CORPORATE SOCIAL RESPONSIBILITY AND COMPETITIVE ADVANTAGE OF EQUITY BANK KENYA LIMITED

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ABSTRACT

Corporate Social Responsibility refers to operating a business in a manner that accounts for the social and environmental impact created by the business. Corporate social responsibility programmes are applicable to virtually all organizations and banks are more sensitive to these programmes as they have to strive to satisfy a multiplicity of stakeholders. Equity bank Kenya limited participates in corporate social responsibility activities through its Equity group foundation. The objective of the study was to establish the relationship between CSR and competitive advantage of Equity bank Kenya limited. The research independent variables were education sponsorship program, financial literacy training, entrepreneurship education program, environment conservation activities and agriculture program. The study methodology was descriptive and exploratory research design. The population of the study comprised of one hundred and seventy three branch managers drawn across all the regions. Stratified random sampling technique was used to divide the population into regions then simple random sampling was used to select the sample size of eighty eight managers which is fifty percent of target population. Primary data was collected using a semi structured questionnaire self-administered to the managers using drop and pick method and online delivery. Cronbach alpha and pilot test were used to test the validity and reliability of the research instrument. Quantitative data collected was analysed by use of descriptive and inferential statistics. Version 20.0 of SPSS was used in data analysis. Regression analysis established the relative importance of the variables while correlation determined the relationship between CSR and competitive advantage of equity bank Kenya limited. Qualitative data presentation was done by use of thematic summaries while quantitative data was presented in form of tabulation, frequencies, percentages, mean and standard deviation. The study findings indicate that all branches participate in at least one initiative of CSR with education sponsorship program and entrepreneurship education program receiving much engagement compared to the other initiatives. Findings show that CSR is an important component to different stakeholders of the bank with local community scoring the highest. The study established that Education sponsorship program improve the Bank's brand reputation while financial literacy training and entrepreneurship education program promotes the Bank's customer retention. Agriculture programs and environment conservation activities enhance the Banks stakeholder relationships. The results indicate that the bank has adopted CSR as a strategic pillar to grow and sustain its business growth thus sustainable competitive advantage, to the bank CSR is not only an avenue for showing its softer side of the business but it also offers an opportunity to build a strong brand reputation, improve customer retention, customer loyalty and promote a strong stakeholder bond which drive the business growth. The study recommends that adoption of the CSR initiatives be encouraged in order to drive competitive advantage and present the bank as an important and beneficial entity to the society at large and for policy makers to consider incorporating more stakeholders in driving the corporate social responsibility agenda to build belief in the brand reputation and promote the banks sustenance.

Key Words: *corporate social responsibility, competitive advantage, Equity Bank Kenya Limited*

INTRODUCTION

Competitive advantage is a complex subject, covering various issues, with a focus on competitive tools such as quality, speed, innovation, leadership, and various other factors that are important in the industrial and service sectors. Some of the key determinants of corporate competitive advantage are concentrated in matters such as brand and reputation. The development of competitive strategy is vital to the survival and prosperity of any organization to play a significant role in their industry. Before the corporate can build a sustainable competitive advantage, it has to work on the formulation of a competitive strategy which is defined as taking the offensive or defensive actions to create a defensive position in the industry or to deal successfully with competitive forces, and thus generate a higher return on investment for the corporate (Kotler and Keller, 2006).

Business managers evaluate and choose strategies that will make their business successful by ensuring they possess some advantage relative to their competitors (Pearce and Robinson, 2010). Competitive advantage can be found in the business cost structure and its ability to differentiate the business from competitors (Hoffman, 2000). Businesses that create competitive advantage from one or both of these sources usually experience above average profitability within their industry while those that lack a cost of differentiation advantage usually experience average or below average profitability within their industry (Barney, 1991).The willingness to invest in CSR emphasizes that it is not a cost, restriction, or just the right thing but a source of competitive advantage (Porter and Kramer, 2006).
According to Meehan et al. (2006), corporate social responsibility can be integrated in the organization's strategic management process and be a source of competitive advantage by being a key ingredient in the overall organizational success rather than a means of draining its resources. Actions associated with corporate social responsibility practice can lead to a change in consumer attitudes towards the organization and the products and services that they produce and market. Negative consumer perception may lead to consumers boycotting some brands. Businesses are giving their corporate social responsibility activities a lot of publicity through favourable media coverage in order to achieve competitiveness (Luo and Bhattacharya, 2006). The stakes are higher in financial institutions because the clients normally have a higher involvement with those institutions (Matule Vallejo et al., 2011).

Husted and Allen (2007) state that CSR strategies can create competitive advantages if used properly, pointing out that there is a positive association between strategic social responsibility actions and competitive advantage. An organization can use social initiatives to improve its competitive context, enhancing the quality of the business environment in the places it operates. Corporate social responsibility involves organizational paradigm shift from traditional profit maximization objective under shareholder-value creation to stakeholder management approaches whereby the impacts of their activities on the social constituents are taken into account (Stubbs and Cocklin, 2007). There should be an alignment of business strategy, social responsibility action and core business activities in order to achieve efficient corporate social responsibility strategies and overall competitiveness (Porter and Kramer, 2002).

Corporate Social Responsibility

Corporate Social Responsibility is a continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large (WBCSD, 2001: Holme and Watts, 2010).Running a business in today's world is no longer just considering how to make profits, but also includes bearing certain responsibilities in the society. Consumers' values are changing in the society hence companies have to adapt to the changing value of consumers and seek for long term relationship so as to survive and grow (Yuen et al., 2007).

Corporate Social Responsibility in banks has become a worldwide demand, nowadays, by recognizing corporate social responsibility, banks from all over the world endorse programs of educational, cultural and environmental, as well as health initiatives and they implement sponsorship actions towards vulnerable groups and charitable non-profit organizations. Studies have explored the status of corporate social responsibility on the areas of CSR drivers, impacts, and practice. However, other issues of CSR barrier, CSR models in the bank and successful factors in banking sectors are still poorly indicated (Persefoni Polychronidou et al., 2013).

Given the lack of consensus of CSR definition among academicians and practitioners it is obvious that CSR can bring many advantages for the banking sector. The most important is to enhance banks' reputation and financial performance because, for banks, their reputation is a determining factor to retain existing clients and attract new clients, which eventually enhances banks financial status. If a bank pays attention to social responsibilities it can get profits through better risk management, employee loyalty and higher reputation. Therefore, when banks try to maximize their profits, they are aware that their profit earned is decided by its customers. Banks are supposed to become social institutions that fulfil the responsibilities for the society because they are parts of society (McWilliams et al., 2006).

