

https://dspace.org/

Creating shared value of corporate social development programmes : ranked versus unranked South African brands

Mugeni, Judith Sheila

2016
https://hdl.handle.net/10539/24003
Mugeni, Judith Sheila (2016) Creating shared value of corporate social development programmes : ranked versus unranked South African brands, University of the Witwatersrand, Johannesburg, <https://hdl.handle.net/10539/24003>

Downloaded from a DSpace repository. https://dspace.org/

Creating shared value of corporate social development programmes: ranked versus unranked South African brands

A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Masters in Management Strategic Marketing

Johannesburg, 2016

TABLE OF CONTENTS

LIST OF TABLES vi

LIST OF Figures vii

ABSTRACT viii

DECLARATION x

DEDICATION xi

ACKNOWLEDGEMENTS xii

CHAPTER 1.INTRODUCTION 1

1.1 Purpose of the study 1

1.2 Context of the study 1

1.3 Problem statement 6

1.4 Research questions for qualitative phase 7

1.5 Hypothesis testing for quantitative phase 7

1.6 Significance of the study 8

1.7 Delimitations of the study 9

1.8 Definition of terms 9

1.9 Assumptions 10

CHAPTER 2.LITERATURE REVIEW 11

2.1 Introduction 11

2.2 CSR Lens: Recently introduced Paradigms on CSR 20

2.3 Conclusion of Literature Review 2-30

CHAPTER 3.RESEARCH METHODOLOGY 3-33

3.1 Research methodology /paradigm 3-33

3.2 Research methodology 3-33

3.3 Research Design 3-39

3.4 Population and sample 3-40

3.5 The research instrument 3-43

3.6 Procedure for data collection 3-44

3.7 Data analysis and interpretation 3-46

3.8 Limitations of the study 3-47

3.9 Validity and reliability 3-48

CHAPTER 4. Presentation of Result: Qualitative information 4-51

4.1 Introduction 4-51

4.2 Qualitative Analysis 4-51

4.3 Summary 4-81

CHAPTER 5. DISCUSSION OF THE RESULTS: QUALITATIVE 5-83

5.1 Introduction 5-83

5.2 Discussion pertaining to the Economic view 5-83

5.3 Discussion pertaining to the reason for undertaking CSR 5-85

5.4 Discussion pertaining to the Value of doing social programs 5-86

5.5 Discussion pertaining to the decision on program 5-93

5.6 Discussion pertaining to Impact 5-94

5.7 Conclusion 5-95

CHAPTER 6. Quantitative Findings and Data Analysis 6-97

6.1 Introduction 6-97

6.2 Profile of the surveyed population 6-100

6.3 Respondents attitudes and perceptions of Corporate Social Responsibility: Univariate Statistics 6-107

6.4 Independent and Dependent Variables 6-111

6.5 Reliability and Validity Tests 6-112

6.6 Measure of Central Tendency: Arithmetic Mean Analysis 6-115

6.7 Cross Tabulation- Results pertaining to CSR Paradigm Hypothesis 1 and 4: 6-118

6.8 Cross Tabulation Results pertaining to CSV Hypothesis 2 and 3: 6-120

6.9 Logistic Regression: Building the model 6-121

6.10 Logistic Regression Results pertaining to CSR Hypothesis 1 and 4: 6-122

6.11 Logistic Regression Results pertaining to Hypothesis 2 and 3: 6-126

6.12 Factor Analysis 6-131

6.13 Logistic Regression based on Factor Analysis 6-136

6.14 Summary of the results 6-142

CHAPTER 7.DISCUSSION OF THE QUANTITATIVE RESULTS 7-143

7.1 Introduction 7-143

7.2 Discussion pertaining to CSR Hypothesis 1 and 4 7-144

7.3 Discussion pertaining to CSV Hypothesis 2 and 3 7-147

7.4 Factor Analysis and Regression 7-149

7.5 Conclusion 7-151

CHAPTER 8.CONCLUSIONS & RECOMMENDATIONS 8-152

8.1 Introduction 8-152

8.2 Conclusions of the study 8-153

8.3 Recommendations 8-154

8.4 Suggestions for further research 8-154

CHAPTER 9.References 9-156

APPENDIX A: Cross-Tabulation Results 9-162

9.1 Results pertaining to Hypothesis 2: 9-175

APPENDIX B 9-186

Letter from University 9-186

APPENDIX C: Actual Research Instrument: Qualitative 9-187

APPENDIX D: IDI Contact Summary Form 9-193

APPENDIX E: Quantitative Questionnaire 9-194

APPENDIX E: Consistency matrix 9-196

LIST OF TABLES

Table 1.1. How Shared Value differs from corporate social responsibility

Table 2.2: Financial sector CSI spend 2010/2011

Table 2.3: Different theatres of CSR (Rangan, Chase, & Karim, 2012)

Table 3.1. Qualitative, Quantitative and Mixed Methods Approaches

Table 3.2: Profile of respondents

Table 3.3: Profile of quantitative study respondents

Table 3: Consistency matrix

Table 6.2: Industries of company

Table 6.3: Other Industries of company

Table 6.4: Companies currently employed at

Table 6.5: Size of organisation

Table 6.6: Department currently working in

Table 6.7: Total annual CSR budget

Table 6.8: Whose responsibility are societal problems

Table 6.9: Awareness and Knoweledge of CSR

Table 6.10: Awareness and Knoweledge of CSV

Table 6.11: Engagement in CSR in past 2 years

Table 6.12: Key focus areas of CSR programs

Table 6.13: Independent Variables, List of statements, measured under CSV dimension

Table 6.14: Independent Variables, List of statements, measured under CSR

Table 6.16: Arithmetic Mean of total variables dimension

Table 6.17: CSR logistic Regression Equation

Table 6.18: CSV logistic Regression Equation

Table 6.19: Factor Analysis: Eigenvalues

Table 6.20: Rotated Component Matrix

Table 6.21: Regression Analysis using Factor Analysis predictors

Table 6.22: Logistic regression CSR

Table 6.23: Logistic regression CSV

LIST OF Figures

Figure 2.1. Caroll's model of CSR

Figure 2.3. Companies ranked for community upliftment

Figure 2.4. Wood's model of CSP

Figure 2.5. How Shared Value differs from corporate social responsibility (Porter and Kramer, 2011)

Figure 2.6. How Shared Value differs from corporate social responsibility (Moore)

Figure 3.1. Major research paradigms

Figure 3.2. Use of multi-strategy research

Figure 3.3. Dimensions of study

Figure 3.4. Qualitative, Quantitative and Mixed Methods Procedures

ABSTRACT

Context: Annually in South Africa, results of the Sunday Times Top Brands survey are released. Within this study is a ranking “brands that do the most to uplift the community” voted by the public, which is widely quoted by those brands included in the study. If this is the dominant study reporting on a “socially responsible organisation”, the study provides a guideline on how the organisation will be more likely to be thought to be in the top companies “doing the most to uplift communities”.

A brief statement of the conceptual framework of the research: This, study employed the recently developed Porter and Kramer (2011) Corporate Social Responsibility (CSR) vs. Creating Shared Value (CSV) model as a return on corporate social development programs framework. The study sought to assess whether management in companies that are highly ranked adopt the CSR paradigm constructs (where the value is doing good) or the CSV paradigm constructs (where the value is economic and societal benefits relative to cost) as proposed by the Porter and Kramer (2011) model.

The method of the data collection: This paper adopted a concurrent mixed approach, an approach to knowledge (theory and practice) that attempts to consider multiple viewpoints, perspectives, positions and standpoints (always including the standpoints of qualitative and quantitative research (Johnson, Onwuegbuzie, & Turner, 2007).

The key findings: The Qualitative research results amongst ranked and unranked companies indicated that there has been a shift from management adopting a pure philanthropy approach to in some companies strategic CSR and some companies adopting shared value approach. This however was not necessarily related to ranking. A logistic regression did not show a relationship between ranking and the all the CSR constructs neither did it show on all the CSV constructs. Instead what emerged after a factor analysis was conducted were two factors (4 and 5) which were better predictors of a top ranking.

The key message: Shared value is still in its infancy, while management in some companies have started adopting the concept; others understand the value of joint societal and business gains and have thus been operating in a strategic CSR realm. The concept of profit maximisation in this case is on the periphery with doing good for society taking centre stage. The concept of profit maximisation through social development programs requires the company to realign its operations, an undertaking that only a few companies in South Africa have taken. We propose that an African model of shared value is a combination of strategic CSR and shared value constructs.

DECLARATION

I, _____, 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 Management in Strategic Marketing in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Signed at ……

On the …….. day of …… 20…..

DEDICATION

Dedicated to my best friend, my loving husband, Jordy Mugeni, without his full support and push this would still be a dream.

ACKNOWLEDGEMENTS

What a long journey it has been to reach this point, which is to finally submitting this thesis. The genesis of interest in this topic was in 2008. Post my acceptance into the Master's program twice, I failed to complete due to the beautiful blessings of my two beautiful daughters between 2010 and 2013. Our son was born in 2015 post my studies. The seed was planted while travelling with my close friends, Tamanda, Lerato, Yandisa and Jordy in the beautiful Drakensburg, Kwazulu Natal Province. Curiosity got the best of me as I saw numerous schools in this town with advertising signage bearing a brand on them. In this respect, I would like to acknowledge Professor Gregory Lee, my honours supervisor, for beginning the journey to this thesis. My interest was further strengthened in 2009 by the published results of the Sunday Times Top Brands Survey, one widely quoted by brands in my marketing vocation. What specifically nudged me to further study, was the section that the consumers honoured as "brands doing the most to uplift the community." In this regard, I would like to acknowledge Professor David Coldwell for introducing me to the Harvard publication of the concept "Creating Shared value" by Michael Porter and Mark Kramer. I would also like to acknowledge Dr "K" Wotela, for his persistence and knowledge, the course research theory and development was central to organising my thoughts.

To my father, mother, my brothers and sisters who constantly push me to succeed and lend support in my time of need, thank you. To my work family, Octagon thank you.

My beautiful Mugeni family, this would not be possible without your support, I spent many nights at the Wits Business School Library away from you all, but you carried me through.

Lastly, I would also like to acknowledge my supervisor, Neale Penman, who took me through the journey of panel presentations and trusted in my ability to complete this thesis, I appreciate that he is a busy man, but took time to take me through this journey.

Judith Mugeni

CHAPTER 1.INTRODUCTION

1.1 Purpose of the study

The purpose of this study was to establish the difference in paradigms if any, of those companies that are highly ranked by the general public to have a socially responsible corporate image, that is, in the top 10 of the South African Sunday Times Top Brands awards as the “brand that has done the most to uplift the community” against those that have equally or closely invested and undertaken CSR activities, but are not ranked in the Top 10 in the same study.

This mixed approach; quantitative and qualitative, study employed the recently developed Porter and Kramer (2011) Corporate Social Responsibility (CSR) vs. Creating Shared Value (CSV) model as a framework. The study seeks to assess whether management in companies that are highly ranked adopt the CSR paradigm constructs (where the value is doing good) or the CSV paradigm constructs (where the value is economic and societal benefits relative to cost) as proposed by the Porter and Kramer, 2011 model.

1.2 Context of the study

1.2.1 *The evolving role of business in the community: Whose Problems?*

Levin (1987) argued that business is increasingly facing growing pressure and demands from society to solve problems not looked at by government. The resounding debate in literature pertains to the search for the answer on clarity of what the role of business in society is. The role of business in society is dynamic with changes mostly focusing on the economic and social role of the firm, its owners and those with a stake in the venture (Cannon, 1992). Whether or not a company should undertake corporate social development programmes and the forms that responsibility should take depends entirely upon the economic perspective of the firm that is adopted (Pierce & Gardner, 2002). The corporation has had five generally recognised objectives post war, namely survival, growth, profit, economic contributions and social obligations (Luthans & Hodgetts, 1972). The traditional functional view (proponent is Friedman, 1970) advocates that the primary function of business is to maximise profits for its

shareholders, and thus considers it inappropriate for business to take on tasks that belong to other units in society (Dembo, 1991). Accordingly, this perspective argues that the major responsibility of a corporation is wealth creation through employment opportunities, profits and consequently, tax activities (Yamak & Suer, 2005).

The opposing view is that business answers to more than shareholders, but also to other key members who have a stake in the organisation, thus justifying management actions in community development (Freeman, 1984). The proponent of Stakeholder theory, Freeman (1984) defines stakeholders as any group or individual that can affect or is affected by the achievement of the organisation's objectives (Moir, 2001). Stakeholders include managers, customers, employees, union leaders, suppliers, other special interest groups and society in general (Levin, 1987). To summarise the opposing view, to be relevant in the 21st century, in addition to profit maximisation to create value for shareholders, companies should be devoted to social responsibility related activities, and strive to instil such concepts into corporate culture and business operations in order to create higher social value (Yang, Lin & Chang, 2009).

In view of both arguments, businesses need a healthy community to thrive; there exists a growing awareness of major societal challenges amongst corporates, traditionally governments and NGOs tackle societal problems, however a lack of sufficient resources and capabilities pose challenges to fully meet all needs; moreover companies are being criticised for not helping government bridge these gaps and are perceived to be prospering at the expense of the broader community (Porter, 2012).

1.2.2 *Corporate Social responsibility and Corporate Reputation*

Corporate Social Responsibility (CSR) is best defined by the world business council for sustainable development as the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large (as cited in Moir, 2001). The field of CSR resounded worldwide due to the emergence of issues such as civil rights, ecology, discrimination and consumerism which forced management of corporations to reconsider its social obligation and reshape its strategy in fulfilling this responsibility (Luthans & Hodgetts, 1972).

The dominant view in literature is that private firms undertake CSR activities primarily as a reputation driver, with the outcome generally a positive image about the organisation to its differing stakeholders. Strategy literature recommends that a

sustainable competitive advantage can be created primarily from intangible capabilities, which include brands and reputations, which are viewed as essential assets that enable organisations to exploit opportunities and mitigate threats (Abratt & Kleyn, 2012). Corporate reputation is defined as “a stakeholder’s overall evaluation of a company over time. This evaluation is based on the stakeholder’s direct experiences with the company, any other form of communication and symbolism that provides that provides information about the firm’s actions and/or a comparison with the actions of other leading rivals” (Gotsi & Wilson, 2001, p. 29).

The importance of a positive corporate reputation was further highlighted in recent times after the revelations of accounting fraud, executive greed, and other misdeeds that shook the public’s trust (the collapse of Enron as one of the famous examples), and as such, reputation has become vulnerable (Alsop, 2004).

Thus, a socially responsible corporate image association involves the “creation of consumer perceptions of a company as contributing, to community programs, supporting artistic and social activities and generally attempting to improve the welfare of society as whole” (Keller, 1996, cited in Fan, 2005 p. 347).

Albeit the growth in commitment by corporates to help solve social ills, criticism of the role of business in societal ills is on an increase, Porter and Kramer (2011) thus recommend that companies take the lead in bringing business and society back together.

1.2.3 *Shared Value of corporate social development programmes*

It is acknowledged that an overall framework for guiding CSR efforts is lacking and that most companies undertaking funding projects remain stuck in a “social responsibility” mind-set in which societal issues are at the periphery, not the core (Porter & Kramer, 2011). In search for creating win-win solutions, greater benefits for both business and society, Porter and Kramer (2011) recently proposed the principle of shared value, as a solution. The concept of shared value is defined as “policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates” (Porter & Kramer, 2011, p. 6). Shared value involves creating economic value in a way that also creates value for society by addressing its needs and challenges. The authors argue that more and more “companies are creating shared value by developing profitable

business strategies that deliver tangible social benefits" (Porter, Hills, Pfitzer, Patscheke, & Hawkins, 2011).

In order for companies to show value, we should differentiate between CSR and Creating Shared Value (CSV):

Table 1.1. How Shared Value differs from corporate social responsibility

Dimension	CSR	CSV
Value	Value: Doing Good	Value: Economic and societal benefits relative to cost
Role of social programs	Citizenship, Philanthropy, Sustainability	Joint company and community value creation
Reason for undertaking CSR	Discretionary or in response to external pressure	Integral to competing
Economic view	Separate from profit maximisation	Integral to profit maximisation
Decision on program	Agenda is determined by external reporting and personal preferences	Agenda is company specific and internally generated
Impact	Impact limited by corporate footprint and CSR Budget	Realigns the entire company budget
Example	Fair trade purchasing	Transforming procurement to increase quality and yield (does BEE and EDP count)?

Source: How Shared Value differs from corporate social responsibility, Porter & Kramer, 2011

The shared value framework thus highlights the difference between the two approaches as being CSR, mainly focuses on reputation with a limited connection to the business, thus making it hard to justify and maintain in the long run, CSV on the other hand is integral to an organisation's profitability and competitive positioning in that it leverages on unique resources and expertise to create economic value by

creating social value (Porter & Kramer, 2011). Companies that have incorporated the concept of shared value and its measurement practices include Coca-Cola, Novo Nordisk, Nestlé, Intel, and InterContinental Hotels Group (Porter, Hills, Pfitzer, Patscheke, & Hawkins, 2011).

1.2.4 *CSR: Ranked vs. Unranked South African Corporates*

While the on-going literature debate of what role a business should play in the society continues, there has been an observable surge in corporate South Africa undertaking and funding social development programs through Corporate Social Responsibility (CSR). CSR receives substantial investment from the private sector in South Africa. South Africa is plagued with numerous social ills; the HIV/Aids pandemic, poverty, unemployment and low education and skills levels to name a few that have an impact on businesses. A case is made that it was apartheid and its consequent social unrest and threat to the economy that provided the first real stimulus for corporate social investment in South Africa (Kuljian, 2005). Corporate South Africa, through resource commitment to community development, is increasingly assisting the government to alleviate the pressure or at least, that is what is being alleged through reporting and PR activities. Trialogue's CSI handbook (2006) reported nine years ago that an estimated US$400 million (around R4 billion) was allocated to Corporate Social Investment (CSI) budgets in the 2005/06 financial years alone in South Africa. In more recent times, 2011/12 periods, the same research reported a rising figure of US$690 million (R6.9 billion) to CSI (CSI Handbook, 2012). While this number has been criticised to seem insignificant in relation to government spending on social issues, Corporate South Africa is investing business profits into social development programs. CSI spending remains concentrated on the top 100 companies, which account for R4.1 billion of CSI spend and make up two-thirds of all spend. Of these top 100 South African companies, the majority of respondents in the Trialogue 2010/2011 stem mainly from the financial services (23 per cent), manufacturing and 12 per cent and retail (10 per cent) industry sector with telecommunications just below retail. CSR investments require careful measurement and evaluation because their optimal allocation would not only guarantee a better financial result for the firm, but would also contribute more to the social impact or product of the firm (Husted & Salazar, 2006).

In South Africa on an annual basis, different studies and results are released to the public on how corporate South Africa's community development efforts are performing

in terms of expenditure against industry, brand impact in terms of different stakeholder perceptions of the companies and ultimately, corporate image amongst different stakeholders. The Sunday Times (most read South African Sunday newspaper) in partnership with research house TNS (previously Ipsos Markinor, and in its 15th year) conduct and publish the results of the annual national "Sunday Times Top Brands survey" amongst the greater South African public. Within this study is a category of the top ten brands ranked as "doing the most for the community". Because brand image is at the core of undertaking CSR initiatives, numerous corporations quote this study extensively as one of the success measures of their CSR activities. The interviewing method is face-to-face, with a national representative sample of 3500 respondents in South Africa (consumers) and 300 business decision makers. Worth noting is that in 2010/11, Standard Bank Group had the highest CSI expenditure in the financial sector (CSI Handbook, 2012) of **R125 million and** although Standard Bank for the first time overtook ABSA as the number one banking brand in South Africa in the Sunday Times/TNS Top Brands survey 2013, the bank however does not feature in the study's top 10 brands doing the most to uplift the community, whereas ABSA features.

1.3 Problem statement

1.3.1 *Main problem*

Substantial investment from the corporate budget goes into Corporate Social Development programs. The main problem is thus to analyse and evaluate whether corporate South Africa involved in social development programmes indeed implement these programs beyond reputation enhancing activities, but in ways that deliver long-term business value and benefit society (Porter & Kramer, 2011).

1.3.2 *Sub-problem*

Ascertain whether being highly ranked as a brand "doing the most to uplift the community in South Africa" is indicative of a competitive advantage gained through stronger societal relationships and actions that substantially address a social or environment challenge by employing either the traditional CSR approach where the value is doing good or utilising the newly proposed Porter and Kramer's Creating

(2011) Shared Value constructs where the value is economic and societal benefits relative to cost.

1.3.3 *Sub-problem*

Analyse and evaluate the social development paradigm (CSR or CSV) employed by those companies that invest equally or more in social development programs, but are not highly ranked as companies "doing the most to uplift the community in South Africa"

1.4 Research questions for qualitative phase

- What paradigm/s if any, is management currently adopting with regard to their Corporate Social Development Programs?

- Has there been a shift in paradigms, especially in light of the latest trends, namely strategic Corporate Social Responsibility (Carroll, 2001), and the concept of Creating Shared Value (CSV) by Porter and Kramer (2011)?

- Do companies that are ranked in the Sunday Times Top 10 brands survey as 'doing the most to uplift communities' adopt a CSR or a CSV paradigm?

- Do those companies that are not ranked in the Sunday Times Top 10 brands survey adopt a different view to those that are ranked?

1.5 Hypothesis testing for quantitative phase

Null Hypothesis 1: South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.

Alt Hypothesis 1: South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.

Null Hypothesis 2: South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

Alt Hypothesis 2: South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

Null Hypothesis 3: South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

Alt Hypothesis 3: South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

Null Hypothesis 4: South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.

Null Hypothesis 4: South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.

Alt Hypothesis 4: South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.

1.6 Significance of the study

The concept of shared value is still in its infancy globally and the adoption of this concept by corporate South Africa for its community development programs is not widely known. The proponents, Kramer and Porter (2011), have pointed out that despite the wide- spread embracing of the shared value concept globally, the tools to put this concept into practice are still in their infancy. The upsurge of corporates undertaking social responsibility in South Africa indicates that CSR is a growing field and as marketers seek to create relationships with the community as a key stakeholder, a guiding framework for optimising the undertaking's social development projects is required.

The goal of this study is to add to the body of the CSR literature by assessing the recently introduced notion of shared value against a South African context where many

societal ills present both an opportunity and a threat for corporates operating here. The study will help in guiding corporate South Africa on which paradigm, whether the traditional CSR approach of doing good or the CSV approach where creating economic and societal benefits relative to cost, is key.

1.7 Delimitations of the study

Voluminous explanations exist to give insight as to why companies undertake CSR projects what CSR projects to undertake (important causes to focus on) and how to measure and track the success of these programs (Wood, 1991; Caroll, 2001; Dembo,1991). The intention of this study is not to look at whether or not to undertake CSR initiatives but instead focuses mainly on the objectives and strategies or paradigms employed by those organisations that already invest in CSR in South Africa. This study employs a quantitative design, using a Likert Scale type questionnaire (Bertram, 2007) using Porter and Kramer's (2011) CSR versus CSV constructs as dimensions. The study seeks to speak to key decision makers as respondents in different companies on CSR policy. While many studies exist that measure consumer perceptions of corporates undertaking CSR initiatives (e.g. CSI handbook, 2014), the random sample for this study was drawn from the Sunday Times "top 10 brands doing the most for the community" and was compared to a random sample size of those companies not on the list but published in the annual CSI handbook on South Africa CSR spend, we thus sent out questionnaires to the list of companies involved in CSR.

1.8 Definition of terms

CSR: CSR in general refers to corporate's activities, organisational processes, and status in relation to its perceived societal or stakeholder obligations (Davis, 1973; Wartick & Cochran, 1985; Wood, 1991; Sen & Bhattacharya, 2001 as referenced in Galbreath, 2009).

CSP: CSP has been defined as.... "a business organisation's configuration of principles of social responsibility, processes of social responsiveness, and policies, programs and observable outcomes as they relate to the firm's societal relationships" (Wood, 1991, p. 693 in Mengu, Neville & Belle, 2005).

CFP: Corporate financial performance (CFP) reports the firm's economic performance with regards to net income for the period and the financial position of the firm as at a point in time (Paul Dunn, 2009)

CSV: Creating Shared Value (CSV) offers organisations the opportunity to utilise their skills, resources and management capability to lead social progress, it focuses on the connections between societal and economic progress (Porter & Kramer, 2011).

CR: Weiss et al. (1999, p. 75) defined corporate reputation as a global perception with regards to the extent to which an organisation is held in high esteem or regard. Other authors, Fombrun and Shanley (1990, p. 234) suggested that a reputation is an aggregation of information "into collective judgments that crystallize into reputational orderings of firms in organisational fields" (Neville, Bell, & Whitwell, 2011)

Sustainability: is defined "as development that meets the need of the present without compromising the ability of future generations to meet their own needs" (Bruntland, 1987, as cited in Camilleri, 2012, p. 10).

1.9 Assumptions

- The paper takes the view stemming from literature review that corporates have moved from mere donations or philanthropic activities to a more strategic approach (Carol, 2001) where both benefits for the business and society are taken into account (Porter & Kramer, 2011).
- An extensively researched relationship globally is that of Corporate Social Performance (CSP) and Corporate Financial Performance (CFP). Empirical evidence collected to date indicates that CSP and CFP are most likely positively correlated because CSP helps improve managerial knowledge and skills and enhances Corporate Reputation (Orlitzky, 2001).
- We assume that since our respondents are senior managers and decision makers or influencers in the CSR programs in their organisation, they have enough knowledge in this paper's area of research to be able to clearly articulate answers to the questions.

CHAPTER 2.LITERATURE REVIEW

2.1 Introduction

2.1.1 *Introduction to CSR*

Corporate Social Responsibility (CSR) first emerged in the 1950s and ever since has been convoluted by varying use of terminology (O'riordan & Fairbrass, 2006). This has contributed to the confusion for managers in the search of answers to pertinent questions regarding which CSR paradigm the organisation adopts and the strategic answers to the what, who, where, when and how of corporate social development programs. The complexities are further compounded by a current dichotomy in the literature, namely, CSR as socially responsive behaviour based on ''normative or ethical considerations'' or CSR as managing corporate image and other business achievements' instrumental activities (Moir (2001 as cited in McAdam & Leonard, 2003). It is on the latter that this study is based.

Differing terminology exists when referring to those activities undertaken for community development, social responsibility, including Corporate Social Investment (CSI), Corporate Citizenship (CC), Corporate Social Performance (CSP), to mention a few. For the purposes of this paper, we focus on Corporate Social Responsibility (CSR) and what Porter and Kramer (2011) recently introduced and termed Creating Social Value (CSV).

According to the Trialogue CSI handbook (2005), "it is important to distinguish CSR from charitable donations and good works e.g. philanthropy. CSR goes beyond charity and requires that a responsible company takes into full account its impact on all stakeholders and on the environment when making decisions" (Anver, African Business Magazine, 2007, p. 34). Levin (1987) argued that business is increasingly facing growing pressure and demands from society to solve problems not looked at by government. Globally, in light of the corporate scandals that emerged (the collapse of Enron as one of the famous examples), corporations are in search of corporate goodwill. Corporate reputation has become very important and valuable after the revelations of accounting fraud, executive greed, and other misdeeds that shook the public's trust and as such has become vulnerable (Alsop, 2004).

2.1.2 *CSR Lens: The role of business in the community in which it operates*

Private firms taking on social responsibility projects sparked the debate of what the role of a business in society is. This section looks at the traditional functional and the opposing view on what the business responsibilities are.

2.1.3 *CSR Lens: traditional functional shareholder view*

The view, reflected in the traditional functional view, states that the primary function of business is to make money, and it considers it inappropriate for business to take on tasks that belong to other units in society (Dembo, 1991). This strong view is encapsulated in the following statement made by Milton Friedman in 1970:

> "There is only one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages is in open and free competition without deception and fraud" (as cited by Crowther & Aras, 2010).

According to this view, solving societal problems belongs to the public sector with organisations such as the government and NGOs who are properly trained in community development. Thus, those adopting this view could see the spending on CSR activities as being wasteful of organisation profits and that the money should rather be ploughed back into the corporation to maximise shareholder value.

2.1.4 *CSR Lens: Stakeholders View*

Emerging issues such as civil rights, ecology, discrimination and consumerism have forced management of corporations to reconsider its social obligation and reshape its strategy in fulfilling this responsibility (Luthans & Hodgetts, 1972). The shift includes the thinking that there are important people to consider other than shareholders in the running of a corporation, namely stakeholders. Stakeholder theory (Freeman, 1984) suggests the idea that investing time and other resources in addressing stakeholders' interests are a justifiable managerial activity.

Freeman (1984, p. 52) gives us the following definition of stakeholders:

"Groups and individuals who can affect or are affected by, the achievement of an organization's mission." (Freeman, 1984, p. 46, in Moir, 2001).

Stakeholders include managers, customers, employees, union leaders, suppliers, other special interest groups and society in general (Levin, 1987). To summarise the

opposing view, to be relevant in the 21st century, in addition to profit maximisation to create value for shareholders, enterprises are devoted to CSR related activities, and strive to instil such concepts into corporate culture and business operations in order to create higher social value (Yang, Lin & Chang, 2009).

So what are the social responsibilities of a business? Corporate Social Responsibility (CSR) Europe, a membership organisation of large companies across Europe, in its reporting guidelines, looks at the following areas as business responsibilities (cited in Moir, 2001): the workplace (employees); the marketplace (customers, suppliers); the environment; community and ethics and human rights.

Expanding on this in an African context, Dembo (1991) argued that the spectrum of responsibilities of a business operating in South Africa range from personnel to socio-political advocacy, and include the following:

- Personnel – This includes employee benefits, including employee health, training, personnel counselling, childcare and assistance with retrenchment.
- Community Involvement: Includes community development, creation of physical, social and political infrastructure, public health, welfare, culture and the arts.
- Education: Includes education from preschool level to tertiary. Literacy and teacher retraining have also been incorporated under education. This is the key focus area of this paper.
- Housing: This would include, specifically, low cost housing or programmes for upgrading existing shelters.
- Environment: which is sometimes linked with conservation, environment responsibilities include the greening of a township. Litter awareness and animal rights.
- Economic: the most likely areas of involvement would include skills training for the unemployed, job creation and other forms of wealth creation.
- Social Justice: this involves the long term strategic involvement in helping South Africa make the orderly transition to a new social, economic and political order.

2.1.5 *CSR Lens: Carroll's model of CSR*

Carroll's (1979) model of the responsibilities of firms has been one of the most quoted approach, particularly with respect to empirical study

Discretionary Responsibilities		Be A good corporate citizen	Philanthropic Responsibilities	Contribute resources to the community, improve quality of life
Ethical Responsibilities		Be ethical	Ethical Responsibilities	Obligation to do what is right, just and fair. Avoid harm
Legal Responsibilities		Obey the law	Legal Responsibilities	Law is society's codification of right and wrong. Play by the rules of the game
Economic Responsibilities		Be profitable	Economic responsibilities	The foundation on which all other rest

Figure 2.1. Social Responsibility Categories and the Pyramid of Corporate Social Responsibility (Caroll, 1979, 1991) as cited in Visser, 2005

Carroll's (1979) model includes four social responsibilities, namely: Economic responsibilities, Legal responsibilities, ethical responsibilities and discretionary responsibilities. With the different views on the role of business in society and examples of what CSR initiatives are, let us review some example of corporate investment on CSR in the South African context.

2.1.6 *The growing trend of Corporate South Africa adopting CSR*

South Africa is plagued with numerous social ills, the HIV/Aids pandemic, poverty, unemployment, low education and skills levels to name a few. These are some of the social ills that government aims to tackle but government cannot bridge these gaps by itself. Corporate South Africa, through resource commitment to community development, is increasingly assisting the government to alleviate the pressure or at least, that is what is being alleged through reporting and PR activities. In the course of evaluating different corporate South Africa web pages and reviewing journal articles, one can reasonably conclude that that Corporate Social Responsibility (CSR) amongst

the private sector is a growing trend, not only globally, but also in South Africa. When one visits several corporate websites/online pages operating in South Africa, one is bound to find a page dedicated to what the corporation's mission or dedication to social responsibility is.

In South Africa, a case is made that it was apartheid and its consequent social unrest and threat to the economy that provided the first real stimulus for corporate social investment (Kuljian, 2005). Mjoli (1988) states that social responsibility was imported to South Africa from America after the June 1976 uprisings. After the 1976 uprisings in Soweto, several companies banded together to establish the "Urban Foundation", Rembrandt and Barlow Rand founded the Urban Foundation in the wake of the Soweto uprising (Dembo, 1991). The purpose of this fund was believed to improve the quality of life in black communities, particularly in the areas of housing, employment, education and training, and to serve as a link between these communities and the private sector (Dembo, 1991).

Corporate Social Responsibility (CSR) receives substantial investment from the private sector in South Africa. Looking back nine years ago, Trialogue's CSI handbook (2006) reported that an estimated US$400 million (around R4 billion) was allocated to Corporate Social Investment (CSI) budgets in the 2005/06 financial years alone in South Africa. In more recent times, 2012/13 periods, the same research reported a rising figure of US$780 million (R7.8 billion) to CSI (Trialogue, 2013). While this number might not seem significant in relation to government spending on social issues, one has to establish what the role of business in society is. Of these top 100 South African companies, the majority of respondents stem mainly from the financial services (23%), manufacturing (12%) and retail at (10%) with telecommunications just below retail.

