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## The State of Corporate Social Responsibility: A Case Study of Telecom Sector

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### Abstract:

*The main objective of current study was to understand the extent to which telecom sector organizations have adopted the Corporate Social Responsibility (CSR) practices. This research triangulated the content analysis and semi-structured interviews for data collection and analysis purpose. Website content analysis suggested that all four companies are performing CSR activities but their major focus is philanthropic CSR activities and secondly they have shown their involvement in environmental activities. Neither of the company is using CSR as their sustainability strategy. The interview findings suggested that still CSR is at sense making stage in Pakistan. Employees perceive CSR as the activities related to philanthropy. Interviewed respondents showed some strange expressions while answering the questions related to the CSR dimensions other than the philanthropic dimension. They seemed completely unaware regarding the broader scope of CSR. Conclusively CSR is still at philanthropic stage in Pakistan.*

**Key words:** *Environmental, Philanthropic, Ethical, Legal, Economic Corporate Social Responsibility*

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## 1. Introduction

Corporate Social Responsibility (CSR) has evolved from philanthropy. CSR is also called social responsibility, corporate citizenship and a socially responsible organization. The state of CSR in Pakistan is still in its early stage. Mostly CSR is reported as in context of corporate philanthropy in Pakistan (Nazir, 2010; Waheed, 2005). Multinational companies like Tetra Pak, the Shell Group, and Barclays Bank, are showing more concerns for CSR as compared to domestic companies (Hameed, 2010). Multinational companies having base in developed countries actually follow the guidelines which are provided to them by their country of origin standards (Waheed, 2005) but domestic companies used to remain unaware. Currently many domestic companies have also realized the scope of CSR and have paid serious attention to CSR. Specifically fertilizer companies and telecom sector of Pakistan have paid more attention to CSR. The annual reports of the telecom sector companies and the information related to CSR available on the websites of telecom companies motivated the current study to determine the state of CSR in the telecom sector of Pakistan. Specifically four telecom companies: PTCL, Mobilink, Telenor Pakistan and ZONG will be the focus of this study. Overall the purpose of this research is to conduct a content analysis of the state of CSR in telecom sector through the secondary data available on the websites of selected companies and the primary data collected through qualitative interviews from the managers and employees and customers of selected organizations. The implications of this research will be to find out the state of CSR in telecom sector, to find out the general perceptions of the employees of selected organizations about CSR activities of their organization, and to find out what practices are being used by selected organization in comparison to the Carroll (1991) four categories of corporate social Responsibilities. Apart from these four dimensions additionally we also determined the state of environmental CSR in these organizations as gradually the environmental CSR is getting more and more attention of the stakeholders.

## 2. Theoretical Background

The evolution of CSR is well depicted by Carroll, A. B in the book by Crane et al. (2008) Carroll argued in this book that the industrial revolution which took place in 1857 may be considered as the beginning point of CSR where CSR was just called social responsibility (SR). Formal writings and existence of CSR is actually product of the Twentieth century (1950 – to present). CSR started to take shape in 1950's. Howard Bowen (Called as father of CSR by Carroll, A. B.) was the first person to give definition of CSR. The progress in the area of CSR accelerated in 1970's. In 1979, Carroll, A. B., proposed four part definition of CSR. These four parts were the economic, legal, Ethical and discretionary aspects of CSR which were later on termed as four categories-pyramid of CSR (Carroll, 1991). However out of these four categories, later on the category of philanthropy was collapsed by Schwartz et al. (2003). According to Carroll (1991), the **economic** responsibilities of an organization are related to "maximizing the earning per share, maximizing the level of profitability, establishing a competitive position, performing at high level of efficiency" (p. 40). **Legal** responsibilities can be; "to

perform in a manner consistent with expectation of government and law, to comply with various federal, state and local regulations, to be a law-abiding corporate citizen, defined as one that fulfill its legal obligations, to provide goods and services that at least meet minimal legal requirements” (p. 40). **Ethical** responsibilities can be that, “it is important to perform in a manner consistent with expectations of societal mores and ethical norms, to recognize and respect new or evolving ethical/ moral norms adopted by society, to prevent ethical norms from being compromised in order to achieve corporate goals, good corporate citizenship be defined as doing what is expected morally or ethically, corporate integrity and ethical behavior go beyond mere compliance with laws and regulations” (p. 41). **Philanthropic** responsibilities can be that, “it is important to perform in a manner consistent with the philanthropic and charitable expectations of society, to assist the fine and performing arts, that managers and employees participate in voluntary and charitable activities within their local communities, to provide assistance to private and public educational institutions, to assist voluntarily those projects that enhance a community's quality of life” (p. 41). In addition to these four dimensions of CSR, the environmental dimension of CSR has also been considered as the key CSR practice in organizations (Hackston & Milne, 1996; Spiller, 2000). Similarly, **environmental** CSR has also been found as the key CSR practice in context of Pakistani corporate sector (Hameed, 2010; Jamali, 2008; Nazir, 2010; Waheed, 2005). According to Spiller (2000) environment is one the key stakeholder group for an organization. Further spiller identifies the 10 practices for managing the environmental stakeholder group such as; “environmental policies, organization and management, Materials policy of reduction, reuse and recycling, Monitoring, minimizing and taking responsibility for releases to the environment, Waste management, Energy conservation, Effective emergency response, Public dialogue and disclosure, Product stewardship, Environmental requirements for suppliers, Environmental audits” (p. 153-154). This research has taken the four categories model of CSR proposed by Carroll (1991) and environmental CSR as the additional practice, due to its growing concern in Pakistan.