Competitive Advantage

Competitive advantage is the unique competitive position developed by an organization through its pattern of resource deployment and scope of decisions. It can be viewed as an advantage that a firm has over its competitors, allowing it to generate greater sales or margins and/or retain more customers than its competition. The goal of much of business strategy is to achieve a sustainable competitive advantage. Competition is central to strategic planning of organisations and all organizations, commercial or non-commercial are always in competition in one form or another (Aroni, 2009).

A competitive advantage exists when the firm is able to deliver the same benefits as competitors but at a lower cost -cost advantage, or deliver benefits that exceed those of competing products -differentiation advantage. Competitive advantage enables the firm to create superior value for its customers which can lead to superior profits for itself. Increased pressures on companies clearly demonstrate the extent to which external stakeholders are seeking to hold companies accountable for social issues and highlight the potentially large financial risks for any firms whose conduct is deemed unacceptable. In the end, it is a firm's competitive advantage that allows it to earn excess returns for its shareholders and gain economic reason for existence (Porter, 2008).

Boone and Kurtz (2013) discuss the role of imitability of competitive advantages for long-term growth prospects of businesses and propose that low-order competitive advantages such as cost advantage can be imitated by competitors with access to cheaper resources and further recommend the adoption of strong brand reputation and technological innovation in various business processes for the sources of competitive advantage, because of higher levels of sustainability of such sources and due to their difficulty being imitated by competitors. All the firm’s resources are not able to create sustainable competitive advantage; the resources must have four characteristics: rarity, value, impossibility of being imitated and impossibility of being replaced (Barney, 1991).

Equity Bank Kenya Limited

Equity Bank Kenya Limited (EBKL) is a financial services provider, registered under the Kenyan Companies Act Cap 486 and licensed as a commercial bank by the Central Bank of Kenya (CBK). The bank offers retail banking, microfinance and related services and has subsidiaries in Kenya, Uganda, South Sudan, Rwanda and Tanzania. The bank was founded as Equity Building Society (EBS) in October 1984, originally a provider of mortgage financing for the majority of customers who fell into the low income population. Currently, Equity Bank Kenya Limited has over ten (10) million customer’s accounts which is nearly half of all the bank accounts in Kenya and one hundred and seventy three (173) operative branches making it the largest bank in terms of customer base in Africa (Equity Bank, 2016).

Equity Group Foundation (EGF) was established in 2008. This innovative and creative vehicle has fully transformed the concept of philanthropy and corporate social responsibility by championing the socio-economic transformation of the people of Africa. The foundation seeks partnerships along the seven cluster thematic areas while Equity bank provides the infrastructure of delivery hence reducing the operational costs and increasing the rate of return on any social programme. By leveraging the Group’s infrastructure and resources, EGF is able to keep overhead costs low while effectively and efficiently scaling high-impact social programmes (Equity Bank, 2016).

The seven social thematic areas of focus are: education and leadership development pillar which increases access to and transition through secondary and tertiary education; financial literacy pillar which improves financial capability, individual and household financial security by connecting women, youth and communities to expert financial literacy training; financial inclusion pillar which expand access to financial services to the bottom of the pyramid; entrepreneurship and innovation pillar which stimulates job creation and economic growth by providing micro and small entrepreneurs with advice, mentorship and entrepreneurship training (EGF annual report, 2014).

The health pillar increases access to comprehensive health financing and private sector-led, affordable, high-quality, and standardized health services for poor and middle-income families; environment pillar promotes the conservation and smart use of natural resources and agriculture pillar helps create jobs, improve market access, and expand agricultural production by working in partnership with small and medium-sized farmers to increase their production capabilities, business acumen, and access to technology and financial services (EGF annual report, 2014).

STATEMENT OF THE PROBLEM

Corporate social responsibility programs are applicable to virtually all organizations and banks are more sensitive to these programs as they have to strive to satisfy a multiplicity of stakeholders. The stiff competition among the various players in the banking industry has lead the banks to look for more innovative ways of satisfying their stakeholders while at the same time making profit (Meehan et al., 2006). Commercial banks in Kenya operate in a dynamic environment characterized by technological changes, competition, regulatory requirements, economic changes and opportunistic strategic decisions. The Kenyan Banks have been involved in corporate social responsibility programs in the area of education and training, health, sustainable environment, sports and improving the livelihoods of vulnerable groups in society (Kagendo, 2013). Kenyan authors have dwelt on CSR from various perspectives, Chege (2014) on CSR and competitive advantage of commercial Banks in Kenya and concluded that banks use corporate social responsibility as a strategy in order to drive overall goodwill in the society, Mutunga (2013) on CSR and employee motivation and proposed the need to focus CSR attention not just on customers but also on employees in the banking sector, Murila (2013) on CSR in East African Portland Cement Company Limited and found out that corporate social responsibility can be used as a foundation for building a competitive advantage in the production industry. Despite heavy investments in corporate social responsibility initiatives, commercial banks in Kenya have continued to experience increased customer dissatisfaction that has reduced their competitiveness. As per the banking survey conducted between 19th and 20th of July 2012 by Info Tract in partnership with Consumer Federation of Kenya, thirty nine percent (39%) of respondents expressed dissatisfaction with commercial banks in Kenya. Previous studies on corporate social responsibility and competitive advantage of commercial banks and other institutions do not fill the theoretical, methodological and contextual gaps hence further research required to bridge the knowledge gap. Equity bank Kenya limited has continued to invest in corporate social responsibility activities and recorded positive performance in the stiff and competitive Kenyan banking industry. This necessitated the need for this research to be undertaken to establish whether participation in corporate social responsibility by Equity bank Kenya Limited has influenced its competitive advantage.

GENERAL OBJECTIVE

The main research objective was to establish the influence of CSR on competitive advantage of Equity Bank Kenya Limited.

SPECIFIC OBJECTIVES

1. To establish the influence of education sponsorship program on competitive advantage of Equity Bank Kenya Limited.
2. To examine the effect of financial literacy training on competitive advantage of Equity Bank Kenya Limited.
3. To determine the influence of entrepreneurship education program on competitive advantage of Equity Bank Kenya Limited.
4. To establish the influence of environment conservation activities on competitive advantage of Equity Bank Kenya Limited.
5. To determine the effect of agriculture program on competitive advantage of Equity Bank Kenya Limited.

THEORETICAL REVIEW

Stakeholder Theory

Shareholders theory states the purpose of the company is to provide return on investment for shareholders and thus corporations are seen as instruments of creating economic value for those who risk capital in the enterprise (Greenwood,2001). It is believed that the sole constituents of business management are the shareholders and the sole concern of shareholders is profit maximization. Any activity is justified if it increases the value of the firm to its shareholders and is not justified if the value of the firm is reduced (Cochran, 1994). Corporate expenditure on social causes represents a violation of management responsibility to shareholders to the extent that the expenditure does not lead to higher shareholder wealth. In relation to shareholder theory, this implies that company managers are obliged to adhere to the objective of maximizing long-term owner value (Ruf et al., 1998).