Table 2.2: Financial sector CSI spend 2010/2011

Financial Services	2010 / 2011 R (Million)
Standard Bank Group	**132,3**
Absa	**83**
First Rand Foundation (FirstRand, FNB, Momentum, RMB and Westbank)	72,1
First National Bank	**27,4**
Rand Merchant Bank	15,2
Momentum Fund	13,6
First Rand	**9**
Nedbank Foundation	**35**
Old Mutual	**30**
Investec	**28**
Sanlam	**19,3**
Outsurance	**17,1**
African Bank	**10,8**
Santam	**7,2**

Source: The CSI handbook, 2012

2.1.7 *Ranked vs. Unranked Corporates in South Africa: Corporate Image as a proxy for CSR success*

Practitioners continue to struggle with ways to assess corporate social performance. CSR Europe (2000, p. 46) states that" in order to measure their overall performance as well as their performance on specific CSR issues, companies should use input, output, outcome and process indicators". It has emerged from theoretical and practical perspectives that organisational reputation ranks as one of the most important mediating variables linking Corporate Social Performance to Corporate Financial Performance (e.g. Fombrun & Shanley, 1990; Read, 2004, as cited in Orlitzky, 2001). The dominant view in literature is that private firms undertake CSR activities mainly as

a reputation driver, i.e. to drive a certain positive image about the organisation to its differing stakeholders. Corporate reputation (CR) can be defined in terms of “a number of attributes that form a buyer’s perception as to whether a company is well known, good or bad, reliable, trustworthy, reputable and believable” (Levitt, 1965, as cited in Fan, 2005). It is also defined as “a stakeholder’s overall evaluation of a company over time which is based on the stakeholder’s direct experiences with the company, any other form of communication and symbolism that provides that provides information about the firm’s actions and/or a comparison with the actions of other leading rivals” (Gotsi & Wilson, 2001, p. 29).

This paper adopts the view that a socially responsible corporate image association involves the creation of consumer perceptions of a company as contributing to community programs, supporting artistic and social activities and generally attempting to improve the welfare of society as whole (Keller, 1996, cited in Fan, 2005, p. 347). Other authors have argued that there are enormous benefits, which corporations of the twenty-first century can derive when they are perceived by their stakeholders as being socially responsible (Idowu & Papasolomou, 2007). It has long been clear that a strong reputation for corporate social development programs that meet community needs and go beyond regulatory requirements or industry norms can be a factor in financially valuable outcomes (Boston College, 2009). According to Crowther and Aras (2010), a good corporate reputation is argued to provide the following benefits for an organisation: improves shareholder value; it inspires confidence in investors and in return leads to a higher stock price for the company; it brings increased customer loyalty to the products of the company; a positive customer perception of the company extends to its products; a strong corporate reputation is an influential factor for forming partnerships and strategic alliances as the partner company has the potential to improve its own reputation by association and lastly, a solid reputation is more influential on legislative and regulatory governmental decision making.

Annually, different studies and results are released to the public on how corporate South Africa’s community development efforts are performing in terms of expenditure against industry, brand impact in terms of different stakeholder perceptions of the companies and ultimately, corporate image amongst different stakeholders. Important to this study is the ranking by the general public in the top 10 of the South African Sunday Times Top brands awards, which is published annually. Year on year (now in its 15th year), the Sunday Times in partnership with research house, Ipsos Markinor,

(now TNS) conduct “the annual Sunday Times Top Brands survey” with results published in the Sunday newspaper. Numerous corporations extensively quote the study as a measure of the success of their CSR activities as it is seen as a credible survey in the marketing arena. The interviewing method is face-to-face, with a national representative sample of 3500 respondents in South Africa (consumers) and 300 business decision makers. Amongst consumers, the following were the findings in the category “Top 10 brand that has done the most to uplift the community”

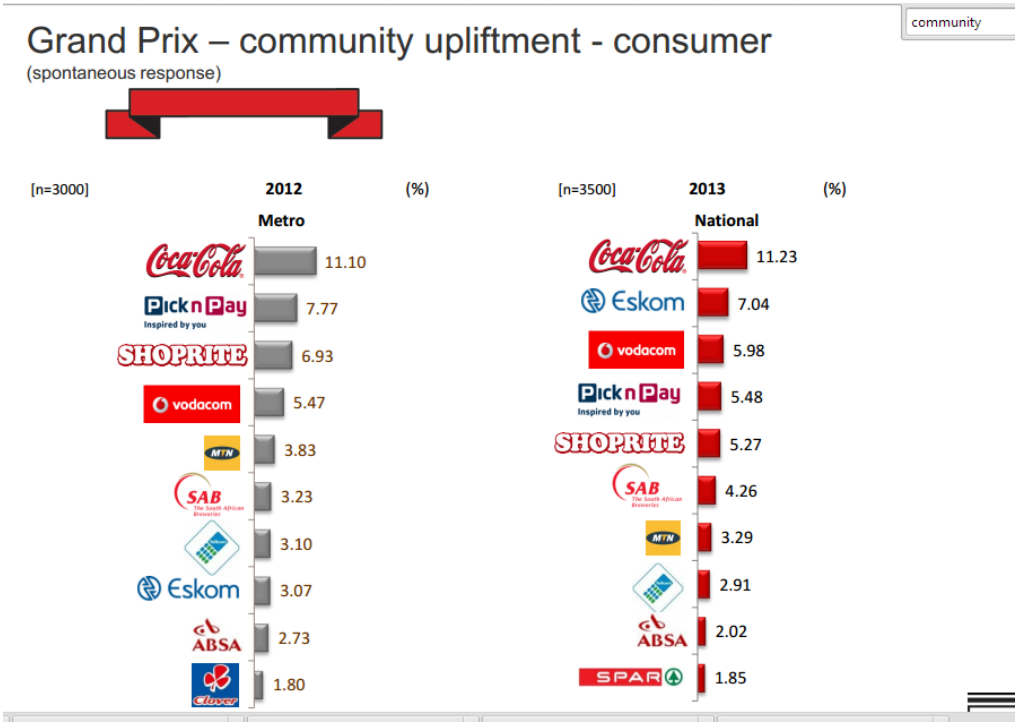


Figure 2.3. Companies ranked for community upliftment (The Sunday Times Top Brands Survey, 2014)

To illustrate, in the financial Sector, the **Absa** Foundation and Group CSI’s budget allocated to CSI in the 2010/11 periods was **R83 Million** (up from the 2007, where the bank reportedly spent a total of **R60.9 million** on CSR projects) and thus has the second highest CSI expenditure in the financial services sector to Standard Bank (see table below). ABSA boasts of the following awards in CSI: has consistently been the number one banking brand in South Africa until 2013 when they dropped to number two, consistently features in the annual top 10 “brands. that has done the most to uplift community” (Sunday Times/TNS Top Brands survey 2013), most caring financial services institution and second most caring company in South Africa (Corporate and Market Research, Corporate Care Check)

Standard Bank Group reports that they set aside not less than 1% of the prior year after tax income of its South African operations for corporate social responsibility, which includes corporate social investment, stakeholder management and other public interest activities (Standard Bank sustainability report, 2012).

In 2007, Standard Bank Group's CSI spent **R86 Million towards CSI** and in 2010/11, spend was **R125 million,** with the highest CSI expenditure in the financial sector (Standard Bank sustainability report, 2012).

Interesting to note is that although Standard Bank for the first time overtook ABSA as the number one banking brand in South Africa in the Sunday Times/TNS Top Brands survey 2013, the bank however does not feature in the study's top 10 brands doing the most to uplift the community, where ABSA features.

In the telecommunications industry, **MTN** through the MTN SA Foundation as its CSI allocated **R74 million in 2009** for their Corporate Social Investment. While the MTN group qualified for inclusion in the JSE Socially Responsible Investment (SRI) Index 2010 for exceeding minimum performance requirements with respect to energy management, emissions, waste management and water use, in a consumer survey, the brand does not feature in the Sunday Times/TNS Top Brands survey 2013 "Top 10 brands doing the most for community". Its competitor, on the other hand, Vodacom, reports that through the **Vodacom Foundation, its** total Group CSI spend reportedly **equates to** 0.5% (2012: 0.5%) of profit before tax, **and total spend in 2013 sits at R83 million (2012: R77 million).** The brand quotes the Sunday Times Survey on their CSI web page stating that in South Africa, the **Vodacom** CSI programme won second place in the 2008 Sunday Times/Markinor Top Brands survey in the category of "companies contribute most to community upliftment" and has featured in the top 10 to date.

2.1.8 *Hypothesis 1*

Hypothesis 1: South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.

2.1.9 *Hypothesis 2*

Hypothesis 4: South African companies that are NOT ranked in the top ten as “brands doing the most to uplift the community” adopt a traditional CSR approach, where the value lies in doing good.

2.2 CSR Lens: Recently introduced Paradigms on CSR

2.2.1 *CSR Lens: Wood’s CSP model*

While Wood (1991) posits the basic idea of CSR is that business and society are interwoven rather than distinct entities. He developed a complete model of Corporate Social Performance (CSP), which included measurement. Wood (1991, p. 693) defined CSP as:

> “A business organization's configuration of principles of social responsibility, processes of social responsiveness, and policies, programs, and observable outcomes as they relate to the firm's societal relationships.” (as cited by Beekman, et al, 2004),

This definition assumes that CSP is broader than corporate social responsibility (CSR), which consists of three norms at different levels of analysis: institutional, organisational, and individual; CSP includes various measures of its external manifestations and societal effects, such as social impacts (Wood, 1991 as cited by Orlitzky, 2001).

Wood (1991) constructed the following model of CSP:

Principles of corporate social responsibility
Institutional principle: legitimacy Organizational principle: public responsibility Individual principle: managerial discretion
Processes of corporate social responsiveness
Environmental assessment Stakeholder management Issues management
Outcomes of corporate social behaviour
Social policies Social programs Social impacts

Figure 2.4. Wood's model of CSP (Wood, 1991 as cited by Orlitzky, 2001).

Source: Wood (1991, p. 694) as cited by Beekman, et al., 2004)

In summary, CSR answers the question what the responsibilities as perceived by the firm are, and CSP is thus what the firm actually does, and the checklist for CSP could include policies, programs, impacts in terms of economic performance, social performance and environmental performance. Wood and Jones (1995) extend the CSP model by finding that the type of measure involved depends upon the particular stakeholder to be addressed.

2.2.2 CSR Lens: Strategic CSR

The buzzword stemming from literature review currently is that of organisations adopting ‘strategic CSR’ as opposed to executive whim in cheque writing or donations. Strategic CSR or as per Carroll (2001), strategic philanthropy, is undertaken to accomplish strategic business goals i.e. good deeds that are believed to be good for business as well as for the society, thus creating a win-win situation. In this day and age, undertaking corporate social responsibility activities, in most parts of the world is

becoming a necessity for business organisations, rather than just remaining a choice (Moir, 2001; Valor, 2005 as cited in Bhattacharyya, 2009). Bhattacharyya (2009), provides the following as characteristics of strategic CSR:

- Any CSR activity, which is strategic, should be close **to the mission and vision** of the organisation (Yeoh, 2007; Du et al., 2007; Bruch, 2005).
- Further, any organisation, which does a strategic CSR activity, should have **a long-term focus** (Osborn & Hagedoorn, 1997; Boatright, 2000; Altman, 1998; Waddock, 2004).
- Any CSR activity, which has a long-term focus, would and should require **substantial resource commitment** (Russo & Fouts, 1997; Porter & Kramer, 2006; Branco & Rodrigues, 2006).
- The **business gains** are manifested in different ways, but all help a firm reach a competitively advantageous position and secure it over a period of time (sustainable competitive advantage) (Sze´kely & Knirsch, 2005; Porter & Kramer, 2006; Perrini, 2005; Crawford & Scaletta, 2005).
- Social goals might be seen as profitable in the long-term, since market forces provide financial incentives for perceived socially responsible behaviour.

2.2.3 *Creating Social Value: A new strategic approach*

The concept of creating shared value was introduced by Michael Porter and Mark Kramer in their seminal 2011 Harvard Business Review article, “Creating Shared Value,” advancing corporate policies and practices that enhance the competitiveness of a company, while simultaneously advancing social and economic conditions in the communities in which the company sells and operates (Moore, 2014). According to the company (DHL , 2014), Porter and Kramer reasoned that making money and the march of social progress did not have to be mutually exclusive and posed the following pertinent questions:

- What if the public could see companies in a different light? What if they could see businesses doing good for their communities while simultaneously creating economic benefits for themselves? What if corporate mind-sets could be changed to view environmental and social problems – in both advanced economies and developing countries – not as constraints, but as business opportunities?

According to Porter (2012, p. 6), the concept of shared value centres on “corporate

policies and practices that enhance the competitiveness of the company while simultaneously advancing social and economic conditions in the communities in which it sells and operates." Porter and Kramer (2011) further argue that we should differentiate between CSR and what they term 'Creating Shared Value' (CSV). The authors (Porter & Kramer, 2011) posit that the difference between the two approaches is that CSR mainly focuses on reputation with a limited connection to the business thus making it hard to justify and maintain in the long run. CSV, on the other hand, is integral to an organisation's profitability and competitive positioning in that it leverages on unique resources and expertise to create economic value by creating social value (Porter & Kramer (2011).

Dimension	CSR	CSV
Value	Value: Doing Good	Value: Economic and societal benefits relative to cost
Role of social programs	Citizenship, Philanthropy, Sustainability	Joint company and community value creation
Reason for undertaking CSR	Discretionary or in response to external pressure	Integral to competing
Economic view	Separate from profit maximisation	Integral to profit maximisation
Decision on program	Agenda is determined by external reporting and personal preferences	Agenda is company specific and internally generated
Impact	Impact limited by corporate footprint and CSR Budget	Realigns the entire company budget
Example	Fair trade purchasing	Transforming procurement to increase quality and yield (does BEE and EDP count)?

Figure 2.5. How Shared Value differs from corporate social responsibility (Porter and Kramer, 2011)

Crane, Palazzo, Spense, and Matten (2014) highlight the fact that Porter and Kramer were the first to articulate a clear role for state actors in constructing regulations that can enhance shared value, set goals, and stimulate innovation. Furthermore, this includes the setting of clear and measurable social goals, setting of performance standards, defining phase-in periods for meeting standards, and putting in place universal performance reporting systems by state actors (Crane, Palazzo, Spense, & Matten, 2014).

Porter (2012) posits that shared value is associated with the following attributes: creating economic value by creating societal value, using capitalism to address social problems and creating solutions to social problems that are scalable and self-sustaining. Porter (2012) distinguishes CSV by explaining that it is not sharing the value already created, personal values, balancing stakeholder interest and lastly, not the same as sustainability. Porter and Kramer (2014) contend that, by using the profit motive and the tools of corporate strategy to address societal problems, a practice that is growing rapidly in part motivated by the shared value concept, can contribute greatly both to the redemption of business and to a better world. A CSV strategy is different from CSR in that it “generates economic value by contributing to the prosperity of the wider society as well as the company, rather than doling out philanthropy in order to add a glossy sheen to the company's reputation” (Lapina, Borkus, & Starineca, 2012, p. 1608).

In an article titled “Corporate Social Responsibility and Creating Shared Value: what’s the difference”, Moore (2014) provides the following distinction between CSR and CSV:

Corporate Social Responsibility (CSR)	Creating Shared Value (CSV)
	Design new products and services that meet social and environmental needs while simultaneously delivering financial return
Corporate values and corporate citizenship	
Corporate philanthropy: sharing money the company has already made	Access to new markets
Contributions in kind, pro bono service and volunteerism: sharing the company's products, expertise, talent and time	Reconfigure and secure the value chain by tapping new or better resources and partners to improve productivity
	Improve the capabilities (skills, knowledge, productivity) of suppliers
Corporate Sustainability	
	Create local clusters to strengthen and capture economic and social benefits at the community level
Cause related marketing	
Compliance with community, national and international standards	Deploy corporate assets to achieve scale and spur investment
Reputation management	
Employee recruitment and retention	
Risk management; changing business practices in response to external pressure	
Typically led by CSR, Marketing, Corporate communications,	Typically led by CEO, senior executive team and individual champions across the company in close collaboration with corporate affairs and sustainability departments
External/public/government affairs, Community relations, sustainability and foundation departments	

Figure 2.6. How Shared Value differs from corporate social responsibility (Moore, 2014)

In the end, Porter (2012) argues that all profit is not equal as profit involving shared value enables society to advance and companies to grow faster, incorporating societal issues into strategy and operations is the next major transformation in management thinking and that shared value thinking represents the next evolution of capitalism itself. However, despite its strengths, this model has been met with much criticism. Crane, Palazzo, Spense, and Matten (2014) point to the following weaknesses of the theory:

- The lack of novelty of CSV: they argue that CSV's core premises bear a striking similarity to existing concepts of CSR, stakeholder management, and social innovation.
- CSV ignores the tensions between social and economic goals: CSV seeks win-win opportunities, however the concept does not provide guidance for the many situations where social and economic outcomes will not be aligned for all stakeholders.
- CSV is naive about the challenges of business compliance: the concept of CSV is simply built on the assumption that compliance with these legal and moral standards is a given.

Porter and Kramer, in their response to the critique by Crane, Palazzo, Spense, and Matten (2014), state that the reason their article has drawn so much attention is because it provides an overall, strategic view of how to think about the role of the corporation in society, which not only incorporates and extends past scholarship on corporate philanthropy, CSR, and sustainability, but also distinguishes CSV as a distinct, powerful, and transformational model that is embedded in the core purpose of the corporation.

In their paper "Why Every Company Needs a CSR Strategy and How to Build It", Rangan, Chase, & Karim (2012) provide the following different theatres of CSR which this paper uses as guidelines:

Table 2.3: Different theatres of CSR

Theatre 1: Philanthropic giving	Theatre 2: Reengineering the Value Chain
▪ This CSR theatre focuses on philanthropy, either in the form of direct funding to non-profit and community service organisations, employee community service projects, or in-kind donations of products and services to non-profits and underserved populations. ▪ Within this theatre a business engages in CSR because it is a good thing to do, motivated by the logic that since the corporation is an integral part of society it has an obligation to contribute to community needs. ▪ While it may be challenging for corporate leaders to make a coherent argument for how philanthropic activities contribute to a company's business strategy, in general these activities enhance a firm's reputation in the local community and provide a degree of insulation from unanticipated risks. ▪ Philanthropic funding is frequently provided directly or through corporate foundations that exist separately from the corporate entity. ▪ As corporate philanthropy evolves, it may become more	▪ The priority in this realm of CSR is increasing business opportunities and profitability, while also creating social and environmental benefits, by improving operational effectiveness throughout the value chain is it upstream in the supply chain or downstream in the distribution chain. ▪ This CSR approach, which has become increasingly popular among both academics and corporate leaders, may be considered roughly analogous to the "shared value" framework, in which the corporation seeks to co-create economic and social value. ▪ Initiatives in this CSR domain are typically managed or co-managed by an operational manager on the supply side or a marketing manager on the demand side of the value chain, reflecting the focus on enhancing operational efficiency and/or building revenue. ▪ Unlike philanthropic giving, which is evaluated by its social and environmental return, initiatives in the second CSR domain are predicated on their ability to improve the corporate bottom line while simultaneously returning social value. ▪ The most comprehensive CSR strategies in this domain seek to re-engineer a corporation's entire value chain, including natural resource

strategic and integrate more closely with a company's business priorities. ▪ In strategic corporate philanthropy initiatives, funding for social or environmental programs reflects a corporation's philanthropic priorities as an extension of its business interests.	extraction and sourcing, manufacturing, shipping and product delivery. ▪ In contrast to philanthropic CSR programs, CSR enterprises in the second domain have the potential for much more pervasive social and environmental benefits than programs in the first domain, since they are implemented throughout the company's value chain. ▪ The logic of the CSR programs' impact on the corporation's bottom line is much clearer with supply chain initiatives. ▪ Examples include ethically or socially responsibly sourced products such as fair-trade coffee, conflict-free precious stones, sustainable farming and fishing. Consumers have demonstrated their willingness to reward such companies by paying 5 to 8 percent more for their products, illustrating that businesses with a strong ethical relationship to their customer base can successfully capitalize on mutually beneficial CSR initiatives. ▪ In addition to the subjective value for consumers of a company's CSR programs, which may be demonstrated by their perceptions of the company and brand loyalty, corporations can realize a measurable financial reward as well. ▪ In similar fashion to Theatre 1 initiatives, businesses can also be pushed to undertake Theatre 2 programs in a reactive and reluctant fashion.

Source: **Rangan, Chase, & Karim (2012)**

A corporation adopting CSV has the following characteristics (Lapina, Borkus, & Starineca, 2012)

- CSV companies assign specific budget to social responsibility causes; instead, it is spread through the entire company budget, becoming part of every function, every activity
- A CSV company's primary focus will be on societal issues that are related to its business – and, as a result, it will be more qualified to deal with these well, but at the same time – it might be less capable to act on some global matters, such as human rights or bribery and corruption.
- CSV companies take a holistic view on the sustainability problems inside and outside the company. They pay attention to the value of the profit
- A CSV company internalises social responsibility, assumes it as a way of driving productivity and creating profits – and does this in a more efficient way, thus enlarging the total pie.
- CSV looks at surrounding environment and society as part of the business model; hence doing good for the society is a prerequisite for doing well in business.

As such for each shared value opportunity, companies identify and track both social and business results, their parellel goals are to address social problem and improve business performance (Porter, Hills, Pfitzer, Patscheke, & Hawkins, 2011) depending on which paradigm the organisation chooses the motvations and benefits of CSR are seemingly different (Rangan, Chase, & Karim, 2012)

2.2.4 *Hypothesis 3*

Hypothesis 3: South African companies that are ranked in the top ten as “brands doing the most to uplift the community” adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

2.2.5 *Hypothesis 4*

Hypothesis 4: South African companies that are NOT ranked in the top ten as “brands doing the most to uplift the community” adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

2.3 Conclusion of Literature Review

As observed in the attempt to have a single definition of CSR, different schools of thoughts define corporate reputation differently. There exists a view that when companies undertake CSR activities, they are removing resources, mostly monetary, which belong to the shareholders and that the sole purpose of the business is profit maximisation (Friedman, 1970). The opposing view is that business answers to more than shareholders but also to other key stakeholders who have an impact on the organisation, thus justifying management actions in community development (Freeman, 1984). In view of both arguments, CSR activities utilise company resources to help solve societal issues and are justifiable actions as they have a positive impact on the organisation, it is thus imperative for organisations to show the value of these activities on the organisation as well as the projects funded. Annually, different studies and results are released to the public on how corporate South Africa’s community development efforts are performing in terms of expenditure against industry, brand impact in terms of different stakeholder perceptions of the companies and ultimately corporate image amongst different stakeholders.

CSR investments require careful measurement and evaluation because their optimal allocation would not only guarantee a better financial result for the firm, but would also contribute more to the social impact or product of the firm (Husted & Salazar, 2006). However, Corrigan (1997) found in her study based on 180 industrial and consumer firms in the UK, that 75 percent of the firms monitor and evaluate the impact of their philanthropy. The implication of this is “that a huge amount of money

and contributions go out without anyone really accounting for what becomes of it, or whether or not objectives, if there are any, are being fulfilled" (Corrigan, 1997, p. 43). This paper explores the view stemming from literature review and observes whether corporate South Africa has increasingly moved from mere philanthropic activities (writing out cheques and funding proposals received based on executive whim), to a more strategic approach where there is a sense of shared value i.e. the benefits of both the business and society are taken into account. The study provides guidance to management to be able to confidently say whether their social responsibility programs added value both to their organisation and to the community. This will aid in the effective use of resources whether an organisation comes from the 'publicising' its social programs to the public through marketing to show that they contribute or whether they are of the school of thought that good deeds are noticed anyway,

thus no need to 'shout' about the company's involvement in CSR activities.

2.3.1 *Hypothesis 1:*

Hypothesis 1: South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.

2.3.2 *Hypothesis 2*

Hypothesis 2: South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good**.**

2.3.3 *Hypothesis 3*

Hypothesis 3: South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

2.3.4 *Hypothesis 4*

Hypothesis 4: South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost.

CHAPTER 3.RESEARCH METHODOLOGY

3.1 Research methodology /paradigm

The focus of the following chapter is on discussing and explaining the methodology research used to conduct the study. The chapter aims to justify the data gathering method that was employed. We employed a concurrent approach, mixing the qualitative and quantitative methods collecting data separately.

3.2 Research methodology

A mixed approach strategy was employed for this study. According to Denscombe (2008), the mixed approach has emerged in the last decade as a research movement with a recognised name and distinct identity, championed by writers such as Creswell, Tashakkori, Johnson, Onwuegbuzie, Greene, Teddlie, and Morgan. Creswell (2003) contends that a mixed approach is one in which the researcher bases his or her knowledge claims on pragmatic grounds, for example, consequence-oriented, problem-centred and pluralistic. A mixed research methodology involves the mixing of quantitative and qualitative methods or paradigm characteristics into research studies (Onwuegbuzie & Johnson, 2006). This paper adopts the description of a mixed approach which states that it is an approach to knowledge (theory and practice) that attempts to consider multiple viewpoints, perspectives, positions and standpoints (always including the standpoints of qualitative and quantitative research (Johnson, Onwuegbuzie, & Turner, 2007). By using pragmatic knowledge claims, there is a concern with the applications of “what works”- and solutions to problems, thus emphasis is placed on the problem instead of the methodology and thus requires that the researcher use all approaches to understand the problem (Creswell, 2003). In his paper, which is similar to this current study, “Creating Shared Value through Strategic CSR in Tourism”, Camilleri (2012) used a combination of both qualitative and quantitative research techniques.

In his extensive literature review study, Bryman (2006) found the following common justification for employing a mixed approach:

a) Triangulation: convergence, corroboration, correspondence or results from different methods. In coding triangulation, the emphasis was placed on seeking corroboration between quantitative and qualitative data.

b) Complementarity: ‘seeks elaboration, enhancement, illustration, clarification of the results from one method with the results from another’ (Greene et al., 1989, p.259)
c) Development: ‘seeks to use the results from one method to help develop or inform the other method, where development is broadly construed to include sampling and implementation, as well as measurement decisions’ (Greene et al., 1989, p.259).
d) Initiation: ‘seeks the discovery of paradox and contradiction, new perspectives of [sic] frameworks, the recasting of questions or results from one method with questions or results from the other method
e) Expansion: ‘seeks to extend the breadth and range of enquiry by using different methods for different inquiry components’ (Greene et al., 1989, p.259).

Camilleri (2012) focused on triangulation but also acknowledged that multiple sources can increase the chance of error, that theoretical triangulation does not necessarily reduce bias, nor does the methodological triangulation necessarily increase the validity and accuracy of the research project, especially if the qualitative and quantitave research methods have produced different results.
This study uses the mixed methods to seek complentarity and triangulation.

The table below creates distinctions that were useful in choosing the mixed approach strategy in this research (Creswell, 2003):

Table 3.1. Qualitative, Quantitative and Mixed Methods Approaches

Tend to or typically	Qualitative approaches	Quantitative Approaches	Mixed Methods approaches
Use these philosophical assumptions.	Constructivist/Advocacy/ Participatory knowledge claims	Positivist knowledge claims	Pragmatic knowledge claims
Employ these strategies of inquiry	Phenomenology, grounded theory, ethnography, case study and narrative	Surveys and Experiments	Sequential, concurrent and transformative
Employ these methods	Open ended questions, emerging approaches, text or image data	Close ended questions, predetermined approaches, numeric data	Both open and closed ended questions, both emerging and predetermined approaches and both quantitative and qualitative data analysis
Use these practices of research as the researcher	Positions himself or herself		Collects both quantitative and qualitative data
	Collects participant meanings		Develops a rationale for mixing
	Focuses on single concept or phenomenon		Integrates the data at different stages of inquiry
	Brings personal values into the study		Presents visual pictures of the procedures in the study
	Studies the context or setting of participants		Employs the practices of both qualitative and quantitative research
	Validates the accuracy of findings		
	Makes interpretations of the data		
	Creates an agenda for change or reform		
	Collaborates with the participants		

Source: Qualitative, Quantitative and Mixed Methods Approaches (Creswell, 2003)

Pragmatism is important as a philosophical underpinning for mixed methods studies, and thus in this study, in that Tashakkori and Teddlie (1998) and Patton (1990) conveyed the importance for focusing attention on the research problem in social science research and then using pluralistic approaches to derive knowledge about the problem (Creswell, 2003).

As per the graph below (Johnson, Onwuegbuzie, & Turner, 2007), we employed a quantitative dominant approach as we believed that it is important to include qualitative data and approaches into our proposed quantitative research project.

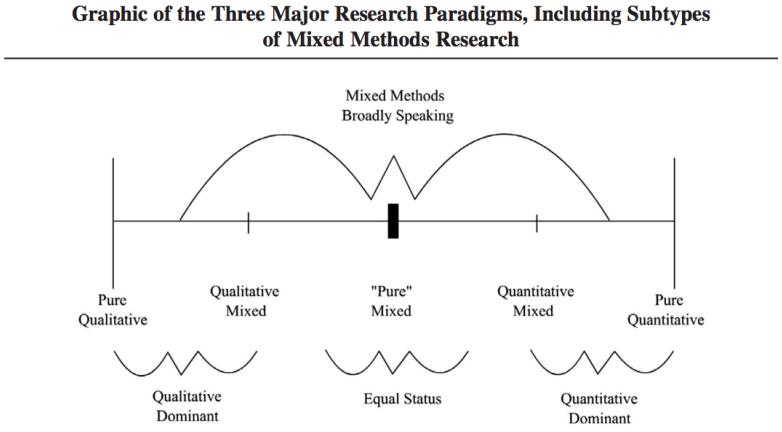


Figure 3.1. Major research paradigms (Johnson, Onwuegbuzie, & Turner, 2007)

This is encapsulated by the following quote:

“Quantitative dominant mixed methods research is the type of mixed research in which one relies on a quantitative, postpositivist view of the research process, while concurrently recognizing that the addition of qualitative data and approaches are likely to benefit most research projects” ((Johnson, Onwuegbuzie, & Turner, 2007, p. 124)

The dominance of the quantitative strategy is appropriate for the current study as the objective is to test Porter’s Creating Shared Value theory or framework in the South African context rather than developing a new theory (Creswell, Chapter 3- The use of theory selection of a research design, 2009b). Because we are starting the research process with a theory, it signifies that a broadly deductive approach to the relationship between theory and research is taken (Bryman, 2012).

By employing a quantitative approach, the following practices were employed: test or verify Porter’s Creating Shared Value theory, through examining the relationship between the theory’s two dimensions and identified variables; relate these variables through developing hypotheses to be tested; we used an instrument for

measurement using numbered data; used standards of validity and reliability; used unbiased approaches; data was analysed using statistical procedures; finally a report with the findings is produced (Creswell, Chapter 3- The use of theory selection of a research design, 2009b).

Thus, according to Bryman (2012), a quantitative research strategy will assist in quantification through the collection of numerical data and uses statistical data analysis methods, this allowed us to test the CSV theory by using a deductive aproach to the relationship between theory and research, incorporate the practices and norms of the natural scientific model (of positivism) and embody a world view of social reality as an external objective reality. We used the CSV theory to derive research questions or hypotheses that were tested as well as to provide direction on data collection (Creswell, 2009b).

In this case, we first interviewed a significant number of individuals face to face, and then followed up with a few of them to obtain their specific language and voices about the topic (Creswell, 2003) through a quantitative study.

Incorporating the qualitative phase is imperative as it was argued that the convergence of findings stemming from two or more methods “enhances our beliefs that the results are valid and not a methodological artefact” (Bouchard, 1976, p. 268 as cited in Johnson, Onwuegbuzie, & Turner, 2007). We concur with the findings that the advantages of collecting both closed ended quantitative data and open-ended qualitative data proves advantageous to best understand a research problem (Creswell, 2003).

The purpose of qualitative research was to gain insight into a situation, phenomenon, community or person (Bless & Higson-Smith, 1995). This is an appropriate methodology as this is a new area of interest. Findings were useful in that they later added further insight to the data collected in the quantitative study. The reasons for choosing one-on-one in-depth interview over focus groups were the following:

- Time is of the essence for senior managers: It would be very hard to get senior managers in one room at the same time, that requires diary co-ordinations
- Nature of the questions asked: although not a sensitive study, we delve into business strategies, some senior management might now want to discuss with their peers

- Quality of information collected: Can collect a full view of information in an in-depth interview as the time is dedicated to the one respondent vs. group discussions competing against time and other respondents.

It has been strongly suggested within the research community that research, both quantitative and qualitative, is best thought of as complementary and should therefore be mixed in research of many kinds (Amaratunga, Sarshar, & Newton, 2002).

In line with the dominant theme in the literature review, we employed this methodology for complementarily purposes.

Uses of multi-strategy research - Green et al.scheme

Category	Rationale %	Practice
Triangulation	7.8	12.5
Complementarity	28.9	44.8
Development	10.3	8.6
Initiation	0.4	1.3
Expansion	25.4	31.5
Not Stated	27.2	1.3

Note: All percentages are based on 232 cases

Figure 3.2. Use of multi-strategy research (Amaratunga, Sarshar, & Newton, 2002).

