INFLUENCE OF CORPORATE SOCIAL RESPONSIBILITY ON FINANCIAL SUSTAINABILITY AMONG CHARITABLE ORGANIZATIONS IN NAKURU COUNTY, KENYA

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Abstract: Corporate Social Responsibility (CSR) is becoming a corporate world concern. However, the impacts of CSR activities by charitable organizations on their financial performance are not clearly understood. This research investigated the influence of corporate social responsibility on financial sustainability among charitable organizations in Nakuru County, Kenya. It delved on the following questions: Does CSR economic activities influence the financial sustainability of charitable organizations in Nakuru County? How does CSR social activities influence the financial sustainability of charitable organizations? In which way does CSR environmental conservation activities influence the financial sustainability of charitable organizations? The study was premised on social entrepreneurship, stakeholder and agency theories. It involved 124 charitable organizations and employed purposive sampling procedure. Questionnaires were used for collecting data, and analyzed using the Statistical Package for Social Sciences. Descriptive analysis was used to analyze data using means and standard deviations. The results of the correlation analysis indicated no relationship between economic activities and financial outlook of the organizations ($r = 0.161$, $p > 0.05$), a moderate relationship ($r = 0.249$, $p \leq 0.05$) between social activities and financial performance, and a strong relationship ($r = 0.0.515$, $p \leq 0.05$) of environmental conservation activities and financial wellbeing of charitable organizations. The findings indicated that the model R^2 was 0.430, meaning CSR sponsored activities could explain upto 43% of the variations of the financial performance of charitable organizations in Nakuru County, Kenya.

Keywords: Corporate Social Responibility, Charitable organization, Financial sustainability,

I. Introduction

Financial sustainability is important to the top management of an organization since it is a crucial aspect of organizations functions. If the financial status of an organization is poor, management has to come in and see how to get back to profitability. According to Zietlow et al., (2018), measurement of financial sustainability through different mechanisms indicates the state of financial management. This happens if objectives are achieved and when they give information of the required improvements that need to be made to the organizational activities. Financial sustainability can be explained with attributes like "well" or "poor". This depends on what the individual analyzing the financial data expects, as well as the information one chooses to examine to gain insights of how an organization is performing financially (Malik & Kanwal, 2018). This is important in assessing the overall organization's future, especially with regard to products and programmes which it offers. The researcher opines that (CSR) activities aim at ensuring that organizations improve on the issues identified as important to them and the people. In addition to profits, they also hope to contribute positively to enact social and environmental changes. Hence, organizations acting in an unbiased and ecological friendly manner, as well as being involved in positive undertakings outside of usual business can do good to society while boosting their brand and improving their mission.

II. LITERATURE REVIEW

Sustainable development is becoming a key issue. This has made CSR a key element contributor in addressing some of these issues; becoming central in the operations of corporate organizations. According to Grayson and Hodges (2017), corporate social responsibility affects sustainability of organizations in different ways. For example, by engaging in CSR activities which are in line with the stakeholders' objectives like care for the environment. This can lead to a rapid growth and gaining maximum revenue in the market, hence beating the competitors. CSR hence is looked at as a field of corporate performance that supports development in society and at the same time ensuring ecological sustainability. These requires an interaction between corporate stakeholders (Iglesias et al., 2020). Hence, CSR is the management of organization's total impact upon the society within which it operates. This calls an organization to be responsible and considerate of all the stakeholders in all its operations as it strives for sustainable development (Krasodomska & Cho, 2017). This demands for considerations, transparency and involvement in deciding on matters that directly affect organizations including economic decisions.

For the present study, corporate social responsibility implies a deliberate action where an organisation adopts strategies that benefit the society, and align their operations to the needs of the shareholders. Nonetheless, non-profit making institutions such as charitable organizations have largely been ignored in this aspect. Because of this assumption, it seems that quantifying the effects of CSR activitiesof these charitable organizations on their sustainability could present significant challenges. Such gap has influenced the researcher's intent to delve into this gap and find out if involvement in CSR activities by charitable organizations would contribute to their being able to finance their charitable endeavours without relying on donor funding. Krasodomska and Cho, (2017) noted that organizational performance entails specific areas of an organization: sustainability in terms of profits, return on assets (ROA) and return on investment (ROI); sustainability through sales and market share; and returns comprising of total shareholders' returns and economic value.

