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# AN ANALYSIS OF CORPORATE SOCIAL RESPONSIBILITY AND SERVICE DELIVERY IN KENYA RAILWAYS

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#### **ABSTRACT**

Public trust in businesses has been shattered by the collapse of once-highflying enterprises, which affected tens of thousands of workers and investors and generated numerous concerns about corporate practices and trustworthiness. This study therefore investigated the efficacy of corporate affairs function on service delivery of organizations: A case of Kenya Railways. The study objective was to examine the influence of corporate social responsibility on the service delivery by Kenya Railways, The study was based on stakeholder theory and relational and agency theories. A descriptive research design was adopted. The population targeted in this study was 324 respondents including staff at the corporate affairs division of Kenya Railways Corporation and premium clients. The sample size was 286 respondents. Stratified and simple random sampling was used. A questionnaire was the main instrument. A pilot study was conducted to assess the validity and reliability of the research instruments. Both qualitative and quantitative data were collected for this study, and both approaches to data analysis were employed. The quantitative data was analyzed using descriptive statistics, such as frequencies, percentages, means, and standard deviations, utilizing SPSS (Version 27.0). Inferential statistics were also performed through regression modeling. The findings from the quantitative analysis were presented primarily in tables. On the other hand, the qualitative data was evaluated using content analysis, aiming to identify recurring themes that align with the study's objectives. These themes provided a deeper understanding of the qualitative data collected. The study findings indicated that there was a statistically significant positive correlation between corporate social responsibility on service delivery of KRC (r= 0.411; p <0.05) The study concluded incorporating CSR principles into service delivery processes can also help mitigate certain risks associated with social or environmental issues and effectively handling crises can mitigate the negative impacts on both the organization's reputation and its financial performance. The study recommended that KRC prioritize a holistic approach to organizational management that integrates corporate social responsibility (CSR) management into its service delivery processes.

Key Words: Corporate social Responsibility, Corporate Affairs, Service Delivery

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#### INTRODUCTION

Corporations are more responsible to their stakeholders than ever because to the democratization of information brought about by technology advancement (Moss et al., 2012). As society has evolved, enlightened firms have seen this as a chance to shift from a shareholder-centric, short-term viewpoint to a multi-stakeholder, longer-term, more sustainable strategy. A major responsibility of the corporate affairs position is to assist businesses in making this change (Cornelissen, 2020). Unquestionably, throughout the past fifteen years, there has been a significant shift in the corporate environment. While many businesses still operate with a short-term focus on satisfying shareholders, a growing number of businesses adopt a stakeholder-focused strategy to business and profitability, taking long-term considerations into account (Ibekwe, 2018).

Dramatic socioeconomic events and the development of technology throughout this time have propelled change and given stakeholders a voice, allowing them to closely monitor a company's operations (Mishra et al., 2022). The previous guidelines of dictating and "spinning the message" unilaterally are no longer relevant in this new situation (Moss *et al.*, 2012). Companies are unable to control the information flow that shapes the opinions of stakeholders, including customers, investors, employees, media, communities, and many more groups that have a direct impact on the success of the business, due to the new ownership of the message (Cornelissen, 2020). The fundamental element of this transformation is a shift in the power dynamics from established actors and organizations to the individual. The Internet's influence and social media's following development have made publication more democratic by amplifying the voices of millions of people (Mishra *et al.*, 2022).

Naturally, organizations may view this amount of easily accessible information as a danger, but in reality, it presents an opportunity. How businesses interact with their stakeholders is determined by how they use information and technology. Businesses need to leverage this precious resource—information and technology—as a means of resonance and connection with their stakeholders. Businesses with a solid reputation who include external involvement into their core strategy and operations are likely to be around for a very long time. This is only possible if the business adopts the proper leadership, culture, and intelligence to collaborate with its stakeholders as opposed to ignoring or, worse, offending them (Moss et al., 2012). To build the kind of company that can successfully interact with its stakeholders and produce long-term and sustainable value, these three interrelated elements—intelligence, leadership, and culture—are needed. Corporate Affairs is ideally positioned to take the lead on each of these three elements because of its crucial role as a mediator between the internal operations and the external environment (Cornelissen, 2020).

Services comprise the goods and services that a business offers, such as cleaning services. Ensuring that items are delivered to clients of the company on time and at the appropriate location is known as service delivery. There are several metrics used to quantify the delivery of services, such as credibility, usability, accessibility, and dependability. According to Mutali (2008), in Parasuraman, Zeithmal, and Berry (1991), there are five fundamental characteristics of service delivery: responsiveness, dependability, credibility, and the capacity to concentrate on the demands of the customer. The capacity to meet customer demands, set standards, and the necessity of emphasizing worker satisfaction are other characteristics of service delivery.