The reason for choosing this approach is that, as explained by Greene, Caracelli, and Graham (1989), in a *complementarity* mixed-method study, qualitative and quantitative methods are used to measure overlapping but also different facets of a phenomenon, yielding an enriched, elaborated understanding of that phenomenon

3.3 Research Design

For the first part of the mixed methods methodology, an in-depth qualitative research interview method was employed to allow in-depth exploration of corporate CSR approach and motives, how the paradigm guides actions and managerial perceived outcomes. It has been argued that qualitative data is an effective source of well-grounded, rich descriptions and explanations of processes in identifiable local contexts (Amaratunga, Sarshar, & Newton, 2002). Thus, with qualitative data, one can preserve chronological flow, see precisely which events led to which consequences, and derive fruitful explanations (Amaratunga, Sarshar, & Newton, 2002). Personal face-to-face interviews, in-depth interviews, were conducted with representatives of seven participant companies. While most interviews were done face-to-face, one was conducted using video technology, Skype, as the respondent was in another province.

For the second part, we employed a quantitative approach, we utilised a non-experimental design, namely a cross sectional survey using a questionnaire to collect data with the intent of generalising from the chosen sample to a population (Babbie, 1990 as cited in Creswell, 2009a). A cross sectional study is ideal as it studies a cross section of the population at a single point as opposed to a longitudinal study which would require that data be gathered over an extended period of time (Bailey, 1982).

The chosen cross sectional design gives this study the following advantages as proposed by Bailey (1982): data can be from a large number of people who can be questioned at the same time, data will be comparable, this holds true because data is not affected by changes over time.

The quantitative research design was a survey, which is a format of research that is most commonly used in social research (Groenewald, 1986) as it is used to gather data from large groups of people in a relatively short period of time (Wagner, Kawulich, & Garner, 2012). A survey is a variable centric approach as opposed to case centric, and is characterised by the collection of data from the population and using statistical analysis to make inferences about the population (Curtis & Curtis, 2011). Through using a survey, we were able to collect information about a selected number of characteristics of a great number of cases or individuals at a given time within circumscribed boundaries (Groenewald, 1986). Thus, using a survey, we were able to ask a sample of respondents questions about their opinions by interviewing

them in field (Bailey, 1982); by using an attitudinal survey which are based on perceptions of respondents, weput the concepts or the CSR-CSV dimensions and their variables, as proposed by Porter and Kramer (2011), to the test. Measuring attitudes is important for the reasons provided by (Curtis & Curtis, 2011) namely attitudes are seen as shaping, prefiguring or anticipating behaviour, s attitudes are regarded as changeable.

3.4 Population and sample

3.4.1 *Population*

The population for this study was all those corporations partaking in corporate social development programs in South Africa.

3.4.2 *Sample and sampling method*

a. *Qualitative phase sample*

For the qualitative phase, we drew our sample from corporations that were ranked in the Sunday Times Companies “doing the most to uplift communities” top 10, three (3) companies from this list and five (5) companies that are not ranked in the top 10 as “companies doing the most to uplift communities and yet invest heavily in CSR activities. This aided in the comparison of the approaches undertaken by these firms. The interviews were semi-structured and involved a series of focused but open-ended questions. The eight (8) companies selected are all heavily involved in the CSR space and invest substantial sums of money in the programs they undertake. This aids our study in that they practice and are aware of CSR and would therefore be suitable to interview on this topic.

Each of the interviewees had to be directly involved with the CSR initiatives within the company and had to be key decision makers. The three (3) corporations that are ranked in the top 10 and included in our sample include top ranking Coca-Cola, MTN and Old Mutual which was recently ranked at the time of the interviews. The five (5) corporations that are not ranked in the top 10 yet invest equally heavily in the CSR space include Standard Bank, Unilever, Old Mutual and Eaton, were also included in our study. We used an internal source, MD of Octagon, who is passionately involved in the CSR space for brands, to obtain and reach the interviewees, as

access to such senior executives is usually hard to obtain. His was also the first interview conducted to pilot the questionnaire.

Table 3.2: Profile of respondents

Description of respondent type	Number sampled
Top Management (decision makers, resource allocators)	5
Senior Management	3
Total Interviews	8

b. ***Quantitative phase sample***

Because we used a survey design for the quantitative phase, we had to draw or select a sample from the population (Curtis & Curtis, 2011). Ideally, the research and its results would benefit from studying the entire population to give more weight to our findings, however due to time and monetary constraints we are unable to study the entire population and thus used a sample or a subset of the population (Bailey, 1982). We used the companies listed in the CSR handbook of South Africa as a sampling frame (a list of all cases or companies participating in CSR activities) which included those companies listed in the Sunday Times/TNS Top Brands survey 2013 as top 10 brands doing the most to uplift the community. We then randomly drew a comparative sample of those companies that are spending an equal or substantial amount on social development programs but are not ranked in the top ten in the above study from the Trialogue CSI handbook 2013.

We used a non-probability sampling method, as it is much cheaper, and may be done on a spur of the moment basis to take advantage of available respondents without the statistical complexity of a probability sample (Bailey, 1982). In non-probability or purposive selection, the sample is the result of a process of selection which is intentional or otherwise non-random (Groenewald, 1986).

We used a combination of purposive sampling method where the researcher uses her research skill and prior knowledge to choose respondents and dimensional sampling, a multidimensional form of quota sampling (Bailey, 1982).

Below is an illustration of the important dimensions of the study:

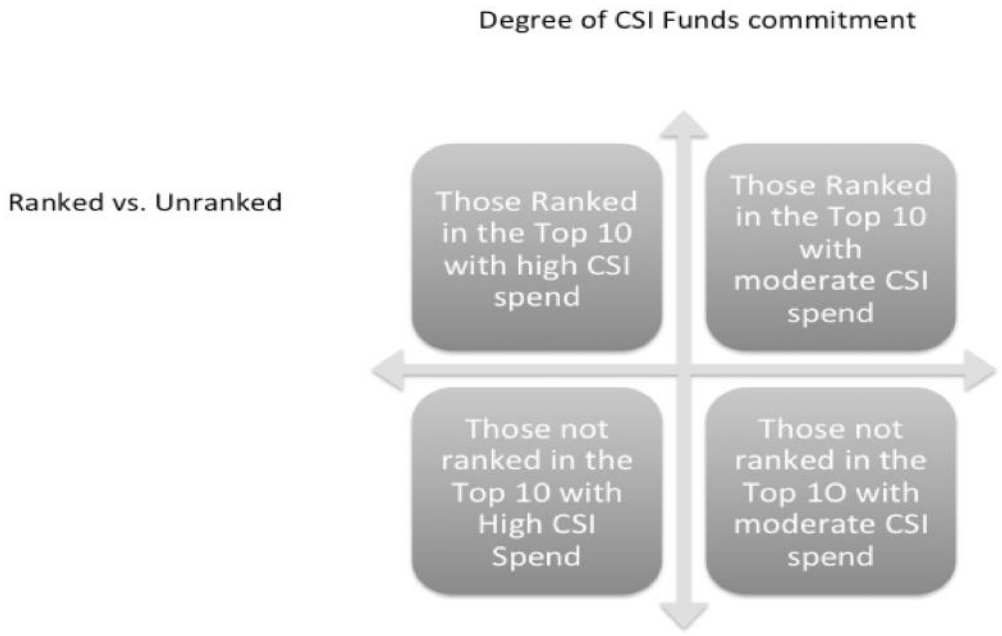


Figure 3.3. Dimensions of study

Table 3.3: Profile of quantitative study respondents

Description of respondent type, e.g.	Proportion Sampled
Companies ranked and not ranked in the top 10 of the South African Sunday Times Top brands awards as "doing the most for the community"	
Top Management of Organisation (GM, MD, CEO, CIO, CMO)	24%
Head of Social Responsibility Programs	7%
Senior level management- Social Responsibility Programs	10%
Middle level management- Social Responsibility Programs	7%
Junior level- Social Responsibility Programs	1%
Advisory committee on Social Responsibility Programs	11%
Volunteer/participate in our Corporate Social Programs	15%
have any involvement with social responsibility programs or decisions	34%
Targeted Total Sample Size	100
Achieved Sample	78

3.5 The research instrument

3.5.1 *Quantitative phase instrument*

Creswell (2003) suggests the following procedures for mixed methods methodology, both predermined and emerging methods, both open and close ended questions, multiple forms of data drawing on all possibilities and statistical and text analysis.

For the quantitative phase, Bryman (2012) suggests that by using a questionnaire, one establishes what he or she needs to know to answer the research questions (the purpose of this investigation) that drive the project and designs questions that will allow data to be collected to answer them.

We used the study of Camilleri (2012) as a base, where he used a questionnaire consisting of 38 multiple choice questions which were relatively straightforward. In relation to this study, we designed a total of 13 questions. The respondents were required to tick the most appropriate responses. The questionnaire used in this benchmark study was structured in a manner where the respondents could easily provide insights about their social, environmental, marketplace and community policies and/or practices (Camilleri, 2012).

Most of the questions have a rating scale used to assess the degree to which the respondents exhibit their CSR paradigm (CSR vs. CSV attributes). In line with Bryman (2012), a Likert Scale was best suited to this research because we are investigating attitudes towards CSR with the goal being to measure the intensity of feelings about corporate South Africa's attitudes towards the CSR paradigm and the CSV paradigm (Bryman, Social Research methods, 2012). Likert scales are a non-comparative scaling technique where respondents are asked to indicate their level of agreement with given statements on an ordinal scale (Bertram, 2007).

Using the scale proposed by Likert (1932), to reflect ones level of agreement with a statement about CSR, each scale item involved choosing a response category on a 5 point scale 'agree strongly, 'agree', neither agree nor agree, disagree or disagree strongly and including a don't know or cant choose category (Javaras, 2004). However, many academics recommend using a 7 or 9-point scale, which adds more granularity (Bertram, 2007). The advantages of using a Likert scale include the fact that it is simple to construct, likely to produce a highly reliable scale and easy to read and complete for participants (Bertram, 2007).

3.5.2 *Qualitative phase instrument*

For the qualitative phase, we utilise a semi-structured discussion guide to conduct interviews with relevant respondents. In some cases, respondents led the conversation and managed to answer all the questions without being prompted.

3.6 Procedure for data collection

Mixed approaches involve collecting data either simultaneously or sequentially to best understand the research problem (Creswell, 2003). We used a concurrent mixed approach where the following conditions, according to Onwuegbuzie and Johnson (2006) hold:

a) Both the quantitative and qualitative data are collected separately at approximately the same point in time,
b) Neither the quantitative nor qualitative data analysis builds on the other during the data analysis stage, and
c) The results from each type of analysis are not consolidated at the data interpretation stage, until both sets of data have been collected and analysed separately, and
d) After collection and interpretation of data from the quantitative and qualitative components, a meta inference is drawn which integrates the inferences made from the separate quantitative and qualitative data findings.

Creswell (2003) provides the following summary of the different approaches and how the mixed approach takes the ‘best of both worlds’ to study the research problem:

Qualitative Research Methods	Quantitative Research Methods	Mixed Methods Research Methods
Predetermined	Emerging Methods	Both predetermined
Instrument based questions	Open-ended questions	Both open and close - ended questions
Performance data, attitude data, observational data and census data	Interview data, observation data, document data and audio visual data	Multiple forms of data drawing on all possibilities
Statistical analysis	Text and image analysis	Statistical and text analysis

Figure 3.4. Qualitative, Quantitative and Mixed Methods Procedures (Creswell, 2003)

Thus using a similar study to that conducted by Camilleri (2012), this study was based on a combination of both qualitative and quantitatvie research techniques:

- In-depth interviews with key decision makers of CSR programs (the difference from the Camilleri study was that we used Qualitative first, which was then followed by a quantitative study).
- A web survey (based on a structured self-completion questionnaire) was distributed, we used a snow balling sampling methodology whereby the managers with whom we had semi-structured in depth interviews were asked to pass on to other employees and key industry players.

3.6.1 *Quantitative Phase Data Collection*

Because we have elected to use a survey design for the quantitative phase, we use a research interview that, according to Bryman (2012), is a prominent data collection strategy for quantitative research. We thus conducted structured interviews because it promotes standardisation of both the asking of questions and the recording of answers (Bryman, Social Research methods, 2012). We used email and Internet surveys to collect data. Technology has brought about PDAs, tablets, smart phone devices rendering the internet as a popular means to do survey research and data collection (Wagner, Kawulich, & Garner, 2012). We used an online survey tool

namely, Survey Monkey, to design and collect data as a subscription has already been paid, a link was sent out to not only the CSR decision makers of the companies, but also to anyone who was employed in an organisation that practiced CSR.

In cases where we did not personally know the people, we asked the respondents to distribute the survey to other employees in the company. This snowballing effect ensured a higher response rate and thus met the sample size.

Bryman (2012) adds two more benefits of employing a quantitative structured interview to be the reduction of error due to variation in the asking of questions and greater accuracy in and ease of processing respondents aswers.

3.6.2 *Qualitative Phase Data Collection*

For the qualitative phase, we set up semi-structured interviews with senior management of different companies, ensuring that they were involved in the decision making of CSR initiatives. We were guided by the guidelines below that suggest the circumstances in which a research interview is best suited with the last bullet point being the most relevant for the chosen study (King, 1994 as cited in Amaratunga, Sarshar, & Newton, 2002):

- A study focuses on the meaning of particular phenomena to the participants;
- Individual perceptions of processes within a social unit are to be studied prospectively, using a series of interviews;
- Individual historical accounts are required of how a particular phenomenon developed;

As per research plan, we conducted a maximum of one-hour in-depth interviews with each individual from different companies, using a discussion guide and a voice recorder, as it is hard to listen and take notes at the same time. These recordings were then transcribed for data analysis and interpretation.

3.7 Data analysis and interpretation

As per Camilleri (2012)'s study, we used descriptive statistics to examine categorical data. We subsequently conducted a Cronbach alpha analysis of the main variables to test for reliability. Logistic regression analysis was run on CSV statements against top brand ranking and another on CSR statements against top brand ranking. Factor analysis and regression analysis was carried out in accordance with the stated

hypotheses. To ensure that the data meets the statistical significance requirements, we used non-parametric tests.

Miles and Huberman (1994) defined qualitative data analysis as consisting of three concurrent flows of activity namely: data reduction (the process of selecting, focusing, simplifying, abstracting, and transforming the data that appear in written-up field notes or transcriptions), data display, and conclusion drawing and verification (Amaratunga, Sarshar, & Newton, 2002). For the qualitative phase, we have elected to use NVIVO, a software tool that uses textual analysis and audio analysis.

3.8 Limitations of the study

- The use of a non-probability sample as opposed to a probability sample means that the results cannot be generalised to the larger population
- Smaller sample size thus basis was not big enough for further analysis
- Likert Scale type of questionnaire has the following suggested weaknesses (Bertram, 2007): central tendency bias i.e. respondents may avoid extreme response categories, acquiescence bias i.e. respondents may agree with statements as presented in order to “please the researcher”, social desirability bias where the respondent may portray themselves in a more socially favoured light rather than being honest and validity may be difficult to demonstrate i.e. establishing whether we are measuring what we set out to measure.
- Despite the advantages and efficiency of the email and internet survey method, little is known about sampling bias, raising concerns about using online surveys in developing countries (Wagner, Kawulich, & Garner, 2012), however because we are using purposive sampling and targeting decision makers and mostly people who are currently working in a CSI environment, we did not foresee this as a problem.
- It was difficult to reach target populations, that have limited access to or familiarity with the technology for example, older sections of the population (Wagner, Kawulich, & Garner, 2012). We used both technologies as well as personal interviews to mitigate this risk.

3.9 Validity and reliability

The purpose of choosing a complimentarity mixed methods approach is to increase the interpretability, meaningfulness, and validity of constructs and inquiry results by capitalising on both the inherent method strengths and counteracting inherent biases in methods and other sources (Greene, Caracelli, & Graham, 1989). Onwuegbuzie and Johnson (2006) contend that in quantitative research, the importance of validity has been long accepted, however in terms of qualitative research, discussions of validity have been more contentious. To satisfy validity, the designed research instrument has to measure what it is supposed to measure and to satisfy reliability it has to measure consistently (Groenewald, 1986). The quantitative phase is focused towards reliability and validity criteria while the qualitative phase requires conformability and plausibility of findings, impartiality, independence of judgment, consistency and dependence of data (Camilleri, 2012).

The reliability and validity of the quantitative scale would need to be tested by, inter alia, factor analysis and Cronbach alpha.

3.9.1 *External validity*

External validity measures the extent to which the results of the study can be generalised. Because we are employing a non-random samplng method, we expected, as per Bryman (2012), that external validity would be debatable, as it is known that external validity is strong when the sample from which the data are collected has been randomly selected.

3.9.2 *Internal validity*

We need to ensure that we obtain internal validity i.e. the degree to which the results are attributable to the independent variable and not some other rival explanation (Bryman, Social Research methods, 2012). This is important because the purpose of conducting this research is to determine cause (CSR or CSV paradigm) and effect (positive image and ranked top 10 by the public for doing the most for the community). We need to be sure that we can conclude that changes in the independent variable (CSV or CSR paradigm) caused the changes in the dependent variable (top ranked social positive image). If this study shows a high degree of internal validity then we can conclude that we have a strong evidence of causality (Bryman, Social Research methods, 2012).

3.9.3 *Reliability*

Reliability i.e. the degree to which the indicators that make up the designed Likert-Scale are consistent ensured that, if the study was repeated, that the same data would be collected. In order to ensure consistency, the research has to meet the following criteria of reliability as suggested by Bryman (2012):

- Stability: we have designed a multiple indicator measure to tap into the CSR and CSV concept, to gain stability we had to administer the measure to a sample of respondents (test amongst colleagues in the Octagon office) and re-administer it sometime later. Should the correlation be low, the measure would appear to be unstable thus implying that the respondents' answers cannot be relied upon, we might also have to drop some items off the scale if they exhibit poor internal consistency with the other items (Bryman, Social Research methods, 2012). Based on the assumptions that the subject of the study itself did not change, it then follows that the results should in fact remain the same from one measurement to the following because it would have been done by the same observer and with the same instrument ((Groenewald, 1986).
- Internal reliability applied in our case as well, as we have a multiple-item measure in which each respondent's answers to each question are aggregated to form an overall score, we thus needed to ensure that all our CSR-CSV indicators are related to each other and therefore not indicative of something else (Bryman, Social Research methods, 2012). We used a Cronbach's alpha test of internal reliability, which calculates the average of all possible split-half reliability coefficient using a quantitative data analysis tool, SAS. A figure of 1 usually denotes perfect internal reliability and 0 denotes no internal reliability, but as suggested by Bryman (2012), we used the 0,70 to 0,80 rule of thumb to denote an acceptable level of internal validity.

3.9.4 *Ethical issues in research*

As per (Curtis & Curtis, 2011), this study understands that researchers have a moral and legal responsibility to abide by ethical principles based on moral values; we thus undertook to minimise harm as we considered 'informed consent as paramount'; we made it clear to each participant what the research involved before agreeing to take

part, respondents would have been able to refuse or stop participating at any time without negative consequences, we used experts available, such as the supervisor to evaluate the study’s ethical appropriateness.

CHAPTER 4. Presentation of Result: Qualitative information

4.1 Introduction

While we have employed a mixed approach where we collected both quantitative and qualitative data, the purpose of this chapter is to present the qualitative findings collected from the in-depth interviews first which will be followed by the interpretation of these qualitative findings, in relation to the literature review, addressed in the next chapter.

For the qualitative phase, the findings have been organised by the themes or categories uncovered in this research. Although it has been said that interpretation cannot be taken over by computers, the use of the software NVIVO was useful in storing data in an orderly way, speeding up the interpretation process, providing structures and hierarchies of data.

The quantitative findings will be followed in the next chapter.

4.2 Qualitative Analysis

4.2.1 *Introduction*

The rationale for beginning the study with the qualitative phase was to first explore existing attitudes and perceptions around social responsibility.

We set out to find answers to the following research questions in the qualitative phase: What paradigm/s if any is management currently using with regards to CSR? Has there been a shift in paradigms, especially in light of the latest trends, namely strategic CSR and the concept of Corporate Social Value (CSV)? Do companies that are ranked in the top 10 as ‘doing the most to uplift communities’ adopts a CSR or a CSV paradigm? Do those companies that are not ranked in the top 10 adopt a different view to those that are ranked?

The purpose of the qualitative phase was to form an understanding of the themes in the CSR paradigm and in the CSV paradigm, which would be further explored in the quantitative phase. The qualitative phase would assist in achieving greater validity and reliability in and provide depth in drawing the study conclusions.

We conducted in-depth thirty minutes to one hour semi-structured interviews with the main decision makers of social responsibility programs from different entities. The

interviews allowed us to gain perspective directly from the actors. The interviews were very informal and were conducted either in the respondent's work place, or in some cases, in a common area such as a restaurant, the respondent's home and lastly, via video conferencing using Skype where distance was an issue. In most cases, these were more discussions as opposed to interviews. The themes discussed in the qualitative interviews were drawn from the Creating Shared Value framework by the authors, Porter and Kramer (2011).

This chapter provides the findings from the in-depth one-on-one interviews and observations from those that hold high positions in the social responsibility space. We present, describe and define, only those findings that were gained from the primary research, that is, the data collected.

Main themes discussed in interview included the role of social responsibility to the organisation, the value of doing social responsibility programs to the organisation, the entities economic view, trends in the social responsibility programs, reasons for undertaking CSR programs, decision making and impact of current social responsibility programmes. The in-depth interview discussion guide is in the appendix.

The next chapter, the discussion, then focuses on interpreting the results in more detail.

4.2.2 *Interviewing heads of departments: Social Responsibility*

The primary source of data was in-depth interviews. The interviews were recorded using a mobile app, a laptop app and some note taking as a backup. The use of both devices was informed by the loss of recordings of the first interview, due to the fact that it was not saved and data was lost (relied on handwritten notes taken in this case). The research targeted those corporations that invest resources in social responsibility programs in South Africa, those whose companies were ranked in the Sunday Times 2013 top brands survey as "brands doing the most to uplift communities" as well as a comparison cell of those companies that did not feature in the Sunday Times top 10 ranking but undertook social responsibility programs. The organisations operated in South Africa and most of them had operations outside of South Africa as well. The study was conducted with eight (8) different heads of department from different entities and different industries operating in South Africa. The interviews were a primary source of data. All the respondents had to be the

decision makers of social responsibility programs as the questions pertained to a deep dive into, not only the organisation's practices of CSR, but also the industry trends.

Job Titles of respondents interviewed	Number of Interviews
Top Management (decision makers, resource allocators)	
CEO of marketing agency	1
CEO of Octagon Marketing South Africa	1
General Manager of a Foundation	1
Head of Social Responsibility Programs	1
Head Corporate Social Investment	1
Manager Sustainability Partnerships	1
Director Programs Implementation and Partnerships Management	1
Human Resources Manager	1
Total	8

The respondents' experience in managing social responsibility spanned between five (5) years and sixteen (16) years. Generally, all those interviewed were forthcoming and provided valuable information over and above the discussion points in the interview. The respondents were also helpful with referrals to others who worked in the same industry.

The interviews were later transcribed in a word document, which was then added onto the NVIVO software for data analysis. Because we were guided by an existing framework, the nodes or themes were already derived from the model, we added a few nodes of interest that were outside of the current framework.

4.2.3 *Semi-Structured Interviews*

Following a brief introduction, regarding the general purpose of the study, the aims of the interview and expected duration, who was involved in the process (other participants), why the participant's interview was important, what would happen with

the collected information and how the participant/target group would benefit, the respondents provided demographic and work information covering respondents name, company name, job title, education and previous work background and tenure at the current company.

The respondents were subsequently asked questions about their organisation's views on social development programs. The discussion was themed according to the study's framework (creating shared value by Michael Porter and Mark Kramer) with questions around the CSR and CSV dimensions. The discussion first focused on the establishment of respondent's awareness and perceptions of corporate social responsibility, then captured the views on the role of social programs in their organisations, decision making on social responsibility programs, the organisation reasons for undertaking social responsibility programs, the value of CSR on the organisation, the economic view of social responsibility programs, how impact is determined, awareness and knowledge of Creating Shared Value and lastly, the respondent's five to twenty year vision for social development programs in South Africa.

a. ***Framing the societal issues faced by South Africa***

When asked in their opinion what the current problems affecting South African communities were, the heads of social responsibility programs highlighted the following issues with education at the centre: **education to help stop the cycle of poverty "** *I'm seeing that is not only a need in South Africa but in other regions as well, not so much in North Africa, there is an issue of education, there is an issue of poverty which again leads to creating the problem in education" (Eaton)***; education linked to teacher training** *"what we want to be known for is, we want to be a driver, a facilitator of improving teachers, actual [tools] that they are using and be an effective teacher for the 21st century...that entails up skilling a teacher to use technology so that they teach in a 21st century way" (*MTN;*,* **education linked to financial training, "***at each level of our business unit we have got a specific financial well-being or financial educational program that offer, that caters to the level of understanding, the ability of the customer to engage at whichever way that we would like to help them."* (Old Mutual)**; education linked to graduate recruitment programs, education linked to technological advancement of schools "***...in ICT connectivity happens at schools in established schools, government schools and they are normally in partnership with the provincial department of education" (MTN)***;**

environment linked to water, conservation *"the second commitment is to reduce or halve the environmental footprint" (Coca-Cola); "* **enterprise development relating to nurturing small businesses; job creation "***Wherever you go there is a need to create jobs in South Africa so we are looking at those projects to say how we can get our youth captivated, maximised, productive that is only when you can listen and you know if there is one thing that is a crippler for any country that you find err youth you know there is a saying an idle mind is a devil's playground."(MTN);* **health and wellbeing** ***"****the first commitment being to improve the health and well-being of a billion people*" (Unilever); "*we have had malaria programs, we have had HIV programs so now we have said the issues put in system by the governments is not working as well as it should"* (Coca- Cola)**; Housing** ***"****my major was in lower income housing, I was part and parcel of the team years back that formulated that policy on social housing" (Old Mutual);* **empowering women** *"a significant number of that is in the region where we are working partly because of the need to empower women was easier to put a finger on."* (Coca-Cola); **nutrition and youth development** "*we have programs directed towards high school children that need to understand business concepts we are in partnership with a platform called Start up the set up. It is aimed at University students that come up with ideas to change small businesses in the community, so the school children identify a project in the community to say how do we grow a school business or project in the community to say how do we grow small business." (MTN*)

b. *Aware and understanding of Social Responsibility*

It was now established that society is facing ills. Before we could investigate the social responsibility dimensions, it was established that the respondents were aware of the concept of social responsibility.

Interviewees were further asked to describe in their own words their understanding and experience of corporate social responsibility social responsibility.

Most of the definitions provided put the communities that the business was operating in at the centre. This is illustrated by the quote below:

"The basic concept for me as an organisation I'm not just talking about [us] but any Company or organisation, we operate in a community and that community there is a lot that it's giving to the company, it's giving talent, space and we produce waste as part of our manufacturing process. So there is a lot that the business is getting out of

the community, so the question when it comes to CSR is what are we doing to give back and the communities that it operates within" (Eaton, unranked)

The discussions also sought to establish which stakeholders are deemed to be the most important for an organisation**.** The below is a definition of their understanding of what corporate social responsibility from a stakeholder lens, involving customers, employees and the society:

"It's a way in which a company needs to respond to factors that are faced by our customers, our employees and the societies that we operate in. It is about how you create positive impact through whichever ways or means of whatever the company does." (Old Mutual, recently ranked)

c. *Role of social programs to the business: Evolving Approaches*

This theme deals with the role of social responsibility programs to an organisation. In accordance with the framework, these roles can be split under CSR as citizenship, philanthropy and sustainability while under CSV it is seen as a two-way conversation with the community, namely, jointly, company and community.

We gathered opinions on who is responsible to solve the societal ills mentioned. The purpose was to gather heads of department's opinions on what the primary function of a business is, how CSR programs fit into this function, and to ascertain any emerging trends, if any, on the practice of social responsibility by organisations.

Whose responsibility is solving societal ills, government or business? All respondents echoed the same sentiment that **"***It is both; we cannot have government doing things independently. I think actually it is more of our responsibility as we are closer to the communities these days" (Eaton, unranked).* It was felt that employees of organisations form part of the community that the organisation operates in *…employees at Luther Park, Vosloorus, Spruitview, Kathlegong, nearby townships. This is already our direct link that we have with these communities" (Eaton, unranked)*

We explored current practice with regards to corporate social responsibility, in particular, the area of social responsibility that were significant for their companies. In accordance with the framework of Porter and Kramer (2013), there needs to be an evolution from philanthropy (donations to worthy, social causes, volunteering), CSR (Compliance with community standards, good corporate citizenship - meeting legal,

ethical and economic responsibilities placed on them by shareholders, "Sustainability") and CSV (Integrating societal issues and challenges into economic value creation). The following section discusses these themes in detail from the views of the practitioners.

4.2.4 *Social responsibility is Philanthropy or Charitable Donations*

In the past, Social responsibility programs were engaged in because of desperate calls for business to get involved in solving societal issues, *"Coca Cola Foundation was formed in 2000 and the time we reacted to the issue of HIV and Aids it was killing Africans at an exceptional rate."* (Coca-Cola, ranked). This is further echoed, "*So we started what we call an Education Foundation in 1985 and it was registered with the master of the high court as a proper foundation." Prior to that [strategic CSR] we were just aiding in the field, where we felt were good causes like Education and Health development and to some extent enterprise development."* (Standard Bank, unranked)

Philanthropy or corporate donations is seen as an "easier" entry into corporate social responsibility in that, the resource that corporates had that could make the most impact was mostly linked to monetary investment..." *because the issue was a burning platform we did what a lot of companies did in that era and some continue to do now which is put money which was the resource that we knew. We knew how to make money as corporates and we knew if we put money the issue, you know might be addressed and we put money behind a number of initiatives which worked really well." (Coca- Cola, top ranked)*

Operating as a multinational, meant that CSR begins with charitable donations in the different territories in which the company operates, *"and region and culture specific projects, so we have a global fund we call it doing charitable funds and through the global fund, every region and us as Africa we sent through proposals to say what projects do we intend to support and we sought funding out of that." (Eaton unranked).* There are projects *"that we do that necessarily require [major] funding like skills sharing for example would allow students to come in and learn some aspects either of our manufacturing processes or what we do as a company…or …" there is a project called Feeding Children. We would go spend a day feeding the kids, teaching them whatever we are teaching them and spending time with them or we decide to go paint somewhere"* (Eaton, unranked)

4.2.5 *Social responsibility is Citizenship - legal, ethical and economic responsibilities*

The heads of social development programs were of the opinion that ethics and social responsibility are *"definitely intertwined you can't do the one without the other" (Old Mutual, recently ranked).*

Business ethics are considered to be very important as strongly expressed by the following quote: *"being an ethical business so important." (Unilever, unranked*).

At the centre of social responsibility is economic responsibility and accountability to shareholders, *"because there is a line that says if we do business in a social way, this is not our money but our clients' money like how I do that I have to be beyond and everything has to be ethical and we can't be emotional about it and like I said earlier it is not for the sake of doing it, it is about business principles and sound business principles". (Old Mutual recently, ranked).* It is imperative to show value to the business owners, the shareholders to get financial support buy in, "*the way CSR has been positioned in most organisations, [it is] the first thing, when profits are low, …cutting the CSR budget because it is just using up money and we don't see the benefit so if businesses are seeing value then listen through this then we are going to be in contact with the market wherever we want it to be so that's where (Eaton, unranked)*

The social agenda is about ethical business*, "so what we do to the environment, what we do to the planet and so on and I think that voice has come through very strongly across our agenda so how we treat our people, how our people treat suppliers and how we sort of integrate the voice of the consumer or the community onto what it is that we do and how we operate so whether it is the waste that is coming out of our manufacture and so on (Unilever, unranked).*

Social responsibility is about doing the right thing, it is about having a pulse on what is happening around you, *"and really look across and start to take notice of how are women in the community where we operate [in] are treated and how our suppliers are treating their employees. How [we] operate when we look at sustainable sourcing (Unilever, unranked)*

Social responsibility is about doing business the right way, being an example to other organisations *"but also for our growth we have to be the beacon because we are huge, we are international so I think we have to be a beacon. A responsible*

example to other organisations that you can do business the right way we have a responsibility to be responsible "(Coca-Cola, ranked).

Ethics concern everyone in the business not just constrained to a department, *"I think [it] is a very strong pillar to maintain ethics no matter what level you are in. These days there is a very high campaign against corruption so that is running every year by the company it is part of always MTN as a business upholds as a pillar to drive for business so they look at the ethics of the company, the partners, recipients and beneficiaries will have an affiliation to everything and anything that we do. That is why Nigeria is a big, big issue or us" (*MTN, ranked)

The right way of doing business, is reflected in corporate values and practice and documented in a code of ethics, to be used by all who come in contact with the business *"I think for us they are so interlinked because I think at the end of the day, we as an organisation, one of the things that we do as part of our corporate values and as part of our corporate practice and agenda, [is] we have got our code of business principles which of course captures our code our ethics and it includes all of our practices when it comes to competitors when it comes to how we treat our employees and how we work with suppliers and all of that. I think that for us is part of the core of who we are as an organisation because it is linked to how we behave as an organisation and I think in everything that we do and also linked to our sustainability agenda that is really important." (Unilever, unranked)*

Legislation compliance with regards to the legal social programs framework in the country you are operating in "…*is part of our bigger strategy we talk about today it is all about how you have to comply with your ESG factors, Environmental, social and governance sectors and at the same time it talks to what is your overall business strategy? We are a global organisation? Based in London but our footprint is more on the emerging markets and the majority of our business is in South Africa*." (Old Mutual, recently ranked)

An example of how government policies push organisations to be compliant with their social development programs mandate lies in deciding on a budget, "*the ICT charter says as an ICT company you are going to spend 66% of your budget in corporate citizen in ITC projects. So whatever you do, you have R100 0000 make sure that 66 million is meant for ICT projects that is what the ICT charter says".* (MTN, ranked).

