the period 2007 and 2008 established that economic responsibility strategy assists in terms of cost reduction planning measures which are typical for purposes of creating corresponding firm performances that in turn create opportunities that enhances economy scale resulting to higher profits and income. Furthermore, organizations invest in philanthropic activities to improve their image and reputation in the market. Philanthropy directly influences organizational performance because they tactically make charitable contribution decisions to raise the image, and reputation and to increase the value of their moral capital (Yushu *et al.,* 2015). A study performed by Raihan et al. (2015) determined the influence of corporate social responsibility on the buying behavior of Malaysian customers by assessing whether they value an organization's CSR initiatives before making buying decisions. Results revealed a statistically positive relationship between the variables used in determining CSR and customers' buying behavior. The findings indicate that economic responsibility tops the priority of organizations, followed by philanthropy, and ethical and legal responsibility.

According to Jones and George (2003), social responsibility is opined as a manager's responsibility to enhance the wellness of stakeholders and society at large. Social responsibility theorizes that a company, whether public, private, or individual has an obligation to society. These results are consistent with Shin et al. (2015) who reiterated that ethical behavior is key to the improvement of organizational performance in that it promotes a firm ethical and procedural justice climate. A study conducted by Rongoei and Muturi (2018) assessed the impact of corporate social responsibility on the performance of Song and Chemelil Sugar Factories. The study revealed that organizational ethics plays a greater role in determining the relationship that exists between entities and society as a means to unearth their space and contributions. Similarly, organizations are required by law to conduct fair business practices. They should adhere to laws in order to transact fair businesses that should be reflected in the economy and society (Amaeshi *et al.,* 2016). Germanova (2018) conducted research on corporate social responsibility as a corporate governance practice among organizations in Bulgaria. The study established that firms that CSR practices in corporate governance tend to be principled and report better results. Mwangi (2016) evaluated the role of legal responsibility on the financial

performance of listed firms in the Nairobi securities exchange market. The study confirmed that legal responsibility positively influences the financial performance of the listed companies.

Theoretical Framework

This study is linked to theoretical underpinnings that relate to Carroll's CSR theory (1991) with a concept of performance empirically. The theory reiterates that corporate social responsibility encompasses the economic, philanthropic, ethical, and legal expectations that society has for organizations at different time intervals. Economic responsibility asserts that organizations have the obligation to make revenues or profit in order to sustain their activities and social obligations. Based on the idea of Carroll's pyramid, corporate social responsibility is applied in the order form. Firms pursue social responsibility programs mainly to achieve economic objectives such as profitability and sustainability. After meeting the first level objective then the company shall move to the subsequent phase where it recognizes international and regional laws and obligations. This stage is followed by a firm's commitment to ethical standards. In addition, firms should pursue philanthropic responsibilities as required by the society and business environment (Carroll, 2016).

Triple bottom line theory informs organizations about the social and environmental values they add. This theory provides a framework for corporate social responsibility based on the fact that it incorporates the three main dimensions of performance namely; economic, social, and environmental obligations. John Elkington (1997) elaborated that the three dimensions of the triple bottom-line view must obtain a sustainable outcome. The theory generally aims at sustaining the activities within a company. Contemporary entities are said to employ the concept of this theory so that they may achieve sustainable profits and long-term socio-economic and environmental programs. Interestingly, firms adopt a triple-bottom-line sustainability framework to perform corporate social responsibility practices.

Stakeholder theory explains that firms should be wary about any group or individual that can influence or can be affected by the achievement of its objectives. The stakeholder theory opines that firms have a cardinal responsibility to their stakeholders than to the shareholders by detailing how they would fulfill their responsibilities. This approach recognizes the contribution of key interest groups such as customers, owners, employees, investors, and society. Stakeholder theory is a set of ideas, expressions, and metaphors related to the nexus goal of shareholder value maximization (Freeman, 2006). These theories bridge the gap in knowledge in this study since they offer a holistic view of organizations as social enterprises. They offer a practical view of CSR practices toward company performance.

Conceptual Framework

This study was guided by the following conceptual framework that shows a diagrammatic presentation of the relationship between the existing variables as illustrated in Figure 1.