Until, the 1990's the state of CSR was desperate in Pakistan. Due to brutal murder of Iqbal Massih in 1995, the carpet industry of Pakistan has been incurring billions of dollars losses every year (Hameed, 2010). It was the 1998 when Responsible business initiative (RBI) organization was established in 1998 to promote the CSR in Pakistan. Government of Pakistan realizing the global need for CSR established the Pakistan Compliance Initiative Board (PCIB) with collaboration of Ministry of Chamber of Commerce and industries, to facilitate exporters, particularly the small and medium enterprises (SMEs), in meeting international social compliance standards such as ISO-9000, ISO-14000 and SA-8000. The Securities and Exchange Commission of Pakistan issued the General Order, namely:-("Companies (Corporate Social Responsibility) General Order, 2009," 2009). According to this order every company shall provide descriptive as well as monetary disclosures of the CSR activities undertaken by it during each financial year. In 2012, the SECP granted approval for introducing CSR guidelines for public companies. The guidelines shall be notified as ‘Corporate Social Responsibility Voluntary Guidelines, 2012’ after consultation with external stakeholders and general public. Keeping in view global learning and local market practices, a set of guidelines have been developed by the SECP to encourage adoption of voluntary

measures ensuring transparency and corporate accountability in implementing the CSR activities (*SECP gives nod to CSR guidelines*, 2012). Recently in 2013, in order to promote responsible business conduct that supports community growth for public interest, eliminates adverse practices impacting the public sphere and ensures corporate accountability, the Securities and Exchange Commission of Pakistan (“SECP”) has issued the Guidelines for CSR (“the Guidelines”), under section 506B of the Companies Ordinance, 1984. These Guidelines are voluntary in nature and businesses are encouraged to move beyond the recommended minimum provisions articulated in this document. The Guidelines are being published for all companies that have initiated or intend to initiate corporate social responsibility (“CSR”) activities. Further, it is expected that all companies may endeavor to adopt working models that complement the recommended guidelines with a focus on fair, transparent and responsible business practices.

In context of current research the state of CSR will be further elaborated in the light of findings from the Telecom industry of Pakistan.

### **3. Method**

The field of CSR can be considered as emerging field in this area of world. Stakeholders are still in phase of understanding the proper sense of CSR. Thus a qualitative research seems to be appropriate for this study. This will help us to understand the state of CSR in context of Pakistan, specifically in telecom sector.

#### **3.1 Data Collection**

Secondary as well as primary data were collected for this research. Secondary data were collected from the annual reports, CSR reports, and websites of the companies. Primary data were collected through the semi structured interviews. The semi structured interviews provide open but specific and focused discussion. The questions were developed from general to specific CSR dimensions keeping in mind Carroll’s four dimensions of CSR. Further, the questions for environmental dimension has been developed on the basis of Spiller’s (2000) environmental practices. These environmental CSR practices has also been adopted in studies conducted in context of Pakistan (Nazir, 2010; Waheed, 2005).

#### **3.2 Sample**

Interviews were conducted from managers and employees of four telecom sector organization namely; Mobilink, PTCL, Telenor and Zong. Two respondents were selected for each organization. The two respondents were Manager and an employee working at lower level of management. Thus for four organizations interview were conducted from 07 respondents.

#### **3.3 Data Analysis**

This research triangulated the content analysis and semi-structured interviews for data collection and analysis purpose with the help of ATLAS.ti qualitative data analysis software, on the basis of Carroll (1991) four categories of CSR, known as the pyramid

of CSR. Additionally environmental CSR dimension is also analyzed as it is getting more and more attention of the stakeholders gradually. Firstly the quotes are generated and codes are developed for each quote from the contents added to the primary docs of hermeneutic unit. Memos are developed to give meaningful interpretation to the contents analyzed. ATLAS.ti analysis tools such word cruncher, query tool, and code primary document table are used to manage the contents of documents, codes and quotes effectively.

#### **4. Findings**

On the basis of the findings from the content analysis conducted through the written content material as well as semi-structured interviews from the four telecom sector organizations, the state of CSR at each company is presented separately; Firstly in part “A”, the findings from the content analysis of the material collected through the websites, annual reports and CSR reports of the concerned company is presented and then in part “B” the qualitative interviews analysis is presented for each company separately.

##### **Part – A: Websites content analysis**

#### **4.1 Mobilink**

Pakistan Mobile communications (Pvt.) Ltd known as Mobilink GSM is telecom service provider in Pakistan since 1994 as also known as the first GSM cellular Mobile by Motorola Inc. Later it was sold to Orascom, an Egypt –based multinational company. It is the largest cellular service provider in Pakistan. Its corporate postpaid package having brand name is indigo and prepaid name is Jazz. It is the only mobile service that has entered into the rural areas and providing its service in almost 10000 plus cities, towns nationwide and in 130 countries worldwide. Mobilink is playing vital role in supporting Pakistan community and society. Mobilink says that our CSR does not limit to philanthropy and donations. While taking decisions Mobilink intakes all the shareholders suggestion. Mobilink tries to give best to the community and society where it does operate in and Pakistan is its community and Mobilink believes that an educated and healthy society ensures in sustainable development.