Stakeholder theory emerged as an alternative to shareholder theory. According to Windsor (2001), the term stakeholder represents a softening of strict shareholder theory. It recognizes the fact that most, if not all firms have a large and integrated set of stakeholders to which they have an obligation and responsibility (Spence et al., 2001).This theory challenges the view that shareholders have a privilege over other stakeholders. The stakeholder theory is a response to financial theories that assert that firms should focus only on maximizing the economic interests of shareholders (Orts and Schulder, 2002).The stakeholder approach involves a basic reformist stance toward shareholder theory, seeking to move it in the direction of greater equity and a less single-minded concentration on owner's interests rather than replacing it entirely (Kaler, 2003).

Deck (1994) acknowledges the purpose of the organization is to create wealth and distribute this among investors and does not limit investors to mere shareholders but includes employees and society who make investments in the organizations in form of knowledge, skills and infrastructure. Stakeholder theory was expanded by Donaldson and Preston (1995), who stressed the moral and ethical dimensions of Corporate Social Responsibility, as well as the business case for engaging in such activity.

The theory's application to this study is premised on the backdrop that the bank as an organization saw the need to satisfy a bigger chunk of the stakeholders and clients by engaging in activities such as promoting and shaping the future of the younger generation through the wings to fly education and leadership program by offering them the platform to curve their niche in leadership as well as in education hence relevant to this study as the scholarships results in building the brand reputation hence competitive advantage (Kubai and Waiganjo, 2010).

Strategic Leadership Theory

The theory of strategic leadership finds its roots from the evolution of management theory by Fredrick Taylor in years 1856 to 1915 .The essence of strategic leadership involves the capacity to learn, the capacity to change and managerial wisdom. This theory highlights the functions of a leader and how they manage crisis and maintain proper organizational structures, processes and culture for purposes of gaining competitive advantage. The effort of a leader is therefore very essential in the organization of human capital, financial resource, organization structure and process to achieve a competitive stand in the market (Boal and Hooijberg, 2001).

A strategic leader displays a dissatisfaction or restlessness with the present; absorptive capacity. Strategic leadership has a combined responsibility of the leader, the follower and the organization. Leadership presents challenges that call forth the best in people, and bring them together around a shared sense of purpose. Strategic leadership includes determining the firm's strategic direction, aligning the firm's strategy with its culture, modelling and communicating high ethical standards, and initiating changes in the firm's strategy, when necessary (Beatty and Quinn, 2010).

Strategic leadership sets the firm's direction by developing and communicating a vision of future and inspire organization members to move in that direction. Unlike strategic leadership, managerial leadership is generally concerned with the short-term, day-to-day activities (Pearce and Robinson, 2010). This theory is relevant and applicable to this study based on the strategic leadership provided by the management of Equity Bank Kenya limited. The transformational leaders led by the intellectually stimulating CEO carry out strategic corporate social responsibility activities that are effective through its Equity group foundation compared to other financial institutions in Kenya (Waldman et al., 2004).

Resource Based View theory

The resource-based view (RBV) of the firm draws attention to the firm's internal environment as a driver for competitive advantage and emphasizes the resources that firms have developed to compete in the environment. Ultimately, firms that are able to leverage resources to implement a value creating strategy not simultaneously being implemented by any current or potential competitor can achieve competitive advantage. The resource based view as a basis for the competitive advantage of a firm lies primarily in the application of bundle of valuable tangible or intangible resources at the firm's disposal (Acedo et al., 2006).

The resource based view has a number of assumptions that may be useful in the management of organizations: Resource Heterogeneity assumption states that the resources that organizations possess differ therefore companies achieve competitive advantage by using their different bundles of resources. The second assumption on resource immobility state that resources do not move from company to company, especially in short-run hence companies cannot replicate rivals' resources and implement the same strategies. This is true with the intangible resources, such as brand equity, processes, knowledge and intellectual property that are usually immobile (Hooley and Green lay, 2005).

Acedo et al. (2006) proposed the value, rarity, inimitable and non-substitutable framework. Resources are valuable if they help organizations to increase the value offered to the customers by increasing differentiation or decreasing the costs of production. Resources that can only be acquired by one or few companies are considered rare. A company that has valuable and rare resource can achieve at least temporary competitive advantage. However, the resource must also be costly to imitate or to substitute for a rival, if a company wants to achieve sustained competitive advantage.

McWilliams and Siegel (2001) outlined a simple model in which two companies produce identical products. One firm adds an additional social attribute to the product, which is valued by some consumers and other stakeholders. In this model, managers conduct a cost benefit analysis to determine the level of resources to devote to corporate social responsibility activities as per the demand and evaluating the cost of satisfying this demand.

The theory is relevant to the study since Equity Bank Kenya limited draws the consumer's attention to its internal environment through its Equity group foundation activities by specifically putting emphasis on its education sponsorship program for the secondary and university students. This promotes marketing of the bank products and enhances its visibility which gives the bank an edge over its competitors in the stiff banking environment hence a driver for competitive advantage (McWilliams and Siegel, 2001).

EMPIRICAL REVIEW

Corporate social responsibility is the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life. Corporate social responsibility as a construct encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time. Corporate social responsibility programs can provide a variety of benefits for companies which include attracting and retaining high quality employees, generating a positive corporate image, and enhancing product evaluation via an overall evaluation of the firm. Corporate social responsibility and competitive advantage are important issues for the contemporary discussion on corporations in society when taking into account social and environmental impacts (Moon, Crane and Matten, 2005).

One of the reasons why customers switch banks in a competitive banking environment is the reputation created by a bank among its customers. When a banking institution has a good reputation, it creates a positive image among its customers and this can lead to corporate success. Bank managers should use a relationship marketing approach in order to enhance trust between the banks and their clients and also build a good reputation. Corporate social responsibility can play a big role in building trust, reputation and customer retention. What customers talk about among themselves about an organization is important to business success (Clemes et al., 2010).

Education Sponsorship Program and Competitive Advantage

Education is the bedrock of social and economic development. For many poor families, education for their children, especially for the academically gifted, offers the only hope for breaking the cycle of poverty. In its 2012 Education for All Global Monitoring Report, UNESCO estimates that every one dollar spent on a person's education yields ten to fifteen dollars in economic growth over that person's working lifetime. Yet the report also cites that in Kenya, even with the reduction of secondary school fees, the costs of educating a child are still twelve to twenty times as much as the monthly income of parents in rural areas, leaving secondary school out of reach (Global Education Monitor report, 2012).