The ongoing process of service delivery aids in the development and provision of user-focused services by the organization. Businesses should endeavor to reconcile customer expectations with real performance. According to Lewis and Booms (2013), the level of alignment between the given services and end users' expectations may be determined by looking at the service delivery. Making ensuring that clients' demands are satisfied is the main focus of service delivery in order to maintain the entity's sustainability and longevity. This implies that a key component influencing service delivery within the company is the entity's capacity to satisfy end customers' expectations. According to Kundenbindun (2008), the degree to which an organization

provides the requested service is referred to as service delivery. In this study, promptness, reactivity, efficacy, and efficiency was used to assess the quality of services provided.

Kenya Railways Corporation is governed by the Act that formed it, Chapter 397 of the 1977 Act of Parliament. The government had complete control over the massive organization until 1990 in all areas, including the selection of the CEO, the Board of Directors, and to some extent, the Chief Officers themselves (Wangui & Muchelule, 2022).

Before 1990, the Government maintained complete authority over KRC's commercial endeavors, including setting tariffs and determining which business ventures to pursue, whether they were profitable or not. Due to a significant flood of used high-capacity trucks, road hauliers have become more and more competitive since the economy was liberalized. This restriction severely limited the Corporation's ability to handle this competition. A memorandum of agreement existed wherein the government was required to pay KRC subsidies for loss-making services given to the public, as KRC was expected to conduct some activities that are loss-making, such as passenger services on branch lines. But the agreement ended in 1992, when the firm was granted some autonomy and strict government oversight was lifted, giving it the freedom to choose a successful business portfolio based on environmental factors. As a result, the drawn-out bureaucratic procedure with the government is no longer necessary, but the expected performance boost has not materialized and the amount of cargo shipped has decreased ever since (Waititu, Kihara, & Senaji, 2017).

#### **Statement of the Problem:**

The idea that businesses should have social responsibility first surfaced in the 1960s, when businesses were becoming more global and more powerful (Moss et al., 2012). Since then, reports detailing the immoral and careless behavior of corporations have increased public awareness of the dangers associated with pursuing both social dominance and financial success. More lately, it has been seen that some of the most well-known companies are losing the trust of the public as a result of widespread exposure of their dishonorable behavior, which includes running sweatshops in developing nations and causing environmental harm. Public faith in corporations has been shook by the collapse of once-highflying enterprises, which affected tens of thousands of employees and investors and prompted numerous issues about corporate procedures and reliability (Cornelissen, 2020).

These discussions serve as a warning that emphasizing exclusively financial concerns is becoming more and more harmful to organizations' ability to survive and build their reputation (Mishra et al., 2022). In fact, the fundamental tenet of the corporate affairs function (CAF) is that businesses must behave responsibly toward a variety of stakeholders, including the general public, in addition to their legal and economic duties (Moss *et al.*, 2012). Failing to do so will jeopardize their operating credibility in the next millennium. The worldwide expansion of the CAF has been made possible by the ongoing effort to strike a balance between the interests of many stakeholders and profitability, which is being driven by the public's growing expectations of firms' social responsibilities.

Nonetheless, the referenced writers concur that a source of competitive advantage that ensures excellent performance is reputation, which is the outcome of the corporate affairs function. However, the efficiency of the corporate affairs role has been supported by relatively little empirical data (Kimani et al., 2021). In order to close this knowledge gap, this study examines the impact of corporate affairs on an organization's ability to provide services; it uses Kenya Railways as a case study.

## LITERATURE REVIEW

## **Corporate Social Responsibility and Service Delivery**

Mburia (2018) conducted research on how corporate social responsibility programs affect an organization's reputation. The results showed that respondents believed businesses who strived to provide consumers with

excellent customer experiences and goods and services that fit their demands were economically responsible. Additionally, it has been shown that forming sustainable supplier ties improves financial CSR. The results also demonstrate that financially sound companies promote corporate citizenship by paying taxes and generating long-term profits. Embedding corporate social responsibility (CSR) inside a firm has been shown to foster a feeling of shared value among its stakeholders. Additionally, respondents said that a company's financial performance has a significant role in determining how involved it is in CSR projects. According to an examination of the ethical code of conduct, businesses that adhere to the professional standards established by their industry are seen by respondents as ethically responsible businesses. It was also decided that a company's social duty is increased by creating internal ethical standards. According to a study on environmental corporate social responsibility, businesses that strive to set up systems to track any possible harm their operations may do to the environment are seen by respondents as encouraging ethical responsibility. According to the study's findings, businesses that practice economic responsibility are motivated to give their clients with high-quality products and services that fulfill their demands. Given the heightened level of market rivalry, conscientious businesses should devise enduring plans for enduring expansion. Second, companies must adhere to the professional standards established by the industry in which they operate in order to be classified as ethical. Finally, it is important to aggressively promote CSR activities so that staff members may donate their time and expertise to community service and help create a plan for CSR projects that will improve the community.