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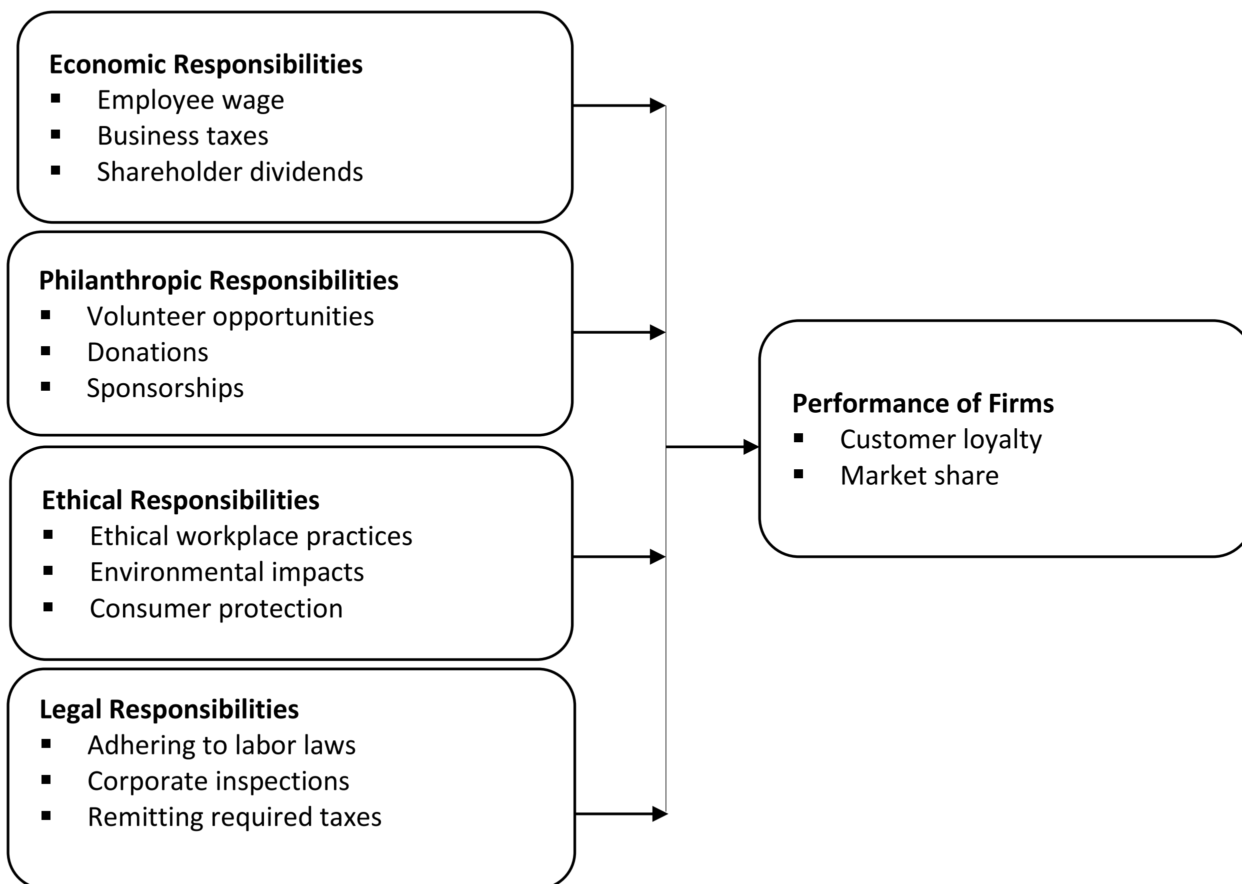

Independent variables **Dependent variable**

Figure 1: Conceptual Framework

Source: Author, (2023)

METHODOLOGY

Research Design: According to Kothari (2012), research design can be explained as a roadmap used in research to integrate different aspects of the study in a coherent and logical manner that ensures that the research problem is effectively addressed. This study applied descriptive research design to facilitate the scholar's ability to establish the actual status of the research phenomenon. This design is preferred to other techniques because it clearly presents items of measurement with a precise description of the circumstance or rather the situation.