Equity group foundation's Wings to Fly Secondary School Scholarship Programme enables high-achieving students from needy families to continue their schooling beyond primary school. Since 2010, EGF and The MasterCard Foundation, in partnership with other international agencies and Equity Group have sponsored more than 8,000 vulnerable children to study in Kenya's top public boarding schools. University sponsorship programme awards top boy and girl scholar's in the Kenya certificate of secondary education examination university education in Kenya and outside Kenya universities and colleges. The wings to fly and university scholars benefit from on-going mentorship and leadership training, in order to support them as learners and leaders. By providing this opportunity to Kenyan children the bank supports Kenya's Vision 2030 to transform Kenya into a middle-income economy led by well-educated citizens (EGF annual report, 2014).

Strategic Philanthropy involves organizations giving charitable contributions to society with an aim of generating organizational good-will, good publicity and also boosting employee morale which can be sources of competitive advantage. One of the earliest forms of strategic philanthropy is cause-related marketing whereby organizations concentrate on a single cause or organization over time. Such practice can improve the reputation of the organization as it links itself with the qualities of an admired corporate partner (Porter and Kramer, 2002). Brand reputation transfer, seems to be one of the strongest benefits of sponsorship, and may occur at the individual or at the corporate brand level. Customers may assign positive image to a company due to its corporate social responsibility activities, which may then be perceived as good corporate citizen (Brown and Dacin, 1997). In this study, the brand of Equity Bank is crucial and can be boosted by relevant CSR programs.

Study by Amaoko et al. (2015) on effect of sponsorship on marketing communication shows sponsorship impacts positively on the brand reputation of the sponsored companies; it generates good will and brand awareness and recall for sponsored companies. Sponsorships can change consumer perception of a specific sponsor and it also projects a positive image of the company and enhances persuasion of consumer. Sponsorship communicate companies product and its benefits hence a positive link between sponsorship and marketing communication performance and in general perception serves as a promotional tool.

Study by Divine, Bedman and William (2014) on the impact of sponsorship activities on consumer based brand equity behaviours on the mobile telecommunication industry in Ghana revealed that brand awareness is the foremost effect of sponsorship activities on mobile telecommunication subscribers. Brand reputation was also found to be positively and significantly related to sponsorship activities. Additionally, the study also affirms the assertion that sponsorship activities carried out by firms result in high patronage of products and services offered by these firms. Finally, brand loyalty was also found to be positively and significantly related to sponsorship activities.

Palmer (2012) argues that providing education to bright needy students or children from humble backgrounds increases the future potential of the children not only to become loyal customers of the firm but to empower their families who in turn remain loyal to the firm. Both the beneficiaries and their relations attribute their economic status and prosperity to the firm. This further leads to increase in market share, sales and profitability for the firm (Webber, 2008).

Kubai and Waiganjo (2010) studied the relationship between strategic corporate social responsibility and competitive advantage of commercial banks in Kenya focusing on Equity banks' wings to fly program. The study revealed that corporate social responsibility had played a key role in influencing good customer perceptions especially among the beneficiaries and they display a great capacity to relate with the bank both now and in the future.The education and leadership development has led to promotion of Equity bank brand which leads to customer attraction due to the perception that the bank is sensitive to the needs of the community which leads to competitive advantage over its rivals.

Financial Literacy Training and Competitive Advantage

In partnership with the MasterCard Foundation, EGF launched the Financial Knowledge for Africa training programme (FiKA) in the year 2010. The programme aims to transform the lives and livelihoods of people living at the bottom of the pyramid by equipping them with the knowledge, skills, attitudes and behaviours needed to access financial services and engage in effective money management practices. The training content focuses on budgeting, savings, financial services and debt management. Backed by a heavy investment in technology and innovation, the bank works in partnership with EGF to demystify banking and provide banking services to the previously unbanked (EGF Annual report, 2013).

Financial literacy facilitates the decision making processes such as payment of bills on time, proper debt management which improves the credit worthiness of potential borrowers to support livelihoods, economic growth, sound financial systems, and poverty reduction. Facing an educated lot, financial regulators are forced to improve the efficiency and quality of financial services because financially literate investors create competitive pressures on financial institutions to offer more appropriately priced and transparent services, by comparing options, asking the right questions, and negotiating more effectively. Investors on their part are able to evaluate and compare financial products, such as bank accounts, saving products, credit and loan options, payment instruments, investments, insurance coverage, so as to make optimal decisions (Miller et al., 2009).

Greenspan (2002) argues that financial literacy helps to inculcate individuals with the financial knowledge necessary to create household budgets, initiate savings plans, and make strategic investment decisions. Proper application of that knowledge helps investors to meet their financial obligations through wise planning, and resource allocation so as to derive maximum utility. Hilgert et al. (2003) asserts that financial knowledge appears to be directly correlated with self-beneficial financial behavior.

Sabana (2014) conducted a study on entrepreneur financial literacy, financial access, transaction costs and performance of micro enterprises in Nairobi County, Kenya. A cross-section design was adopted for the study with a population comprising of all microenterprises in Nairobi County, from which a representative sample of 396 microenterprises was drawn. The main study instrument was a questionnaire which comprised of Likert-type scale questions on the main variables of the study. The data was analysed using both descriptive and inferential statistics and indicated that entrepreneur financial literacy had a statistically significant influence on enterprise performance.

Njoroge (2013) conducted a study on the relationship between financial literacy and business success among small micro enterprises in Nairobi County. The study was conducted using a qualitative survey design and data collected using questionnaires. The data was later analysed using descriptive statistics and simple regression analysis. The study found out that most of the entrepreneurs in Nairobi had some financial literacy and that in some cases those in formal small micro enterprises were highly financially literate.

Barte (2012), on a study on financial literacy in small micro enterprises on the fishing sub sector in the Philippines found out that financial literacy was directly linked to performance. The study was conducted using descriptive research survey design. Data was analysed using descriptive statics and simple regression analysis. The study found out that Entrepreneurs had low levels of financial literacy as demonstrated by lack of financial records, lack of monitoring of profit and losses and lack of cash management practices. The vendors were also confined to high interest loan.

Entrepreneurship Education Program and Competitive Advantage

Micro, small, and medium enterprises (MSMEs) are crucial drivers of economic growth across Africa, accounting for more than 45% of employment and 33% of gross domestic product (GDP) continent-wide and up to 90% of all businesses in some countries (World bank Report, 2013).In Kenya alone, there are an estimated eight million micro-enterprises operating currently, contributing upwards of 20% of GDP. Approximately half of all Kenyan micro-entrepreneurs are women. Despite the importance of the sector to the continent’s prosperity, many challenges persist including cumbersome and costly licensing and regulatory requirements, lack of access to capital and markets, and lack of business management knowledge and skills. A 2009 survey indicates that only 15% of all Kenyan entrepreneurs have accessed formal entrepreneurial skills training (Global Entrepreneurship Monitor, 2009).

