

# **Corporate social entrepreneurship in selected South African banks**

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## **ABSTRACT**

Social entrepreneurship refers to individuals and groups using business principles to solve social problems. Corporate entities can use similar principles to bring about social change. Corporate social entrepreneurship is a strategic process designed to strengthen a business's social initiatives. It solves social challenges in a way that creates economic benefits for the company and greater social impact.

This study evaluated the way two well-established South African banking groups conducted their social investment work to determine the existence of corporate social entrepreneurship elements. It used qualitative research approaches to ascertain whether the corporate strategy created social and organisational value. It also determined the existence of corporate social entrepreneurship elements in the selected banks. The relevant data were collected using individual and focus group interviews with 12 representatives of the selected banks who contributed to the strategic and operational aspects of banks' social outreach work. The data gathered included recent reports from 2012 and 2014. The relevant data gathered were analysed using thematic cross analysis and supplemented by content analysis based on a document review.

The study found that the South African banks created social value through their social investment activities. However, the social investment activities generated limited economic value for the banks. This was attributed to specific efforts made to limit the influence of business motivations on social projects and the difficulty in attributing economic value creation to specific social interventions. Both the banks in this case study nonetheless possessed many elements of the corporate social entrepreneurship model.

In conclusion, the study found that corporate social entrepreneurship elements exist in both banks. The future adoption of corporate social entrepreneurship as a deliberate strategy depends on a bank's view on the appropriateness of gaining economic and organisational value from social activities among other factors. The

banks possessed the necessary hallmarks to apply the CSE process in their strategy.

## DECLARATION

I, Tsungai Carlene Gonzo, 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 at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

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Tsungai Carlene Gonzo

Signed at .....

On the ..... day of ..... 2016

## **DEDICATION**

To those who made this learning journey possible:

Mwari SaMasimbaose

My family: Cilla, Chengetai, Fiona, Cathrine and CT Gonzo

Exceptionally supportive friends: Samantha C, Thumiso M, Nyasha M and Rujeko M.

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## **ABBREVIATIONS**

BBBEE	Broad Based Black Economic Empowerment
BGA	Bank Group A
BGB	Bank Group B
CAQDAS	Computer Assisted Qualitative Data Analysis
CC	Corporate Citizenship
CE	Corporate Entrepreneurship
CSI	Corporate Social Investment
CSR	Corporate Social Responsibility
CSE	Corporate Social Entrepreneurship
KZN	KwaZulu Natal Province of South Africa
NECT	National Education Collaboration Trust
NGOs	Non-Governmental Organisations
NDP	National Development Plan
NPC	National Planning Commission
SE	Social Entrepreneurship
SI	Social Intrapreneur
SSI	Systemic Social Investment

# TABLE OF CONTENTS

<b>ABSTRACT .....</b>	<b>ii</b>
<b>DECLARATION.....</b>	<b>iv</b>
<b>DEDICATION .....</b>	<b>v</b>
<b>ACKNOWLEDGEMENTS .....</b>	<b>vi</b>
<b>ABBREVIATIONS .....</b>	<b>vii</b>
<b>TABLE OF CONTENTS .....</b>	<b>viii</b>
<b>LIST OF TABLES.....</b>	<b>xii</b>
<b>LIST OF FIGURES .....</b>	<b>xiii</b>
<b>CHAPTER 1. INTRODUCTION .....</b>	<b>14</b>
1.1 PURPOSE OF THE STUDY.....	14
1.2 CONTEXT OF THE STUDY .....	14
1.2.1 SOUTH AFRICA: THE SOCIAL OBLIGATIONS .....	14
1.2.2 CORPORATE SECTOR IN SOUTH AFRICA: CURRENT CONTRIBUTIONS .....	14
1.2.3 CORPORATE SOCIAL ENTREPRENEURSHIP: A STRATEGIC OPPORTUNITY .....	16
1.3 PROBLEM STATEMENT .....	16
1.3.1 MAIN PROBLEM .....	16
1.3.2 SUB-PROBLEMS .....	17
1.4 SIGNIFICANCE OF THE STUDY .....	17
1.5 DELIMITATIONS OF THE STUDY.....	18
1.6 DEFINITION OF TERMS .....	18
1.7 ASSUMPTIONS .....	19
<b>CHAPTER 2. LITERATURE REVIEW .....</b>	<b>21</b>
2.1 INTRODUCTION .....	21
2.2 CORPORATE SOCIAL RESPONSIBILITY .....	21
2.3 DEFINING CORPORATE SOCIAL RESPONSIBILITY .....	22

2.4	IMPORTANCE OF CORPORATE SOCIAL RESPONSIBILITY IN SOUTH AFRICA .....	23
2.4.1	CORPORATE RESPONSES TO CSR IN SOUTH AFRICA .....	23
2.4.2	CSR IN SOUTH AFRICAN BANKS.....	24
2.5	DEVELOPMENT OF CORPORATE SOCIAL ENTREPRENEURSHIP .....	25
2.5.1	ENTREPRENEURSHIP .....	25
2.5.2	CORPORATE ENTREPRENEURSHIP .....	26
2.5.3	SOCIAL ENTREPRENEURSHIP .....	26
2.6	CORPORATE SOCIAL ENTREPRENEURSHIP .....	27
2.7	MODELS FOR CORPORATE SOCIAL ENTREPRENEURSHIP .....	28
2.8	ELEMENTS OF THE CSE MODEL .....	30
2.8.1	EXTERNAL TRIGGERS.....	31
2.8.2	ORGANISATIONAL ANTECEDENTS.....	31
2.8.3	COLLABORATIONS.....	32
2.8.4	SOCIAL INTRAPRENEURS .....	32
2.8.5	SOCIETAL OUTCOMES .....	33
2.8.6	ORGANISATIONAL OUTCOMES.....	34
2.9	PROPOSITIONS .....	35
2.10	SHARED VALUE: SOCIAL AND ECONOMIC BENEFITS .....	36
2.11	CONCLUSION OF LITERATURE REVIEW .....	40
2.11.1	RESEARCH PROPOSITION 1:.....	41
2.11.2	RESEARCH PROPOSITION 2:.....	41
2.11.3	RESEARCH PROPOSITION 3.....	41

## **CHAPTER 3. RESEARCH METHODOLOGY..... 42**

3.1	RESEARCH PARADIGM .....	42
3.2	RESEARCH DESIGN .....	43
3.3	THE CASE STUDY DESIGN.....	43
3.4	CASE .....	44
3.5	UNIT OF ANALYSIS .....	44
3.6	PROPOSITIONS .....	45
3.7	DATA COLLECTION .....	45
3.7.1	INTERVIEWS.....	46
3.7.2	SEMI STRUCTURED INTERVIEW QUESTIONNAIRE .....	48
3.7.3	DOCUMENT REVIEW.....	49
3.8	DATA ANALYSIS AND INTERPRETATION .....	50
3.8.1	THEMATIC ANALYSIS.....	50
3.8.2	CONTENT ANALYSIS.....	51
3.8.3	WORD CLOUDS .....	52
3.9	LIMITATIONS OF THE STUDY.....	53
3.10	ENSURING QUALITY IN THE CASE STUDY RESEARCH DESIGN .....	53
3.10.1	CREDIBILITY .....	54
3.10.2	TRANSFERABILITY.....	55
3.10.3	DEPENDABILITY .....	56

## **CHAPTER 4. PRESENTATION OF RESULTS ..... 58**

4.1	INTRODUCTION .....	58
4.2	DESCRIPTION OF THE RESPONDENTS .....	58
4.3	OVERVIEW OF THE CSI STRUCTURES IN THE SELECTED BANKS .....	59
4.3.1	BANKGROUPA .....	59
4.3.2	BANKGROUPB .....	61
4.4	BANKS CREATING SOCIAL OUTCOMES.....	62
4.5	BANKS CREATING ORGANISATIONAL OUTCOMES.....	66
4.6	CORPORATE SOCIAL ENTREPRENEURSHIP ELEMENTS .....	73
4.6.1	EXTERNAL TRIGGERS .....	73
4.6.2	ORGANISATIONAL ANTECEDENTS .....	74
4.6.3	COLLABORATIONS.....	86
4.6.4	SOCIAL INTRAPRENEURS .....	89
4.7	SUMMARY OF THE CONTENT ANALYSIS .....	91
4.8	SUMMARY OF THE RESULTS .....	92

## **CHAPTER 5. DISCUSSION OF THE RESULTS ..... 93**

5.1	INTRODUCTION .....	93
5.2	CSR IN SOUTH AFRICA .....	93
5.3	BANKS CREATING SOCIAL OUTCOMES.....	94
5.4	BANKS CREATING ORGANISATIONAL OUTCOMES.....	95
5.5	CORPORATE SOCIAL ENTREPRENEURSHIP ELEMENTS .....	98
5.5.1	EXTERNAL TRIGGERS: NON-MARKET FACTORS DOMINATE.....	99
5.5.2	ORGANISATIONAL ANTECEDENTS .....	100
5.5.3	COLLABORATIONS.....	103
5.5.4	SOCIAL INTRAPRENEURS .....	104
5.6	CONCLUSION .....	105

## **CHAPTER 6. CONCLUSIONS AND RECOMMENDATIONS ..... 106**

6.1	INTRODUCTION .....	106
6.2	CONCLUSIONS OF THE STUDY.....	106
6.3	RECOMMENDATIONS .....	106
6.4	SUGGESTIONS FOR FURTHER RESEARCH.....	108

## **REFERENCES ..... 111**

APPENDIX A CASE STUDY PROTOCOL.....	1
APPENDIX B MBA RESEARCH INFORMATION SHEET .....	7



## LIST OF TABLES

Table 1-1: 2014 Social responsibility spend as reported by the banks.....	15
Table 2-1: Perceptions of CSI's value in corporate SA.....	24
Table 2-2: A summary of CSE at two Odebrecht sites .....	29
Table 2-3: A comparison of the definitions: CSE and creating shared value .....	36
Table 2-4: The rationale for creating a competitive context.....	39
Table 3-1: The advantages and disadvantages of interviewing elites .....	47
Table 4-1: Interviewee respondent profiles .....	59
Table 4-2: BankGroupA respondents' subtheme coverage from interviews .....	62
Table 4-3: BankGroupB respondents' subtheme coverage from interviews .....	62
Table 4-4: BankGroupA respondents' subtheme coverage on organisational outcomes.....	67
Table 4-5: BankGroupB respondents' input subtheme coverage on organisational outcomes.....	68
Table 4-6: Summary of organisational antecedents .....	86
Table 4-7: Summary of themes extracted from Atlas_ti.....	91

## LIST OF FIGURES

Figure 2-1: Model for corporate social entrepreneurship.....	30
Figure 2-2: Ways that corporate giving can foster shared value creation.....	38
Figure 3-1: Multiple case study procedure .....	44
Figure 3-2: Thematic analysis process of the study .....	51
Figure 4-1: BankGroupA structure and programme focus.....	60
Figure 4-2: BankGroupB CSI structure and programme focus.....	62
Figure 4-3: Word Cloud of all documents reviewed.....	91

# **CHAPTER 1. INTRODUCTION**

## **1.1 Purpose of the study**

This study evaluated the existence of elements of corporate social entrepreneurship as part of the corporate strategy process in two South African banks.

## **1.2 Context of the study**

### **1.2.1 South Africa: the social obligations**

South Africa faces a range of social challenges, despite being a leading emerging market economy (National Planning Commission, 2011). At least 20% of the population lives below the food poverty line, while Gini coefficient measurements indicate that the country has a widening inequality gap (Statistics SA, 2014). Economic growth and development require social equity (GIZ, 2013). In addition, further challenges posed by poor education outcomes, aging infrastructure, low formal employment figures and high disease burdens pose significant risk. Ensuring sustainability and protecting the environment are also major considerations in an economy largely dependent on the extractive sectors (National Planning Commission, 2011). The National Development Plan (NDP), Broad Based Black Economic Empowerment (BBBEE) codes and industry charters are just three ways that the South African government sought to guide business sector input into social issues (GIZ, 2013; Henry & Rifer, 2013).

Banking groups operate in South Africa are obliged to function in a manner that generates social value, in keeping with the recommendations of the NDP and elements of legislation, such as the Companies Act (2008), as noted by Kirby (2014).

### **1.2.2 Corporate sector in South Africa: current contributions**

In South Africa, business contributes a great deal to the civil society sector and NGOs, which tackled social sector problems, through its CSR and CSI initiatives. The

introduction of BEE scorecards (which required that 1% of net profit after tax should be dedicated to CSI) resulted in growing CSI contributions, stated Cathy Duff in an article written by Mompei (2014). The following figures supported her assertions:

- In 2011/2012, Trialogue noted that the corporate sector contributed R6.9 billion to social causes and NGOs (MacLoad, 2012).
- In 2012/2013, Trialogue quoted CSI spending at R7.8 billion (Mompei, 2014).
- In 2013/2014, CSI expenditure was calculated at R8.2 billion (Triologue, 2014).

Most of this CSI expenditure came from a few dozen financial services, mining and retail corporates (Mompei, 2014). In 2014, the monetary value of CSI support contributed by the banks in South Africa, amounted to over half a billion Rand. Table 1-1 below includes figures extracted from various integrated annual reports.

**Table 1-1: 2014 Social responsibility spend as reported by the banks**

<b>Banking Entity</b>	<b>CSI spend reported</b>
ABSA/ Barclays Africa (SA only)	R109.9 million (BarclaysAfrica, 2014)
FirstRand Foundation	R129 million (FirstRand, 2014)
Nedbank Group	R151 million (Nedbank, 2014)
Standard Bank Group (SA only)	R115million (StandardBank, 2014)

In light of these significant investments, corporates should see more impact for their contributions than they did, according to Manchidi (2014). Setlogane Manchidi is Head of CSI at Investec and his viewpoint was:

“It’s time to ask serious questions of our approach to CSI... As long as we marginalise our social impact in the way we teach business, when it comes to

execution, business will inevitably push back. But, if you link CSI strongly to the creation of both business value and societal value, you are halfway there.” (Manchidi 2014, pg. 20).

His words suggested a need to rethink CSI and CSR in South Africa. This study proffered a contribution to a response to this issue.

### **1.2.3 Corporate social entrepreneurship: A strategic opportunity**

Austin, Leonard, Reficco, and Wei-Skillern (2006b) proposed that corporate social entrepreneurship processes supported robust approaches to CSR and resulted in both economic value and social value for a company. The motivation for this shift in thinking was less about charity and more about understanding the nuances of economic value creation in future with new ways to find and service markets (Michelini, 2012; Porter & Kramer, 2006). Corporations, like the banks in this study, could find that their social responsibility work acted as a trigger for business development opportunities (Kanter, 2003). A business could build a competitive advantage by changing the competitive environment (Porter & Kramer, 2006) and socio-political context (Zaefarian, Tasavori, & Ghauri, 2015) through its corporate social responsibility work.

Odebrecht in Brazil registered success with a CSE created by Spitzeck, Boechat, & França Leão (2013). This study sought clarity about the existence of corporate social entrepreneurship elements through a qualitative review of two banking concerns in South Africa.

## **1.3 Problem statement**

### **1.3.1 Main problem**

South Africa’s social and environmental challenges continue to mount despite significant contributions by corporations and guiding policy positions from government. This study explored the possibilities for corporate social entrepreneurship as a promising way for

business to leverage its contribution to South African society more effectively and potentially benefit the organisation as a result.

The main problem of the study was to ascertain the applicability of and readiness for the corporate social entrepreneurship concept in the South African banking context.

### **1.3.2 Sub-problems**

The first sub-problem explored existing social value creation mechanisms in the banking groups.

The second sub-problem explored economic and organisational value creation in the banking groups.

The third sub-problem considered the applicability of corporate social entrepreneurship elements in the banking groups to ascertain applicability and potential adoption in corporate strategy.

## **1.4 Significance of the study**

This study and its findings offered guidance to parties interested in the overall direction of business' role in society, particularly in the South African banking sector. Solving social challenges in a way that creates economic benefits for the company presents an opportunity for greater social impact and profitability for business leaders. This study provides an understanding of whether or not an existing model for CSE is relevant for the local banking sector.

This study provided additional insights on:

- The bank strategies alignment with corporate social entrepreneurship
- The type of corporate social responsibility initiatives that created both social benefits and economic benefits for local banks
- The type of corporate structures that supported more effective social outreach programmes

- The type of individuals, staff or management, that supported corporate social entrepreneurship
- Useful guidance to other banks in the country, all of whom follow the same legal frameworks in their work

## 1.5 Delimitations of the study

The study **did not**:

- Review corporate entities in the wider financial sector. Its focus was on corporate entities in the retail or investment-banking sectors, particular when they were part of the same overall business.
- Explore all four of the major banking groups in South Africa but rather explored two and completed a reasonably detailed case study that could act as a springboard for future research.
- Explore the role of the individual, as a corporate social entrepreneur, in isolation, in the corporate entity as a leader or contributor (Hemingway, 2005); however, this may be a good subject for a future study.

## 1.6 Definition of terms

The following are a list of important terms used in this study:

**Corporate Citizenship (CC)** defined by McIntosh (2010) as a state where the corporation is an active contributor to society, with the responsibility to contribute to social issues in the same way that individuals do.

Austin, Leonard, Reficco, & Wei-Skillern (2006b, p. 170) defined **corporate social entrepreneurship (CSE)** as:

“...the process of extending the firm’s domain of competence and corresponding opportunity set through innovative leveraging of resources, both within and

outside its direct control, aimed at the simultaneous creation of economic and social value.”

**Corporate Social Investment (CSI)** or philanthropy was defined as an instance where action occurred for social good. Often this was separate from the business activities of a company; it may involve monetary and in kind contributions whose effectiveness and impact may be measured, analysed and reported on (Cohen, 2010).

**Corporate social responsibility (CSR)** included guided efforts, on the part of a business, to improve the social lives of those impacted by its economic activities (Frederick, 2008).

Austin, Stevenson, and Wei-Skillern (2006a) defined **social entrepreneurship** as innovative activities in and across various sectors that result in the creation of social value. These sectors included the non-profit, governmental and business sectors.

A **social entrepreneur** was defined as an individual who used creative means to address some of the world’s most challenging social problems (Ashoka, 2014).

A **social intrapreneur** was defined as an individual within a large corporation who initiated innovations that profitably address social and environmental challenges (Grayson, McLaren, & Spitzbeck, 2011).

**Sustainability** was defined by Visser (2010) as an umbrella concept that considers the way an individual and corporate members of the society interact with the environment to achieve the support of present human needs while preserving the same for future needs.

## 1.7 Assumptions

The following assumptions were made in the study:

- CSR and related activities had existed within the bank for some time and, where relevant, the respondents were able to speak knowledgeably about the organisation’s strategic position on these initiatives.