Population of the Study: According to Mugenda and Mugenda (2008), population refers to a pool of individuals or elements from which a statistical sample is drawn for the study. The population is assumed to possess some common characteristic defined by the sampling criteria established by the researcher. This study targeted respondents from the selected firms drawn from the Banking sector, Telecommunication sector, Aviation sector, oil companies, and fast-moving consumer goods manufacturers. The study population comprised 161 respondents.

Sample and Sampling Procedures: This study adopted a stratified random sampling method. According to Burns and Grove (2003), stratified random sampling is the division of the population into smaller sub-units commonly referred to as strata where a specified number of participants is randomly selected to represent the entire population. In addition, the sample size represents the total number of respondents that is retrieved from the entire population for the study (Mugenda & Mugenda, 2012). The researcher retrieved an

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adequate sample for the study using the stratified random sampling formula (Kothari, 2014). Therefore, this study was conducted using a sample size of 114 respondents to render adequate information.

Research Instrument: Data collection is essential because it supports the whole research process. In this study, data collection was conducted using the primary method. The scholar administered questionnaires to gather data from the participants based on their ability and understanding of the topic. In order to validate the study, the researcher sought permission from the University administration to collect information from the specified respondents. Questionnaires were constructed using the Likert scale to indicate the extent of respondents' agreement or disagreement with the statement presented in the variables (Gilham, 2000).

Data Analysis: According to Schwandt (2007), data analysis refers to the process of making sense of data through a clear interpretation. This study presented descriptive statistics using percentages, frequency mean, and standard deviation. In inferential statistics, the study applied a statistical package for social sciences to identify the relationship and association between variables. In determining the relationship between variables, the study employed Pearson correlation while the association between variables was established using a multiple regression model; $Y = a + \beta_1X1 + \beta_2X2 + \beta_3X3 + \beta_4X4 + \varepsilon$.

FINDINGS

The objective of this study was to determine the effects of corporate social responsibility practices on the performance of blue-chip companies in Kenya. To achieve this, the respondents were tasked to give their views based on their level of agreement or disagreement with the statements based on a Likert scale of 1-5 where 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree and 5 = strongly agree.

Economic Responsibilities and Performance of Blue Chip Companies in Kenya

Table 1: Economic responsibilities and performance of blue chip firms in Kenya

	N	Minimum	Maximum	Mean	Std. Deviation
The organization pays business taxes required	94	3.00	5.00	4.7128	.52101
The organization offers business and incentives to workers	94	1.00	5.00	4.2340	.79549
The organization pays fair and reasonable salaries and wages to staff	94	1.00	5.00	4.2021	.93418
The organization pays fair dividends to shareholders	94	1.00	5.00	2.8085	1.48307
The organization offers loans and advances at reasonable interest rates to employees	94	1.00	5.00	2.7128	1.66315

From the study findings, most of the participants agreed that their respective organizations pay the required business taxes (M = 4.7128, SD =.52101. The companies offer business and incentives to workers (M = 4.2340, SD =.79549). The organizations pay fair and reasonable salaries and wages to employees (M = 4.2021, SD =.93418). Further, the study also revealed that the organizations pay fair dividends to shareholders (M = 2.8085 SD = 1.48307). The study also revealed that organizations offer loans and advances at reasonable interest rates to employees (M = 2.7128, SD = 1.66315).

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Philanthropic Responsibilities and Performance of Blue Chip Companies in Kenya

Table 2: Philanthropic responsibilities and performance of blue chip firms in Kenya

	N	Minimum	Maximum	Mean	Std. Deviation
The organization is actively involved in projects with the local community.	94	2.00	5.00	4.2128	.74592
The organization donates to charities and the society	94	1.00	5.00	4.1489	1.31130
The company acts as a good citizen in matters beyond law and ethical rules	94	2.000	5.000	3.89362	.809461
The organization shares its revenue with the society	94	1.00	5.00	3.7447	1.21758
Employees are involved in charity volunteer work on behalf of the company	94	1.00	5.00	3.5851	1.35527

The majority of respondents agreed that their companies were actively involved in projects with their local community (M = 4.2128, SD = .74592). Their organizations donate to charities and society (M = 4.1489, SD = 1.31130). They also act as good citizens in matters beyond law and ethical rules (M = 3.89362, SD = .809461). The study also revealed that these entities share revenues with the society (M = 3.7447, SD = 1.21758) and that staffs participate in volunteer work on behalf of the organization (M = 3.5851, SD = 1.35527).