Gurung (2013) looked on how customers were affected by customer-centric and corporate social responsibility programs. Students at Vaasa University of Applied Sciences were sent a questionnaire to complete in order to gather data for the study's empirical component. Additionally, the data was gathered using the snowball sampling approach. A cover letter was produced requesting that only Nordea Bank clients fill out the form. There were forty-one responders in all. Excel was used to evaluate the participant replies. The study's conclusions show that, in contrast to CSR activities that benefit other stakeholder groups, customers value customer-centric efforts more than those that benefit them directly. Furthermore, a noteworthy correlation was found between customer happiness and customer-centric efforts. In conclusion, a bank need to prioritize its clientele in order to attract new business and maintain its current clientele. Consequently, there is a chance that net profit may rise, allowing for the subsequent consideration of additional stakeholder groups.

A research of corporate social responsibility policies and the success of companies listed on the Nairobi Securities Exchange in Kenya was carried out by Kariuki and Bett in 2021. For the analysis, a descriptive research design was used. 200 employees from senior management and section leaders in the NSE of 64 chosen firms were the target population. This target demographic was not the subject of any sampling. Responses were acquired through the use of a questionnaire. According to the report, the business needed to build a more robust culture that supports corporate social responsibility. Concerns about the environment, health, education, and water should be at the forefront of corporate social responsibility (CSR) programs. The report also suggests that companies follow the law in order to keep customers, foster customer loyalty, and ultimately improve business outcomes. According to the report, the business needed to build a more robust culture that supports corporate social responsibility. Concerns about the environment, health, education, and water should be at the forefront of corporate social responsibility (CSR) programs. The report also suggests that companies follow the law in order to keep customers, foster customer loyalty, and ultimately improve business outcomes.

Omeoga (2020) assessed international companies in the Niger Delta Region that have implemented effective CSR programs. This study offered consensus-based recommendations to the host communities and multinational corporations so they could carry out strategic CSR initiatives that could strengthen ties, bring about peace, and advance the socioeconomic development of the Niger Delta region.

Chian (2021) assessed how corporate social responsibility programs affected stakeholders. This qualitative study set out to investigate the effects on stakeholders of US companies' CSR actions while maintaining profitability. The agency theory and the stakeholder theory of corporate social responsibility served as the conceptual foundation for this study and offered a useful perspective for gathering and analyzing data. Eleven CSR implementers received an online survey consisting of ten open-ended questions. Secondary data from public documents and the company's CSR rules were supported by the data. The study used NVivo 10 software and hand coding to examine the data the researcher had collected. The results indicated five main themes and demonstrated that the organizations' CSR implementers' motives align with the literature, highlighting CSR as a crucial tactic to fortify the company's brand, add value for stakeholders, and boost profitability. The study's relevance for constructive social change may result from a better comprehension of the difficulties managers have while putting firms' CSR policy formulations into practice.

# **Service Delivery of Public Corporations**

The accomplishment of organizational goals and objectives in order to meet the demands of clients, staff, and investors is known as service delivery. This may be accomplished if management and staff have a clear mutual knowledge of their goals (Heskett, 2006). Public services are seen as vital since they improve people's quality of life and the process of national development. In order to meet the demands of the people, government, society, and citizens must personally connect, according to Bienstock et al. (2003). Customers therefore have the right to expect services that are helpful, affordable, dependable, fast enough to fulfill their demands, and of high quality, all while providing a pleasant experience (Eigeman, 2007).

Delivering public services is essential to ensuring that governments fulfill their obligations to citizens and realize growth. The success of developmental goals like the Sustainable Development Goals (SDGs) and the reduction of poverty depend heavily on the quality, accessibility, affordability, and speed of public service delivery (Okello, 2014).

According to Krishnan (2016), improving customer service is a problem that all firms, including the public sector, must deal with. Roland (2017) agrees that in order for their services to live up to the higher expectations of their "customers," which include both residents and companies, public sector officials throughout the world must overcome a shared set of obstacles. Experience, however, shows that although the challenges might not change, the methods used to solve them and the results attained do. The demand for innovative service delivery models is also driven by the public sector's obligation to serve its broad clientele, albeit not having any choice in the matter (Kyohairwe, 2018). Public sector organizations need to create "connected government," which smoothly aligns several government departments with consumer preferences, in order to fulfill the promises made to their clients. The "clienteles promise," which outlines the public's expectations for public service delivery, is a crucial component of the agenda for public sector governance (Mathaba, Nzimakwe, Pfano & Munapo, 2013).

In order to solve this, the public sector needs to come up with creative methods to enhance the efficacy, accountability, cost-effectiveness, transparency, and customer happiness of the public services it provides (Patel, 2014). This entails delivering value for money by cutting expenses associated with service delivery and raising service quality (accessibility for everyone and satisfying customer experiences and outcomes).

