The contribution of mining companies to social development through Corporate Social Responsibility

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A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Business Administration

March 2019

ABSTRACT

Mining continues to be a significant contributor to South Africa's gross domestic product (GDP). The contribution of the mining sector to the country's development is not only limited to the economy but extends to the socio-economic development of the communities within which mining operations occur. Government has through policy development, and the mining industry through policy implementation and voluntary acts, made inroads in addressing the social development challenges faced by mining communities. Despite these interventions however, mining communities are still largely characterised by major social challenges, and mining companies are often blamed for not doing enough to address this. This research was conducted in a bid to ascertain the contribution of mining companies to social development through Corporate Social Responsibility (CSR).

The study adopted a qualitative case study design, focusing on The Mining Company's Pinetown gold mine operations based in Westonaria, Gauteng. The participants for the study consisted of residents of the mining communities and leaders of various civic organisations in the communities, and key informants who are employees of The Mining Company in various capacities. A sample of eight participants and three key informants was drawn using the snowball sampling method. Data was collected through face to face interviews using semi-structured interview schedules. The findings revealed that there are various factors which influence the impact of The Mining Company's CSR initiatives on social development in the surrounding communities. Chief among these is a misalignment between the company's CSR initiatives and the social development priorities of the mining communities. This is underpinned by poor community engagement at the planning and design phase of CSR. Another is a lack of sustainability of the projects implemented, and this is largely influenced by ineffective monitoring and evaluation processes in the implementation phase. The report recommends a new approach to community engagement, particularly given that the company has been focusing on this and yet it still remains a challenge. Furthermore, the importance of and need for monitoring and evaluation of CSR projects cannot be overstated.

DECLARATION

I, __Qhamani Naledi Jobo_________, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Qhamani Naledi Jobo

Signed at ……………………………………………………

On the …………………………….. day of ………………………… 20…..

DEDICATION

This research project is dedicated to:

- My late grandmother, **Zebia Yoliswa Mda**. Nkosinina wam. For all the love you showed me and for your guidance and protection through the journey of my life. For always believing in me, for being my constant and my true north. For all the wisdom you imparted, for all the strength and courage I observed in you. All that is good about me is because of you. I will love you always Zizikazi.

- My children**, Liwalam Jobo** and **Yololwam Jobo**. You are my entire world. This is for all those occasions I was not there, for all the milestones I missed, for all the times you needed me and I wasn’t there. Thank you to both of you for giving me an opportunity to be a mom, to mould and guide you the best I can. All I do is for you. Onwards and upwards family.

ACKNOWLEDGEMENTS

All glory to the most high, the Lord God almighty for being my strength when I was weak and carrying me through to the end of this project. The Lord is my rock and my refuge. I would also like to thank the following people for their contribution to the completion of this research:

- My supervisor, Douglas Taylor, for his invaluable guidance, support and patience during this long and challenging journey.
- My mother in law, Dr Thembisa Jobo. Without your divine intervention, I would not have completed this research. For this I will be eternally grateful to you.
- The Mining Company for granting me permission to conduct this research.
- All the participants and key informants for being so generous with their time.

LIST OF TABLES

PAGE

Table 1: Demographic profile of Respondents..32

LIST OF FIGURES

PAGE

Figure 1: The Pyramid of Corporate Social Responsibility............................ 12

TABLE OF CONTENTS

PAGE

ABSTRACT ii

DECLARATION iii

DEDICATION iv

ACKNOWLEDGEMENTS v

LIST OF TABLES vi

LIST OF FIGURES vii

CHAPTER 1. INTRODUCTION 1

1.1 PURPOSE OF THE STUDY 1

1.2 CONTEXT OF THE STUDY 1

1.3 PROBLEM STATEMENT 3

1.4 RESEARCH QUESTIONS 4

1.5 SIGNIFICANCE OF THE STUDY 5

1.6 DELIMITATIONS OF THE STUDY 5

1.7 DEFINITION OF TERMS 5

1.8 ASSUMPTIONS AND LIMITATIONS 6

1.8.1 ASSUMPTIONS 6

1.8. 2 LIMITATIONS 6

CHAPTER 2. LITERATURE REVIEW 8

2.1 INTRODUCTION 8

2.2 EVOLUTION OF CSR. 8

2.3 CSR DEFINED 11

2.4 CSR THEORIES 12

2.5 POLICY AND LEGISLATION IN THE SOUTH AFRICAN MINING INDUSTRY 14

2.6 CSR AND SOCIAL DEVELOPMENT IN THE SOUTH AFRICAN MINING INDUSTRY . 18
2.7 CONCLUSION 21
2.8 THEORETICAL FRAMEWORRK 22

CHAPTER 3. RESEARCH METHODOLOGY 24
3.1 RESEARCH PARADIGM 24
3.2 RESEARCH DESIGN 25
3.3 POPULATION AND SAMPLE 26
3.3.1 POPULATION 26
3.3.2 SAMPLE AND SAMPLING METHOD 26
3.4 RESEARCH INSTRUMENT 27
3.5 PROCEDURE FOR DATA COLLECTION 27
3.6 DATA ANALYSIS AND INTERPRETATION 28
3.7 VALIDITY AND RELIABILITY 28
3.7.1 EXTERNAL VALIDITY 29
3.7.2 INTERNAL VALIDITY 29
3.7.3 RELIABILITY 30
3.8 ETHICAL CONSIDERATIONS 30
3.9 LIMITATIONS OF THE STUDY 30

CHAPTER 4. PRESENTATION OF RESULTS 31
4.1 INTRODUCTION 31
4.2 DEMOGRAPHIC PROFILE OF RESPONDENTS 32
4.3 FINDINGS 33
4.4 REPORTING ON CSR ACTIVITIES 37
4.5 SUMMARY OF THE RESULTS 40

CHAPTER 5. DISCUSSION OF THE RESULTS 42
5.1 INTRODUCTION 42
5.2 DATA THEMES 42
5.3 POOR STAKEHOLDER ENGAGEMENT 43

5.4 SUSTAINABILITY CHALLENGES 45

5.5 CONCLUSION 47

CHAPTER 6. CONCLUSIONS & RECOMMENDATIONS 48

6.1 CONCLUSIONS OF THE STUDY 48

6.2 RECOMMENDATIONS 49

6.3 SUGGESTIONS FOR FUTURE RESEARCH.. 50

References............................ 51

APPENDIX A: INFORMATION SHEET FOR PARTICIPANTS.................................... 55

APPENDIX B: CONSENT FORM FOR PARTICIPANTS.. 58

APPENDIX C: INTERVIEW SCHEDULE QUESTIONS FOR PARTICIPANTS........... 60

APPENDIX D: INTERVIEW SCHEDULE QUESTIONS FOR KEY INFORMANTS.... 66

CHAPTER 1: INTRODUCTION

1.1 Purpose of the study

Mining is an inherently disruptive activity to the environment and communities, its effects often lasting decades (Kitula, 2006). This fact combined with the alleged involvement of the mining sector in promoting the oppressive and exclusionary policies of the old regime which led to huge socio-economic imbalances in the economy, places mining companies in South Africa under enormous pressure to contribute positively towards the development of their surrounding communities. Jenkins (2004) explains that mining firms are tasked with balancing the diverse demands of communities and the imperative to protect the environment with the ever present need to make a profit, and this they do through corporate social responsibility (CSR) initiatives. The purpose of this study is to evaluate the contribution of these CSR initiatives to the social development of the affected communities.

1.2 Context of the study

Mining is one of the oldest industries in the world and is a major economic activity in many developing countries (Boon & Ababio, 2009; Kitula, 2006). The contribution of the mining sector to development is not only limited to the economy but extends to the socio-economic development of the communities within which mining operations occur. South Africa is endowed with the world's largest reserves of a number of minerals including gold, platinum and titanium (Hamman, 2004). Mining continues to be a significant contributor to South Africa's gross domestic product (GDP), and remains critical the country's socio-economic development (Antin, 2013). The South African Chamber of Mines estimates that as recently as 2013, the industry was responsible for the creation of one million jobs (direct and indirect) and contributed R78.4-billion into the economy through salaries and wages for mine employees (SACOM, 2014).

Despite the obvious contribution to employment and GDP, the extraction and processing of mineral resources remains one of the most environmentally and socially disruptive activities undertaken by business (Jenkins & Yakovleva, 2006) According to Kapelus (2002) mining companies have always had a questionable reputation for social responsibility, and are often blamed for a number of the social problems faced by mining communities. Hamman (2003) explains that the role of mining in sustainable development is under scrutiny and the responsibilities of mining companies in this regard are increasing.

In the South African context this is exacerbated by the historical involvement of mining companies in enabling the oppressive and exclusionary policies of apartheid. Cronje and Chenga (2009) purport that mining policies and practices such as the banning of Blacks from holding certain skilled positions as well those preventing migrant workers from settling permanently in mining towns were at the core of the apartheid system. This, they argue is largely to blame for the dire socio-economic challenges that continue to plague mining communities. All these factors contribute to the expectation that the mining sector in South Africa should be at the forefront of social development of the communities within which they operate.

Government (through policy development) and the mining sector (through the implementation of such policies, as well as through various voluntary corporate initiatives), have made major inroads in addressing the social development challenges faced by mining communities. One such initiative is Corporate Social Responsibility (CSR). CSR which Ramodibe (2012) describes as a tool used to advance the cause of giving back to the community, has largely been hailed as the mining sector's solution to the mounting national and global calls for more socially responsible business practices in the sector. Given South Africa's socio- economic imbalances, voluntary CSR alone however, is not enough to have the desired impact. To ensure that companies are accountable, the ANC-led government has since its ascendance to power instituted a number of regulatory policies (Cronje & Chenga, 2009). The Reconstruction and Development Programme (RDP) was the first major socio-economic policy framework of the new government. Hamman (2004) suggests that the RDP was instrumental in creating a culture of expectation that mining companies should contribute more towards the social development of mining communities. According to Tangri and Southall (2008), a central of objective of the RDP was to redress the inequalities in business ownership through the focused policies of Black Economic Empowerment (BEE). This culminated in the promulgation of the Broad Based Black Economic Empowerment (BBBEE) Act of 2003, which according to Esser and Dekker (2008) not only aimed to correct racial imbalances, but also strived to promote social responsibility and the empowerment of communities. Through the South African Mining Charter of 2002 and the Mineral and Petroleum Resources Development Act (MPRDA) of 2004 the government laid out the minimum requirements to be met by companies from a developmental perspective in order to comply with the legislation.

Despite policy, voluntary and legislative interventions however mining communities are still largely characterised by major social challenges. This brings to the fore questions around the effectiveness of the policies, legislation and initiatives and indeed the effectiveness of the monitoring and enforcement mechanisms employed by the state in bringing about the desired socio-economic change. This study will investigate the impact of CSR initiatives on the social development of mining communities.