- The banking sector entities selected already subscribed to the idea that banks have a role to play in creating social value in the communities in which they operate.
- The banks constantly sought opportunities to gain a competitive advantage through all elements of their operations.
- The CSI divisions in the banks exhibited examples of social value creation.
- The case study interview respondents shared their knowledge and insights openly and honestly.

## **CHAPTER 2. LITERATURE REVIEW**

### **2.1 Introduction**

This review of the literature explored the links between corporate social responsibility, creating shared value and corporate social entrepreneurship. References to entrepreneurship, social entrepreneurship and commercial entrepreneurship as precursors to corporate social entrepreneurship were considered. The discussion on corporate social entrepreneurship included a review of concepts that supported the development of the process and a model for its execution.

This review outlined how CSR and CSI could be strengthened using the CSE process, result in the creation of shared value, a combination of social and economic benefits.

### **2.2 Corporate social responsibility**

Since the late 1990s, CSR had become a widely accepted concept among a wide range of stakeholders including civil society, corporations and governments. It had progressively become more central to organisational strategy (Lee, 2008) noted as a concept with increased importance and significance (Carroll & Shabana, 2010). In today's business environment, CSR was a necessity with serious consequences for business leaders who did not pay attention to it (Cochran, 2007).

Corporate social responsibility has been applauded (Henry & Rifer, 2013; McIntosh, 2010; Tshikululu, 2015) and criticised (Cochran, 2007; Friedman, 1970).

On the one hand, in support of CSR, Schwab (2008) suggested alignment between corporate citizenship and sustainability; it was in business' enlightened self-interest to consider social issues more than ever before. Overlooking social issues would affect the bottom line and hurt corporations. In addition, corporations had the resources to make a difference on social issues and benefited from a proactive posture when social challenges arose (Carroll & Shabana, 2010).

On the other hand, there are those who did not support CSR. The most noted denunciation of CSR was Milton Friedman's assertion that the only social responsibility of the firm is to protect the interests of shareholders (Friedman, 1970). In the same vein, Hayek (1969) quoted in Carroll and Shabana (2010) shared concerns that the pursuit of social objectives distracted from the proper goals of the business. There was also the belief that staff in corporate entities did not have the expertise to tackle social challenges and that working on social issues gave businesses too much power (Davis, 1973). However, the Friedman's rebuke used assumptions that CSR effort was uncoordinated and disconnected from corporate strategy (Porter & Kramer, 2006).

Many studies attempting to link CSR with corporate profitability have been conducted. Some studies suggested that CSR enhanced profitability based on its impact on key stakeholder groups, such as employees, governments, the media and customers (Cochran, 2007). The same author went on to state clearly that socially responsible activities can and should be used to enhance the company's bottom line. Simultaneously seeking business profit and social betterment generally improved a firm's reputation among stakeholders, which led to higher profits (Cochran, 2007).

### **2.3 Defining corporate social responsibility**

There were many definitions of CSR reviewed. However, Dahlsrud (2006) stated that it was more important that companies understood what they were trying to achieve in their social context and created an appropriate programmes, rather than sought a perfect definition for the term.

In this study, the definition used most aligned with the outward focus of CSR as noted in Lantos (2001). According to Lantos (2001), corporate social responsibility involved a shared understanding of corporate obligation to respond to the long-term needs of society, by minimising the negative effects and maximising the positive effects of corporate action on the society.

## **2.4 Importance of corporate social responsibility in South Africa**

As noted in the problem statement, there was impetus from the South African government that supported CSR initiatives in the country. After 1994, the democratic government introduced legislation designed to support the creation of an equal South Africa (Arya & Bassi, 2011). The regulations included social development support requirements, Broad Based Black Economic Empowerment (BBBEE) codes and industry charters that businesses were advised to comply with in order to retain the licences to operate (GIZ, 2013; Henry & Rifer, 2013).

CSR in the banking sector was largely aligned with the obligations of the Financial Services Charter of 2012, which included socially oriented elements such as skills, enterprise and socio-economic development. Banks were required to engage with these issues and create value for South African society (Financial Sector Charter Council, 2013). This study explored whether selected banks had certain elements in place to shift to an approach that allowed business value to flow back into the bank while fulfilling the sector charter and other social obligations.

CSR was changing with the increasing demands of society on companies that operated in South Africa. Relevant legislation made it imperative for business to contribute to developmental goals such as poverty alleviation and social equality (Hinson & Ndhlovu, 2011). To ensure its effectiveness, companies needed to create engagement and alignment between business and society for superior outcomes (Austin, Leonard, Reficco, & Wei-Skillern, 2006d).

### **2.4.1 Corporate responses to CSR in South Africa**

The results of a survey conducted by Tshikululu Social Investments, showed a dramatic increase in business sector CSR spending from R2billion in 2003 to almost R8billion in 2013 (Henry & Rifer, 2013). CSR spending was driven by customers' perceptions of activities in the retail and financial services sectors, in particular. Executives stated that CSR impact mattered more than the regulatory drivers of CSR did. Shareholder interest in CSR was also reported to have a great deal of impact on decision making in this arena

(Henry & Rifer, 2013). A new breed of investors in South African brands emerged after 1994. These individuals joined the ranks of the middle class from previously disadvantaged communities with a strong social conscience and interest in the social value business created in the country (Henry & Rifer, 2013).

#### **2.4.2 CSR in South African banks**

The individual bank reports noted in Table 1-1, indicated that banks in South Africa were engaged in CSR/CSI activities and investing heavily (Barclays Africa, 2014; First Rand, 2014; Nedbank, 2014; Standard Bank, 2014). Research conducted by social investment fund advisors, Tshikululu, showed that South African businesses believed that social responsibility work benefit their companies.

Although South African companies engage in CSR activities, it was often referred to as CSI; often the terms were used interchangeably.

**Table 2-1: Perceptions of CSI's value in corporate SA**

(Reconstructed from Tshikululu (2015))

<b>Perception: Value added to firm by CSI</b>	<b>% of respondents</b>
None at all	0%
A small amount	7%
A moderate amount	27%
A large amount	28%
A very large amount	38%

According to the Financial Services Charter, entities in this sector allocated at least 1% of the net profit after tax for purposes of social development (Department of Trade & Industry, 2012).

## **2.5 Development of corporate social entrepreneurship**

Four elements contributed to the development of corporate social entrepreneurship: entrepreneurship, commercial entrepreneurship, social entrepreneurship and corporate social responsibility (Austin et al., 2006b; Spitzeck et al., 2013).

### **2.5.1 Entrepreneurship**

Stevenson and Gumpert (1985) are cited (Austin et al., 2006d; Austin & Reficco, 2009) for defining entrepreneurship as the exploitation of opportunity through the innovative use of resources primarily beyond internal control.

Benneworth and Osborne (2015) quoted the following defining definition, which considered resource management and innovation as well.

Entrepreneurship refers to an individual's ability to turn ideas into action. It includes creativity, innovation and risk taking, as well as the ability to plan and manage projects in order to achieve objectives. (Directorate-General Enterprise and Industry 2012: 7)

Klapper (2013) suggested that entrepreneurship definitions highlighted the exploitation of opportunities, the creation of value and the possibility of a value creation process.

Recognition of the benefits accrued through entrepreneurship, such as innovation, supported the development of subsequent forms of entrepreneurship (Austin et al., 2006b; Huybrechts & Nicholls, 2012). Austin and Reficco (2009) mentioned Schumpeter (1934) for the belief that entrepreneurship would shift from individuals to corporations with greater resources. Although this occurred, organisational bureaucracy subdued innovation in corporations (Austin & Reficco, 2009).

### **2.5.2 Corporate entrepreneurship**

Corporate (or commercial) entrepreneurship was adopted by companies hoping to find opportunities to build competitive strategies for their organisations (Austin et al., 2006b) and circumvent the bureaucratic features that stifled innovation (Austin & Reficco, 2009). Covin and Miles (1999) considered corporate entrepreneurship a good way to promote and sustain business competitiveness using innovation to rejuvenate or redefine organisations, markets or industries.

Austin (2006c) acknowledged the value contributed by normal business operations, which resulted in increased shareholder wealth and job creation. However, he suggested that further value was unearthed through exploring internal corporate capacity and resources that could unlock social value and offer positive organisational benefits for the firm and the economy. Austin, Stevenson, and Wei-Skillern (2006a) suggested that when challenges arose in commercial enterprises, opportunities were created for socially focused entrepreneurship.

### **2.5.3 Social entrepreneurship**

Social entrepreneurship emerged from strong associations in the non-profit sector into mainstream thinking (Urban, 2010). Mair and Marti (2006) viewed social entrepreneurship as the innovative combination and use of resources to exploit opportunities that accelerated social change. This was just one scholarly definition, a variety of definitions for social entrepreneurship exist. One widely accepted feature of the varied definitions was that the term refers to activities that focused on social and environmental outcomes, as opposed to profit and other strategic priorities (Austin et al., 2006a; Huybrechts & Nicholls, 2012). A second key feature of SE concept was the innovative inclusion of new models and processes, products and services, and thinking that tackles social issues (Huybrechts & Nicholls, 2012).

Social entrepreneurship applied in corporate entities, argued Austin et al. (2006b). Corporate social entrepreneurship was, potentially, an ideal process for organisations who sought more impact in their corporate citizenship activities (Austin et al., 2006b).

## **2.6 Corporate social entrepreneurship**

The term corporate social entrepreneurship (CSE) has gradually created more interest among scholars, some of whom have written specifically on the subject (Austin, 2006c; Austin et al., 2006b; Austin, Leonard, Reficco, & Wei-Skillern, 2008; Austin et al., 2006d; Austin & Reficco, 2009; Austin et al., 2006a; Spitzeck et al., 2013; Hadad (2015)). Schwab (2008) suggested that corporate social entrepreneurship presented a way to turn socially and environmentally friendly ideas into products and services. Zhang and Zhang (2016) considered corporate social entrepreneurship a refinement of social entrepreneurship that responded appropriately to societal expectations. Zhang and Zhang (2016) asserted that CSE afforded organisations a way to become more effective social change agents. Hadad (2015) contributed to current thinking by looking at three strategic angles that CSE applied: a market development tool, a transformational innovation tool and a local development. This aligned with the views of other writers who considered CSE to have applications for social and business needs.

Corporate social entrepreneurship was characterised by innovation and opportunity, like other forms of entrepreneurship. However, CSE had certain characteristics that are unique to this form of entrepreneurship, such as the creation of social value and the use of various forms of collaboration, not necessarily key features of corporate entrepreneurship. CSE also offered the ability to capitalise on non-market external triggers and the created intangible organisational outcomes (Austin et al., 2006d; Spitzeck et al., 2013).

This study explored the features of CSR, improved in South African banking using available theory on CSE (Austin, 2006c; Austin et al., 2006d; Austin & Reficco, 2009). It used an existing model created and based on projects that utilised corporate social entrepreneurship in Brazil (Spitzeck et al., 2013).

Questions remained about how well CSR integrated into company strategy. Corporate social entrepreneurship offered a framework for this integration, which could bolster the impact of CSR (Austin & Reficco, 2009; Spitzeck et al., 2013). CSE was not a new form of CSR. CSE represented a process framework that catalysed more effective social

responsibility initiatives for both societal and business' benefit (Austin et al., 2006b; Michelini, 2012).

Spitzeck et al. (2013) suggested that CSE may also be an appropriate response to market and non-market forces that affect the way business operates. Societal demands were among the forces compelling firms to act in a way that ensured businesses remained relevant to consumers in the long term (Austin et al., 2006b).

## **2.7 Models for corporate social entrepreneurship**

Spitzeck et al. (2013) offered two case studies for CSE in action within Odebrecht. A summary of the elements of the projects and key issues that defined the solution were noted in Table 2-2

Odebrecht is a Brazilian company that operated throughout the Americas. In order to complete a hydroelectric power plant construction and a major road construction, the company used potential risks to drive CSR and sustainability. The best CSR projects focused on converging interests of communities and the business (Spitzeck et al., 2013).

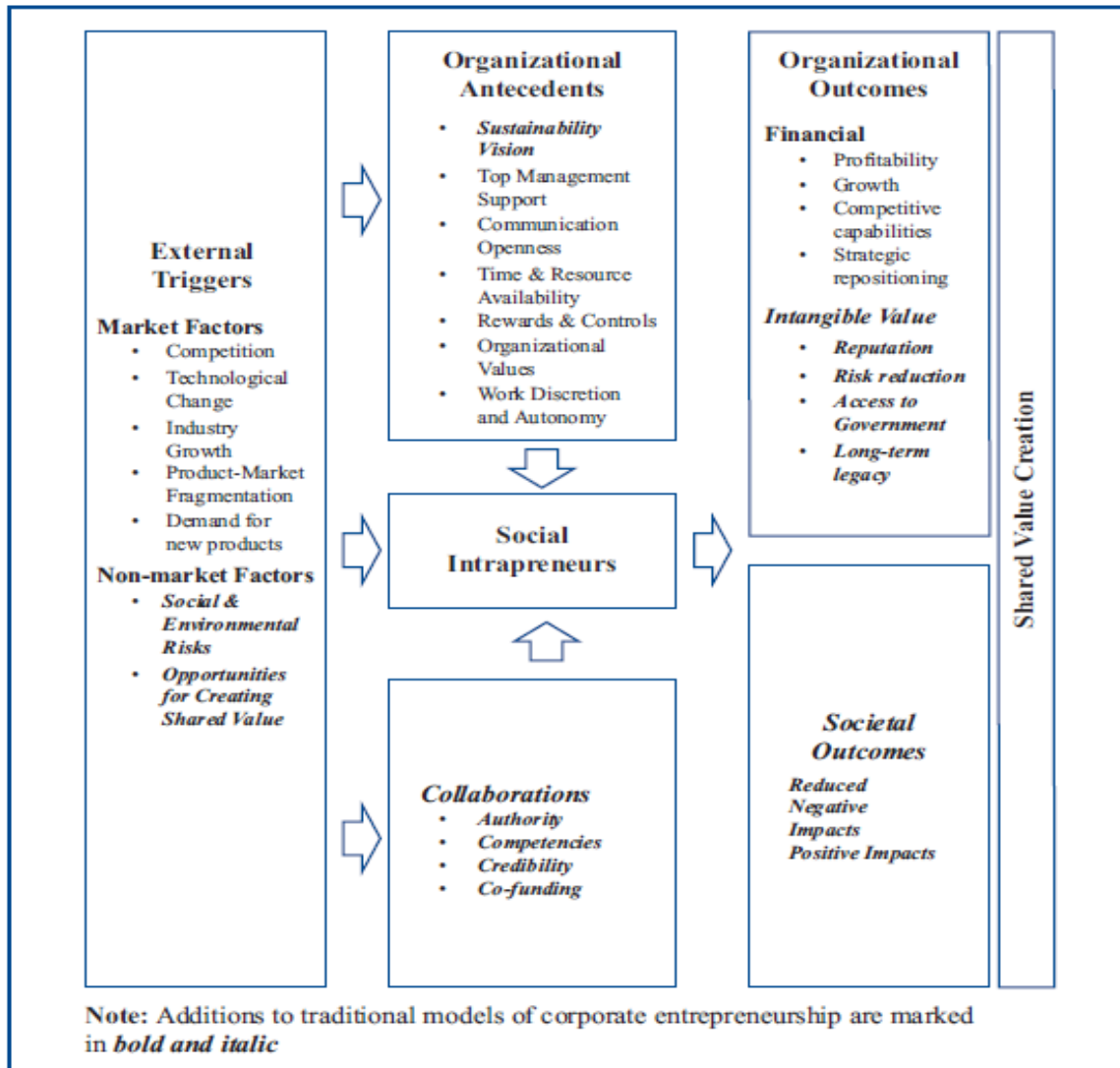
n

**Table 2-2: A summary of CSE at two Odebrecht sites**

(Extracted from Spitzreck et al. (2013, p. 618))

	<i>Santo Antônio</i>	<i>Interoceánica Sur</i>
External (non-market) triggers	Migration of construction workers leading to: <ul style="list-style-type: none"> <li>– increasing crime rates</li> <li>– stress on existing infrastructure</li> <li>– prostitution</li> </ul> The flooding of vast areas of land, leading to: <ul style="list-style-type: none"> <li>– deforestation</li> <li>– loss of biodiversity</li> <li>– relocation of local population</li> <li>– breeding ground for mosquitoes with impacts on health (e.g. malaria)</li> </ul>	The planned highway runs through areas characterised by: <ul style="list-style-type: none"> <li>– sensitive ecological areas</li> <li>– poverty</li> <li>– malnutrition</li> <li>– inefficient business administration</li> </ul>
Innovation	ACREDITAR programme training local population and reducing the need for worker migration Low head turbines reducing the area to be flooded	Planning of the route as well as training of the people along the highway for agricultural and handicraft production and sustainable tourism
External collaborations	Ministry of Social Development Local and state governments Schools Universities	Ministry of Tourism Local and state governments Citizen groups Industry and handicraft associations NGOs such as Conservation International Inter-American Development Bank
Organisational outcomes	Avoiding delays and in this case achieving production one year ahead of schedule Building relationships with the government which is the main client (visit by President Lula) Avoiding reputational risks and negative media from protests	Increased income from highway concession Co-funding of local development initiatives by partners
Societal outcomes	Training of 36,000 people Recruitment of 24,708 people Increasing income Lower environmental impact Lower need for worker migration and thus reduced social impacts	Employment generated for 10,000-30,000 people Education and training of local population (management of handicrafts, agricultural business) Local economy increased by ca. \$US3bn

The findings of the Odebrecht projects offered a model for the CSE process. The entire model was geared towards creating sustainable outcomes in the business’s external context. The elements of the model represent a theoretical framework that other businesses could emulate (Spitzreck et al., 2013).



**Figure 2-1: Model for corporate social entrepreneurship**

(Extracted from Spitzbeck et al. (2013, p. 619))

## 2.8 Elements of the CSE model

The CSE model depicted in Figure 2-1 included descriptions from Austin, his colleagues in 2006 to 2009, the case study work of Spitzbeck, and his colleagues in 2013. Various scholars have given the elements of the process different names. However, the creation of social and economic outcomes and the presence of an array of organisational

characteristics were common to the writers. The elements of the CSE model were each described in sections 2.8.1 through to 2.8.6. Thereafter, additional focus was placed on the benefits generation by CSE.

Agrawal, Sahasranamam, Khilji, and Schuster (2016) conducted studies that showed CSE could result in explicit and implicit outcomes. Spitzeck et al., (2013) referred to tangible and intangible value created for the organisation through CSE, as well.

### **2.8.1 External Triggers**

It was crucial to consider externalities in business decision making because they influenced society as a whole (Spitzeck et al., 2013). Conversely, it was important to consider externalities as opportunities for value creation (Porter & Kramer, 2011); in the Odebrecht case study, a social-environmental diagnostic tool was deliberately created to support the identification of externalities (Spitzeck et al., 2013).