Financial sustainability is an evaluation of a firm's effort to transform principal investments into profits. The term also implies an organization's economic stability over a time (Shabbir & Wisdom, 2020). Financial health of a business is evaluated in terms of profits and losses over a period of time. This allows interested parties to critic the value of an organization strategy and action plans in monetary terms. Different ways can be used to measure financial sustainability, and then taken in aggregation. It must be noted, however, that financial sustainability exists at different levels of the organization.

Corporate social responsibility and financial sustainability relationship is founded on various arguments. Some relationships have been viewed to be negative due to the additional costs (Cho et al., 2019). The added costs emanate from such as engaging in economic activities like agriculture, social activities like offering sports and recreation facilities to the community as well as environmental activities like renewable energy. It can also limit an organization's business alternatives. For example, when a firm decides not to promote or sell certain commodities which are harmful to the environment or are against the social order.

Studies on corporate social responsibility and financial sustainability discovered a positive relationship. Some authors have mentioned better employee and customer good-will due to social responsibility (Jain et al., 2017). Institutions soaring in social responsibility may encounter relatively low staff turn-over problems. This may result into an enhanced customer relation which may bring about financial benefits. Business people have testified social responsibility as an important aspect in their investment engagements (Karyawat, 2020). This means that corporate social responsibility can be a niche in improving an organization's funding strategy.

The developing countries particularly sub-Saharan Africa have been receiving significant support from foreign agencies through development partnerships with governments, non-governmental and charitable organizations. According to statistical report on international assistance, between 2019 and 2020, Africa received $318 million for humanitarian aid and over

$2.1B for sustainable development projects. The expectation is that after the donor support ends, these organizations would continue their missions and achieve self-sustainability. However, despite this support, unemployment, high debts, poverty and poor economies are rampant in many of these beneficiary countries. This has made scholars like Abel, (2014) to raise doubts on the effectiveness of foreign aid, given that the majority of beneficiaries have shown limited progress towards self-sufficiency.

According to Encyclopedia Britannica, Muhammad Yunus founded Grameen Bank in Bangladesh, a microfinance concept of offering loans to poor persons to engage in profitable undertakings. This initiative has helped millions of people improves their livelihoods. It has further inspired similar microfinance institutions globally. Dr. Venkataswamy founded Aravind Eye Care System in India. It provides quality eye care like cataract surgeries at affordable prices. Bangladesh Rural Advancement Committee (BRAC) is a major NGO in Bangladesh, working in areas such as education, healthcare, microfinance, and agriculture. It has helped reduce poverty and empowered women in Bangladesh, and has spread to other countries in Asia and Africa. Japan and South Korea practice stakeholder-oriented leadership practices, focusing on the lasting sustainability of businesses and considering the welfare of various partners (Song et al., 2018).

South Africa has been among the leading stakeholder-oriented practices on the African continent. The King IV Report on Corporate Governance, published in two thousand and sixteen provides guidance on responsible corporate governance, emphasizing the integration of stakeholders' wellbeing as well as consideration of public, ethical, and ecological effects. Ghana's Companies Act of 2019 includes provisions that emphasize stakeholder engagement; requiring organizations to give an update of their social and environmental involvement. Ghanaian companies have adopted stakeholder-oriented practices, with a focus on community development, environmental sustainability and ethical business conduct. Kenya has shown progress in incorporating agency theory principles into its corporate governance landscape. The country's Companies Act of 2015 introduced provisions that promote transparency, accountability and protecting shareholder rights.

Studies have shown varying results on affiliation of CSR and institutional financial stability. Phillips et al. (2019) discovered an unhelpful relationship; Chaikeaw and Tongkachok, (2012) testified for a constructive bond, whereas Coombs and Holladay, (2012) established no connection between economic activities and financial sustainability of organization. Bastič et al.

(2020) delved into economic activities and organizational sustainability relationship based on Economic Value Added (EVA) as well as Market Value Added (MVA) in Korea. They discovered that connection exisits between CSR and an organization's well being. According to them, organizations which uphold ethical values acquire a significant (EVA) and (MVA) than non-ethical ones. Hossein et al., (2015) also evaluated the connection of economic performance and CSR in Bangladesh, particularly in hotel industry and airline companies. The findings showed a positive relationship. A research in Malaysia by Yusuf et al. (2014) shows that organizations with high CSR index performed better financially compared to those with a lower index. The findings indicated mixed results across different industries depending on organizations decisions for CSR activities. Studies and examples from chosen organizations suggest CSR and financial sustainability are connected. Skare and Golja, (2012) investigating the financial sustainability on Dow Jones sustainability world index 2009/2010, found that organizations with CSR activities, have a chance for financial sustainability than those without CSR. Analyzing financial performance on some Chinese companies, Pan et al. (2014) discovered a relationship of CSR and financial sustainability. According to that study, CSR considerations affecting the various stakeholders increased corporate financial well-being. Likewise, Chou et al. (2017) discovered that Taiwan companies implementing CSR activities improve their financial status.