Said, Alam, and Aziz (2015) evaluated the state of the Malaysian public sector's accountability procedures based on an Auditor General report that revealed asset management flaws, corruption, and a lack of oversight. A questionnaire issued via the Google Docs program to the leaders of 682 state agencies under 24 federal ministries was used to gather primary data. Factor analysis and descriptive statistics were used in the data analysis process. According to the findings, 87.3% of the respondents agreed that various strategies had been put into place to improve the delivery of public services; however, statistics highlight the negative effects of

these strategies' lack of or minimal impact, and the public sector needs to be transformed into a dependable and efficient sector by guaranteeing appropriate accountability and assessment.

Mashamaite (2014), who also examined local governments' predicament in light of demonstrations against public service delivery in South Africa's democratic system. The study's conclusions made clear that South Africa has seen a wave of demonstrations linked to inadequate or nonexistent service delivery. The attainment of social and economic growth has been greatly impeded by the ineffectiveness and lack of responsiveness of local municipalities to the demands of their inhabitants.

Reforming and restructuring the public sector locally has become popular. The goal was to increase performance and efficiency, but many public servants have found that the changes have instead led to layoffs, increased workloads, and a rise in red tape bureaucracy, which has no positive impact on the quality of services provided. (2016) Kelemba et al. Ndubai, Mbeche, and Pokhariyal (2016) investigated the variables impacting enhanced performance and public service delivery in Kenya. 470 public entities, including ministries, state businesses, municipal governments, and postsecondary institutions, were taken into consideration in the study. Cross-sectional survey design was employed, and performance assessment data from 2004 to 2011 were collated for the study. Regression analysis was used to determine why performance assessment of customer satisfaction was essential for improving public service delivery, and it was shown to account for 73.6% of the improvement in service delivery.

Kariuki and Kasomi (2011) made an equal effort to gauge Kenyan public opinion on the enhancement of public service delivery subsequent to the country's adoption of performance contracts. The people who lived in Nairobi County were the target group. The research made use of participants from municipal, state, and federal government entities. However, the results showed that there had been a little improvement in the provision of services with regard to openness, accountability, and the use of resources, as well as timely and high-quality services. Kenyans have low customer satisfaction in government organizations because they believe that public service delivery is really inadequate. Other metrics related to the provision of services, including productivity, the independence of state institutions, and dependency on the exchequer, received low ratings.

## **Theoretical Review**

## **Stakeholder Theory**

Freeman originally presented the stakeholder theory in 1984. A management paradigm known as "stakeholder theory" contends that in making decisions and carrying out business, companies should take into account the demands and interests of all parties involved, not just shareholders. It highlights how crucial it is to acknowledge and weigh the interests of many stakeholder groups in order to ensure the sustainability and long-term success of an organization.

Stakeholders are people or organizations that are impacted by or have a stake in the decisions and activities of an organization, according to stakeholder theory. Employees, clients, vendors, shareholders, local communities, governmental entities, non-governmental organizations (NGOs), and the general public can all be considered examples of this. Stakeholders can include shareholders, employees, clients or customers, suppliers, and the local community, among others. Each stakeholder group contributes to the success and sustainability of the company in different ways. For instance, shareholders provide capital and expect financial returns, employees contribute their skills and efforts, clients or customers generate revenue, suppliers provide necessary resources, and the local community can be affected by the company's operations.

The stakeholder idea offers a fresh perspective on strategic management, claims Freeman (2004). Through a focus on strategic management, CEOs may start the process of repositioning a firm towards prosperity. But it's also a normative theory that says management has an ethical responsibility to safeguard the company as a

whole and, related to that goal, the rights of all stakeholders (Friedman, 2000). According to Evan and Freeman (2008), management - especially upper management - must assume responsibility for the corporation's health, which entails juggling the competing demands of many stakeholders. According to Freeman and Reed (2003), the word "stockholder" refers only to those groups that are essential to the corporation's survival and prosperity. It encompasses, broadly speaking, every organization or person that has the potential to influence or be impacted by the corporation (Freeman, 2004).

Accordingly, stakeholders are determined by their involvement in the company's operations, and it is considered that each stakeholder's interest is valuable in and of itself (Donaldson and Preston, 2005). According to Freeman and Reed (2003), the stakeholder theory derives its fundamental validity from two ethical principles: the idea of corporate rights and the principle of corporate effects. Both guidelines consider Kant's maxim "respect for persons".

According to the former, the business and its management cannot violate anybody else's legitimate right to self-determination. The latter placed a strong emphasis on accountability for results, stating that the business and its leaders are accountable for the effects of their choices on outside parties. Organizations should identify and engage with relevant stakeholders to understand their needs, concerns, and expectations. This involves mapping and analyzing stakeholder relationships and considering their influence and impact on the organization.