1.3 Problem statement

From the context outlined above it is evident that major inroads have been made in an attempt to address the socio-economic imbalances characteristic of many mining communities in South Africa, both in terms of legislative interventions by the state and voluntary acts by mining companies. Despite this however, mining companies remain largely plagued by many social challenges. This brings to the fore questions on not only the effectiveness of these policies and legislation but also of the role played by the mining sector in bringing about the intended socio-economic change through CSR. Mafemba (2015) posits that very little research has been done to evaluate the impact of CSR programme against the targets set out in the policy that guides CSR implementation in South Africa. It is against this backdrop that this study sought to explore the CSR programme of The Mining Company with a view to ascertain the impact of these on social development in the surrounding mining communities.

1.4 Research Questions

The main research question for the study is:

What is the contribution made by The Mining Company to the social development of surrounding mining community through CSR?

The sub-questions are:

Sub-question one: What constitutes The Mining Company's CSR programme and what CSR projects were run in the period under investigation?

Sub-question two: What were the most dominant social development challenges faced by the mining community?

Sub-question three: What informs the choice of CSR projects the mine runs during a given period?

Sub-question four: What was the impact of the CSR projects run by the mine during the period in question on the most dominant social development challenges in the community?

Sub-question five: What were the reasons for the gap (if any) between the mining community's most dominant social development challenges and the focus of the CSR projects implemented by the mine?

1.5 Significance of the study

Given the huge socio-economic disparities characteristic of the South African narrative, as well as the mounting pressure on both government and the private sector to alleviate these social ills, the importance CSR as a tool for the mining sector to effect socio-economic change, cannot be overstated. The actual impact of CSR on social development in general and within the mining sector in particular has not been widely documented. This study is therefore significant in evaluating the extent to which CSR is able to contribute to addressing the social development needs of mining communities using the case of The Mining Company’s Pinetown gold mine. It is envisaged that this study will be valuable to The Mining Company to assist them in gaining a view of the impact their CSR projects have on social development in the surrounding communities. The ultimate goal is to determine how their CSR programme can best be designed to be more impactful in bringing social development.

1.6 Delimitations of the study

The study will focus on The Mining Company’s Pinetown gold mine in the RandWest City local municipality in the Gauteng province. The Mining Company is one of the country’s largest producers and exporters of mineral resources. The research will look at the CSR projects run by the mining company in the period between January 2014 and January 2017 and will seek to evaluate contribution of these to the social development of the local mining community.

1.7 Definition of terms

Corporate Social Responsibility (CSR)

There are many definitions for CSR. Jenkins and Yakovleva (2006) explain CSR as a tool through which business activities contribute towards achieving economic, social and environmental sustainability. For the mining industry, CSR is about balancing the diverse demands of communities, and the imperative to protect the environment, with the need to make a profit (Jenkins & Yakovleva, 2006). This is the definition of CSR which will be used in this study.

Social Development

Esteves (2008a) defines social development as the process of fulfilling the basic needs of people, building human and social capital, expanding the scope of opportunities available to individuals and communities, promoting social justice and equal opportunities and eradicating poverty and illiteracy. For the purposes of this study, this definition of social development will be used.

1.8 Assumptions and Limitations

1.8.1 Assumptions

It is assumed that the sample selected for this research is representative of the population that the study sought to make inferences to. The study sought to solicit the views of community members who had been residents of the mining community during the period January 2012 to January 2017 or longer. The reason for this was to ensure that the participants would have been residents of the mining community long enough to have been exposed to or participated in some of The Mining Community's CSR initiatives. The majority of the participants of this research had been residents of the area since birth, and a few had moved to the area in early childhood. This gives the assurance that the participants had been in the area long enough to have at some point been aware of The Mining Company's CSR initiatives.

1.8.2 Limitations

The concept of CSR has evolved over the years from being regarded by business as a mere suggestion of their social responsibility to being seen as a business imperative and according to (Brammer, Jackson, & Matten, 2012), forming a part of the contemporary business landscape. CSR has largely been seen as a driver for social development efforts, and for a long time CSR initiatives in the mining took on a more philanthropic approach. The result was that these efforts had little to no impact on the social challenges faced by mining communities (Cronje & Chenga, 2009; Hamman & Kapelus, 2004). A limitation of this research is that there is very little research available on the impact of the CSR initiatives of mining companies on the social development of mining communities, and there was thus not a lot of direct literature to refer to.

The study focused on the period between 2012 and 2017, was based on a single case and utilised a sample of eleven respondents due to time and resource constraints. According to (Mafemba, 2015), this renders the findings inherently context specific and not easy to generalise.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This section of the study reviews existing literature on CSR in general and CSR in the mining sector specifically, with the aim of laying a theoretical foundation upon which the main problem and sub-problems stated in section1.3 can be addressed. The literature review begins with a description of the various definitions of CSR. This chapter traces the evolution of CSR and provides an overview of the main theoretical perspectives on CSR. The business case for CSR is explained and the chapter also explores the role of CSR in the South African mining industry.

2.2 Evolution of CSR

Although concepts of CSR have existed since the early 1930s, Bowen's 1953 publication 'Social Responsibilities of the Businessman" is hailed by many in the field as the first definitive book on the subject (Carroll, 1979). Bowen's main assertion was that beyond their economic responsibility, businesses also have a social responsibility. Since then many scholars have written on the subject, most departing from a point of agreement with Bowen that business has a social responsibility, however possessing divergent views of what these responsibilities are and how they should be fulfilled (Aguinis & Glavas, 2012; Carroll, 1979; Lee, 2007).

The most distinct voice against the notion of social responsibility for business over the years has been that of Milton Friedman, who argued that the very idea of business having a social responsibility apart from profit making, posed a threat to the foundation of a free market (Friedman, 1970). The 1970s were characterised by further developments in the construction of the concept, with many scholars building on the work of Berle in the early 1930s and Bowen in the late 1950s. In 1970, Wallich and McGowan, in trying to reconcile the social responsibility argued by Bowen and Friedman's profit maximisation motive, examined the relationship between social responsibility and the firm's economic reason for existence. They believed that because shareholders own shares in a number of businesses, it is in their best interests to ensure that the social environment within which they operate is strong and that they have a strong customer base. This in turn they believed would lead to better profit making abilities (Lee, 2007). Building on this Wallich and Manne in (Lee, 2007) argued that firms have a responsibility beyond the economic and legal realms, but extending to pure voluntary acts.

In 1979 Archie B. Carroll conceptualised a 3-dimensional Corporate Social Performance (CSP) model. In this model Carroll looks at the firm's (1) assessment of its social responsibilities (2) identification of the social issues to be addressed (3) selection of a response philosophy to the identified social issues (it can react to the issues, defend its position, accommodate the issues, or be proactive). This Carroll views as the firm's corporate social performance. This model broke new ground in two ways:

- It focused on the relationship between the corporation and its immediate environment as opposed to the abstract relationship between business and society.

- It integrated the economic, legal, ethical and discretionary responsibilities of the firm

The late 1980s and 1990s saw further developments being made to the theory of CSR. Wood in 1984 linked CSR to Stakeholder theory, arguing that the difference between the social and economic goals of business is not relevant but it is rather the survival of the firm that is paramount. He argued that firms should focus on the relationships and interests of non-shareholding stakeholders in order to ensure survival. In agreement Clarkson (1995) proposed that stakeholder issues must be distinguished from social issues. He defined social issues as those issues with public interest and which may prompt legislation or regulation. Identification of the nature of the issue would put the firm in a better position to address it. This he believed would aid firms in measuring the impact of the social responsibility activities of the firm. Stakeholder management theory has since been largely applied to CSR. However, some researchers believe that there are other economic, business and strategic theories which better explain the concept of CSR.

One such researcher is Campbell (2007) who argues that stakeholder theory does not address the social and economic imperatives faced by organisations. As such he proposes institutional analysis and comparative political economy as a better lens through which to view CSR, as they focus on how institutions enable and constrain a firm's behaviour. As a starting point, Campbell sets out a definition of socially responsible actions by corporations as:

(1) Not knowingly doing anything to harm stakeholders
(2) If harm is caused, rectifying it when discovered

The above he terms the minimum behavioural standard, any behaviour below which is viewed as socially irresponsible.

Brammer et al. (2012) state that a particular way of doing things may be considered institutionalised to the extent that deviant action may be met with the expectation of enforcement of some sort e.g. social sanctions, loss of legitimacy etc. Campbell (2007) is of the view that in the absence of institutional constraints, business are likely to have interests that may cause them to operate in a socially irresponsible manner. Moreover, he argues that the presence of regulations and institutions is not enough, if not accompanied by monitoring and enforcements.

In spite of the evolution in the field of CSR over the decades, the literature available on the subject remains highly fragmented. Aguinis and Glavas (2012) suggest two reasons for that: (a) as evidenced in the literature review above, scholars study CSR through different conceptual lenses and (b) CSR is usually studied from one level of analysis at a time, usually at a macro level.

The concept of CSR has evolved from being a mere suggestion that firms have a social responsibility to being a business imperative. Brammer et al. (2012) explain that CSR has become a strongly institutionalised part of the contemporary corporate landscape. It is now a genuine expectation for firms to engage in socially responsible behaviour.

2.3 CSR Defined

The fragmented nature of the literature on CSR makes it difficult to have one clear definition of the concept. Jenkins (2004) using the stakeholder model describes CSR as a means by which companies can frame their attitudes and strategies towards their stakeholders. In line with the institutional theory, Windsor (2006) defines CSR as any concept concerning how managers should handle public policy and social issues. G. Johnson and Scholes (2002) in their definition combine the stakeholder and institutional views, explaining CSR as the ways in which an organisation exceeds the minimum obligations of stakeholders specified through regulation and corporate governance. Kotler and Lee (2005), define CSR as a commitment to improving the well-being of the community through discretionary business practices and the contribution of corporate resources. These definitions acknowledge the obligation that business has towards its stakeholders but falls short in terms of identifying the obligation, identifying the stakeholders and integrating the social responsibility with other business imperatives.

The definition offered by the World Business Council (2005) cited in (Shubra, 2016) as the commitment of business to contribute to sustainable economic development working with employees, their families, local community and society at large to improve the quality of life goes some way towards closing this gap, as it identifies stakeholders to whom the social responsibility is owed. The view held by Asemah, Okpanachi, and Edegoh (2013) that CSR represents commitment by business to behave ethically in the pursuit of its economic mandate, while also improving the quality of life of employees as well as the community at large, integrates CSR with the main business imperative of profit making.