Legislation not only determines % of budget spend but "*you know to legislation to make sure our annual band is meeting that 1% and also benefiting because the project that we are running are black beneficiaries as well as a large number of poverty stricken families are so that for me is quiet clear."* (Eaton, unranked)

Those operating in the social responsibility departments are also accountable to the whole organisation *"just like we run our business ethically with good governance we have our responsibilities and we have a board of trustees we meet twice a year." (Coca-Cola, ranked)*

Corporate Governance is key for the organisations, as it is determines how to do business internally and with external partners***, "****Our partners are subject to a lot of governance requirements just like our commercial business. No bribing, their dealing with government and other organisations have to be above board. They have to declare, sign for it and be open to be audited. Everything we do is ethical the choices that we have made in terms of impact areas similarly all those are issues that are close to everybody's heart, we will do good and generate good" (Coca-Cola, ranked)*

In South Africa we have a governance framework to guide how to do business ethically, "*that's why today you have got the King III you have got, you know and all of them talk to the social ethics and environmental factors that are very important to make sure you keep the balance." (Old Mutual, recently ranked)*

4.2.6 *Evolution of CSR*

Although there seems to be a shift in paradigms regarding the role of social responsibility, where in the beginning the focus was on philanthropy, "*I think that if I use the history of the Coca Cola Foundation because that is where my experience has been, I think there is an evolution from where it used to be optional and companies would give a check, reactively into an issue and it didn't matter what happened, their role…that was social responsibility.*" *(Coca- Cola, top ranked).* The practice of philanthropy has not completely disappeared in most companies, especially those with separate foundations. What has emerged is a combination of philanthropy plus strategic CSR, as illustrated by the dual job responsibilities of one of the ranked corporates *"one is I head the implementation for the Coca Cola Africa Foundation Programme which is purely philanthropic. And the other one I also head the implementation for Five by 20, which is an inclusive business initiative targeting women in Africa." (Coca- Cola, top ranked).* The shift in thinking is further highlighted

as one respondent recounts the change in paradigms based on her tenure *"I am the head of CSI for Standard Bank and I've been in the bank for…11 years now and I have been a CSI manager since 2005 and last year I was promoted to the Head of CSI and we have been doing strategic CSI since 2006." (Standard Bank, unranked)*

There has been an evolution in that, in the past social responsibility programmes or CSR or CSI were buzz words and government policies have been at the centre, *"I keep telling all colleagues that CSI has evolved, this term CSI is a term that has, like any word like entrepreneurship or social entrepreneurship, has become the buzz term. There has been a continuum from philanthropy to corporations to say it is not just for individuals… and I think what makes it even more exciting is that the South African government has been a catalyst to say corporates will do this.* (MTN, ranked). CSR has also moved away from legal compliance only, which used to "… *serve as a tick box when it comes to government expectations of organisations*." (Unilever). CSR programs are a way to get government as clients ***"****because government has money when it comes to government business and if you are going to get to government business you are going to have to have certain stringent and power and targets and one of them is CSI*." (MTN, ranked)

Social responsibility nowadays means global companies dictate which projects, but rather align to local needs, "I can't say dictate because they don't know the different markets, and Eaton operates in 176 markets so it becomes difficult for them to know what is happening in those countries. So the country original leaders will advise to say is what aligns to say these are the challenges for Ethiopia, Kenya, Ghana, Nigeria and this is where we need to direct the funds to." (Eaton, unranked)

Social responsibility nowadays means operating a "business with a heart", ***"****the world has changed and things have changed so much that if as a business we don't take it upon ourselves to be responsible in how we operate to ensure that we operate in functional societies, we don't have a business tomorrow because the very same customers that we are trying to target are the very same customers who will be affected very negatively by social ills, so today business success, yes, bottom line is important but primarily it is business with a heart it is about what is it that we do.*" (Old Mutual, ranked recently)

Corporates are on a search for CSR that is more than reputation enhancement but something sustainable, *"there have been a lot of conversations around CSR but we as Unilever constantly say we have moved away from the CSR model because the*

CSR model is unsustainable and it focuses, I feel it just focuses on a lot on investment to protect corporate reputation" (Unilever)

Thus philanthropy has also evolved to sustainability, showing value to the business, return on investment *"we have evolved because there was a time where it was purely doing good for the sake of doing good and also whether we were making impact or not as long as we did what we felt was a good thing it was okay but today we had to look at what actually impacts, how is that impact feeding back into the business so that we can continue to do the good that we are needing to do. This whole thing talks to sustainability, it talks to being responsible and how you create your profit in a way that says you are not giving away companies money but you are creating more opportunities for the company to thrive whilst the societies we operate in also thrive.* (Old Mutual, recently ranked)

In the search for joint society and business value**,** "*we have been evolving our strategy and so we move from writing cheques to a number of initiatives to say people don't also have water and these issues are interlinked [with our business]"* (Coca Cola, ranked)

4.2.7 *CSR vs. Creating Shared Value - Integrating societal issues and challenges into economic value creation: Ranked vs. Unranked Firms*

a. ***The Unilever, unranked Case study,***

Social Responsibility has been part of the organisation DNA since its inception *"so for us as an organisation we are all very proud that it has been part of the DNA of the organisation from the start. So when we look back to the 1900s when the organisation was first formed, two of the brands that were first produced Sunlight and Lifebuoy." Products were produced with a social conscience from inception, "…these products were introduced around the world war when there were issues of hygiene, sickness and deaths. Our founders decided why not make soap much more accessible to the general publics."* (Unilever, unranked)

Sustainability has always been in the DNA of the organisation since its inception, *"[Products were introduced] so that people could take care of their hygiene and that was the foundation of our organisation, so when we look on from that, the sustainable or sustainability mind-set has always been a part of the organisation."* (Unilever, unranked)

Decisions on which programs to take on is based on researching the external environment: *"It really has to inspire the team to take action – a lot of research regarding upcoming trends such as policy or global movements, so that our teams understand where opportunities exist and what we need to be focusing resources behind. So when we look at one country to the next there is real contribution and progress based on local context reality." (Unilever, unranked)*

After 2010, the organisation went back to the basics, "fast forward to 2010 and this is when we started to rearticulate the social conscience of our organisation." (Unilever, unranked).

The public these days are more involved with your product, they look beyond just the product – to the way you engage with different stakeholders, *"So people want solutions that are not just taking from the earth but giving back. So for example, by building the social conscience or social context into how we source the ingredients that go into a bar of soap; how you treat the employees who make that bar of soap; what is the impact of that bar of soap on the environment and so on. I think by starting to build that into the business mind-set, we create a more sustainable world but it also builds up more growth opportunities – as it is a different way of doing business which more and more consumers are demanding."* (Unilever, unranked)

In order to produce sustainable results, for both the society and the organisation, the company had to transform its business model, *"but what we are doing around sustainability, it goes beyond just giving back to society – it is really transforming our business models whether in the products that we make and how we sell those products, and so it is the entire value chain and the entire business model to be sustainable. So as much as possible, we are taking less from the earth and putting less packaging back in the world."* (Unilever, unranked)

If social programs are at the centre of how you do business, then *"the products themselves and the innovation behind them actually lead people to better lives and so on. For us it is a more extensive integration."* (Unilever)

The company realised the value of a partnership model to driving meaningful social change *"that is when we clearly called out the areas of focus for us in driving the sustainability and thinking throughout the organisation. For us we have looked across the entire organization and we have seen where we are able to make a difference by ourselves and together with our partners to drive real, meaningful change. At the end of the day, it is difficult to tackle everything at the same time, but*

we strategically called out processes and practices within our organisation that we would focus on." (Unilever, unranked)

Creating win-win solutions is integral to competing: *"But I think more and more we are also seeing that apart from responding to sustainability trends, we are leading this work. For me, that's what is exciting and I think is the same for a lot of people I work with. You feel great knowing that you are part of leading the change across the private sector which is really important, in addition to the fact it is delivering results for our business."* (Unilever, unranked)

Senior Management involvement is integral in measuring social programs impact *"And I remember when I was working at our London office and that was 3 years ago we had just hired our social impact vice president and that was because for the component around social impact we really wanted to go beyond just the focus on improving people's livelihoods. In tangible terms, measuring the impact of our work on people like smallholder farmers who grow crops or our distributors who get our products to rural communities and so on." (*Unilever, unranked)

The end result is a win-win situation for all involved, *"which will have a multiplier effect for ourselves, for our partners and for consumers and so on. This has been clearly called out for our sustainability agenda"* (Unilever, unranked).

Company is seeing accelerated growth in products that are at the centre of social responsibility programs *"And what we see is that brands like Lifebuoy are…we are driving the hygiene agenda behind, brands like Knorr and so on are seeing accelerated growth in the market because there is the social part built into them".* (Unilever, unranked)

When asked about his awareness and opinion around shared value, the respondent had the following to say "I think the shared value concept is a good one because what it does is help break down and simplify the very complex way organisations should maintain sustainability. Shared value *"…dimensions are able to give practitioners areas of focus. As well as organisations areas of focus that in terms of how they break down their impacts and results and so on and I think it is great."* (Unilever, unranked)

The principles of shared value*, "contribute to the body of knowledge at the end of the day that really enables us to take action when it comes to sustainability."* (Unilever, unranked)

While not averse to the principles of shared value *"…I think for us as an organisation we might use a different model or approach or we might use a similar model or approach, but at the end of the day I don't see any reason or concern why it can't be used by organisations in taking on or tackling sustainable issues within the organisation."* (Unilever, unranked)

b. ***The Coca-Cola Case- Ranked Case Study:***

Coca-Cola sought to first find out what are the biggest issues facing Africa, "those were our biggest issues for Africans and the areas where we could make the biggest difference so it moved from a cheque to where can we make a difference" and then refined them in line with their business: **"***We defined our strategic pillars, water, health and education.*" (Coca Cola, ranked)

Decision-making on which social programs to take on always involve *Senior management "the board will look at our plans, goods from our financial visibility from a community sustainability point of view but from a governance point of view so we from our philanthropy benefit the business, we. All of our partners are subject to due diligent checks to make sure they are good organizations running and they are fair as they should when we deal with government it is above board. We deal with government as partners*." (Coca Cola, ranked)

The company started looking internally on how they can leverage off its business expertise in the social space**:** "*So right now what we do is how we can bring…look beyond money even in the most strategic way how do we use our own expertise, how do we use our own money, how do we use our own connections. How do we use our convening power, so you bring all your strength and might behind an issue that you have identified, you can make a big difference in but is a priority to the community that is an issue to a broader stake holder group and then you bring in the might and force that is required and that is what we are doing now? "*(Coca Cola, ranked)

Beyond the decision on which social ills to focus on, the company further breaks down their involvement in social responsibility to be more specific*, "So now we are still focused in water but we have refined our focus even in those pillars so water we do community water. We don't go and build infrastructure, they are all sorts of things that we can do and we are focused on communities.* (Coca Cola, ranked)

Once a decision is made to run social development programs, effort is key, the organisation puts …" *focus around an issue, rallying other resources, putting your*

money, measuring what you do, following strategic partnerships so you begin to look at the issue as you would your business. You put all your efforts." (Coca-Cola, unranked)

How can business meaningfully contribute beyond financial contribution? ***"****The biggest difference doesn't have to be monetary"* (Coca-Cola, ranked). Beyond financial corporate giving is transference of operational know how to government on how they can better tackle issues such as "*health. We have had malaria programs; we have had HIV programs so now we have said the issues put in system by the governments is not working as well as it should. Governments are trying but are not getting there we have the capability we are successful as a corporate because we run the business professionally with some capabilities and in health our priority now is to transfer our know how to government and that is having more impact than giving them money other people can still give them money it is still not an issue." (Coca-Cola, ranked)*

Inclusive business, means bringing beneficiaries into the value chain through recognising **"***the need to empower women was easier to put a finger on, and go after and because it is modelled around inclusive business so we are bringing women into our value chain by breaking down the barriers for them to enter business.****"***

The company uses current distribution channels to create joint community and business value, through business skills training social programs, ***"****What we have done is that our region has said we will make this part of our marketing effort which means through our marketing development efforts we open outlets so we provide the women with business skills and then we provide them with business start-up that has to do with Coca Cola chain at this point our retail of our whole value chain is our biggest area of enabler. That is because in retail we can open for them small business for women on their flexibility of their home and running a business so that has been a dream."* (Coca-Cola, ranked)

Acceptance that you cannot solve everything is key, but you can use your capabilities and capacity to make a difference. It starts with sharing the knowhow of an organised distribution system that reaches millions of people "*the biggest difference, we can make is how we think as Coca Cola, how we do things, that is the reason you get Coke everywhere in the world and that should be the you get medicines anywhere in the world so we are transferring that know how.* (Coca-Cola, ranked)

Being cognisant of the challenging areas faced by the organisation you are trying to assist, *"We recognise that government are not structured like us so we don't just bring our capabilities we look at their capacity and their capability and transferring knowledge in that context. They prioritise the issue in the health system that is most important to them and we try to influence them to try and choose issues that are most catalytic as I said we cannot solve everything.*" (Coca-Cola, ranked)

What you have in the end is a win-win social solution through business-government partnerships "*But it is catalytic then you know the ripple effect and you can see how that can have huge impact Coke bringing its know-how, government bringing its structures identifying their issues, they know their issues more than we ever will.* Coca-Cola, Unranked

The value lies in primarily giving back to society, with business gains secondary, *"if we take care of the communities that we serve through our [initiatives] it is good for the community now and long term and it is good for our business. We don't do it for a commercial reason but it makes sense and the thinking is as solid as we think about our commercial business so we measure it we have a very strong [measurement] national frame work*. (Coca-Cola, ranked)

Because the company has both a philanthropic arm and a strategic sustainability arm, there is a belief that "*doing good can be a part of how you do business or doing business can be a part of how you do good. You don't necessarily have to differentiate and if you generate the good while generating your business then it is not a separate effort but it is a win-win situation. So our Five by 20 Women Economic programme is a lot about that. Our foundation side as much as we leverage our business. We are not going after benefitting our business that is purely running philanthropically activities that we would run so in a sense we are borrowing shared value. "(*Coca-Cola, ranked)

Shared value means looking at the current value chain and seeing who the potential beneficiaries are *"So what we do is our value chain we said women are playing big roles in our value chain how do we get them to play an even more role?"* (Coca-Cola, ranked)

Once the beneficiaries have been chosen, a full analysis is conducted on how deep into the community the selected beneficiary is rooted "*We understand the value of women in our business and in our communities they drive communities, they own communities, they spend more on their communities, they invest on their*

communities more and when they have a business to run because it is linked to the good of their family they run it with so much passion and commitment." (Coca-Cola, ranked)

Economic and social value are realised in *"…our inclusive values exactly that inclusive business shared value, how we run our business and do good*." How does a business realise economic value from its current social program, *"So that is why we are empowering women is it good for our business? Absolutely…integrating them into our business value chain especially as we have done it in Africa we have integrated them into the retail part of our business it enables us to develop our market. If she is running a market outside her house that is market development an outlet for us, for Coca Cola. "*(Coca-Cola, ranked) Impact is *"market development that is market penetration you know we are running a small business, she is running a small business and we are expanding our reach and network*". (Coca-Cola, ranked)

How does the company measure impact of their social responsibility programs? Monitoring and Evaluation is put in place, "*so because it is all based on we using our capabilities, capabilities of the private sector work very well because we plan, we measure, we budget, track and we cross correct*" (Coca-Cola, ranked).

The measurement process is an on-going, iterative and dynamic, *"and it is based on a balanced score card approach meaning we are not measuring one thing in one time it will give us and diagnose progress, it will diagnose impact, it will diagnose opportunities, which is exactly how you run a commercial business."* The process looks at the *"results from short and long…medium and long term so we track the activities that generate the impact to make sure it is what we plan for it to be and working."* (Coca-Cola, ranked).

The company takes a long term view of not just what is working or not, or the business returns, "*We then track the impact of the outcomes of the activities so we are looking at it at every level…and the impact is typically long term," It is a multi-layered process.* For example, *"If I give you water now something's will change now the outcome is that now you have cleaner water, you probably have to walk a shorter distance but what does that mean the impact is maybe you are a productive human being in future, maybe you are have an entrepreneurial spirit finally you have the*

opportunity because you have more time or because you are healthier that is a long term and so we the monitoring and the evaluation framework which is akin from a business perspective to knowledge and insight is very much long term, short term gains and keeps us in the right direction. "(Coca-Cola, ranked).

When asked on whether they had heard of the concept of CSV, and prompted for their understanding of the concept, the response was ***"****yes it is very much in the central design, and it works self-interest gets the world revolving everybody gets up because of something about them now the fact that it is a good thing too makes it that much better and it is good but self-interest drives the world so shared value drives the world*." (Coca-Cola, ranked).

The rationale for CSV is that, *"it is much easier for a company and an organization to keep doing something that benefits them also and especially since the financial crisis companies are under pressure*." ***(Coca-Cola, ranked).***

Asked on what the company's vision for the future in the social programs space, the respondent shared that "*the goal of Five by 20 is to empower 5 million women globally by 2020. It is a commitment by the company globally and the region where I work in Africa has been most successful and is actually driving the success of the programme. We have empowered just under a million about 800 I saw the numbers change often."*

c. *The Old Mutual Case Study: Recently Ranked*

Social responsibility has been part of the business history, its DNA since inception "*Old Mutual is also 170 years old the base and foundation of Old Mutual was primarily, this organisation was primarily formed on the basis of social responsibility. John 170 years ago decided that you know what the future is for widows and orphans when they lose you know the head of the family. Old Mutual was started on that so from day one." (Old Mutual, recently ranked)*

The social programs are integral to their core business, financial responsibility, *"Old mutual has been enabling positive futures for others so our approach comes from how do we ensure that the future of our customers becomes a better one, again through our access, through our product, through our service offering and through how we engage and purely on a business principle in terms of what comes naturally for us as a business." (Old Mutual, recently ranked)*

There is an understanding that as a business, they might not possess the right skills to tackle all social problems and thus *"... cannot assist where we are not we can only assist with what comes naturally with Old Mutual so financial responsibility comes part and parcel of our social responsibility."* This is illustrated by the following quote *"how our own financial advisors are trained to help customers to manage their money better so before we even talk about how much am I going to get from you as a customer, it starts from how I make it better for you to engage with us"? (Old Mutual, recently ranked)*

*Decision on which social program*s to focus on **"…** *has to be in line with where your business goals are."* A task team or committee is formed, "*we have a governance in which at the board of Old Mutual there's responsible business reported at that level and the emerging market level we have an Exco where we report on our responsible business executions, strategies and responsibilities." (Old Mutual, recently ranked)*

The decision on social responsibility programs are start with the business strategy, "*and then across all our businesses, across all our 9 provinces so it starts from the key level and it is integrated there the business strategy so it is not something that is sitting outside and it is not something that we do just for the good of. It is a business imperative strategy that talks to we do business in a responsible manner or else we are doing good." (Old Mutual, recently ranked)*

Social responsibility, or responsible business as it is called by the organisation is beyond philanthropy but about sustainability**,** ***"for us responsible business is not purely philanthropic, it is not purely taking the opportunity and moving away it is about sustaining this business that has been around for 170 years it's about making sure how we use the money contributes to the sustainability of the business itself. Whilst opening the opportunities that we are talking about. (Old Mutual, recently ranked)***

The social responsibility programs are not limited to budget, part of the business operations, **"***we are in 9 provinces in South Africa and we have got 4 markets that we are looking after in terms of our business segment. We have got the lower end of the market, which we call "Plus foundation Plaster".* The social responsibility programs are targeted *"at each level of our business units, we have got a specific*

financial well-being or financial educational program that [we] offer, that caters to the level of understanding, the ability of the customer to engage at whichever way that we would like to help them." (Old Mutual, recently ranked)

Innovation with regards to tailor making or creating new products in line with social ills is at the core of the programs, ***"****primarily we are looking at your education policies, we talk about tax free savings so through our product offerings and being innovative on creating products that would be more successful or accessible* "*(Old Mutual, recently ranked)*

How does Old Mutual measure success of its programs? *"Impact is about the changes of behaviour and it's about the change of people's lives we look at the level of consistency."* Other measurement areas include revenue or economical value generated by the programs, **"***we also look at the impact by the number of people who are new. Completely new, talking to possibly I didn't know how to engage with the financial institution like Old Mutual and now after being engaged through financial institution [training] I can see other opportunities on how I can access their products". (Old Mutual, recently ranked)*

Measurement is not just about looking at the current situation, but diving deeper into the reasons for challenges faced. For example, "*there was a time in our business where someone would open a policy and 3 months later they would actually default because there was no understanding of why do I need the product in the first place. So our consistency rate is also part of the measure of how we get our impact and broadly it's about how many people have received our message and how many people are engaging in the business because of that*." Old Mutual. Other measurement areas include project outcomes**,** *"We look at the number of people firstly that we would have engaged on a 1 on 1 basis and we look at the number of people that comes from the feedback forms and the registers that we will hand out to them" (Old Mutual, recently ranked)*

In terms of awareness of creating shared value, the group has been practicing a similar model **"…***in our group we have Nedbank as part of financial group. You may be aware of Nedbank fair share where we did work to look at what is our share in the challenges that are here and what is our share in terms of taking some of the risks and in terms of taking the risk what is our share in terms of making things better.*

Businesses should make it a priority*, "a necessary intervention by business to look at what is my share in what I need to do and what I need to get out." (Old Mutual, recently ranked)*

Looking at the current rate of South African companies Shared Value Adoption, **"***They [Unilever] started a long time ago so they are far ahead now in South Africa, looking at organisations like Woolworths they are now starting to walk the path that talks to that, if you look at what Discovery is doing on the whole evolution of your health without thinking about the products, Coca Cola are doing outstanding work where they created opportunities for small business so once we give you liberty to use our product and distribute it in a manner you know. "(Old Mutual, recently ranked)*

The reason behind the recent Sunday Times Top Brands Ranking feature is attributed to the organisation decision to start communicating on what they are doing in the community. For example, *"for the first time last year we featured top 10 brands that are in the social space and the biggest change that we did is that we started telling our story for many, many years we've done so much but we have never really had the courage because we felt it is natural it is part and parcel of who we are but if you don't tell people what you do without beating your chest, without being too bold about it but simply stating the facts and just telling your truth no one is going to know." (Old Mutual, recently ranked)*

Winning companies or top ranked companies are those that communicate*, "and I think organisations like Coca Cola and Unilever they do talk about it and they do a lot of consumer education."* In the Unilever's case, *" for example Unilever strategy is about Unilever living plan and it was about putting a large number or bold statement to say we want to make sure 6 million people in Africa they need to wash their hands and understand the value of washing their hands in order to have the reverse on the infant mortality rate now the education that they had to go through to let people become aware of that becomes top of mind where every single time that message is repeated over* and over again." *(Old Mutual, recently ranked)*

Looking at another example, "*Coke is doing the same thing, wherever you go you see the Coke sign and if they start talking to what they do." (Old Mutual, recently ranked)*

In some companies, communication is at all touch points, for example, "*when you go to a Woolies anywhere when you are standing in a till line as a customer around their place where they sell you get these messages." (Old Mutual, recently ranked)*

The key does not lie in huge investment in advertising, consistency is key, "*sometimes it is not about how much you spend to make people aware, it's how you tell your story and by simply being consistent in your messaging so marketing has a lot to do.*" *(Old Mutual, recently ranked)*

Long-term view, and goals of the organisation**,** the company *"as we speak our biggest focus is being a responsible business. We have actually put ourselves stretch goals to say by 2020 we want to have engaged about 50 million people to be financially astute in how to manage their own finances.* Market development through social programs is at the centre of this vision, *"again, this is based purely on the business strategy that says for us to expand and be sustainable as a business you need to create a market but because of the challenges that our markets are faced with today." (Old Mutual, recently ranked)*

Regarding the trends and future of CSR, the respondent believes that the "*biggest game changers, [will be] where it will seize to be a fashion statement. It will be a way of doing business."* Social development programs "*will be part and parcel of normal business." (Old Mutual, recently ranked)*

Social development programs will go beyond compliance, "*it is not about ticking the box, first thing that we do when we wake up in the morning and it is about every person having a part in it and also 2020, 20 years from now we should see less stress or negativity on the systematic issues that are facing our world, our businesses and our people particularly having a better life. Small businesses will be at the centre, "like the small business what role do we play to encourage somebody like (inaudible) because not everybody is going to work for Old Mutual like one at a time and the continent is better served by small businesses so that there is no dependency so what we are doing through financial education is creating those opportunities where there is self-sustenance without having to look for assistance*." *(Old Mutual, recently ranked)*

d. *The MTN Case Study: Ranked*

The decision on which social responsibility programs to invest in begins with aligning with the different mandates from internal. Because MTN is a multi-national, the mandate comes from MTN global group, from different business departments. Over and above internal, MTN takes its mandate from an external analysis and ensures an alignment with the countries' national priorities**, "***and these development plans talk to basic concepts like eradicating poverty, eradicating and enhancing education and health so we take queues and each of those platforms talk to a specific element which is what the socio economic development platform talks to job creation, youth participation."* The other report of which programs to focus on is **"**the Millennium development plan, which is the other one." (MTN, ranked)**.** The ICT charter also plays a key regulatory role in that "*the ICT charter says as an ICT company you are going to spend 66% of your budget in corporate citizen in ITC projects,"* This must be abided to.

Thus MTN's social projects **"***need to make sure that we align with the social mission of the country"*

The culmination of all mandates now means that, MTN **"***have changed since 2014, 15 and 16 our offering is now education 60% and then health, we have sort of combined arts and culture no…health and enterprises into one. So now what used to be health is now community interventions."*

A practical example is that trends from this reports highlight the fact that, *"the concept of urbanization is that there is a prediction that by 2050 there will be 90% of people living in urban areas. The next level of analysis is to say so what? What is the impact of urbanisation? "And what does it mean for social structures that influence infrastructure? First it means that housing will always be an issue and schools will always be an issue, jobs themselves. The disadvantage in the South African context, [is that] the rate at which urbanization is happening, it is stressing those infrastructures, that is why you find a very high level of informal settlements in the South African context."* (MTN, ranked)**.**

The trends have had an impact on social responsibility investments in that while, "*previously our strategy was to spend 60% of our budget in rural areas but we have since understood so we have changed to say 60% urban and 40% peri rural. Urban is inclusive of informal settlements"*

Strategic CSR to the business means that, "*When it comes between programme areas we look at preferred ICT projects."* Thus the broader focus is education, but education is multi-faceted, "*within education we say what are the 5 projects that you can drive that talk to this program area? ICT connectivity is a must do and that is what the expectation is." The areas of focus in the education areas include,* ICT connectivity happens at schools in established schools, government schools usually chosen with help from the provincial government, second relates to teacher support in colleges.

There is continuity in community interventions in that, the community sustains the model, *"those trainers are usually master's teachers that have been retired, they are out of the system."* (MTN, ranked)

Because social problems are not the businesses' core areas, MTN *"use a lot of partners to drive this initiative we have partners that are experts in education and that have developed ICT tools that can capacitate the teacher."* (MTN, ranked)

With the core area of the business, ICT, still being at the centre of social development programs, *"in health we have a project that seeks to use ICT to make it easier to access health so they are many."* An example of *"the key ones that we are driving to use are the ones using mobile applications with messages pushed to either HIV patients that have been diagnosed if you Google a platform called Avaro works.* The other technological related intervention *"within health is called tele medicine. The tele medicine platform is a station that is used by a nurse in a clinic who connects to a tertiary institution for assistance in diagnosing and supporting a patient [on site]"* (MTN, ranked)

In terms of small businesses**,** the company focuses on enterprise development programs. Some of the *"programs directed towards high school children that need to understand business concepts we are in partnership with a platform called Start up the set up."* These programs also extend to university students, *"it is aimed at University students that come up with ideas to change small businesses in the community, so the school children identify a project in the community to say how do we grow a school business or project in the community to say how do we grow small business."*

The dream project is a one-year project that asks students to start off with a dream, they must grow a dream and start a business then MTN nurtures them in the first year it is a registered business, "*you have a business plan, marketing plans all those*

plans and you can produce a product that can go to the market then in the second year consolidate your business in how to further deliver so that it is within that space and that one is aimed at the unemployed youth." (MTN, ranked)

The emerging trend or new buzz word now in South Africa is social entrepreneurship according to the respondent, the concept asks that "*people should not look themselves as just recipients of money they should create opportunities within their social context too."* (MTN, ranked)

This new trends means that we are *"moving away slowly from social corporate responsibility towards that, yes as corporate social responsibility it entails that we give back but the beneficiaries also need to come to the party now.* **"**

Business gains are there from MTN's perspectives; they just take time to mature. It is also about developing the market, ensuring that people become economically active. Using the garden analogy**,** you start off with a social cause in mind for the individual **"***you develop food gardens and they, know how to make vegetables, to let them know how to access the market and to purchase their goods properly so you started from a social platform where you say you know what guys, you need to feed yourself*. *"In the long term, these same people* "*are growing enough to feed themselves and the neighbour. They make projects and make money in this thing. They realise there is money then they say, okay make sure you know the market and that you market it properly*." (MTN, ranked)

While PR is key to communicate what the company is doing the respondent (who has an extensive marketing communications background) cautions against using social responsibility mainly as a marketing tool "*You see one of the things that I keep telling people is that in as much as we would like to use it [CSR] as a PR it will not sit well with the people that you are trying to benefit there is room for PR in corporate social initiatives because there are lots of stories to be told. But it should not be used as a marketing tool.* She further cautions: *"don't make advertising the driver of CSI it will fail every time, it is not about advertising and telling people out there it is only when you engage with people out there that is output when you say come and celebrate with me because the result has been realized."* (MTN, ranked)

The respondent's Vision in the social development programs space is she *"would love to see the roles of NPOs in the social enterprise. NPOs need to master the role*

of social enterprise then they will be effective they will not rely on grant money; they need to create their own wealth within themselves." (MTN, ranked)

Social development programs are at the core of the business, it should drive awareness and a positive perception of the company in the communities it operates in, "*but then again MTN that is using South Africa as a market, must also understand that the market has social ills or them to get better acceptance in this market they need to be known by the market they need to be known to be doing something for the market."* (MTN, ranked)

There needs to be a realisation that by helping solving societal ills, there are gains for the business in the long term*, "they need to understand that in investing in things like education creating an educated South Africa, healthy South Africa that will be economically viable with clients in the future so it is a ripple effect."* (MTN, ranked)

e. *The Standard Bank Case Study: Unranked*

There has been a shift in how Standard Bank has been doing its social development programs. This shift has moved them from the philanthropy paradigm to the strategic CSR paradigm, as encapsulated by the following quote *"We have been doing strategic CSI since 2006. Prior to that we were just aiding in the field were we felt were good causes like Education and Health development and to some extent enterprise development" (Standard Bank, unranked)*

Standard Bank believes that the value of social development programs is primarily social value, followed by business value, *"there is secondary underlying rational that we combine into our social program. So we go in initially to do the social impact but where we can find business alignment we do that (Standard Bank, unranked).*

The social development programs are strategic and integral to the business in that, after conducting a review of current programs, there was a realisation after 2012 that "*what we have been doing right is that we have been focusing on education which is…if you look at our core business, it is banking, finance you know education is the place to be" (Standard Bank, unranked)*

The bank sees the value in enterprise development, that this is the area that will create jobs in the country and is a new business opportunity for the bank so much so that "*What we have also done is removed the part of CSI into the business self we have an enterprise development unit.* By moving this portion of social programs into the business means, they the business units can look at the new emerging markets,

for example they look at and nurture new farmers getting them from small business to large enterprises businesses. The strategic question at the back related to how do they grow them into the main finance?

Social development proposals are sent to the bank via emails and sometimes they receive requests telephonically of prospective beneficiaries wanting to pitch, which is not encouraged. Instead conversations are had with for example the Department of Education or key role players, where they identify certain things that or gaps that exist within the education space. The bank then looks at what they can do as a business and how they can mend those gaps for their business to grow.