Senyigit and Shuaibu, (2017) found that CSR activities among listed banks in Nigeria had a positive influence. In a different study done in Nigeria, Okeudo, (2012) concluded that an organization's social responsibility is beneficial to the community as well as to the organization. Moreover, Anold, (2017) found that consumer loyalty is not only in likelihood of assimilation of the organization's products, but also remaining faithful in long term. In Ghana, Kuada and Hinson (2012) found that an organization that is strategic on CSR, including its social activities to the main ventures is more competitive than that which engages in CSR for specific benefits.

A study by Rahab (2019) opines that many corporations in Kenya have taken as their duty; the environmental concern as a drive for economic growth. Hence, environmental CSR and social growth can significantly contribute to sustainable development in Kenya. The call by the founding president of Kenya for '*Harambee*' spirit; mirrors the importance of mutual assistance, togetherness, and community interdependence towards sustainability (Musau 2014). The directive is the code of communal welfare than personal gain. This indicates the need for social concern either individually or as organizations. According to Wawira, (2020) examining how CSR affects performance of banks in Kenya pointed to a U-shaped curve for environmental performance; implying positive level of environmental performance, and optimistic connection of CSR and the business aspect of firms. This means organizations that engage in CSR have a niche than those which do not. This gives validity of environmental activities as an independent variable. Wawira, (2020) opined that many commercial banks in Kenya are investing on CSR due to realization of the positive outcomes from such investments. Such charitable undertakings improve reputation, and benefit the firm with time. Kenyan government recently implemented a successful ban on plastic bags to protect the environment; showing that there is a developing interest to act sustainably towards the future (Muchiri & Muigai, 2019). Considering that CSR, with or without positive financial sustainability impact, is a 'necessary evil', it should then be taken strategically. It is expected of any organization to act in a certain way, moreso that which benefit a community (Anold, 2017).

The concept of CSR is noble and complementing in several quarters, especially among the beneficiaries. For instance, socially responsible organizations have likelihood for positive financial result than those which are not (Kwasi et al., 2017). The involvement in CSR activities also increase their efficiency. Nonetheless, it has not been easy to practice these concepts especially in charitable organizations which view their mission as not requiring financial sustainability evaluations. Most of these organizations depend on donor funding. They view their key responsibility as meeting the donor expectations to qualify for funding for projects, and in fulfilling the objectives of the same. Little is done to evaluate the future sustainability of the project minus the donations, exposing the organization to possible collapse. The researcher has come across projects managed by organizations fail the moment donor funding is withdrawn, warranting a need to investigate if there is any impact on charitable organizations involvement in philanthropy.

III. Methodology

This study targeted the charitable organizations in Nakuru county, Kenya. Charitable organizations are those institutions recognized by law as non-profits seeking to advocate public benefit. In most of their operations, they rely on well-wisher and donations in financing their operations. It is estimated that there are about 150 registered charitable organizations in the county, which was used as the target population. To make the findings generalizable, the researcher selected a target population that reflected the character of the research area. Furthermore, the targeted inhabitants allowed the researcher to focus efforts on a specific group with shared characteristics or interests.

The research adopted a descriptive design. According to Sileyew, (2019) descriptive study seeks to find the what, where and how of an issue. Descriptive method aims at observing, describing, and documenting the character, behaviour, and relation of a population or phenomenon. It entails data collection so as to get all-inclusive description of the subject under investigation, without manipulating or influencing the variables being studied. The researcher selected Nakuru county as the geographic area. The county has a population of 2,162,202 (2019 census), and an area of 7,496.5 km^2. It is a cosmopolitan area with a well-mixed blend of urban and rural life.

Purposive sampling technique was used in selecting the sample size of 50 charitable organizations. This involved choosing the most useful samples for the research. Purposive sampling was used since it offered more comprehensive and accurate representation of the entire population, allowing for precise estimates, information, and detailed analysis. The manager was hand picked by the virtue of the position, while the 2 staffs were selected based on their involvement in corporate social activities of the organization. This resulted to a hundred and fifty respondents.