No attempt at defining CSR would be complete without mention of Archie B. Carroll's four-part pyramid. The pyramid categorises the expectations business responsibilities towards society into four components: (1) Economic responsibilities (i.e. to make a profit from the production of goods and services that consumers need and want) (2) Legal responsibilities (3) Ethical responsibilities (4) Philanthropic responsibilities. Carroll places economic responsibilities at the base of the pyramid arguing that without the fulfilment of these responsibilities, the other responsibilities have little or no relevance (Carroll, 1991). The responsibilities depicted in the pyramid are not mutually exclusive but are rather representative of the overall view that business should take in its decision-making processes.

Figure 1: The Pyramid of Corporate Social Responsibility (Carroll, 1991)

It is apparent from the definitions above that CSR is (a) a discretionary tool which business can use to bring about development in the communities in which businesses operate (b) about the integration of the economic, legal and social considerations into the decision-making processes of business.

2.4 CSR Theories

There have been a number of different theories developed to explain the link between CSR and business. Prominent among these are the theories proposed by Garriga and Mele (2004) namely; instrumental theories, political theories, integrative theories and ethical theories. These will be discussed in some more detail below.

(a) Instrumental theories according to Garriga and Mele (2004) hold the view that the sole responsibility of business is to create wealth for the shareholders. Any social activity is accepted only if it is consistent with the wealth creation goal. These theories view social responsibility solely as a means to an end, to give the business a competitive advantage which will in the end translate to profit. According to Esteves (2008b), by adopting a purely instrumental view of CSR, stakeholders run the risk of defeating their own ends as a short term view of CSR will be accompanies by expenditure which will not necessarily be aligned to the long term objectives of the business. Moreover, a short-term approach, he argues will always lead to little benefit for both the company and the community.

(b) Political theories of CSR focus on the relationship between business and society and the power that business derives as a result of this relationship. According to these theories, business participates in CSR activities with the view of maintaining social power (Simelane, 2017).

(c) Integrative theories propose that business should integrate the social demands of the time into business operations. Garriga and Mele (2004) postulate that the meeting of social demands by business, is largely regarded as the basis for gaining legitimacy or a social licence to operate. Carroll's 1979 Corporate Social Performance model which proposes a three step approach to the management of social demands i.e. the assessment of the firms social responsibility; the identification of the social needs to be addressed and finally the selection of a response by the firm (Carroll, 1979).

Stakeholder theory falls under integrative theories. Freeman (1984) proposes that in terms of stakeholder theory, the organisation should consider its responsibility towards all stakeholders and not just shareholders in its business decisions. Clarkson (1995) considers the organisation to have two types of stakeholders, i.e. (1) primary stakeholders (who have a direct impact on the business and its decision makings process and (2) secondary stakeholders (who are not directly involved in the making of such decisions). Stemming from this distinction between the various stakeholders, Piedade and Thomas (2006) propose that an organisation must specifically target those stakeholders who have the power and position to directly impact the running of the business should their needs not be met. This view however, is against the very essence of CSR according to Banerjee (2008) who believes that the specific targeting of influential stakeholders will only serve to maintain, if not further entrench the very socio-economic balances that CSR is meant to address. In agreement, Donaldson and Preston (1995) are of the view that the interests of each set of stakeholders merit consideration and not just those of stakeholders with influence.

(d) The last set of theories discussed by Garriga and Mele (2004) puts ethical issues at the centre of the relationship between business and society. Ethical theories are based on the conviction that ethical business dealings will lead to sustainable growth and development (Mafemba, 2015). Critics of the ethics-based approach to CSR argue that any business which operates on the basis of moral consideration only is likely to fail and that business really does not have the necessary skills to deal with social problems. This, Esteves (2008b) states, is because business success is measured by the extent to which shareholder value is increased. Burke and Logsdon (1996) agree with this, stating that business is more likely to create value from social projects that are aligned to its business objectives as it most likely possesses the skills to deal with those issues.

2.5 Policy and Legislation in the South African Mining Industry

With more than 52 commodities under its surface, South Africa has the fifth largest mining industry in the world (Antin, 2013; DMR, 2015). At its peak in 1970 the industry accounted for 21% of the country's GDP. The rise of other industries, and a decrease in global demand for commodities among other things, resulted in a significant reduction in the contribution of mining to GDP to 7.6% in 2014. Mining activities however continue to play a key role in the economy, particularly in terms of employment (1.4 million jobs in 2014) and foreign exchange earnings (SACOM, 2015).

Given the magnitude and integral role of the mining industry in the country's economy as well as the fact that ownership in this sector has predominantly resided in the hands of a few white owned businesses, it is not surprising that the sector is considered to have a key role to play in addressing the socio-economic imbalances in the country. Government as the custodian of the minerals and issuer of mining rights plays an oversight role in terms of ensuring that mining activities take place in a sustainable manner and employees and communities do in fact benefit from these activities.

Since its ascension to power, the ANC-led government has put in place policies aimed at redressing the inequities of the past and transferring not only skills to the previously disadvantaged mining communities but also ownership. From the RDP right through to the National Development Plan (NDP), from BEE to BBBEE, government has made the socio-economic development agenda one which calls for public–private partnership (Mafemba, 2015). Through BBBEE and the draft Broad Based Black Economic Empowerment Charter for the South African Mining and Minerals Industry 2018 (known as the draft 2018 Mining Charter) specifically, government has made explicit its intent to transform the industry. The mining industry has expressed its discomfort with the more stringent requirements set out in the draft, compared with its predecessor. Discussions are ongoing between the Ministry and industry, however once passed the charter will be binding and as Maswanganyi (2016) explains, mining companies risk losing their mining rights if they fail to adhere to the socio-economic requirements stipulated in the Mining Charter. Some of the requirements of the draft 2018 Mining Charter which speak to social responsibility and development are:

Ownership

The draft 2018 Mining Charter proposes a 30% BEE shareholding for (new and existing rights holders) compared to the current requirement of 26%. Existing rights holders would have five years to increase this to 30%. Rights holders who had achieved the 26% requirements by the time the final version of the 2018 Mining Charter is published, or those who had at some point in the existence of the mining right achieved 26% (and whose BEE partners have since exited), would be considered compliant during the five year period (CDH, 2018). Rights issued after the 2018 Mining Charter is finalised, will need to adhere to the 30% BEE shareholding requirement for the entire duration of the mining right. Of the 30% shareholding, 16% is to be distributed equally among qualifying employees and host communities (entitling each group to 8% shareholding) and the rest (14%) must be owned by Black entrepreneurs.

The draft charter further stipulates that of the 8% each given to employees and host communities, 5% is to be in the form of non-transferrable free carry shares (CDH, 2018). This effectively means that the rights holder receives no compensation for the shares. With the South African resource-base largely considered to be in sunset, the proposed 10% (i.e. 5% for host communities and 5% for employees) free carry requirement, is expected to place further strain on the already marginal economic returns associated with new mining projects. However, Rajaratnam and Rajaratnam (2018) argue that not only is the 10% free carry necessary, but that to address the inequality in the country, it should in fact be a requirement for both new and existing rights owners.

Further to this, new rights holders are to pay 1% of their Earnings before Tax Interest Depreciation and Amortisation (EBITDA) to mineworkers and communities from the sixth year of receiving the mining rights. Mining communities and qualifying employees are to have representation on the board or advisory committee of a right holder (DMR, 2018).

Mining Community Development

Compared to the current version, the draft 2018 Mining Charter provides more detailed guidelines on the issue of community development. The draft charter urges mining companies to engage host communities and other relevant local authorities in order to understand the developmental priorities with which they can get involved. The details of this involvement are to be set out in the company's Social and Labour Plans (SLP). The SLPs are to also include targets and deadlines for the implementation of interventions and any deviations from these must be done with the approval of the mining communities.

Housing and Living Conditions

Under the current version of the mining charter, mining houses are expected to provide decent housing to their employees, balanced nutrition, as well as an affordable healthcare system among other things. In addition, the draft charter requires mining houses (after consultation with organised labour and the Department of Human Settlements) to supply the DMR with Housing and Living Conditions plans for approval. These are to have clear targets and timelines for implementation (CDH, 2018).

The mining industry has been for a long time criticised for its failure to provide decent living spaces for its employees. The industry is known for its migratory labour practices, which resulted in the single sex hostel phenomenon, and other associated social ills. However, mining executives have also expressed frustration at having to bear the responsibility of socio-economic development initiatives that they believe to be the responsibility of government. In their 2014 report on the role of the mining industry in socio-economic development, the South African Institute of Race Relations (SAIRR) found that even in instances where mining houses had done their part to address the problem, (for instance in providing housing allowances to those miners who opted for this), the government was failing to meet their end of the obligation. In a bid to send as much money home as possible, the same miners would end up living in informal settlement with inadequate sanitation and poor delivery of basic services. It can be argued that the provision of sanitation, electricity, water and other basic services to informal settlements, should be the responsibility of the various tiers of government (Kane-Berman, 2017; SAIRR, 2014).

The Mining Charter is a section of the Minerals and Petroleum Resources Development Act (MPRDA) of 2002, which sets out the legislative framework for mining in South Africa. According to Rogerson (2011), the Act which came into effect in May of 2004, was intended to set out transformation imperatives for the mining industry, specifically as they relate to mining rights, ownership, beneficiation as well as ensuring that mining companies contribute to the socio-economic development of the communities within which they operate. One of the statutory requirements set out in the Act is that prospective mining companies draft Social and Labour Plans (SLP) before mining rights can be granted. SLPs outline the prospective mining companies' commitment towards job creation and the social as well as economic development of local communities. The above are only some of the statutory requirements imposed on mining companies which are socio-economic in nature. Despite this however, mining communities continue to be characterised by sever underdevelopment and various social ills, further highlighting the need for more effective CSR interventions (Maswanganyi, 2016).

2.6 CSR and Social Development in the South African Mining Industry

The concept of CSR has existed for decades, for years there have been concerns about the social impact of business activities. The last few decades however have seen increased pressure on business to be more embracing of its social responsibility. This is particularly true of the mining industry, largely because of the potentially significant negative social and environmental impacts associated with mining (Hamman, 2004; Hamman & Kapelus, 2004; Kapelus, 2002). The evolving CSR agenda is driven by a shift in perception of the role of business in bringing about sustainable development, the world over. According to Hamman (2003), business is increasingly viewed as a strategic player in the process of social transformation.

The mining industry in South Africa has been under pressure to conform to industry norms on sustainable development both locally and internationally. Locally, the industry employs in excess of half a million people and though mining activities in South Africa take place in various socio-economic conditions, the majority of mining communities are characterised by poor socio-economic conditions, high unemployment and poverty (Cronje & Chenga, 2009). Most large mining companies in South Africa now have either primary or secondary listings on international stock exchanges. As a result, they have to comply with local and global corporate governance codes (Hamman, 2004). The King committee on corporate governance is a leading authority on corporate governance and company operations in South Africa, and indeed the world. The latest report by the committee, King IV, like its predecessors, advocates for companies to adopt a "triple bottom line approach". This approach recognises shareholders as the most important stakeholders of an organisation, but also emphasises that social and environmental concerns should to be considered. In keeping with this, King IV advocates for an “apply and explain” regime which requires organisations to be transparent in their corporate governance practices (IODSA, 2016).