### **2.8.2 Organisational Antecedents**

The Spitzeck et al. (2013) model had a number of corporate entrepreneurship features, which included:

- Communication openness;
- Corporate reward and control mechanisms;
- Environmental scanning intensity;
- Time availability;
- Top management support; and
- Organisational values.

In addition, a sustainability vision was accepted as organisational forerunner to achieving CSE. It inspired members in the company to innovate and located external collaborations in response to this humanistic vision (Spitzeck et al., 2013).

Zaefarian et al. (2015) bundled similar characteristics together, citing organisational values, open communication and organisational support as key enablers of CSE. Values that fostered corporate entrepreneurship and social responsibility were especially valuable according to Zhang & Zhang (2016); particularly when shared by leaders who supported the same values (Zaefarian et al., 2015).

Interestingly enough it was suggested that corporates that desired entrepreneurial work styles needed to grant their staff more autonomy (Zaefarian et al., 2015).

Austin and Reficco (2009) mentioned organisational values in particular and highlighted that values driven action in organisations, getting the organisational values linked with advancing CSR and social value creation was essential.

“Value congruency across the organisation allows for the infusion of a social entrepreneurship spirit under the umbrella of a large structure”

Austin and Reficco (2009, p. 5)

### **2.8.3 Collaborations**

Cross-functional, internal collaboration was an accepted part of corporate entrepreneurship (Spitzeck et al., 2013). Cogenerating value with external parties in government, business and society stood as an integral part of marshalling resources for CSE (Austin & Reficco, 2009). Zhang and Zhang (2016) stressed that social issues in their complexity can only be solved when groups of stakeholders pooled resources, and expanded complimentary core competencies among the partners. Well-organised and executed collaborations also gave legitimacy to the work undertaken (Spitzeck et al., 2013; Zhang & Zhang, 2016).

### **2.8.4 Social intrapreneurs**

The Spitzeck et al (2013) model highlighted the role played by people. In the Odebrecht projects, the employees in the company acted as social intrapreneurs. Hemingway

(2005) called these people corporate social entrepreneurs. In order to capitalise on the opportunities presented by the CSE concept, organisations needed individuals with a range of skills and experience (Austin & Reficco, 2009; Zhang & Zhang, 2016). Some examples included

- Idealists and pragmatists for vision and planning
- Calculators maintained perspective of the bottom line
- Internal champions advocated for shared value integration
- External co-ordinators mobilised resources across stakeholder groups
- Creative constructors and disruptors created new realities and ideas
- Effective leaders and team supporters for more strategic forms of CSR

Grayson et al. (2011, p. 3) consider social intrapreneurs as

“People within a large corporation who take direct initiative for innovations which address social, environmental challenges profitably”

This study touched on the role of corporate social intrapreneurs. However, as noted in the study delimitations, this study focused, primarily, on the organisational system as a whole.

### **2.8.5 Societal Outcomes**

Social value creation was considered in a variety of ways.

Spitzeck et al. (2013) offered two types of societal outcomes:

- those that reduced anticipated negative impacts or
- those that created positive impacts through integrated external triggers, managed risks or leveraged potential opportunities.

Social value creation was achieved through four means, according to Zaefarian et al. (2015):

- Social value added by initiatives that addressed complex social issues
- Empowerment through , for example, skills development and employment creation
- Systemic change
- Social innovation where better outcomes are achieved using fewer resources

### **2.8.6 Organisational Outcomes**

CSE generated both economic and social benefits, in a way that allowed the two outcome types to be synergistic, not competing priorities (Austin & Reficco, 2009).

The benefits that an organisation accumulated due to CSE are noted by the academic writers:

- Spitzeck et al. (2013) termed these organisational outcomes that include benefits that resulted in financial gain (profitability, growth, competitive capabilities and strategic repositioning) and intangible value (reputation, risk reduction, access to government and the business's long term legacy).
- Zaefarian et al. (2015) offered three organisational benefits to CSE:
  - Enhanced corporate performance, based on new business opportunities, such as value added products and services, triggered by socially responsible operations.
  - Prevention of or exit from potential organisational crises due to the values driven strategy and the interdependent work CSR activities demand from participants at all levels of an organisation.
  - Organisational alignment improved a company's reputation among stakeholders and employees.

Porter and Kramer (2011) emphasised that organisational outcomes should consist of new economic benefits and should not be confused with value accrued by the business through its normal operations.

## 2.9 Propositions

The literature review revealed that the main banking concerns in South Africa contributed large amounts to social causes and programmes. Writers on CSI in South Africa indicated businesses found it imperative and valuable to contribute to South African society. In addition, national government had policies in place, which encouraged CSI.

Therefore the first proposition of the study was:

The South African banks evaluated in this study created social outcomes through their social responsibility activities.

CSE readings in the review of the literature contended that business would also benefit from the social outreach. The writers noted that these benefits were economic or organisational, tangible or intangible. This created broadened possibilities for business benefit in the study.

The second study proposition of the study was:

Corporate social entrepreneurship model elements already exist, in some form, in South African banks' CSI work.

The CSE model laid out a variety of elements with indicators that the study sought during its exploration of the banks in question. The presence of each of these major elements was considered an indicator that selected banks possessed characteristics for readiness to accept and potentially adopt CSE into its practises.

Therefore the third proposition of the study was:

Corporate social entrepreneurship model elements already exist, in some form, in South African banks' CSI work.

## 2.10 Shared value: social and economic benefits

Corporate social entrepreneurship brought business and social issues together in potentially impactful ways (Austin, 2006c) that meet the regulations and social needs of a country.

The main difference between corporate entrepreneurship and social entrepreneurship were the benefits created: organisational or economic value generated by former and social value through the latter (Austin et al., 2006a).

There were similarities the definition for corporate social entrepreneurship offered by Austin et al (2006b) and that for creating shared value offered by Porter and Kramer (2011). Therefore, to create both social and organisational benefits, the study considered shared value a key component of corporate social entrepreneurship whose elements required special focus. Table 2-3 offered a side-by-side comparison of the two definitions.

**Table 2-3: A comparison of the definitions: CSE and creating shared value**

Corporate social entrepreneurship	Creating shared value
<p>“The process of extending the firm’s domain of competence and corresponding opportunity set through innovative leveraging of resources, both within and outside its direct control, aimed at the simultaneous creation of economic value and social value” (Austin et al., 2006b p. 170)</p>	<p>“Policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities which it operates.” (Porter &amp; Kramer, 2011 p. 70)</p>

Business succeeds in thriving societies that have well educated people where large numbers of consumers provided demand for goods and services, and, therefore, business profits. Society also needed companies to do well, provide jobs and innovations

that improved the quality of life in ways social assistance programmes simply could not. Shared value represented success for all, when social benefits and economic benefits are realised (Porter & Kramer, 2006).

Shared value creation depended on the firm's ability to focus CSR on certain areas and direct corporate giving appropriately (Porter & Kramer, 2002). Firms should focus and build on their core competencies (Porter & Kramer, 2002). Cisco Systems managed to create both organisational and social outcomes through its social responsibility work when it focused CSR on networking training, an internal strength. The outcome was skills development for young community members and a growing number of technical specialists able to deploy Cisco technology (Porter & Kramer, 2002).

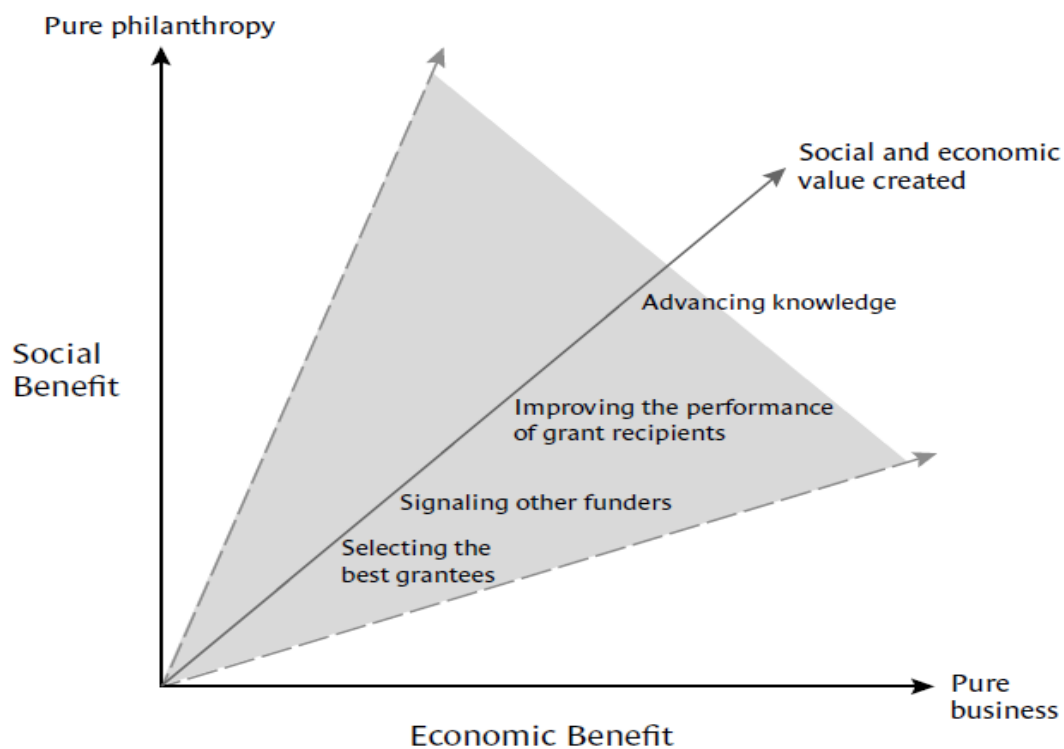
Social and economic value inevitably linked; in the long term, they should be viewed as integrated (Cochran, 2007; Porter & Kramer, 2002). For example, a large amount of the CSR funding in South Africa went to education; business leaders understand that poor education outcomes may result in severe skills shortages in the future, impacting economic growth and business profitability (Henry & Rifer, 2013). Collaborations were important as well, corporations should bear in mind that value was created through clusters of businesses linked by industry and collaborative opportunities (Porter & Kramer, 2002).

Creating social value and economic value supported decision making in the business that considered the impact a social issue had on the business; and whether a given social issue presented an opportunity for the business (Porter & Kramer, 2006). Porter and Kramer (2006) highlighted three types of social issues:

1. Generic social issues
2. Value chain social issues
3. Social dimension social issues,

The more relevant the social issue was to the business, the more likely that a combination of social and business value could be derived from pursuing the issue (Porter & Kramer, 2006). Spitzack et al. (2013) suggested that these social issues should

be considered non-market triggers, prompting business responses. For example, in the future South African banks need mathematics and finance graduates. This represented both a generic social issue (education) and a value chain social issue (specialised banking special skills required). In this way CSR, which incorporates CSE, became an integral part of the corporate strategy (Porter & Kramer, 2006).



**Figure 2-2: Ways that corporate giving can foster shared value creation**

(Extracted from Porter and Kramer (2002, p. 7))

Figure 2-2 shows a range of outcomes that arose from a balanced mix of social and economic benefits (Porter & Kramer, 2002). At the optimal balance value creation, opportunities exploited created an improving competitive context for businesses in a particular economy by building new capabilities among the implementers of social good (Porter & Kramer, 2002). Porter and Kramer (2002) offered guidance about actions business can take to bolster the probability that corporate giving would result in an improved competitive context, social and economic value in Table 1-1

**Table 2-4: The rationale for creating a competitive context**

(Adapted from Porter & Kramer (2002))

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<b>Contribution</b>	<b>Rationale</b>
<b>Selecting the best grantees</b>	A detailed and disciplined research process led to organisations likely to make the most social impact; possibly resulting in quality social impacts for CSI contributions.
<b>Signalling other funders</b>	This highlighted effective non-profit organisations and social initiatives to other would-be funders mitigating the free rider problem. Other entities could be co-opted to invest time, resources or expertise to activities that were effective to some degree. This improved return on multiple grants.
<b>Improving the performance of grant recipients</b>	The more effective a particular grantee organisation became the higher the return on its overall budget. Corporate entities facilitated introductions that could lead to capacity building collaborations and assistance. A link between organisational expertise and social objectives was beneficial.
<b>Advancing knowledge and practice</b>	Supporting the means for new ideas to be generated and used in the social sector improved productivity; enabling such effective ideas and practices to be shared amplified their effect

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It was important to note that creating shared value was not without contestation. Crane, Palazzo, Spence, and Matten (2014) highlighted that it was very difficult to balance the social impact and economic value objectives. They stressed that this difficulty remained even when the expressed mission includes both objectives.

## 2.11 Conclusion of Literature Review

The review of the literature provided a springboard for the research process. An applicable definition for CSR was given. Thereafter, a description of the CSR contributions of businesses, particularly banks, was shared, in the South African context.

Corporate social entrepreneurship approaches were in early stages of development. CSE's origins from other forms of entrepreneurship were considered, in brief. This overview brought to the fore some of the characteristics that organisations exhibited based on their mission and objectives.

A number of CSE elements from various authors were explored. In the study Odebrecht's practical experiences as documented by Spitzeck et. al. (2013) offered a guide for adjudging CSE features applicability and readiness in a South African context. The key elements of CSE noted included were:

- External triggers
- Organisational antecedents
- Collaborations
- Social intrapreneurs (corporate social entrepreneurs)
- Social outcomes
- Economic (organisational) outcome

Each of the elements had clear sub-indicators, which were used in the study.

Although the creation of social outcomes and the creation of economics benefits were part of the overall elements of the CSE model, they required additional scrutiny in accordance with the problem statement. Porter & Kramer (2011) termed these combined benefits shared value. The review of the literature included a detailed review of how corporates registered success in each of the two value creation areas. This proffered several ways of identifying value creation that spoke to the social benefit and economic benefit in response to the other two sub-problems.

The following research propositions were used in the case study on South African banks whose interests include contributing to the country in a meaningful way through corporate giving.

**2.11.1 Research Proposition 1:**

The South African banks evaluated in this study create social outcomes through their social responsibility activities.

**2.11.2 Research Proposition 2:**

South African banks in this study created organisational outcomes because of the social responsibility activities.

**2.11.3 Research Proposition 3**

Corporate social entrepreneurship model elements already existed, in some form, in South African banks' CSI work.

## **CHAPTER 3. RESEARCH METHODOLOGY**

This research methodology chapter stated and justified the qualitative research paradigm and design applied with the case study method in the study. It also detailed the data collection and analysis procedures applied.

### **3.1 Research paradigm**

This study used a qualitative research strategy: the case study method. The researcher explored and described situations in a bounded context with a variety of data sources (Baxter & Jack, 2008). Complex programmes within organisations were best understood in this way, according to Yin (2003). In addition, researchers cautiously applied flexibility in the of the research design (Yin, 2014) with this method.

The case study process began with general research questions that became more specific as the study progressed (Leedy & Ormrod, 2014a). To explore how applying corporate social entrepreneurship process in the banks under consideration worked, the study explored CSR implementation in the CSI divisions of two different banks. This resulted in holistic multiple-case study, which considered of two different corporate contexts during the research process (Baxter & Jack, 2008). Multiple case design yielded evidence that was more compelling and developed a more robust research process (Yin, 2014).

A main critique of qualitative research, in general, was that it is too subjective, difficult to replicate and generalisation restricted (Bryman, 2012). Elements of the research design in this study attempted to mitigate the risks posed by these shortcomings, for example, in order to improve the study's ability to be replicated, a detailed case study protocol was created for the study with clear step-by-step guidelines for each step of the process followed, as recommended by Yin (2014). The generalisations the study resulted in were understood to relate to the particular bank context. Stake (1995) stated that the most important generalisations are about the subject of the case; which were the ultimate return of the study.

## **3.2 Research design**

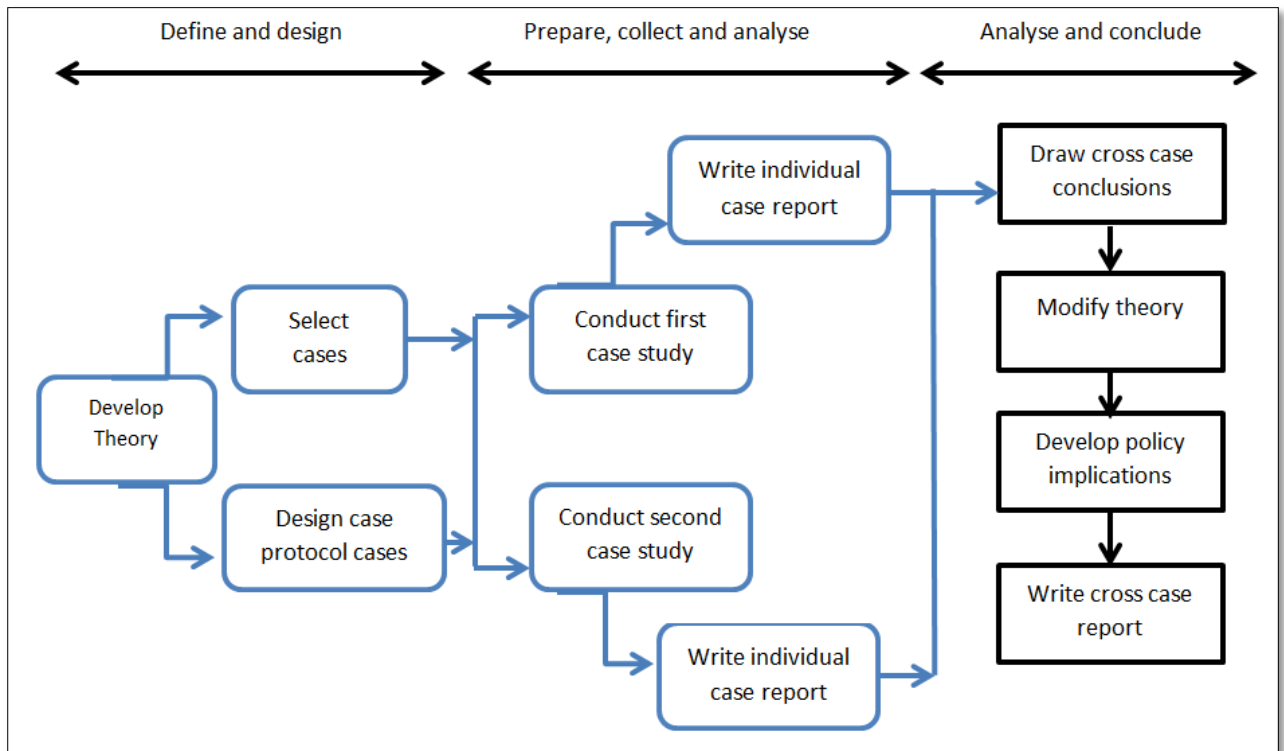
This study used the case study method, which has gradually gained ground as a qualitative research methodology (Wetzell, 2015). This design suited the objective of learning more about situations about which little is known (Leedy & Ormrod, 2014). The study approach focused on understanding the details of the subject, banks, under review (Creswell, 2003). It considered the two banks selected key cases and a collation of the findings of this descriptive work was done, as suggested by Berg (2001).