([HTTP://WWW.MOBILINKGSM.COM/](http://www.mobilinkgsm.com/), 2012). The Mobilink foundation established in 2007 and does not only work for the development of local society and community but also dedicating its volunteer hours.

##### **4.1.1 Mobilink Corporate Social Responsibility Mission and Strategy**

“To ensure responsible business practices, lead employee volunteerism drives, develop inclusive products and invest in sustainable initiatives to give back to the community we operate in.”(csr@mobilink.net, ,p.146, 2008-2009).

#### **4.1.2 Corporate Social Responsibility practices at Mobilink**

##### **4.1.2.1 Environmental Corporate Social Responsibility Practices**

Mobilink has been involved in many environmental activities. With the collaboration of Pakistan life saving foundation (PALS) they performed a beach cleaning activity in Karachi("Mobilink organises beach cleaning in Karachi," 2013)Mobilink is the only telecom sector organization which has a recycling program. They recycle the outdated billboard skins to manufacture school bags for the children of the rural areas of Pakistan. They also recycle the waste paper and the earning are spent for social welfare (Mehr, 2013). These examples suggest the environmental focus of Mobilink Pakistan.

##### **4.1.2.2 Philanthropic Corporate Social Responsibility Practices**

Mobilink is found to be involved in many philanthropic CSR activities like; it's SMS literacy Program, contribution in earthquake of 2008, Polio prevention programs, Safe drinking water availability and & Hygienic working conditions, Voice service to teach, Mobilink Kisan (Farmer) Helpline, Celebrating Earth day, Supporting cricket tournament for physical challenged people, Blood donation drives etc. Moreover Mobilink has established Mobilink Foundation: *The Torch bearers for all humanity*.

##### **4.1.2.3 Legal Corporate Social Responsibility Practices**

Mobilink follows all the rules, standards developed by the Pakistan Telecommunication Authority (PTA), by their authorities and by the Government of Pakistan. Mobilink has ISO 9002 Quality Management System Certification for Billing, Implemented a full Intelligent Network (IN) platform from Siemens for the prepaid platform etc.

##### **4.1.2.4.1 Economic Corporate Social Responsibility Practices**

Mobilink has been doing above all since its inception. It has Largest Call Center in Pakistan, which is available to assist the customers 24 hours. It is the only cellular service in Pakistan to provide coverage on the M2 motorway. It has Bilateral roaming in over 120 countries around the world with true international roaming with over 300 operators across the globe. It has signed up 10 cricket stars as their brand ambassadors. Mobilink is expected to invest another 500 million dollars in Pakistan.

##### **4.1.2.4.2 Ethical Corporate Social Responsibility Practices**

As the CSR mission statement of Mobilink reflects that Mobilink does not perform CSR activities just for philanthropic purpose but they think that it is their moral responsibility to give back to the society which has developed them as the leading mobile company of Pakistan. Moreover it has been doing the business in Pakistan according the core values and customs of this country, focusing on collectivist culture and promoting it in their marketing efforts as well. Mobilink claims that they follow highest ethical standards and take responsibility of their actions.

#### **4.2 Pakistan Telecommunication Company Limited (PTCL)**

Pakistan Telecom Corporation took over charge from Pakistan Telephone and Telegraph Department under the Pakistan Telecommunication Corporation Act 1991.

PTCL is another company in the telecom industry which is performing CSR activities for its community and society and for that It was gifted with the “Best CSR Initiative 2011-2012” given by National Forum for Environment and Health (NFEH). There are lots of CSR activities have been performed by PTCL (“Corporate Responsibility”, 2013).

#### **4.2.1 Corporate Social Responsibility practices at PTCL**

##### **4.2.1.1 Environmental Corporate Social Responsibility Practices**

PTCL has taken certain initiatives which showed their inclination towards the environmental friendly services. In 2009 PTCL decided to introduce a new environment friendly bill format for its customers. This initiative of PTCL also coincides with the Government’s decision to celebrate 2009 as the "Environment Year". PTCL's decision to reduce the number of billing pages is an environment friendly initiative and is a way forward towards becoming a paperless enterprise. This single page bill format would help save, at least 12 million papers every month.

##### **4.2.1.2 Philanthropic Corporate Social Responsibility Practices**

PTCL has been working on lot philanthropic activities like; PTCL Internship program., PTCL Hepatitis Awareness Drive, PTCL employees donated on day salary to IDPs, Donations to SOS Villages, Scholarships for Persons with Disabilities, Collaboration with Universal Service Fund (USF), Donation to Earthquake victims in Baluchistan, Sponsoring Event at LUMS etc.

##### **4.2.1.3 Legal Corporate Social Responsibility Practices**

PTCL is bound to follow all the rules & regulations and standards directed by the PTA. However the researcher could not find the other global standards such as developed by ISO, followed by PTCL on their websites and reports.

