CORPORATE SOCIAL INVESTMENT

AN INVESTIGATION INTO COMMUNICATION STRATEGIES AIMED AT CURBING UNEMPLOYMENT IN RICHARDS BAY

By

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A thesis submitted in fulfillment of the requirements for

the degree of

Masters in Communication Science

University of Zululand

Academic year 2012

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ETHICAL STATEMENT BY RESEARCHER

With the signature below I, Dadiso Caroline Nyahuye, hereby declare that the work that I present in this thesis is based on my own research, and that I have not submitted this thesis to any other institution of higher education to obtain an academic qualification.

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Dadiso Caroline Nyahuye　　　　　　　　　　　Date

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ABBREVIATION/ACRONYMS

ANC:	African National Congress
ABET:	Adult Basic Education and Training
BAC:	Business against Crime
BEE:	Black Economic Empowerment
BBBEE:	Broad Based Black Economic Empowerment
BRICS:	Brazil, Russia, India, China and South Africa
CSI:	Corporate Social Investment
CSR:	Corporate Social Responsibility
CSIR:	Council for Scientific Industrial Research
CBO:	Communication by Objectives
CBO:	Community Based Organisations
CRS:	Community Relations Specialist
COSATU:	Congress of South African Trade Unions
CSBP:	Centre for Small Business Promotion
DICE:	Do I Care Enough?
ESDP:	Entrepreneurial Skills Development Programme
FAO:	Food and Agricultural Organisation
FET:	Further Education and Training
GDP:	Gross Domestic Product
HAART:	Highly Active Anti-Retroviral Therapy

HIV/AIDS:	Human Immuno-Deficiency Syndrome
HE:	Higher Education
IPEA:	Institute of Applied Economic Research
IDP:	International Development Plan
IMF:	International Monetary Fund
IDC:	Industrial Development Corporation
MNE:	Multinational Enterprises
NGO:	Non-Governmental Organisations
NSRI:	National Sea Rescue Institute
NCV:	National Certificate Vocational
OECD:	Organisation for Economic Cooperation and Development
RBM:	Richards Bay Minerals
RBCT:	Richards Bay Coal Terminal
SANCA:	South African National Council on Alcoholism and Drug Dependence
SEDA:	Small Enterprise Development Agency
SMME:	Small –Micro to Medium Enterprises
SPCA:	Society for the Prevention of Cruelty to Animals
WWW:	World Wide Web
WCT:	Wildlands Conservation Trust
UNGC:	United Nations Global Compact

WRITING CONVENTIONS

The following conventions are used in this study:

The abbreviated Harvard style of referencing in this study, for example Mersham & Skinner (1999:117), meaning Mersham & Skinner 1999, page 18.

Illustrative tables and figures are all given as Figures 1 − 17 and Tables 1 − 5 in their chronological sequence of appearance.

A conscious effort has been made to limit the use of footnotes as far as possible in order to facilitate the uninterrupted reading of the dissertation.

For commonly used terms full terms are used in headings. Acronyms are used following full terms in brackets.

Relevant material relating to Corporate Social Investment was tracked down from websites. Such website addresses are included in the dissertation, both for verification purposes, and for acknowledgement of the source of information. An example of a typical website address is: http://www.csrquest.net/default.aspx?articleID=12770&heading.The World Wide Web (WWW) is transient and ever changing, therefore, one should expect that websites from which information is gathered will be offline or may alter the contents of the website after a period of time.

In instances where the electronic document has been downloaded from a website, the author is given, followed by the year as in: Arklan (2011).

The bibliography has also been organized alphabetically.

The terms Corporate Social Responsibility (CSR) and Corporate Social Investment (CSI) will be used interchangeably. Corporations, organisations, corporate or companies will also be used interchangeably. These terms refer to medium to large businesses.

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ACKNOWLEDGMENTS

Upon completing my research I would like to express my sincere appreciation towards the following persons and institutions:

Firstly, I thank God (Jesus Christ) for making what may have seemed impossible, possible and proved there is nothing too hard for Him. I dedicate this dissertation to my mother (Mai Nyahuye) who encouraged me to undertake a Masters degree for a very long time. I thank my brother Joe, who made the dream possible and here it is at last. Beatrice and Nyasha, the lovely ladies who are always my cheerleaders. Jonathan and Edith ; my foster Mum and Dad from the Richards Bay days, thank you for the support. George and Brenda; for planting the seed and facilitating the whole process. Graham thanks for the support.

Professor Vijay Rugbeer, I thank you for supporting me and always encouraging me. You are one of the reasons I came back for the Masters degree because I knew I would be in capable hands. Dr Kevin Naidoo, your doctorate studies were perfectly timed by the Lord for you to co-supervise me, I feel so blessed for your input and guiding me in your area of expertise. The Communication Science Department needs special mention as they provide so much support for their students. Professor Moyo, thank you for your patience in the strenuous task of editing this thesis and perfecting it. I wish you also the very best and abundance of blessings.

The Communications and Marketing Division, thank you for adopting me in 2011. I would also like to thank my friends and loved ones, who are just too many to mention,who have heard the sob stories and dramas that entail during research and given me advice and support, I wish you all the very best.

ABSTRACT

CORPORATE SOCIAL INVESTMENT

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By Dadiso Caroline Nyahuye

Corporate Social Investment (CSI), a relatively new concept yet fast gaining momentum across the world, defines how corporates have responsibilities towards the environment, local communities and ethical practices. Many organisations have realised that beyond making profits, they are responsible to their various stakeholders and have an obligation towards the improvement of their surroundings. This involves implementing well-structured plans of their corporate social initiatives. It is envisaged that these companies would identify gaps within communities before they implement any social initiatives. Planned initiatives generally tend to appropriately promote social harmony within a target community. The global economic meltdown which has been experienced has caused catastrophic job losses throughout the world. Many companies began cost cutting initiatives. Most companies, unfortunately, began scaling down (or even stopped) their CSI initiatives. This study examines the unemployment situation in Richards Bay (South Africa) and investigates whether the major companies have stepped up or stepped down their CSI initiatives. This takes a close look at how major companies used CSI initiatives to assist communities in overcoming the unemployment crisis. These companies after close scrutiny revealed varying CSI initiatives that cater for diverse areas such as education, environment, and agriculture and skills development. However the communication that exists between the community and corporates needs to be more active and allow the community to be able to provide both input and feedback.

ORIENTATION

INTRODUCTION

This study examines the concept of Corporate Social Investment (CSI) which has emerged as a powerhouse in several companies to offer financial support to communities for social development initiatives. Rockey (2004) in May (2006:1) observed that CSI is a relatively new notion that is attracting the attention of management. However, the concept has become a formal contributor for social change to become a professional sector in its own right. Current trends have propelled business houses to be more proactive and participate in the socio-economic development of communities within their vicinity. Furthermore, the South African government regulation has carved out an indelible and explicit role for CSI.

MOTIVATION OF STUDY

According to the Mail & Guardian (2010), Statistics South Africa released a labour force survey for the first quarter of 2010, stating that unemployment levels escalated from 0, 9 % to 25, 2% for the first quarter of 2010. These figures highlight the gravity of the unemployment situation in the country and region as a whole. This exerts pressure on government since it also needs to manage other political, economic and social issues. These problems involve (mis)management of the HIV and AIDS pandemic, provision of basic services that normally spiral out of control and spark tumultuous problems. This vexes people since they become disgruntled over government's failure to deliver the basic amenities. According to Avert (2011), KwaZulu-Natal has the highest HIV and AIDS prevalence rate and these facts further compound the problems the province faces which is also the second largest.

According to Jacobs *et al.*(2009:7) the potential and current challenges facing people in KwaZulu-Natal are with regards to demographic compositions such as unemployment, income distribution, poverty and inequality. Their study indicated that African individuals are mostly unemployed even though employment in the KwaZulu-Natal agricultural sector has increased since 2003. The income distribution is not equal causing higher levels of poverty and inequality. Agricultural incomes are lowest across all races compared to non-agricultural incomes.

Jacobs *et al.*(2009:8) noted that the KwaZulu-Natal agricultural sector potentially offers a sustainable livelihood. The KwaZulu-Natal value added gross domestic product is approximately 3, 9% from agriculture with 2, 5% of the population in the province working in this sector. Therefore, in light of this fact agriculture seems to be a credible alternative of creating a formidable livelihood. Mafiri (2002:14) observed that the worldwide economic recession exacerbated by globalization caused the highly technologically advanced countries to benefit greater as a result of their ability to produce consumer goods at competitive prices. On the other hand, emerging nations suffered economically due to their need to address their socio-political issues such as racial and employment equity. This is worsened further by their consequential inability to compete economically. The business or corporate world has seemed to fill in the gap by being more responsive towards social development needs within society.