This case used multiple case study research design as recommended by Yin (2014) which had the following hallmarks:

- a. The establishment of a theory. This was done and detailed in the second chapter
- b. Selection of the cases to be reviewed. Two banks were selected after correspondence with all four of the largest banking concerns in the country.
- c. The creation of a data collection protocol. A summary of the protocol created was included in the appendices of the study.
- d. The execution of an empirical investigation that culminated in two individual case reports.
- e. Cross case conclusions were drawn up relation to the theory initially presented.
- f. The creation of the summary report. The report was written as a collation of the individual case findings.

## **3.3 The case study design**

The study used an overall procedure that closely mirrored Yin (2014)'s recommendations for a multiple case study procedure noted in Figure 3-1:



**Figure 3-1: Multiple case study procedure**

(Adapted and redrawn from Yin (2014, p. 60))

### 3.4 Case

In this study, each of the two banks represented a case. The units of analysis were the strategic plans, policies and activities that supported the implementation of social responsibility work in each bank, the subjects of the study (Bryman, 2012).

### 3.5 Unit of Analysis

Yin (2014) recommended specifying the study's unit of analysis in order to "bound" the case study. The specific unit of analysis in this case study were bank CSI departments doing social outreach work through social investment and employee volunteering. The study focused on the structure and strategy of each CSI division's work (the

phenomenon). It also looked at the broader organisational and societal context of the bank and its operations.

### **3.6 Propositions**

This study assumed an epistemological position that used deductive logic (Ritchie, Lewis, Nicholls, & Ormston, 2013) based on the CSE model proposed by Spitzbeck et al. (2013).

The following propositions were made at the onset of the study:

1. The South African banks evaluated in this study created social outcomes through their social responsibility activities.
2. South African banks in this study created organisational outcomes because of the social responsibility activities.
3. Corporate social entrepreneurship process model elements already exist in South African banks' CSI work.

### **3.7 Data collection**

Yin (2014) lamented the absence of a data collection routine for case studies, but recommended the use of a case study protocol. He considered it essential for multiple case study work and useful for confirming the reliability of the study findings. This study had a protocol that covered an overview of the process, the data collection procedures, the research instrument and a guide for the case study report. All these elements were included in the report's appendices.

One advantage of the case study method was that it allowed the inclusion of a large amount and variety of data on the case subjects (Leedy & Ormrod, 2014). The data was acquired through face-to-face interviews and a document review of key documents. In the end, the study included 37 documents from both banks, which offered relevant information on the period 2012 to 2014.

### 3.7.1 Interviews

Yin (2014) considered interviews a key source of case study evidence. All the interviews in this study were conducted face-to-face. The interview process was a guided conversation as opposed to a structured inquiry (Kalof, Dan, & Dietz, 2008; Yin, 2014). The in person interviews were recorded as suggested by Kalof et al. (2008), to allow focus on the interview and basic note taking. The researcher requested verbal permission to make an audio recording of the interviews. In all the interviews, permission was granted; mention of this was included on the interview information sheet as well interviewees received. All the interviewees gave permission for recordings to be made. The interviewer made notes and a recording of the interview conversation as paired artefacts of the details of the interview. Soon after the interviews, transcripts were drawn up. Marshall and Rossman (2011) highlighted that transcription could result in the loss of meaning in pauses and sentence structures interviewees meant to convey. During the study, the researcher attempted to maintain field notes of the interview process to ensure that key elements of the interview conversation maintained as much of the original meaning as possible.

The study included individual interviews and interviews with pairs of colleagues. Although the latter do not constitute group interviews per se, in this study, these offered some of the advantages of focus group interviews by enabling the researcher to reach more people, in a shorter time (Marshall & Rossman, 2011). In group settings, respondents built on one another's input (Willig, 2008).

The interview respondents were identified using publicly available information of the case bank structures and through business networks. Had this been a quantitative study, convenience or purposive sampling would have been used (Leedy & Ormrod, 2014). However, Yin (2014) discouraged the use of the word sample in case study research, stating that the term is inappropriate for qualitative studies. As an alternative, Marshall and Rossman (2011) called the approach taken in this study interviewing of elites, acknowledging the focus on individuals was based on the type of information they offered.

:

Table 3-1 below summarised some key advantages and disadvantages of interviewing elites, according to Marshall and Rossman (2011):

**Table 3-1: The advantages and disadvantages of interviewing elites**

(Reconstructed from Marshall & Rossman (2011))

Advantages	Disadvantages
Elites offer valuable information due to the positions they hold, e.g. as CSI leads in the respective banks.	It may be difficult to access these individuals, initially, due to time constraints many businesspeople face.
They offer a view of the organisation and its structures from their perspectives.	The interviewer often has to adapt the interview guide as the conversation proceeds.

The researcher accessed the CSI department directly in one case and received positive responses to the interview requests after a short waiting period. In the other case, the entry point was a staff member in the corporate affairs department of the bank; it took some time to conduct these interviews. This supports the view that the researcher often needs to rely on sponsorship to conduct interviews with elites (Marshall & Rossman, 2011). The initial expression of interest to meet and interview the bank was communicated through written correspondence with the CSI leaders. Face-to-face or phone conversations that explained the objectives of the study and the input anticipated from the bank; a general review of interviewee's work context, as recommended by Bryman (2012). Once a bank confirmed participation, consultations with the bank contact identified the appropriate interview respondents, on two occasions a form of snowballing (Bryman, 2012) occurred; the researcher identified the subsequent respondents during the course of an interview with earlier respondents. Thereafter, individual appointments

were set up for interviews to be conducted. A request was made for a dedicated meeting room as opposed to their offices which limited the possibility of interruptions during the interview (Marshall & Rossman, 2011) and enhanced the quality of the audio recording that was made to support the collection process (Willig, 2008).

This study adhered to the widely recognised concept of procedural ethics, including ensuring informed consent, no harm to human subjects and ensuring the privacy and confidentiality of the respondents (Tracy, 2010).

### **3.7.2 Semi structured interview questionnaire**

The study used a semi structured interview schedule. The complete interview schedule was included in the study appendices.

A semi-structured interview guide was used to collect data from the respondents. Interviews were semi-structured in order to ensure that a wide range of issues are addressed during the course of the conversation (Marshall & Rossman, 2011). Bryman (2012) explained that both semi-structured and unstructured interviews were flexible and likely to work well. The interview guide included in the report appendix contained eleven questions. However, some of the questions were designed with alternate questions to ensure efficient usage of the interview time available by giving the researcher different ways of delivering the same question.

This mode of data collection was useful because it offered focused conversation about the study questions using the guide. The interviewer could clarify, probe and ask follow up questions (Kalof et al., 2008). Individual interviewees were able to provide explanations for certain decisions taken as well as their own views, suggested strengths of this evidence source (Yin, 2014). The researcher tried to be wary of interviewee reflexivity, where respondents may share what they believed the interviewer wanted to hear; the method could not cater for inaccuracies that were shared due to poor recall (Yin, 2014).

### **3.7.3 Document review**

Document analysis was a particularly useful as a supplementary data source which corroborated the other qualitative data source (Bowen, 2009) by aiding the development of rich descriptions of the phenomenon under study (Stake, 1995). Yin (2014) asserted documentation an important part of most case study research as evidence came from administrative documents to newspaper clippings. Among its positive attributes documents were stable, available for repeated viewing, in original form and are not influenced by the case study process (Marshall & Rossman, 2011; Yin, 2014). Carrying out the process was efficient, cost effective and unobtrusive (Bowen, 2009). In this study, the documents reviewed corroborated and augmented evidence shared in the other evidence source and provided specific details about certain events, as recommended by Yin (2014). Unfortunately, Yin (2014) highlighted that challenges posed by document sources that could be useful but proved difficult to retrieve or whose access was restricted. In addition, reporting bias occasionally affected documents because they are influenced by the aims of the author. Bowen (2009) explains that some of the documents may carry insufficient details to respond to study questions. The documents, which were available in common between the two banks, often included integrated annual reports, focused on summarised information about the social outcomes, for example. This offered limited information on CSI and much more information on the profit making elements, in agreement with Bowen's guidance.

In this study, the internal focus of the case and the related propositions meant that the internal documents such as annual corporate reports and project evaluations on the banks' CSI work were priority for the document review process. Formal requests were made to the subject banks for the specific internal documents; at times honoured with these requests an emailed document or web link. Internet search materials made up the remainder of data used as supporting documentation. This data was located either from the corporate website or by using certain keywords. In addition, the information retrieved was limited to period from 2012 to 2014.

### **3.8 Data analysis and interpretation**

The study resulted in data collection for two banks, which were analysed using two methods. Cross case, comparison was used for the two case study reports, as per Yin (2014) recommendation that this was a particularly appropriate method of analysis for multiple case studies. Khan and Van Wynsberghe (2008) said cross case analysis enabled one to review the commonalities and contrasts of elements of the units of analysis of different cases. This was useful given that two different banking entities were the subjects of the study. Vaismoradi, Turunen, and Bondas (2013) considered the two analysis methods: thematic and content. They asserted that the two were distinct qualitative approaches used effectively at the beginning of a researcher's career. The systematic guidelines offered for conducting thematic and content analysis provided transparency for the study and user-friendly guidelines for the relatively new researcher (Vaismoradi et al., 2013).

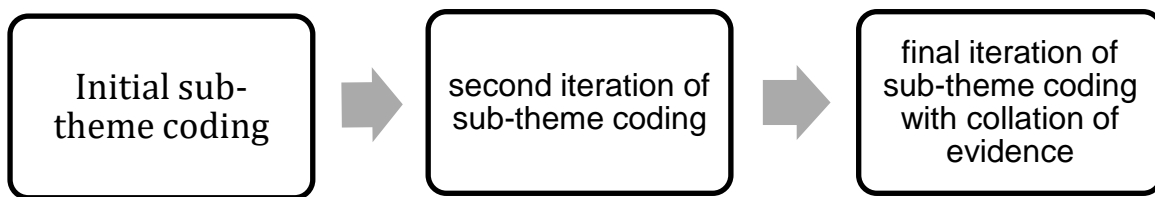
The key difference noted was that Vaismoradi et al. (2013) stated that content analysis offered a more quantitative slant to the analysis process cautiously used as a proxy for significance of a particular themes.

#### **3.8.1 Thematic analysis**

Ritchie et al. (2013) stated that comparisons in qualitative research focused on understanding phenomena instead of measuring differences, as in quantitative research. This study enabled the researcher to identify the presence or absence of different elements in each of the cases and explored different contexts in which phenomena arose.

The study used a form of thematic analysis suggested by Bryman (2012) that encouraged the definition of themes by inserting data fragments into a defined, deductive framework. Yin (2014) did not believe that thematic analysis from free coding works particularly well for case studies. Therefore, the Bryman (2012) method presented a focused path for working toward the case study themes in response to the research propositions based on a CSE model.

The thematic analysis approach used was predominantly deductive in nature (Bryman, 2012). Spitzack et al. (2013) presented a model for CSE, which used as an a priori coding framework for sub elements and major themes, as suggested by Fereday and Muir-Cochrane (2006). The study then included sub-themes that arose during the course of analysis. This was done in keeping with the Ritchie et al. (2013) suggestion that, despite the deductive frame and the inductive nature of coding strategies that the study took, notable sub-themes that emerged were not excluded.



**Figure 3-2: Thematic analysis process of the study**

### **3.8.2 Content analysis**

In addition to thematic analysis of the interview data, the study used content analysis of the documents reviewed. Krippendorff (1989, p.403) offered the following definition for content analysis

“It is a research technique for making replicable and valid references from data and their context.”

Krippendorff (1989) suggested that content analysis could be used in parallel with other research techniques in order to review the validity of the other method’s findings. In this study, the document review and content analysis were used to supplement the thematic analysis of interview data and approach, endorsed by Bowen (2009) and Yin (2014).

Content analysis was executed in a deductive or inductive manner (Elo & Kyngäs, 2008). The study took a deductive frame based on Grove and Burns (2005) in Elo and Kyngäs (2008), stated that this was appropriate where an established model existed and a study

seeks to look at specific details, the situation in the study. Three steps were taken in the content analysis process as outlined below (Elo & Kyngäs, 2008):

- Preparing data based on the unit of analysis and selecting documents with most relevant content
- Organising the codes under the most appropriate theme through four review iterations
- Reporting the outcomes of the analysis process

These processes followed through the case study protocol detailed in this report's appendices. The process began with the identification and classification of the document types that were included in the document review and content analysis. The documents were restricted to 2012, 2013 and 2014, focused on South African activities and CSI work.

This study reviewed relevant document using the CAQDAS tool Atlas.ti. The resulting analysis was converted into a weighted word cloud of subthemes occurrences during the document review, as noted by the apriori CSE model used. All the sub themes in the CSE model were converted to codes within Atlas.ti. Relevant quotations were noted in the individual documents and then grouped according the major element categories of the CSE model. Lastly, they were mapped back to the model for reporting.

### **3.8.3 Word clouds**

McNaught and Lam (2010) suggest that word clouds were useful supplementary tool in content analysis when used to review the findings of research uncovered by other means. In this study, a deductive content analysis of documents was conducted. The resulting sub-themes identified were visualised in a word cloud. The use of word clouds also aided comparisons (McNaught & Lam, 2010) between two units of analysis like those in this study.

### **3.9 Limitations of the study**

The study had the following limitations:

- The study necessitated the analysis of a rather large amount of qualitative data which does not lend itself to simple representation (Hodkinson & Hodkinson, 2001).
- It did not provide generalisable results (Hodkinson & Hodkinson, 2001) on corporate social entrepreneurship in the entire banking industry based on the methodology used.
- There were massive arrays of information sources that could have been explored but were not due to the limited time available for data gathering in this study (Stake, 1995). This study did not include videos and radio interviews which could have yielded further insights.
- The study used the CSI conduct of the organisation as a proxy for exploring the existence of CSE process elements. Relevant activities outside this unit or foundation may have been overlooked during the course of the study.
- Qualitative research was overall subjective, while content analysis allowed a degree of quantification to be introduced to this study; care was taken to ensure that the use of quantitative measures did not amount to conversion of the methodology to quantitative as cautioned by Krippendorff (1989).
- A researcher became an extension of the research instruments that carried out the case study research process; the researcher's expertise could be called into question. Vaismoradi et al. (2013) stated that thematic and content analyses were useful methodologies for novice researchers, which mitigated the skill level of the researcher.

### **3.10 Ensuring quality in the case study research design**

This study adapted of the concepts of validity and reliability, which aligned with qualitative research. In particular, reliability was linked with measurements and internal validity with causal connections, reliability may be applied in qualitative research but this

often better applied to quantitative studies (Bryman, 2012). Lincoln and Guba (1985) cited in Bryman (2012), proposed trustworthiness and authenticity as more appropriate ways to review qualitative research for quality. The usage of qualitative analysis software tools was one way this study sought to improve the trustworthiness of the findings. Sinkovics and Ghauri (2008) asserted that the use of CAQDAS tools improved the transparency of the analysis process by requiring the researcher to follow a methodologically structured process of analysis for all sources analysed. This study used the CAQDAS tool, Atlas\_ti. This tool supported the maintenance of a clear chain of evidence that helped ensure that it could be reviewed easily. All the evidence elements of the study were clearly labelled during the analysis to simplify the chain of evidence.

Three additional alternatives for the ensuring quality data criteria in qualitative studies were offered (Lincoln & Guba, 1985; Sinkovics & Ghauri, 2008):

- Credibility instead of construct validity,
- Transferability instead of external validity,
- Dependability instead of reliability.

### **3.10.1 Credibility**

According to Bryman (2012), qualitative studies often resulted in a number of descriptions of a situation, credibility related to the feasibility that a researcher's conclusions are acceptable. He suggested that credibility aligned with good practice and suggested that member validations be conducted. Yin (2014) also supported the notion that key informants be given an opportunity to review the draft case study report. Leedy and Ormrod (2014) termed this respondent validation while Tracy (2010) referred to the value of member reflections. All the terms used highlighted that attempts were made to enhance the credibility of the study through further consultation and elaboration with the interviewees. This case study sought feedback on the cases from bank representatives that contributed to the research for confirmation that the bank's CSI strategy, context and activities were documented correctly.

Triangulation supports the credibility of a study. According to Tracy (2010), triangulation occurred in instances where the findings from two different cases or researchers, for example, converged. This indicated that the findings are sound. Use of multiple data sets also supported the potential for multiple instances of triangulation within the study and consistent re-interpretation of the data (Tracy, 2010). In addition to supporting the use of multiple data sources that highlighted the convergence of data, Yin (2014) encouraged the establishment and maintenance of a chain of evidence to support the qualitative equivalent of construct validity. In this study, attempts were made to identify convergence among the data sources in each case and between cases. However, as a multiple case study consisting of just two cases, triangulation of the data was not strictly applied. However, the findings were grouped in a manner that highlighted the convergence of input gathered for each case and relevant themes.

### **3.10.2 Transferability**

Qualitative research focused on understanding the issues in a certain context, often relating to small numbers (Bryman, 2012). Lincoln and Guba (1985) in Bryman (2012), suggested that thick descriptions in qualitative research be used as comprehensive reference for interested parties who use their discretion on the potential transferability of a study's findings. Leedy and Ormrod (2014) and Tracy (2010) agreed on the usefulness of thick descriptions in case studies. The combined use of interviews and detailed documentation in this study created a comprehensive description that dealt with the propositions of the study. Whether this constitutes a thick, description will rest with the reader of the study, although every effort was made to ensure that the report comprehensively covered the units of analysis of the study and the thematic elements of the study. .

Tracy (2010) linked transferability with true-to-life generalisations. The most important generalisations that were made in this study were within the case banks. It is unlikely that generalisations made applied across to the broader banking sector external to this study. However, such generalisations are still useful because they allowed other

researchers to learn through the generalisations made within that case and pursue related research (Tracy, 2010).

Yin (2014) emphasised the value of replicating logic offered by using multiple case design, for this reason, the study of two cases initiated a base for the future studies on CSE in South African banking at a later stage.

Transferability related to the time used in the field, which was a perplexing concept. Leedy and Ormrod (2014a) believed a long time should be spent in the field (many months or over a year). Tracy (2010) highlighted that there was no specific amount of time in the field that could offer guarantees of quality. The latter rather suggested that focus should rest on whether the data provided for and substantiated meaningful claims. In this study, the methodology used and respondent profiles, ensured relevant data was collected and meaningful claims made.