The past few years have been characterised by incidents of labour unrest which Maswanganyi (2016) attributes largely to worker dissatisfaction with their socio-economic conditions as well as remuneration. The most infamous of these is the strike at Lonmin’s Marikana operation in 2012. This mass protest by South Africa’s largest labour unions, AMCU and NUMSA, saw thousands of mine workers face off against the police service in what was to become one of the country’s most atrocious encounters between police and civilians since the dawn of democracy, 40 people lost their lives. For five months in the year 2014, the South African platinum mining industry suffered one of the most prolonged and devastating strikes ever experienced in the industry. According to Maswanganyi (2016), the unstable labour relations in the mining industry are symbolic of unfulfilled economic and social expectations of its workers.

More recently, there has been a spate of fatal accidents at one of the country’s biggest mining companies, allegedly due to non-adherence to health and safety standards. The damage to the industry’s reputation has been immense. There have been calls by labour unions for government to take on more punitive action against industry players who fail to adhere to the industry’s health and safety standards. The relations between mining companies and their employees are but a microcosm of the broader relationship between mining companies and their local communities. Employees are part of the communities; their lived experiences are those of the community. As Esteves (2008b) puts it, mining is an activity of dichotomies, on the one end is the opportunity to create wealth and on the other end is the destruction of land and community life in pursuit of that wealth. While mining communities bear the environmental and social costs of mining, the profit are attributed elsewhere. However, the same could be said of company taxes, and indeed this is the norm the world over. This may not be unique to the mining industry however; this does serve to further highlight the need for and importance of CSR in mining communities, particularly in the South African context.

Mining communities are usually built around the existence and operations of a mine, and often the mine is the only source of economic activity /sustenance. Unfortunately, this also means that these communities bear the brunt of any misfortunes that may befall the mining operation. Due to the finite nature of resources, mine closure is inevitable and the impact on the community can be devastating. Boon and Ababio (2009) explain that mine closure leads to job losses, adding to the levels of unemployment and a range of other social ills such as high poverty levels, low levels of education and poor access to health among others.

To overcome these challenges, CSR has largely been hailed as a driver for social development efforts (Cronje & Chenga, 2009). Boon and Ababio (2009) are of the view that most CSR initiatives only end up further exacerbating the dependency issues, creating an unsustainable cycle. In agreement, Esteves (2008a) purports that more often than not companies tend to engage in CSR activities which have little to do with their core business and indeed the sustainability of their offering. For the longest time CSR driven development programmes in the mining sector were voluntary and thus took on a more philanthropic approach. The result was that these initiatives had little or no impact on the root causes of the social problems in mining communities (Cronje & Chenga, 2009; Hamman & Kapelus, 2004). The solution, Esteves (2008a) proposes, is a CSR approach which moves beyond merely treating the symptom, to an integrated and strategic CSR approach which seeks to find a sustainable solution to the problem by tackling the problem at its root.

Esteves (2008b) defines social development as the process of fulfilling the basic needs of people, building human and social capital, expanding the scope of opportunities available to individuals and communities, promoting social justice and equal opportunities and eradicating poverty and illiteracy. The challenge for mining companies is to engage in CSR activities that not only offer solutions to the social ills plaguing mining communities, but also address the causes of the social ills and offer sustainable solutions. Malm (2012) observes that most CSR projects do not involve active participation of the beneficiaries or community consultation during the planning and design phases. Cronje and Chenga (2009) suggest that mining companies should adopt a human centred approach to CSR i.e. developing programmes that allow for individual stakeholder participation as a means of stimulating sustainable development. Malm (2012) agrees stating that in order to enhance the sustainability of CSR, a bottom up approach is required to assess the social needs of the community. This research aims to examine the contribution of mining companies to social development in mining communities, in particular what Cronje and Chenga (2009) term sustainable social development i.e. the long term transformation, improvement and continuous betterment of people's livelihoods in a specific social context.

2.7 Conclusion

The mining industry in South Africa is characterised by huge socio-economic disparities. These disparities are reflected in the high prevalence of a variety of social ills in mining communities; among these are high HIV infection rates, poverty, low levels of education and poor sanitation. The government of the day has through legislation and policies, given guidelines and regulations which set out transformation imperatives for the sector, and placed CSR on a national platform. There is evidence that the mining sector has made great strides in its labour practices and has been involved in community upliftment projects long before this. One example of this is the Anglo American Chairman's Fund which has been in existence since the 1950s. Impala Platinum was also reported to be working on building a "Platinum village" that would consist of 2420 houses and cost R1billion (Kane-Berman, 2017). It can be argued that the responsibility to provide housing and its associated basic services is not that of the employer, but rather of government, and that expecting the mining sector to carry this responsibility is akin to double taxation. However, due to its legacy of unfair and discriminatory labour practices, poor housing provision for its employees and its association (whether perceived or real) with the apartheid system, the mining industry is under pressure from both civil society and government to institute socio-economic reforms.

CSR, which has for a long time been voluntary, is seen by the industry as a way of mining companies accepting social responsibility, while simultaneously achieving their shareholder mandate of profit maximisation. Consensus around the concept of CSR is yet to be reached, however there is general agreement that the concept entails a voluntary tool used by business to bring about development in its local communities and that CSR is about the integration of the economic, legal and social considerations into the decision making processes of business. The literature has revealed that the stakeholder approach is the most appropriate for the purposes of this research.i.e. to examine the contribution of mining companies' CSR initiatives to social development in mining communities. Through the literature review it became apparent that no discussion in mining can occur without mention of sustainability. Indeed, in its attempts to answer the call for social responsibility, the mining industry needs to adopt a sustainable development approach, in order to equip communities for the inevitable eventuality of mine closure.

2.8 Theoretical Framework

This research is aimed at assessing the contribution of The Mining Company to social development in its host communities through CSR. The literature review in this chapter serves as a point of departure as it provides a theoretical framework which will guide the rest of the research. To this end, the chapter began by tracing the evolution of and attempting to define the concept of CSR. It became clear that although there is no consensus on the definition of CSR, the concept has progressed over time from being a mere suggestion to being a business imperative. A review of the different theories of CSR revealed that how an organisation approaches CSR is entirely dependent on the lens through which it views is social responsibility (Aguinis & Glavas, 2012). The stakeholder theory which is part of the integrative theories was found to be best placed in addressing the research problem of the present study. Integrative theories call for business to integrate its social responsibilities into its business operations(Garriga & Mele, 2004). Stakeholder theory proposes that this be done by business considering its responsibilities towards all stakeholders and not just shareholders, in its decision-making processes (Friedman, 1970). According to stakeholder theory, The Mining Company would first need to ascertain the most dominant social challenges facing the community and take these into consideration when designing their CSR programme.

The policy and legislation that govern socio-economic transformation in mining provide guidance in terms of the minimum action required from mining houses. In accordance with King IV, The Mining Company would need to not only carry out CSR initiatives, but also explain why these were undertaken. It is believed that the theoretical foundation laid out in this chapter has influenced the design of the research instruments, and will further assist analysing the information collected as it pertains to the research questions below:

Main research question: What is the contribution made by The Mining Company to the social development of surrounding mining community through CSR?

Sub-question one: What constitutes The Mining Company's CSR programme and what CSR projects were run in the period under investigation?

Sub-question two: What were the most dominant social development challenges faced by the mining community?

Sub-question three: What informs the choice of CSR projects the mine runs during a given period?

Sub-question four: What was the impact of the CSR projects run by the mine during the period in question on the most dominant social development challenges in the community?

Sub-question five: What were the reasons for the gap (if any) between the mining community's most dominant social development challenges and the focus of the CSR projects implemented by the mine?

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Research Paradigm

The purpose of this research was to analyse social action in the form of CSR projects carried out by mines in relation to the social development of the communities concerned. The study was qualitative in nature. According to Denscombe (2003), qualitative research analyses social actions with the aim of trying to understand social interactions and the processes of creating and maintaining meaning in the world. Neuman (2011) describes social action as action to which people attach subjective meaning and an activity with an intent or purpose. Babbie and Mouton (2001) explain qualitative research as research that is aimed at understanding human behaviour from the perspective of the people who are being studied. Denzin and Lincoln (2005) agree, asserting that qualitative research enables researchers to make sense of phenomena in terms of the meanings people bring to them.

A paradigm is a world view that represents the beliefs and values in a discipline, which guides how problems are solved (Schwandt, 2001). Neuman (2011) describes a paradigm as a general and basic approach to theory and research, which includes basic assumptions, the research technique and important questions to be answered by the research. Patton (2002) adds that a paradigm is informed by philosophical assumptions about the nature of social reality (ontology), ways of knowing (epistemology) and ethics and value systems (axiology).

According to Neuman (2011) the three main paradigms in social science research are the positivist paradigm, the interpretive paradigm and the critical paradigm. This research was interpretive in nature. An interpretive paradigm involves observing how people act in their natural settings and interpreting these actions to formulate an understanding of how they create and maintain their social worlds (Neuman, 2011). Hlophe (2011) purports that under this paradigm, the researcher is part of the research process developing meaning along with the research participants; noting that only an individual can make sense of his/her own context. In attempt to answer the research objectives, the researcher deemed it imperative to assimilate with the community, to get a view of what daily life is like in the area, as well as to gain an appreciation of the developmental challenges faced by the mining community; hence the interpretivist approach was taken.

3.2 Research Design

A research design outlines the plan for the collection and analysis of data (Bryman, 2012). Yin (1994) defines a research design as a plan of getting from here to there, where here represents the initial set of questions and there is representative of the answers. For this research, the case study design was used for data collection and analysis. Yin (1989) describes a case as an event, an entity, an individual or a unit of analysis. He further explains that case studies enable a researcher to reveal the myriad of factors which have contributed to the unique character of the entity under study. Simons (1996) explains the case study as a process in which a singular event or actor is critically analysed to uncover complexities that are difficult to find through general analysis. Case study design is the preferred research method when the research seeks to answer how and why things happen (Anderson, 1993; Yin, 1994).

D. Johnson (1994) notes that case studies have been criticised for their lack of scientific rigour and reliability as well as not meeting the criteria for generalisability. However, Mohd Noor (2008) argues that case studies give the researcher an holistic view of the phenomena being studied owing to the multiple sources used in gathering data. Similarly, Siggelkow (2007) contends that case studies are persuasive and present facts and evidence that can be used to support theoretical constructs.