According to De Wet (2007:1) the forerunners of corporate assistance in South Africa were formerly charitable trusts and foundations which served as the vehicles for dedicated skills. This was merely a means of distancing corporate social initiatives from the core business activities. However, recent developments within the corporate sector seem to indicate more active participation in making an impact within their respective communities. According to Freemantle (2007:46) in as much as various companies may offer employment to thousands of people, they should also give back to the community and make a positive difference in the spirit of entrepreneurship. Inevitably the industry and economy cannot accommodate all people, so there is a need for diverse outreach within communities to especially empower the youth.

According to Carroll(1999:269) the early writings of Corporate Social Responsibility (CSR) were referred to more as social responsibility. Carroll (1999:267) also notes that earlier work was preceded from a belief that the largest businesses were the vital centres of power and decision making. Recent trends however have seen an increase in corporate giving, reporting on social responsibility initiatives and an apparent transition from giving as an obligation but rather as a strategy. Smith (1994) noted a shift from making long term commitments to specific social issues and initiatives.

Falck & Heblich (2007:248) outline that CSR is a long term investment in a company's future and must be planned specifically, supervised and evaluated regularly. A good reputation from a supply perspective is necessary to attract, retain and motivate quality employees. Therefore,this provides a mutually beneficial win-win situation for both the business and employees. The fundamental question in this research is to determine strategies the business sector is employing to alleviate the high unemployment levels that are crippling South Africa specifically in Richards Bay. Furthermore, it is also important to observe the manner in which corporates select a particular initiative to support and how they effectively monitor progress and developments.

STATEMENT OF THE PROBLEM

Bernstein (2010) observed that the worst employment figures in the world come from South Africa with nearly five and a half million people unemployed. This translates to one in every six adults being out of work in South Africa. It is, therefore, not plausible for a government to be expected to face and solve this catastrophe alone, but it is of essence that all stakeholders come to the forefront in delivering strategies and innovations. The problem of unemployment could prove to have dire consequences in the community, country and continent if left unattended. Corporate Social Investment seems to offer a solution to these problems since the business community can plough back within their respective communities and empower the disadvantaged and unemployed. The core question which needs to be addressed by this research is:

How and what are the local businesses doing to curb the scourge of unemployment in Richards Bay?

RESEARCH OBJECTIVES

i. To determine how the business community through their Corporate Social Investment practitioners are intervening to alleviate the crisis of unemployment in Richards Bay.
ii. To determine the extent of unemployment within Richards Bay.
iii. To investigate the types of strategies and forms of communication that exists between the company and the community.
iv. To analyse the implementation and impact of CSI initiatives.

DEFINITION OF KEY TERMS

CORPORATE

Corporations are the most common forms of organisations and are given legal rights, privileges and liabilities distinct from those of its member's. This may also mean possessing or existing in bodily form.

Ripken (2009:97) outlined two important characteristics of corporates that it is a legal construct and dependent on the law for form and creation. However, it is also an association forged by mutual agreement of individuals and as such no corporation can exist without the actions and consent of human beings. This term will be used interchangeably with businesses or organisations within the course of the research.

SOCIAL CAPITAL

Aguilar & Sen (2009:424) note that social capital is a relatively recent addition to the social sciences and define social capital as a concept that encompasses social norms, values, beliefs, trust, obligations, relationships, networks, friends and civic engagement. The World Bank (2011) in their definition states that social capital is not just the sum of institutions underpinning a society but rather the glue that holds individual members of the society. The benefits of having social capital tally well with implementation of CSI initiatives since they emphasize on quality engagement of various stakeholders whilst adhering to norms and values.

Putnam (2000:57) concludes that the benefits derived from social capital solve problems easily. Secondly, in his view, social capital greases the wheel that allows communities to advance more smoothly. Social transactions are less costly if people are trustworthy with fellow counterparts in their dealings. Furthermore, there is an increase in the degree of awareness which serves as the conduits for the inflow of helpful information that facilitates the achievement of goals. Smith (2009) sums up the advantages of social capital aptly as an interaction which enables people to build communities, to commit themselves to each other and knit the social fabric. Therefore, even though social capital is an abstract idea, the theory is rooted on the notion of trust with a central focus aimed at cultivating relationships. In relation to CSR, establishing social networks is a valuable asset for organisations as they can successfully ascertain the needs of their respective communities.

INVESTMENT

Investopedia (2012) defines investment as being an asset or item purchased with the intention to generate an income or appreciate in value in the future. In relation to finance and economics an investment is the purchase of goods not consumed presently but used in the future to create wealth. This monetary asset will then increase in value and be sold at a much higher price.

Business Dictionary (2012) also defines an investment as money committed or property acquired for future income. This commitment of money, energy, time or effort towards a particular goal or project with an expectation of profit is closely related to the concept of CSR. However, in light of this research the term invariably means the degree of commitment an organisation will have towards specific initiatives that are geared for improving a community's social or economic needs. This might not necessarily be financial input but can refer to time, manpower or company resources.

COMMUNITY

This generally means a social group of people living in a particular local area that has common interests or goals. Atkinson (2011) defines a community as a group of people that shares beliefs that allow a common understanding expressed in a unique language. This social group of any size has members residing in a specific locality, sharing government and often having a common cultural and historical image. According to the Webster dictionary (2012) a community is a body of persons, nations having a common history or common social, economic and political interests. CSI requires close interaction with the respective community in order to successfully construct relevant strategies.

CORPORATE CITIZENSHIP

Stalley[1] (1998:85) states that Aristotle defines a citizen as an individual who shares in the administration of justice and other offices. The major task of a citizen is to participate in deciding what is good and just in the state and putting this into practice. The term citizen denotes a tone of dignity and respect. Businesses are thereby socially responsible for meeting legal, ethical and economic responsibilities placed on them by shareholders.

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[1] The book '*Aristotle Politics*' was authored by Aristotle and was translated by Sir Ernest Baker. R.F. Stalley edited the book in 1998.

Solomon (1992:149) notes that in as much as an individual can be a citizen, a corporate will then assume the identity of a citizen since it has a responsibility to its stakeholders. Fombrun *et al.*(2000:85) state that there are lucrative benefits for organisations with a citizenship portfolio. A company can generate reputational capital and gains which make it more lucrative. Kolk & Pinkse (2010:17) noted that societal expectations for corporate and managerial behaviour have been elevated with the rules and standards becoming much stricter. According to Altman & Vidaver-Cohen (2000:1) corporate citizenship for the new millennium requires new solutions and approaches to solving common problems at the community level to minimise the negative impact of corporate operations. This has emerged after realizing in the last stages of the twentieth century that they need to consider their impact by beginning at the community level.

Public Relations

According to Cutlip *et al.* (1985:56) public relations is defined as a management function that identifies, establishes and maintains mutually beneficial relationships between an organisation and the various publics on whom its success and failure depends. An organisation therefore needs to be in contact with its different publics albeit internal or external for the creation of a mutually beneficial relationship. These are efforts to establish and maintain a company's image since the public is an asset to the company. Skinner (1994:12) however gives a more apt definition of public relations as an effective two way communication between an organisation and its significant stakeholders. Therefore for CSI to be relevant, an open relationship and good flow of communication would facilitate implementation of relevant and sustainable initiatives that can lead to socio-economic dominance in a community.

Philanthropy

Payton & Moody (2008:6) define philanthropy as the voluntary action for public good. The term refers to an inherent desire for promoting the welfare of others by either donating money or through acts of goodwill. Seifert *et al.* (2003:195) notes that the primary focus of corporate philanthropy is cash donations, given directly to charities as gifts or firms products. The services, managerial expertise and cash donations are given indirectly through a corporate sponsored foundation. According to Carroll (1999:267) the term CSR expresses a situation in which firms go beyond striving for economic gains by assuming responsibility for their impact on the society and their corporate social performance.

Smith (1994), a corporate philanthropy advocate, coined these citizenship responsibilities as the new corporate philanthropy. However, it is important to note that the charity or support must be focused on elevating the communities by responsible giving which is relevant to their needs and wants.