Stakeholder theory promotes inclusivity and the inclusion of diverse perspectives in decision-making processes. It encourages organizations to seek input and feedback from stakeholders, involve them in problem-solving, and consider their views when making decisions. Stakeholder theory emphasizes the creation of value for all stakeholders, not just shareholders. Organizations should aim to deliver positive outcomes and benefits to stakeholders through their products, services, and operations. This can involve considering social, environmental, and ethical aspects in addition to financial performance. Stakeholder theory advocates for a long-term perspective in decision-making. Instead of focusing solely on short-term financial gains, organizations should consider the long-term consequences of their actions on stakeholders and the sustainability of their relationships.

Stakeholder theory recognizes the importance of ethical behavior and responsible business practices. Organizations are encouraged to act ethically, respect human rights, adhere to fair trade principles, and consider the broader social and environmental impact of their activities. Engaging with stakeholders and maintaining open lines of communication is crucial. Organizations should proactively communicate with stakeholders, share relevant information, and seek their input and involvement in decision-making processes.

Stakeholder theory suggests that organizations that effectively manage their relationships with stakeholders can gain various benefits. Stakeholder theory is not universally adopted by all organizations, and there may be different interpretations and approaches to stakeholder management in practice. However, the core idea of considering and balancing the interests of multiple stakeholders is widely recognized as an important aspect of corporate governance and responsible business practices. By using the stakeholder model as a metaphor that allows for the integration of several ethical theories, Freeman acknowledged these heterogeneous ethical perspectives. State-owned enterprises behave in the public good. As a result, the stewardship principle may be applied to their actions, meaning that the boards of directors understand that their work benefits them personally because they are public servants.

## **METHODOLOGY**

## **Research Design**

A descriptive research design was adopted. The study used a descriptive research approach, which is described by Babbie and Mouton (2012) as an effort to fill in the blanks and increase understanding to explain

what is happening in more depth. The decision to undertake descriptive research is motivated by the fact that, despite its simplicity and ease of use, it allows for the comprehensive capture of all relevant characteristics of a given circumstance (Sekaran & Bougie, 2011). Other academics support the decision by pointing out that the descriptive study approach is appropriate since it gives a precise description of the traits of certain people, circumstances, and groups. Descriptive research designs are also utilized for gathering data about an object's or people present state (Kothari, 2014).

## **Target Population**

The study's target audience consisted of premium clients and employees of Kenya Railways Corporation's corporate affairs division, as shown in Table 1.

**Table 1: Target Population** 

Target Group	Target Population
Staff of Corporate Affairs Division	24
Premium Clients-(park and ride)	300
Total	324

Source: Kenya Railways Corporation (2023)

# Sample Size

Quinlan (2011) states that one rule of sample size is that to have an accurate sample, the sample ratio must be greater for smaller populations. Zikmund, Babin, Carr, and Griffin (2010) further state that the following elements must be taken into account when calculating sample size: population heterogeneity, allowable error magnitude, and confidence level. Convenient sampling, according to Passer (2014), is a sampling technique that includes selecting a sample from a conveniently accessible and convenient portion of the population. The sample size for this study was determined using Yamane's (1967) formula for limited populations:

$$^{n}=^{N}/_{1}+N(e)^{2}$$

$$n = \frac{N}{1 + N(e)^2}$$
  $n = \frac{324}{1 + 324(0.02)^2} = 286$ 

Where n represents the sample size, N represents the size of the population and e represents the sampling error at 98% level of confidence. The sample size was 286 respondents as depicted in Table 2.

**Table 2: Sample Size** 

Target Group	Target Population	Procedure	Sample Size
Staff of Corporate Affairs Division	24	24/324*286	21
Premium Clients	300	300/324*286	265
Total	324		286

# **Sampling Procedures**

Simple random sampling combined with stratified sampling was utilized in this study to get representative samples of respondents from each stratum. The people who work for Kenya Railways Corporation made up the sample frame. Since it was simpler to distribute surveys without following any protocol and retrieve respondents once they had replied, simple random sampling was employed. The researcher chose the sample at random, keeping in mind that the sample size should be representative of the entire population (Kothari, 2014).

## **Data Collection Instrument**

The primary data collection tool for this study was a carefully designed questionnaire, which covered relevant research categories and themes. A questionnaire is a research instrument used to gather empirical data from participants in order to achieve the study's objectives. As stated by Debois (2016), surveys involve asking individuals to respond to a series of written or spoken questions on a specific topic. In addition to the questionnaire, secondary data was collected from various secondary sources. However, primary data was obtained through surveys, interviews, and direct observations. Furthermore, the study also involved a critical analysis of reports, books, and other relevant materials to gather additional information.

# **Pilot Testing of the Instrument**

A pilot study serves as a preliminary trial for a larger research project, allowing for the testing of data collection equipment, as mentioned by Sreevidya and Sunitha (2011). To assess the reliability and validity of the research tools, a pilot study was conducted. According to Kothari (2004), a pilot study should involve a sample size of at least 10% of the population. For this particular study, 29 employees of the Kenya Railways Corporation at the Standard Gauge Rail (SGR) terminal participated in the pilot research. The primary objective of the pilot project is to identify any errors or issues with the data collection equipment and implement necessary improvements. This process ensured that the data obtained for the main study was valid and trustworthy.