This study employed the exploratory case study approach. This allowed the researcher to gain in depth knowledge of The Mining Company's CSR programme, as well the developmental needs of the community and thus be in a position to answer the research questions identified in Chapter One.

3.3 Population and Sampling

3.3.1 Population

Zikmund, Babin, Carr, and Griffin (2012) define population as a complete group of entities sharing some common set of characteristics. According to Babbie and Mouton (2001), a study population is the total set of people from which a sample is drawn. The population for this study was the residents of the mining community surrounding the Mining Company's Pinetown gold mine in the Rand West City Local Municipality who have lived in the area between January 2014 and December 2016. The population also included the community engagement managers responsible for overseeing CSR projects in the mines, The Mining Company's community liaison representative as well as other employees of the mine who are also residents of the community.

3.3.2 Sampling Method

According to Easterby-Smith, Thorpe, Jackson, and Lowe (2008), a sample is a subset of those entities from which evidence is gathered. Trochim (2005) explains sampling as the process of selecting units from the population of interest with the view to generalize the findings of the study on the population from which the sample was taken. The goal of purposive sampling is to be strategic in selecting participants, such that the sample consists of people who are relevant to the research questions (Bryman, 2012; Teddlie & Yu, 2007) Strydom (2011) agrees, stating that purposive sampling enables the researcher to select participants based on their perceived relevance to the problem that the research is trying to address. According to Suri (2011), snowball sampling involves gaining access to key informants in the field who can help in identifying information–rich cases. For the purposes of addressing the research questions, this research adopted a combination of purposive and snowball sampling methods.

Noy (2008) explains that snowball sampling is when the researcher accesses informants through information provided by other informants. In this method, informants refer the researcher to other informants, the researcher then makes contact with them and those informants then refer the researcher to other informants and so forth(Noy, 2008). Miller and Brewer (2003) explain that snowball sampling enables the researcher to reach the target population in an informal way and this aids in addressing challenges of obtaining respondents where they are few in number or where some degree of trust is required to initiate contact. This research made use of purposive sampling to select the initial respondents e.g. the Community Engagement Officer responsible for CSR in the company as well as the Human Resources Manager. From these two respondents it is hoped that more respondents will be identified through the snowball sampling method.

3.4 Research Instrument

Babbie and Mouton (2001) describe a research instrument as the mechanism used in the gathering of data for the purposes of research. Semi-structured interview schedules with open-ended questions will be used for this research. Bryman (2012) explains that semi–structured interviews offer the researcher flexibility to probe responses, ask follow up questions and seek clarity to answers given. Two different interview schedules were used for The Mining Company employees and community residents and beneficiaries of CSR programmes...

3.5 Procedure for Data Collection

The first step in pursuing the practical aspect of this research was to get the permission and support of the company on which the case study is based, The Mining Company. Following the approval of the research proposal and research instruments, the data collection process commenced.

Data for this research was collected using:

- Individual face to face semi-structured interviews containing open ended yet focused and exploratory questions – with both residents and other stakeholders e.g. Community Engagement Manager and other key employees.
- Texts and documents in the form of the integrated annual reports and the Social and Labour Plans (SLP) etc.

The two interview schedules which were used in collecting data are contained in Appendix C and Appendix D. Appendix A is an information sheet which was presented to each participant to give them insight into the objectives of the study and the purpose of the questions to follow. A tape recorder was used, with the permission of the participants and notes were taken during and after interviews to minimise loss of information. In qualitative research, recording and transcribing is important for detailed analysis and to ensure that responses are captured in their original form (Bryman, 2012).

3.6 Data Analysis and Interpretation

Ritchie and Lewis (2005) describe data analysis as a continuous process involving two basic stages managing the data, and making sense of the evidence. Bryman (2012) explains data analysis as the process of grouping information gained through qualitative research into codes and themes. Ritchie and Lewis (2005) further suggest that the data management process initially involves deciding on themes or concepts under which the data will be labelled and compared. In this study, data was analysed using thematic analysis. According to Evans (2017), thematic analysis involves identifying patterns and themes within the data. Upon completion of the interviews, data was transcribed and this was read and re-read then analysed and interpreted in order to group it into themes. Braun and Clarke (2006) suggest that a theme should capture something important as it related to the research questions, and usually appears more than once in the dataset.,

3.7 Validity and Reliability

Yin (2009) suggests that the quality of research is generally assessed using validity and reliability. Bryman (2012) concurs stating that these are considered the most the most important criteria in determining the quality of qualitative research. Pandey and Patnaik (2014) argue that when addressing questions of validity and reliability in qualitative research, researchers generally refer to credibility. In the same vein, Lincoln and Guba (1985) posit that credibility is but one element of trustworthiness, which is key indicator of the validity and reliability of a research study. Validity refers to the truthfulness, credibility, or believability of research findings. Reliability speaks to consistency and dependability with regards to observations, interviews, and content analysis in qualitative research (Neuman, 2011).

In the pursuit of validity and reliability in the present study, the open and honest opinions of those being interviewed were solicited and clarity sought where there was ambiguity. The interviews were conducted in a consistent manner which was aided in part by the structured questions in the semi-structured interview schedules. In addition, care was taken to ensure that the processing of analysing the findings is done from a neutral perspective.

3.7.1 External Validity

External validity, which Lincoln and Guba (1985) term "Transferability" is the extent to which the findings of the research may be applicable to other contexts. The detailed research methodology and paradigm provided enabled other researchers wishing to conduct similar research to do so.

3.7.2 Internal Validity

Lincoln and Guba (1985) refer to this as "Credibility", which they explain is a measure of how realistic the findings of a research study are. Pandey and Patnaik (2014) suggest that the pursuit for internal validity involves ensuring that the study measures what it initially set out to measure. Lincoln and Guba (1985) consider member checks as the most important way of strengthening the credibility of a qualitative study. In the present study was done in the normal course of the interviews by paraphrasing certain answers to confirm that the researcher understood the meaning. The advantage of conducting face to face interviews with open ended questions is the ability to probe answers where necessary to ensure that the researcher gets the correct meaning. In certain circumstances, the participants were asked to read transcripts of dialogues in which they participated to ensure that what they said is actually what they meant to say.

3.7.3 Reliability

Lincoln and Guba (1985) suggest an inquiry audit as one measure to enhance the reliability of qualitative research. An inquiry audit involves having a researcher who is not involved in the research examine the process and findings of the research. This is aimed at evaluating whether or not the findings are supported by the data. For this study this process happened almost by default, by virtue of the supervision process, with the research supervisor being the external party to the research.

3.8 Ethical Considerations

According to Babbie and Mouton (2001), the research process has an inherent potential for conflict of interest as it involves interaction with and collecting data and information from people. Ethics in research are therefore critical to ensure that no one is harmed during the research process (Cooper & Schindler, 2002). Great care was taken to ensure that no one is be harmed in the process of conducting this research project. As a first step, ethical clearance was sought from the University of the Witwatersrand in order to proceed with the research. Issues of consent, privacy and confidentiality were addressed in detail with the participants. Participants were provided with a consent form through which they had to fill in to grant permission for the researcher to do an audio recording of the interview. They were made aware that the process is voluntary, and they may at any point withdraw their consent should they wish to do so.

Participants were assured of the confidentiality and anonymity of the process and that the information given would be used for the purposes of this research.

3.9 Limitations of the Study

The following limitations to the study have been identified:

- The interpretivist approach requires that the researcher spend time with the subject in order to develop meaning and see things through the eyes of the respondents or participants in the research (Hlophe, 2011). Time was a challenge; the researcher was only able to spend a few days on observation.

CHAPTER 4: PRESENTATION OF RESULTS

4.1 Introduction

The aim of this study was to evaluate the contribution of mining companies (specifically, The Mining Company in the Gauteng Western Basin) to social development through corporate social responsibility. The research methodology used to conduct the research was described in chapter three. This chapter presents the findings emerging from the research process, relating these to the research questions of the study set out in Chapter One. These are:

Main research question: What is the contribution made by The Mining Company to the social development of surrounding mining community through CSR?

Sub-question one: What constitutes The Mining Company's CSR programme and what CSR projects were run in the period under investigation?

Sub-question two: What were the most dominant social development challenges faced by the mining community?

Sub-question three: What informs the choice of CSR projects the mine runs during a given period?

Sub-question four: What was the impact of the CSR projects run by the mine during the period in question on the most dominant social development challenges in the community?

Sub-question five: What were the reasons for the gap (if any) between the mining community's most dominant social development challenges and the focus of the CSR projects implemented by the mine.

The chapter begins with a brief discussion of the demographic profile of the respondents. This is then followed by a presentation of the findings. The research findings are laid out according to the structure of the interview schedules (key informant and participant interview schedules) and taking into account the research questions listed above. The chapter ends with an analysis of The Mining Company's integrated annual reports for the period 2014 to 2017.

4.2 Demographic Profile of Respondents

Section one of the Interview Schedule for participants sought to gather demographic information on the respondents. This was done in order to give context to the research, to paint a picture as it were, of the lived experiences of these respondents. This information is illustrated in Table 1 below. A total of eleven interviews were conducted with three employees of The Mining Company (key informants), as well as eight members of the community (participants). The majority of the respondents are men and fall within the 46 -50 age category. Two of the key informants were also residents of the mining community, and their responses were therefore representative of both the company and community perspectives.

Table 1: Demographic Profile of Respondents

Age Distribution	21 – 35	4	36%
	36 – 45	1	9%
	46 - 50	6	55%
	>50	0	0%
Gender	Male	10	91%
	Female	1	9%
Employment Status	Employed	3	27%
	Self- employed	4	36%
	Unemployed	3	27%
	Student	1	9%
	Retired	0	0%

4.3 Findings

In addition to the demographic information detailed above, the interview schedule for participants was further divided into the following sub-sections, which are informed by the research questions:

Section 2: What constitutes The Mining Company's CSR policy? What projects were run during the period under study i.e. January 2014 – December 2016?

Section 3: What are the dominant social development challenges in the area?

Section 4: What informs the choice of CSR initiatives undertaken by The Mining Company?

Section 5: What impact have the CSR initiatives undertaken by The Mining Company had on the most dominant social challenges faced by the community?

(a) What constitutes The Mining Company's CSR policy? What projects were run during the period under study i.e. January 2014 – December 2016?

The majority of the participants interviewed were born in the area, with only two having moved to the area in early childhood. Common among most participants was a difficulty to remember any corporate social responsibility initiatives that they knew of that had been run by the mine. It became apparent that ordinary residents had very little knowledge of the mine's involvement in the community, whereas it was easier for community leaders to name a few projects that they were aware of. All the participants who were aware of the mine's CSR projects, explained that The Mining Company's community involvement is informed by the mine's social and labour plans in terms of which the mine has a duty to contribute to the well-being of the surrounding community.