Corporate Governance

According to Shleifer & Vishny (1997:737) corporate governance deals with the ways in which suppliers of finance to corporations assure themselves of getting a return on their investment. Naidoo (2002:1) outlines that corporate governance is essentially about responsible leadership which is answerable, transparent and accountable towards the company's identified stakeholders. Gill (2008:452), however, asserts that corporate governance has diverted from its traditional focus on agency conflicts to focus on issues of ethics, accountability, transparency and disclosure. CSR has increasingly focused on corporate governance as a vehicle for incorporating social and environmental concerns into the business decision-making process, benefiting not only financial investors but also employees, consumers and communities.

Jamali *et al.* (2008:444) outline that under the umbrella of corporate governance, companies are encouraged to promote ethics, fairness, transparency and accountability in all their dealings. Strandberg (2005:4) concurs that good governance is primarily based on values rather than rules and CSR is an external expression of these values. This has attracted increasing attention towards CSR with regards to how companies approach their interactions with their various stakeholders. This will range from providing quality products and services, to undertaking charitable activities.

Research Methods

The research was undertaken in Richards Bay which is a unique, thriving, industrial and manufacturing sector surrounded by a largely rural population. The goal of the research was to identify the programmes or corporate social initiatives that are currently being implemented by major industries within Richards Bay related to the mining sector. These companies included Foskor a leading phosphate and phosphoric acid producer, Richards Bay Minerals (RBM) sand and minerals processing company, Exxaro Sands and Richards Bay Coal Terminal (RBCT).

The data pertaining to the research was extracted after either structured or unstructured interviews with key personnel in charge of these programmes as well as individuals benefiting from these initiatives. A comprehensive literature review is compiled. This review details on the concept of CSR ranging from its origins to how corporates decide to support a particular cause. The communication strategies involved in the crafting of the initiatives is closely analysed. Marketing communications, especially public relations, will be closely examined.

DEMARCATION OF THE STUDY

The study was undertaken in the Richards Bay area where four case studies were selected and closely analysed to identify the communication strategies used to launch the specific initiatives into action. The four case studies included Richards Bay Minerals, Richards Bay Coal Terminal, Exxaro Sands and Foskor. An analysis of how their programmes were implemented and the overall outcome is observed. Most of the information has been sourced thorough investigations, on the site as well as through interviews (with the key personnel).

ETHICAL REQUIREMENTS

A letter of consent was used to obtain permission on behalf of the University and the Department of Communication Science to interview management personnel. Furthermore, the aspect of confidentiality has been upheld with regards to being privy to important company information and documents. The questionnaires contain an information sheet that stipulates that all information may be given voluntarily.

OVERVIEW OF THE STUDY

Chapter Two: Corporate Social Investment

The chapter will focus on the concept of corporate social investment from its origins, definition, nature and practice within organisations. Furthermore ,the implementation of CSI will be noted and the various legislature that govern the exercise in South Africa.

Chapter Three: CSI Skills Development Programmes

The chapter highlights the unemployment levels faced in the country and outlines the impact this poses on the country. KwaZulu Natal and consequently areas such as Richards Bay. In addition the researcher analysed skills development programmes that can alleviate the crisis and organisations set up to encourage entrepreneurship.

Chapter Four: A Communication Science Perspective of CSI

The chapter focuses on the concept of communication and other key inter related areas such as interpersonal and intrapersonal communication. Furthermore, the researcher also analysed the types of communication used within the business context and how organisations can communicate CSI initiatives effectively.

Chapter Five: Conceptual Framework

This chapter outlines communication theories that form the basis for conceptualizing a model that can guide CSI practitioners when implementing initiatives within the community especially to reduce unemployment and empower them.

Chapter Six: Research Methods

This chapter highlights the research methods employed by the researcher on CSI for the four companies RBM, RBCT, Foskor and Exxaro Sands.

Chapter Seven: Data Analysis

In this chapter the data obtained after the research will be compiled and analysed.This includes interviews with the key personnel in charge of the CSI department at the companies under study.

Chapter Eight: Conclusions and Recommendations

In this chapter the researcher uses the findings of the research to provide recommendations for CSI practitioners to consider when implementing initiatives.

CHAPTER SUMMARY

The aims and objectives of the study, which revolve around the concept of corporate social investment, are outlined in this chapter. The fundamental problem being unemployment which has crippled the nation's productivity levels with ripple effects that may lead to an upsurge in criminal activities. This chapter sets the pace for the investigation into how different companies are responding to this need and assist government in improving the lives of people. The next chapter focuses on the aspects of communication that are directly linked to the concept of corporate social investment, bringing to perspective the need for relevant and practical strategies to communicate this concept to various stakeholders.

CORPORATE SOCIAL INVESTMENT

INTRODUCTION

The previous chapter set the pace for the researcher to highlight how Corporate Social Investment (CSI) is being implemented by major business organisations. In this chapter the history of CSI and implementation in South Africa and beyond will be discussed extensively. The manner in which it has been incorporated into the fabric of corporate culture, followed by the process or procedures adopted in constructing relevant communication strategies responsive to community needs will also be discussed. The concept will also bring to light perceptions currently held in the South African context and this will assist the researcher in the evaluation of its impact.

CORPORATE SOCIAL INVESTMENT AND CORPORATE SOCIAL RESPONSIBILITY

CSI has evolved out of a much broader context of CSR (Corporate Social Responsibility).It is essential to clearly demarcate and draw parallels between these two terms. Skinner *et al.* (2004:275) define corporate social responsibility as an area of management developed in response to the changes and demands of society in socio-economic, ethical and moral responsibilities of companies. This will also require compliance with legal and voluntary requirements, the natural environment, challenges posed by the needs of economically disadvantaged people and responsible management of business activities. According to May (2006:5) the difference between these two phrases is not in principle but rather in practice. CSI therefore, will tend to be more relevant towards people living in communities rather than the environment. The company will be responsible for producing safe products, contribute towards sustainable development and improvement of the living conditions of disadvantaged people.

Bueble (2009:5), however, from a Western perspective, states that corporate social responsibility has increasingly been replaced with corporate responsibility aiming not to limit the full scope of corporate responsibility to only social issues.

Kotler & Lee (2005:2) highlight the definition of corporate social responsibility as merely being a commitment to improve the economic well-being through discretionary business practices and contributions of corporate resources. The World Business Council for Sustainable Development (2000) observes the councils focus on economic development by describing corporate social responsibility as being a business commitment. This will ultimately contribute towards sustainable economic development, working with employees, families, local community and society at large to improve the quality of their life.

Franklin *et al.* (2009:97) noted that corporate social responsibility is predicated by a belief that there is more to business than business itself. This is based on the grounds that trade brings obligations and in capitalistic economies a company must return a profit to the shareholders. CSR proposes that there are responsibilities to other stakeholders as well as the environment and social justice. Therefore, a researcher can assume that CSR is not telling society what is good for society but rather responding to a society's wants and needs. CSI is thereby grounded in the funding and involvement of socio-economic development of their immediate communities. The main areas of involvement would be education, housing, health, welfare, job creation, community development and empowerment, small business development, arts and culture, environmental conservation and rural development. Therefore, it is important to note that even though CSR is an overarching and encompassing term, it includes all the components supported by CSI, the only subtle difference being that the latter specifically deals with issues that promote socio- economic development.

ROOTS OF CORPORATE GIVING

The notion of corporates began in the nineteenth century and the industrial revolution which transformed the relations between the communities and commerce. DeWet (2007:4) noted that previously, agrarian societies worked on the land and communities were entitled to a portion of land and harvest. However, the transition from a feudal society to an industrial economy shook up the economic and social relations of production. The migration of people from the land during this period altered the family structures and spawned a new class of capitalists. The first CSI vehicles in South Africa were charitable trusts and foundations.

EVOLUTION OF CSR

DeWet (2007:4) notes that the concept of CSI has a diverse history with formal writings on social responsibility being a product of the twentieth century. These have been more evident in the United States where a sizeable body of literature has been developed. Furthermore, the early writings on CSR, focused more often on social responsibility than CSR because the age of the modern corporates in the business sector had not been noted. Carroll (1999:267) notes that early scholars such as Howard Bowen through his landmark book Social Responsibilities of the Businessman marked the beginnings of the modern period of literature. This included obligations of businessmen to pursue policies, make decisions, or follow those lines of action desirable in terms of the objectives and values of society. Olawski in Hermann (2005:6) highlights that a generally accepted definition of CSR describes three elements of CSR. These are the following:

- A strong, sustained economic performance
- Compliance with financial and legal rules
- Ethical and citizenship actions which advance a corporation's reputation and long-term health.