Equity Group Foundation pays particular attention to youth and women entrepreneurs, as both groups have been historically and disproportionately marginalized despite their potential to improve the economic outlooks of their households. Under this pillar EGF strives to accelerate the growth and development of micro and small enterprises through its flagship programme, Entrepreneurship Education. The programme provides a suite of services which include entrepreneurship training on marketing, record keeping, costing, business planning, people and productivity, stock control and buying; mentorship through one-on-one business consultations and local business improvement groups; and business tips via mobile phones (EGF Annual report, 2014).

According to research done by Peter (2013) on impact of entrepreneurship training on Performance of micro and small enterprises in Embu Kenya found out a substantial impact on performance of entrepreneurs. Further, constant monitoring was found necessary to make the skills learnt be translated into more practical work. Even though, they were not able to translate their leant skills due to inadequate finance and lack of monitoring, entrepreneurs trained agreed that training program is beneficial to their business function.

Study by Chimucheka (2012) concludes that entrepreneurship education has a positive impact on the performance of MSMEs in the Buffalo City Metropolitan Municipality, and it improves entrepreneurship skills and knowledge of MSME owners and managers. Entrepreneurship education also plays a role in the establishment and survival of MSMEs in the Buffalo City Metropolitan Municipality. The study also concludes that there is a positive relationship between entrepreneurship education and the profitability and growth of MSMEs hence entrepreneurship education is crucial for the establishment and survival of MSMEs.

Kessy (2010) did research in micro finance institutions in Tanzania. According to the study, the results show that micro credit client enterprises owned by recipients of business training have higher level of assets and sales revenue compared with enterprise owned by non-recipients of training. In other words, individuals who got training show higher growth than others who never get the training. Further, results showed that training is much important in growth of enterprise. And he mentioned, owners of enterprises expect to change their behaviour through training and development.

According to Aderemi (2007) on entrepreneurship programs, operational efficiency and growth of small businesses, results found out that small businesses whose owner-managers participate in entrepreneurship programs, exhibited superior managerial practice; hence, a higher gross-margin and rate of growth than small businesses whose owner-managers did not have such experiential learning. Training is an important factor that helps in entrepreneurship development. There is a positive relationship between entrepreneurship development and performance of small business, training program induce them to get better managerial skills of recordkeeping and accounting of financial transactions, inventory management, marketing of products, competitive aggressiveness and recognizing marketing opportunities. Further it suggests that this will facilitate the transformation of small businesses to medium scale and hence to large businesses and enhance the success of small businesses.

Environment Conservation Activities and Competitive Advantage

To reduce forest loss and ultimately reverse deforestation, EGF and Equity Bank have partnered with several institutions, the government and local communities to support forest conservation efforts, increase on-farm forestry and provide energy efficient and renewable energy technologies to reduce reliance on fuel wood and charcoal. The bank also supports water harvesting through its water and sanitation programme. Simultaneously, the Bank and Micro-Energy Credit jointly launched a clean-energy programme pilot with the goal of enabling one million households to access clean energy by increasing awareness of the economic, health and environmental benefits of using clean energy technologies, providing finance for the highest quality energy products available on the market through the eco-moto loan, and supporting on-going research to continue providing appropriate and relevant energy products to households and communities (EGF annual report, 2014).

The environmental dimension of corporate social responsibility on cost structure is huge which goes a long way in improving the competitiveness of a firm. Measures to reduce energy consumption and material inputs are frequently cited as an aspect of corporate social responsibility that can lead to cost savings. Chapple et al. (2005) find significant costs associated with corporate social responsibility-related waste reduction practices when applying a cost function approach to United Kingdom manufacturing at county level. Corporate social responsibility can have a positive impact on human resource performance. In contrast Miles and Covin (2000), corporate social responsibility-related environmental expenditures constitute investments that pay off due to cost savings from, for example, continuous improvements, low potential litigation expenditures, lower insurance and lower energy costs.

Aroni (2009) evaluated emerging trends in corporate social responsibility practices adopted by Kenyan listed firms in the Nairobi stock exchange. The study stressed a general look at corporate social responsibility especially environmental concern, not just financial gains. Good corporatism is not just giving back to society but also avoiding acts that are malfeasance in nature. The paper contributes to literature by identifying the progress being achieved in undertaking corporate social responsibility activities in Kenya.

Lyon and Maxwell (2008) examined the relationship between corporate social responsibility and the environment. The study showed how both market and non-market forces are making environmental corporate social responsibility profitable, and discussed altruistic corporate social responsibility. The authors found that non-governmental organizations strongly influence corporate social responsibility activities, through both public and private politics. The authors posit that corporate social responsibility can have varied effects; from attracting green consumers or investors, to pre-empting government regulation, to encouraging regulation that burdens rivals. They however, observed that welfare effects of corporate social responsibility are subtle, and there is no guarantee that corporate social responsibility enhances social welfare.

Stanwick and Stanwick (2000) focused on the relationship between environmental disclosures and financial performance using firms listed in Forbes five hundred (500). The study showed that firms with high environmental corporate social responsibility engagement and commitment are associated with higher financial performance. The study focused solely on the financial performance of the firm.

Agriculture Program and Competitive Advantage

Despite its importance to Kenya's economy, agriculture continues to face major challenges: which include low food production caused by insufficient use of quality inputs and irrigation, poor production practices, underutilized land and poor soil health management, limited access to markets caused by a fragmented supply chain, insufficient on-farm storage facilities, high transportation costs and poor transport infrastructure, weak management systems due to limited record keeping, co-mingling of farm and family finances, limited reinvestment in on-farm business and weak risk management and weak enabling environment caused by limited number of accessible, practical training centres, insufficient agriculture extension programs and inconsistent information to farmers across the supply chain. The bank has advanced loans to farmers to enable them purchase farm machinery which translates to growth in loan book and increase in deposits as a result of improved agricultural output from the farmers (EGF annual report, 2014).

In 2014, EGF designed and launched the Agriculture Growth Accelerator pilot program funded by the Embassy of the Kingdom of Netherlands in Nairobi and Equity bank focusing on medium sized farmers which works with agribusinesses to increase incomes and investment into the sector, creating jobs and increasing the supply of food for the market and supports the development of the agricultural sector. Equity Group Foundation through Kilimo biashara initiative is working to bridge the opportunity gap for small and medium-sized farmers by helping them increase their production and business capacities, as well as their access to technology, credit, and markets all of which are key barriers to their participation in agricultural growth. The bank is at the forefront of supporting smallholder farmers that invest in irrigation projects to enhance their capacity in food production (EGF annual report, 2014).