##### **4.2.1.4 Economic Corporate Social Responsibility Practices**

PTCL has many competitive advantages over other cellular companies. One of the most important is diversification strategy. They have been offering lot of products like, PTCL landline, V-Phone, Broadband, TV Channels etc.

##### **4.2.1.5 Ethical Corporate Social Responsibility Practices**

Ethics is reflected in core values of PTCL. They have a separate statement of ethics describing ethical code of conduct. PTCL has ethical code of conduct focusing on treating customers and employees with respect & preventing harassment, Compliance to merit, Transparency value, preserving confidential and proprietary information, fair use of the physical assets of organization, prohibition of corrupt practices, and prohibiting conflict of interest etc.

#### **4.3 Telenor Pakistan**

Telenor Pakistan is owned by Telenor group, this one is international provider of voice, content and communication services in 11 markets across Europe and Asia in 19

markets through its 31.67% ownership in VimpleCom Ltd. Telenor group is amongst the largest mobile operators in the world with more than 155 years of telecom experience. It acquired GSM license in 2004 and band begun its operations in from 15th March, 2005. Telenor Pakistan's corporate headquarters are in Islamabad, with regional offices in Karachi, Lahore, Faisalabad, Multan, Hyderabad and Peshawar.

#### **4.3.1 Corporate Social Responsibility practices at Telenor**

Telenor's CSR activities from the content analysis of its website are discussed here ("Corporate Governance," 2013; "Vision & Values," 2013).

##### **4.3.1.1 Environmental Corporate Social Responsibility Practices**

Telenor has been involved in environmental activities and because of which it was awarded the Environment Excellence Award in 2008 by the National forum for environment & health (NFEH) in the 5<sup>th</sup> environmental excellence awards distribution ceremony conducted in Karachi. It was the first time that this award was won by a mobile company in Pakistan. The Telenor was gifted with this award because of its excellent environmental friendly efforts such as health, safety, and environmental (HSE) trainings, environmental awareness campaigns etc. ("Performance & Awards," 2013).

##### **4.3.1.2 Philanthropic Corporate Social Responsibility Practices**

Telenor has taken many initiatives to support the society of Pakistan such as; Karo Mumkin is an initiative that helps individuals realize their potential to the fullest and helps them in achieving their goals. Karo Mumkin. Karo Mumkin- Believes that the future of any country depends on the abilities & skills of its citizens. Therefore, it recognizes the fact that people with special skills, abilities & extraordinary talent should be rewarded and their talents should take the country ahead. Telenor Hum Kadam is unique initiative in which the corporation employees around the country are to contribute 50,000 paid working hours towards the society services & community support in the country. Employees are given a chance to get involved in community services & work for the betterment of their fellow citizens. Telenor has been involved in many other societal activities as well such as; providing educational services at school, Telenor has organized blood donation camp. Telenor arranged food relief program in collaboration with Pakistan Red Crescent Society (PRCS). Telenor also requires its suppliers to be conducting responsible Business & contribute to the society welfare. Under Khuddar Pakistan initiative, Telenor aims to be friendly towards disabled persons of the society & tries to enable them through Special Talent Exchange Program (STEP) and set up Assistive Technology Centers (ATC) for persons with disabilities at National Institute of Special Education (NISE) to work as closely to normal members of the society as possible.

##### **4.3.1.3 Legal Corporate Social Responsibility Practices**

Telenor also follows the PTA rules & regulations and standards and performs all their activities according to these laws. Apart from PTA standards it was difficult to find other global standards followed by Telenor.

#### **4.3.1.4 Economic Corporate Social Responsibility Practices**

Telenor has been contributing tremendously to the economy of Pakistan. On January 2012, Telenor Pakistan had 28.47 million subscriber bases, and market ratio according to SIM cards was about 24% on October 2012. It has declared its customer base about 30 million. It is the single largest European Foreign direct investor, with an excess investment of US \$ 2 billion. Telenor Pakistan took 51% of Microfinance Bank in November 2008 and launched “easy paisa” for becoming Pakistan’s first Telecom Company to make partnership with bank to offer mobile financial services across Pakistan. It is estimated that Telenor Pakistan contributed over Rs: 23 billion in various forms of direct and indirect taxes to the economy of Pakistan. It is one of the largest GPRS/ internet service providers across Pakistan.

#### **4.3.1.5 Ethical Corporate Social Responsibility Practices**

Telenor has specific core values which reflects their ethical responsibilities such as; They try to make things easy by providing the products which are user friendly, They try to keep promise by their actions rather than just promising, They believe in innovation and creativity and provide the modern and fresh products and above all Telenor believe in respecting the local culture of the communities in which they operate. They never try to impose any thing which contradicts the culture of a society. Telenor also require their supplier to follow the ethical code of conduct and they have specific code of conduct related to suppliers. Telenor also has certain code of conduct regarding the health, safety, security & environment (HSSE).

### **4.4 ZONG**

ZONG is the international brand launched in Pakistan in 2008. Zong is also cited as CM Pak, China Mobile Pakistan. Zong serves to get inspired and empowered the people of Pakistan with highly innovative technology by keeping a pace with the today’s fast evolving culture. It’s expanding its coverage with at very high speed by maintaining not only the quality in the connectivity but also in coverage. Zong defines itself by defining its affordability and its innovations in terms of value added service. Zong promotes itself in all the way by using print and electronic media Like: Zong is on Face book, Zong is on twitter as well. While net surfing regarding CSR activities by telecom companies in Pakistan researchers came to know that Zong is playing really a vital role in performing CSR activities like; (“Our Vision & Core Values,” 2013; “ZONG CSR Activity,” 2013).