Auld *et al.* (2008) noted that CSR long ago largely focused on corporate philanthropic activity that usually had little to do with the firm's core business practices. In contrast the new CSR is concerned with addressing an issue directly. Therefore firms now apply the new CSR to show that their firm is actively promoting social and environmental standards that regulate or alter their core practices. This may be an attempt to show that they are ahead of their competitors.

Argandona & Hovick (2009:221) highlighted that CSR of a firm includes moral and legal responsibilities towards other people. These include internal (shareholders, managers, and employees) and external (clients, consumers, suppliers, local community and other groups of interest. This will also involve strategies, policies, tools and standards. In the last decade there has been an increased corporate giving and corporate reporting initiatives. This marks an apparent shift from giving as an obligation to giving as a strategy. According to Smith (1994) in the Harvard Business Review he described this shift from making long term commitments to targeting specific social causes and initiatives.

This would be achieved by providing more cash contributions, sourcing funds from business units as well as philanthropic budgets. Strategic alliances are now formed which can advance the business goals.

PYRAMID OF CORPORATE SOCIAL RESPONSIBILITY

Carroll (1991:42) distinguished four types of social responsibilities that make up CSR as economic, legal, ethical and philanthropic. These four components of CSR are best shown as a pyramid. The basic building block is anchored on the notion that economic performance undergirds all else. Business is expected to obey the law because the law is society's codification of acceptable and unacceptable behaviour. Business's obligation is to do what is right, just, fair and avoid or minimisee harm to stakeholders. Schwartz & Carroll (2003:503) concur that business is expected to be a good corporate citizen by contributing either financial or human resources for the betterment of the community.
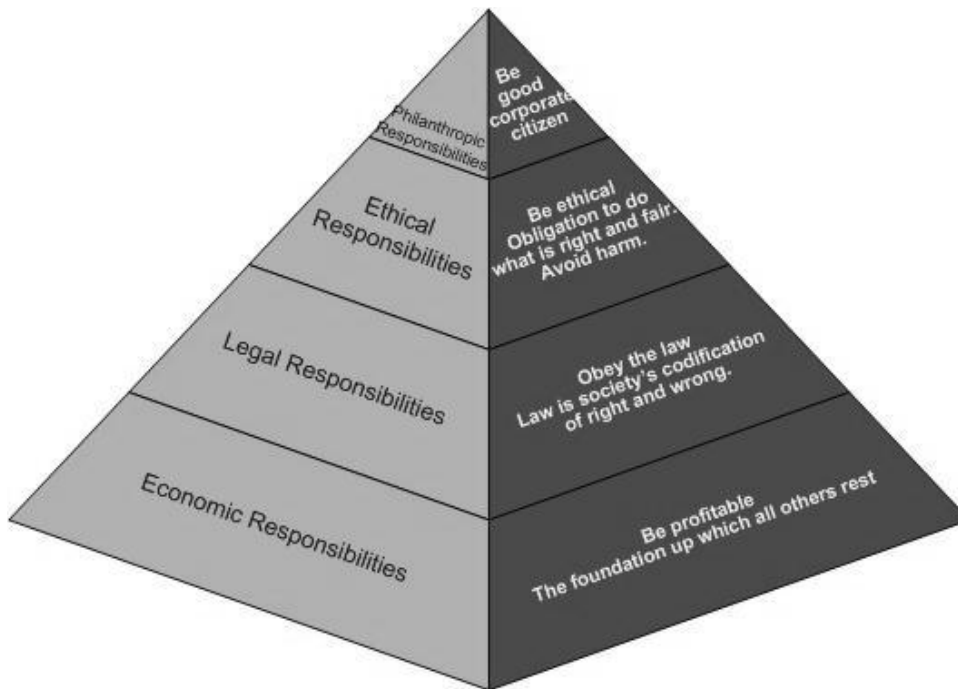
Figure 1: Pyramid of Corporate Social Responsibility (Carroll 1991)

Source: CSR Request (2012)

Carroll (1991:42) outlined the different aspects as the following:

Economic Responsibilities

Business organisations were traditionally created as economic entities for the provision goods and services to societal members. Profit was the basic incentive for entrepreneurship. The business organisation is an economic unit in society. The main role is to produce goods and services that consumers need and want yet make a worthwhile profit.

Legal responsibilities

These determine how business needs to operate profitably. Business needs to follow certain laws and regulations imposed by either the state or local governments as the ground rules under which they must operate.

Ethical Responsibilities

Although economic and legal responsibilities embody ethical norms about fairness and justice, ethical responsibilities embrace activities and practices that are expected or prohibited by societal members even though they are not codified into law.

Philanthropic Responsibilities

Philanthropy involves corporate actions that tally with the society's expectation of businesses being good corporate citizens. This involves active engagement in acts or programmes to promote human welfare or goodwill.

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                    /\
                   /  \
                  /Ethical\          Adopt voluntary codes of
                 /Responsibilities\  governance & ethics
                /------------------\
               /  Legal             \   Ensure good relations
              /   Responsibilities   \  with government officials
             /------------------------\
            /   Philanthropic          \    Set aside funds for
           /    Responsibilities        \   corporate social /
          /                              \  community projects
         /--------------------------------\
        /                                  \   Provide
       /     Economic                       \  investment, create
      /      Responsibilities                \ jobs & pay taxes
     /----------------------------------------\
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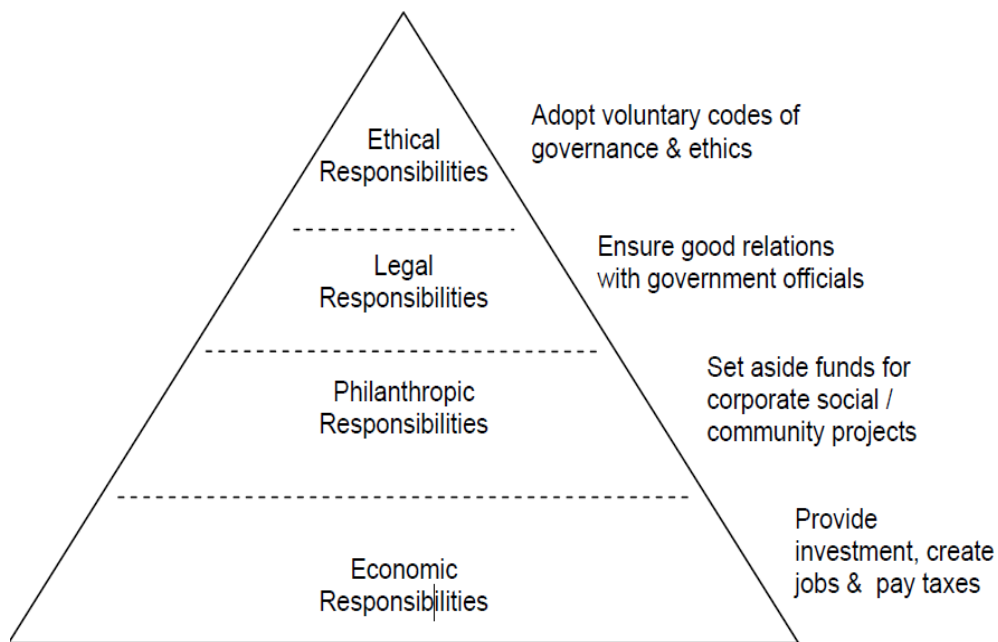
Figure 2 : The Pyramid of Corporate Social Responsibility

Source : Visser (2006:489)

However,in the African context there seems to be a paradigm shift in the portrayal of these fundamental ambits of CSR into practice. Visser (2007:37) is of the opinion that Carroll's basic four part model is relevant to the American or Western ideal. This renders the whole concept inapplicable in the African context. The CSR pyramid is no exception to having flaws. The different components have been discussed as separate concepts yet they are not mutually exclusive. They are intended to provide a broader picture of a firm's economic responsibilities with its other responsibilities. A manager can identify the different types of obligations which are constant but having dynamic tension with one another.

The Commission for Africa (2005) propose the need for improved governance, capacity building, pursuit of peace and security, investment in people, economic growth, poverty reduction and increased fairer trade. The role of business is essential in the transformation process further worsened by the highly skewed development in the continent.