In terms of specific projects run during the period under study, three participants mentioned the Westonaria Organisational Workshop (WOW), which was run from the beginning of 2015 till the end of November of the same year. According to one participant:

"This project was intended to create a parallel economy which would not depend on the existence of the mine".

Although WOW was meant to encompass fields like welding and construction among others, the project was largely an agricultural initiative. Roughly five hundred unemployed individuals, mainly youth, participated. As part of the project, The Mining Company had donated a piece of land for the trainees to be trained in the cultivation of agricultural produce for commercial purposes. All three interviewees had been personally involved in this project; they had become aware of it because they are leaders of different community organisations and so had been made aware of the project by the mine.

The same three interviewees, who are also leaders of various community organisations, had also benefited from and participated in a leadership development course run by the Gordon Institute of Business Science (GIBS), which was sponsored by the mine. According to the participants, the mine had selected the fourteen community-leaders for the two-day training as a means of equipping them with broad business leadership skills which would facilitate better communication between the mine and the community representatives.

Participants mentioned having knowledge of the mine's support of various NGOs and NPOs in the community, though they did not have specifics as they had not been personally involved.

(b) What are the dominant social development challenges in the area?

Most of the participants interviewed have been residents of the mining communities since birth, with only two respondents having moved there when they were young. All the participants live with family and some with extended family, and all have children of school going age. Government provided amenities such as local healthcare and schools are within close proximity to the community, and in some instances, there is more than one of each facility. For example, the community of Bekkersdal is serviced by two local clinics which are not too far from each other. Respondents indicated satisfaction with the availability of schools and clinics in the area, however there was general discontent with the physical condition of the local schools. As a result, all the participants send their children to schools in the town of Westonaria, and not the local schools.

The areas under investigation are all faced with different socio-economic conditions. Bekkersdal, the oldest of these communities, is the most socio-economically disadvantaged, while the newer settlements like Simunye and Borwa are more developed. Bekkersdal has the highest number of informal dwellings and with these come other challenges like access to basic services such as sanitation, water and electricity.

Participants cited unemployment, crime, informal settlements and poverty as the biggest social challenges facing the community. The high rate of unemployment is further exacerbated by the continuous influx of individuals coming to the mine to seek job opportunities. As one participant said:

“There is an influx of migrants from other provinces and countries due to the mine. When they don’t find jobs or when they get retrenched, they don’t leave the area. It is the responsibility of corporate to train them to help them sustain themselves in order to prevent other social problems like crime and HIV”.

(c) What informs the choice of CSR initiatives undertaken by The Mining Company?

The Mining Company’s CSR initiatives are based on the company’s Social and Labour Plan (SLP) which runs over a five-year period. The SLP is aligned to the objectives of the MRPDA, and it outlines the mine’s commitments with regard to community development among other things. The mine works together with the local municipality in order to ensure that CSR initiatives are aligned to the municipality’s Integrated Development Plans (IDPs). The extent of the community’s involvement in the selection of CSR initiatives is limited to the identification of the community’s developmental needs in the municipal IDPs, as well as the ad hoc requests received by the community engagement office of the mine. There is no doubt that The Mining Company has run a number of CSR projects since 2014 as set out in its SLP and reported in its annual reports. Whether these have been in line with the most pressing needs of the receiving communities is the question.

All the participants were able to give at least one CSR project that they were aware of, however they were unanimous in their sentiment that there had been minimal consultation prior to these projects happening. Another view is that the mine only engages with certain members of the community, and the majority of community members are left in the dark. According to some of the participants, in the instances where there had been community engagement, the mine was merely informing the community of their plans and not actually soliciting their involvement in the process. One participant said:

“They mostly impose their plans. I remember in one of the meetings they were reporting on things that we don’t know, things that are far and are not appreciated by the community and that’s where the problems arise”

The general sentiment is that the mine is busy with projects that do not meet the most immediate and most pressing needs of the community and that through proper community engagement, things could be different.

“Don’t decide for people, don’t decide what people want. Consult every time. Consultation creates a two-way communication”

Seven of the participants mentioned that they had all participated in the portable skills project which is run by The Mining Company academy. The project, which is run in conjunction with accredited service providers, is aimed at equipping members of the community with skills they can use to become self-reliant. Through the project participants are offered training for skills such as; plumbing garment making, welding, chicken farming etc. Other projects that the participants mentioned having participated in are WOW and the leadership course run through GIBS.

(d) What impact have the CSR initiatives undertaken by The Mining Company had on the most dominant social challenges faced by the community?

One of the key informants believes that initiatives such as the portable skills project and various learnerships are geared towards the alleviation of poverty, unemployment and shortage of skills. However due to the mine not being able to provide employment to all participants in these projects, the net effect is that these do not have that much impact on the alleviation of these social challenges. This is the one issue where there seems to be complete consensus among all the residents interviewed. All are of the opinion that the CSR initiatives undertaken by The Mining Company have done little to improve the quality of life of the community. Most community members believe that with proper and wider consultation, the money invested by The Mining Company in a lot of projects would have been better placed elsewhere, where there is a more immediate need and where the benefit would be more evenly spread.

Some of the disappointments with The Mining Company's CSR initiatives include the lack of sustainability and poor monitoring and evaluation of projects. As one community leader said

"It is a futile exercise to spend millions of rands to try and build something which is not going to be sustainable. If the mine does not have the necessary skills to ensure proper implementation, they must allow us to help them".

Monitoring and evaluation and sustainability of CSR projects has not been the mine's strong suit, all the key informants conceded to this point. As a result, a lot of the projects have not stood the test of time and have fallen off as soon as the mine's involvement has been withdrawn.

4.4 Reporting on CSR activities

The company's integrated annual reports for the 2014, 2015, 2016 and 2017 financial years were reviewed to establish the official view of The Mining Company's CSR involvement. Analysis will be provided for each of the years:

(a) 2014

A review of the company's 2014 integrated annual report reveals local economic development (LED) was used as the main driver of socio-economic interventions in the mine's host communities and labour sending areas. These are high value community projects e.g. building of schools as well as projects aimed at creating economic diversification, in order to sustain the livelihoods of these communities past the life of the mine. To a lesser extent Corporate Social Investment (CSI) initiatives were also undertaken to address broader and short-term community needs, and these were as a result of requests for community development funding and donations. A review of the implementation and impact of the 2014 LED projects indicated that though these projects were aligned to the municipalities' IDPs, they did not yield the desired impacts on mining communities. One reason cited for this is the magnitude of the challenges faced by communities, which often neutralises the impact of projects, or hampers their set-up. Though the mine realises that the responsibility for these challenges cannot reside with it alone, it is also aware that failing to make a visible impact could threaten the business' sustainability. As such, the mine's community development focus areas are:

- Economic development (infrastructure development, job creation, procurement and enterprise development, and SMME mentorship)
- Health
- Education
- Poverty alleviation
- Food security
- Women development
- Youth development (Sibanye-Stillwater, 2014)

(b) 2015

From the learnings gained in 2014, the company undertook to revise its SLP for the Pinetown gold mine and this was achieved in 2015. In 2015, The Mining Company took a two-pronged approach to its corporate responsibility, with SLP implementation and monitoring on the one hand, and giving more focus to community engagement and development on the other. They undertook to align their community development programme with the priorities of the communities by directly engaging the communities instead of relying as they had in the past on the municipalities' IDPs. According to the report, the company committed to more proactive, open and constructive stakeholder engagement, which informs participative decision-making. Communities were noted as an important stakeholder and engagement was undertaken with formal and informal representatives through community and consultative forums as well as civic groups, non-governmental organisations (NGOs), and other special-interest groups. The forums are believed to have introduced greater degrees of transparency and openness between The Mining Company and communities (Sibanye-Stillwater, 2015).

(c) 2016

The 2016 integrated report explained The Mining Company's community development strategy as being intended to maintain the social licence to operate through effective engagement and mutually beneficial relationship building beyond compliance. The strategy is based on two important components; economic diversification and empowerment through skills development

The strategy has several aims intended to fulfil these components. The company is committed to using resources appropriately and effectively to respond to identified and agreed community needs immediately in the future. It seeks to actively identify key multi-sectoral partnership opportunities in order to leverage its contribution and to focus efforts on achieving tangible and sustainable impacts that will continue beyond the life of the mine. This will be achieved by building expertise and relationships through collaboration for the benefit of communities and encouraging the creation of alternative economies independent of mining. As such it will create long-term sustainability consistent with the closure strategies. The company avers that it will go beyond financial resources and consider the best use of other internal assets and resources to achieve the greatest impact by focusing on a few key areas that can be leveraged effectively. To achieve these objectives the company will continuously monitor and evaluate the impacts and social returns from investments.
According to the integrated report, in 2016, the company focused on proactive stakeholder engagement and as a result was able to collaborate with key stakeholders, including municipalities, in key initiatives such as integrated development plans as well as launches, roll out and alignment of projects and assisting government in funding development opportunities. Through stakeholder engagement the company was able to enable exploration of possible synergies in community development initiatives and co-funding and facilitate the alignment of The Mining Company Community Development Strategy with Gauteng's provincial economic development strategy. The company's community involvement included hosting empowerment workshops for unemployed youth with community forums and creating a community platform on recruitment processes (Sibanye-Stillwater, 2016).

(d) 2017

Community engagement remained a focus area in 2017, with the company reporting continued challenges in this space. Steps were taken however to address these challenges. For instance, where community issues and concerns were previously addressed as they arose, the company adopted an improved; more regular and structured engagement process. This enabled an improved understanding of communities' concerns and expectations and positioned the company better to prioritise the actions required to address and resolve issues (Sibanye-Stillwater, 2017).

4.5 Summary of the Results

This chapter presented the findings of the results. Eleven respondents were interviewed, consisting of three key informants and eight community members. The research instruments were designed to facilitate an understanding of the contribution of The Mining Company on social development through its CSR initiatives.

The results reveal a gap between the CSR initiatives undertaken by the mine and the community's most immediate social challenges. The mine's initiatives are informed by the SLP and are designed after consultation with the municipalities in order to be aligned to the municipalities' IDPs. It is assumed in this process that the IDPs are a reflection of the most immediate needs of the community, and this is the sole community involvement in the design phase. These commitments are then locked in for a five-year cycle in line with the SLP. Therefore, the mine commits to a five year programme aimed at community development, without direct consultation with the community itself. It appears that this is the source of the misalignment between initiatives and need.