# Validity of the Instrument

Validity, as defined by Heale and Twycross (2015), refers to the extent to which a questionnaire measures what it claims to measure. It involves ensuring that the explanations provided for phenomena align with the facts of reality. Establishing the validity of a measurement tool is essential in research; however, demonstrating absolute validity can be a complex task, as noted by Leung (2015). To ensure the content validity of the questionnaire and its relevance to the study, a thorough evaluation was conducted by research specialists, including the supervisor. This process involved peer review and examination of the instrument's content, ensuring that the questions and items included in the questionnaire are acceptable and pertinent to the research objectives. By conducting this content validity assessment, the researcher enhanced the overall quality and appropriateness of the questionnaire as a measurement tool.

## **Reliability of the Instrument**

To ensure the reliability of the research instruments, the internal consistency approach was employed in this study. Cronbach's alpha coefficient was computed to measure the degree of correlation between the items. According to Sekaran (2016), reliability coefficients below 0.60 are generally considered poor, those between 0.70 and 0.80 are considered fair, and coefficients above 0.80 are considered good. It is worth noting that the closer the reliability coefficient is to 1.0, the better the reliability of the instrument. In most cases, a coefficient of at least 0.7 is considered acceptable (Sreevidya & Sunitha, 2013). By assessing the internal consistency and reliability of the research instruments using Cronbach's alpha, the study ensured that the data collected was consistent and dependable for analysis.

## **Data Collection Procedures**

The researcher obtained an introduction letter from Kenyatta University before commencing the project. After that, the researcher went to Kenya Railways Corporation to build a relationship, obtain management approval, and make plans for when to distribute the surveys. Following approval, the researcher met with management to discuss the goal of the study and provide reassurances regarding confidentiality. The questionnaires were personally distributed by the researcher, who also scheduled a time to collect them from a central location in the management offices.

## **Data Analysis Techniques**

The collected data underwent a series of steps to facilitate analysis. First, the data was cleaned, sorted, and coded to ensure accuracy and consistency. This process prepares the data for further analysis. Next, both inferential and descriptive statistical techniques was applied to analyse the data. Since the study incorporates both quantitative and qualitative data, appropriate analysis approaches was used for each type. For quantitative data, descriptive statistics such as frequencies, percentages, mean, and standard deviation was calculated to summarize and describe the variables. Inferential statistics, specifically regression modelling, was employed to examine relationships and make predictions based on the data. SPSS (Version 27.0) was utilized as the statistical software to perform these analyses. To present the quantitative data, tables were predominantly used. Tables provide a clear and concise way to present numerical information and facilitate comparisons. Regarding the qualitative data, a content analysis approach was employed. By systematically analysing the qualitative data, recurrent themes was identified and developed in line with the study's objectives.

$$Yi = \alpha + \beta_1 X_1 + \varepsilon$$

Where:

 $\mathbf{Y}$  = the dependent variable (service delivery)

 $\alpha$ - the constant term

 $X_1$  – Corporate social responsibility

 $\beta_1$  are the coefficients of independent variable

E - standard error term

## **RESULTS**

## **Response Rate**

The study's target population consisted of premium clients and employees of Kenya Railways Corporation's corporate affairs division. The study sampled 286 respondents and managed to collect data from 260 respondents. This represented a 90.9 percent response rate. This was affirmed by Saleh and Bista (2017) who noted that a response rate of more than 75% is appropriate for data analysis.

## **Descriptive Findings and Discussions**

Descriptive statistics are used to describe the basic features of the data in the study. They provide simple summaries of the sample and measures. Together with simple graphic analysis, they form the basis of virtually every quantitative analysis of data (Kothari, 2014). This section represented the results of the study in the form of tables and it also presents the descriptive analysis based on each variable. The respondents were asked to indicate whether they agreed or disagreed with the statement based on a Likert scale of 1 to 5 where 1=Strongly Disagree, 2=Disagree, 3= Neutral, 4= Agree, and 5= Strongly Agree. The statistics used were minimum, maximum, mean, and standard deviation.

## Corporate Social Responsibility and Service Delivery

The study sought to examine the effect of corporate social responsibility on service delivery of Kenya Railways Corporation. The study results were shown in Table 3.