The scale of challenges for CSR in Africa are even clearer with statistics from the UNDP (2004) which outline that Sub Saharan Africa may not reach the Millennium Development Goals. Poverty reduction is estimated to be reduced by 2147, child mortality until 2165 and HIV and AIDS higher. Visser (2007:38) as a result of these underlying factors noted disparities between the levels of CSR in Africa as compared to the Western nations. In the diagram there is a remarkable shift since Africa suffers from a shortage of foreign direct investment. Furthermore, many African countries suffer from high unemployment. Therefore, an economic contribution of companies in Africa is highly prized, by governments and communities alike. Matten & Crane (2005:166) observed that philanthropic responsibility in Europe is more compulsory through its legal frameworks compared to the discreet acts of successful companies or rich capitalists in the USA.

Africa has more in common with the American model, although philanthropy generally gets an even higher priority as a manifestation of CSR in Africa. The socio-economic needs of African societies in which companies operate are very high therefore philanthropy is viewed as a solution.Companies now realize that they cannot succeed in societies that fail, so philanthropy is viewed as the most direct way to improve prospects of the communities in which business operates. Matten & Crane (2005:166) state that African societies have become dependent on foreign aid thereby creating an ingrained culture of philanthropy in Africa. Africa's philanthropy prioritization is still at an early stage of maturity of CSR. Mwaura in Visser (2007:491) observed that legal responsibilities have a lower priority than in developed countries. This does not necessarily mean that companies flaunt the law, but it is far less of a pressure for good conduct. African is plagued by a poorly developed legal infrastructure which lacks independence, administrative efficiency and resources.

Human rights issues in African countries lag behind the developed world in terms of blending them with other issues relevant to CSR into their legislation. Matten & Crane (2005:166) also suggest that ethical responsibilities are a higher priority in Europe than in the USA. In Africa, however, Visser (2007:38) notes that ethics seems to have the least influence on the CSR agenda. According to Visser *et al.* (2010:315) philanthropy connects corporations with the communities and allows stronger relationships with customers by illustrating care and support.

The trends have shifted from responsibility to investment and community development. The key terms are inclusivity in terms of representative decision making by decentralising and unbundling becoming popular. Adhoc donations have given away to more focused and long term approaches into specified sectors. This shift away from a hand-out philosophy into a more developmental approach brings with it concepts of empowerment and sustainability. Cohen in Visser *et al.* (2010:316) highlights the philosophy by Moses Maimonides, a Jewish rabbi, on the ladder of philanthropic giving. The steps represent a higher degree of virtue with one being the lowest and eight being the highest as follows:

- The lowest: Giving begrudgingly.
- Giving cheerfully but giving minimally.
- Giving cheerfully and adequately but only after being asked.
- Giving before being asked.
- Giving without knowing who the individual beneficiary is but the recipient does not know the donors identity.
- Giving when knowing who the individual beneficiary is but the recipient does not know the donors identity.
- Giving when neither the donor nor the recipient is aware of the others identity.
- The highest: Giving money, a loan, time, or whatever necessary to enable an individual to be self-reliant.

However, it is important to note that the signing of a cheque in donation towards a problem is only a short term solution and will not address the underlying cause of that problem. Cohen in Visser (2010:316) states that Maimonides's eight levels of philanthropy serve as a guide for corporations and stakeholders to promote the good of society. An example is that of Richards Bay Minerals which assists school going children by supporting them in tree planting which they sell to the public. These children can save money earned for their tuition rather than just be given by well-wishers all the time.

According to Everatt & Solanki (2004:26) the perceptions that business provides only weak support for communities was reflected in the national survey they conducted on giving. The attitudes of the respondents were that businesses should pay more taxes to help the poor. This is based on the facts that between 45% and 55% of the population live in abject poverty.

Gender differences did not affect the level of responses but across racial categories 76% African respondents agreed with the statement.This dropped, however, to 58% for Indians, 43% for Coloureds and 32% for Whites, therefore, highlighting a link between past discrimination and current support for a redistributive project. Kotler & Lee (2005:8) noted that the selection of social issues to support tended to be based on themes reflecting pressures on doing good to look good. Commitments are short term allowing an organisation to spread their wealth over a variety of organisations and issues throughout the years. The main tendencies were to avoid issues associated with core business products and steer clear of controversial issues such as HIV & Aids judging that nongovernmental organisations would better handle them. Furthermore, Kotler (2005:8) states that the decisions to sponsor any initiatives would be more heavily influenced by preferences of senior members or management rather than the needs of the society but to support their strategic business goals and objectives.

McElhaney(2008:6)highlighted that CSR strategy has a positive impact on employee recruiting, loyalty and retention and can help firms especially in highly commoditized industry segments such as consumer products like banking services to differentiate their brand. Redman(2005:98) believes that the major reason CSR is on the rise is that executives use it as a strategic marketing tool for attracting new customers,boost sales and gain a niche market.Furthermore, a company's reputation is the most valuable and intangible asset. Fombrun *et al.* (2000:88) also confer that a citizenship portfolio will help integrate companies into social bonds between a company, its employees and the local community the other hand, this can build reputational capital and attract productive contracts attractive contracts with governments and suppliers. Managers can therefore improve a company's ability to attract resources, enhance performance and build competitive advantage. This offers a mutual win–win situation for both the organisation and the local community.

COMMUNICATION BY OBJECTIVES (CBO)
Fourie in Mersham & Skinner (1999:40) defines the system of communication by objectives (CBO) as designed to overcome problems of miscommunication. A planned communication process can be then divided into four stages namely:

- Identifying needs
- Formulating objectives

- Analysing destination
- Arranging for feedback and evaluation

IDENTIFYING NEEDS

Mersham & Skinner (1999:41) states that communicating is a form of behaviour and CBO starts from the assumption that all communication is motivated by and directed at the satisfaction of a need or more than one need. These include expectations, wishes, and plans for the future, creative desires, ideals as well as the psychological and physiological needs which may lead to the communicative behaviour. Communicators must isolate and describe accurately the specific communication needed in the communication process for CBO to be successful. This involves a three step process where a communicator will need to identify the area of universal needs, relate the area of universal needs to the general communication needs and identify a specific need.

Mersham & Skinner (1999:42) identified Abraham Maslow, a psychologist who devised a unique category to classify different needs. They propose that this will gain valuable insight for mapping out relevant strategies. Maslow's Hierarchy of Needs outlines 5 fundamental human needs that motivate behaviour. Cunningham (2008) notes Maslow as suggesting that people have physiological needs, safety needs, social needs, esteem needs and self-actualization needs. According to his analysis, human needs can be seen as a pyramid with basic needs at the base and our most sophisticated needs at the apex. This hierarchy illustrates the basic needs that motivate our lives and indicates that we form relationships to satisfy love and esteem needs.