In terms of decision-making on which programs to partake in, a social and ethics committee is set up, *"so we have, we report to a social and ethics committee" and present possible social development alternatives, the committee is comprised of senior managers including the Chief Executive Officer. This committee seats every year and 4 times in a year and if there are any changes to be made regarding social development programs, it will happen at this forum. The committee looks to see if the proposals are aligned with business and either decline or approve. Impact is based on budget in that the foundation is seen as a* "*cost centre meaning we don't make profits but we are given a budget based on the percentage of the profit we make in a year called an impact. We then have to spend that percentage to socially related causes. (Standard Bank, unranked)*

Community dialogue with the intended beneficiary also plays a role in designing appropriate social programs, one given example *"is what we try and do we go to the teacher and say I want to know what you fear. What you don't really understand and I am not here to judge you because the training that you had or did not have, I want to work with you so you that you can understand a certain concept and you can carry it." (Standard Bank, unranked)*

In the education space, the focus is on the teacher. The reason "*why we don't focus on the learners is that there are too many learners and it is too expensive and the learners move out of the system so the knowledge goes with them unless they give back to communities and do study groups you lose them. The teachers are in the system for much longer, they might go to another school but they keep their knowledge in the system". (Standard Bank, unranked)*

Current measurement is in the form of Monitoring and Evaluation, where the beneficiary is asked to use a percentage of the budget usually 10% to track and report on how the projects are faring. The bank is in the process of putting a system in place for measurement through consultation with the University of Johannesburg. The first steps are "*to do an impact evaluation study an in depth evaluation study on 3 of our programs just to give us a sense of the impact and whether it has made a difference and what that difference looks like." (Standard Bank, unranked)*

While the bank believes that there are business gains from social responsibility programs, there is a sense that the latter takes a *"very subtle approach so it's not very in your face, arrogant I want your business otherwise I won't invest in your community." (Standard Bank, unranked)*

Primarily the focus is on doing good for the betterment of society, "*if we don't get a business value out of it and we feel the social element is good enough and they are growing the people we still do that because what we are saying is that in a long term we can still bank those people and in longer terms the economy will be viable for us in the long term" (Standard Bank, unranked)*

It is believed that success of programs take time and thus have to adopt a long-term approach. It is believed that any kind of impact especially in education is no less than 5 years, "*and in 5 years you will find some impact but in 10 years you will find more impact, consistently applied in that 5 – 10 years." (Standard Bank, unranked)*

When it comes to using PR and communicating current programs, the bank believes that their CSI projects *"are probably the best kept secret in this country." (Standard Bank, unranked).* When asked of any notable awards, the response is that none come top of mind, ***"it is not because we don't deserve or qualify**…we have a value system and one of our value system is non arrogance so we never really partake in any of these things. We would never enrol; we would never enter or anything like that." (Standard Bank, unranked)*

The values were amended, it is purely because of that guarding against arrogance value, to a focus now of raising the bar. The focus here is that as a bank "*we should be content but we should not be arrogant." So talk about a lot that we do but talk about it responsibly." (Standard Bank, unranked)*

This new change meant that an internal communication strategy was launched to all staff internally, first to make them aware of what the business is doing in the community space. There is a plan put in place to do the same launch externally.

The respondent was aware of creating shared value and reported that it has been the bank's approach since 2006, we call it shared value. This is driven by the fact that the bank has two CEOs who bring in two viewpoints thus the strategy is to go out with the social intent but we come out with the business benefit as well. Standard Bank

Vision for the next 5 years includes streamlining monitoring and evaluations strategy a bit more effectively, also communicates the impact so if we don't have something meaningful to communicate we won't be communicating and lastly *"we will be stepping up our IT platform around our ECI digital staff project so digitalisations making it work seamlessly for our staff to be able to get involved in voluntarism*." *(Standard Bank, unranked)*

f. ***The Eaton Case Study: Unranked***

After speaking to Eaton, a multinational, it was clear that the value of social responsibility programs lies in doing good "*The paramount objective for me is just giving back to the community.* "Eaton's social development programs are at the early phase and tend to look at how to better employees' welfare and a graduate recruitment programme that just started recently and is getting airtime on radio, social media and television.

In terms of decision-making on which programs to adopt, a task team is set up where as an HR manager**,** ***"****I am a financial sponsor and there is a team.* A committee is set that sits and looks at the proposals put forward by the team against the criteria of the organisations. *The HR manager then "approves whatever they took forward and I source the funding from the US. (Eaton, unranked)*

The current CSR projects footprint is limited to budget in that **"***What we do is multiple projects to address this whether it's through the bursary fund but we say specifically we are budgeting an X amount and we will only take kids at a school in for example in Mpumalanga in that school there are kids that we know are from poor backgrounds or like I said opening our sites for nearby communities to come and learn." (Eaton, unranked)*

What does Success look like? *Success for us "is when we founded a graduate, giving a learner a bursary and they completed their studies and they are working somewhere either in their industry or any other industry, they are putting food on the tables of their families. Other areas of success include "when we are funding a*

building project in Mpumalanga and we see it complete, when we see the kids having a proper home, having a computer centre, having a proper sick room and things like that so those for us are success. Those are tangibles for me". (Eaton, unranked)

In terms of publishing of social programs results, there is an internal Focus **"***right now the only focus is reporting back to the corporate in terms of what we requested for funding*." There is also sharing of CSR projects on the global **Intranet,** *"if anybody goes to Eaton.co.za the website and click on CSR it will lead them to what will be talking about projects from other countries so we haven't invested much energy." (Eaton, unranked)*

A positive brand association is key because **"***we are also managing the brand and when you are creating brand perception you want to be associated with a brand that cares about the community"* However*, she reminds me that "the primary reason you know is not about the marketing. It is about what are the real objectives that we are trying to achieve.". (Eaton, unranked)*

4.3 Summary

This chapter presented the findings from the six in-depth interviews conducted. We explored current practice with regards to corporate social responsibility, in particular, the area of social responsibility that were significant for their companies. In accordance with the framework of Porter and Kramer (2013), there needs to be an evolution from philanthropy (donations to worthy, social causes, volunteering), CSR (Compliance with community standards, good corporate citizenship - meeting legal, ethical and economic responsibilities placed on them by shareholders, "Sustainability") and CSV (Integrating societal issues and challenges into economic value creation). We went through the results case by case looking for how these different themes were being applied in the ranked organisations as well as in the unranked organisations.

While we found that most of the organisations had alluded to moving away from a pure philanthropy to strategic CSR, our results suggest that a hybrid approach is being used. Most organisations are adopting a mixed philanthropy and a strategic CSR approach. We found that most organisations were aware of Creating Shared Value and that some organisations were indeed putting the themes outlined in the framework into practice. However, the key finding was that the business partakes in

social responsibility for the betterment of society primarily and that we should not lose sight of that. But there was also an awareness and acceptance, that businesses can derive social and economic value out of implemented social development programs.

The next chapter discussed the qualitative findings in detail.

CHAPTER 5. DISCUSSION OF THE RESULTS: QUALITATIVE

5.1 Introduction

The purpose of this study was to ascertain the difference in paradigms if any, of those companies that are highly ranked by the general public to have a socially responsible corporate image, that is, in the top 10 of the South African Sunday Times Top brands awards as the “brand that has done the most to uplift the community” against those that have equally or closely invested and undertaken CSR activities but are not ranked in the top 10 in the same study.

This section discusses the findings from our 2015/16 qualitative in-depth interviews with and among leading heads of social development programs from ranked and unranked firms in South Africa. We set out to find answers to the following research questions in the qualitative phase: What paradigm/s if any is management currently using with regards to CSR? Has there been a shift in paradigms especially in light of the latest rends namely strategic CSR and the concept of Corporate Social Value (CSV)? Do companies that are ranked in the top 10 as ‘doing the most to uplift communities’ adopts a CSR or a CSV paradigm? Do those companies that are not ranked in the top 10 adopt a different view to those that are ranked?

The focus of this chapter is on discussing the results with reference to literature review, in our case pertaining to the creating shared value framework.
Because this was a concurrent mixed design, one in which we collected both the qualitative and quantitative data simultaneously, we will analyse both strands separately and then in the end combine the results to draw conclusion (Harrison & Reilly, 2011). We followed the advice that software assists but does not take over the interpretive process (Gummesson, 2003).

5.2 Discussion pertaining to the Economic view

This theme deals with the issue of the primary function of a business and how CSR programs fit into this function? In accordance with the framework, the economic view of social responsibility programmes in the CSR paradigm is that these programs are

separate from profit maximisation while under CSV, the organisation view social responsibility programs as integral to profit maximisation. Thus this section deals with whether you can derive profit from doing corporate social responsibility and the next section deals with how you can derive joint business and society value from programs.

While the traditional functional view (proponent is Friedman, 1970) advocates that that the primary function of business is to maximise profits for its shareholders, and thus considers it inappropriate for business to take on tasks that belong to other units in society (Dembo, 1991), we found that all the heads of social development programs in the multi-national companies we spoke to disagreed with the notion that there is no role for business to play in helping solve societal issues. Instead, all the heads of departments we interviewed agreed with the opposing view that advocates the notion that business answers to more than shareholders but other key members who have a stake in the organisation thus justifying management actions in community development (Freeman, 1984). This is encapsulated by the following quote:

"It is both; we cannot have government doing things independently. I think actually it is more of our responsibility as we are closer to the communities these days the local government structures" (Eaton, unranked)

Social responsibility is *"a way in which a company needs to respond to factors that are faced by our customers, our employees and the societies that we operate in. It is about how you create positive impact through whichever ways or means of whatever the company does." (Old Mutual, recently ranked)*

To summarise using the opposing view, to be relevant in the 21st century, in addition to profit maximisation to create value for shareholders, companies should be devoted to social responsibility related activities, and strive to instil such concepts into corporate culture and business operations in order to create higher social value (Yang, Lin & Chang, 2009).

Fast forward to 2011 is the emergence of Created Shared value. The authors (Porter and Kramer (2011) posit that the difference between the two approaches is that CSR mainly focuses on reputation with a limited connection to the business thus making it hard to justify and maintain in the long run. CSV on the other hand is integral to an organisation's profitability and competitive positioning in that it leverages on unique resources and expertise to create economic value by creating social value (Porter &

Kramer 2011).

We found mixed results, in some companies, Old Mutual (recently ranked), Coca-Cola (top of mind ranked), Octagon (unranked) and Unilever (unranked) operated from the CSV paradigm, that social responsibility programs are indeed integral to profit maximisation. However, some companies, especially those that have a foundation such as Coca-Cola, adopted a two-prong approach i.e. both strategic CSR and philanthropy and in other programs, especially those linked to the sustainability pillar in the business, a CSV approach.

While companies such as MTN (ranked), Standard Bank (unranked) and Eaton (unranked), operated from more than just a CSR paradigm, but in a strategic CSR paradigm where they believed the notion that there were business gains from "doing good". These programs were not CSV in its truest form in that; they were not deeply rooted in the corporate operations value chain but rather in the periphery. We believe that instead they adopted a mixture of CSR and strategic CSR as opposed to CSV.

Strategic CSR or as per Carroll (2001), strategic philanthropy, is undertaken to accomplish strategic business goals i.e. good deeds that are believed to be good for business as well as for the society, thus creating a win-win situation.

5.3 Discussion pertaining to the reason for undertaking CSR

This theme deals with the motivation behind the corporation undertaking social responsibility programs. In accordance with the framework, the reasons for undertaking responsibility programmes in the CSR paradigm are mainly discretionary or in response to external pressure while under CSV, the organisation view social responsibility programs as integral to competing.

In terms of compliance, the Social Responsibility Index (SRI) was launched in South Africa in 2014 by the Johannesburg Stock exchange (JSE). The purpose of the SRI index is to: identify those companies listed on the JSE that integrate the principles of the triple bottom line and good governance into their business activities; to provide a tool for a broad holistic assessment of company policies and practices against globally aligned and locally relevant corporate responsibility standards; to serve as a facilitation vehicle for responsible investment for investors looking for non-financial risk variables to include in investment decisions, as such risks do carry the potential to have significant financial impacts; contribute to the development of responsible

business (JSE Limited, 2014). The criteria set by the SRI index of 2014 identify the issues that companies must meet in order to show that they have integrated triple bottom line practices across their activities (JSE Limited, 2014). According to the index, the indicators are structured along the three broad categories of Environment, Society and Governance and related sustainability concerns (ESG) (JSE Limited, 2014). The index further outlines key measurement areas under social responsibility to include, training and development, employee relations, health and safety, equal opportunities, community relations, stakeholder engagement, HIV and Aids and lastly Black Economic Empowerment. It is the latter that is heavily legislated in the country and has become a MUST in order to do business in South Africa.

Thus one can argue that incorporating BEE practices, as legislated, leads to social responsibility programs as being integral to competing.

5.4 Discussion pertaining to the Value of doing social programs

This theme deals with the value of social responsibility programs to an organisation, which is tightly linked to the economic perspective above. In accordance with the framework, the value of social responsibility programmes under the CSR paradigm lies in doing good for the betterment of society while under CSV, the value realised is two way, economic for the firm and societal value relative to cost. While the previous section dealt with the role of social programs to the firm in terms of what is the role of business, is it only responsibility to shareholders or to stakeholders, this section deals with how it is possible to create joint business and societal value through social development programs.

Porter and Kramer (2011) argue that there are three avenues for creating shared value, which are mutually reinforcing.

To derive the joint economic and social value are achieved according to CSV through:

1. **Reconceiving needs, products, and customers - Meeting societal needs through products – Addressing unserved or underserved customers.**

As per Porter and Kramer (2011), the pertinent questions to ask here include “could our product design incorporate social benefits? Are we serving all the communities that would benefit from our products? An example by one of our interviews showcases this aspect, as he looks back on how two of the organisations key brands

Lifebuoy and Sunlight's history, going back as far as the 1900s, you realise that these *"products that had a social conscious behind them, so this was around the world war and they were issues of hygiene and therefore lots of sickness and therefore deaths and our founder decided why not make soap much more accessible to the general public." (Unilever, unranked)*

Redefining productivity in the value chain means if one creates new products and services that meet social needs or serve overlooked markets, one will require new value chain choices in areas such as production, marketing and distribution (Porter & Kramer, 2011)**.** This is contextualised when the respondent looks back at one of the brands and realises the shortcomings of the strategy in that while the category was redefined, not playing in the spreads category but rather in the nutrition category, ***"****I think what we have not done is taking that thinking across the entire value chain of the organization not just in the end product of the brand but actually the process of getting to that brand." (Unilever, unranked).* Shared value opens up new needs to meet, new products to offer, new customers to serve, and new ways to configure the value chain (Porter & Kramer, 2011) After this realisation, *"reticulation happened in 2010 when we launched the Unilever sustainability plan."*

The company had to looked across the entire organisation and **"***we have seen where we are able to buy ourselves and together with our partners actually drive change in a meaningful way because at the end of the day it is difficult to tackle everything together but we strategically called out processes and practices within our organization that we would focus on" (Unilever, unranked)*

In advanced economies, the trend points to an increase in demand for products and services that meet social needs (Porter & Kramer, 2011). The starting point for creating shared value is to identify all the societal needs, benefits and harms that are and could be embodied in the firm's product (Porter & Kramer, 2011). If the firm takes an on-going exploration view of societal needs, it will lead to companies discovering new opportunities, for differentiation and repositioning in traditional markets, and recognise the potential of new markets they might have previously ignored (Porter & Kramer, 2011). Opportunities to redefine productivity in the value chain arise because numerous society problems such as natural resource and water

use, health and safety, working conditions and equal treatment in the workplace, can create economic costs in the firm's value chain (Porter & Kramer, 2011). These externalities inflict internal costs, which can occur even in the absence of regulation or imposed tax (Porter & Kramer, 2011)

Using Old Mutual as an example, the company plays in the financial sector, they realised that financial education is key for their target markets across different segments, they thus set *"…ourselves stretch goals to say by 2020 we want to have engaged about 50 million people to be financially astute in how to manage their own finances. Again, this is based purely on the business strategy that says for us to expand and be sustainable as a business you need to create a market but because of the challenges that our markets are faced with today."* (Old Mutual, recently ranked).

We can thus compare this to the Coca-Cola Company by looking at their 5 by 20 women economic empowerment initiative's long-term vision, which is *"to empower 5 million women globally by 2020."* The joint societal and economic value stems from the way the programme *"…is modelled around inclusive business, so we are bringing women into our value chain by breaking down the barriers for them to enter business* (Coca-Cola, ranked). The company has made the programme part of their marketing development efforts, because they constantly open outlets to sell product, they provide the women not only with business skills but also provide them with business start-up funds. By empowering the woman with not only business skills but also a dream of owning her own business in the community that she knows very well, a whole new value chain, a Coca Cola retail chain is established.

A shared value example in the sports sector space is provided by CEO Qondisa Ngwenya who gives an account of how *"I almost ran my business under by creating a new proposition called BTM, breaking the mould." (Octagon, unranked)* At the centre the concept was built around women empowerment. The company, an agency, whose core focus is to stage events for its clients, invested and created their own event and brought two mould breakers in the sports of tennis Venus and Serena Williams, to their first exhibition match in South Africa. Over and above this, the company ran skills development programmes at universities across the country,

where South African could meet a combination of powerful business female mould breakers such as Khanyi Dhlomo Mkhize, Jenna Clifford to name a few through a concept called “Pop up Colleges” who imparted their know how knowledge to young women and took some in for mentorship in their respective business. At the time and in the short term, the company invested a lot of money and did not recoup through sponsorship, however in his interview he reiterates that this paid off in the long term. Relationships were formed through a social cause, empowering women, which led to new business opportunities four years later, which has led the organisation not only recoup the investment but also be more profitable than ever.

2. **Using resources, suppliers, logistics, and employees more productively.**

Heightened environmental awareness and advances in technology are leading to new approaches in areas such as utilisation of water, raw materials and packaging as well as expanding recycling and reuse (Porter & Kramer, 2011)**.** The authors as well as our interviewee at cite the Coca-Cola water project as an example, on how they have reduced their water (a key focus area) consumption by 9%, rendering them halfway to its 20% reduction by 2012. The rules book on procurement advocate for driving down the bargaining power of suppliers be it small businesses or subsistence level farmers (Porter & Kramer, 2011)**.** In this instance, shared value advocates for increasing access to inputs, sharing technology and access to finance, companies can improve supplier quality and productivity while ensuring access to growing volume. One of the interviewees shares an example of procurement shared value that might seem miniscule in size but illustrates the point of empowering the ladies that provide catering in the companies’ canteen, “*one of the ladies that we support or we have enabled to set up a catering business we bought equipment for them and they are running their canteen for us … we renovated the entire building, furnished it started up 2 or 3 years, we have also helped them to get other clients and not just service us.” (Eaton, unranked).*

The authors also give examples of how companies are beginning to view distribution from a shared value perspective. One such example Is how Unilever is creating new direct to home distribution system run by underprivileged female entrepreneurs in Indian villages by providing them with training and micro lending facilities (Porter & Kramer, 2011).

We found in our research that a typical telecommunications company has got reach of the masses on the ground; they are using technological advances to reach the mass through not only training but also tele-medicine in the health sector, a way to deliver health care solutions to rural areas. The "*the tele-medicine platform is a station that is used by a nurse in a clinic who connects to a tertiary institution for assistance in diagnosing and supporting a patient [at a mobile health clinic]… and get diagnosed immediately and treated immediately and if they need to be referred they get referred immediately*."(MTN, ranked) The missed opportunity in this is that while the program is strategically linked to the company's core business- communications- there is no other immediate economic value created (added value in the value chain) over and above stakeholder and community relationships and brand awareness?

Regarding employees productivity, the authors posit that leading companies have learnt that because of lost workdays and diminished employee productivity levels, poor health costs them more than healthcare does (Porter & Kramer, 2011). A sterling example mentioned by one of our interviewees (but not interviewed for this project) is the medical insurance company Discovery in South Africa. This company has changed the way people see medical aid by positioning themselves in the health and awareness space. Through their vitality programme, employees as well as clients earn points for living a healthy lifestyle. These points are then rewarded in a relevant manner through partnerships with gyms, flights, cinemas etc. all lifestyle related partnerships. This encouraged the employees to live a healthy life and reduce externality costs while for the customers, by doing what they do in their everyday lives any way, they reduce their health risks which leads to reduced medical claims.

3. **Improving the local business environment - Improving the skills, supplier base, regulatory environment, and supporting institutions in the communities in which a company operates.**

The authors argue that by enhancing the cluster will for instance, enable more local procurement and less dispersed supply chains (Porter & Kramer, 2011). Most of the companies we interviewed placed most of their social development efforts in this bucket, perhaps driven by current legislative conditions in South Africa. Improving

the local business environment is based on the fact that companies are not self-contained and that the success of every company is affected by the supporting companies and infrastructure (Porter & Kramer, 2011). To foster cluster development in the communities in which they operate, firms need to identify gaps and deficiencies in areas such as logistics, suppliers, distribution channels, training, market organisation and training institutions (Porter & Kramer, 2011). Partnerships are key, the most successful cluster development programs are ones with the collaborations within the private sector as well as with government agencies, private sector, trade associations and NGOs (Porter & Kramer, 2011).

It could be argued that the driving force in South Africa for improving the local business environment could be primarily attributed the legislation, especially one pertaining to critical issues such as Black Economic Empowerment and secondarily to corporate will. In 2003, the Broad-Based Black Economic Empowerment (B-BBEE) Strategy was published as a precursor to the B-BBEE Act, No. 53 of 2003. The fundamental objective of the Act is to advance economic transformation and enhance the economic participation of black people in the South African economy (The Department of Trade and Industry (DTI), Unknown).

When relating to procurement in the government sphere (government was also mentioned as a key customer by some respondents), B-BBEE Procument Transformation, relating to Section 217 of the Constitution of the Republic of South Africa states “that when an organ of state in the national, provincial or local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective. “ (The Department of Trade and Industry (DTI), Unknown). The government thus put a preferential system in place. If a company or supplier wishing to do business with government does not comply with the Preferential Procurement Policy Framework Act (PPPFA) a point system which is aligned to the objectives of the B-BBEE Act, then they cannot do business with the state.

Although the BEE Act does not place a legal onus on the private sector to comply with its provisions, it does, however, place a legal onus on organs of state to contribute to BEE, including, among other aspects, when developing and

implementing a preferential procurement policy. Thus by deduction, private sector enterprises must apply the BEE Codes should they wish to interact with organs of state and public entities in one or more of the interactions such as tendering for business, applying for licences and concessions, entering into PPP's and purchasing state-owned assets (The Department of Trade and Industry (DTI), Unknown).

How legislation links to shared value principle of improving local business environment is outlined in the BEE score card. The generic scorecard is a way to measure the BEE status of a business, giving it a score out of 100 on the following measures (as illustrated by the score card below)

	The Generic BEE Scorecard	
Core Component	Indicators	Score
Direct Empowerment Score		
Equity Ownership	% share of economic benefits	20%
Management	% black persons in executive management and or executive board and board committees	10%
Human Development and employment equity score		
Employment Equity	Weighted employment equity analysis	10%
Skills development	Skills development expenditure as a proportion of total payroll	20%
Indirect Empowerment Score		
Preferential procurement	Procurement from black-owned and empowered enterprises as a proportion of total procurement	20%
Skills development	Investment in black owned and empowered enterprises as a proportion of total assets	10%
Residual	To be determined by sector	10%
Total Score		**100%**

Source: BEE Score Card, The Department of Trade and Industry

Direct empowerment score: As outlined by the DTI's BEE Strategy Document, economic empowerment must include increasing black people's ownership and control of the economy. A significant proportion of black people's ownership of assets and enterprises must be a controlling interest, reflecting genuine participation in decision-making and the assumption of real risk (Brand South Africa, Unknown).

Human resource development and employment equity: This score stems from correcting the wrongs of the past, given the apartheid legacy of systematic labour

market discrimination and inferior education, accelerated skills and advanced professional skills development is important (Brand South Africa, Unknown).

Indirect empowerment: Preferential procurement by both the state and the private sector is seen as an effective and efficient instrument to drive BEE, in that it provides emerging black enterprises with opportunities to expand their output (Brand South Africa, Unknown). Enterprise development can thus involve either investment in black-owned and black-empowered enterprises, or in joint ventures with black-owned and black-empowered enterprises that result in significant skills transfer (Brand South Africa, Unknown). The residual 10% on the scorecard has been left to sectors and enterprises to determine. In terms of guidelines, it could include infrastructural support to suppliers in the same community, labour-intensive production methods, investment in enterprises operating in poorer rural communities, and spending on workers' housing, transport and health care to name a few (Brand South Africa, Unknown).

5.5 Discussion pertaining to the decision on program

This theme deals with the issue of how decisions are made on which social issues to tackle as a business. In accordance with the framework, under the CSR paradigm, external reporting and personal preferences determine the social agenda, while under CSV the social agenda is company specific and internally generated.

In some of the companies, the social agenda was part of the DNA or part of the founding of the organisations. This was seen in the Old Mutual case where and in Unilever's case where…in Coca-Cola's case where…In this case the social agenda is company specific and internally generated but still aligned with external reporting.

Compliance or legislature, which is a form of external reporting, was salient behind some of the decisions on which social responsibility programs to tackle, Words such as ESG factors lead back to the JSE's social responsibility index as contextualised by the following quote: "*it is part of our bigger strategy we talk about today it is all about how you have to comply with your ESG factors, Environmental, social and governance sectors and at the same time it talks to what is your overall business strategy? We are a global organisation? Based in London but our footprint is more on the emerging markets and the majority of our business is in South Africa."* (Old Mutual, recently ranked). The ICT charter was mentioned in the context of

telecommunications, "*the ICT charter says as an ICT company you are going to spend 66% of your budget in corporate citizen in ICT projects." (MTN, ranked).*

The information and technology charter (ICT) has set a black ownership target of 30% to be achieved by entities in the sector. The main feature of the charter is a set target of 5% Net Profit After Tax that needs to be spent on enterprise development initiatives that are aimed at growing and developing black owned ICT enterprises. Another key highlight is the spend of 1.5% of Net Profit After Tax on Socio Economic Development Initiatives to improve the lives of communities through programmes such as ICT's in education, and health. At the core of the charter is the ultimate goal to bridge the digital divide in the country. Thus in line with the charter, *"so when it comes between programme areas we look at preferred ICT projects."* (MTN, ranked).

Thus millennium development plans, industry charters, alignment to national or government priorities for the year, sustainability, all formed parts of external reporting, which informed on which areas to focus. Under the CSV model, this would form part of the CSR paradigm. However, the differentiator lies in once external reporting identifies which key issues to tackle, how do you link these to your capabilities as an organisation?

The common denominator was the fact that the final decisions on which programs to undertake are tabled to a task team or committee, which comprise corporate top management, who look for alignment and either approve or decline.

5.6 Discussion pertaining to Impact

This theme deals with the issue of how corporates measure the success of their social responsibility programs. In accordance with the framework, under the CSR paradigm, impact is limited by corporate footprint and CSR Budget, while under CSV, realigns the entire company budget.

We found that, while in some organisations that were already adopting shared value principles, such as Old Mutual, Coca-Cola, Unilever, social responsibility was ingrained in business strategy thus budgets realigned. In some of the organisations where CSR was dominant such as MTN, Standard Bank, Eaton and Octagon, impact was limited by corporate footprint. We also found across the board no consistency in a measurement framework with some references to monitoring and evaluation frameworks.

5.7 Conclusion

In accordance with the framework, the value of social responsibility programmes under the CSR paradigm lies in doing good for the betterment of society while under CSV, the value realised is two way, economic for the firm and societal value relative to cost.

Economic and Social Value are achieved according to CSV as follows

1. **Reconceiving needs, products, and customers - Meeting societal needs through products – Addressing unserved or underserved customers.** In our interviews we found that companies such as Coca-Cola (ranked), Old Mutual (recently ranked) and Unilever (unranked), showed evidence of adopting this position. It was also interesting to note that in two of the cases, Old Mutual and Unilever, the companies were both founded on social principles over a century ago.
2. **Redefining productivity in the value chain Using resources, suppliers, logistics, and employees more productively.** Again, in our interviews we found that companies such as Coca-Cola (ranked), Old Mutual (recently ranked) and Unilever (unranked), showed ample evidence of adopting this position.

   While other companies mentioned some strategic fit of their CSR programs, that is, integral to the way business is done, some employee involvement, they did not necessarily overhaul their current productivity in the value chain to be more productive. This held true for ranked company MTN, as well as unranked companies Standard Bank and Eaton.

3. **Improving the local business environment - Improving the skills, supplier base, regulatory environment, and supporting institutions in the communities in which a company operates.** This theme was demonstrated by all companies in the study, whether ranked or unranked. We argue that in the South African environment, by complying with the many policies that have been written on how to do business with a conscience, most companies would tick this requirement.

Based on the overall results, the comparison was not conclusive to say that all those companies ranked in the top 10 as “doing the most to uplift communities” adopt a CSR or a CSV approach as the results differed from company to company. The

same result was observed for companies that were not ranked, some adopted some principles of CSV while others adopted CSR. What was common amongst all respondents was the shift from pure philanthropy to strategic CSR, where all realised that business gains can stem from social development programs. In some cases, profit was at the centre of the programs thus CSV and in some cases profit was peripheral. While we were able to ascertain that some companies adopt CSR based on ticking all the dimensions boxes, we also found that some of respondents adopted a hybrid model, where some of the CSR dimensions held true mixed with some of the CSV dimensions. The other key point of difference between the ranked vs unranked companies pertained to the communication or public relations of the great work that companies were doing. Some felt that because it is altruistic in nature, there is no need to shout about it, others felt that they should be communicated but not be the main reason for partaking in the program while for others it was ingrained in the business anyway thus marketing would be at the centre.

Perhaps the concept is still in its infancy (4 years since it was introduced in 2011), it would be interesting to conduct the same study in a few more years to see if the results would hold true.

The next chapter follows the mixed approach design followed and presents the findings from the quantitative study.

CHAPTER 6. Quantitative Findings and Data Analysis

6.1 Introduction

This Chapter presents the findings utilising the primary data collected from the quantitative research. It follows the process that once the data processing has been completed, using tables, figures, graphs etc. to present and summarise the quantitative aspects of the data, what follows next is the statistical analysis (Bless & Higson-Smith, 1995). An explanation expanding on how the data was analysed is offered. Furthermore, a list of variables used in the instrument is provided. We discuss the profile of those interviewed in detail then jump into analysis. The first tests run are validity and reliability tests. Reliability is tested using the Cronbach Alpha test. Following on, we analyse respondent's attitudes and perceptions of Corporate Social Responsibility using Univariate Statistics. A measure of central tendency, the arithmetic mean was run against the statements that make up the variables under CSR and CSV to explore against the whole sample which statements rank where. We ran a cross tab analysis of ranking against the CSR variables and ranking against the CSV variables to explore a pattern. To test the hypothesis, a Logistic regression statistical analysis is employed, using the dichotomous ranking as a dependent variable and run against CSV variables and against CSR variables. A factor analysis is then run for new model exploratory purposes, followed by a logistic regression analysis using the derived factors. A summary of results is then presented.

6.1.1 *How the Data was analysed*

Data was captured through online surveys using the online data collection system called SurveyMonkey. Once we closed the survey, the data was exported in an SPSS table. This data was then imported into the data analytics software SPSS, where different statistics were used to analyse the data.

6.1.2 *List of variables used in instrument*

To test the research hypothesis, the dichotomous dependent variable was ranking in the Top 10 Brands survey for "brand doing the most to uplift the community" and the independent variables were statements that fell in the following themes Value, Role

of social programs, Reason for undertaking CSR, Economic view, Decision on program and Impact.

Table 6.1: Varibles used in the instrument

Variable	Description
Demographics	Industry, Name of Company, Number of Employees in company, Department currently employed
Who's Responsibility?	Government, Businesses, Non Profit Organisations (NGOs/ NPOs), Individuals, The community themselves, Other (please specify)
Awareness of Corporate Social Responsibility (Filter question)	I know the principles of social responsibility very well, I know of it, I know of it but I don't know it so well, I have never heard of it (interview closed if this was the answer)
Organisation engagement in social responsibility activities in the past two years	Yes, No, Don't Know
Involvement with social responsibility programs or decisions in your organisation	Top Management of organisation (MD, GM, CMO, CEO, CFO, COO, CIO), Head of Social Responsibility Programs, Senior level management- Social Responsibility Programs, Middle level management- Social Responsibility Programs, Junior level- Social Responsibility Programs, Administration- Social Responsibility Programs, Advisory committee on Social Responsibility Programs, have any involvement with social responsibility programs or decisions, I Volunteer/participate in our Corporate Social Programs, Other (please specify)
Decision Making	Top Management Decision, Consult Employees on ideas on Social Responsibility Programs, A Task Team is set up to choose projects and approve projects, CSR department makes decisions, Marketing Department is integral in decision making, HR department choose projects, Use of External reports on Societal issues that need to be solved, Other (please specify)
Reasons that organisations adopt social responsibility practices	Top Management Decision, Doing good for the betterment of society, Brand Awareness, Joint business and social value creation, Compliance with laws and voluntary policies, standards, and codes, Enhanced Reputation, Pressure from consumer association and media, Access to

	new markets/ target audience, Differentiate ourselves from Competitors- Brand Differentiation, Integral to the way we do business, Business Ethics, PR: Better and More media Coverage, Fosters a Positive Workplace Environment, Innovate and Create new products from social needs, Cost Savings, Other (please specify)
Length of time to realise full value of CSR programs	2-3 weeks, 2 to 6 months, 6 to 12 months, 1 year, More than 1 year, Don't know
Awareness of CSV	I know the principles of CSV very well, I know of it, I know of it but I don't know it so well, I have never heard of it
Ranking in the Top 10 Brands survey for company doing the most to uplift communities	Yes No Don't know
CSR Dimension (Agree or Disagree)	Value: The real value of social responsibility programs for our organisation lies in doing good for the society Role of Programs: Corporate social responsibility should be limited to donations or grants to causes. Corporate Social Responsibility is primarily motivated by public relations or marketing considerations Reason for undertaking CSR: The social responsibility agenda of our company is largely determined by top management preference. The social responsibility agenda of our company is determined as and when the societal ills/problems arise. Economic view: Provisions for corporate social responsibility by our company should be separate to its profit maximisation function. Decision on program: The social responsibility agenda of our company is largely determined by external reporting on societal ills e.g. millennium development goals, budget speech etc. Impact: Corporate Social responsibility programs should be given a separate budget annually. We focus on project outcomes to measure our social responsibility programs.
CSV Dimension (Agree or Disagree)	Value: Our organisation practices Creating Shared Value with its Social Responsibility Programs, where business can solve social problems and increase its profits at the same time Role of programs: The real value of social responsibility programs lies in joint company and community value

	creation Reason for undertaking CSR: Social Responsibility Programs are integral to competitiveness Economic view: Our Social responsibility programs are integral to our company's profit maximisation function. Decision on program: The social responsibility agenda of our company is strategic to our business, company specific and internally generated Impact: Corporate Social Responsibility programs budget should be integrated as part of the total organisation budget for the year. We measure return on business e.g. increase in revenue, market share, from social programs
Elements to be achieved in the next 5 years	Communicate company performance in CSR and sustainability to stakeholders, Improve environmental impact of products/services, Develop new products/services which help to reduce social or environmental problems, Reduce greenhouse gas emission or waste, Track societal and economic value of CSR projects, Other (please specify)

6.2 Profile of the surveyed population

The brands featuring in the Sunday Times top 10 for “brands doing the most for the community” stem from different multiple industries namely, FMCG, telecommunications, wholesale and trade, electricity, gas, steam and air conditioning to name a few.