The findings reveal that the most dominant social challenges faced by these communities include unemployment, poverty, poor living conditions and informal housing and lack of skills. The mine's initiatives aimed at alleviating these social ills have fallen short, not necessarily due to inadequate financial backing, but mainly to poor monitoring and evaluation in the implementation phase, and sustainability in the final phase of each project. Ordinary residents towards whom these initiatives would be geared, seem to generally not be aware of many of the mine's community projects. This is due to the mine's limited communication with the community. As a result, many of the residents interviewed struggled to name even one CSR project they were aware of that was run by the mine. With issues such as lack of consultation and poor monitoring and evaluation, and poor sustainability, there exists a significant gap between what the mine is doing and what residents are expecting.

From community development activities being viewed through a philanthropic lens in 2014, the company has through the years placed more focus on community engagement and development in its reporting and planning. However, when the results presented in this chapter are juxtaposed with the corporate reporting on community development activities and SLP commitments, it becomes clear that community engagement remains a challenge for the mine, despite efforts being made to improve the situation.

CHAPTER 5: DISCUSSION OF FINDINGS

5.1 Introduction

This chapter will discuss the findings of the research... The discussion will be guided by the theoretical framework developed in Chapter Two, as well as the research sub-questions set out in Chapter One. These are:

- What constitutes The Mining Company CSR's programme and what CSR projects were run in the period under investigation?
- What were the most dominant social development challenges faced by the mining community?
- What informs the choice of CSR projects the mine runs during a given period?
- What was the impact of the CSR projects run by the mine during the period in question on the most dominant social development challenges in the community?
- What were the reasons for the gap (if any) between the mining community's most dominant social development challenges and the focus of the CSR projects implemented by the mine?

5.2 Data Themes

Mining companies are often accused of not contribution to the development of the communities within which they operate, despite the statutory obligations set out in the MPRDA. This research was aimed at gaining a view of how the CSR activities of mining companies contribute to social development in mining communities. Data was collected through face to face interviews with community members and employees of The Mining Company. From the data two major themes have been identified. These are:

- Poor stakeholder engagement by the mine
- Sustainability Challenges

5.3 Poor Stakeholder Engagement

The first sub-question stated for this research was aimed at gaining an understanding of what constitutes The Mining Company's CSR policy and what projects had been run during the period under investigation. The third sub-question sought to understand how CSR projects were chosen for a given period. In order to do this, the participants were asked what they knew of The Mining Company's CSR activities and how they had been involved in any of these, if at all. Residents were also asked whether they had been consulted prior to the commencement of these projects and how they came to find out about the projects. Key informants were directly asked what informs the company's selection of CSR initiatives and to what extent the community was involved in these decisions.

According to Freeman (1984), the stakeholder theory of CSR requires that the organisation considers its responsibility towards all stakeholders and not just shareholders in its business decisions. This requires The Mining Company to take into account the needs of the community, when making decisions that will affect the community. The 2018 Mining Charter draft urges mining companies to engage host communities and other relevant local authorities in order to understand the developmental priorities with which they can get involved. The details of this involvement are then to be set out in the company's SLP. Theoretically, The Mining Company should solicit the community's involvement in ascertaining their developmental priorities. These together with the developmental priorities captured in the municipality's IDP, and the mine's own priorities for a given period, should inform the community development commitments that the company makes on its SLP.

What is happening in practice is that the mining company is heavily reliant on the priorities set out in the municipality's IDP as an indication of developmental needs of the community. The result is that the community is not properly engaged in the process of deciding what they deem to be the most immediate developmental needs. This has led to a gap between the mining company's CSR activities and the mining community's expectations. Most of the participants in this research highlighted the lack of consultation as a problem in their dealings with the mine. Some residents cited examples of the mine giving a progress report on activities that they were doing which the community felt were far removed from the reality of their everyday challenges. There is a public outcry for the communication channels to be improved between the mine and the residents.

The channel currently open to the public is through the community engagement office, which accepts community proposals and requests on behalf the mine. These are then presented to a board which is specifically aimed at dealing with requests from the community. The board then decides whether to grant the request for investment in a particular project or not. These proposals are according to the key informants more often than not, from Non-Governmental Organisations (NGO) and Non-Profit Organisations (NPO). The mining company will from time to time and on an ad hoc basis organise meetings with the community, to provide feedback on CSR projects that are being run, and this according to residents, is the extent of the consultation or engagement process with the mine. The community feels aggrieved because in their opinion the mine is not consultative in the process leading up to deciding which projects to invest in and they are only consulted when the decisions have been made and often these have little benefit for them.

From the mine's perspective, there appears to be an awareness that more consistent and standardised community engagement efforts are needed. The challenge raised by one of the key informants is that it is impossible for the mining company to engage everyone all the time. There appear to be growing a number of community-based organisations which makes it difficult for the mine to know exactly who to invite to meetings. A rebuttal from one of the community leaders interviewed is that the mine has other means of communicating with the majority of the community but is not using them. They mentioned community publications as one way of ensuring that communication that is intended for the community reaches a fair number of residents, as opposed to selectively inviting certain community leaders to meetings behind closed doors.

A consequence of the poor stakeholder engagement is a misalignment between the CSR activities of the mine and the community's developmental priorities. This in essence answers research sub-problem five, which sought to gain an understanding if there is a gap, why the gap exists between the social development needs of the community and the CSR activities selected by the mine. Residents identified crime, unemployment, poverty and informal settlements as the community's most immediate developmental challenges. An evaluation of the SLP against these challenges reveals an obvious misalignment. The company conceded to this in the 2014 and 2015 annual reports, where the LED projects undertaken had been found to be ineffective in addressing the developmental priorities of the mining communities, and a more vigorous community engagement approach was to be taken. There is a clear thread throughout the reports of community engagement challenges and as a result, community engagement and development have been prioritised by the company, in addition to its SLP commitments. As one resident put it, "the mine imposes their plans on the community, there is no consultation". Though it falls outside of the period under investigation, the 2017 integrated report shows that the challenges with community engagement are persistent and that there is more for the company to do in order to get this right.

5.4 Sustainability Challenges

The second sub-question for this research sought to understand what the most dominant social development challenges faced by the community are. The data revealed these to be unemployment, poverty, informal settlements and crime. This is in agreement with Cronje and Chenga (2009) who state that the majority of mining communities are characterised by poor socio-economic conditions, high unemployment and poverty. These communities are also usually heavily dependent on the operations of the mine for sustenance, and with mineral resources being finite; mine closure is another challenge these communities have to contend with inevitably. Boon and Ababio (2009) explain that the effects of mine closure not only exacerbate the unemployment challenge, but also other social ills. Mining by its very nature has potentially destructive social and environmental impacts and the mining industry under a lot of pressure to conform to sustainable development practices in order to minimise these impacts. This highlights the ensure that CSR initiatives are not only drivers social development, but also to ensure that these have a long lasting impact and are sustainable (Boon & Ababio, 2009; Cronje & Chenga, 2009).

This brings to the fore, the question embodied in research sub-question four which sought to understand the impact made by The Mining Company's CSR projects on the community's most dominant social development challenges. Most of the participants were able to mention at least one CSR initiative that they knew of. However, most of these according to the residents had not reached their full potential and had ended along the way without making any notable impact. The failure of the WOW project is one that a number of respondents lamented. With the project having been hailed as the solution to the inevitable requirement for a parallel economy for the mining community, its subsequent failure left a lot of unhappiness among residents. Both residents and key informants identified poor monitoring and evaluation mechanisms as a large contributor to the lack lustre impact of projects. One key informant conceded that the mine does not dedicate specific resources to the monitoring of CSR projects and that evaluation is done on an ad hoc basis, which allows a lot of mistakes to seep through the cracks. As one resident noted "It is a futile exercise to spend billions to try and build something which is not going to be sustainable".

Another possible reason for these sustainability challenges is the fact that the mine according to the key informants speaks of corporate social investment (CSI) when referring to its community interventions, not CSR. Thus, the very nature of the projects selected is reflective of the mine's philanthropic stance towards CSR, even if it is unintentional. As reflected in the literature, mining companies have for a long time taken a philanthropic approach to their CSR initiatives, and the result has been that these initiatives have had little or no impact on the root causes of the social problems in mining communities (Cronje & Chenga, 2009; Hamman & Kapelus, 2004). Esteves (2008a) proposes that the solution is a CSR approach which moves beyond merely treating the symptom, to an integrated and strategic CSR approach which seeks to find a sustainable solution to the problem by tackling the problem at its root. This would entail a three-way partnership between the mining company, the municipality and the community where the community is engaged more closely to gain a clearer view of their developmental priorities. The company's integrated annual reports show that the mining company is already doing this though the results may not yet be visible. Community engagement and development have escalated in importance since 2014 and according to the 2015 integrated report; the company's approach is underpinned by, among others; streamlining efforts to ensure tangible and sustainable impact that will continue beyond the life of the mine and engaging directly with communities to identify their specific needs, and then partnering with local government and other collaborative partners where possible.

5.5 Conclusion

Through the data analysis process, the major issues which were identified in the participants and key informant responses were grouped into two recurring themes, namely, poor stakeholder engagement and sustainability challenges. These themes were strongly corroborated by the literature review. The first theme, poor stakeholder engagement, discussed the communication and engagement challenges between the mine and the community. It emerged in the data that the in drafting its community development commitments for the mandatory social and labour plans, the mine does not do much to engage the community directly. The municipality's integrated development plans are instead viewed as a representation of the developmental needs of the community. This results in the mine embarking on CSR projects which have little to resonance with the developmental priorities of the community, and this leads to discontent among residents.

The second theme discussed concentrated on issues of sustainability of the CSR projects run by the mine. A common complaint among residents is that the mine embarks on projects which end up nowhere and are not seen to fruition. The lack of formal monitoring and evaluation mechanisms was identified by key informants and residents alike as a major contributing factor to this. Another factor identified is the approach seemingly taken by the mine, albeit unintentionally, of CSR as a philanthropic endeavour. This is evident in the constant reference to CSI within the company; this also comes through in the glaring misalignment between the company's CSR commitments on the SLP and the most dominant developmental needs identified by the community and key informants alike.

Chapter 6: Conclusions & Recommendations

6.1 Conclusions of the Study

The contribution of the mining sector to development is not only limited to the economy but extends to the socio-economic development of the communities within which mining operations occur. Given South Africa's socio-economic imbalances and the mining sector's historic involvement in enabling policies that contributed to these imbalances, there is an expectation that the mining sector in the country should be at the forefront of social development in the communities within which they operate. One way that mining companies contribute towards the socio-economic development of mining communities is through CSR. Ramodibe (2012) describes CSR as a tool used to advance the cause of giving back to the community. CSR has largely been hailed as the mining sector's solution to the mounting national and global calls for more socially responsible business practices in the sector. The government has through legislation and policies, placed CSR on a national platform, and conformance to these is a business imperative. It is against this backdrop that this study sought in the main, to ascertain the contribution made by The Mining Company to the social development of its surrounding mining community through CSR.