#### **4.4.1 Corporate Social Responsibility practices at Zong**

##### **4.4.1.1 Environmental Corporate Social Responsibility Practices**

Zong has shown some environmental concerns as well. The Zong has Signed MOU for metropolitan environment protection in Lahore with the Waste Management & Lahore Waste Management Company –City district government Lahore. Through this project they are trying to create the environmental awareness among the people of Lahore to make the Lahore a clean city (“ZONG signed MoU for Environment Protection”, 2013).

#### **4.4.1.2 Philanthropic Corporate Social Responsibility Practices**

Zong has been doing lot of philanthropic activities like; ZONG has arranged blood camp with the collaboration of Pakistan Red Crescent Society (PRCS) in which near about 19 people donated blood. Customers can get registered themselves as blood donors by sending registration on 2258. Zong employees spent a whole day with the mentally challenged children by visiting Chambali Institute of mentally challenged children and Physiotherapy center located in Rawalpindi. Zong selected 10 students for scholarship programme at the University of Engineering and Technology, Lahore. Student will be receiving tuition fees and other expenses for the complete study period of four years.

#### **4.4.1.3 Legal Corporate Social Responsibility Practices**

Like all other telecom companies ZONG also follows the rules & regulations and standards of PTA but apart from these standards researcher could not find other global standards followed by Zong.

#### **4.4.1.4 Economic Corporate Social Responsibility Practices**

Like other cellular companies ZONG is also contributing well to the economy of Pakistan.

Zong is the leading mobile payments solution for games and social networks. The company holds 15.4% of the market share, which is growing every day. During the year 2012 alone, the telecom giant added more than four million subscribers to its base, reaching around 19 million total subscribers. Zong managed to boost its growth to 34.1 percent during 2012. ZONG is also doing well in providing employment opportunities to the local youth and focuses on fresh blood by doing internal hiring (performance based) and by hiring fresh graduate.

#### **4.4.1.5 Ethical Corporate Social Responsibility Practices**

The core values of Zong reflect their ethical practices. They encourage innovation & pragmatism, believing in cooperation and team work spirit, believing in developing their corporate image through honesty & humility, striving to develop the digital life style of their customers and progressing mutually with partners etc.

### **Part – B: Semi-Structured Interviews’ analysis**

The findings from the in-depth semi-structured interviews, conducted from the managers and employees are presented separately for each company. Two interviews were conducted from each organization. One interview was conducted from the manager and other interview was conducted from the employee usually working at lower level of management. These interview were conducted by focusing on the Carroll’s (1991) four dimensions of CSR but firstly general CSR perception of the respondent were discussed than questions were asked specifically related to Carroll’s (1991) four dimension of CSR and additionally we also asked for environmental perception.

**Table No. 1: Corporate Sample Description**

Job Title	Gender	Age	Education	Experience (In years)	Length of Interview (In Minutes)	Company Name
Regional Manager	Male	34	MBA	11	27	Mobilink
Territory Sales Supervisor	Male	25	MBA	04	31	Mobilink
Business Manager	Male	30	BS	06	21	PTCL
Engineering Supervisor	Male	36	M.A	15	19	PTCL
Manager CRO	Male	30	MBA	05	29	Telenor
CSO	Male	30	MBA	07	30	Telenor
Backup Manage & CSR	Female	25	BA	08	28	Zong

#### 4.1 Mobilink

The findings from the managerial level interview revealed that the respondent perceived the CSR as the activities related to philanthropy. The findings related to economic CSR activities showed that Mobilink handles the customer complaints through the Mobilink helpline service, franchises and customer service (CS) centers. Mobilink conducts customer survey for measuring the performance of their employees. Respondent was proud to convey Mobilink as the leading customer share company. Customers, employees and shareholders were perceived as equally important. The CSR was not perceived as the long term strategy of an organization while it was considered as the marketing tool and activities related to social support. The findings related to legal CSR showed that Mobilink follows the rules & regulations directed by PTA. They strictly follow their legal contracts and try to fulfill them timely. Respondent was satisfied with the hiring procedure and benefits at Mobilink. The workforce diversity was perceived as good for the organization. The taxes payments to the government were perceived as fair rather than biased. Respondent thought that people can afford it because on daily basis around 25 billion rupees are spent by customers on air time. So it means customer can afford it. The findings related to ethical CSR showed that Mobilink has the ethical code of conduct in written form and it is strictly followed by all employees. Employees are monitored through the CCTV Cameras and through the check in – Check out procedure. Mobilink provides true and proper information to customers. The compensation and promotions system at the Mobilink is according to the performance of the employees. Mobilink strictly follow the procedure of PTA for issuance of SIM’s to customers and they do not charge and hidden amount. The findings related to philanthropic CSR showed that Mobilink has been involved in many social activities like blood donations, charities to schools, funds for flood and earth quake relief etc. However the amount spent on these activities could not be disclosed and whether the Mobilink keeps any allocation for CSR activities in budget every year could not be confirmed. The findings related to environmental CSR showed that respondent was unaware regarding the involvement of Mobilink in environmental activities.