Ethical Responsibilities and Performance of Blue Chip Companies in Kenya

Table 3: Ethical responsibilities and performance of blue chip companies in Kenya

	N	Minimum	Maximum	Mean	Std. Deviation
The organization follows fundamental ethical workplace practices governing the industry	94	3.00	5.00	4.6064	.55296
The company respects the society in which it operates	94	2.000	5.000	4.55319	.665865
The organization ensures consumer protection from defective goods	94	1.00	5.00	4.4574	.81207
The company developed environmental impact measures	94	1.00	5.00	4.3511	.82576
The organization recognizes stakeholder rights during compensation	94	2.00	5.00	4.0851	.74285

Research findings show that the majority of the respondents concur that organizations follow fundamental ethical workplace practices governing the industry (M = 4.6064, SD = .55296), companies respect the society in which they operate (M = 4.55319, SD = .665865), and that organizations ensure consumer protection from defective goods (M = 4.4574, SD = .81207). The study further revealed that organizations developed environmental impact measures (M = 4.3511, SD = .82576) and that they recognize stakeholder rights during compensations (M = 4.0851, SD = .74285).

Legal Responsibilities and Performance of Blue Chip Companies in Kenya

Table 4: Legal responsibilities and performance of blue chip companies in Kenya

	N	Minimum	Maximum	Mean	Std. Deviation
The organization operates under the labor laws and regulations governing the industry.	94	2.00	5.00	4.6809	.57198
The company remits taxes to the state on a timely basis.	94	3.00	5.00	4.6702	.59366
The organization participates in the improvement of laws in the country, particularly those governing the sector.	94	3.00	5.00	4.4894	.66792
The organization conducts regular inspections to comply with the rules and regulations.	94	2.00	5.00	4.3936	.73643
The organization encourages the local community by formulating positive laws on investment strategies.	94	1.00	5.00	3.7979	1.00086

Study findings show that the majority of the respondents concur that companies operate under the labor laws and regulations governing the industry (M = 4.6809, SD = .57198), firms remit taxes to the state on a timely basis (M = 4.6702, SD = .59366) and that the company participates in the improvement of the laws in the country, particularly those governing the sector (M = 4.4894, SD = .66792).

The study further revealed that firms conduct regular inspections to comply with the rules and regulations (M = 4.3936, SD = .73643) and that they encourage their local communities by formulating positive laws on investment strategies (M = 3.7979, SD = 1.00086).

Correlation Analysis

To evaluate the link between the study variables, a correlation analysis was performed. The Pearson correlation coefficient was used to determine the link between the study variables. According to Kumar (2011), correlation analysis indicates the direction and degree of the link between variables and ranges from -1 to +1.

Table 5: Correlations

		FM	ER	PR	ER	LR
FM	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	94				
ER	Pearson Correlation	-.312**	1			
	Sig. (2-tailed)	0.002				
	N	94	94			
PR	Pearson Correlation	0.03	.425**	1		
	Sig. (2-tailed)	0.777	0			
	N	94	94	94		
ER	Pearson Correlation	.477**	-0.107	0.112	1	
	Sig. (2-tailed)	0	0.305	0.285		
	N	94	94	94	94	
LR	Pearson Correlation	.521**	-0.039	0.137	.557**	1
	Sig. (2-tailed)	0	0.711	0.189	0	
	N	94	94	94	94	94

** Correlation is significant at the 0.01 level (2-tailed).

Study findings revealed that economic responsibility has a negative significant effect on the financial performance of blue-chip companies in Kenya (r = -0.312 = 0.002, 0.005). This suggests that an increase in economic responsibility results in a considerable decrease in the performance of blue-chip companies. Results further reveal that philanthropic responsibilities have a positive insignificant effect on the performance of blue-chip firms (r = -0.03 = 0.777). This implies that philanthropic responsibilities did not promote the financial performance of blue-chip companies in Kenya.