The survey was thus distributed to as many respondents as possible to mirror these brands. Because the focus of the thesis was on employees and their attitudes and perceptions towards social responsibility programs, we targeted organisations from different industries. The majority of our respondents stemmed from Fast Moving Consumer Goods (15.6%), Financial and Insurance activities (15.6%), Information and Technology (11.7%), Wholesale and retail trade (9.1%).

Table 6.2: Industries of company

Which of the following best describes the industry/ sector your company is operating? Check any that apply

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Manufacturing	4	5.2	6.2	6.2
	Electricity, gas, steam and air conditioning supply	1	1.3	1.5	7.7
	Wholesale and retail trade; repair of motor vehicles and mot	7	9.1	10.8	18.5
	Transportation and storage	2	2.6	3.1	21.5
	Accommodation and food service activities	1	1.3	1.5	23.1
	Information and communication	9	11.7	13.8	36.9
	Financial and insurance activities	12	15.6	18.5	55.4
	Real estate activities	1	1.3	1.5	56.9
	Professional, scientific and technical activities	5	6.5	7.7	64.6
	Education	1	1.3	1.5	66.2
	Human health and social work activities	1	1.3	1.5	67.7
	Arts, entertainment and recreation	3	3.9	4.6	72.3
	Fast Moving Consumer Goods (FMCG)	12	15.6	18.5	90.8
	Advertising Industry	6	7.8	9.2	100.0
	Total	65	84.4	100.0	
Missing	System	12	15.6		
Total		77	100.0		

Other industries that were not pre-coded and were filled in by respondents included marketing, engineering and media.

Table 6.3: Other Industries of company

Other (please specify)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		60	77.9	77.9	77.9
	Beauty and cosmetic	1	1.3	1.3	79.2
	Engineering	1	1.3	1.3	80.5
	General Industries	1	1.3	1.3	81.8
	Marketing	2	2.6	2.6	84.4
	marketing / sponsorship	1	1.3	1.3	85.7
	Marketing, brand engagement	1	1.3	1.3	87.0
	Media to be specific	1	1.3	1.3	88.3
	Petroleum	1	1.3	1.3	89.6
	Pharmaceutical	1	1.3	1.3	90.9
	Private Equity	1	1.3	1.3	92.2
	Professional consulting services	1	1.3	1.3	93.5
	Recruitment Agency	1	1.3	1.3	94.8
	Services	1	1.3	1.3	96.1
	sport media, marketing and management	1	1.3	1.3	97.4
	Sports Marketing	1	1.3	1.3	98.7
	Various Industry Consulting	1	1.3	1.3	100.0
	Total	77	100.0	100.0	

The survey captured views from different respondents that worked for well-known companies (pre-coded) such as Barloworld, Coca-Cola, Procter and Gamble, Engen, SAB, Telkom, Multi choice, Nedbank, Unilever to name a few.

Table 6.4: Companies currently employed at

Which of the following Companies do you Currently work for?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Other (please specify)	43	55.8	56.6	56.6
	Barloworld	7	9.1	9.2	65.8
	Coca-Cola	1	1.3	1.3	67.1
	Procter and Gamble	1	1.3	1.3	68.4
	Engen	1	1.3	1.3	69.7
	SAB	2	2.6	2.6	72.4
	Multi-Choice	1	1.3	1.3	73.7
	Telkom	4	5.2	5.3	81.6
	Clover	1	1.3	1.3	82.9
	Nedbank	1	1.3	1.3	84.2
	Unilever	1	1.3	1.3	85.5
	Eaton	3	3.9	3.9	89.5
	Nestle	3	3.9	3.9	93.4
	Standard Bank	5	6.5	6.6	100.0
	Total	76	98.7	100.0	
Missing	System	1	1.3		
Total		77	100.0		

The survey was further completed by respondents that fell into the other categories, if they did not work in the above pre-coded list. These respondents stemmed from different companies operating in South Africa such as Accenture, Bidvest Services, BMW, British American Tobacco South Africa, Capitalworks, Consulting Self, Employed, Diageo, Discovery Health, Downtown Music Hub, Edcon, Ernst and Young, Fnb, Fnb Private Wealth, GIBS, HDI Youth Marketeers, L'Oréal, McDonalds SA, Metropolitan, Mindshare, Nelson Mandela Metropolitan university business school, Novo Nordisk, Octagon Marketing

PaluCode, Parttaker Investments Pvt Limited, Planning and Development Initiative, Playmakers Sponsorship, Red Bull, Right to Care, S-Factor, Saica

Self Employed, my company is called Insights Over Everything, Siyaya Placements, The Creative Concept Tank (Pty) Ltd, TNS, TransUnion, Unilever and Whirlpool.

As per the National Small Business Act (The Department of Trade and Industry, 1996) categorisation of corporate sizes, we spoke to respondents that worked for different size organisations to capture different views. Our sample consisted of respondents employed in the micro and small enterprises (less than 10 employees), small enterprises (employing less than 100 employees), and medium enterprises (employing up to 200 employees). Most of our respondents stemmed from the larger corporations, employing more than 250 people (making up 66% of the respondents.)

Table 6.5: Size of organisation

How many people work in your company?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<10	9	11.7	11.7	11.7
	10-50	5	6.5	6.5	18.2
	51-100	3	3.9	3.9	22.1
	101-250	7	9.1	9.1	31.2
	>250	51	66.2	66.2	97.4
	Don't know	2	2.6	2.6	100.0
	Total	77	100.0	100.0	

Because corporate social responsibility programs are implemented at a corporate level, we sought to capture different views. We thus did not restrict the sample to those that worked in the CSR space only. The majority of our sample sizes stemmed from the marketing department (26%), Sales (14%) with CSR department making up 6.5% of our sample size.

Table 6.6: Department currently working in

What department do you work in?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Administrative	2	2.6	2.7	2.7
	Customer Service	1	1.3	1.4	4.1
	Marketing	20	26.0	27.0	31.1
	Operations	5	6.5	6.8	37.8
	Human Resources	5	6.5	6.8	44.6
	Sales	11	14.3	14.9	59.5
	Finance	3	3.9	4.1	63.5
	Legal	1	1.3	1.4	64.9
	Corporate Social Responsibility/ Sustainability	5	6.5	6.8	71.6
	IT	5	6.5	6.8	78.4
	Research & Development	5	6.5	6.8	85.1
	Business Intelligence	2	2.6	2.7	87.8
	Manufacturing	1	1.3	1.4	89.2
	Other	8	10.4	10.8	100.0
	Total	74	96.1	100.0	
Missing	System	3	3.9		
Total		77	100.0		

Social development programs require investment from the company, thus we sought to establish how much in general spend towards program is.

Most of the respondents did not know the total annual CSR budgets spent by their organisations (57%), however those that did disclose, indicated from smaller budgets of less than R500 000 a year to more than R75 000 000 a year.

Table 6.7: Total annual CSR budget

What is your TOTAL annual CSR budget?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<R500 000	11	14.3	15.7	15.7
	R500 001 -R5 000 000	2	2.6	2.9	18.6
	R5 000 001 - 10 000 000	2	2.6	2.9	21.4
	R10 000 001 - R25 000 000	4	5.2	5.7	27.1
	R25 000 001 - R50 000 000	2	2.6	2.9	30.0
	R75 000 001+	5	6.5	7.1	37.1
	Don't Know	44	57.1	62.9	100.0
	Total	70	90.9	100.0	
Missing	System	7	9.1		
Total		77	100.0		

6.3 Respondents attitudes and perceptions of Corporate Social Responsibility: Univariate Statistics

6.3.1 *Whose Problems anyway?*

In the opinion of our respondents, societal problems should mostly be solved by government (73.7%), followed by businesses (64.5%) and then the community themselves (55.3%)

Table 6.8: Whose responsibility are societal problems

In your opinion, Who is responsible for solving societal problems such as education, poverty, health, environment to name a few (Multiple Answers Possible)		
Answer Options	**Response Percent**	**Response Count**
Government	73.7%	56
Businesses	64.5%	49
Non Profit Organisations (NGOs/ NPOs)	35.5%	27
Individuals	50.0%	38
The community themselves	55.3%	42
Other (please specify)	15.8%	12
answered question		**76**
skipped question		**1**

Those that gave other as an answer, mentioned that, solving societal problems should be a combined effort by all of the above, South Africans at an individual level, government and business as challenges are too big for only one to be responsible

6.3.2 *Awareness of Social Responsibility*

In order to continue with the survey, respondents had to have heard of the concept of CSR. In total, 93.5% of the respondents claimed they were aware and know of the concept of corporate social responsibility while 6.5% had heard of it but did not know it so well. More than half of the respondents (53%) are not only aware of the concept of corporate social responsibility, but also felt confident that they know the principles of CSR very well, followed by 40.3% who knew of it.

Table 6.9: Awareness and Knoweledge of CSR

Are you aware of/ have you ever heard of the concept of corporate social responsibility (CSR)?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	I know the principles of social responsibility very well	41	53.2	53.2	53.2
	I know of it	31	40.3	40.3	93.5
	I know of it but I don't know it so well	5	6.5	6.5	100.0
	Total	77	100.0	100.0	

6.3.3 *Awareness of Creating Shared Value*

In comparison to the high awareness and knowledge of CSR (93.5%), only more than a fifth (24.6 %) of respondents could confidently claim to know the principles of CSV very well, 21.3% know of it, 19.7% know it but not well enough and lastly more than a third (34.4%) have never heard of it

Table 6.10: Awareness and Knoweledge of CSV

Are you aware of/ have you ever heard of the concept of creating shared value (CSV) by Michael Porter and Mark Kramer where business can solve social problems and increase profits at the same time?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	I know the principles of CSV very well	15	19.5	24.6	24.6
	I know of it	13	16.9	21.3	45.9
	I know of it but I don't know it so well	12	15.6	19.7	65.6
	I have never heard of it	21	27.3	34.4	100.0
	Total	61	79.2	100.0	
Missing	System	16	20.8		
Total		77	100.0		

6.3.4 *Participation in Social Responsibility programmes*

More than three quarters of our sample (83%) claim that their organisation has engaged in social responsibility activities in the past two years.

Table 6.11: Engagement in CSR in past 2 years

Does or has your organisation engaged in social responsibility activities in the past two years?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	64	83.1	88.9	88.9
	No	4	5.2	5.6	94.4
	Don't Know	4	5.2	5.6	100.0
	Total	72	93.5	100.0	
Missing	System	5	6.5		
Total		77	100.0		

Organisations focus their CSR activities towards the health and wellbeing of employees (60. 6%), initiatives focused on the betterment and relationship with the community (60.6%), sustainability (40.8%), environment (32.4%), sports, arts, culture and entertainment sponsorships (32.4%), enterprise development programs (28.2%), Governance and Dialogue with stakeholders (18.3%), initiative tied to the system of production or quality of the products/ service range 16.9%) and generous donation of money to good causes (16.9%).

Table 6.12: Key focus areas of CSR programs

Which is/are the area/s of social responsibility more significant for your company? Check all that apply		
Answer Options	**Response Percent**	**Response Count**
Employees: Health and wellbeing of employees	60.6%	43
Product focused: initiative tied to the system of production or quality of the products/ service range.	16.9%	12
Enterprise Development Programmes	28.2%	20
Sustainability	40.8%	29
Governance and Dialogue with stakeholders	18.3%	13
Philanthropy: generous donation of money to good causes.	16.9%	12
Environmental: focus on conservation or sustainability of the environment	32.4%	23
Society: initiatives focused on the betterment and relationship with the community	60.6%	43
Sports, Arts, Culture and Entertainment Sponsorships	32.4%	23
answered question		**71**

6.3.5 *Motivation for participating in social responsibility programs*

It is our finding that most employees feel that their organisations partake in social responsibility programs for the betterment of society (24.7%), for joint business and social value (14.3%), business ethics (7.8%), legal compliance (6.5%), integral to the way they do business (6.5%), top management decision (5.8%), brand awareness and enhanced reputation (5.2%) to name a few.

The following reasons ranked very low and received mentions below 5%: Provide grants or donations to worthy causes (2.6%), PR: Better and More media Coverage (2.6%), Fosters a Positive Workplace Environment (2.6%), Finding business opportunities in social problems (1.3%), Differentiate ourselves from Competitors-Brand Differentiation (1.3%) and Cost Savings (1.3%).

6.4 Independent and Dependent Variables

The dependent variable was “Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?” Yes, or no while the independent variables were split into the two dimensions - CSR and CSV as follows:

Table 6.13: Independent Variables, List of statements, measured under CSV dimension

Theme	Question Number	CSV Dimension Statements
Value	Q21	Our organisation practices Creating Shared Value with its Social Responsibility Programs, where business can solve social problems and increase its profits at the same time
Role of Social Programs	Q14_3	The real value of social responsibility programs lies in joint company and community value creation
Reasons for undertaking CSR	Q17_2	Social Responsibility Programs are integral to competitiveness
Economic View	Q14_2	Our Social responsibility programs are integral to our company's profit maximisation function.
Decision on Program	Q16_1	The social responsibility agenda of our company is strategic to our business, company specific and internally generated
Budget Impact	Q16_2	Corporate Social Responsibility programs budget should be integrated as part of the total organisation budget for the year
Measurement Impact	Q17_1	We measure return on business e.g. increase in revenue, market share, from social programs

Table 6.14: Independent Variables, List of statements, measured under CSR dimension

Theme	Question Number	CSR Dimension Statements
Value	Q14_1	The real value of social responsibility programs for our organisation lies in doing good for the society
Role of social programs- Philanthropy	Q15_2	The social responsibility agenda of our company is determined as and when the societal ills/problems arise
Role of social programs- Philanthropy	Q16_4	Corporate Social Responsibility is primarily motivated by public relations or marketing considerations
Role of social programs- Philanthropy	Q17_3	Corporate social responsibility should be limited to donations or grants to causes
Reason for undertaking CSR	Q16_3	The social responsibility agenda of our company is largely determined by top management preference
Decision on program	Q15_1	The social responsibility agenda of our company is largely determined by external reporting on societal ills e.g. millennium development goals, budget speech etc
Economic View	Q15_3	Provisions for corporate social responsibility by our company should be separate to its profit maximisation function.
Impact: Budget	Q17_4	Corporate Social responsibility programs should be given a separate budget annually
Impact: Measurement	Q17_5	We focus on project outcomes to measure our social responsibility programs

6.5 Reliability and Validity Tests

6.5.1 *Reliability: Cronbach's alpha to test level of consistency amongst items*

The Cronbach's alpha, is a numerical coefficient of reliability of a test relative to other tests with same number of items, and measuring the same construct of interest (Hatcher, 1994 as cited in Santos, 1999). Looking at its origins, Alpha was developed by Lee Cronbach in 1951 to provide a measure of the internal consistency of a test or scale and expressed as a number between 0 and 1 (Tavakol & Dennick, 2011).Since we used summated scales, an assembly of interrelated items designed to measure underlying constructs, it is very important to know whether the same set of items would elicit the same responses if the same questions are recast and re-administered to the same respondents (Santos, 1999).

Procedure in determining reliability was as follows: in SPSS variable mode, analyse, scale, reliability analysis, selected all variables relating to the CSV or CSR framework questions, under statistics "Scale if item deleted" was selected. The results are as follows:

In the two Cronbach Alpha tests I tested the Reliability of the statements that fall within the CSV and CSR groupings.

There are different reports regarding the acceptable values of alpha, ranging from 0.70 to 0.95, it is also important to note that a low value of alpha could be due to a low number of questions, poor inter-relatedness between items or heterogeneous constructs (Tavakol & Dennick, 2011).

In our case, we observe that although the CSV is not over the recommended point for Reliability (0.7) it is a lot closer to being a reliable (alpha = 0.690)

Case Processing Summary

		N	%
Cases	Valid	62	80.5
	Excluded[a]	15	19.5
	Total	77	100.0

a. Listwise deletion based on all variables in the procedure.

CSV Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.696	.690	7

Item-Total Statistics

	Cronbach's Alpha if Item Deleted
Our organisation practices Creating Shared Value with its Social Responsibility Programs, where business can solve social problems and increase its profits at the same time	.642
Our Social responsibility programs are integral to our company's profit maximisation function.	.597
The real value of social responsibility programs lies in joint company and community value creation	.678
The social responsibility agenda of our company is strategic to our business, company specific and internally generated	.678
Corporate Social Responsibility programs budget should be integrated as part of the total organisation budget for the year	.689
We measure return on business e.g. increase in revenue, market share, from social programs	.686
Social Responsibility Programs are integral to competitiveness	.652

For the CSR reliability test, Cronbach Alpha is below the recommended 0.7.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.555	.553	9

Item-Total Statistics

	Cronbach's Alpha if Item Deleted
The real value of social responsibility programs for our organisation lies in doing good for the society	.562
The social responsibility agenda of our company is largely determined by external reporting on societal ills e.g. millennium development goals, budget speech etc	.479
The social responsibility agenda of our company is determined as and when the societal ills/problems arise	.523
Provisions for corporate social responsibility by our company should be separate to its profit maximisation function.	.486
The social responsibility agenda of our company is largely determined by top management preference	.590
Corporate Social Responsibility is primarily motivated by public relations or marketing considerations	.525
Corporate Social responsibility programs should be given a separate budget annually	.553

The table above indicates that if we deleted the statement, “the social responsibility agenda of our company is largely determined by top management preference”, our Cronbach Alpha would climb to 0.590, still below the recommended 0.70.

Factors affecting the Alpha include, the number of test items, item inter-relatedness and dimensionality affect the value of alpha (Tavakol & Dennick, 2011). As the Cronbach Alpha is a test to measure reliability as well as consistency we would expect the test to be lower in this instance. The statements that form part of CSR and CSV are not all positive which would lower the number of consistent answers and the fact that the statements speak about different areas of social responsibility will mean that the endorsements will change per statement.

6.6 Measure of Central Tendency: Arithmetic Mean Analysis

A measure of central tendency, in our case the mean, is based on ordinal level variables that are ranked and where each category represents more of the variable’s characteristics than the next lower category (Williamson, Karp, Dalphin, & Gray, 1982). This measure allows us to say all respondents, ranked or not ranked, favour or highly endorse certain variables in the combined CSR and CSV paradigms.

At a total respondent level, without looking at ranking in the Sunday Times “brands that do the most to uplift communities”, results indicate that respondents felt the following three (3) were most high order needs in terms of CSR programs include: the real value of social responsibility programs lies in joint company and community value creation (mean=4.32) from the CSV dimension; the real value of social responsibility programs for our organisation lies in doing good for the society (mean=4.22) from the CSR dimension and that Corporate Social Responsibility programs budget should be integrated as part of the total organisation budget for the year (mean=4.01) from the CSV dimension.

High order needs from CSR programs include: Corporate Social responsibility programs should be given a separate budget annually (mean=3.96) from the CSR dimension; the social responsibility agenda of our company is strategic to our business, company specific and internally generated (mean=3.82) from the CSV dimension; we focus on project outcomes to measure our social responsibility programs (mean=3.64) from the CSR dimension and social Responsibility Programs are integral to competitiveness (mean=3.50) from the CSV dimension.

Mid order needs from CSR programs include: our organisation practices Creating Shared Value with its Social Responsibility Programs, where business can solve social problems and increase its profits at the same time (mean=3.4355) from CSV dimension; provisions for corporate social responsibility by our company should be separate to its profit maximisation function (mean=3.4194) from the CSR dimension; the social responsibility agenda of our company is largely determined by top management preference (mean=3.3226) from the CSR dimension, our Social responsibility programs are integral to our company's profit maximisation function (mean=3.0806) from the CSV dimension.

Low order needs from CSR programs include the social responsibility agenda of our company is determined as and when the societal ills/problems arise(mean=2.87) from the CSR dimension, we measure return on business e.g. increase in revenue, market share, from social programs (mean=2.85) from the CSV dimension, the social responsibility agenda of our company is largely determined by external reporting on societal ills e.g. millennium development goals, budget speech etc (mean=2.79) from the CSR dimension , corporate Social Responsibility is primarily motivated by public relations or marketing considerations (mean=2.70) from the CSR dimension and Corporate social responsibility should be limited to donations or grants to causes (mean=1.98).

Table 6.16: Arithmetic Mean of total variables

Item Statistics

	Mean	Std. Deviation	N
The real value of social responsibility programs lies in joint company and community value creation	4.3226	.82530	62
The real value of social responsibility programs for our organisation lies in doing good for the society	4.2258	.68758	62
Corporate Social Responsibility programs budget should be integrated as part of the total organisation budget for the year	4.0161	.73534	62
Corporate Social responsibility programs should be given a separate budget annually	3.9677	.70053	62
The social responsibility agenda of our company is strategic to our business, company specific and internally generated	3.8226	.82032	62
We focus on project outcomes to measure our social responsibility programs	3.6452	.87021	62
Social Responsibility Programs are integral to competitiveness	3.5000	1.00409	62
Our organisation practices Creating Shared Value with its Social Responsibility Programs, where business can solve social problems and increase its profits at the same time	3.4355	1.00198	62
Provisions for corporate social responsibility by our company should be separate to its profit maximisation function.	3.4194	1.04878	62
The social responsibility agenda of our company is largely determined by top management preference	3.3226	1.05231	62
Our Social responsibility programs are integral to our company's profit maximisation function.	3.0806	1.10585	62
The social responsibility agenda of our company is determined as and when the societal ills/problems arise	2.8710	1.10859	62
We measure return on business e.g. increase in revenue, market share, from social programs	2.8548	1.08411	62
The social responsibility agenda of our company is largely determined by external reporting on societal ills e.g. millennium development goals, budget speech etc	2.7903	.96048	62
Corporate Social Responsibility is primarily motivated by public relations or marketing considerations	2.7097	1.10716	62
Corporate social responsibility should be limited to donations or grants to causes	1.9839	.91422	62

6.7 Cross Tabulation- Results pertaining to CSR Paradigm Hypothesis 1 and 4:

The technique cross-tabulation is one which most bivariate analysis is based; in this case two variables are used simultaneously to define subgroups into which the total sample is divided (Williamson, Karp, Dalphin, & Gray, 1982), which allows us to describe separately the adoption of paradigms for ranked and non-ranked companies. A bivariate analysis refers to the representation of any data in which an attempt is made to relate two variables to another (Williamson, Karp, Dalphin, & Gray, 1982).

Hypothesis 1: South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.

Hypothesis 4: South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.

The real value of social responsibility programs for our organisation lies in doing good for the society

Of those whose companies are ranked in the Sunday Times top 10 for company "doing the most to uplift the community", more than a half (54.5% strongly agreed) with the statement that the real value of social responsibility programs lies in doing good. In comparison, 34.6% non-ranked companies strongly agreed with the statement, of those that did not know whether their companies were ranked or not, 25% also felt than the value lies in doing good for the society.

Decision on Social Responsibility Programs: Agenda is determined by external reporting and personal preferences (CSR)

Of those respondents who claimed their company featured in the top 10 as "brands doing the most to uplift the community", only 27.3 % strongly disagree with the premise that the agenda on which programs to partake on is externally generated (compared to only 23%% of the companies that don't feature)

Reasons for Social Responsibility Programs: Discretionary or in response to external pressure (CSR)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, only 27.3% strongly disagree with the premise that the agenda on which programs to partake on is reactive (compared to only 7.7 % of the companies that don’t feature)

Economic View of Social Responsibility: Separate from profit maximization (CSR)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, only 9.1 % strongly agree with the notion that CSR should be separate to its profit maximization function (compared to only 11.5 % of the companies that don’t feature)

Decision on Social Responsibility Programs: Agenda is determined by external reporting and personal preferences (CSR)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, 18.2 % strongly agree with the notion that the social responsibility agenda of the company is largely determined by top management preference (compared to 3.8% of the companies that don’t feature)

Role of social programs: Citizenship, Philanthropy, and Sustainability (CSR)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, 81.6 % disagree with the notion that social responsibility should be limited to donations or grants to causes (compared to 76.9% of the companies that don’t feature who agree)

Impact: Impact limited by corporate footprint and CSR Budget (CSR)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, 90.9 % agree that social responsibility should be given a separate budget annually (compared to 80.7% of the companies that don’t feature who agree)

6.8 Cross Tabulation Results pertaining to CSV Hypothesis 2 and 3:

Hypothesis 2: South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

Hypothesis 3: South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

The real value of social responsibility programs lies in joint company and community value creation

Of those respondents who claimed their company featured in the top 10 as "brands doing the most to uplift the community", 63 % strongly agree with the premise that the real value of social responsibility programs lies in joint company and community value creation (compared to only 46.2%% of the companies that don't feature

Economic View of Social responsibility: Integral to Profit Maximization (CSV Paradigm)

Of those respondents who claimed their company featured in the top 10 as "brands doing the most to uplift the community", more than a fifth (27.3%) strongly agree with the premise that social responsibility programs are integral to their company's profit maximization (compared to only 7.7% of the companies that don't feature)

Decision on social responsibility program: Agenda is company specific and internally generated (CSV)

Of those respondents who claimed their company featured in the top 10 as "brands doing the most to uplift the community", 63,6 % strongly agree with the notion that CSR is strategic to their business, company specific and internally generated (compared to only 3.8% % of the companies that don't feature)

Impact: Realigns the entire company budget (CSV)

Of those respondents who claimed their company featured in the top 10 as "brands doing the most to uplift the community", 45.5 % strongly agree with the notion that the budget for CSR programs should be integrated as part of the total organization budget for the year (compared to only 15.4 % of the companies that don't feature)

Impact: Return on business (CSV)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, 45.5 % claim to measure return on business from social programs (compared 27% of the companies that don’t feature who agree)

Reasons for undertaking social responsibility programs: Integral to competing (CSV)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, 81 % agree that social responsibility is integral to competitiveness (compared to 42% of the companies that don’t feature who agree)

6.9 Logistic Regression: Building the model

Logistic regression is sometimes also referred to as logit analysis, is a combination of multiple regression and multiple descriminant analysis (Hair, Black, Babin, & Anderson, 2010). The logistic regression model has become a widely used and accepted method of analysis of binary outcome variables as is our case with ranked or not ranked being our dependent variable ((D, T, S, & S, 1997) . The purpose of using this technique is that one or more independent variables are used to predict a single dependent variable (Hair, Black, Babin, & Anderson, 2010).

We used the forward selection (Likelihood Ratio) which is a stepwise selection method with entry testing based on the significance of the score statistic, and removal testing based on the probability of a likelihood-ratio statistic based on the maximum partial likelihood estimates (IBM SPSS, 2012).

Thus for the logistic Regression we will be looking at the results in Block 1. With this type of analysis we usually disregard the intercept and only focus on the coefficients for the analysis.

6.10 Logistic Regression Results pertaining to CSR Hypothesis 1 and 4:

Null Hypothesis 1: *South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.*

Alt Hypothesis 1: *South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.*

Null Hypothesis 4: *South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.*

Alt Hypothesis 4: *South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.*

6.10.1 *Logistic Regression analysis procedure was used to examine the hypothetic relationship between top 10 ranking in the Sunday time's survey vs. Value of CSR*

Case Processing Summary

Unweighted Cases[a]		N	Percent
Selected Cases	Included in Analysis	41	53.2
	Missing Cases	36	46.8
	Total	77	100.0
Unselected Cases		0	.0
Total		77	100.0

a. If weight is in effect, see classification table for the total number of cases.

Dependent Variable Encoding

Original Value	Internal Value
No	0
Yes	1

Block 1: Method = Forward Stepwise (Conditional)

We ran the logistic regression on a forward conditional method (this evaluates which statements / themes are significant to be applied in the models). Having a look at the results, we observe that most of the statements / themes did not come through significantly in the models

Omnibus Tests of Model Coefficients

		Chi-square	Df	Sig.
Step 1	Step	4.354	1	.037
	Block	4.354	1	.037
	Model	4.354	1	.037
Step 2	Step	5.638	1	.018
	Block	9.992	2	.007
	Model	9.992	2	.007

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	49.496[a]	.101	.138
2	43.858[b]	.216	.296

a. Estimation terminated at iteration number 4 because parameter estimates changed by less than .001.

b. Estimation terminated at iteration number 5 because parameter estimates changed by less than .001.

This table contains the **Cox & Snell R Square** and **Nagelkerke R Square** values, which are both methods of calculating the explained variation. Therefore, the explained variation in the dependent variable based on our model ranges from 10% to 21 %,

Classification Table[a]

Observed			Predicted		
			Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?		Percentage Correct
			No	Yes	
Step 1	Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	No	20	6	76.9
		Yes	8	7	46.7
	Overall Percentage				65.9
Step 2	Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	No	24	2	92.3
		Yes	8	7	46.7
	Overall Percentage				75.6

a. The cut value is .500

CSR and Ranking: When reading a logistic regression, the output is always read as times more likely / Likelihood. So we look at the CSR statements solution as per the proposed framework and we see that a company that is endorsed for “the social responsibility agenda of our company is largely determined by external reporting on societal ills e.g. millennium development goals, budget speech etc” will be 2.07 times

more likely to have a respondent say yes to the company being in the top companies. While a company that is endorsed for “provisions for corporate social responsibility by our company should be separate to its profit maximisation function” is 0.40 times more likely to have a respondent say yes to the ranking.

Table 6.17: CSR logistic Regression Equation

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1[a]	q0015_0001	.727	.367	3.929	1	.047	2.070
	Constant	-2.688	1.159	5.383	1	.020	.068
Step 2[b]	q0015_0001	1.079	.453	5.678	1	.017	2.942
	q0015_0003	-.900	.411	4.792	1	.029	.407
	Constant	-.736	1.422	.268	1	.605	.479

a. Variable(s) entered on step 1: q0015_0001.

b. Variable(s) entered on step 2: q0015_0003.

Model if Term Removed[a]

Variable		Model Log Likelihood	Change in -2 Log Likelihood	df	Sig. of the Change
Step 1	q0015_0001	-26.940	4.384	1	.036
Step 2	q0015_0001	-25.648	7.438	1	.006
	q0015_0003	-24.839	5.819	1	.016

a. Based on conditional parameter estimates

Variables not in the Equation

			Score	Df	Sig.
Step 1	Variables	q0014_0001	.147	1	.701
		q0015_0002	.981	1	.322
		q0015_0003	5.512	1	.019
		q0016_0003	.061	1	.805
		q0016_0004	.134	1	.714
		q0017_0004	2.026	1	.155
		q0017_0005	1.605	1	.205
		q0017_0003	.306	1	.580
	Overall Statistics		7.787	8	.455
Step 2	Variables	q0014_0001	.100	1	.752
		q0015_0002	.009	1	.925
		q0016_0003	.113	1	.737
		q0016_0004	.002	1	.969
		q0017_0004	1.262	1	.261
		q0017_0005	.281	1	.596
		q0017_0003	.153	1	.696
	Overall Statistics		2.037	7	.958

6.11 Logistic Regression Results pertaining to Hypothesis 2 and 3:

Null Hypothesis 2: South African companies that are ranked in the top ten as “brands doing the most to uplift the community” adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

Alt Hypothesis 2: South African companies that are ranked in the top ten as “brands doing the most to uplift the community” adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

Null Hypothesis 3: South African companies that are NOT ranked in the top ten as “brands doing the most to uplift the community” adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

Alt Hypothesis 3: South African companies that are NOT ranked in the top ten as “brands doing the most to uplift the community” adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

6.11.1 ***Logistic Regression analysis procedure was used to examine the hypothetic relationship between top 10 ranking in the Sunday time's survey vs. Value of CSV***

Case Processing Summary

Unweighted Cases[a]		N	Percent
Selected Cases	Included in Analysis	41	53.2
	Missing Cases	36	46.8
	Total	77	100.0
Unselected Cases		0	.0
Total		77	100.0

a. If weight is in effect, see classification table for the total number of cases.