### **3.10.3 Dependability**

Lincoln and Guba (1985) in Bryman (2012), proposed that dependability established the study's merit in alignment with trustworthiness. They posited that this can be achieved through an auditing process in which complete and accessible records are kept of all aspects of the research process. This was done and guided by the case study protocol. The auditor would have reviewed the product of the case study research as well as the process that created it (Creswell & Miller, 2000). This case study benefited from a good proxy for the auditor perspective (Creswell & Miller, 2000): the research committees and supervisors that adjudged the quality of research questions and research methods used by student researchers at the Wits Business School. In addition, all field notes, transcripts and analyses were documented in case study database and availed for research committees or research supervisors.

Bryman (2012) cautioned that, in general, the audit process was very challenging for auditors because qualitative research often generated large data sets, which are time consuming to audit. As a result, this approach had not become pervasive in research

validations. This study did not benefit from an audit process beyond the aforementioned processes.

The study was meaningfully coherent using the research design and methodology used in stated research (Tracy, 2010). One simple demonstration of this was found by reviewing the linkages for each research question noted in the case study protocol and interview questionnaire guide included in the research appendices.

## **CHAPTER 4. PRESENTATION OF RESULTS**

### **4.1 Introduction**

The presentation of the study's findings is detailed in this chapter. A description of the individuals interviewed was shared then the study are shared findings in the order that the research propositions were listed in the second chapter: evidence of social outcomes as an indicator of social value, organisational outcomes as a proxy for economic value and the existence of elements of corporate social entrepreneurship present in the banking organisations.

### **4.2 Description of the respondents**

This study utilised face-to-face interviews with CSI management at two banking groups. Interviewees held managerial and advisory positions that supported the social responsibility work of the banks. On average, each person had at least five years' experience working on social responsibility activities in a bank, in all instances except one. In addition to bank employees, the service provider leaders interviewed also possessed more than five years CSI experience.

**Table 4-1: Interviewee respondent profiles**

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<b>Gender</b>	2 Males; 10 Females
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<b>CSI Programme / fund managers</b>	6 people
<b>Investment advisors</b>	3 people
<b>Volunteer pgm managers</b>	3 people
<b>Least CSI experience</b>	2 years
<b>Most CSI experience</b>	20+ years

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### **4.3 Overview of the CSI structures in the selected banks**

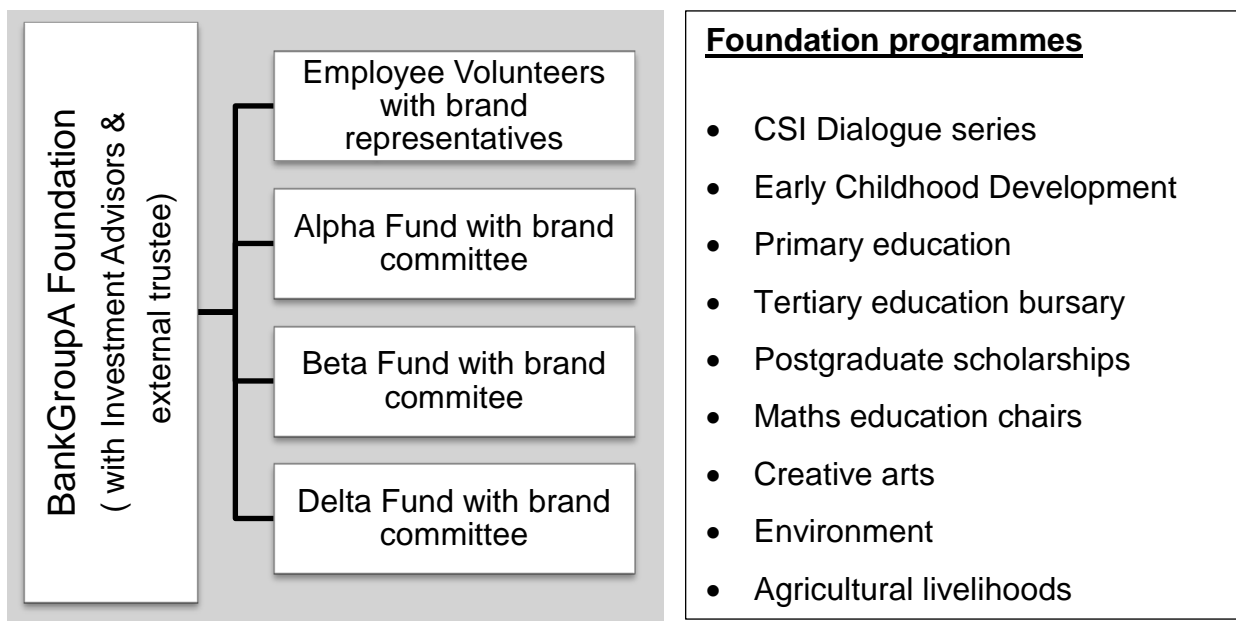
The units of analysis in this multiple case study were the CSI divisions of the selected banks. In both cases, the study focused on activities in South Africa despite the fact that the banks in question had operations abroad.

#### **4.3.1 BankGroupA**

BankGroupA had South African origins and international interests. The group had a number of service lines, independently branded, that represented asset financing, personal, business and merchant banking. Approximately 34 000 people were employed by BGA in South Africa when the study was conducted.

The BGA CSI was run in a separate foundation with four-business brand affiliated CSI funds. The foundation was established in 1998. However, social initiatives in this bank

group pre-dated the foundation itself. The foundation was established as a separate legal entity whose focus was the social investment activities of the group business brands represented. Eleven trustees, five internal and six external governed and guided the foundation. Among the internal trustees were chairpersons of each brand CSI fund committee and senior group executives. Four CSI fund managers led a variety of programmes with supported by volunteer fund committees that comprised as many as ten staff members from the respective business brand. The foundation as a whole had five dedicated external social investment advisors and seven supporting investment advisory staff. The BankGroupA employee volunteer programme had a dedicated manager and two representatives in each business brand, up to eight people in all. According to one of the CSI fund managers, at least 40 individuals contributed to the CSI work internally, in addition to resources in implementing partner organisations outside the bank. In this study, the individual BankGroupA brands were referred to as Alpha, Beta and Delta each had its own CSI fund; the group foundation was considered a fourth fund. The employee volunteering initiatives were affiliated with group CSI.



**Figure 4-1: BankGroupA structure and programme focus**

One of the interviewees explained the spread of focus areas at BankGroupA this way:

The chairman of the foundation encourages us as different entities not to focus on the same area. That on its own makes us an alliance that works together but giving different services to society.

Respondent 9 [157-161]

#### 4.3.2 BankGroupB

BankGroupB in the study had South African origins and significant international interests. It offered a range of financial services including asset financing, personal, business and merchant banking, insurance and assurance. The group employed approximately 40 000 people in South Africa when the study was conducted.

The BankGroupB CSI department began its life as an education trust embedded within the bank in 1986. After some evolution in focus over two decades, the department solely focused on education projects once again from 2013. It was located in the Human Capital business unit, which had representation in the group's executive committee. CSI was part of the Group Inclusion division within Human Capital. CSI department directly reports to the BankGroupB social and ethics committee of the board. The department had four staff members, two individuals focused on education, one focused on employee volunteering and led by the head of CSI. BankGroupB conducted its programmes through human resources located in implementation partner organisations.



**Figure 4-2: BankGroupB CSI structure and programme focus**

#### 4.4 Banks creating social outcomes

The South African banks evaluated in this study created social value through their CSI activities, according to a thematic analysis of the interviews conducted and a content analysis of the documents reviewed. The tables noted hereafter showed that all the face-to-face individual and group interviews conducted included evidence of the creation of social outcomes in both the banking groups.

**Table 4-2: BankGroupA respondents' subtheme coverage from interviews**

Overarching theme: Social outcomes		
<i>Subtheme</i>	<i>Reduced negative impacts</i>	<i>Positive impacts</i>
<b>Source</b>		
<i>Grp Interview 1</i>		
<i>Grp Interview 2</i>		
<i>Grp Interview 3</i>		
<i>Grp Interview 4</i>		
<i>Interview 5</i>		

**Table 4-3: BankGroupB respondents' subtheme coverage from interviews**

Overarching theme: Social outcomes		
<i>Subtheme</i>	<i>Reduced negative impacts</i>	<i>Positive impacts</i>
<b>Source</b>		
<i>Interview 1</i>		
<i>Interview 2</i>		
<i>Interview 3</i>		

Interviews with respondents in both banks supported the view that the CSI activities of these entities were creating social value.

**BankGroupA** respondents cited some examples where the bank created opportunities for new artists, supporting youths in tertiary education and creating livelihoods.

Social value was realised, but it is not instant, for example seeing returns on 270 young people through tertiary bursaries takes time.

Respondent 1 [217-218]

Something that the Beta Fund has done is that they support arts and culture. From their marketing spend they have actually supported a section of the Turbine Art Fair. They have sponsored a space where emerging artists could put up their work and collaborate. The Beta Fund uses something they are intimately involved with in the foundation. Beta Fund would look at the business opportunities [for artists]. Giving them business exposure also helps the artists establish themselves.

Respondent 3 [285-291]

Number one, the project trained citizens. Number two, it built a central seedling providing section. This is the source where every household could come, buy seedlings and go make their own garden. Number three it created a market for these gardeners, so say if you have a surplus we are able to sell that on their behalf.

Respondent 9 [73-77]

People were earning more money than we gave them. It is a model that should move beyond a survivalist level.

Respondent 8 [138-146]

The document review revealed similar outcomes in the period from 2012 to 2014. Some examples of social outcomes created by each bank are noted hereafter. Since its creation in 1998, the BankGroupA Foundation invested over R1billion in various initiatives.

Alpha Fund Early Childhood Development (ECD) Programme improved access to ECD services and the quality of the services provided. One aspect of the programme included partners training ECD practitioners in seven of South Africa's nine provinces: Western Cape, Eastern Cape, Free State, Limpopo, Mpumalanga, the North West and the Northern Cape. A review of the training statistics in an Alpha Fund evaluation report showed that a steady increase in the number of ECD practitioners trained through this programme each year. For example, in 2007, the programme trained 40 individuals; by 2011, a total 657 practitioners trained in just one year.

The Beta Fund Arts Culture and Heritage programme provided access, encouraged excellence and supported sustainability of arts, culture and heritage initiatives in South Africa. The programme worked with schools and creative agencies. Some of the programme's results for 2011 to 2014:

- In terms of access, 324 schools reached, 180 people entered arts professions and over 24 000 people were trained.
- In terms of fostering excellence, over 1 million people attended professional arts events in the evaluation period, over 21 000 people received training while 100 professional artists were created.
- In terms of sustainability, 509 jobs either created or sustained through the programme; more than 21 600 people received training while 192 entered the arts profession after training received.

The Beta Fund Environment programme supported the conservation of endangered species in South Africa. Some of the impact this programme had:

Over a three-year funding period there have been substantial achievements: 56 418 people trained through education initiatives; 132 jobs created; 14 species directly conserved; 17 research papers published; and more than 500 000 hectares under the protection of programme partners.

Fund evaluation report [Document P31: pg2]

The Delta brand's CSI work focused on helping families across the country support their health through sustainable food gardens.

The Delta Fund's main focus is helping communities across South Africa to grow their own food in an effort to alleviate hunger and malnutrition. During our current three-year cycle our activities have positively impacted over 57 000 lives.

Extracted from fund report [Document P9: Pg7]

The respondents from BankGroupB showed that they delivered social outcomes.

[The bank] supports 115 Dinaledi schools.

Respondent 10 [128]

The people that we build for are people that are either physically disabled, orphans & vulnerable children and the aged because we say let us not let an old person die in a squatter camp; many of them are frail.

Respondent 12 [66-68]

The national programme for ECD trained 100 teachers in 2015, 200 teachers in 2014 and 200 teachers in 2013. Each teacher taught about 60 children. The ECD programme reach is approximately 30 000 children.

Respondent 11 [35-38]

**BankGroupB** CSI noted social outcomes among issues raised in the document analysis. The CSI activities in BankGroupB have touched many lives in different ways. These 2014 bank sustainability report highlighted [Document P27: pg.10-11].

- Through its participation in the National Education Collaboration Trust (NECT), this bank's investment of R5million reached as many as 2 million learners.
- The bank's volunteering activity generated approximately R5million in monetary terms while matched staff donations amounted to over R1,7million.

- Over 70 000 learners supported through the National Benchmark tests, academic support and foundation courses which raised students' chances of entering and completing university studies successfully.
- 42 teachers and over 1000 learners benefited from the high school curriculum and teacher support programme that BankGroupB CSI funded.

These findings show that the South African banks selected for this study created a variety of social outcomes through their CSI work. This confirmed the first research proposition.

The selected banks fulfilled and confirmed the research proposition that all the CSI groups created social outcomes. Employee volunteering initiatives in each of the two banks showed that the banks provided administrative guidance and support for employees to act for society. As volunteers, they expand the type of spread of issues that banks addressed. Both the banks provided structured support in strategically chosen areas.

#### **4.5 Banks creating organisational outcomes**

South African banks in this study created economic or organisational outcomes as a result of the CSI activities based on the feedback from respondents in both banking groups. However, unlike the social outcomes the results here are far less prominent than the social outcomes.

**Table 4-4: BankGroupA respondents’ subtheme coverage on organisational outcomes**

Overarching theme: Organisational outcomes - Financial value				
<i>Subtheme</i>	<i>Profitability</i>	<i>Growth</i>	<i>Competitive capabilities</i>	<i>Strategic repositioning</i>
<b>Source</b>				
Grp Interview 1				
Grp Interview 2				
Grp Interview 3				
Grp Interview 4				
Interview 5				
Overarching theme: Organisational outcomes - Intangible Value				
<i>Subtheme</i>	<i>Reputation</i>	<i>Risk reduction</i>	<i>Access to government</i>	<i>Long term legacy</i>
<b>Source</b>				
Grp Interview 1				
Grp Interview 2				
Grp Interview 3				
Grp Interview 4				
Interview 5				

**Table 4-5: BankGroupB respondents’ input subtheme coverage on organisational outcomes**

Overarching theme: Organisational outcomes - Financial value				
<i>Subtheme</i>	<i>Profitability</i>	<i>Growth</i>	<i>Competitive capabilities</i>	<i>Strategic repositioning</i>
<b>Source</b>				
Interview 1				
Interview 2				
Interview 3				
Overarching theme: Organisational outcomes - Intangible Value				
<i>Subtheme</i>	<i>Reputation</i>	<i>Risk reduction</i>	<i>Access to government</i>	<i>Long term legacy</i>
<b>Source</b>				
Interview 1				
Interview 2				
Interview 3				

The findings of this study showed that the banks created organisational outcomes through their social activities.

Interestingly, the outcomes linked with a traditional view of organisational outcomes such as profitability and growth mainly aligned with details from BankGroupB. Evidence of strategic repositioning and intangible outcomes were prevalent in BankGroupA.

### **Profitability at BankGroupB**

Our CEO was always of the view that business rules over CSI. There is definite shift and I think it’s because he can see that we can do good. So we now doing CSI because it the right thing to do but following up on business opportunities where available.

Respondent 10 [212-214]

The public sector opportunities turn to CSI a lot. Often the nature and location of CSI activity should be included in local government tender applications. Various other departments in the bank will also contribute to those kinds of applications.

Respondent 10 [166-168]

### **Growth at BankGroupB**

We are not a profit making centre but we have derive value in other ways: Creating social value for the bank, identifying how staff can contribute, providing other business indirectly for the bank when we go out and do CSI, it allows us to go out and get new clients

Respondent 10 [160]

In terms of economic impact we have inquiries from provincial bank head, business leaders would lead a process but ask CSI what the bank has done to contribute to certain communities.

Respondent 11 [41-42]

### **Competitive capabilities at BankGroupB**

Tertiary: bursary programme: Its comprehensive. We offer support to junior degrees. Only in areas that the bank can later absorb them finance, actuarial science, some engineering and accounting.

Respondent 10 [46-47]

We also focus on learner support in crucial subjects – as a financial institution we look at accounting, maths, and science.

Respondent 10 [43-44]

### **Reputation at BankGroupB**

Our CSI strategy is creating meaningful and lasting mutual benefits for communities and for the group. Working to improve the socioeconomic circumstances of the communities in which we operate enhances our reputation, demonstrates that we are locally relevant and responsive, and positions us favourably to compete for business and gives us the opportunity to grow in new markets.

Extracted from BankGroupB sustainability report [Document P27: pg10]

While both banks were not overt about the way that they spoke about their work. It was not marketing focused but rather very conscientious use of branding elements used in relation to CSI.

### **Strategic repositioning in BankGroupA**

Concerns raised in the fund went on to be used in bank development transformation for the staff with disabilities. The bank budget sign off for activities around mainstreaming disability in the business has just taken place.

Respondent 1 [233-236]

The study found at least one instance where CSE converted social and environmental ideas into a potential service. The Beta Fund works with an extensive network of environmental non-profit organisations. On the business side, the Beta brand provided financing solutions for various types of large enterprises. The following quotations indicated an important strategic repositioning on work in the CSI fund.

In another area they have [a staff member] working with mines; linking with work on the environment. One gentleman sits on the fund and he looks at issues and things we do. He has come up with ways of supporting certain mining initiatives. He would look at what was happening in mining and monitoring and evaluation work of NGOs. He brought the parties together and alerted the businesses to the environmental risks that may arise.

Respondent 3 [292-297]

A mining company that sought a credit facility over 3yrs, approached Beta (the business). The deal was established. There is a challenge in area where they are about to set up their mine (which involves dune mining in KZN). Environment partners on our list have lobbied against the proposed mine. They want to restrict activity, lessen damage, mitigate risk in area because of thr way business can go about things. What we have tried to do, because we have the environment risk governance officer on fund committee he raised this at a fund meeting, is highlight a conflict of interest of sorts. Beta is a partner in deal; environment partners are part of the deal.

Respondent 5 [441-449]

We have looked at this from a risk and compliance perspective we have altered clauses in the original document offering a more thorough treatment of legal issues/process. More broadly we have engaged dealmakers; we are establishing relationships with mining company CSI. We want to bring together with environmental partners, dealmakers and client to ensure that the area is not damaged. That risk is mitigated through a partnership as opposed to being reviewed through a credit and risk process only. That is a direct result of the CSI relationship.

Respondent 5 [451-459]

### **Competitive capabilities BankGroupA**

It is a way of looking at future relationships down the line anytime there is engagement about infrastructure projects exploring ways to partner more effectively between business and CSI partner stakeholders.

Respondent 5 [462-465]

People are positioned to make a difference. Volunteering could also moderate the hyper competitive space that we work in at WB. Caring and nurturing back into the

business fosters belonging and the idea that we have something to give improving interpersonal interactions: Improving productivity.