Figure 3: Maslow's Hierarchy of Needs

Source: Radick (2011)
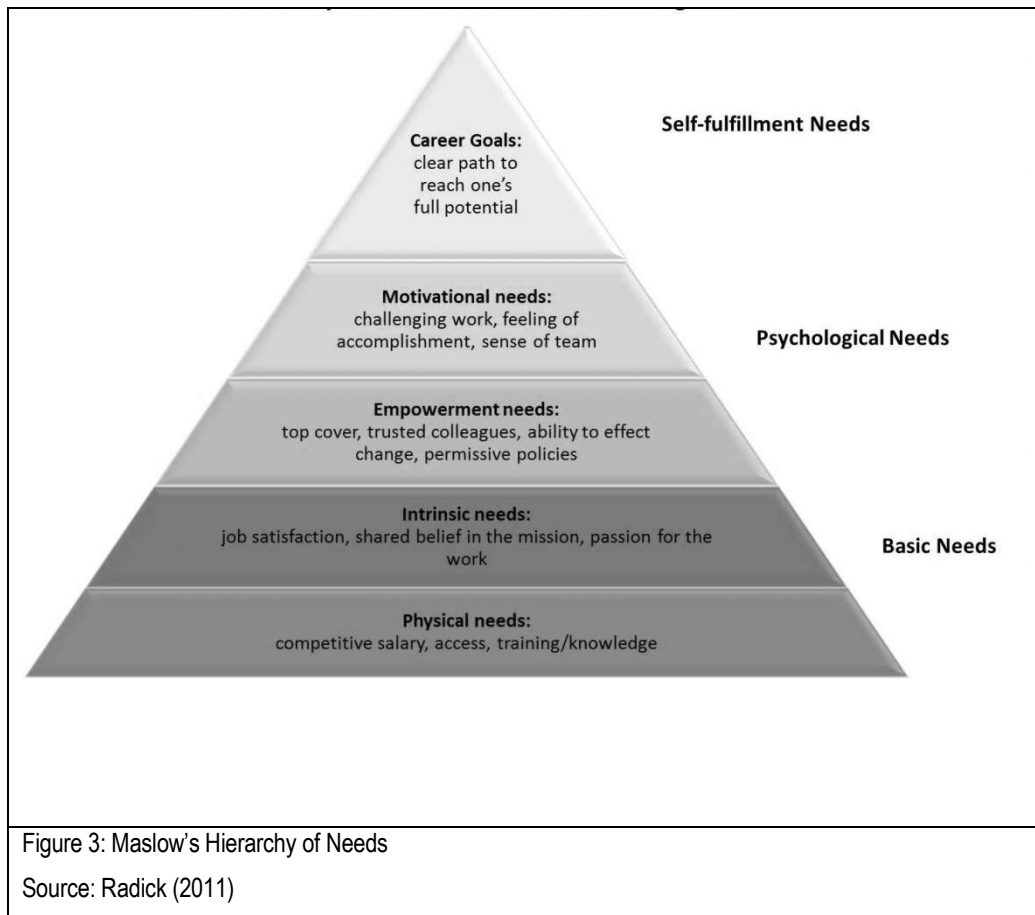
According to Maslow's Hierarchy of Needs these needs follow a hierarchy order where people have to satisfy lower order needs for example, hunger before higher order needs can become important. This perspective underlines the problems of unemployment which can take a back-seat until all the other problems are solved such as service delivery, housing, training, transformation issues and the HIV and AIDS pandemic in South Africa.

ARRANGING FOR FEEDBACK AND EVALUATION

In any communication according to CBO, the communicator wishes to realize the certain objectives. In order to assess whether they have been achieved, a communicator has to arrange to get information back from the recipient. Mersham & Skinner (1999:54) note that feedback is a term used to refer to the information coming back from recipients. Methods of obtaining feedback are the direct observation, questionnaires, and changes in behaviour, comments and surveys. The public relations perspective values evaluation as critical in the work of a communications practitioner.

A number of measurement tools can be applied to gauge the effectiveness of these programmes. Examples include press publicity, broadcast returns, sales results, opinion polls and subjective internal meetings with the sales and marketing.

THE PRINCIPLES OF CSR

According to Crowther & Guler (2008:14) there are three main principles that underlie CSR and these are the following:

SUSTAINABILITY

Society is required to use no more of a resource than can be regenerated. The effects must be taken into account not just for cost effectiveness but also for the value it poses for future business.

ACCOUNTABILITY

This recognizes that an organisation is part of a wider societal network and has responsibilities to the entire network than just the owners of the organisation. However they must recognize that external stakeholders have the power to affect the way in which those actions of the organisation can be justified. Accountability, therefore ,requires development of appropriate measures of environmental performance and reporting actions that an organisation has taken.

TRANSPARENCY

Transparency follows from the other two principles. This involves the organisation reporting all the important facts about its operation.

THE NEED FOR CSR

Kotler & Lee (2005:10) pose this question when analysing corporate initiatives that corporations embark on. These initiatives look good to potential customers, investors, financial analysts, employees and current customers, stockholders, brand and the community. They are bottom line tangible benefits namely increased sale, market share, strengthened brand positioning and an enhanced corporate image. Furthermore, they will have an increased ability to attract, motivate and retain employees. Pringle & Thompson (2001:12) observe that linking a company or brand to a cause or relevant charity can make the spirit of the brand. The emotional and psychological aspects will now take precedence over the performance and product benefits for the consumer.

Maslow's hierarchy of needs shows that consumers have moved to the top and seek self-realisation. If consumers know how a brand functions, the next logical question would be what it believes in.

HISTORY OF CSI IN SOUTH AFRICA

According to Klins *et al.* (2010:2) CSR is still in its infancy in Africa and seen as an agenda of the North imposed on countries of the South. This has been grounded within the African context and is used to address a continent's economic, social and sustainable developmental challenges. Socio-economic realities in conjunction with weak public administration and service deliveries have a notable impact on the function of CSR for companies operating in Africa. Visser *et al.* (2010:133), however ,notes that the drivers for CSR in developing countries are mainly influenced by tradition since they draw strongly on deep rooted indigenous cultural traditions of philanthropy.

The communal culture is highlighted in the following African indigenous concepts as follows:

- *Harambee*: Winston & Ryan (2008:212) note this signifies and reflects strong, ancient values of mutual assistance, joint effort, social responsibility and community self-reliance. It is guided by the principle of collective good rather than individual gain.
- *Tsekada*: Ararat (2006:6) contends that this is about behaving as a righteous person and fulfilling obligations to society.
- *uBuntu*: Nussbaum (2003:21) notes that this is especially relevant in Southern Africa by reflecting an interdependent, community culture thereby meaning that a person can only function through other people.
- *Zekat:* Visser & Tolhurst (2010:133) note that this is directly translated as alms to the poor.

These concepts have existed before being formalized in the modern CSR context. These concepts are now associated with medium to large companies especially multinationals. CSR is viewed as a way to counteract negative perceptions of business, as well as make a genuine difference to social and environmental challenges. This is due to the relative wealth these companies have in comparison to the poverty of the countries and societies in which they operate in.

Visser *et al.* (2010:131) note that CSR in developing countries is used as a way to mask governance gaps left by weak, corrupt or under resourced governments that fail to adequately provide social services. Skinner & Mersham (2008:239) observe that the on-going development of CSR on the African continent owes much to developments in South Africa. The country hosts the most extensive practice of public relations on the continent. According to Skinner (2008:240) the phrase "corporate social responsibility" is commonly used to describe the practice of good corporate citizenship. The use of the phrase "corporate social investment" however is a peculiarly South African development. Fig (2005:599) states that the term "corporate social responsibility" has been rejected by most South African firms in favour of the term "corporate social investment". This diverts attention from calls on business to redress the results of its historical contribution to the apartheid system.

Barbarinde (2009:355) affirms this observation by noting that CSI is a truly South African phenomenon whether by government dictate or design, companies seem to view their mission in terms of poverty alleviation, economic empowerment, workplace ownership and diversity. Investment presupposes some form of returns which in conjunction with non-state actors can translate into a strong community. Hamann in Idowu & Filho (2009:438) assert that CSI is a South African term which actually means corporate social or community relations. The South African understanding was they were going beyond their responsibility of paying tax saying that it is an investment in the community. However ,there is no measure of any of these social returns.

Skinner & Mersham (2008:241) noted that before any democratic change in the early nineties, big business argued that CSR was neither an admission of guilt for their share of the agony of the deprived, nor did it imply responsibility for the socio-economic welfare of the country. Business people, however ,reacted more positively to the concept of "investment" than they did to the concept of "responsibility" which linked business to the evils of apartheid. Skinner & Mersham (2008:241) state that corporate support for apartheid capitalism and the resultant exploitation of Black Africans earned capitalism a dirty name among many South Africans. This has shifted with the private sector's growing role in socio-economic reconstruction and development.

Fig (2005:601) observed that business has responded weakly to the pressures for CSR sustainability initiatives and have not yet complied with BEE charters and environmental standards are yet to be legislated and regulated. Fig (2005:601) concludes that South African companies CSR contributions are viewed as cosmetic and self-serving. Hamann *et al*. (2005:278) states that South Africa's historical legacy involve an imbalanced racial characteristic of participation and ownership of the economy, structural unemployment, widespread poverty, and low levels of education and training. Barbarinde (2009:366) also noted that South Africa still remains a profoundly divided society where the first and fourth worlds exist. There is a predominantly affluent White South Africa who control the corporate environment in terms of ownership and management compared to a largely Black impoverished South Africa. These factors have contributed significantly to health challenges such as the HIV/AIDS epidemic. Although these challenges are not unique to South Africa, the country's history has given them a particular character and severity that shapes the definition and implementation of CSR-related activities. Skinner (2008:242) states that debates related to CSR in South Africa are characterized by the particular prominence of certain priority issues such as affirmative action, skills development and HIV/AIDS. In South Africa, government plays a more proactive role in influencing the social role of business than in most other countries.