Khairul (2011) study on the impact of training on Malaysian livestock farmers' capabilities and performance level in their farm practice suggested a general positive effect indicating the effectiveness of the training programs. Majority of the respondents agreed that the program have been useful and had made them become better farmers. The impact of training on farmers benefits include increased in work quality, increased in farm products, cost savings, time savings, increased in income and increased networking. Training provided to the farmers has not only helped them improved their individual capabilities, but more important, boost their morale and motivation that clearly contributed to their positive performance level.

Study by Yang et al. (2008) on the effectiveness of training for farmers showed that not all programmes meet success as most failures of the programmes in the developing countries were attributed to the tendency of excessively concentrating on a particular technology transfer rather than a broader spectrum of farmer empowerment including knowledge disseminations. The importance of training can contribute to enhancement of farmer's skills in farming works. Building the capacity of farmers through training is more valuable than the provision of financial support in terms of raising production and income.

Kilpatrick (1997) study on Education and training: Impacts on profitability in agriculture shows that farm businesses which participate in training are more likely to make changes to their practice which is designed to improve profitability. Education and training impacts on the farm business via managers' awareness to a greater number of possible innovations through improved decision making, allocation of resources and attitude which encourages change to practice. For these reasons, education and training is likely to facilitate successful changes to practice, so, it is successful changes which are the link between education and training and increased profitability. Farmers who participate in education and training are more likely to subsequently make successful changes to their practice, compared to the level of successful changes among those who do not participate.

RESEARCH METHODOLOGY

Research Design

The study adopted descriptive and exploratory research design. Descriptive design was adopted since it is systematic, empirical inquiring, where the researcher does not have a direct control of independent variable which is corporate social responsibility of the bank as their manifestation has already occurred or because they cannot be inherently manipulated (Orodho,2005). Descriptive research design was concerned with finding out about the how, who, when and where of a phenomenon which is CSR so as to build a profile while exploratory design focused on the discovery of ideas and insights on the dependent variable competitive advantage as opposed to collecting statistically accurate data. Exploratory design was used to define Banks issues, areas of potential growth, alternate courses of action and prioritizing areas of CSR that require statistical research (Mugenda and Mugenda, 2003).

Target Population

According to Ogula (2005), population is a well-defined or set of people, services, elements, and events, group of things or households that are being investigated. Population forms the basis from which the sample is drawn. The target population for the study was one hundred and seventy three (173) branch managers of Equity bank Kenya limited drawn from all the eight regions where Equity bank Kenya Limited operates.

Sampling Design and Sample Size

Stratified random sampling and simple random sampling technique was used to obtain a representative sample. The population of the one hundred and seventy three branch managers was divided into eight regions (strata's) then a random sample was selected from each strata. Stratified random sampling is a method of sampling that involves the division of a population into smaller groups known as strata. In stratified random sampling, the strata's are formed based on members' shared attributes or characteristics (Mugenda and Mugenda, 1999). According to Mugenda and Mugenda (2003), a sample size of ten percent (10%) of the target population is considered adequate. The study used a sample of fifty percent (50%) of the target population which translates to eighty eight (88) branch managers drawn from all regions of the country where Equity bank Kenya Limited operates, this enabled the researcher obtain adequate representation and accurate information necessary for the research.

Data Collection Instrument

Primary data collection was done by the help of a semi structured questionnaires. The first section aimed at generating branch profile while the second section with a Likert scale of one to five (1-5) collected information on Corporate social responsibly and competitive advantage categorized as per the research objectives. The closed-ended questions provided more structured responses to facilitate tangible recommendations while the open-ended questions provided additional information that was not captured in the close-ended questions. Secondary data was collected from documented data drawn from previous studies on corporate social responsibility, international journal reports, newsletters, annual strategic plans, Google scholar, Central Bank of Kenya annual reports, Equity bank reports and other publications and was useful for generating additional information for the study. According to Cooper and Schindler (2010) secondary data is an important tool for evaluation of historical or public records, reports and documented government publications.

Data Collection Procedure

The questionnaires were administered through drop and pick method for nearby branches. Respondents in far branches were reached by use of online email delivery and branch mail bag services. The study respondents were branch managers of equity bank Kenya limited. Completed questionnaires were collected and or emailed back to the researcher. Confidentiality of the respondents was guaranteed through an assurance letter which was issued with each questionnaire. Further the respondents were informed that the research is purely for academic purpose hence no monetary compensation for participation in the exercise.

Data Analysis and Presentation

After data collection, a thorough check was done on the questionnaires before coding and entering the data in Statistical Package for Social Sciences (SPSS) version 20.0 for analysis. Descriptive data analysis was applied in qualitative data which examined the intensity with which certain themes were used and systematically described the form or content of written or spoken material and helped to capture the in-depth opinions of the respondent. Qualitative data was presented in thematic summaries as per the research objectives and reported in prose form along with quantitative presentation hence reinforcing the quantitative data. Descriptive and inferential statistics were used to analyse quantitative data. Correlation test informed the researcher on existence of a relationship between the banks involvement in corporate social responsibility activities and the competitive advantage that accrues from this involvement. Regression analysis was used to determine the relative importance of each of the variables of the study. Quantitative data was interpreted and presented through percentage, frequencies, mean and standard deviation in form of tables.

Regression equation $Y = \mathbf{a} + \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon$ was applied.

Where: Y = Competitive advantage (Brand reputation, customer loyalty, customer retention, stakeholder relationship); **a** =beta constant; β_0, $\beta 1$, β_2, β_3, β_4 **and** β_5 = regression coefficients; ε= Error term; X_1= Education sponsorship program (wings to fly sponsorship: University sponsorship: leadership mentoring program); X_2= Financial literacy training (FiKA youth and women training, fanikisha initiative, basic bookkeeping training); X_3= Entrepreneurship education (Small medium enterprise training, Entrepreneur training program, Youth group start up training); $X_{4=}$ Environment conservation activities (forest restoration activities: water sanitation program: clean energy initiative); $X_{5=}$Agriculture program (Kilimo biashara: agriculture growth accelerator, agriculture extension program).