Respondent 7 [214-219]

### **Long term legacy at Bank Group A**

Benefit to the business and the CSI fund is not considered in the planning process. Economic value – indirect and unintended e.g. at times students go on to join Alpha after Alpha Fund support students are not bonded to the fund and they do not get preferential treatment in the recruitment process.

Respondent 1 [227-230]

### **Reputation at BankGroupA**

We are not doing it for the reputational benefit but if we get some reputational benefit it is purely incidental through [CSI dialogues] of course we are trying to influence certain areas and showcase what we do – to a lesser extent any spin off from there is great on volunteers I will write an article on the organisation we are supporting it will all about the work they do. They may be one liner about the fact that volunteers from one of the businesses were involved that is how we approach PR.

Respondent 4 [299-308]

We then managed to talk to different ministries and gain access to agricultural extension officers just to see how much we could do to aid government objectives.

Respondent 9 [58-59]

The research proposition was confirmed through the thematic cross analysis and document review in both banks. The data collection executed through the interviews with a guided questionnaire and content analysis resulted in a variety of organisational outcomes. Quantifying these organisational benefits in quantifiable terms was

impossible during the study. Many of the benefits were intangible. However, it was reasonably anticipated that these benefits translated to monetary benefits in the medium to long term.

## **4.6 Corporate social entrepreneurship elements**

Corporate social entrepreneurship process elements applied in the selected South African banks'. The study findings illustrated the value creation elements of organisational CSI in the bank groups considered in this study. In this section, findings relating to the other elements of the CSE model were reviewed.

### **4.6.1 External triggers**

The two banks in this study responded to external triggers in their CSI activities, in particular, the non-market triggers.

Social and environmental risks are particularly relevant. For example, supporting the ailing education system in South Africa is considered a key intervention point for improving the lives of disadvantaged individuals and communities in South Africa. The banks' CSI representatives interviewed expressed that improving education outcomes would have a positive impact on their future skill base.

#### **BankGroupB**

The tertiary bursary programme is comprehensive. We offer [support] for junior degrees; only in areas that the bank can later absorb them. This includes finance, actuarial science, some engineering and accounting. We pay full tuition, full accommodation and a monthly stipend.

Respondent 10 [46-48]

According to [the] Bank's assessment, of all the socio-economic issues facing South Africa, having a place they can call home is identified as possibly the most challenging issue.

Extracted from newspaper article on BankGroupB volunteers [DocumentP37: pg1]

We were directly involved in developing the funding model for an agricultural pilot programme, as a first step in implementing the National Development Plan's (NDP) land reform proposals in South Africa.

Extracted from BankGroupB sustainability [Document P27: pg1]

The programme's strategy for 2014 has been to align to the NDP. Employees want to know that they are part of the solution to the country's challenges.

Extracted from volunteers [Document P15: pg1]

The banks considered working with other organisations an opportunity to create shared value. For example, representatives from both banking groups stated that their work supported government plans and managed social risks.

Some examples from BankGroupA include the following:

Call from government once upon a time: one garden; one house. Our concept as a bank aligned with government objectives. Which made sense to me because the government was saying one home one garden. We are supporting that concept through our CSI.

Respondent 9 [53-57]

We do what we believe is the right thing to do, irrelevant of our business strategy. Part of it is based on the national issues at hand. We have been influenced by the national development plan and national issues.

Respondent 3 [254-255]

#### **4.6.2 Organisational antecedents**

The study found that this area had the most visible evidence base for CSE elements in the South African banks under review.

The programmes and projects of the banks in the study had **sustainability** in mind, particularly that of the beneficiaries of the CSI funding.

#### BankGroupA

The project sought to train one to create a sustainable garden and then teach others to do the same. We wanted something that could carry an individual through without being dependent on others

Respondent 9 [67-68; 70-71]

Sustainability is one of our values. We do not go in and just do once off donations, ever. Even in the past when we had our programmatic approach. We took a decision to do the programmatic approach 11 years ago. We have moved on from there to the Systemic Social Investment (SSI) approach. In the programmatic approach we looked at organisations and chose to support them 3 years at a time. This allowed us to support fewer organisations with bigger amounts so that we could make a more sustainable difference; support less organisations well. The way we look at our exiting, exit grants and strategy. The exit strategy is also designed to maintain these long term relationships with organisations. Linked with sustainability we have now realised that, with SSI, that expecting change in 3 years was too optimistic. We now expanded to this 5 years; potentially looking at [funding in] multiples of 5 years.

Respondent 3 [126 - 140]

#### BankGroupB

The bank's programme is from end to end of the education process. It starts from ECD to higher education:

- ECD level – teacher training promotion;
- Primary – literacy and numeracy and school functionality;
- High school – Saturday and holiday programme and revision programmes;

- Tertiary – bursaries, mentoring and training.

Vendors implement our work and we only work with NGOs.

Respondent 11 [14-19]

Sustainability is – and will remain – a core part of the way we do business and a key focus of our CSI initiatives.

Extracted from BankGroupB overview [Document P21: pg11]

**Top management support** was an important organisational theme. In both banks, senior executives participated in the social activities of the business.

In BankGroupB the evidence from both interviews and documents reviewed, showed that the CSI unit receives support from C-suite executives within the bank. The CSI reports to the social and ethics committee of the board of directors that is led by a chief executive who had stated that the bank considers social initiatives an important part of the banks vision.

[The] CEO chairs social and ethics committee, we feature on the social and ethics committee. A decision on what is funded or otherwise; the entire budget, all flow from that committee.

Respondent 10 [206-208]

Our executives participate in the CSI events from time to time.

Respondent 11 [71-72]

Our CEO was always of the view that business rules over CSI. There is definite shift and I think it's because he can see that we can do good. So we now doing CSI because it the right thing to do but following up on business opportunities where available.

Respondent 10 [212-214]

In BankGroupA the overall structure of the CSI foundation of the bank showed deliberate involvement of high level group C-suite and other senior executives throughout the business in the CSI work.

Staff trustees are also of quite a senior level. The fund chairs are also trustees of the overall Foundation. The way the group CEO invites people to the CSI [breakfasts]. He is there to open each breakfast. He is there, fully engaged.

On the volunteers side, I can walk into any of the brand CEO's offices and ask if they are available to come out with the staff [for volunteer activities] e.g. tomorrow I have one of the senior executive's out at a soccer day in Katlehong. He is our new deputy CEO and he comes out with the staff.

Respondents 3 & 4 [167 - 175]

What [our CEO] did is appoint a member of the executive committee to the fund committee chair position. This gave the committee a lot more clout; .... He has deployed one of his lieutenants.

Respondent 7 [191-193]

The foundation is a section 21 company; this is an important view of CSI. It means that the corporate is comfortable to place CSI in a legal entity where the leaders of the company play a central role in the inner workings of CSI.

Respondent 2 [18-21]

The Group CEO is chairman of the foundation (the commercial entity's leader is also the chair of the foundation). It is a strong statement because it shows ownership, leadership and understanding of the foundation and its funds on a very fundamental level. A leader in the business shows that CSI is important to the business

Respondent 2 [91; 93]

**Communication openness** noted in both the entities to differing degrees. Both of the banks communicated their work internally and externally.

BankGroupB conducted a strategic review process in 2012 that enquired about staff perceptions of CSI, which informed the future direction of the division. Information was shared and solicited internally at BGB.

We had an independent assessor come, ask random staff questions. The outcome: staff did not know what we were doing. Executives felt that we were spreading ourselves too thinly across the board doing many things with no real impact. We were also holding on to the portfolio from a CSI strategic mandate as opposed to getting staff more involved – many have interest in doing good and they felt that staff would welcome the opportunity to get involved.

Respondent 10 [19-24]

The bank learnt from staff feedback that they did not want to do just education. “If I want to support my community or another cause people should allow me to do that”.

Respondent 10 [109-110]

All full-time permanent and contract employees are eligible for staff volunteering. Employees can log their pledges and applications through the Employee Community Involvement mailbox.

BankGroupB sustainability report [Document P27: pg41]

There was less publicly available information on BankGroupB’s CSI work to external parties, beyond the bank’s annual sustainability report and integrated annual report.

BankGroupA encouraged engagement among all stakeholders. The exit process carried out in 2015 for focus areas the foundation and its advisors decided would no longer be fund was one example. A revised foundation strategy’s focused on SSI and evaluations showing limited past programme impact, brought this change about.

Even during the exit process for the closed focus areas a strategy was in place for engaging with the former implementing partners. Resources provided included three years of exit support funding. Some of the beneficiaries began looking at their own sustainability and mortality to ensure that these funds would be used efficiently and effectively. Notice period for exit was communicated to all, planned for and executed between January and June 2015.

Respondent 1 [50-53]

The committee and the trustees are all incredibly forward thinking and open minded. I would say that the structure helps us; we don't have to make the final decisions. Hard decisions are facilitated by the two tiers above us that are utterly invested in this. They give us honest feedback about the proposals made.

Respondent 5 [271 - 275]

All the monitoring and evaluation reports are also published on the web.

Respondent 6 [249]

**Time and resource availability** in CSI work was an important consideration and distinguished between banks.

Internally BankGroupB had four dedicated people for CSI work. The unit drew on the guidance from the social and ethics committee, the human capital division leaders. It accomplished its work through NGO partners across South Africa's nine provinces that numbered up to 30 individuals in each partner organisation. BGB estimates hundreds of people carried out the CSI programmes on behalf of the bank, externally.

The CSI team is only four people. All the work that takes place is one through vendor collaborations; one vendor may employ between 26 – 30 people.

Respondent 11 [57-59]

In BankGroupA, there are four CSI fund managers, a dedicated volunteer programme manager and at least one volunteer programme manager per brand. A 12-member

investment advisory team supported the foundation. A committee of managerial staff members who possessed a variety of key skills and expertise in turn supported each of the brand CSI fund representatives. The staff members contributed their time and decided on the way their brand CSI fund operated. The chair of the fund committee was an internal trustee on the BankGroupA foundation board. The foundation's board of trustees is composed of the Group CEO, fund chairpersons for each brand and external parties who brought relevant expertise and experience to the board. The dedicated advisory personnel and internal resources in BankGroupA accounted for as many as 40 people who contributed to CSI from within BGA.

We look for trustees who are experts in certain areas wherever we are invested. For example [our trustees include] a maths education expert with huge accolades, a lady who was heavily involved with writing a white paper for government on preventing child abuse. We have experts among our trustees. We also have a fantastic lady who is disabled. She is an expert on mainstreaming of disabilities for some of the funds. She keeps us incredibly accountable. Whatever we do in the foundation includes emphasis on mainstreaming disabilities as a core issue.

Respondent 3 & 4 [183-192]

If the business affiliated fund resources (fund chair and staff) want to go on a site visit. They pay out of their own pocket, own business budget.

Respondent 3 [228-229]

In both banks, the CSI projects and programmes were monitored and some evaluated in keeping with the CSE model's **reward and control** sub-theme. The banks engaged external evaluators to ascertain the effectiveness of their work and subsequently respond to the recommendations made.

In BankGroupB respondents highlighted this as follows:

Research in 2012 brought a feeling that programmes we were doing were not very impactful. We decided let's get back to basics and get the education train back on track and start tracking the measurable [outcomes].

Respondent 10 [131-132]

As CSI managers we do not evaluate but we monitor. So we give you a million, agree to the deliverables, over a period of time you send us reports and we check those results against our agreements; we look at improvement between beginning and the end of the year. And that is what we truly report on so it is truly just voluntary. The evaluation part is tricky and expensive, that makes it hard to do this each year.

Respondent 10 [80-84]

As a bank we have a long term view of impact. We would like our beneficiaries to succeed and independent. We work with each vendor on monitoring and evaluation

Respondent 11 [21-23]

BankGroupB had criteria against which it selected and supported potential beneficiaries. Here is an example from the housing programme of the bank's employee volunteering.

The people that we build for are people that are either physically disabled, orphans & vulnerable children in child headed households and the aged.

Respondent 12 [66]

Similarly, BankGroupA respondents led a structured and rigorous approach to CSI that sought results and accountability for the social investments made and from people who contributed to the success of these initiatives.

We approach CSI as a business. We do not just donate money and wish for the best. We try and build relationships with the NGOs we work with. We try and build

up a knowledge base to know what works or otherwise. All the programmes that we support get evaluated to see what works and what does not work and change course accordingly. We take the tough decisions up front.

Respondent 3 [97-103]

Ultimately, the Foundation aims to ensure that its social investments are made and measured with the same rigour as the business' financial investments.

Extracted from Foundation strategy [Document P32: pg2]

The members who sit on the fund committee have worked in a manner that shows that they were dedicated and responsible for the funds that the bank gives us; be it R21million or R7million. Everybody made sure that it was allocated accordingly and it is given to beneficiaries who deserve it.

Respondent 9 [45-49]

The people [on the fund committee] have to be committed or they are asked to leave. The CSI fund committee only meet four times a year. If a person misses one meeting they have missed a quarter of the year's work; it is a lot.

Respondent 5 [312-314]

**Organisational culture and values** influenced CSI work in the banks.

The application of BankGroupA values on CSI is conduct was the same as a rule. The bank's values included staff autonomy, accountability, and innovation. A clear strategy and alignment with the business brand values guided BankGroupA CSI.

This corporate social investment strategy guides the BankGroupA Foundation in fulfilling its statement of strategic intent to contribute to a better South Africa. In addition, it provides a framework for ensuring that the Foundation is and remains a best-practice organisation. For the Foundation, best practice means:

- staying within its strategy to prevent the dilution of its potential;

- following due diligence procedures in all of its activities;
- working with sustainable partners that go above and beyond the call of duty; and
- constantly seeking higher levels of excellence.

Extracted from Foundation strategy [Document P32: pg11]

[The work we do] is very values driven. Some of the foundation values are also values that you would find in the business brands as well such as innovation.

Respondent 3 [68-69]

We have now asked CSI funds to come up with something where we look at NGOs that do things in innovative ways we then give them a lump sum of money, so we are in that process at the moment. So it is not about the business only doing innovative things it is also about our NGO partners doing Innovative things and recognising. The innovative things that they do and stimulating this kind of thinking – that is one of our values

Respondent 3 [71-78]

Our whole reason why we do CSI: is because it is the right thing to do. It's not because we expect accolades because of it. It's about giving. We live in a society in SA where many people don't have what we have. The whole thing about being a good corporate citizen is very important. Doing the right thing to the communities in which we live.

Respondent 3 [79-84]

When I say to you, I come from an owner manager culture. Take initiative, be innovative, don't jeopardise reputation: traditional values, innovative ideas that is exactly how we run our CSI Fund committee meeting

Respondent 5 [294 - 297]

“I get better and better”- So our focus here is with the fund, the communities we fund are poor. If we give them the funds we expect them to get better and better. “We strengthen me”-they are a group. A skill that one may have the other may not, so when they are consolidated they strengthen one another enabling them to get better and better every day. “My work is my signature” - wherever our bank participates I would expect to see something coming up that did not exist before.

Respondent 9 [171-180]

BankGroupB values related to CSI work.

Seven or eight values exist; three are particularly applicable to CSI: being relevant corporate citizen; Serving customers (and communities). Integrity: you give because there is need and a social issue to be addressed.

Respondent 10 [182; 185]

We had a value: guarding against arrogance; we are cautious about saying too much and how.

Respondent 11 [127]

The CSE model used in the study considered the influence from **work discretion and autonomy**.

BankGroupB programme managers expressed the view that their programmes were designed by the CSI managers within the broad focus area where they had complete control of the programmes they pursued.

All budget proposals the unit presents need to be approved by social and ethics committee. The team has all the latitude to decide what programmes they will focus. You are given a chance to implement what you believe with partners to help the process.

Respondent 11 [76-78]

[In the volunteer programme] when we go into the provinces, we partner closely with municipalities. We are outsiders. The decision of which province to enter comes from the CSI team

Respondent 12 [105-107]

BankGroupA have a value system that emphasises independence and accountability in execution.

We have a very healthy philosophy on the way we engage and do business; because a lot of the people around the table are representatives for the business, they are not under threat by the business to spend a certain way. The philosophy is the same; and it's not about marketing. It's a very different reason for being. Not about making the company look good. It's about doing the right thing.

Respondent 4 [374 - 379]

Culture in BankGroupA is what influences us: Owner-manager culture. Each person does their work like they are running their own business. This has pros and cons Chances of success are high because they are running it as owner. Unfortunately also results in a competitive way of working [internally].

Respondent 1 [76-79]

The study's organisational antecedents in both banks are summarised in Table 4-6.

**Table 4-6: Summary of organisational antecedents**

<b>Organisational Antecedents</b>	
BankGroupA	BankGroupB
<b>Organisational values</b>	
Long standing business values	Recent change in organisational values
Business values applied in foundation	Business values applied in CSI unit
<b>Work discretion and autonomy</b>	
Foundation had well governed structures	Foundation had well governed structures
Focus areas selected by CSI funds	Focus area for CSI decided at bank level
Volunteer work employee led	Volunteer work employee led with CSI input
Autonomous work culture	Some what traditional bureaucratic work culture
<b>Sustainability</b>	
Encouraged beneficiaries to become self sustaining	Encouraged beneficiaries to become self sustaining
Foundation sustainability a priority	CSI unit sustainability a priority
<b>Top management support</b>	
Foundation is a separate governance structure	CSI unit included in the business structures
Senior management support	Senior management support
Frequent senior management participation	Occasional senior management participation
<b>Communication openness</b>	
All foundation information available on the web	Limited information available on web
Foundation and CSI funds consult internally	CSI unit consults internally
CSI activities information in annual reports	CSI activities information in annual reports
<b>Time and resources</b>	
Approximately 40 internal CSI resources	Only 4 internal CSI resources
External resources unlimited (due to partnerships)	External resources unlimited (due to partnerships)
<b>Reward and control</b>	
Close project monitoring and evaluation	Close project monitoring
Low impact projects unfunded	Low impact projects unfunded

### 4.6.3 Collaborations

The CSI units conducted both internal collaborations and external collaborations.

Both banks contributed to the National Education Collaboration Trust (NECT). An organisation created, based on the lessons learnt by the BankGroupA Foundation,

according to respondents 3 and 5. NECT developed as a distinct entity to which a number of corporate entities contribute.

BankGroupB, in particular, pursued and executed projects in close collaboration with government agencies and academic institutions.

We go into the municipalities to say the bank wants build houses. This is the criteria. Where in, for example, Pretoria do you want us to build houses? Then we walk in partnership with municipalities noting the land type and permissions. We need to make sure all the logistical arrangements are in place. A geotech report is created on the piece of land to ensure we do not build on a dolomite site, for example. So some provinces take forever to give us this information but we get it because it is an annual project.

Respondent 12 [111-116]

Through CSI we apply our resources to address social issues that can be barriers to doing business. Using a research-based approach to understand the socioeconomic needs of communities, we collaborate with government, other businesses and community organisations when making investment decisions.