According to De Wet (2007:7) charitable trusts and foundations managed donations for example Anglo America, De Beers, Liberty Foundation were among the forerunners of corporate giving. Foundations served the purpose of providing vehicles for dedicated skills but in this era it was also a means of distancing CSI activities from the core business activities. South Africa business became more expensive to social development needs and social giving was not widely promoted. De Wet 2007:5) states that in 1989 the Weekly Mail now The Mail and Guardian launched its 'Investing in the Future Awards'. This was aimed at acknowledging the time and effort South African companies channelled into social investment programmes by turning the spotlight on CSI for the first time. It has now been embraced by corporate decision makers and today business is expected to contribute to socio economic advancement with government regulation carving out an explicit role for business in the country's transformation project.

Skinner & Mersham (2008:241) note that collectively, CSI funds make a significant contribution to South Africa's landscape, with an estimated $400 million allocated to CSI budgets in the 2005 to 2006 financial year, and topping $300 million annually since 2001. CSI funding may be substantial and growing but these funds are a drop in the ocean compared to total government spending. Therefore, corporate resources need to be strategically positioned to achieve maximum impact which is sustainable. Socio-economic challenges in South Africa can sometimes mask some important potential business opportunities. Hanks *et al.* (2007:6) state that this gives CSR in South Africa a unique flavour, even though the label CSR might not be applied to some of these initiatives. One example is a recent effort by financial institutions to extend access to financial services to the poor, the main incentive for this is to grow the market and respond to state and civil society pressure. Skinner & Mersham (2008:241) identified types of giving and listed them as follows:

Public relations management

Companies undertake CSI with an emphasis on generating publicity rather than focusing on the social cause. These initiatives are however seen primarily as marketing plans which are funded from the Public relations/marketing budget. These initiatives are viewed as pro- active and relevant efforts to make a developmental difference. Companies therefore like to be seen to be "*doing good*" yet they gain short-term goodwill or licence-to-operate benefits.

Charitable giving

Companies opt to make cheque-book style donations to certain causes. This method is not easy to monitor for its impact and effectiveness as part of a corporate strategy.

Grant making

Companies award funds according to a pre-defined criterion. This involves keeping records of basic project inputs and outputs such as materials supplied and the number of workshops. However the impact of the project is not regularly monitored.

Social investment

CSI suggests a long-term commitment in a project, with an emphasis on returns. Social returns are thereby defined from the outset. It is critical to note that measuring outputs and evaluating impact are important project components.

A project will be evaluated based on the interim indicators, which track a project's potential deliver the anticipated social return. Exit plans are put into motion once successful to ensure project continuity.

Social change approach

Companies resolve system-wide imbalances rather than isolated "causes", to alter the structural causes of social ills. Development expertise is necessary for influencing developmental practices at policy or national government level. An improvement in social conditions is likely to build long-term business benefits. Strategic CSR is now the norm where potential social benefits are on par with benefits for the business.

THE SULLIVAN PRINCIPLES

McIntosh *et al.* (2004:32) noted that the Sullivan Principles were instigated by the Reverend Leon Sullivan in 1977.The main objective was to encourage companies and organisations of all sizes to work toward the common goals of economic, social and political justice including respect for human rights and equal opportunities for all people. They were also designed to assist United States based companies operating in South Africa in an effort to address apartheid policies. They were required to treat their black employees as they would for their American counterparts. Hanks *et al.* (2007:6) note that internationally, the debate surrounding CSR stems from efforts to influence international companies operating in apartheid South Africa. These Sullivan principles were re-launched in November 1999 as the Global Sullivan Principles for Corporate Social Responsibility. Companies that wish to be associated with these principles are expected to provide information which publicly demonstrate their commitment to the Principles and to apply them while they pursue their business objectives around the world.

Mangaliso (1997:219) however critiques that the Sullivan Principles fell short in that they did not offer the kind of solutions relevant to the South African problem. Critical issues due to apartheid such as Blacks not being able to vote or own land in their own country. However, their emphasis was on Black employees of U.S. corporations who only constituted less than 1% of the total number of economically active Blacks.

The combination of the alignment of international condemnation, internal resistance, and corporate withdrawal apart from the gross human rights violations convinced the South African government that apartheid was unacceptable to the world. The action of multinational companies pulling out of South Africa proved they could serve as agents of social change.

EMPLOYMENT LEGISLATION

South Africa has employed different legislature that need to be adhered to by corporates and their employees. These provide guidelines in the manner of operations to allow for a healthy working environment where both parties namely the employer and employee can co-exist. These laws ,for example ,the Employment Equity Act, according to Workinfo.com (2010) due to apartheid and other discriminatory laws and practices, there are disparities in employment, occupation and income within the national labour market. These factors negate certain people from having equal opportunities from their counterparts. However in the context of CSI there is also a need for laws to govern the nature of implementation within the country. Hanks *et al.* (2007:9) state that many legislative developments introduced pertinent in shaping South Africa's CSR landscape were focused on socio-economic priorities. The major features being labour, occupational safety and health matters, governance and transparency, stakeholder engagement, community development and environmental considerations.

However, Hanks *et al.* (2007:19) summarize the different legislature that pertains to CSR in South Africa as the following:

LEGISLATION	OVERVIEW AND PERTINENCE TO CSR
Companies Act No. 61 of 1973 and Closed Corporations Act No.69 of 1984	This focuses on provisions regarding company registration and conduct, including directors' fiduciary duties. They also include the potential for 'lifting the corporate veil' and adjudicating personal liability for directors (particularly section 424 of the Companies Act), though this has been criticized as being difficult to implement.28 Note that the Companies Act is currently undergoing revision.
Occupational Health and Safety Act No. 85 of 1993 and Mine Health and Safety Act No. 29 of 1996	The former stipulates requirements for health and safety management systems and standards in the workplace. The latter is focused on the need to reduce the number of fatalities and injuries in the mining industry. It provides for tri-partite (labour, business, government) structures at all levels of the industry for the purpose of implementing and monitoring health and safety management systems, as well as identifying causes of accidents. These acts are complemented by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the Occupational Diseases in Mines and Works Act No 78 of 1973, respectively.
Labour Relations Act No. 66 of 1995 and Basic Conditions of Employment Act No. 75 of 1997	Stipulates basic conditions of employment promote collective bargaining at the workplace and sector level. Also encourages employee participation in company decision-making through workplace forums.

Constitution No. 108 of 1996 Contains the Bill of Rights	This is the right to equality, a clean and healthy environment, and access to information, administrative justice, and others. The key elements of the Bill of Rights bind individuals and corporations, as well as the state.
National Water Act No. 36 of 1998 No 29	Designates water as a national resource and requires water users to apply for licenses from the state, with an allocation to a basic water right and a natural reserve, including stringent water pollution regulations.
Employment Equity Act No. 55 of 1998	This aims to eliminate unfair discrimination in the workplace and implement affirmative action for 'designated groups': Black people, women, and people with disabilities.
Competition Act No. 89 of 1998 (amended in 2000)	Defines and makes provision for the prevention of anti-competitive behaviour, and provides for the Competition Commission (administrative body), Competition Tribunal (adjudicates on matters such as mergers), and the Competition Appeals Court.
Skills Development Act No 97 of 1998	In combination with the Skills Development Levies Act No 9 of 1999, this act requires companies to contribute a percentage of their total payroll to the National Skills Fund, which is controlled by 25 Sector Education and Training Authorities (SETAs). The SETAs compensate companies for legitimate training and skills development programmes
National Environmental Management	Promotes development that is socially, environmentally, and economically sustainable,

Act No. 107 of 1998	seeks environmental justice and equitable access to environmental resources, promotes the precautionary principle, promotes public participation in environmental decision-making, protects 'whistle-blowers', allows for public interest litigation, and provides for duty of care and remediation responsibilities – particularly for employers. Importantly it includes the possibility of directors' liability for environmental damages.
Promotion of Access to Information Act No. 2 of 2000	Promulgated to enforce the constitutional right to access to information that is pertinent to the Bill of Rights; it allows access to (almost) all information held by the state, as well as significant types of information held by private persons.
Promotion of Equality and Prevention of Unfair Discrimination Act No. 4 of 2000	This act seeks to prevent and prohibit unfair discrimination and harassment and to promote equality and eliminate unfair discrimination, in line with the constitutional right of equality and the exercise of democracy. While the ambit of the Employment Equity Act is limited to the workplace, This act's scope is without limit throughout South Africa
Mineral and Petroleum Resources Development Act No. 28 of 2002	Vests all mining rights with the state and requires mining companies to reapply for mining permits, with preference given to black economic empowerment companies. Companies need to demonstrate due diligence in social and environmental matters, and directors may be held liable for environmental damage.