The findings from the lower level management employee interview revealed almost the same findings as perceived by the manger. However there were some contradiction such

as customers were perceived as more important than the employees and shareholders. The respondent revealed that they were also communicated the ISO standards followed by Mobilink during training. At Mobilink employees are communicated all the code of conducts through internal portal link by the head office. The procedure of promotions is perceived as biased at Mobilink. Regarding the environment, respondent revealed that Mobilink has started to install solar panels on towers to remove generators for pollution control.

#### **4.2 PTCL**

Interview conducted from manager of the PTCL that is male, had job title business manager, having degree BS and had an experience of 4 years. In the beginning of the interview perception of CSR was asked and from the way of his explaining it was seemed that he had sufficient knowledge and told us all development in the rural areas and work for the villagers and especially for employees like golden handshakes can be known as CSR. Then by keeping in mind Archie Carroll's five dimensions of CSR, open ended questions asked and he provided answers according to the knowledge that he has got while working in the organization. He was asked about customer complaints, customer satisfaction, profitability, value in terms of employees, shareholder and customers, employee performance measurement and CSR as a strategic tool. He told us company works for customer complaints with different help lines like; 1218, customer's satisfaction comes first in PTCL than any other thing, profitability is there customers, and customers are more important and upper level management takes CSR as a strategic tool. He was asked about legal standards, contracts meeting, employee's compulsion regarding laws, hiring and compensation discrimination, work force diversity and tax payments. He told us PTCL meets all legal standards like; PTA rules and ISO standards are also there because it is ISO certified organization, meets all the contracts timely, strictly follow up regarding laws is there for employees, no discrimination in hiring is there but not satisfied with the compensation, work force diversity should be there and PTCL is timely tax payer. He was asked about company's code of conduct, its activity impact in negative sense on the community, procedure to report any misconduct, procedure to convey the information regarding services, is there any fake connection and hidden charges if company is deducting. Code of conduct is in writing exists, there is not any activity that pays negative impact, complete information is being conveyed, no fake connection is there and there is not any hidden charges. He was asked regarding societal welfare activities, amount contributed by company for philanthropic activities, budget allocated for philanthropic activities. He said salaries had been deducted for societal welfare work but not sure about actual amount contributed and budget allocation. He was asked about environmental activities, laws complying, budget but he did not have any information regarding all these activities.

Interview conducted from employee of the PTCL that is male, had job title engineering supervisor and had an experience of 15 years. In the beginning of the interview perception of CSR was asked and from the way of his explaining it was seemed that he had little knowledge about CSR because he was explaining CSR in the area of customer satisfaction and product features.

Then by keeping in mind Archie Carroll's five dimensions of CSR, open ended questions asked and he provided answers according to the knowledge that he has got while working in the organization. He was asked about customer complaints, customer satisfaction, profitability, value in terms of employees, shareholder and customers, employee performance measurement and CSR as a strategic tool. And from the answers it was depicted that organizations works for customer complaints with different help lines, customers satisfaction is the most important ladder of success for them, customers and shareholders are being preferred not employees and organization intakes CSR as a strategic tools while decision making. He was asked about legal standards, contracts meeting, employee's compulsion regarding laws, hiring and compensation discrimination, work force diversity and tax payments. He told us PTCL meets all legal standards like; PTA rules and ITU standards. PTCL meets all the kept contracts timely, training is being given to the employees regarding laws complying, no discrimination in hiring is there but compensation is not good in PTCL, work force diversity is there and it is good for any type of organization and PTCL pays all taxes timely. He was asked about company's code of conduct, its activity impact in negative sense on the community, procedure to report any misconduct, procedure to convey the information regarding services, is there any fake connection and hidden charges if company is deducting. He told us that company has code of conduct in writing and it does not have any negative activity that can pay negative impact on the society, no such monitoring and company does not have any procedure for that, company does provide all the information to the customers, neither has fake connection nor any hidden charges. He was asked regarding societal welfare activities, amount contributed by company for philanthropic activities, budget allocated for philanthropic activities. He told company is performing philanthropic activities but he does not about what type of activities, amount contributed and budget allocation. He was asked about environmental activities, laws complying, budget but he said he really does not know about all these activities that whether company is doing such type of things or not.

#### 4.3 **Telenor**

Interview conducted from manager of Telenor that was male, had job title of CRO, had degree of MBA and had an experience of 5 years. In the beginning of the interview perception of CSR was asked and from the way of his explaining that he had a sufficient knowledge of CSR. He knew that it CSR and his organization has complete department that is working for the betterment of the society means he provided us philanthropic point of view regarding CSR. Then by keeping in mind Archie Carroll's five dimensions of CSR, open ended questions asked and he provided answers according to the knowledge that he has got while working in the organization. He was asked about customer complaints, customer satisfaction, profitability, value in terms of employees, shareholder and customers, employee performance measurement and CSR as a strategic tool. He told us customer complaints are being taken with due care, customer satisfaction is very important, profitability is there, and employees are the most important stakeholders and performance measures by how employees takes time for resolving customer issues and CSR is being taken as strategic tool since long. He was asked about legal standards, contracts meeting, employee's compulsion regarding laws,