Original data was collected using questionnaires. The questionnaires had several sub-sections divided according to the research questions. Section A captured the background information like working experience and education level, marital status, gender and age. Questionnaires were considered for this research since they can enhance collection of information that is not easily observable. This includes such as motives and individual experiences.

Questionnaires were seen to be objective since the researcher did not manipulate the participants. The researcher administered questionnaires directly on drop and pick up later basis, and allowed the participants at least one day to two weeks to fill them. The questionnaires had open and close-ended questions in order to obtain accurate data and reduce biasness.

A pilot study was done within Nakuru County among the charitable organizations. It involved giving questionnaires to eight respondents who answered them within a week and returned to the researcher. In so doing, the researcher intended to identify and address potential challenges or limitations, by evaluating the research questions and their reliability as research instruments. This helped the researcher to effect some corrections which enabled clarity to the respondents. Further, to ensure consistency and validity, the questionnaires were previewed by an expert and necessary collections done. The pretesting of the instruments ensured validity from a face value. This entailed judging the tools from their appearance on if the qualified to give required feedback. It involved subjective judgments from experts and potential respondents.

The data was checked for accuracy, consistency and completeness. It involved organizing, analyzing, and interpretation of the data obtained to offer insights. Content analysis was used to analyze and present qualitative questions. It involved categorizing text data in order to summarize the information. Data was coded for analysis using Statistical Package for Social Science (SPSS V, 21.0). Pearson Correlation Analysis helped in evaluating the connection of the variables. Descriptive analysis for data analysis by means and standard deviations was applied. It involved the use of percentage frequencies, as well as mean and standard deviation. Data was then presented using frequencies and percentages in form of tables and graphs.

IV. Results.

The study used 150 questionnaires for the 50 targeted charitable organizations. However, since the study was timed, those who had not availed their completed instruments after several attempts to reach them within two weeks were deemed non- responsive. Table 1 shows the response rate of the questionnaires.

Table 1. ***Response Rate***

		Response Rate (%)
No. of questionnaire distributed.	150	100 %
No. of questionnaires returned	124	83 %
No. of questionnaires not returned	26	17 %
Total	150	100%

A response rate of (124) 83% was achieved. The response rate was high and met the threshold.

The study sought the demographic trend of the respondents so as to offer basic insights about the respondents like ages of the respondents; gender; highest level of education attained by them and work experience in the organization. The findings are presented in table 2.

Table 2. ***Demographic Characteristics of the Respondents***

Variable	**Category**	**Frequency**	**Percentage(%)**
Gender	Male	90	73
	Female	34	27
Age in Years	18 – 25	52	42
	26 – 35	52	42
	36 - 45	20	16
Highest level of education	Certificate	7	8
	Diploma	20	16
	Degree	78	63
	Masters	16	13
Work Experience	Below 2 years	76	61
	3 - 5 years	38	39

The findings in table 2 indicate that over two thirds of the respondents in the study were male, 90 (73%), although there was a considerable number of females 34 (27%). This suggests that the charitable organizations had more men in their management than women. The findings show a majority 104 (84%) were young and aged 18-35 years, implying that most of the charitable organizations in the area were keen on recruiting youthful individuals.

Concerning the highest level of education, an insignificant number of 7 (8%) out of the repondents had a certificate. Moreover, those who had a diploma course tallied to 20 (16%). It is evident that majority 78 (63%) had undergraduate degrees as their highest level of education. However, a considerable propotion of 16 (13%) of the repondents had postgraduate qualifications. On the other hand, 76 (61%) had worked with their current institutions for less than two years possibly due to the fact that they were fresh graduates or that the organizations had been recently set up in the area. Only 38 (39%) out of the total had a working experience of 3 or more years.

The study sought to explore the relationship between the independent variables and the dependent variable. The results are presented in table 3.

Table 3. ***Summary of Correlations***

		Economic Activities	Social Activities	Environment Conservation	Financial Performance
Economic Activities	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	124			
Social Activities	Pearson Correlation	0.139	1		
	Sig. (2-tailed)	0.22			
	N	124	124		
Environment Conservation	Pearson Correlation	0.016	0.389	1	
	Sig. (2-tailed)	0.891	0.111		
	N	124	124	124	
Financial Performance	Pearson Correlation	0.161	.249*	0.515**	1
	Sig. (2-tailed)	0.411	0.020	0.000	
	N	124	124	124	124

*. Correlation is significant at the 0.05 level (2 tailed).