The findings of this research reveal that the developmental challenges facing the mining communities surrounding The Mining Company are crime, unemployment, poverty and informal settlements. While the mining company's commitment to community development is evident as outlined in the SLP, there appears to be a misalignment between the development priorities of the community and the focus areas of the mining company. This has been found to be largely due to lack of thorough consultation by the mine in the planning of their CSR commitments. As a result, many of the mining companies' efforts at community development have gone unrecognised by the community with the general sentiment being that the mine imposes its plans on the community. The research also found that the CSR projects engaged in have not been sustainable, with many having not achieved their intended objectives. Ineffective monitoring and evaluation mechanisms, in addition to poor consultation at the planning and design phase were identified major reasons for this.

Malm (2012) observes that most CSR projects do not involve active participation of the beneficiaries or community consultation during the planning and design phases and believes that in order to enhance the sustainability of CSR, a bottom up approach is required to assess the social needs of the community. Although the government has made strides in developing policies aimed at addressing the socio-economic imbalances in the mining sector, it is only through proper implementation and effective monitoring and evaluation processes that the real objectives of policies like the Mining Charter can be achieved.

6.2 Recommendations

Based on the findings of this research the following recommendations are made:

- Despite the company's best efforts at addressing the community engagement challenge, it persists. There remains an evident need for better community engagement, particularly at the planning and design phase of CSR. In the quest to attain social development in mining communities through CSR, mining companies need to actively engage mining communities in order to assess their social needs. While alignment with the municipality's priorities as set out in the IDP is not wrong, without sufficient community consultation, there is a clear gap in the stakeholder engagement process.

- Monitoring and evaluation needs to be recognised as an integral element in managing CSR projects. To this end, it is recommended that The Mining Company identify and assign trained Monitoring and Evaluation personnel specifically for CSR projects.

6.3 Suggestions for Future Research

The study sought to understand the contribution of mining companies to social development through CSR, using the case of The Mining Company based in the Gauteng Western Basin. To determine this, the structure of the research instrument sought to, among other things, facilitate a comparison between the communities' dominant social needs and The Mining Company's CSR initiatives during the period under investigation. The findings revealed a gap between The Mining Company's CSR initiatives and the communities' most dominant social needs. This was found to be due to poor stakeholder engagement by the mine, and a lack of sustainability of the CSR projects implemented. This study was useful in highlighting the importance of community engagement and monitoring and evaluation in the design and implementation phases of a CSR programme. Future studies could delve deeper into either one of these linkages e.g. (1) a study to determine the role of community engagement in designing a CSR programme (2) a study to determine the relationship between monitoring and evaluation and sustainability in implementing CSR projects.

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APPENDIX A

INFORMATION SHEET FOR PARTICIPANTS

THE CONTRIBUTION OF MINING COMPANIES TO SOCIAL DEVELOPMENT THROUGH CORPORATE SOCIAL RESPONSIBILITY

INVITATION TO TAKE PART IN A RESEARCH STUDY

My name is Naledi Jobo, I am a postgraduate student registered for the degree Master of Business Administration at the University of the Witwatersrand. As part of the requirements for the degree, I am conducting research under the supervision of Douglas Taylor, on the contribution of mining companies to social development through corporate social responsibility (CSR). It is hoped that the information obtained through this research may enhance the capacity of mining companies to carry out CSR in a manner that benefits mining communities and promotes development.

I have approached you as a potential interviewee and would appreciate your assistance in this research project.

WHAT TO EXPECT

The research process will take the form of semi structured interviews where open ended questions will be used to guide the conversation. The interview will be tape recorded to enable me to analyse the content and more easily compare opinions. Your opinion and experience is important and I am hoping they will help me form an understanding of the impact of CSR on social development.

TIME COMMITMENT

The interview should last about an hour and will take place in a venue acceptable to you. We can make arrangements closer to the time.

VOLUNTARY PARTICIPATION

Participation in this process is voluntary and you will not be compensated for your time. In that way we can ensure that there is no bias in the results.

RISKS

There are no known risks for the participant in this study. As noted below all information obtained and all personal details will be kept confidential and anonymous (refer below).

TERMINATION OF PARTICIPATION

You may decide to stop being a part of the research study at any time without explanation and without penalty. Any data obtained to that point will only be retained with your permission; otherwise it will be deleted / destroyed.

ANONYMITY / CONFIDENTIALITY

The data I will collect from you will consist of limited personal information, (marital status, employment status and age group) and is largely intended to get an idea of the demographics of the community as they relate to the social developmental needs of the same community. You have the right to limit how much information you provide in this respect.

The remainder of the data will comprise my notes and a recording of the interview. The data will initially be stored on my recording device and then my personal computer. Once the project is completed the data will be made anonymous, stored electronically with stringent password protection. No-one will have access to the data other than me. The data will be deleted within 24 months of completion, if not sooner. The results of the study will be published in my MBA dissertation and in any academic articles flowing from that. Participants will not be identifiable. This means that your anonymity will be respected.

Furthermore, any discussion you have with me, anything you say to me, will not be repeated to anyone else. This means that our discussion will remain confidential.

FUNDING

This research is not funded by any organisation.

FOR FURTHER INFORMATION ABOUT THIS RESEARCH STUDY

Please contact:

Naledi Jobo

Email: naledi.mpako@gmail.com

APPROVAL

The University Research Ethics Committee of the University of the Witwatersrand has reviewed and approved this research study.

APPENDIX B

CONSENT FORM FOR PARTICIPANTS

THE CONTRIBUTION OF MINING COMPANIES TO SOCIAL DEVELOPMENT THROUGH CORPORATE SOCIAL RESPONSIBILITY

MBA Research Project

Please tick the appropriate boxes **Yes**

Taking Part

I have read and understood the participant information sheet ☐

I have been given the opportunity to ask questions about the research ☐

I agree to take part in the research ☐

I understand that my taking part is voluntary; I can withdraw from the study at any time and I do not have to give any reasons for why I no longer want to take part. ☐

I agree for the data I provide to be archived at the University of the Witwatersrand

☐

Please also confirm that you, the participant, agree to the following:

I agree to the use of anonymous extracts from my interview in conference papers and academic publications ☐

I agree to the audio recording of the interview ☐

Name of Participant: --------------------------------------

Date: --------------------------------------

Signature: --------------------------------------

APPENDIX C

INTERVIEW SCHEDULE: QUESTIONS FOR PARTICIPANTS

Section 1: Demographic Information (Please indicate your selection by marking X)

1.1 Age:

- 16 -20
- 21- 25
- 26- 30
- 31-35
- 36 -40
- 41 -45
- 46 -50
- >50

1.2 Gender:

- Female
- Male

1.3 Employment Status:

- Employed (on the mine)
- Employed (elsewhere)
- Self employed
- Unemployed
- Retired (former mine worker)
- Retired (not former mine worker)

Section 2: What constitutes The Mining Company's CSR policy? What projects were run during the period under study i.e. January 2014 – January 2017?

2.1 How long have you been living in this area?
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…………………………………………………………………………………………..........
2.2 Have you ever benefited or taken part in any of The Mining Company's corporate social responsibility initiatives/ projects and for how long?
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2.3 How did you get involved in this/ these project(s)?
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2.4 What is your understating of the objectives of this/these project(s)?
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Section 3: What are the dominant social development challenges in the area?

3.1 Why did you move to this area?

- To be closer to work
- To look for work in the surrounding suburbs
- To seek business opportunities
- I am from another province, I had nowhere else to go
- Other, please specify

3.2 Do you stay:

- Alone
- With spouse only
- With children only

- With spouse and children
- With extended family (adults only)
- With extended family (adults and children)
- With friends (adults only)
- With friends (adults and children)

3.3 Do you or any member of your family attend school?

- Yes
- No

3.4 If answered yes in question 2.4 above, how far is the school from where you stay?

- < 10km away
- > 10 km away

3.5 How far is the nearest healthcare facility (clinic/ hospital) from where you stay?

- < 10km away
- > 10 km away

3.6 How would you rate the service you receive at your nearest clinic or hospital?

- Poor - The queues are always too long, and it takes too long to get assistance
- Fair – The queues are reasonable, and I am attended to without waiting for too long
- Good – The queues move fast as patients are attended to speedily

3.7 Do you have access to running water where you stay?

- Yes
- No

3.8 If yes, is it communal or is there a tap per household?

- Communal
- One per household

3.9 Do you have access to electricity?

- Yes
- No

3.10 Do you have access to a flush toilet?

- Yes
- No

3.11 Is it communal or is there a toilet in every household?

- Communal
- One per household

3.12 Do you live on accommodation provided by the mine/ own accommodation?

……………………………………………………………………………………………............

3.13 Do you think there are sufficient job opportunities in the area?

……………………………………………………………………………………………............

3.14 What are the two things in your immediate surroundings or personal life that you think would greatly improve your life right now?

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Section 4: What informs the choice of CSR initiatives undertaken by The Mining Company?

4.1 What CSR projects run by The Mining Company have you been involved in or benefited from and for how long?

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……………………………………………………………………………………………............
……………………………………………………………………………………………............

4.2 Have you ever been consulted at any point in time before a CSR initiative commenced, to solicit your opinion on what kind of projects would best meet your needs? If not, how did you find out about the initiative?

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4.3 To what extent were you involved in the selection, design and implementation process of the CSR initiative(s) run by The Mining Company?

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4.4 What are your personal expectations or objectives from the CSR programme (s) run by The Mining Company?

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Section 5: What impact have the CSR initiatives undertaken by The Mining Company had on the most dominant social challenges faced by the community?

5.1 Would you say that the CSR project(s) have met your expectations?

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5.2 How did you benefit from the project(s)?

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5.3 What were you most dissatisfied with about the project (s)?

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5.4 What changes would you recommend for future CSR projects to make them more sustainable and more beneficial to the community?

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Thank you for participating in this research.

APPENDIX D

INTERVIEW SCHEDULE: QUESTIONS FOR KEY INFORMANTS

1. What is role in the company?

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2. How long have you been with the organisation?

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3. What guides/ informs the selection of CSR initiatives?

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4. To what extent is the community involved in this selection?

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5. What do you perceive to be the major social challenges facing the community?

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6. To what extent would you say the CSR initiatives of The Mining Company have addressed these challenges?

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7. Is there any evidence of community interest and involvement in the initiatives implemented?

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8. What monitoring and evaluation mechanisms exist to measure the success or failure of CSR initiatives?

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9. What measures has the organisation put in place to ensure that its CSR initiatives are sustainable?

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10. What have been the biggest challenges in running these CSR initiatives?

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11. What improvements would you recommend in order to make the CSR initiatives The Mining Company more sustainable?

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Thank you for participating in this research.