hiring and compensation discrimination, work force diversity and tax payments. He told us Teleport meets all legal standards and follows PTA rules and regulations, meets all the contracts timely, employees are required to follow legal requirements, no discrimination in hiring is there and fully satisfied with the compensation, work force diversity should be there and Telenor pays taxes timely. He was asked about company's code of conduct, its activity impact in negative sense on the community, procedure to report any misconduct, procedure to convey the information regarding services, is there any fake connection and hidden charges if company is deducting. He said code of conduct is in writing exists, there is not any activity that pays negative impact and it depends upon usage, provides complete information about services, no fake connection is there and maximum unregistered SIM's have been blocked and there is not any hidden charges for customers. He was asked regarding societal welfare activities, amount contributed by company for philanthropic activities, budget allocated for philanthropic activities. Yes Telenor has done work for flood victims and earthquake victims but about the remaining questions he did not have any knowledge. He was asked about environmental activities, laws complying, budget but he did not have any information regarding all these activities.

Interview conducted from employee cum manager of Telenor-Pakistan that was male, had job title CSO (Customer Sales Officer), had degree of MBA and had an experience of 7 years. In the beginning of the interview perception of CSR was asked and he said that corporate related and can be of social. Then by keeping in mind Carroll's five dimensions of CSR, open ended questions asked and he provided answers according to the knowledge that he has got while working in the organization. He was asked about customer complaints, customer satisfaction, profitability, value in terms of employees, shareholder and customers, employee performance measurement and CSR as a strategic tool. He told us that customer complaints are well defined and vary from customer to customer and take up with full attention, Telenor is customer centric and customer satisfaction is very important, Telenor is profitable, customers are the most valuable stakeholders, and CSR may be taken as a strategic tool. He was asked about legal standards, contracts meeting, employee's compulsion regarding laws, hiring and compensation discrimination, work force diversity and tax payments. He said Telenor fulfills all legal standards, employees are required to fulfill legal requirements, for hiring and compensation he did not provide us any sort of information as that was against company's code of conducts, while for work force diversification he said it is good for any organization and it should be there and Telenor pays taxes on time. She was asked about company's code of conduct, its activity impact in negative sense on the community, procedure to report any misconduct, procedure to convey the information regarding services, is there any fake connection and hidden charges if company is deducting. He said there is complete code of conducts in writing, no such an activity that pays negative impacts it depends upon the usage, Telenor has proper system to report misconduct, provides all the information that organization has to its customers, while for the remaining ethical questions he did not provide any information. She was asked regarding societal welfare activities, amount contributed by company for philanthropic activities, budget allocated for philanthropic activities. Working for society like, gave an example of Sukkur Modern School and barrage Chowk globe while for remaining

questions he did not have any idea. She was asked about environmental activities, laws complying, budget but he did not have any knowledge that whether his organization is working for environment or not.

### **4.3 Zong**

In the ZONG office manager did not allow interview from employees and she hardly agreed to give interview. So only one interview was conducted from ZONG. Interview conducted from employee cum manager of ZONG that was female, had job title backup manager and CSR, had degree of BBA and had an experience of 8 years. In the beginning of the interview perception of CSR was asked and from the way of her explaining it was seemed that she did not have a little knowledge about CSR. Then by keeping in mind Archie Carroll's five dimensions of CSR, open ended questions asked and she provided answers according to the knowledge that he has got while working in the organization. She was asked about customer complaints, customer satisfaction, profitability, value in terms of employees, shareholder and customers, employee performance measurement and CSR as a strategic tool. She told us company works for customer complains through area means complains are being taken via area, customer's satisfaction is very important in ZONG , profitability is there , customers are more important , employee performance is being checked through health check and top level management uses CSR in making long term strategies.

She was asked about legal standards, contracts meeting, employee's compulsion regarding laws, hiring and compensation discrimination, work force diversity and tax payments. She told us ZONG meets all legal standards and follows PTA rules and regulations, meets all the contracts timely, employees are required to follow ZONG SOPS and PTA SOPS, no discrimination in hiring is there and fully satisfied with the compensation, work force diversity should be there and ZONG pays taxes timely. She was asked about company's code of conduct, its activity impact in negative sense on the community, procedure to report any misconduct, procedure to convey the information regarding services, is there any fake connection and hidden charges if company is deducting. She said code of conduct is in writing exists, there is not any activity that pays negative impact and ZONG has finished night packages, complete information is being conveyed, no fake connection is there and if there is then those are going to be ended soon and there is not any hidden charges for customers. She was asked regarding societal welfare activities, amount contributed by company for philanthropic activities, budget allocated for philanthropic activities. She said employee do contribute for such type of activities and told us about an accident of their company's driver , for that all employees contributed for his operation but in actual sense she did not have any information regarding all above asked things. She was asked about environmental activities, laws complying, budget but she did not have any information regarding all these activities.