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

Concerning whether CSR initiated economic activities significantly affected the financial performance of charitable organizations in Nakuru County, the results of the correlation analysis indicate that there was no significant relationship between the variables ($r = 0.161$, $p > 0.05$). Hence, it is evident that the CSR initiated economic activities were not having any net returns on the financial outlook of the organizations.

The study also sought to determine whether there existed a significant relationship between CSR initiated social activities and financial performance of charitable organizations in Nakuru. The Karl Pearson's coefficient of correlation showed that a relationship exists but was moderate

($r = 0.249$, $p \leq 0.05$). This result implies that the social returns were necessarily translating to financial returns for the firms providing CSR even if not with high returns.

Finally, the correlation analysis to determine whether the CSR initiated Environmental conservation programmes significantly influenced the financial performance of charitable organizations in Nakuru County shows that the relationship was significant ($r = 0.\ 0.515$, $p \leq 0.05$). The findings shows a strong relationship betwen the variables. This strong relationship could have been contributed by the prevailing concern on environmental degradation affecting almost all parts of the world, callig for a need to partner in mitigating further catastropies. These findings suggests that environmental programmes tended to lead to better financial returns to the organizations as it gave the stakeholders more incentives to invest in the firms.

Therefore, it can be concluded that two variables, that is, CSR sponsored social activities and CSR sponsored envirnmental activities significantly contributed to the financial performance of the firms while CSR sponsored economic activities did not significantly impact the financial performance of the firms from a bivariate perspective.

V. Discussion.

The study sought to evaluate the influence of CSR programmes on financial sustainability of charitable organizations in Nakuru County. From the findings, many organizations had youths, 104 (84%) in positions of management. This contributes greately in reducing youth unemployment. Moreover, the young people were expected to be more articulate with their programmes. They were as well thought of as being among the most vulnerable in the society, hence their employment helped curb increase in anti-social activities. The findings also implies that the charitable organizations may have transition (exit) mechanisms for older members not to stay much longer with them after attaining 35 years as indicated by the sharp drop in age of respondents above the age of 35 years.

Results from multiple regression analysis indicate that all the independent variables combined could explain upto 43 % of the variations in the financial performance of charitable organizations in the area. This indicates that the model improved when more variables were incorporated when trying to determine the effects of corporate social responsibility on financial sustainability of charitable organizations in Nakuru County.

***Objective 1: To explore the influence of economic initiated CSR Activities on financial sustainability of charitable organizations*.**

The findings revealed no significant relationship between CSR initiated economic activities and the financial performance of charitable organizations in Nakuru County. The findings agrees with Phillips et al. (2019) who discovered an unhealthy relationship, whereas Coombs and Holladay, (2012) established no connection between economic activities and financial sustainability of organizations. I attribute this to the fact that every community is involved in some form of an economic activity. Hence, it may not interpret an organization's involvement in such as a CSR, or meant to bring anything new to the community. This then does not necessarily attract people to the organization's undertakings thereby resulting to no gain to the organization. Additionally, this may result from the point of view of the beneficiaries that, social entrepreneurs present philanthropic undertakings to the society as opined by Saebi et al., 2019. Hence, they are just to benefit from the undertakings without necessarily having to give back to an organization. Equally, Reich, (2018) had stated that CSR activities are unprofitable to organizations since they add costs, thereby reducing shareholders wealth.

Despite lack of significant impact on organizations' CSR, social transformation is a necessity in the society by all means. This change can be achieved through various aspects of societal change meant to impact on people's lives, benefits notwithstanding. This is achieveble through various mechanisms which include ensuring individual and corporate well being. In so doing, individuals are empowered with the process of causing positive transformation to persons as well as to the institutions and organizations in which they serve and work.

Objective 2: Find out the influence of CSR initiated social activities on financial sustainability of charitable organizations.

It is evident from the results that there existed a relationship between CSR initiated social activities and financial sustainability of charitable organizations in the area, though the relationship was moderate. Smith, (2013) opined that CSR activities attracts workers and investors. He further says people prefer working with socially responsible organizations, resulting to increased sustainability. However minimal, social activities have a positive impact on the organizations financial gain. During social engagements, a bond can be developed which can build up and result to financial benefits. A positive relationship with employees and being socially responsible is crucial to an organization.