Dependent Variable Encoding

Original Value	Internal Value
No	0
Yes	1

Block 0: Beginning Block

Classification Table[a,b]

Observed		Predicted		
		Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?		Percentage Correct
		No	Yes	
Step 0	Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	26	0	100.0
		15	0	.0
	Overall Percentage			63.4

a. Constant is included in the model.

b. The cut value is .500

Variables in the Equation

		B	S.E.	Wald	Df	Sig.	Exp(B)
Step 0	Constant	-.550	.324	2.878	1	.090	.577

Variables not in the Equation

			Score	df	Sig.
Step 0	Variables	q0021_0001	8.242	1	.004
		q0014_0002	4.744	1	.029
		q0014_0003	.248	1	.618
		q0016_0001	9.932	1	.002
		q0016_0002	.091	1	.763
		q0017_0001	3.881	1	.049
		q0017_0002	7.435	1	.006
	Overall Statistics		15.049	7	.035

Block 1: Method = Forward Stepwise (Conditional)

Omnibus Tests of Model Coefficients

		Chi-square	Df	Sig.
Step 1	Step	12.983	1	.000
	Block	12.983	1	.000
	Model	12.983	1	.000

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	40.867[a]	.271	.371

a. Estimation terminated at iteration number 6 because parameter estimates changed by less than .001.

Classification Table[a]

Observed			Predicted		
			Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?		Percentage Correct
			No	Yes	
Step 1	Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	No	25	1	96.2
		Yes	8	7	46.7
	Overall Percentage				78.0

a. The cut value is .500

CSV and Ranking: When reading a logistic regression, the output is always read as times more likely / Likelihood. So we look at the CSV statements solution as per the proposed framework and we see that a company that is endorsed for "The social responsibility agenda of our company is strategic to our business, company specific and internally generated" will be 7.492 times more likely to have a respondent say yes to the company being in the top companies.

Table 6.18: CSV logistic Regression Equation

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1[a]	q0016_0001	2.014	.775	6.752	1	.009	7.492
	Constant	-8.652	3.217	7.232	1	.007	.000

a. Variable(s) entered on step 1: q0016_0001.

Model if Term Removed[a]

Variable		Model Log Likelihood	Change in -2 Log Likelihood	df	Sig. of the Change
Step 1	q0016_0001	-27.118	13.368	1	.000

a. Based on conditional parameter estimates

Variables not in the Equation

			Score	Df	Sig.
Step 1	Variables	q0021_0001	2.125	1	.145
		q0014_0002	.349	1	.555
		q0014_0003	.024	1	.877
		q0016_0002	.565	1	.452
		q0017_0001	1.214	1	.271
		q0017_0002	2.183	1	.140
	Overall Statistics		5.919	6	.432

Thus we ran a logistic regression on a forward conditional method (this evaluates which statements / themes are significant to be applied in the models). Having a look at the results we observed that most of the statements / themes did not come through significantly in the models

6.12 Factor Analysis

Factor analysis allows for an examination of the potential interrelationships among a number of variables and the evaluation of underlying reasons for these relationships; to identify a new, smaller, set of uncorrelated variables that can replace the original set of correlated variables in subsequent multivariate analysis and to identify a smaller set of salient variables from a larger set for use in subsequent multivariate analysis (Malhotra & Birks, 2007a).

We used the recommended Principal analysis since the the main idea was to determine the minimum number of factors that will account for maximum variance in the data for use in the subsequent logistical regression (Malhotra & Birks, 2007a).

Determining the number of factors:

The table below are the "Eigenvalues>1" which could be considered as the "natural fallout" of the statements, we determine this point by including all of the factors with an eigenvalue of greater than 1 (Malhotra & Birks, 2007a).

Table 6.19: Factor Analysis: Eigenvalues

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.405	22.701	22.701	3.405	22.701	22.701	2.158	14.388	14.388
2	2.100	13.997	36.698	2.100	13.997	36.698	2.037	13.579	27.967
3	1.843	12.285	48.983	1.843	12.285	48.983	1.977	13.181	41.148
4	1.167	7.780	56.763	1.167	7.780	56.763	1.863	12.421	53.568
5	1.043	6.950	63.713	1.043	6.950	63.713	1.522	10.144	63.713
6	.907	6.045	69.757						
7	.809	5.396	75.153						
8	.754	5.029	80.182						
9	.720	4.801	84.982						
10	.655	4.369	89.351						
11	.468	3.122	92.474						
12	.417	2.777	95.251						
13	.285	1.898	97.149						
14	.222	1.480	98.630						
15	.206	1.370	100.000						

Factors with a variance less than 1.0 are no better than single variables due to standardisation as each variable has a variance less than 1.0. The next output from the factor analysis is the factor matrix, also called the factor pattern matrix, which contains factor loadings or coefficients (one with a large absolute value indicates that the factor and the variable are closely related (Malhotra & Birks, 2007a).

When we analyse the solutions for factor analysis we usually have a look at the statements that it groups together in order to determine if there is a common theme that seems to be found in the grouping. In order to assist with looking at the statements we have included Row lines around the grouped statements as well as highlighted the high loading scores which indicate how each statement is loading onto all of the factors.

The important thing to remember with the loadings is that all of the statements will load on all of the factors to a certain degree but we are only interested in the highest loading score in order to determine which factor the statement belongs to. We can also obtain a negative loading score which shows that the statement is loading onto a factor but in a negative way (could be opposed to the theme).

The Kaiser-Meyer-Olkin (KMO) measures sampling adequacy to examine the appropriateness of factor analysis, high values between 0.5 and 1.0 indicate that factor analysis is appropriate while values below 0.5 may not be appropriate (Malhotra & Birks, 2007a). We chose the below rotated factors because it had a few more factors and it was splitting out the theme's nicely which may provide a bit more information in the modelling,

We used the verimax procedure, the most commonly used method of rotation which minimises the number of variables with high loadings on a factor therefore enhancing the interpretability of the factors (Malhotra & Birks, 2007a). Once we chose the factor grouping solution, we then used it for the modelling process.

Table 6.20: Rotated Component Matrix

High loadings per factor are highlighted below:

Rotated Component Matrix[a]

	Component						
	1	2	3	4	5	6	7
Provisions for corporate social responsibility by our company should be separate to its profit maximisation function.	.851	-.010	.108	-.081	.030	.004	.048
The social responsibility agenda of our company is determined as and when the societal ills/problems arise	.746	.058	-.089	-.182	-.090	.225	-.100
Our Social responsibility programs are integral to our company's profit maximisation function.	-.443	.399	.093	.348	.361	.280	.147
The real value of social responsibility programs lies in joint company and community value creation	-.177	.796	.093	.280	-.142	-.175	-.033
The real value of social responsibility programs for our organisation lies in doing good for the society	.220	.775	.157	-.005	.185	-.111	-.078
Corporate Social Responsibility programs budget should be integrated as part of the total organisation budget for the year	-.517	.521	.153	-.156	-.177	.236	.093
Corporate Social responsibility programs should be given a separate budget annually	.057	.150	.896	-.048	.070	-.004	-.096
We focus on project outcomes to measure our social responsibility programs	-.030	.309	.628	.151	.312	.093	.306

Social Responsibility Programs are integral to competitiveness	-.121	.200	-.075	.749	.114	.176	.088
Our organisation practices Creating Shared Value with its Social Responsibility Programs, where business can solve social problems and increase its profits at the same time	-.177	-.061	.531	.600	.043	.011	.071
The social responsibility agenda of our company is strategic to our business, company specific and internally generated	-.189	.010	.175	.304	.799	-.124	-.006
The social responsibility agenda of our company is largely determined by external reporting on societal ills e.g. millennium development goals, budget speech etc	.248	-.022	.083	-.202	.695	.427	-.075
Corporate Social Responsibility is primarily motivated by public relations or marketing considerations	.112	-.243	-.193	.026	.147	.717	.301
We measure return on business e.g. increase in revenue, market share, from social programs	.012	.009	.304	.407	-.038	.704	-.095
The social responsibility agenda of our company is largely determined by top management preference	-.062	-.047	.032	.086	-.046	.089	.946

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 14 iterations.

6.13 Logistic Regression based on Factor Analysis

The next steps was to use the variables derived from a factor analysis as predictors in subsequent analyses, in our case a Logistic Regression to determine if we could predict ranking based on these newly formed factors.

In order to ensure that the model fits correctly (neither over fitting nor under fitting should occur), we ensured that only the meaningful variables should be included. A good approach to ensure this is to use a stepwise method to estimate the logistic regression (IBM SPSS, 2012).

Case Processing Summary

Unweighted Cases[a]		N	Percent
Selected Cases	Included in Analysis	41	53.2
	Missing Cases	36	46.8
	Total	77	100.0
Unselected Cases		0	.0
Total		77	100.0

a. If weight is in effect, see classification table for the total number of cases.

Dependent Variable Encoding

Original Value	Internal Value
No	0
Yes	1

Block 0: Beginning Block

Classification Table[a,b]

Observed			Predicted		
			Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?		Percentage Correct
			No	Yes	
Step 0	Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	No	26	0	100.0
		Yes	15	0	.0
	Overall Percentage				63.4

a. Constant is included in the model.

b. The cut value is .500

Variables in the Equation

		B	S.E.	Wald	Df	Sig.	Exp(B)
Step 0	Constant	-.550	.324	2.878	1	.090	.577

Variables not in the Equation

			Score	df	Sig.
Step 0	Variables	FAC1_1	1.132	1	.287
		FAC2_1	.005	1	.943
		FAC3_1	2.451	1	.117
		FAC4_1	7.716	1	.005
		FAC5_1	7.278	1	.007
		FAC6_1	1.012	1	.314
		FAC7_1	.905	1	.341
	Overall Statistics		15.614	7	.029

Block 1: Method = Forward Stepwise (Conditional)

Omnibus Tests of Model Coefficients

		Chi-square	df	Sig.
Step 1	Step	8.965	1	.003
	Block	8.965	1	.003
	Model	8.965	1	.003
Step 2	Step	11.472	1	.001
	Block	20.438	2	.000
	Model	20.438	2	.000

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	44.885[a]	.196	.269
2	33.413[b]	.393	.537

a. Estimation terminated at iteration number 5 because parameter estimates changed by less than .001.

b. Estimation terminated at iteration number 6 because parameter estimates changed by less than .001.

Classification Table[a]

Observed			Predicted		
			Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?		Percentage Correct
			No	Yes	
Step 1	Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	No	19	7	73.1
		Yes	9	6	40.0
	Overall Percentage				61.0
Step 2	Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	No	24	2	92.3
		Yes	3	12	80.0
	Overall Percentage				87.8

a. The cut value is .500

We observe that factor analysis regression had a better predictive power for the respondents that agreed with the statement than the other two models (CSR and

CSV). **Predictive Power is** a step were the data is reapplied through the model to see how well the model predicts the groups that the respondents fall into. If we have a low percentage for one of the measures it means that the respondents are being incorrectly predicted into another group

When reading a logistic regression the output is always read as times more likely / Likelihood. So we look at the factor analysis solution we chose, we see that a company that is endorsed for factor 4 will be 6.33 times more likely to have a respondent say yes to the company being in the top companies. While a company that is endorsed for factor 4 is more 8.0 times more likely to have a respondent say yes to the ranking.

Table 6.21: Regression Analysis using Factor Analysis predictors

Variables in the Equation

		B	S.E.	Wald	Df	Sig.	Exp(B)
Step 1[a]	FAC4_1	1.298	.511	6.442	1	.011	3.662
	Constant	-.678	.379	3.199	1	.074	.507
Step 2[b]	FAC4_1	1.845	.725	6.486	1	.011	6.330
	FAC5_1	2.082	.916	5.166	1	.023	8.023
	Constant	-1.399	.638	4.811	1	.028	.247

a. Variable(s) entered on step 1: FAC4_1.

b. Variable(s) entered on step 2: FAC5_1.

Model if Term Removed[a]

Variable		Model Log Likelihood	Change in -2 Log Likelihood	df	Sig. of the Change
Step 1	FAC4_1	-27.037	9.189	1	.002
Step 2	FAC4_1	-22.918	12.423	1	.000
	FAC5_1	-22.931	12.449	1	.000

a. Based on conditional parameter estimates

Variables not in the Equation

			Score	df	Sig.
Step 1	Variables	FAC1_1	.395	1	.530
		FAC2_1	.025	1	.874
		FAC3_1	1.072	1	.300
		FAC5_1	8.250	1	.004
		FAC6_1	.579	1	.447
		FAC7_1	.280	1	.597
	Overall Statistics		9.797	6	.133
Step 2	Variables	FAC1_1	.009	1	.926
		FAC2_1	.478	1	.489
		FAC3_1	.235	1	.628
		FAC6_1	.673	1	.412
		FAC7_1	.226	1	.635
	Overall Statistics		2.587	5	.763

6.14 Summary of the results

We spoke to employees of different corporations, different corporate sizes, from different departments and different positions within the organisation to ascertain their awareness and attitudes to social development programs. We found that while many were aware of the concept of corporate social responsibility, only a few knew of the creating shared value model (possibly due to the novelty of the model, five years since developed).

Most of the respondents felt that societal ills are a responsibility of everyone at an individual level, community level, business level, NPO level allowing Government to co-ordinate the usage thereof.

We found that initiatives ranged mostly from Health and well-being of employees to Society: initiatives focused on the betterment and relationship with the community then followed by (in no order) Product focused initiatives that are tied to the system of production or quality of the products/ service range; Enterprise Development Programmes to Sustainability to Governance and Dialogue with stakeholders; Environmental: focus on conservation or sustainability of the environment; Sports, Arts, Culture and Entertainment Sponsorships and Philanthropy relating to generous donation of money to good causes.

Doing good for the betterment of society came out as the primary reason for corporate partaking in social responsibility programs, followed by the notion that one can derive joint business and social value creation from these programs.

We then tested the framework developed by Porter and Kramer (2011) using the different dimensions of Value, Role of social programs, Reason for undertaking CSR, Economic view and Impact, against the CSR and the CSV theatre. After running a regression model against these two theatres, the results indicated that we should reject the null hypothesis that ranking or non-ranking is dependent on CSR or CSV strict dimensions chosen by the organisation implementing corporate social development programs.

We then ran a factor analysis to see how the statements under the different dimensions grouped. We found that they did not group according to the framework provided. We thus re-ran a regression analysis based on the factor analysis which suggested a different model.

These findings will now be discussed in relation to the model in more detail in the next chapter.

CHAPTER 7.DISCUSSION OF THE QUANTITATIVE RESULTS

7.1 Introduction

It follows that once the data has been analysed and the finding are stated on the basis of quantitative analyses, these findings as well as the procedures leading to them must be thoroughly and critically reviewed to detect any errors of measurement, bias and mistakes which could have distorted the description of the aspect of the social reality being studied (Bless & Higson-Smith, 1995). The purpose of this section is thus to interpret the findings presented in the previous chapter taking into account that all sources of error have been investigated and the type of possible bias has been estimated (Bless & Higson-Smith, 1995).

We begin the chapter by discussing the results pertaining to hypothesis 1 and then discuss the results pertaining to hypothesis 2.The purpose of this study was to ascertain the difference in paradigms if any, of those companies that are highly ranked by the general public to have a socially responsible corporate image, that is, in the top 10 of the South African Sunday Times Top brands awards as the “brand that has done the most to uplift the community” against those that have equally or closely invested and undertaken CSR activities, but are not ranked in the top 10 in the same study.

This mixed approach; quantitative and qualitative, study employed the recently developed Porter and Kramer (2011) Corporate Social Responsibility (CSR) vs. Creating Shared Value (CSV) model as a framework. The study sought to assess whether management in companies that are highly ranked adopt the CSR paradigm constructs (where the value is doing good) or the CSV paradigm constructs **(**where the value is economic and societal benefits relative to cost) as proposed by the Porter and Kramer, 2011 model.

According to the authors, in order for companies to show value for social development programs, we should differentiate between CSR and Creating Shared Value (CSV) as follows:

Table 1.1. How Shared Value differs from corporate social responsibility (Porter & Kramer, 2011)

Dimension	CSR	CSV
Value	Value: Doing Good	Value: Economic and societal benefits relative to cost
Role of social programs	Citizenship, Philanthropy, Sustainability	Joint company and community value creation
Reason for undertaking CSR	Discretionary or in response to external pressure	Integral to competing
Economic view	Separate from profit maximisation	Integral to profit maximisation
Decision on program	Agenda is determined by external reporting and personal preferences	Agenda is company specific and internally generated
Impact	Impact limited by corporate footprint and CSR Budget	Realigns the entire company budget
Example	Fair trade purchasing	Transforming procurement to increase quality and yield (

7.2 Discussion pertaining to CSR Hypothesis 1 and 4

We have observed many emerging views on the CSR subject matter, namely; the traditional functionalist view where business exists to look after its primary function which is profit maximisation for its shareholders (Milton Friedman,1970); to Carroll's (1979) model which includes four corporate social responsibilities: Economic responsibilities, Legal responsibilities, ethical responsibilities and discretionary responsibilities; to the stakeholder theory (Freeman, 1984) where business has other stakeholders outside of shareholders that it must serve; to the Strategic CSR or as per Carroll (2001), strategic philanthropy view where CSR activities are undertaken to achieve strategic business goals.

The quantitative study set out to test the following hypothesis relating to CSR paradigm as proposed by Porter and Kramer (2011).

Null Hypothesis 1: *South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.*

Alt Hypothesis 1: *South African companies that are ranked in the top ten as "brands doing the most to uplift the community" DO NOT adopt a traditional CSR approach, where the value lies in doing good.*

Null Hypothesis 4: *South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good.*

Alt Hypothesis 4: *South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" DO NOT adopt a traditional CSR approach, where the value lies in doing good.*

The variables under the CSR paradigm included as per Porter and Kramer (2011) framework:

- Value: the real value of social responsibility programs for our organisation lies in doing good for the society;
- Decision on Social Responsibility Programs: Agenda is determined by external reporting and personal preferences;
- Reasons for Social Responsibility Programs: Discretionary or in response to external pressure;
- Economic View of Social Responsibility: Separate from profit maximization;
- Role of social programs: Citizenship, Philanthropy, and Sustainability; and
- Impact limited by corporate footprint and CSR Budget (CSR).

Literature review revealed a dichotomy facing organisations adopting CSR activities, where this adoption is either seen as socially responsive behaviour based on ''normative or ethical considerations'' or CSR as managing corporate image and other business achievements' instrumental activities (Moir (2001 as cited in McAdam & Leonard, 2003).

To test the relationship between the ranking in the top ten (10) as a "corporate doing the most for the community' and the CSR variables, we utilized a logistic regression statistical analysis. We ran the logistic regression on a forward conditional method.

In stepwise selection, an attempt is made to remove any insignificant variables from the model before adding a significant variable to the model (IBM SPSS, 2012). Having a look at the results, we observed that most of the statements / themes that form CSR variables did not come through significantly in the models. Thus these variables did not have a good predictive power for the respondents that agreed with the statements in the CSR model. These results are aligned with, the Trialogue CSI handbook (2005), assertion that organisations more than ever realise the importance of distinguishing Corporate Social Responsibility from charitable donations and good works e.g. philanthropy. It was argued further that CSR goes beyond charity and requires that a responsible company takes into full account its impact on all stakeholders and on the environment when making decisions (Anver, African Business Magazine, 2007).

What we did find in relation to CSR and top 10 positive image ranking (when reading a logistic regression the output is always read as times more likely / Likelihood) is that a company that is endorsed for "the social responsibility agenda of our company is largely determined by external reporting on societal ills e.g. millennium development goals, budget speech etc" will be 2.94 times more likely to have a respondent say Yes to the company being in the top companies.
While a company that is endorsed for "provisions for corporate social responsibility by our company should be separate to its profit maximisation function" is -2.46 times more likely to have a respondent say Yes to the ranking. This is aligned with the criteria under strategic CSR that contends that social goals might be seen as profitable in the long-term, since market forces provide financial incentives for perceived socially responsible behavior (Bhattacharyya, 2009)

Table 6.22: Logistic regression CSR

CSR Model				
	Times More Likely	**Times Less Likely**		**Predictive Power**
The social responsibility agenda of our company is largely determined by external reporting on societal ills e.g. millennium development goals, budget speech etc	2.94		No %	92.30
Provisions for corporate social responsibility by our company should be separate to its profit maximisation function.	-2.46	2.46	Yes %	46.70
			Overall %	75.60

The results indicate that provisions for corporate social responsibility should not be separate from its profit maximisation function. This is thus against the traditional functional view, that states that the primary function of business is to make money, and it considers it inappropriate for business to take on tasks that belong to other units in society (Dembo, 1991). The results also indicate that corporates undertaking social responsibility programs, should conduct an external analysis of the business they are in and align with the happenings of the society around them, to ascertain which societal problems to tackle. These results further reveal that CSR practice that could lead to a top 10 positive image ranking, would have to be beyond philanthropic activities, but rather aligned with Carrol's (2001) Strategic CSR theory. Carrol (2001) asserts that strategic philanthropy, is undertaken to accomplish strategic business goals i.e. good deeds that are believed to be good for business as well as for the society, which lead to a win-win situation for both the business and society. Thus to achieve the win-win goals, a corporate undertaking social responsibility programs cannot view CSR as per Porter and Kramer (2011) CSR paradigm, where the value lies in creating value for society only, where decisions on CSR are determined by external reporting and personal preferences (CSR); where reasons for undertaking social responsibility programs are discretionary or in response to external pressure, where CSR activities are seen to be separate from the profit maximisation of business and thus impacting on the budget set for these programs.

7.3 Discussion pertaining to CSV Hypothesis 2 and 3

The quantitative study set out to test the following hypothesis relating to CSV paradigm as proposed by Porter and Kramer (2011).

Null Hypothesis 2: South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

Alt Hypothesis 2: South African companies that are ranked in the top ten as "brands doing the most to uplift the community" DO NOT adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

Null Hypothesis 3: South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

Alt Hypothesis 3: South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" DO NOT adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

The variables under the CSV paradigm included as per Porter and Kramer (2011) framework:

- Value: Our organisation practices Creating Shared Value with its Social Responsibility Programs, where business can solve social problems and increase its profits at the same time;
- Role of social programs: The real value of social responsibility programs lies in joint company and community value creation;
- Economic View of Social responsibility: Integral to Profit Maximization
- Reasons for undertaking social responsibility programs: Integral to competing;
- Decision on social responsibility program: Agenda is company specific and internally generated (CSV); and
- Impact: Realigns the entire company budget (CSV) and Impact: Return on business (CSV).

As per the CSR approach above, to test the relationship between the top 10 positive image ranking and the CSV variables, we utilized a logistic regression statistical analysis. We ran the logistic regression on a forward conditional method. In stepwise selection, an attempt is made to remove any insignificant variables from the model before adding a significant variable to the model (IBM SPSS, 2012).

When reading a logistic regression, the output is always read as times more likely / Likelihood). Having a look at the results, we observed that most of the statements / themes that form CSV variables did not come through significantly in the models. Thus these variables did not have a good predictive power for the respondents that agreed with the statements in the CSV model.

However, we found that as per the proposed framework a company that is endorsed for the statement "The social responsibility agenda of our company is strategic to our business, company specific and internally generated" will be 7.492 times more likely

to have a respondent say Yes to the company being in the top 10 positive image companies.

This finding is aligned to the strategic CSR paradigm which argues that for any CSR activity, to be regarded as strategic, it should be close **to the mission and vision** of the organisation (Yeoh, 2007; Du et al., 2007; Bruch, 2005).

Table 6.23: Logistic regression CSV

CSV Model					
	Times More Likely	**Times Less Likely**			**Predictive**
The social responsibility agenda of our company is strategic to our business, company specific and internally generated	7.49			No %	96.15
				Yes %	46.67
				Overall %	78.05

Thus the results are inconclusive; we reject the null hypothesis that ranking is dependent on the CSV approach.

However, the two logistic regression models, pulled out a few statements as possible predictors, thus we sought to a factor analysis to observe whether a combination of a few factors can lead to a better predictability of a yes ranking.

7.4 Factor Analysis and Regression

The factor analysis regression had a better predictive power for the respondents that agreed with the statement than the other two models. Predictive Power is a step were the data is reapplied through the model to see how well the model predicts the groups that the respondents fall into. If we have a low percentage for one of the measures it means that the respondents are being incorrectly predicted into another group. When reading a logistic regression the output is always read as times more likely / Likelihood. Thus looking at the factor analysis solution we observe that a company that is endorsed for factor 4 will be 6.33 times more likely to have a respondent say Yes to the company being in the top companies.

Table 6.24: Logistic regression Factor Analysis Predictors

Factor Analysis				
	Times More Likely	**Times Less Likely**		**Predictive Power**
Factor 4	6.33		No %	92.30
Factor 5	8.02		Yes %	80.00
			Overall %	87.80

The next important feature is that the model has a multiplicative relationship. Thus if Factor 4 (made up of statements "social responsibility programs are integral to competitiveness"- CSV and "our organisation practices Creating Shared Value with its social responsibility programs, where business can solve social problems and increase its profits at the same time") and 5 (made up of statements, "the social responsibility agenda of our company is strategic to our business, company specific and internally generated"- CSV and "the social responsibility agenda of our company is largely determined by external reporting on societal ills e.g. millennium development goals, budget speech etc") are endorsed the company will be 6.33 x 8.02 ~50 times more likely to be thought to be in the top companies.

These results of factor 5 are aligned with Lapina, Borkus, & Starineca (2012) definition of charecteristics of a CSV companies, where they argue that this company takes a holistic view on the sustainability problems both inside and outside the company, these organisations pay attention to the value of the profit.

Thus as per Rangan, Chase, & Karim (2012), in addition to the subjective value for consumers of a company's CSR programs, which may be demonstrated by their perceptions of the company and brand loyalty, under CSV approach or reengineering the value chain, corporations can realise a measurable financial reward as well.

We also observe that the CSR model has a less likely score, this is interpreted as the endorsement of the statement will generally reduce the chances of the company being thought of been in the top companies.

7.5 Conclusion

In conclusion factor 4, made up of statements “Social Responsibility Programs are integral to competitiveness”- CSV and “Our organisation practices Creating Shared Value with its Social Responsibility Programs, where business can solve social problems and increase its profits at the same time” – CSV is 6.33 times more likely to predict ranking.

In comparison to factor 5 made up of statements, “The social responsibility agenda of our company is strategic to our business, company specific and internally generated”- CSV and “The social responsibility agenda of our company is largely determined by external reporting on societal ills e.g. millennium development goals, budget speech etc” – CSR is 8.02 times more likely to predict a Yes.

Thus if Factor 4 and 5 are endorsed the company will be 6.33 x 8.02 ~50 times more likely to be thought to be in the top companies.

CHAPTER 8.CONCLUSIONS & RECOMMENDATIONS

8.1 Introduction

This chapter ties all the elements of the study together, concludes the study and follows that research is only relevant if it has implications for the phenomenon under study (Bless & Higson-Smith, 1995). As per Harrison and Reilly (2011), because we used a concurrent convergence mixed approach design, to bring together the strengths of both the quantitative and qualitative research, the following process follows, we have analysed the qualitative and quantitative data separately and the different results are now converged in our interpretation. In our case, the goal of the study was to first establish awareness, perceptions and attitudes towards CSR and CSV amongst the heads of the social development programs department (comparing views from ranked and non-ranked companies). The results of the qualitative study revealed that some companies that were ranked were using a CSV approach while others were using what we called a combination of philanthropy and strategic CSR. The same held true for those companies that were not ranked, where some employed a CSV approach and others a combination of philanthropy and strategic CSR. The second goal was to compare those companies that were ranked and not ranked to ascertain quantitatively if the ranking was dependent on employing the CSV approach or the CSR approach. We found through a logistic regression that using all the variables under CSR did not determine ranking, neither did all the variables under CSV determine ranking. We then ran a factor analysis to determine which statements were grouping and entered these factors into a logistic regression model and found that some variables under CSV combined with some variables from CSR were highly likely to predict ranking as a company doing the most to uplift the community.

We have interpreted the findings, it is now the role of this chapter to summarise the aims of the study, compare them with the findings and draw conclusions on how much and in what manner the goal has been achieved (Bless & Higson-Smith, 1995). The chapter shows how the research results can be generalised to the population under study, we offer suggestions and recommendations, providing a way forward based on the reason that this study was undertaken, to the research design,

to the analysis and interpretation of the results. It provides a summary and also proposes avenues for future research recognising the current study's limitations.

8.2 Conclusions of the study

According to the company DHL (2014), the pertinent questions to be answered regarding shared value of social development programs include: What if the public could see companies in a different light? What if they could see businesses doing good for their communities while simultaneously creating economic benefits for themselves? What if corporate mind sets could be changed to view environmental and social problems – in both advanced economies and developing countries – not as constraints, but as business opportunities?

The study began with a qualitative study to explore the current perceptions and attitudes towards CSR and CSV. We found that while there has been an evolution from pure philanthropy, not all organisations have completely let go of the philanthropy theatre. Instead what has evolved is strategic CSR, where social responsibility programs are now beginning to be linked to the core business of the organisation. We found that the CSV concept is still in its infancy in South Africa with most respondents feeling more comfortable with possessing the full knowledge of CSR more as opposed to the full knowledge of CSR. A CSV strategy is contended to be different from CSR in that it "generates economic value by contributing to the prosperity of the wider society as well as the company, rather than doling out philanthropy in order to add a glossy sheen to the company's reputation" (Lapina, Borkus, & Starineca, 2012, p. 1608).

While there were cases of corporations that had adopted the CSV framework, the practice did not tick all the boxes in the CSV dimension but rather used elements across both CSR and CSV. We found that corporate South Africa felt that the primary reason for partaking in social development programs is for the betterment of society but are also cognisant of the fact that one can create joint community and business value from these programs. Taking the study's mixed approach results into account, we conclude that ranking in the top 10 by the public as "doing the most to uplift the community" is not fully dependent on which side of the paradigm CSR vs. CSV, corporate social development programs are taking (based on ticking taking each dimension of value, roles). However, there are learnings from both the CSR

and the CSV paradigm to ensure social value creation and business value relation (based on strategic objectives).

8.3 Recommendations

Based on the new model after a factor analysis, it is the view of this study that corporate should conduct an external environment audit, either based on government national key priorities, UN development priorities, own dialogue with the community themselves to determine which are the key areas of focus for social development programs (CSR). Corporate social development programs should be seen as integral to competitiveness (CSV) thus once key social issues facing the community surrounding the organisation are identified; the social responsibility agenda of the company should be strategic to the business, company specific and internally generated (CSV). In other words social development programmes should be aligned with the community needs, aligned with the organisation's core business and conversations must start at the top of the organisation chain when business strategies are being formulated as social development programs are central to competing in order for the company to make a meaningful impact and be viewed by the public as "doing the most to uplift the community". This would be based on the fact that the social programs are drawing from the organisation's capabilities or its know-how. The organisations must thus change its thinking of social development programs as being on the periphery but adopt the strategic thinking or the Shared Value approach with its Social Responsibility Programs, where there is an understanding that business can solve social problems (based on external analysis and internal analysis) and increase its profits at the same time (agenda decided based on the business context). If these assumptions are met, the organisation will be 6.33 x 8.02 ~50 times more likely to be thought to be in the top companies "doing the most to uplift communities".

8.4 Suggestions for further research

The focus of this thesis was to test Porter and Kramer's (2011) shared value approach against companies ranked by the public as doing the most to uplift community to see if they were indeed adopting their approach or what they deemed to be the traditional approach of corporate social responsibility programs. It is accepted that the concept of shared value is still in its infancy and that some

practitioners are adopting the concept while others are still navigating on how to apply the concept in their organisation. The study also only looked at the comparison framework and its constructs. This study had the following limitations; the assumption taken in this research was that companies sought to be ranked by the public in the first place, we focused on the model's comparison of the two paradigms based on the dimensions of value, role of social programs, reason for undertaking CSR, economic view, decision on program and impact only; the number of respondents from the ranked companies was very small in both the quantitative and qualitative study, we spoke to all employees regardless of which department of the organisation they worked in as social development programs were assumed to be part of the organisation's "way of doing business". Speaking to the heads of social responsibility departments provided many useful insights, however this was mostly achieved in the qualitative phase.

Future studies need to explore the shared value with a focus on the three areas proposed by Porter and Kramer (2011) on how to derive the joint economic and social value in detail namely: reconceiving needs, products, and customers (meeting societal needs through products, addressing unserved or underserved customer)s; using resources, suppliers, logistics, and employees more productively and improving the local business environment (improving the skills, supplier base, regulatory environment, and supporting institutions in the communities in which a company operates).

CHAPTER 9.References

JSE Limited. (2014, Unknown Unknown). SRI INDEX Background and Criteria. *JSE Rules, Policies and Regulations* . Johannesburg, Gauteng, South Africa. Retrieved March 25, 2016, from JSE: https://www.jse.co.za/

Abor, J., & Adjasi, C. (2007). Corporate governance and the small and medium enterprises sector: theory and implications. *Corporate Governance , 7* (2), 111-122.

Abratt, R., & Kleyn, N. (2012). *European journal of marketing , 46* (7/8), 1048-1063.

Amaratunga, D., Sarshar, M., & Newton, R. (2002). Quantitative and qualitative research in built environment: application of mixed research approach. *Work Study , 51* (1), 17-31.