RESEARCH RESULTS

The study sought to access the effect of CSR on the competitive advantage of Equity bank in Kenya. The study target population was 173 branch managers of Equity bank branches across Kenya. The sample population used was 50% of the population which is 88. The study methodology used exploratory and descriptive designs to gather information on the Phenomenon of study. Stratified random sampling and simple random sampling was used to select the sample size desired for the study. Data analysis was done by use of V20 of SPSS and descriptive and inferential statistics was applied in data analysis. Data was presented in form of tabulation, percentages, frequencies, mean, standard deviation and thematic summaries. Regression analysis was used to establish the relationship among variables. Cronbach alpha and pilot test was used to test the reliability and validity of the data collected.

The study revealed that the first variable of education sponsorship program has the highest engagement by branches through its program of wings to fly program and university sponsorship program as strongly agreed by the respondents and it greatly impacts on the improvement of the Bank's reputation. The education sponsorship program markets the bank to the public which in turn leads to improved brand reputation.

The second variable of financial literacy training which targets the majority which comprises of the youths and the women through the FiKA program has little engagement by the bank branches and hence not significantly applied in most branches. From the research results it is evident that the percentage of branches that engage in this CSR activity moderately benefits from improved customer retention and customer loyalty which gives the bank an edge in competitive advantage.

The third variable of entrepreneurship education program receives much participation in branches; the program targets small and micro enterprises to equip them with budgeting and financial management skills. The data analysis reveals that this variable greatly promotes the Bank’s customer retention and customer loyalty hence competitive advantage over the banks competitors.

The fourth research variable of environment conservation activities through forest conservation and eco moto products for clean technology received little engagement in most branches across equity Bank Kenya limited. Analysis of the data shows that the branches that engage in this CSR activity benefit from enhanced stakeholder relationships which further contributes to the overall competitive advantage for the bank.

The fifth variable of agriculture program where the branches engage in Kilimo biashara initiatives to alleviate poverty in the farming community receives little engagement by branches across the Kenya. Data analysis is clear that the branches that participate in this CSR activity receive a positive mark on the enhancement of the Banks stakeholder relationships which boosts the banks competitive advantage.

The study generally revealed that all the Bank branches in operation participates in more than one Corporate Social responsibility initiatives with most of them skewed towards education sponsorship and entrepreneurship education program. The study results further indicated that Corporate Social responsibility is an important component to different stakeholders of equity Bank Kenya limited with local community receiving the highest scoring followed by customers then investors respectively.

REGRESSION ANALYSIS

In this study, a multiple regression analysis was conducted to test relationship among independent variables (CSR) on competitive advantage of Equity Bank Kenya Limited. The research used statistical package for social sciences (SPSS V 20.0) to code, enter and compute the measurements of the multiple regressions. Table 1 below shows the regression model summary based on the independent variable (CSR) and the dependent variable (competitive advantage) of the bank.

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
	.868[a]	.754	.725	.184

a. Predictors: (Constant), education sponsorship program, financial literacy training, entrepreneurship education program, environment conservation activities and agriculture program

From the table above, there is a strong and positive relationship between the independent variables; education sponsorship program, financial literacy training, entrepreneurship education program, environmental conservation activities and agriculture programs on the dependent variable. This is evident from the coefficient of determination which is 0.754 while the correlation is 0.868 which is close to 1. This indicates a close and significant influence that the variables have on competitive advantage. Table 2 below presents the analysis of variance (ANOVA) statistics of the study on corporate social responsibility and competitive advantage of Equity Bank Kenya Limited.

Table 2: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	4.460	5	.892	26.353	.000[b]
	Residual	1.455	43	.034		
	Total	5.916	48			

a. Dependent Variable: Competitive Advantage
b. Predictors: (Constant),), education sponsorship program, financial literacy training, entrepreneurship education program, environment conservation activities and agriculture program

The ANOVA statistics was used to test the fitness of regression model. The significance F value of 26.353 (p = 0.000) was obtained. This therefore means that the regression model obtained was fit and statistically significant and can be deemed fit for prediction purposes. Table 3 indicates the regression coefficients that were developed from the multi-regression model used to establish the influence of the independent variable CSR (Education sponsorship program, entrepreneurship education program, financial literacy training, environment conservation activities and agriculture programs) on the dependent variable of the study which is competitive advantage (Brand reputation, customer loyalty, customer retention and stakeholder relationship).

Table 3: Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.636	.269		2.362	.023
ESP	.230	.064	.407	3.617	.001
FLT	.163	.066	.267	2.454	.018
EEP	.134	.056	.222	2.311	.026
ECA	.132	.051	.239	2.628	.012
AP	.129	.045	.287	2.928	.005

a. Dependent Variable: Competitive Advantage
b. ESP means Education sponsorship program; FLT-Financial Literacy training; EEP-Entrepreneurship Education Program; ECA-Environment conservation activities and AP- Agriculture programs.

Multiple regression analysis was conducted as to establish the influence of Corporate Social Responsibility on competitive advantage of Equity Bank Kenya Limited. As per the SPSS generated table above, the equation: (Y = **a** + **β_0+ β_1X$_1$** + **β_2X$_2$** + **β_3X$_3$+ β_4X$_4$** +**β_5X$_5$+ ε**) becomes: Y= **0.636+ 0.230X$_1$ + 0.163X$_2$ + 0.134X$_3$+ 0.132X$_4$ +0.129X$_5$+ ε.** The regression equation above has established that taking all factors into account (education sponsorship program, financial literacy training, entrepreneurship education program, environment conservation activities and agriculture program) constant at zero, competitive advantage of Equity Bank Kenya Limited will be 0.636.

The findings presented also shows that taking all other independent variables at zero, a unit increase in education sponsorship program will lead to a 0.230 increase in competitive advantage of Equity Bank Kenya Limited, a unit increase in financial literacy training will lead to a 0.163 increase in competitive advantage of Equity Bank Kenya Limited; a unit increase in entrepreneurship education program will lead to a 0.134 increase in competitive advantage of Equity Bank Kenya Limited, a unit increase in environment conservation activities will lead to a 0.132 increase in competitive advantage of Equity Bank Kenya Limited and a unit increase in agriculture program will lead to a 0.129 increase in competitive advantage of Equity Bank Kenya Limited.

At 5% level of significance and 95% level of confidence, education sponsorship program, had a 0.001 level of significance; financial literacy training showed a 0.018 level of significance; entrepreneurship education program showed a 0.026 level of significance, environment conservation activities showed a 0.012 level of significance and agriculture program showed a 0.005 level of significance. This shows that all the variables were significant ($p<0.05$).

Table 4 provides a summary of achievements of different CSR activities carried out by equity bank Kenya limited in terms of numbers reached. The achievements of CSR activities of the bank are monitored, evaluated and documented by the EGF which sits in the head office of the bank at Nairobi Kenya and information thereof is disseminated to all branches across Kenya.