Table 3: Corporate Social Responsibility and Service Delivery

Statements	SA	A	U	D	SD	Mean	Std Dev
Our organization integrates CSR F	73	110	41	22	13	4.00	0.071
principles into its service delivery % processes and practices.	28.1	42.4	15.9	8.6	5		
We consider the social and F	21	157	40	32	11	3.55	0.2609
environmental impacts of our service % delivery operations.	7.9	60.4	15.2	12.2	4.3		
We actively engage with our F	157	18	37	34	14	3.55	0.476
customers to understand their social % and environmental concerns and incorporate them into our service delivery approach.	60.4	6.9	14.2	13.2	5.3		
Our organization promotes ethical F	28	131	52	43	6	3.16	0.0.342
and responsible behavior in all % aspects of our service delivery operations.	10.8	50.4	20.1	16.5	2.2		

The study results on the effect of corporate social responsibility on service delivery of KRC revealed that 70.5% of the respondents agreed that their organization integrates CSR principles into its service delivery processes and practices (Mean=4.00; SD=0.071) while 13.6% were in disagreement. The study also revealed that 68.3% agreed that that they consider the social and environmental impacts of the service delivery operations (Mean= 3.55; SD=0.2609) while 16.5% were in disagreement. The study also revealed that 67.3% agreed that they actively engage with our customers to understand their social and environmental concerns and incorporate them into their service delivery approach (Mean=3.55; SD=0.476) while 18.5% disagreed. Furthermore, the study showed that 61.2% of the respondents agreed that the organization promotes ethical and responsible behavior in all aspects of our service delivery operations (Mean=3.12; SD=0.0.342) while 18.7% disagreed.

The study results revealed that the majority of the respondents were of the view that the organization integrates CSR principles into its service delivery processes and practices. This shows that the organization recognizes the importance of CSR and is actively incorporating CSR principles into its operations. This suggests a commitment to making a positive impact beyond just generating profit, by considering the social, environmental, and ethical implications of its actions. The perception that CSR principles are integrated into service delivery processes implies that the organization is responsive to the expectations of its stakeholders, including customers, employees, investors, communities, and regulatory bodies. Stakeholders increasingly expect businesses to demonstrate social responsibility, and this finding suggests that the organization is meeting or even exceeding these expectations. By integrating CSR principles into its service delivery processes, the organization may be enhancing its reputation and brand image. Consumers are increasingly conscious of the social and environmental impact of the companies they interact with, and businesses that demonstrate a commitment to CSR are often viewed more favorably by consumers, which can lead to increased customer loyalty and positive word-of-mouth.

These results were in agreement with results by Oluwafemi and Obawale (2010) who concluded that the integration of CSR principles into service delivery processes suggests that the organization is responsive to the expectations of its stakeholders, including customers, employees, investors, and the broader community. Stakeholders increasingly expect businesses to demonstrate corporate citizenship and contribute positively to society, and this finding indicates that the organization is meeting or exceeding these expectations. Incorporating CSR principles into service delivery processes can contribute to enhancing the organization's reputation and brand image. Consumers are increasingly conscious of the social and environmental impact of the companies they engage with, and businesses that demonstrate a commitment to CSR are often viewed

more favorably. This can lead to increased customer loyalty, positive word-of-mouth, and a competitive advantage in the marketplace. Integrating CSR principles into service delivery processes can also help mitigate certain risks associated with social or environmental issues. By proactively addressing issues such as environmental sustainability, labor practices, or community engagement, the organization may reduce the likelihood of negative publicity, regulatory scrutiny, or stakeholder backlash.

# **Service Delivery**

The study finally sought to determine the indicators of service delivery of Kenya Railways Corporation. The study results were tabulated in Table 4.

Table 4: Service delivery of KRC

Statements		SA	A	U	D	SD	Mean	Std Dev
The percentage of trains that arrive and		117	115	19	13	0	4.03	0.476
depart on time shows efficient service delivery of KRC.	%	45.1	44.2	7.2	5.1	0		
The effectiveness of safety measures	F	112	120	24	8	0	4.12	0.342
implemented by KRC is the main determinant of service delivery.	%	43.2	46.2	9.2	3.1	0		
Customer satisfaction indicates efficient	F	140	88	32	0	0	4.03	0.146
service delivery.	%	53.8	33.8	12.3	0	0		

The study results on indicators of service delivery revealed that 89.3% of the respondents agreed that the percentage of trains that arrive and depart on time shows efficient service delivery (Mean=4.03; SD=0.476) as compared to 5.1% who disagreed; 89.4% also agreed that the effectiveness of safety measures implemented by KRC is the main determinant of service delivery (Mean=4.12, SD=0.342) as compared to 3.1% who disagreed. Lastly, the study revealed that 87.6% of the respondents agreed that customer satisfaction indicates efficient service delivery (Mean=4.03; SD=0.146) as compared to none who disagreed.

#### **Inferential Statistics**

Pearson correlation analysis was utilized to examine the relationship between the variables under study. This method measures the degree of correlation between the study variables, demonstrating the strength of the linear relationship within a range of +1 to -1. An r value greater than 0.7 indicates a strong positive correlation, while an r value between +0.5 and 0.7 suggests a moderate relationship. Additionally, an r value of +0.49 or lower indicates a weak correlation between the study variables, with an r value of 0 signifying no relationship. The results of the study were presented in Table 5.