In addition, ethical responsibilities were also observed to have favorable and substantial effect on performance of blue-chip companies (r = 0.477, 0.000 0.005). This suggest that greater ethical responsibilities will increase performance of blue-chip companies in Kenya. It was also discovered that legal responsibilities have a favorable and significant impact on performance of blue-chip companies in Kenya (r = 0.521, 0.00 0.005). This implies that increased in legal responsibilities may raise organizational performance.

Regression Analysis

This study applied a multiple regression analysis steered to test the stimulus among predictor variables. The research used statistical package for social sciences (SPSS V 22) to code, enter and compute the measurements of the multiple regressions.

Table 6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.633[a]	.401	.374	.34573

a. Predictors: (Constant), Legal responsibilities, economic responsibilities, philanthropic responsibilities, ethical responsibilities.

The study used a coefficient of determination to assess the model's fitness. The adjusted $R^{2,}$ also called the coefficient of multiple determinations, is the percentage of the variance in the dependent explained uniquely or jointly by the independent variables. The model had an average adjusted coefficient of determination (R^2) of 0.401 which implied that 40.1% variations in performance are explained by the independent variables under study. Thus, 59.9% is accounted for by other factors not considered in the study and the error term. The correlation coefficient (r = 0.633) value indicates a joint strong correlation among the variables. The study further tested the significance of the model by the use of ANOVA.

Table 7: Anova

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	7.109	4	1.777	14.868	.000[b]
	Residual	10.638	89	.120		
	Total	17.746	93			

a. Dependent Variable: Organizational performance

b. Predictors: (Constant), Legal responsibilities, economic responsibilities, philanthropic responsibilities, ethical responsibilities

From the ANOVA statistics, the study recognized that the regression model had a significance level of 0.00% which is an indication that the data was supreme for making a conclusion on the population parameters as the value of significance (p-value) was less than 0.005.

Table 8: Coefficients[a]

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	T	Sig.
1	(Constant)	2.696	.463		5.829	.000
	Economic responsibilities	-.210	.062	-.309	-3.358	.001
	Philanthropic responsibilities	.049	.054	.085	.917	.361
	Ethical responsibilities	.189	.083	.228	2.289	.024
	Legal responsibilities	.390	.105	.370	3.729	.000

The regression of coefficient result presented above show that economic responsibilities, β1 = -0.210 and p-value = 0.001 since p value is less than 0.05 at the α = 0.005 level of significant there exist enough evidence to conclude that the economic responsibilities is less than 0.005 hence that appreciating the study conclusion that economic responsibilities is useful predictor of the determinants of performance of blue-chip companies in Kenya. Philanthropic responsibilities were equally tested and from these result β2 = 0.049, p-value = 0.361 level of significant, there exist enough evidence to conclude that the philanthropic responsibilities standard not zero and hence, that philanthropic responsibilities is not useful predictor of the determinants of performance of blue-chips companies.

Ethical responsibilities were also tested and from result β3 = 0.189, p-value = 0.024 level of significant, there exist enough evidence to conclude that the ethical responsibilities standard not zero and hence, that ethical responsibilities is not useful predictor of the determinants of firm performance in blue-chips companies in Kenya. Legal responsibilities, the results show that β4 = -0.390 and p-value = 0.000 since p value is less than 0.05 at the α = 0.005 level of significant there exist enough evidence to conclude that the legal responsibilities is less than 0.005 hence that appreciating the study conclusion that legal responsibilities is useful predictor of the determinants of performance of blue-chips companies in Kenya.

CONCLUSION AND RECOMMENDATIONS

The objective of this study was to determine the effects of corporate social responsibility practices on the performance of blue-chip companies. Following statistical analysis, the study concluded that there is a significant relationship between corporate social responsibility practices and the performance of blue-chip companies in Kenya.

The study recommended firms invest in corporate social responsibility practices to improve their image and reputation in order to enhance their customer base and sale revenue.

Research recommended organizations learn to give back to society to improve the well-being of clients and the general public. In other words, companies should be caring partners to the people. It should employ part of its proceeds to empower the less fortunate in society through scholarship programs and environmental conservation initiatives.

The study also recommended organizations adhere to the laws such as tax laws of the land. They should as well employ qualified expertise to ensure that all legal obligations are followed to ensure continuity and performance. The study further recommends companies ensure that they maintain ethical practices since this will promote their performance.

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