Table 4: Achievements from different CSR Activities of EBKL

CSR activities	Achievements so far (e.g. number trained, trees planted, number sponsored etc.)
Wings to fly sponsorship	An average of 13,000 beneficiaries
University sponsorship program	An average of 2,500 beneficiaries
Leadership mentorship program	An average of 350 leaders mentored
Financial literacy training and fanikisha initiative	Average of 25,000 youth and women trained
Small medium enterprises training	An average of 12, 000 SME's
Entrepreneurship training	Average 10,000 entrepreneurs trained
Forest restoration activities	Average of 1,000,000 trees planted
Clean energy initiative	Average of 5,000 beneficiaries
Water sanitation program	Average of 5,000 beneficiaries
Kilimo biashara initiative	Average of 220,000 beneficiaries
Agriculture growth accelerator / extension program	Average of 100,000 beneficiaries

The table above indicates that the first objective of education sponsorship program through the wings to fly sponsorship and University sponsorship program have benefited a large number of students in the counties where the bank exists while leadership mentorship program have shaped the students leadership skills as they benefit from the education programs (EGF Annual report 2015).

The second objective financial literacy training through the Financial knowledge for Africa (FiKA) training program, fanikisha initiative for women and group start up training has been of great importance to youth and women who have acquired financial management and budgeting skills to manage finances and perform better in the day to day operations of their micro and small businesses (EGF Annual report, 2016).

Third objective of entrepreneurship training program through Small and medium enterprises training, basic bookkeeping training and entrepreneurship training has benefited over twelve thousand in number of entrepreneurs which has helped boost their business output by applying financial management skills earned from the training to increase profits, improve business practice and improved utilization of bank loans (Equity Bank, 2017).

The fourth variable of Environment conservation activities through forest restoration activities have seen a million trees planted in the Mau Forest and thousands clean energy initiatives benefited by the community and staff of equity bank Kenya Limited. Water sanitation program has enabled the community access clean drinking water and enabled them obtain skills of rain water harvesting (EGF Annual report, 2016).

The fifth variable of agriculture programs through Kilimo biashara, extension program and agriculture growth accelerator program has benefited farmers across the country with modern farming equipments and training on pest control and techniques on farm management and financial management lifting them from subsistence to commercial farming (EGF Annual report, 2016).

CONCLUSIONS

The study first variable of education sponsorship program has the highest engagement by branches through its program of wings to fly program and university sponsorship program. The leadership mentorship program equips the students for future responsibilities in leadership. This CSR activity plays a major role in enhancing the banks brand reputation. The numbers of students who benefit from the secondary sponsorships through the wings to fly program are very few compared to the massive applications received from needy cases all over Kenya.

The second variable of financial literacy training targets the youths and the women through the FiKA program, youth group start up training and fanikisha initiative for women. The CSR has little engagement by the bank branches and hence not much significant in most branches. The branches that engage in this CSR activity goes a long way in benefiting from improved customer retention and customer loyalty. This CSR mostly targets members in women groups and youth groups hence it is not well implemented in all regions of the banks operation hence little engagement.

The third variable of entrepreneurship education program receives much participation in branches; the program targets small and micro enterprises to equip them with budgeting and financial management skills. The data analysis reveals that this variable greatly promotes the Bank’s customer retention and customer loyalty. The entrepreneurship training programs and basic book keeping program are done free of charge and the attendants are provided with meals and writing materials. The trainings should be used as an avenue to graduate the SME group to higher levels in their business management and operations.

The fourth research variable of environment conservation activities through forest conservation and eco moto products for clean technology received little engagement in most branches across equity Bank Kenya limited. Branches that engage in this CSR activity benefit from enhanced stakeholder relationships. The CSR activity is not taken seriously in most of the branches especially the forest conservation which is done through tree planting in schools and organizations hence minimal participation. The eco moto products are not well distributed in all regions of the country and the awareness is scantly done.

The fifth variable of agriculture program where the branches engage in Kilimo biashara, extension program and accelerator initiatives to alleviate poverty in the farming community receives little engagement by branches across the Kenya. The branches that participate in this CSR activity receive a positive mark on the enhancement of the Banks stakeholder relationships hence the variable is relevant to this study. The strategies for this CSR activity are not clear in most areas of the banks operation hence low uptake levels.

The results of the study overall indication is that equity bank Kenya limited have adopted CSR as a strategic pillar to grow and sustain its business growth thus sustainable competitive advantage of the bank. To the bank, CSR is not only an avenue for showing its softer side of the business but it also offers an opportunity to build a strong brand reputation, improve customer retention, customer loyalty and promote a strong stakeholder bond which will assist to drive the business growth. The use of Corporate Social responsibility is not only an immediate impact to the overall bottom-line of the bank but rather has future benefit to be reaped for future growth and sustenance of Equity bank Kenya Limited.

RECOMMENDATIONS

The first variable of education sponsorship program has the highest engagement by branches through its program of wings to fly program and university sponsorship program. The bank should invest more resources in this CSR activity to increase the number of students who benefit from the wings to fly secondary sponsorship which will make the program more significant and increase the impact on the competitive advantage of the bank. The bank should incorporate more donors and sponsors to address the large masses of applications received from the needy cases.

The second variable of financial literacy training which targets the youths and the women through the FiKA program has little engagement by the bank branches and hence not much significant in most branches. The bank should put across better strategies on how to improve on the output of this CSR activity in areas where it is less significant by doing more outreach and awareness to the women and youth groups to increase uptake and make the programs sustainable.

The third variable of entrepreneurship education program receives much participation in branches; the program targets small and micro enterprises to equip them with budgeting and financial management skills. The bank should work towards improving the standard of the SME trainings by ensuring that the participants in the trainings are followed up with relevant training information. The SME should be advanced credit facilities after successful completion of trainings to expand their business and graduate to higher business levels.

The fourth research variable of environment conservation activities through forest conservation and eco moto products for clean technology received little engagement in most branches across equity Bank Kenya limited. The bank branches should take serious activities of this CSR and come up with more viable environment activities that will be significant and bring more impact across the branches. The eco moto jikos should be readily available in all regions of Kenya to increase uptake.

The fifth variable of agriculture program where the branches engage in Kilimo biashara initiatives, extension program and accelerator initiative to alleviate poverty in the farming community receives little engagement by branches across the Kenya. Better and clear strategies to be put in place that will make the CSR activity more relevant and give it a higher engagement rate by the branches and promote competitive advantage of the bank significantly.

In summary it is important for policy makers to consider on incorporating more stakeholders in driving the CSR agenda, this not only builds belief in the brand reputation of the bank but also sustenance as the stakeholders feel part of the team that is aiming to make a lasting difference in the community they live and work in.

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