## **Regression Model Analysis**

The study performed multiple regression model analyses to estimate the relationships between the study variables. The study results were tabulated in Table 5.

**Table 5: Model Summary** 

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.
1	.822ª	0.673	0.623	0.0584	103.668	$0.000^{b}$

The correlation coefficient (R) of 0.822 indicates a strong positive correlation between the predictor variables and the outcome variable. The adjusted R Square value of 0.623 suggests that approximately 62.3% of the variance in the dependent variable (service delivery of KRC) can be explained by the independent variables included in the model. This means that Corporate social responsibility for a significant portion of the variation in service delivery, with approximately 62.3% of the variance explained by the model. The remaining 37.7%

of the variance was attributed to other factors not included in the study. The multiple regression model appears to be a good fit for explaining the relationship between Corporate social responsibility and service delivery in KRC.

Analysis of variance was used to determine if the multiple regression model was fit for the data. The results are shown in Table 6.

**Table 6: ANOVA Model** 

Model		Sum of Squares	df	Mean Square	$\mathbf{F}$	Sig.
1	Residual	102.872	4	19.015	102.678	$0.000^{b}$
	Regression	9.232	256	0.16893		
	Total	112.114	260			

The linear regression's F-test has the null hypothesis that the model explains zero variance in service delivery (F=102.678, p=0.000<sup>b</sup>). The F-test is highly significant, thus it is assumed that the model explained a significant amount of the variance in service delivery. This implies that the multiple regression model was fit for the data and hence corporate social responsibility affect the service delivery of KRC.

The findings also indicated that the summary generated by the model effectively predicted the service delivery of KRC with a significant level of accuracy ( $p \le 0.05$ ). This underscores the statistical importance of the regression model employed, suggesting that it reliably predicted the service delivery of KRC, thus serving as a suitable fit for the data.

A T-test of the statistical significance of each regression coefficient was conducted to determine the beta which indicates how strongly each independent variable affects the dependent variable. The study results are shown in Table 7.

**Table 7: Regression Coefficients** 

Model	Unstandardized Coefficients		Standardized Coefficients		
	В	Std Error	Beta	t	Sig.
(Constant)	0.343	0.023		1.548	0.115
Corporate social responsibility	0.239	0.014	0.456	8.876	0.000

The regression equation generated for the study was as follows.

$$\mathbf{Y}i = \alpha + \beta_1 \mathbf{X}_1 + \mathbf{E}$$

Y (Service Delivery) = 0.343 (Constant) + 0.239 (Corporate social responsibility) + 0.014 (Std Error).

There was a significant relationship between corporate social responsibility and service delivery of KRC  $(\beta=0.239, p\leq0.05)$ 

The corporate social responsibility coefficient parameter is 0.239 meaning that for every change in one unit of corporate social responsibility, a 0.239 change in service delivery of KRC will be predicted all other variables kept constant.

Research on CSR consistently demonstrates its potential to positively impact organizational performance, including service delivery. Mohr et al., (2021) argue that CSR initiatives can enhance brand reputation, customer loyalty, and employee morale, all of which contribute to improved service quality and customer satisfaction. The significant relationship between CSR and service delivery suggests that KRC's socially responsible behavior may be positively perceived by stakeholders, ultimately enhancing service delivery outcomes.

#### **SUMMARY**

The study results revealed that the majority of the respondents were of the view that their organization integrates CSR principles into its service delivery processes and practices. Incorporating CSR principles into service delivery processes can also help mitigate certain risks associated with social or environmental issues. By proactively addressing issues such as environmental sustainability, fair labor practices, or community engagement, the organization may reduce the likelihood of negative publicity, regulatory scrutiny, or stakeholder backlash. Embracing CSR principles in service delivery processes signifies a focus on long-term sustainability rather than short-term gains. By considering the broader impacts of its operations on society and the environment, the organization is positioning itself for continued success in an increasingly socially conscious marketplace.

#### **CONCLUSIONS**

Incorporating CSR principles into service delivery processes can also help mitigate certain risks associated with social or environmental issues. By proactively addressing issues such as environmental sustainability, fair labor practices, or community engagement, the organization may reduce the likelihood of negative publicity, regulatory scrutiny, or stakeholder backlash. Embracing CSR principles in service delivery processes signifies a focus on long-term sustainability rather than short-term gains. By considering the broader impacts of its operations on society and the environment, the organization is positioning itself for continued success in an increasingly socially conscious marketplace.

#### RECOMMENDATIONS

KRC should continue integrating CSR principles into service delivery processes and practices, ensuring that they are embedded throughout the organization's operations. This may involve developing clear CSR policies, setting measurable goals, and regularly evaluating and reporting on CSR performance. Engage stakeholders in CSR initiatives by seeking their input, involving them in decision-making processes, and collaborating on projects that address shared social and environmental challenges. This collaborative approach can enhance the effectiveness and impact of CSR efforts.

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