Bailey, K. (1982). *Methods of Social Research.* London: MacMillan Publishing Co.

Bertram, D. (2007, Unknown Unknown). *Likert Scales are the meaning of life*. Retrieved September 15, 2014, from Poincare: http://poincare.matf.bg.ac.rs/kristina/topic-dane-likert

Bless, C., & Higson-Smith, C. (1995). *Fundamentals of social research methods, an african perspective.* Lusaka: Juta and Co, Ltd.

Boston College. (2009). *How Virtue creates value for business and society.* Boston College , Corporate Citizenship. Boston: Boston College Carrol Shool of management.

Brand South Africa. (Unknown, Unknown Unknown). *Black Economic Empowerment*. Retrieved March 25, 2016, from South Africa.info: http://www.southafrica.info/business/trends/empowerment/BEE-codes.htm#.VvVrs5N9634

Bryman, A. (2006). Integrating quantitative and qualitative research: how is it done? *Qualitative Research , 6* (1), 97-113.

Bryman, A. (2012). *Social Research methods.* New York: Oxford University Press.

Burke, J., & Onwuegbuzie, A. (2004). Mixed methods Research: a research paradigm whose time has come. *Educational Researcher , 33* (7), 14-26.

Camilleri, M. (2012). *Creating Shared Value through Strategic CSR in Tourism.* The University of Edinburgh. Edinburgh: The University of Edinburgh.

Crane, A., Palazzo, G., Spense, L., & Matten, D. (2014). Contesting the Value of 'creating shared value'. *California Management Review , 56* (2).

Creswell, J. (2009b). Chapter 3- The use of theory selection of a research design. In J. Creswell, *Research Design: Qualitative and Quantitative and Mixed Methods Approaches* (pp. 49-71). Thousand Oaks: SAGE Publications.

Creswell, J. (2003). *Research design: qualitative, quantitative and mixed approaches.* London: SAGE Publications.

Creswell, J. (2009a). The selection of a research design. In J. Creswell, *Research Design: Qualitative and Quantitative and Mixed Approaches* (pp. 3-21). Thousand Oaks: SAGE Publications.

Curtis, B., & Curtis, C. (2011). *Social Research: a practical introduction.* London: SAGE publications.

Hosmer, D. W., Hosmer, T., Le Cessie, S., & Lemeshow, S. (1997). A comparison of goodness-of-fit tests for the logistic regression model. Statistics in medicine, 16(9), 965-980.

Dembo, R. *Factors affecting discretionary corporate giving.* University of the Witwatersrand. Johannesburg: Unpublished.

Denscombe, M. (2008). A research Paradigm for the Mixed Methods Approach. *Journal of Mixed Methods Research , 2* (3), 270-283.

DHL . (2014, April unpublished). *Solutions: Delivered. the global logistics magazine*. Retrieved October 13, 2014, from DHL Delivered, the global logistics magazine web site: www.delivered.dhl.com

Greene, J., Caracelli, V., & Graham, W. (1989). Toward a conceptual framework if mixed method evaluation designs. *Educational Evaluation and Policy Analysis , 11* (3), 255-274.

Groenewald, J. (1986). *Social Research: Design and Analysis.* Grahamstown: University Publishers and Booksellers Limited.

Gummesson, E. (2003). All research is interpretive. *Journal of business and industrial marketing* , 482-492.

Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). Chapter 1 - Introduction: Methods and Model Building. In J. F. Hair, W. C. Black, B. J. Babin, & R. E. Anderson, *Multivariate Data Analysis: A Global Perspective* (pp. 1-30). Boston: Pearson.

Harrison, R. L., & Reilly, T. M. (2011). Mixed methods designs in marketing research. *Qualitative Market Research: An International Journal* , 7-26.

Hinson, R., & Ndhlovu, T. (2007). Conceptualising corporate social responsibility (CSR) and social investment (CSI): The South African context. *Social Responsibility Journal , 7* (3), 332-346.

Hinson, R., & Ndhlovu, T. (2011). Conceptualising corporate social resposnibility and corporate social investment: the South African context. *Social Responsibility Journal , 7* (3), 332-346.

IBM SPSS. (2012, Unknown Unknown). *IBM Knowledge Center*. Retrieved March 25, 2016, from IBM Knowledge Center Web Site: http://www.ibm.com/support/knowledgecenter/SSLVMB_21.0.0/com.ibm.spss.statistics.help/idh_lreg.htm

Javaras, N. (2004). *Statistical analysis of Likert Data on Attitudes.* University of Oxford. Oxford: Oxford University.

Johnson, B., Onwuegbuzie, A., & Turner, L. (2007). Toward a definition of mixed methods research. *Journal of mixed methods research* , 1-112.

Kuljan, C. (2006, March 03). *CSI matters*. Retrieved March 03, 2006, from CSI Matters: http://www.csimatters.co.za/news.asap

Lapina, I., Borkus, I., & Starineca, O. (2012). Corporate Social Responsibility and Creating Shared Value: case of Latvia. *World Academy of Science, Engineering and Technology , 6*, 1605-1611.

Luthans, F., & Hodgettes, R. (1972). *Social issues in business: poverty, civil rights, ecology and consumerism.* New York: Macmillan.

Malhotra, N. K., & Birks, D. F. (2007a). Chapter 23: Factor analysis. In *Marketing Research: An applied Approach* (pp. 645-665). Upper Saddle River: Prentice Hall.

Moore, C. (2014). *Corporate Social Responsibility and creating shared value, what's the difference.* Little Rock: Heifer International.

Neville, b. A., Bell, S. J., & Whitwell, G. J. (2011). Stakeholder Salience Revisited: Refining, Redefining, and Refueling an Underdeveloped Conceptual Tool. *Journal of Business Ethics* , 357-378.

Onwuegbuzie, A., & Johnson, B. (2006). The validity in mixed research. *Research in the schools , 13* (1), 48-63.

Papasolomou, I., & Idowu, S. (2007). Are the corporate social responsibility matters based on good intentions or false pretenses? An empirical study of the motivations behind the issuing of CSR reports by UK companies. *Corporate Governance , 7* (2), 136-147.

Paul Dunn, B. S. (2009). The relationship among board of director characteristics, corporate social performance and corporate financial performance. *International Journal of Managerial Finance* , 407 - 423.

Porter, M. (2012). Creating shared value: the path forward. *FSG Shared Value leaders Summit* (pp. 1-17). Boston: FSG.

Porter, M. (2012). Creating Shared Value: The path forward. *FSG shared value leadership summit* (pp. 1-17). Boston: Harvard Business Review.

Porter, M., & Kramer, M. (2011, January-February 1). Creating Shared Value, how to reinvent capitalism-and unleash a wave of innovation and growth. *Harvard Business Review* , pp. 1-17.

Porter, M., Hills, G., Pfitzer, M., Patscheke, S., & Hawkins, E. (2011). Measuring Shared Value: How to unlock value by linking social and business results. *FSG* (pp. 1-24). Massachusetts: FSG.

Rangan, K., Chase, L., & Karim, S. (2012). *Why every company needs a CSR strategy and how to build it.* Massachusetts: Harvard Business School.

Santos, R. (1999, Unknown Unknown). *Cronbach's Alpha: A Tool for Assessing the Reliability of Scales.* Retrieved March 25, 2016, from Journal of Extension (JOE): http://www.joe.org/joe/1999april/tt3.php?ref

Tavakol, M., & Dennick, R. (2011). Making sense of Cronbach's alpha. *Int J Med Educ* , 53–55.

The Department of Trade and Industry (DTI). (Unknown, Unknown Unknown). *Broad-Based Black Economic Empowerment*. Retrieved March 25, 2016, from Department of Trade and Industry Web Site: https://www.thedti.gov.za/economic_empowerment/bee.jsp

Trialogue. (2013). *The Corporate Social Investment Handbook.* Cape Town, Western Cape, South Africa: Trialogue.

Wagner, C., Kawulich, B., & Garner, M. (2012). *Doing Social Research: A global context.* Berkshire: McGraw-Hill higher education.

Welman, J., & Kruger, S. (2001). Chapter 9: Data analysis and interpretation of results. In J. Welman, & S. Kruger, *Research Methodology* (pp. 193-217). Cape Town: Oxford Southerb Africa.

Williamson, J. b., Karp, D. A., Dalphin, J. R., & Gray, P. S. (1982). *The research craft, an introduction to social research methods.* Canada: Little, Brown and Company Canada Limited.

Wilson, I. (2000). The new rules ethics, social responsibility and strategy . *Strategy and leadership , 28* (3), 12-16.

APPENDIX A: Cross-Tabulation Results

Results pertaining to Hypothesis 1: Null Hypothesis 1: South African companies that are ranked in the top ten as “brands doing the most to uplift the community” adopt a traditional CSR approach, where the value lies in doing good.

Of those whose companies are ranked in the Sunday Times top 10 for company “doing the most to uplift the community”, more than a half (54.5% strongly agreed) with the statement that the real value of social responsibility programs lies in doing good. In comparison, 34.6% non-ranked companies strongly agreed with the statement, of those that did not know whether their companies were ranked or not, 25% also felt than the value lies in doing good for the society.

The real value of social responsibility programs for our organisation lies in doing good for the society * Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? Crosstabulation

		Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?			
		Yes	No	Don't Know	Total
The real value of social responsibility programs for our organisation lies in doing good for the society	Disagree Count	0[a]	0[a]	1[a]	1
	% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	0.0%	0.0%	4.2%	1.6%

	Neutral	Count	1[a]	3[a]	2[a]	6
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	9.1%	11.5%	8.3%	9.8%
	Agree	Count	4[a]	14[a]	15[a]	33
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	36.4%	53.8%	62.5%	54.1%
	Strongly Agree	Count	6[a]	9[a]	6[a]	21
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	54.5%	34.6%	25.0%	34.4%
Total		Count	11	26	24	61
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	100.0%	100.0%	100.0%	100.0%

Each subscript letter denotes a subset of Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? categories whose column proportions differ significantly from each other at the .05 level.

Decision on Social Responsibility Programs: Agenda is determined by external reporting and personal preferences (CSR)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, only 27.3 % strongly disagree with the premise that the agenda on which programs to partake on is externally generated (compared to only 23%% of the companies that don’t feature)

The social responsibility agenda of our company is largely determined by external reporting on societal ills e.g. millennium development goals, budget speech etc * Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? Cross tabulation

			Has your company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?			
			Yes	No	Don't Know	Total
The social responsibility agenda of our company is largely determined by external reporting on societal ills e.g. millennium development goals, budget speech etc	Strongly disagree	Count	0a	2a	2a	4
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	0.0%	7.7%	8.3%	6.6%
	Disagree	Count	4a	12a	7a	23
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	36.4%	46.2%	29.2%	37.7%
	Neutral	Count	4a	6a	8a	18
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	36.4%	23.1%	33.3%	29.5%
	Agree	Count	2a	6a	7a	15
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	18.2%	23.1%	29.2%	24.6%

	Strongly Agree	Count	1[a]	0[a]	0[a]	1
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	9.1%	0.0%	0.0%	1.6%
Total		Count	11	26	24	61
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	100.0%	100.0%	100.0%	100.0%

Each subscript letter denotes a subset of Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? categories whose column proportions differ significantly from each other at the .05 level.

Reasons for Social Responsibility Programs: Discretionary or in response to external pressure (CSR)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, only 27.3% strongly disagree with the premise that the agenda on which programs to partake on is reactive (compared to only 7.7 % of the companies that don’t feature)

The social responsibility agenda of our company is determined as and when the societal ills/problems arise * Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? Cross-tabulation

			Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?			
			Yes	No	Don't Know	Total
The social responsibility agenda of our company is determined as and when the societal ills/problems arise	Strongly disagree	Count	3a	2a, b	0b	5
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	7.7%	0.0%	8.2%
	Disagree	Count	2a	11a	10a	23
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	18.2%	42.3%	41.7%	37.7 %
	Neutral	Count	2a	3a	8a	13
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	18.2%	11.5%	33.3%	21.3 %
	Agree	Count	3a	9a	5a	17
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	34.6%	20.8%	27.9 %
	Strongly Agree	Count	1a	1a	1a	3

	% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	9.1%	3.8%	4.2%	4.9%
Total	Count	11	26	24	61
	% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	100.0%	100.0%	100.0%	100.0 %

Each subscript letter denotes a subset of Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? categories whose column proportions differ significantly from each other at the .05 level.

Economic View of Social Responsibility: Separate from profit maximization (CSR)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, only 9.1 % strongly agree with the notion that CSR should be separate to its profit maximization function (compared to only 11.5 % of the companies that don’t feature)

Provisions for corporate social responsibility by our company should be separate to its profit maximisation function. * Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? Crosstabulation

			Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?			
			Yes	No	Don't Know	Total
Provisions for corporate social responsibility by our company should be separate to its profit maximisation function.	Strongly disagree	Count	2a	0b	0b	2
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	18.2%	0.0%	0.0%	3.3%
	Disagree	Count	1a	3a	8a	12
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	9.1%	11.5%	33.3%	19.7%
	Neutral	Count	3a	7a	4a	14
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	26.9%	16.7%	23.0%
	Agree	Count	4a	13a	8a	25
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	36.4%	50.0%	33.3%	41.0%
	Strongly Agree	Count	1a	3a	4a	8

	% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	9.1%	11.5%	16.7%	13.1 %
Total	Count	11	26	24	61
	% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	100.0%	100.0%	100.0%	100.0 %

Each subscript letter denotes a subset of Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? categories whose column proportions differ significantly from each other at the .05 level.

Decision on Social Responsibility Programs: Agenda is determined by external reporting and personal preferences (CSR)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, 18.2 % strongly agree with the notion that the social responsibility agenda of the company is largely determined by top management preference (compared to 3.8% of the companies that don’t feature)

The social responsibility agenda of our company is largely determined by top management preference * Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? Crosstabulation

		Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	Total

			Yes	No	Don't Know	
The social responsibility agenda of our company is largely determined by top management preference	Strongly disagree	Count	1a	0a	1a	2
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	9.1%	0.0%	4.2%	3.3%
	Disagree	Count	3a	7a	4a	14
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	26.9%	16.7%	23.0%
	Neutral	Count	2a	7a	5a	14
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	18.2%	26.9%	20.8%	23.0%
	Agree	Count	3a	11a	10a	24
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	42.3%	41.7%	39.3%
	Strongly Agree	Count	2a	1a	4a	7
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	18.2%	3.8%	16.7%	11.5%
Total		Count	11	26	24	61

	% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	100.0 %	100.0%	100.0%	100.0 %

Each subscript letter denotes a subset of Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? categories whose column proportions differ significantly from each other at the .05 level.

Role of social programs: Citizenship, Philanthropy, and Sustainability (CSR)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, 81.6 % disagree with the notion that social responsibility should be limited to donations or grants to causes (compared to 76.9% of the companies that don’t feature who agree)

Corporate social responsibility should be limited to donations or grants to causes * Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? Crosstabulation

			Has your company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?			
			Yes	No	Don't Know	Total
Corporate social responsibility should be limited to donations or grants to causes	Strongly	Count	4a	9a	7a	20

responsibility should be limited to donations or grants to causes	disagree	% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	36.4%	34.6%	29.2%	32.8%
	Disagree	Count	5_a	11_a	13_a	29
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	45.5%	42.3%	54.2%	47.5%
	Neutral	Count	1_a	5_a	1_a	7
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	9.1%	19.2%	4.2%	11.5%
	Agree	Count	1_a	1_a	3_a	5
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	9.1%	3.8%	12.5%	8.2%
Total		Count	11	26	24	61
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	100.0%	100.0%	100.0%	100.0%

Each subscript letter denotes a subset of Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? categories whose column proportions differ significantly from each other at the .05 level.

Impact: Impact limited by corporate footprint and CSR Budget (CSR)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, 90.9 % agree that social responsibility should be given a separate budget annually (compared to 80.7% of the companies that don’t feature who agree)

Corporate Social responsibility programs should be given a separate budget annually * Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? Crosstabulation

			Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?			
			Yes	No	Don't Know	Total
Corporate Social responsibility programs should be given a separate budget annually	Disagree	Count	0[a]	0[a]	2[a]	2
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	0.0%	0.0%	8.3%	3.3%
	Neutral	Count	1[a]	5[a]	3[a]	9
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	9.1%	19.2%	12.5%	14.8 %
	Agree	Count	6[a]	18[a]	14[a]	38

		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	54.5%	69.2%	58.3%	62.3 %
	Strongly Agree	Count	4_a	3_a	5_a	12
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	36.4%	11.5%	20.8%	19.7 %
Total		Count	11	26	24	61
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	100.0%	100.0%	100.0%	100.0 %

Each subscript letter denotes a subset of Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? categories whose column proportions differ significantly from each other at the .05 level.

9.1 Results pertaining to Hypothesis 2:

Null Hypothesis 2: South African companies that are ranked in the top ten as “brands doing the most to uplift the community” adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, 63 % strongly agree with the premise that the real value of social responsibility programs lies in joint company and community value creation (compared to only 46.2%% of the companies that don’t feature

The real value of social responsibility programs lies in joint company and community value creation * Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? Cross tabulation

			Has your company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?			
			Yes	No	Don't Know	Total
The real value of social responsibility programs lies in joint company and community value creation	Disagree	Count	1	1	1	3
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	9.1%	3.8%	4.2%	4.9%
	Neutral	Count	0	3	2	5
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	0.0%	11.5%	8.3%	8.2%
	Agree	Count	3	10	10	23

		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	38.5%	41.7%	37.7%
	Strongly Agree	Count	7	12	11	30
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	63.6%	46.2%	45.8%	49.2%
Total		Count	11	26	24	61
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	100.0%	100.0%	100.0%	100.0%

Economic View of Social responsibility: Integral to Profit Maximization (CSV Paradigm)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, more than a fifth (27.3%) strongly agree with the premise that social responsibility programs are integral to their company’s profit maximization (compared to only 7.7% of the companies that don’t feature)

Our Social responsibility programs are integral to our company's profit maximisation function. * Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? Crosstabulation

	Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	Total

			Yes	No	Don't Know	
Our Social responsibility programs are integral to our company's profit maximisation function.	Strongly disagree	Count	0[a]	3[a]	2[a]	5
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	0.0%	11.5%	8.3%	8.2%
	Disagree	Count	1[a]	8[a]	5[a]	14
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	9.1%	30.8%	20.8%	23.0%
	Neutral	Count	4[a]	8[a]	8[a]	20
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	36.4%	30.8%	33.3%	32.8%
	Agree	Count	3[a]	5[a]	9[a]	17
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	19.2%	37.5%	27.9%
	Strongly Agree	Count	3[a]	2[a, b]	0[b]	5
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	7.7%	0.0%	8.2%
Total		Count	11	26	24	61

	% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	100.0%	100.0%	100.0%	100.0%

Each subscript letter denotes a subset of Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? categories whose column proportions differ significantly from each other at the .05 level.

Decision on social responsibility program: Agenda is company specific and internally generated (CSV)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, 63,6 % strongly agree with the notion that CSR is strategic to their business, company specific and internally generated (compared to only 3.8% % of the companies that don’t feature)

The social responsibility agenda of our company is strategic to our business, company specific and internally generated * Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? Crosstabulation

			Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?			
			Yes	No	Don't Know	Total
The social responsibility agenda of our company is strategic to our business, company specific and internally	Disagree	Count	0a	5a	1a	6
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	0.0%	19.2%	4.2%	9.8%
	Neutral	Count	1a	4a	3a	8

generated		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	9.1%	15.4%	12.5%	13.1%
	Agree	Count	3[a]	16[a, b]	18[b]	37
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	61.5%	75.0%	60.7%
	Strongly Agree	Count	7[a]	1[b]	2[b]	10
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	63.6%	3.8%	8.3%	16.4%
Total		Count	11	26	24	61
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	100.0%	100.0%	100.0%	100.0%

Each subscript letter denotes a subset of Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? categories whose column proportions differ significantly from each other at the .05 level.

Impact: Realigns the entire company budget (CSV)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, 45.5 % strongly agree with the notion that the budget for CSR programs should be integrated as part of the total organization budget for the year (compared to only 15.4 % of the companies that don’t feature)

Corporate Social Responsibility programs budget should be integrated as part of the total organisation budget for the year * Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? Crosstabulation

			Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?			
			Yes	No	Don't Know	Total
Corporate Social Responsibility programs budget should be integrated as part of the total organisation budget for the year	Disagree	Count	0a	0a	2a	2
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	0.0%	0.0%	8.3%	3.3%
	Neutral	Count	3a	2a	5a	10
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	7.7%	20.8%	16.4%
	Agree	Count	3a	20b	11a	34
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	76.9%	45.8%	55.7%
	Strongly	Count	5a	4a	6a	15

	Agree	% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	45.5%	15.4%	25.0%	24.6%
Total		Count	11	26	24	61
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	100.0%	100.0%	100.0%	100.0%

Each subscript letter denotes a subset of Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? categories whose column proportions differ significantly from each other at the .05 level.

Impact: Return on business (CSV)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, 45.5 % claim to measure return on business from social programs (compared 27% of the companies that don’t feature who agree)

We measure return on business e.g. increase in revenue, market share, from social programs * Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? Crosstabulation

		Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?			
		Yes	No	Don't Know	Total
We measure return on Strongly	Count	$0_{a, b}$	4_{b}	0_{a}	4

business e.g. increase in revenue, market share, from social programs	disagree	% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	0.0%	15.4%	0.0%	6.6%
	Disagree	Count	3[a]	10[a]	11[a]	24
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	38.5%	45.8%	39.3%
	Neutral	Count	3[a]	5[a]	8[a]	16
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	19.2%	33.3%	26.2%
	Agree	Count	3[a]	7[a]	2[a]	12
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	26.9%	8.3%	19.7%
	Strongly Agree	Count	2[a]	0[b]	3[a, b]	5
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	18.2%	0.0%	12.5%	8.2%
Total		Count	11	26	24	61

	% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	100.0%	100.0%	100.0%	100.0 %

Each subscript letter denotes a subset of Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? categories whose column proportions differ significantly from each other at the .05 level.

Reasons for undertaking social responsibility programs: Integral to competing (CSV)

Of those respondents who claimed their company featured in the top 10 as “brands doing the most to uplift the community”, 81 % agree that social responsibility is integral to competitiveness (compared to 42% of the companies that don’t feature who agree)

Social Responsibility Programs are integral to competitiveness * Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? Crosstabulation

			Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?			Total
			Yes	No	Don't Know	
Social Responsibility Programs are integral to competitiveness	Strongly disagree	Count	0a	0a	1a	1
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	0.0%	0.0%	4.2%	1.6 %
	Disagree	Count	0a	6a	5a	11

		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	0.0%	23.1%	20.8%	18.0%
	Neutral	Count	2a	9a	4a	15
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	18.2%	34.6%	16.7%	24.6%
	Agree	Count	6a	8a	11a	25
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	54.5%	30.8%	45.8%	41.0%
	Strongly Agree	Count	3a	3a	3a	9
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	27.3%	11.5%	12.5%	14.8%
Total		Count	11	26	24	61
		% within Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years?	100.0%	100.0%	100.0%	100.0%

Each subscript letter denotes a subset of Has you company featured in the Sunday times Top brand survey for the company "doing the most to uplift the community" in the past 3 years? categories whose column proportions differ significantly from each other at the .05 level.

APPENDIX B

Letter from University

APPENDIX C: Actual Research Instrument: Qualitative

ORAL CONSENT FORM

Study Title: Corporate Social Development Programmes

Researcher: Judith Mugeni

- Before the interview, the study has been explained to me in a language that I comprehend. All the questions I had about the study have been answered. I understand what will happen during the interview and what is expected of me. .
- I have been informed that anything I say during the interview today will remain completely confidential: my name will not be used nor any other information that could be used to identify me.
- It has been explained that sometimes the researchers find it helpful to use my own words when writing up the findings of this research. I understand that any use of my words would be completely anonymous (without my name). I have been told that I can decide whether I permit my words to be used in this way.

Signature of participant:

NAME (in capital letters)	**SIGNATURE OR THUMB PRINT**	**DATE OF SIGNATURE** (in DD/MM/YYYY)

I have discussed the study with the respondent named above, in a language he/she can comprehend.

I believe he/she has understood my explanation and agrees to take part in the interview.

NAME (in capital letters)	**SIGNATURE**	**DATE OF SIGNATURE** (in DD/MM/YYYY)

In-depth Interview Topic Guide

Participant Company ----------

---------- Gender: Male / Female Date |__|__/__|__/__|__|

Introduction

I am _____ from _____

- ✓ General purpose of the study
- ✓ Aims of the interview and expected duration
- ✓ Who is involved in the process (other participants)
- ✓ Why the participant's cooperation is important
- ✓ What will happen with the collected information and how the participant/target group will benefit
- ✓ Any questions?
- ✓ Consent

Warm up [demographic & work history]

Can I ask some details about you and your job and company

Full Company name?

Location?

Number of employees?

Yearly Turnover (not compulsory)

Your name

Position/ Job Title _____

Education background

Years worked at this COMPANY |__|__|yrs|__|__|mths

Now I am going to ask you some questions about your organisation views on social development programs

Dimensions	**Topic and Probes**

Aware and perceptions of Social Responsibility	In your opinion what is the primary function of a business? How do CSR programs fit into this function? Who are the most important stakeholders for your organisation? What do you understand by social responsibility? Probes Please tell me about your understanding and experience of Social Responsibility. Are you aware of any new trends or new practices in the social development programmes space? And if so please could you tell me about them. In your opinion what have been the driving forces for business to undertake social development programs Probe: what are the reasons that may move a company to adopt CSR practices (not your company but companies in general), External pressure? Legal Pressure? Internal Pressure Does your company have a Sustainability Policy? For suppliers? Employees?
Role of Social Programs	In your opinion, what do you feel are South Africa's social ills? Probe: What are the problems affecting South African communities? Do you feel that these social ills affect your business in any way? And if so how is your organisation affected by these social ills? In your opinion who is responsible to solve these societal ills? Probe: Whose responsibility are social problems? Who is best suited to solve societal issues? In your opinion what is the businesses role in solving the above societal issues? What is your organisation's current practice with regards to corporate social responsibility? When did or how long has your organisation been partaking in Social development programs? Which is the area of social responsibility more significant for your company? Probes: Philanthropy (giving out donations to causes) Governance and

	dialogue with the stakeholders, Policy towards employee, Relationship with clients and suppliers, Relationship with the community, Environment protection Does your company have a specific department and or management person responsible for these programs? Is social responsibly on the business agenda? Which of the following activities do you want to realize in the next years? Prompt: Communicate company performance in CSR and sustainability to stakeholders, Improve environmental impact of products/services, Develop new products/services which help to reduce social or environmental problems, Improve energetic influence, Reduce green house gas emission or waste, Improve rigid control on suppliers concerning standard regarding human rights
Decision on programs and reasons for undertaking?	How do you go about choosing which social responsibility programs you should partake in? Probe: is there a methodology and could you share it with me or provide any examples? How is the agenda determined on Social Responsibility? Were any stakeholders consulted when CSR policies were developed? If so who? Probe: How active are the following stakeholders in your CSR program? Shareholders, Institutional investors, Business services suppliers, Social and Environmental NGOs, Employees, Customers, Suppliers Who makes the final decision on which programs to undertake? Is there a department dedicated to looking after the CSR programs? How many people work in this department? How do you allocate budget to your social responsibility programs? How much or what percentage of your budget is geared towards social development programs?
Reasons for undertaking CSR (Value)	Does your organisation set objectives or goals for CSR programs? What are your organisational objectives or goals for partaking in social responsibility programs? • Probe: you can mention more than one

	Have you had any pressure from any organisation to partake in social development program?
Value of CSR on the organisation and Economic View	Why does your organisation take part in social development programs? In your opinion what is the derived value of CSR? Probe: what is the gain for the business? For the community? Probe: Can Social programs provide economic value to your company? And if so how? Have you seen any of this economic value in your programs?
Economic View	In your opinion what is the function of a business? How do CSR programs fit into this function?
Impact	What does success look like for your company in the undertaken social development programs? What is the impact of social development programs on the society and the business? Probe: What are the limitations with reaching your goals? How do you measure success? Has their been any changes in your organisation or industry on how to measure these programs? Does your company publish a Corporate Social Responsibility (CSR)/ Sustainability Report? What are your thoughts regarding awards in the CSR space? What are some of the awards that you are really proud of? Which are in your opinion problems related to the development of initiatives in the field of social responsibility by your company?
Awareness and Knowledge of Creating Shared Value	Are you aware of the newly introduced concept Creating Shared Value? If yes what is your understanding of this concept? Do you adopt this model in your organisation This concept centres around strategic CSR that benefits both the business and community for example designing new products and services that meet social and environmental needs while simultaneously delivering a financial return, what are your views regarding this?

Closing

Is there anything else you think is important in diagnosing malaria that we have not talked about?

- ✓ Summarise
- ✓ Thank participant
- ✓ Provide extra information and contacts to participants

APPENDIX D: IDI Contact Summary Form

IDI Contact Summary Form

Contact summary form for each in-depth interview

IDI NO: |__|__|__|__| **Facilitator Initials:** |__|__|__|

Participant sub-group type (*circle*): male/female

Audio file #: |__|__|__|__| **Date:** |__|__|/|__|__|/|__|__|

Today's date: |__|__|/|__|__|/|__|__|

1. How would you describe the atmosphere and context of the interview?

2. What were the main points made by the respondent during this interview?

3. What new information did you gain through this interview compared to previous interviews?

4. Was there anything surprising to you personally? Or that made you think differently?

5. What messages did you take from this interview for intervention design?

6. Were there any problems with the topic guide (e.g. wording, order of topics, missing topics) you experienced in this interview?

9.1.1 *Notes*

APPENDIX E: Quantitative Questionnaire

APPENDIX E: Consistency matrix

Table 1: Consistency matrix

• **Since CSR activities require substantial investment from the corporate budget, it is imperative for businesses funders/donors to showcase return on investment. The main problem is thus to analyse and evaluate whether Corporate South Africa involved in social development programmes indeed implement these programs beyond reputation enhancing activities but in ways that both deliver long-term business value and benefit society.**					
•	• **Literature Review**	• **Hypotheses or Propositions or Research questions**	• **Source of data**	• **Type of data**	• **Analysis**

• **Since CSR activities require substantial investment from the corporate budget, it is imperative for businesses funders/donors to showcase return on investment. The main problem is thus to analyse and evaluate whether Corporate South Africa involved in social development programmes indeed implement these programs beyond reputation enhancing activities but in ways that both deliver long-term business value and benefit society.**					
•	• **Literature Review**	• **Hypotheses or Propositions or Research questions**	• **Source of data**	• **Type of data**	• **Analysis**
• Ascertain whether being highly ranked as a brand "doing the most to uplift the community in South Africa" is indicative of a competitive advantage gained through actions that substantially address a social or environment challenge based in either the traditional CSR approach where the value is doing good or utilizing the newly proposed Porter and Kramer's Creating (2011) Shared Value constructs where the value is economic and societal benefits relative to cost.	• (Porter & Kramer, Creating Shared Value, how to reinvent capitalism-and unleash a wave of innovation and growth, 2011) • Freeman (1984) • Friedman as cited in Dembo (1991) • Wood (1991) as cited by Beekman, V et al, 2004	**Null Hypothesis 1:** South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good. **Alt Hypothesis 1:** South African companies that are ranked in the top ten as "brands doing the most to uplift the community" adopt a traditional CSR approach, where the value lies in doing good. **Null Hypothesis 2:** South African companies that are	• • • Secondary Data: Sunday Times Top Brands Survey and desk top research • Primary data through the quantitative study and actual Surveys, interviewing corporate South Africa that spend on social development	Categorical data Text •	As per (Camilleri, 2012) study, we will use descriptive statistics to examine categorical data. We will subsequently conduct a correlation analysis of the main variables using Spearman's rank correlation coefficient. Principal

• **Since CSR activities require substantial investment from the corporate budget, it is imperative for businesses funders/donors to showcase return on investment. The main problem is thus to analyse and evaluate whether Corporate South Africa involved in social development programmes indeed implement these programs beyond reputation enhancing activities but in ways that both deliver long-term business value and benefit society.**					
•	• **Literature Review**	• **Hypotheses or Propositions or Research questions**	• **Source of data**	• **Type of data**	• **Analysis**
• Analyse and evaluate social development paradigm (CSR or CSV) employed by those companies that invest equally or more in social development programs but are not highly ranked as companies "doing the most to uplift the community in South Africa"	• (Porter & Kramer, Creating Shared Value, how to reinvent capitalism-and unleash a wave of innovation and growth, 2011) • Freeman (1984) • Friedman as cited in Dembo (1991) •	**Null hypothesis 3:** South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a creating shared value (CSV) approach, where the value lies in the economic and societal benefits relative to cost **Alt hypothesis 3:** South African companies that are NOT ranked in the top ten as "brands doing the most to uplift the community" adopt a creating shared value (CSV) approach, where the value lies in the economic and	• Secondary Data: Sunday Times Top Brands Survey and desk top research • Primary data through the quantitative study and actual Surveys, interviewing corporate South Africa that spend on social development programs and are listed in the top 10	Categorical Data Text •	As per (Camilleri, 2012) study, we will use descriptive statistics to examine categorical data. We will subsequently conduct a correlation analysis of the main variables using Spearman's rank correlation coefficient. Principal