Extracted from BankGroupB sustainability report [Document P20: p.41]

We select social partners based on their presence in a specific geography in which we operate, ability to deliver results within the education sector or reputation for delivering on social development

Extracted from BankGroupB sustainability report [Document P27: p. 10]

Four beneficiaries from Mlungisi received houses from the BankGroupB building project with Chris Hani and Lukhanji municipalities.

Extracted from newspaper report [Document P36: p. 1]

Through our partnership with the Department of Basic Education's Dinaledi Schools Programme, we have adopted 115 schools, with annual development plans in place for each. The schools each receive R50 000 annually towards achieving their targets.

Extracted from BankGroupB sustainability report [Document P20: p. 42]

BankGroupA sought collaborations with a variety of partners. They work with government, academic institutions civil society and other businesses

We say that CSI is not a competitive space; we will work with other banks and other corporates. It is not competitive space it is a space in which we try to do the best that we possibly can with the money that we have available.

Respondent 3 [48-52]

We cannot work alone. Patience, long term partnerships of ten years plus, excludes quick wins (3 years or more). Our fund is part of the Investec Bursary forum for tertiary bursaries. We are also in partnership with the DG Murray Trust, ourselves and ELMA philanthropies in a R60 million partnership for ECD investing R7million per year per company.

Respondent 1 [242-243]

To date, we have supported nine community agricultural organisations across South Africa, namely: African Children Feeding Scheme; Abalimi Bezekhaya; Heifer South Africa; African Co-operative Action; Christian Social Services; Umthathi Education and Training; Schools Environment Education and Development; and Soil for Life. All the organisations funded have a track record of service delivery and are regarded as best practice models in the sector.

Extracted from corporate CSI statement [Document P18: p. 1]

The BankGroupA Foundation South African Maths Education Chairs (jointly funded by the Foundation, Department of Science and Technology (DST) and the

Beta Fund), and the South African Numeracy Chairs (jointly funded by the Foundation, DST and the Anglo American Chairman's Fund).

Extracted from foundation overview [Document P17: p. 1]

The study found that both banking groups executed activities through partnerships. The content analysis of the interview transcripts and document revealed that collaboration is an integral part of the way the BGA foundation and the BGB CSI units worked.

#### **4.6.4 Social intrapreneurs**

This study considered all the staff contributors to CSI work social intrapreneurs. All the people interviewed for this study expressed an interest in giving back to society and possessed expertise that made their input valuable to CSI.

The perspectives from BankGroupB are noted as follows:

We support the personal philanthropy of our employees and encourage them to become involved in the communities they serve. Through the group's employee matching schemes, a total of R6,2 million (2011: R6,5 million) was donated to various beneficiaries during 2012.

Extracted from BankGroupB sustainability report [Document P20: p. 41]

Head office staff is where the leadership is and staff really push; for example, we are contributing to Operation Hydrate drive. That is not coming from the business it is coming from the employees, they are saying "what is my precious bank doing to respond to the drought?"

Respondent 12 [139-142]

BankGroupA respondents and documentation offered the following insights:

...under the slogan "Delta Cares: heads, hearts and hands" our employee volunteers programme focuses on helping to improve the lives of underprivileged South Africans through initiatives focusing on skills transfer, knowledge sharing and acts of love.

Extracted from fund report [Document P2: p. 12]

R3.6 million was donated to good causes by Alpha last year, half in time and money from our people, the other half in matched funding from the Volunteers Programme.

20% of our people are involved in the Alpha Volunteers Programme.

Extracted from fund report [Document P12: p. 18]

CSI is a core part of it but the heart of BankGroupA, the business is the people; and what we do to create an enabling environment for the people here. What is interesting is that the people on the funds are very skilled, committed, highly strategic, passionate people in the business.

Respondent 4 [211-212]; [230-231]

Everybody who is on the fund [committees] does it beyond their day job. They do not get graded on or evaluated on it. They volunteer and make time for it – they are not paid for it.

Respondent 3 [223-225]

Each bank has as many potential social intrapreneurs as staff according to the feedback unearthed through the content analysis in Microsoft Excel and Atlas Ti. As many as one third of the BankGroupA staff participate in volunteer activity. Staff at BankGroupB reported that many employees across the country also participated in volunteer activities.

## 4.7 Summary of the Content Analysis

The content analysis was particularly useful for highlighting three themes in banks' CSI:

- Organisational antecedents
- Social outcomes
- Collaborations

A word cloud created from the content analysis created the weighted image in Figure 4-3 that showed the most prevalent subthemes noted in content analysis of the documents reviewed for both banks. The word cloud had an occurrence summary of the CSE subthemes from the content analysis on Atlas\_ti. It eventually included 23 relevant documents from BankGroupA and 14 relevant documents from BankGroupB.



Figure 4-3: Word Cloud of all documents reviewed

Many of the individual instances of evidence curated from the document review were included under in the preceding sections.

Table 4-7 offered tabulations of the occurrence of each subtheme.

Table 4-7: Summary of themes extracted from Atlas\_ti

CSE Model Themes	BankGroupB	BankGroupA	TOTALS:
Collaborations	8	21	<b>29</b>
External Forces: Market forces	0	0	<b>0</b>
External Triggers - Non market	5	10	<b>15</b>
Organisational Antecedents	16	45	<b>61</b>

Organisational Outcomes -Financial	1	3	4
Organisational Outcomes - Intangible value	4	4	8
Social Intrapreneurs	1	7	8
Social outcomes	3	18	21
<b>TOTALS:</b>	<b>38</b>	<b>108</b>	<b>146</b>

#### 4.8 Summary of the results

In this chapter, the findings of the study in relation to each research proposition were shared. The banks in this study created social outcomes through their work in accord with the first proposition. The banks created organisational outcomes through their social activities, intangible benefits in particular were note. However, it was noted that in BankGroupA, organisational outcomes subordinated to social outcomes; while in BankGroupB organisational outcomes were relevant and pursued during the course of CSI activities. The study found that many of the CSE model elements were evident in both bank groups.

## **CHAPTER 5. DISCUSSION OF THE RESULTS**

### **5.1 Introduction**

This chapter focused on a discussion of the findings described in detail in the previous chapter. Brief consideration to CSR in South Africa was outlined. Thereafter, the focus shifted to potential explanations of the social and organisational outcomes noted in the study. The existence of elements of corporate social entrepreneurship in selected South African banks was considered and explanations proffered.

### **5.2 CSR in South Africa**

The South African Government concurred with the idea that corporates had the resources to contribute to social issues (Carroll & Shabana, 2010). It designated 1% of net profit after tax be dedicated to corporate CSI. The South African government's stance on CSI placed corporate entities in the country in a position to consider the potential merits of a CSE process.

Schwab (2008) asserted that CSR bolstered the sustainability of society and enterprises in that context. Social outreach work took place in both banks prior to the establishment of legislation that required the contribution of a defined percentage of earnings after tax to CSI in South Africa. BankGroupB created an education trust in 1986 and BankGroupA foundation was established in 1998. Both banks understood the interdependent link between business and community.

In accord with Henry and Rifer (2013), the two banks noted that regulations were not the primary driver of social outreach work. The banks engaged in CSI because it was the right course of action for the society of operation. Cochran (2007) believed that CSR improved profitability based on its impact on governments, customers, media and employees. BankGroupB's CSI agreed with the notion that social activities enhance the

bottom line and improve the reputation of the business, and should be used. In this BGB, socially leveraged opportunities for the business were sought and shared.

### **5.3 Banks creating social outcomes**

In the study, the units of analysis focused on corporate social investment. The first proposition of the study stated that the South African banks evaluated in this study created social outcomes through their social responsibility activities. The findings of the study support this proposition. The interviews and documents reviewed in the research process proved appropriate means for uncovering the required data on CSE social outcomes from the CSI departments as noted in the study's methodology.

Social outcomes were noted extensively from the interviews conducted and the documents reviewed. Spitzeck et al. (2013) provided guidelines for social outcomes describing these as instances where the company reduced negative impacts or brought about positive impacts. Among the many examples noted in the fourth chapter, it was apparent that the selected banks contributed to both outcome types. Some examples included contributing positively by offering tertiary bursary opportunities to hundreds of talented young people from disadvantaged backgrounds. The banks responded to crises that fall outside their focus areas but represent real need. BankGroupB reduced the impact of poverty by providing housing to some of the most vulnerable groups of people. BankGroupA actively contributed to the environmental conversation on risks associated with declining numbers of endangered plant and animal life.

It is interesting that during the study, it was somewhat challenging to distinguish between positive impacts and instances where negative impacts reduced. The ECD support initiatives the two groups engaged in focused positively by creating early learning programmes for disadvantaged learners. However, ECD centres and schools also offered nutrition programmes, for example, which mitigated malnutrition. In either case, the most important element was that regardless of the type of impact, both groups monitored, documented and evaluated outcomes adding social value in complex

situations (Zaefarian et al., 2015). This was exemplified in the section on the organisational antecedents.

Empowerment, social innovation and systemic change were additional forms of social value offered by Zaefarian et al. (2015). BankGroupA pursued these objectives. They went as far as defining the updated CSI strategy as Systemic Social Investment. BGA moved away from less systemic to more systemic interventions, responsibly. It carried out detailed programme evaluations which revealed the programmes making the most and least impact. The group went on to exit the least impactful projects and focus areas during 2015. Its previous work had some hallmarks. The agricultural livelihoods programme empowered people to feed themselves and generate a small income. The arts, culture and heritage programme linked the Beta business brand's interest in the arts to develop and integrate artists into significant commercial exhibitions, a potential example of social innovation.

BankGroupB had a similar review process in 2012 led to the group's exit from all other focus areas and renewed focus on education, primarily.

This confirmed the first research proposition of this study was correct. The study found that the selected banks created social outcomes in a variety of key areas of the South African economy and society.

#### **5.4 Banks creating organisational outcomes**

CSE should generate double returns, both economic and social, in a way that allows the two outcome types to be synergistic, not competing priorities (Austin & Reficco, 2009). The second research proposition stated that South African banks in this study created organisational outcomes because of the social responsibility activities. Interview transcripts and documents reviewed confirmed the same. The study did not pinpoint direct monetary value derived from CSI activities. It showed that other organisational outcomes supported the banks in ways that may raise the profile of the bank in a variety of ways. Therefore, the second proposition of the study was confirmed.

The interviews conducted with BankGroupB indicated this CSI group embraced an approach that combined these outcomes. For example, the CSI team markets the youth banking products to the young people who participate in its social programmes. This resulted in customer growth. The CSI unit was an integrated part of the business operation that contributed to business objectives in the course of its social activities.

It could be argued that the youth banking example is inappropriate one because it placed shared value creation in the middle of day-to-day activities contrary to Porter and Kramer (2011). These authors have said that shared value needs to create new organisational outcomes and not augment operational outcomes.

The study found some reticence to seek economic or organisation benefits the the BankGroupA Foundation. During the course of the interview conversations, the foundation's representatives clearly explained that its mandate was completely distinct from the business: CSI was pursued because it was the right course of action for a good corporate citizen. Despite that position, organisational outcomes surfaced in BGA. The SSI concept pursued holistic approach to social investment which shifted the competitive content (Porter & Kramer, 2006), particularly for NGOs and other social initiatives. Through the CSI dialogues, BankGroupA advanced knowledge and signalled other corporate funders and government about successful interventions. The bank encouraged shared value creation by selecting the best grantees through a rigorous proposal review process (Porter & Kramer, 2002). BGA also fostered improving grant performance through facilitated conversations about best practice among its beneficiaries, for example in the Delta Fund.

Schwab (2008) considered corporate social entrepreneurship an opportunity to turn social and environmental ideas into products and services. In this regard, BankGroupA offered a potential example of this. The Beta Fund worked with an extensive network of environmental non-profits. On the business side, the Beta brand tailored credit facilities for a variety of large businesses, including mining companies. A company interested in mining in KZN recently approached the business brand for a medium term credit facility. The proposed mining operation had alarm among environmental groups. A member of

the deal origination team had been a member of the brand CSI fund committee. Through the CSI fund manager and the deal origination team member the mining company and interested environmental NGOs had conversations that reduced the risk of interrupted operation for that client company and disruption to the environment. At the time this study completed, the key clauses in certain facility agreements had been updated because of these consultations.

Zaefarian et al. (2015) suggested this is an instance where the corporate performance was supported by opportunities where value added services and products are created by socially responsive operations. The example above presented a new way to developing credit facility deals that raised the odds of success by bringing business clients together with pivotal stakeholders early in the deal creation process.

Given BankGroupA's position on organisational outcomes, this study noted the possibility of an additional sub-theme social over organisational outcomes is a strategic position in BankGroupA CSI strategy. This acknowledged Crane et al. (2014) concerns that balancing the interests of social and profit motives may be difficult. BGA took the view that social issues had precedence in the CSI foundation and fund activities.

This study showed market factors were not a driver of CSI. Corporate social investment vehicles were set up specifically to pursue social change. BankGroupA had a position in which the social outcomes take priority, possibly limiting the risk of compromising CSI by adding profit motives to it. The researcher considered this an indication that BankGroupA agrees with Crane et al. (2014).

The banks appear took the regulatory requirements to fulfil certain social obligation as opportunities that created value for society in particular. Both CSI teams expressed the view that, despite the regulatory requirements, the group pursues CSI work because it is the right thing to do. In accordance with Henry and Rifer (2013) assertions that a good corporate citizen should be considered an important part of doing business in South Africa and that CSI is not primarily driven by regulation.

The banks in this study engaged with and solved non-market externalities created primarily, social value for one bank, and potentially economic value for the second bank.

Both banks benefited from reputational gains whether or not the CSI teams aimed to attain them. Among the organisational outcomes, BankGroupA accessed government through its work:

- Beta CSI fund worked in alignment with the arts and culture department
- Delta CSI fund worked in tandem with the agricultural extension officers

BankGroupB was very involved with government at various levels as well.

Where the CSI unit is located in the corporate structure was important and influential. In the one bank, the distinction between the business and CSI in separate legal entities may result in the near exclusion of organisational outcomes in the CSI strategy, whereas, in the BGB CSI unit embedded in the large corporate structure, generated organisational outcomes.

Zaefarian et al. (2015) also stressed the opportunity for CSE aligned CSR to improve a business' reputation internally through employee loyalty and higher productivity. The volunteer programmes in each of the banks supported this notion. In fact, employees at the Beta brand at BankGroupA created a secondary voluntary fund that independently contributed to crises in South Africa and abroad.

The study found that the selected banks created organisational outcomes in expected and unexpected ways; whether this occurred incidentally or is pursued deliberately.

## **5.5 Corporate social entrepreneurship elements**

Austin et al. (2006b, p. 170) define corporate social entrepreneurship (CSE) as:

“...the process of extending the firm's domain of competence and corresponding opportunity set through innovative leveraging of resources, both within and

outside its direct control, aimed at the simultaneous creation of economic and social value.”

Resource utilisation from within and outside the bank created different forms of value, through a number of examples noted in this section. The two banks exhibited the presence of the social and organisational outcomes noted in the CSE model, which was used as an a priori framework for thematic analysis for this study. CSI was integrated into the business strategy in two different ways based on the information uncovered in this study; internally for BankGroupB and adjacent to the business for BankGroupA.

The findings of the study showed that the two banking organisations have many other features of the CSE model proposed by Spitzeck et al. (2013).

CSE was characterised by a good response to non-market triggers as noted in the Spitzeck et al model. Both the banks mitigated social challenges as opportunities to create shared value with government, in particular.

Corporate social entrepreneurship was considered explicitly in South Africa for the first time in this study. The study made specific generalisations about CSE's existence in the selected South African banks. Generalisability of case study results was not possible for South African banking concerns or businesses, in general. However, well executed case studies enable new information to be revealed about the case subjects (Berg, 2001) as was the example for the two banking concerns consideration here.

### **5.5.1 External triggers: Non-market factors dominate**

The two banks both had non-market factors having the most sway on the nature and focus of their activities on society as a whole (Spitzeck et al., 2013). In addition, it was important to consider externalities as opportunities for value creation (Porter & Kramer, 2011).

The banking groups, for example, invested in a broad spectrum of education interventions in response to the social risks posed by the poor education outcomes in South Africa. The banks in this study aligned with a belief that organisations understood

what they were trying to achieve where they work and follow through accordingly (Dahlsrud, 2006). Both CSI programmes arose from internal reflection and responded to the needs of the society in which they operated.

BankGroupA utilised a firm of investment advisors to conduct research and context scanning that informed the project focus areas pursued. In addition, they considered government priorities and policy documents, such as the NDP. Consequently, they identified a spread of focus areas as a foundation, each of which contributed broadly to the objectives of government. The findings of this study included the arts and culture, agriculture, education and environmental sectors, leading to varied instances of social value creation and sector learning.

BankGroupB was guided by the NDP and focused primarily on education. The CSI unit highlighted that their approach covered all levels of education across the country's nine provinces. The unit collaborates with government and education sector leaders reaching hundreds of schools and thousands of learners.

### **5.5.2 Organisational antecedents**

Both Austin and Reficco (2009) and Spitzeck et al. (2013) placed a great deal of emphasis on an enabling environment in their reflections on a model for corporate social entrepreneurship or elements that contributed to one. The study was conducted over a four-month period; the researcher formed a perspective on the organisational structures in the banks. Both banks had well-structured and professionally run CSI organisations. BankGroupB had a rather traditional and bureaucratic structure. BankGroupA had an entrepreneurial and dynamic culture. A cross case analysis of these organisational antecedents were listed in Table 4-6.

### **Time and resource availability**

BankGroupA showed evidence of all seven of the elements for corporate social entrepreneurship. BankGroupB exhibited six of the seven elements. The time and resource element was the exception. BGB leveraged the implementation partner staff in

the CSI work; there was a rather constrained level of internal human resources – particularly in comparison to BankGroupA.

CSE was characterised by the significant unlocking of corporate capacity. Both the banks harnessed employee interest in contributing directly to society through the investment of time and money. Both the banks had set up a matched funding system, which doubled the contribution offered by an employee to a legitimate non-profit organisation. BankGroupB re-established a formal employee programme in 2014. The employee volunteer programme at BankGroupA started in 2003. Over R20million was collected through the volunteer programme. More than one third of BGA employees were contributors to the volunteer programme. This shows potential social intrapreneurial qualities among the bank's employees.