It emerged that most of the organizations actively sponsored social activities such as sports, music and performing arts. The support of social activities were meant to encourage harmony and coexistence among communities. Okeudo, (2012) concluded that an organization's social responsibility is beneficial to the community as well as to the organization. In addition, through the social activities, an organization would get an insertion opportunity thereby getting to learn about the real issues facing the particular community. Understanding the community in which an organization operates is important. This allows for understanding the values, interests and needs of the community, hence offering services based on needs. On the other hand, social activities provided for them platforms to articulate their visions hence enabling a better awareness of the organization by the community. This contributes to consumer loyalty, which does not only lead to a likelihood of assimilation of the organization's products, but also remaining faithful in long term (Anold, 2017). This loyalty contributes to long term positive impact, thereby contibuting to profitability and sustainability of the organization.

Objective 3: The influence of CSR initiated environmental conservation activities on financial sustainability of charitable organizations.

Concerning this objective, a significant relationship was observed between CSR initiated environmental conservation programmes and the financial performance of the charitable organizations. Such endeavours can have a positive financial impact on the future financial status of an organization. Today, the effects of climate change are being experienced by many nations. This is associated with continued environmental degradation. As a result, many agencies are coming up with mechanisms such as tree planting and reduction of carbon footprint to mitigate these impacts.

The findings further revealed that all the organizations had strategic plans for environmental conservation. Most organizations did train the local residents on the importance of environmental conservation while also encouraging the local residents to pursue economic activities that do not harm the environment. This agrees with Hellen, (2021) who argued that companies are being environmentally friendly through reduction of carbon emissions, water usage and conservation, as well as waste management. The organizations did give the local residents incentives such as energy saving equipments to encourage them to conserve the environment. Singha et al., (2019) observed that this can attract more financial partners and offer a competitive advantage to an organization. They also provided training and equipments in sanitation and waste disposal. Most organizations surveyed provided access to safe and clean drinking water to the communities where they are situated in as part of their CSR. Organizations have to be hands-on in shielding the environment from exploitation which is untenable. This is through such activities like incorporating environmental policies in their business model and operations as revealed by the study.

Therefore, in addition to profits, organizations hope to contribute positively to enact social and environmental changes. As a result, organizations acting in an unbiased and ecologically friendly manner and being involved in positive undertakings outside of usual businesses can impact the society. This is possible while at the same time boosting their brand and improving their mission. This applies to all organizations including charitable ones.

The research indicates that a significant relationship exists between the sustainability of these charities and their involvement in CSR activities especially environmental conservation. This implies the importance of evaluating the benefits of their engagement in such activities, and how that contributes to their own sustainability. Hence, individuals and organizations have a duty of balancing between the economy and the ecosystem.

VI. Conclusion

Based on the findings of the study, the CSR initiated economic activities could only maintain the status quo of the financial performance of charitable organizations. This is because they had no discernible bearing on the financial performance of charitable organizations in Nakuru County. Secondly, CSR initiated social activities influenced the financial performance of charitable organizations in the area though the influence was small. The social returns from the CSR activities could not effectively translate to high financial performance of the organizations. Thirdly, most CSR initiated environmental conservation programs influenced the financial performance of the charitable organizations as this activities attracted considerable partnerships and cashflow in both directions.

In addition to profits, organizations hope to contribute positively to enact social and environmental changes. Hence, organizations acting in an unbiased and ecological friendly manner, as well as being involved in positive undertakings outside of usual business can do good to society while boosting their brand and improving their mission. However, the researcher has observed that the business world has been criticized for exploiting the environment while at the same time ignoring human rights. At the same time governments have received a lot of criticism for being too ineffective in solving all public basic needs. Some organizations have strictly focused on how to maximize profits even at the expense of societal benefits. This has increased attention to nonprofits and charitable organizations. On the other hand, this increased attention has increased demand on these organizations to fill the inadequacies of the public sector, as well as showing the vitality of continuity.

Organizations have also been closed down either due to mismanagement or when the donors pull out from financing an organization projects. This implies that whatever undertakings an organization had been involved in did not help it to eventually become financially stable for future sustainability. Projects have been shut down, institutions have been closed, and others have caused more harm than help to the surrounding communities and environment as witnessed in flower farms in Naivasha. Private schools and colleges, children homes, welfare societies and even government parastatal like Pan Paper have been closed due to lack of self-financial sustainability. If an assessment was done on these institutions, the management would have been able to foresee the way forward even if the donor partners diminish.

Importantly, a thin line exists between the charitable organization's mission and social responsibility activities. This makes it difficult to evaluate the benefits of their engagement in such activities, and how that contributes to their own sustainability. All these informed the need and importance for this study. It becomes a resourceful tool to the leaders and managers especially of charitable organization. If further forms a basis for future research, either to develop on other aspects of CSR or as a comparative study for charities and for profit organizations.

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