## **5 Discussion**

The content analysis of the findings from the websites of the companies provided more comprehensive view of the CSR activities performed by these organizations as compared to the interviews findings. Although interviews provided very meaning

information but the respondents had a narrower view of the CSR activities performed by their organizations. Generally all the respondents perceived the CSR as the philanthropic activities related to the social welfare. Respondents had no idea about the environmental activities performed by their organizations. However they were well aware regarding the economic, ethical, legal dimensions of CSR. Respondents generally perceived that their organizations are involved in many philanthropic activities but they were not aware regarding the amount contributed by their organizations in societal activities. The respondents of the Mobilink were found more aware regarding the CSR activities as compared to other respondents. Regarding the economic dimension of CSR all the respondents perceived their organization doing well. Respondents supported their organizations regarding the fulfillment of the legal CSR activities but the lower level management employees of PTCL argued that the process of salary benefit should be revised. Regarding the ethical dimension of CSR, the lower level management employees of Mobilink argued that the system of promotions is biased. The content analysis of the websites of the organizations showed that somehow all the selected organizations are involved in CSR activities. The Mobilink is found to have some more concerns for CSR as compared to other companies such as Mobilink is the only company which has a proper CSR mission and strategy. Mobilink has established the Mobilink foundation for society. It has a separate web link for Mobilink CSR. It has the leading customer base and access in the remote areas of Pakistan where other companies are still to reach. Related to philanthropic activities all four companies have spent billions of rupees as depicted on their websites but it is difficult to determine the company which has contributed most to the philanthropic activities. PTCL has mentioned the amount on the activities spent while others have only showed the activities conducted. So it is difficult to determine the actual amount spent by each company for social welfare. However the contributions of ZONG seem much smaller as compared to other companies. Regarding the environmental activities Telenor has the environmental award, 2008 while PTCL has got the same in 2011, but other two companies have been performing environmental activities as well. Related to legal CSR practices all the companies in telecom sector strictly follows the rules & regulations and standards directed by the PTA but additionally Mobilink Pakistan also had Mobilink has ISO 9002 Quality Management System Certification for billing which gives it advantage over other discussed telecom companies.

All the discussed companies have their own ethical standards reflected in their core values on their websites.

## **6. Conclusion**

Overall the website content analysis suggested that all four companies are performing CSR activities but their major focus is philanthropic CSR activities and secondly they have shown their involvement in environmental activities as well. Neither of the company is using CSR as their sustainability strategy. The interview findings suggested that still CSR is at sense making stage in Pakistan. Employees perceive CSR as the activities related to philanthropy. Interviewed respondents showed some strange expressions while answering the questions related to the CSR dimensions other than the

philanthropic dimension. They seemed completely unaware regarding the broader scope of CSR. Conclusively CSR is still at philanthropic stage in Pakistan.

## 6 Recommendations

Telecom sector organizations should go one step ahead to make the CSR as business case. The alignment of CSR mission, goal is needed to be reflected in the corporate mission, goal of an organization. Employees are still in sense making stage of CSR. They should be provided the CSR awareness trainings to make them aware of the broader scope of CSR. More clear description of CSR is required on the websites of telecom sector organizations. Such as each company website should reflect the Complete CSR definition, mission, goal, strategy and the CSR activities performed along with the financial figures.

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## **Appendix: Research Questionnaire**

Do you have any idea about corporate social responsibility (CSR) is?

### Economic CSR

Does your company have a procedure in place to respond to every customer complaint?

Does your company uses customer satisfaction as an indicator of business performance.

What's the profitability position of your business?

Does your company pay more attention to shareholders than anybody else such as employees, customers etc.?

Does your company monitor employee's productivity?

Does your company adopt CSR as long-term strategy for business?

### Legal CSR

Do your products meet legal standards?

Does your Company timely fulfill all contracts?

Do the managers and employees of your organization try to comply with the law?

Does your company comply with all laws regulating hiring and employee benefits?

Does your company have programs that encourage the diversity of workplace (in terms of age, Gender, or race)?

Does your organization make the full tax payments timely?

### Ethical CSR

Does your company have a comprehensive code of conduct?

Do the top managers monitor the potential negative impacts of your organization's activities on community?

Does your company have a confidential procedure is in place for employees to report any misconduct at work (Such as stealing or sexual harassment etc.)?

Do your company's salespersons /Helpline and other employees provide full and accurate information to all customers?

Does your company prevent discrimination in employees' compensation and promotion?

Does your company have the customers with unregistered SIM's?

Does your company have any hidden charges deducted from the prepaid/postpaid accounts of customers?

### Philanthropic CSR

What are the activities conducted by your organization for welfare of Society?

What are the contributions made by your organization at the time of natural disasters such as flood, earthquake etc.

What is the amount so for your company has contributed for the welfare of society and in what activities?

Does your company have specific portion of budget allocated every year for community welfare activities?

If your company has specific portion of budget allocated every year for community welfare activities then what is the amount exactly in figures?

### Environmental CSR

What are the steps taken by your organization for environmental protection?

Do your Managers and employees have information about relevant environmental laws?

What is the amount so for your company has contributed to maintain and preserve the environment?

Demographic Information: Please mark one

1. Company Name: \_\_\_\_\_
2. Gender: Male  Female:
3. Education: Masters or above  Graduation  Intermediate  Matric
4. Experience (In years): \_\_\_\_\_
5. Age (In years): \_\_\_\_\_
6. Job Title (Designation): \_\_\_\_\_

Thank you very Much for your Kind Co-Operation