The structure of the fund committees showed that BankGroupA foundation creatively leveraged staff expertise. The fund committee included approximately eight brand business staff with relevant expertise and commitment to the focus areas of the fund; they volunteered their time to define and guide the work of the committee. A senior executive chaired each fund committee in the brand business of the fund in question i.e. the Alpha fund committee was led by an executive from the Alpha business brand of the group. The CSI fund manager were the only salaried member of the fund committee who co-ordinates the work of the investment advisors

### **Organisational values and top management support**

Values which fostered corporate entrepreneurship and social responsibility were especially valuable (Zhang & Zhang, 2016), are supported by leaders of the organisation (Zaefarian et al., 2015) and are particularly useful in the application of CSE. On the one hand, BankGroupB had structural support of the company's top management and board committees. The bank has value statements that support its CSI work as well. On the other hand, BankGroupA enjoyed more visible support from top management in the Foundation and its CSI funds at group and brand level. There also appears to be a more visible manifestation of the values of the organisation in the way that CSI. Austin and Reficco (2009) state that value congruency supports the infusion of social

entrepreneurship into a wider structure. The values showed that the staff in BankGroupA could exemplify instances of this.

### **Sustainability vision**

Both the banks lent a similar degree of credibility to the creation of a sustainability vision for the programmes they support, in addition to supporting programmes that have long-term outcomes and time horizons.

### **Corporate entrepreneurship**

BankGroupA's CSI exhibited an overlap with the organisational antecedents of the more traditional form of CE. This reinforced the idea that this bank had previously adopted many of the elements of corporate entrepreneurship, which constituted a significant portion of the organisational antecedent section of the Spitzbeck et al. (2013) model.

BankGroupA had a corporate culture predisposed to corporate entrepreneurship. There was evidence of all the organisational antecedents of CSE in this bank. Since Spitzbeck et al (2013) only added the sustainability vision to previous corporate entrepreneurship models, this study contended that this CE base and clear social entrepreneurship at BankGroupA makes it predisposed to the possibility of expanding its CSR approach to include the CSE process.

### **Communication openness, work autonomy, rewards and control**

These three factors were prominent features of corporate entrepreneurship in action (Spitzbeck et al., 2013).

Both the banks offered examples of the ways they foster communication openness in their work, particularly with internal staff. BankGroupA created an easy to locate online for its CSI activities. Both internal and external communication appeared fairly open. BankGroupB did not have a similar space, although there is a blog which has some updates. BankGroupB does not have a dedicated communication channel sharing all its activities. This related to previous values on guarding against arrogance in which BGB were not overt about speaking about their achievements as a bank. Alternatively, the

BGB CSI unit may simply have not have the capacity to focus on communication for the unit. This data is consistent with Zaefarian et al. (2015)'s view that open communication enables CSE.

Both bank CSI bodies led the process and selection of the focus areas they support. Thereafter they were responsible for ensuring beneficiaries accounted for the support received. BankGroupA had a structured monitoring process for their beneficiaries and engaged external evaluators to review the overall impact of projects and programmes. BGB had only just begun defining monitoring and evaluation during the period the study took place. CSE ensured that words are translated to action, defines control mechanisms and provides avenues for ensuring CSI is effective (Austin & Reficco, 2009).

### **5.5.3 Collaborations**

The findings of the study indicated showed that both banks agreed with a view that collaborations supported the cogeneration of value and efficient arrangements with external parties. deployment of resources (Austin & Reficco, 2009). Both the banks actively used collaborative partnerships.

BankGroupB staff expressed willingness to work with other stakeholder groups in achieving their CSI objectives, particularly NGO partners and government representatives. There were no overt collaborations made with other corporate entities that were noted. The BGB unit views other corporate entities as competitors.

In addition, staff and NGO partners were guided on safeguarding the bank's brand when working on behalf of BankGroupB in volunteering or project implementation. This is relevant to the view that well organised and executed collaborations lend the organisation and initiative legitimacy and credibility (Spitzeck et al., 2013; Zhang & Zhang, 2016)

BankGroupA representatives stated clearly that they believe CSI is not a competitive space and that they will collaborate with anyone and everyone to further their social projects, including government, other businesses and corporates, and new NGO

partners. The interviews also indicated that the brands in the group and their funds also collaborate among themselves.

#### **5.5.4 Social Intrapreneurs**

For the CSE concept, organisations needed individuals with a range of skills and experience (Austin & Reficco, 2009; Zhang & Zhang, 2016). In the study, the two banks showed the presence of a variety of social entrepreneurs. The first group were the coordinator group who acted as the CSI programme and fund managers among the staff in both banks. Both the bank volunteer programmes benefited from the presence of staff contributors willing to contribute to society under the umbrella of the corporate entity. Through these volunteer programmes, staff suggested initiatives that the bank groups supported.

In terms of internal capacity, BankGroupA had a much larger internal human resource and skills base, based on the previous observations on time and resource availability for CSE. BankGroupB used internal collaborations. It could potentially co-opt more of the employee volunteers in core CSI work to expand their human resource and skills base.

Grayson et al. (2011) defined social entrepreneurs as individuals who took the initiative in social initiatives that solve social or environmental problems profitably. Due to the difficulty of attributing profit to the individuals in this study, this definition excluded the CSI team and employee volunteers in the banks noted here.

In BankGroupA, staff responded to the Mozambican floods, for example. In BankGroupB, staff responded to the plight of victims of xenophobic attacks, and encouraged water contributions to drought stricken areas of South Africa. They also regularly contributed to general social challenges with food, clothing donations where needed.

## 5.6 Conclusion

The findings of the study indicated that the CSE process as defined were relevant and applicable to the execution of CSI in the selected banks in South Africa. Both banks' CSI entities exhibited evidence of most of the elements of the CSE model. Despite the differences in structure, both banks showed responsiveness to non-market triggers, but not a predisposition to use market related triggers in their CSI work due to the social focus of the BGA foundation and BGB CSI unit. Social intrapreneurs, collaboration and an enabling environment were evident between the two banks, despite the slight differences in ways that each bank applies these.

Social outcomes resulted from the activities of both departments. Many of the organisational outcomes that were revealed offered intangible organisational outcomes to both banks as a whole.

Although, BankGroupB offered indications that financial organisational values could be generated through CSI the study was unable find this definitively.

## **CHAPTER 6. CONCLUSIONS AND RECOMMENDATIONS**

### **6.1 Introduction**

This chapter underscores the findings and conclusions of the study and offers some recommendations and suggestions for future studies.

### **6.2 Conclusions of the study**

This study found that the selected South African banking groups were creating a variety of important social outcomes through their CSI work. The study also indicated that both banking groups created organisational outcomes. Although it was not possible to quantify organisational outcomes in financial terms, the study found growth and profitability opportunities already arise in various ways. Intangible value was created on behalf of the business, by both bank groups' social activities. However, one group considered organisational outcomes external to the CSI activities and so these outcomes were incidental, while the other banking group sought to create outcomes for the business during the process of CSI work.

Both banking groups had elements of CSE in place and exhibited potential readiness the process into the way they do their CSI work. The willingness to adopt an approach is an entirely different issue and this may hinge on whether the suggested model or any subsequent variation of this model tallied with the CSI unit and bank values, and culture and offered significant enough benefits to warrant the shift.

### **6.3 Recommendations**

This study and its findings provided potential guidance to parties interested in the banking sector's role in South African society. Both the banks, through their CSI work, agreed that business had a significant role to play in South African society. Their view

was that social investment is the right course of action for a good corporate citizen in South Africa, given the challenges in South African society.

It has also offered indications that elements of the CSE model used in the study were relevant to the local banking sector. The study found that CSE was a relevant process for banking CSI in South Africa, because the cases gave evidence of the existence of many of the CSE's model elements. The bank strategies agreed with elements of the CSE model including

- close consideration of non-market triggers for sustainability and CSI initiatives;
- the use of collaborations of different types;
- the contributions made by an enabling business structure;
- the role of social intrapreneurs in accomplishing this work;
- the creation of a variety of social outcomes; and
- the generation of organisational outcomes, incidentally or deliberately.

The type of bank strategies and structures that were aligned with corporate social entrepreneurship were uncovered to a degree. The banks were in close accord about the creation of social value. However, they differed slightly on the other outcome of CSE: economic or organisational value. One group showed openness to seeking business opportunities through CSI work. The second group considered benefits to the organisation incidental and not actively pursued or factored into the strategy for CSI.

The type of CSR initiatives that created both social benefits and economic benefits in the selected banks difficult to isolate. The study isolated one example of a synergistic service based on combining business client interests with those of the environmental NGO partners working with the business' CSI fund. This proactive risk reduction strategy developed to such a degree that the benefits to the client and the business could be quantified in the future. It is particularly appropriate because it results in new economic benefits (Porter & Kramer, 2011) based on new services created through CSE (Schwab, 2008).

The type of individuals, staff and management, broadly, that contributed to CSI activities in the banks were considered in this study. Thus study suggested that all staff can

contribute to CSE process in an organisation. All staff can contribute time and money to company led initiatives, as noted in both banks' volunteer programmes. One of the banks makes extensive, structured use of internal and external committee members, trustees and advisors who possessed a variety of pertinent skills and expertise. Clear monitoring and evaluation systems that supported the BankGroupA's ability to account for the return on investment on its CSI work.

The BGB used some internal collaboration to support dedicated CSI staff. However, the study was unable to establish whether there was formal structure to the internal collaborations. In BankGroupB, a cogent structure exists to support CSI but the unit would likely benefit from additional internal human resources. For example, at present the team mentioned that there were limited monitoring activities and they explored an evaluation partnership with a local university. I

It would help if CSI generated more communiques, thought pieces about the bank's work, and created opportunities for new products and services as from the lessons learnt.

One other way that BGB may also expand its skill set is considering partnerships and collaborations with other corporates with whom they have overlapping interests. The study indicated that the group currently does not work in partnership with other commercial entities.

This study also makes it possible for other banks to learn from the experiences and approaches of these selected banks. For example, as the employee volunteering programme at BankGroupA has existed far longer than that of BankGroupB, it represented a collaborative learning opportunity for the latter group.

## **6.4 Suggestions for further research**

The completion of this study led to some suggestions for further research detailed hereafter. Future research could focus on a number of issues.

A detailed research case study on CSE's relevance within the entire South Africa banking industry is a relevant next step, which could lead to more industry generalisations. These cases could use bank CSI departments as a starting point for uncovering social value creation, as this study did.

It may also be helpful to consider the role of other business units in social value creation. A research project, which focuses on the applicability of CSE in banks, beyond CSI divisions, could further clarify the relevance of the CSE concept in the broader business context.

A more focused consideration of the social intrapreneurs in the local banks is an area of study with significant potential. In order to support the development of social intrapreneurs for South Africa, it is important to understand their motivations and personal values. This study showed that the corporate contributors to CSI and CSE possess a variety of skills and interests. This could generate relevant information for CSI departments and the larger bank context.

The mining sector is another key sector in the South African economy and a significant contributor to South African society. It is worth exploring whether the CSE concept could add any value to this industry. This would be particularly relevant because the sector contributes large amounts of CSI contributions to communities across the country, opportunities to augment this work could be beneficial to a sector recently affected by labour unrest.

A quantitative research study could explore whether the companies considered in this study, and others like them, can quantify their shared value outcomes. It is especially interesting for this researcher to explore possibilities for quantifying the organisational outcomes the businesses generate.



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## **APPENDIX A CASE STUDY PROTOCOL**

### **Overview of the case study**

#### **Objective**

This study will evaluate the existence of elements Corporate Social Entrepreneurship as a strategy process in two South African banks.

This objective is communicated to each individual that is interviewed using the Interview informant sheet that is included in its entirety in Appendix B

#### **Most relevant readings**

- Porter and Kramer (2002) (2006) (2011)
- Michelini (2012)
- Austin, Leonard, Reficco, and Wei-Skillern (2006, 2009)
- Spitzeck, Boechat, and França Leão (2013)
- Zaefarian, Tasavori and Ghauri (2015)
- Zhang and Zhang (2016)

## Data collection procedures

<b>Task</b>	<b>BankGroupA</b>	<b>BankGroupB</b>
Gaining Access	Formal written request to Head of the Foundation and each of the Fund leaders Follow up with phone call Explanation of the process	Formal written request to Head CSI division Follow up with phone call Explanation of the process
Resources	Interview materials <ul style="list-style-type: none"> <li>• Informant sheet</li> <li>• Detailed interview schedule</li> <li>• Post it notes with short question prompts</li> <li>• Pens and note pad for field notes</li> <li>• Mobile phone with audio recording application</li> <li>• Request for a quiet interview venue</li> </ul>	Interview materials <ul style="list-style-type: none"> <li>• Informant sheet</li> <li>• Detailed interview schedule</li> <li>• Post it notes with short question prompts</li> <li>• Pens and note pad for field notes</li> <li>• Mobile phone with audio recording application</li> <li>• Request for a quiet interview venue</li> </ul>
Guidance	Use Stake (1995) The art of case study research; Yin (2014) Case study research: Design and Methods Contact with research supervisor	
Schedule	Initial interviews – Aug. 2015 Document collation – Sept to Dec 2015 Composition of the case study report – Jan to Feb 2015 Member reflections – Feb 2015	Initial interviews – August 2015 Document collation – Sept to Dec 2015 Composition of the case study report – Jan to Feb 2015 Member reflections – Feb 2015
Contingency	Conduct any outstanding interviews in January 2015 Contact details for two associates who work for the group seeking assistance Alternative interview questions	Conduct any outstanding interviews in January 2015 Contact details for two associates who work for the group seeking assistance Alternative interview questions

## Data collection questions

### Interviews

Semi-structured interview guide assisted the researcher with questions and a reminder of the guiding rationale for each area of interest in the study.

Criteria section for CSE	Question
Warm up / Building Rapport	How long have you been with the bank?
Warm up / Building Rapport	Please tell me about your current role in the bank.
Warm up / Building Rapport	Maybe add: what do you understand by the term “corporate social responsibility”?  What term do you use?  Explain it to me.
<b>Warm up / Building Rapport</b>  <b>Lead into the actual study questions</b>	Are you aware if the bank engages in socially focused activity/ CSR at present?
A) An enabling environment – Austin	<p>1) Are there people whom you would describe as champions for CSR in the bank?</p> <p>If yes, which leaders (title) and please share examples of how they champion CSR in the bank.</p> <p>2) Are there other support structures for CSR outside the department of the same name?</p> <p>If yes, which department and please share examples of how this occurs and how this plays out in practice.</p> <p>3a) In your opinion, do social issues/CSR issues/ corporate</p>

	<p>citizenship issues feature in the bank strategy?</p> <p>Alternative question</p> <p>3b) Tell me about the bank's divisions/ departments and where CSR fits in</p> <p>If yes, please tell me more about this</p> <p>Alternative or additional question:</p> <p>3c) Does CSR inform strategy?</p> <p>If yes, can you share an example of this with me?</p>
<p>B) Corporate social entrepreneurs or social Intrapreneurs</p>	<p>4) Can you describe how some social activities / CSR work executed by the bank?</p> <p>5) Who does this CSR work?</p> <p>Seeking the length and breadth of the work carried particularly between 2012 and 2014</p> <p>Are there opportunities for employees outside the CSR/ Corporate citizenship <b>department/office</b> to participate?</p> <p>If yes, please describe the roles they play as fully as possible. Likely to be a lengthy response. May not be lengthy if there is no-one in that space outside the CSR department.</p>
<p>C) Corporate purpose - Values lead strategy</p>	<p>6) Does the bank have a core set of values?</p> <p>If yes, please could you tell me more about those values?</p>
	<p>7) Are these values seen in action in the bank?</p> <p>8) To the best of your knowledge are these values discussed in strategy formulation?</p> <p>If yes, examples?</p> <p>If no, do you have any ideas why this may be?</p>

	If maybe, why do you say that?
D1) Social Value Creation (social outcomes)	<p>9a) Are there measures used to monitor the social impact of the banks CSR / social initiatives?</p> <p>If yes, please tell me more about them.</p> <p>If maybe, please tell me more about your line of thinking on why they may or may not be?</p> <p>Alternative question:</p> <p>9b) Is there a time span the bank expects to see returns or benefit of its CSR work /Social initiatives?</p>
D2) Economic value creation (organisational outcomes)	<p>Need to look at clarifying whether the CSR initiatives have been in place long enough o see a return....</p> <p>10a) Has the banks social activity/CSR created new business opportunities?</p> <p>If yes, please could you give me an example or two?</p> <p>Alternative question</p> <p>10b) Has the bank's social activities created new expertise/skills/knowledge for the bank?</p> <p>If yes, please could you give me an example or two?</p>
E) Co-generation value through Collaboration	<p>11a) Are there any external resources the bank has used for its social or community activities?</p> <p>If yes, what does each party bring to this collaboration?</p> <p>Alternative question</p> <p>11b) Does the bank collaborate with external parties in its social initiatives?</p> <p>If yes, what does each party bring to this collaboration?</p>

## Documentation

The document review portion of the case study focused on data generated by a bank's CSI work between 2012 and 2014, with particular focus on internally generated documents. The first three types of information are considered key sources with internet sources to be used as a fall back source.

<b>Documentation type</b>	<b>BankGroupA Limited</b>	<b>BankGroupB Limited</b>
1. Annual report for CSI division	BankGroupA Foundation Reports to Society	BankGroupB Ltd Sustainability reports
2. Annual report for the Bank	Integrated Annual Reports	Integrated Annual Reports
3. CSI documentation	CSI project evaluations	Project Report or overview
4. Internet search on corporate webpages and on search engines with certain keywords	CSI, brand Fund names, BankGroupA Foundation, CSI that works	Bank name, CSI, Volunteers, CSR

## Guide for the case study report

The case study report is composed with certain priority concerns:

- Completion of the individual case reports in alignment with the research propositions but highlighting interesting findings noted beyond the scope of the research.
- These reports were included in the findings section of the study paper along with the findings that highlight cross case comparison findings.
- Composition of the reports in alignment with the academic writing standards of the institution the researcher is affiliated with.

## **APPENDIX B MBA RESEARCH INFORMATION SHEET**

**Study title:** CORPORATE SOCIAL ENTREPRENEURSHIP IN SELECTED SOUTH AFRICAN BANKS

### **Purpose of the study**

This study will evaluate the potential adoption of corporate social entrepreneurship as a strategy process in two South African banks.

### **Broad areas of inquiry**

Among a number of issues, this study will consider

- The current and potential adoption of key elements corporate social entrepreneurship in South African banks
- Shared value creation in the in South African banks

### **Participation in the study**

Participation in the study is voluntary. If you decide to take part, you are still free to withdraw at any time and without giving a reason. If you decide to take part, you will be offered confidentiality. You will be asked consent to participate in the study and for the interview to be audio recorded.

### **Outcome of the study**

The results of the study will form part of a research report completed in partial fulfilment of the requirements of a Master of Business Administration at Wits Business School. The final report will be available at the Management library of the University of the Witwatersrand; can be forwarded to you by the author on request.

### **Further information**

Researcher: Carlene Gonzo, MBA student, Wits Business School

Supervisor: Ms Julie Stacey, Wits Business School

Thank you for taking the time to read the information sheet