| National Black Economic Empowerment Act No. 53 of 2003 | Sets out a national framework for the promotion of BEE. Establishes the Black Economic Empowerment Advisory Council; and empowers the Minister to issue codes of good practice on BEE, including a scorecard to measure achievement, and to promote sector-specific BEE Charters that are deemed to be in accordance with the objectives of the Act. National implementing legislation for international treaties. |

Table 1 : CSR Legislature in South Africa

Source: Hanks et al. (2007:19)

THE BROAD-BASED BLACK ECONOMIC EMPOWERMENT (BEE) ACT

Chahoud *et al.* (2011:26) describe South Africa as a multi-cultural and multi-ethnic country which after the end of apartheid, the new political government declared as the "Rainbow Nation". However, until today the initiated transition in 1990 remains further entrenched in the legacy of the apartheid regime. This transition process itself was mainly a political transition while the socio-economic structures remain almost untouched. The social disparities are increasing; racial tensions widespread and majority of black people remain marginalized and poor, living in townships with poor education and high unemployment rates. In order to overcome the legacy of apartheid, South Africa decided to strategically empower the previously historically disadvantaged population through the Broad based Black Economic Empowerment (BEE) Act of 2004.

Skinner & Mersham (2008:245) note the BEE Act, signed into law in January 2004, has placed BEE firmly on the corporate agenda. The Act mandated by the Department of Trade and Industry issues explanatory codes of practice to give companies guidance on implementing the BEE legislation and drafting their own industry sector transformation charters. The beneficiaries of the BEE Act are black people, meaning Africans, Coloureds and Indians who are South African citizens by birth or by decent or who were naturalized prior to the commencement of the Constitution in 1993.All groups benefit from the BBBEE without consideration of age or generation.

Skinner & Mersham (2008:245) also state that these codes and charters provide new rules of engagement for broad based empowerment and transformation. The inclusion of CSI in the Codes and charters has introduced a new set of concerns and priorities for companies and their CSI practitioners. Skinner (1997:11) states that the Codes constitute the first step in implementing a coordinated national BEE regulatory framework and cover seven key transformation elements. These involve ownership, management and control, employment equity, skills development, preferential procurement, enterprise development and a residual (CSI) element. The Codes differ from previous legislation in that they include targets for BEE compliance, and progress is measured according to the Scorecard, which has specified targets for each of the seven elements.

Hanks *et al.* (2007: 7) observed that definitions of CSR are dynamic in South Africa and most recently influenced by the state-led initiatives relating to Black Economic Empowerment (BEE).The Scorecard gives companies clear direction by setting targets as to where they should focus their transformational efforts. The BEE Scorecard allocates a 10% weighting to the residual element and prescribes that companies spend 3% of their profit after tax.The aim of these initiatives is to redress the racial imbalances resulting from apartheid. South Africa's CSR agenda is increasingly being defined by the extent to which BEE will benefit the poor, which will depend not only on the state, but also on a companies' interpretation of BEE. The common assumption is that CSR is primarily about voluntary initiatives and national legislation plays a crucial role in the development of South Africa's CSR agenda. South Africa has gone further than most states to legislate on social issues. There is often a significant gap between stated policy and its implementation, with compliance sometimes becoming an issue of business voluntarism.

Hamaan (2004:286) is of the opinion that government's BEE policies can be regarded as a response to apartheid and the resulting unequal distribution of wealth. This process has resulted in more dialogue between the business community and the government. Schaller (2007:127) observed that CSR in South Africa traditionally has focused on corporate social investment (CSI) in the sense of philanthropic contributions. Recently, CSR-related issues taken up by the public sector are partly addressed in the state's policy on Black Economic Empowerment (BEE).The government seems to focus more on issues of (BEE) yet less concern on the broader concept of CSR. Ndhlovu (2011:72) affirms this by noting that South Africa unlike other African countries involves corporate citizenship, affirmative action and skills development through the BEE concept.

 Ndhlovu (2011:72) also notes that this invariably benefits a small number of Black elites. This framework has also been marred with controversy ranging from its tendency of being abused by scrupulous individuals for personal gain through corruption, nepotism and favouritism. There is also a lack of monitoring and evaluation with regards to the implementation of such a framework.

According to Southall & Sanchez (2004:9) the companies that have scored well on BEE have tended not to be big spenders in terms of CSR. The emergence of Black entrepreneurs is encouraged as it expands Black ownership of the economy though there are calls for them to invest in the communities they came from. The general view is that Black entrepreneurs see CSR as being for responsible for white firms to atone for past sins and, therefore, their own contribution to CSR spending remains minimal.

Naidoo (2002:144) observes that BEE has been successful in creating a class of extraordinary successful individuals from previously disadvantaged positions, however, little has been done to address the aspirations of black people on a larger scale. Tangri & Southall (2008:699) noted that since 1994, the Black majority African National Congress (ANC) government has pursued many important goals at the same time, sometimes emphasizing equity and redistribution of wealth, and sometimes advocating rapid economic growth and corporate investment. Tangri & Southall (2008:699) further state that South Africa's corporate sector continues to be dominated, managed and owned by the minority Whites. African National Congress (ANC) leaders fear for the impact on economic growth and investment, if white business relinquishes large ownership levels to black investors. This double standard is detrimental to the impact the policy can have on the economy and well- being of South Africa.

EVALUATION

The measurement on the return of such investments in corporate social responsibilities is still a much undeveloped discipline as there is still limited data and expertise to calculate the return on any marked investments. According to Kotler & Lee (2005:23) there are six options that allow for corporates doing good as follows:

1. Cause Promotions allow a corporation to provide the funds or other corporate resources to increase awareness and concern about a particular social cause. This may include fundraising, participation and volunteer recruitment for a cause. Corporation may initiate and manage the promotion in conjunction with one or several sponsors.
2. Cause Related Marketing is when the corporation will commit to making a contribution or donate a percentage of revenue based on product sales and this is based for a period of time for a specific charity.
3. Partnership with a non-profit organisation to create a mutually beneficial relationship can increase the sales of the product and rouse financial support for charity.

4. Corporate Social Marketing is when the organisation will support the development or implementation of a behaviour change campaign designed to either improve the public health safety, environment, community well-being.

5. Distinguishing features are the behaviour change and differentiates it from the cause promotions that focus on the supporting awareness, fundraising and volunteer recruitment for a cause.

6. Corporate Philanthropy involves direct contributions made by companies to charities or causes through cash grants. These companies can face a daunting task of adopting a more strategic approach choosing a focus and tying philanthropic activities to a company's business goals and objectives. This can be the donation of services, products, technical expertise, award scholarships, allow use of facilities and the distribution channels.

7. Community Volunteering is a result of the support or encouragement an organisation has from its employees towards a particular initiative. This can be either through time or manpower to support a local community organisation and causes. Employees can choose activities and receive the support with the paid time off and receive support.

8. Socially Responsible Business Practices is where the organisation makes efforts to conduct discretionary business practices and investments that will support social causes to improve a community well-being and protect the environment.

THE DEBATE ON CORPORATE SOCIAL RESPONSIBILITY

According to Griffin (2008:25) CSR is a concept shaped and controlled by governments and nongovernmental organisations. The language of corporate citizenship is believed to be more positive than CSR which seems to suggest that corporate entities are not intrinsically socially responsible. However, corporate citizenship highlights that good companies should behave like good citizens, obey the law, be respectful and sensitive to other people's needs. According to Fig (2005:605) civil society organisations also challenge the notion of corporate responsibility and observe that the term "accountability" is more appropriate. Zammit (2003:107) noted that the United Nations backed business by advocating for an extension of partnerships with governments and non-governmental organisations. Non-government organisations instigate that business be held accountable, for example for their environmental crimes and develop a convention to regulate the behaviour of transnational corporations. However, it is poignant to note that the practice of CSR in South Africa continues to be informed by the global trends and attitudes.

Olawski in Hermann (2009:11) notes that for some managers, CSR is a key component of a firm's mission statement. CSR may also be merely a public relations tool used to placate stakeholder interests. These CSR commitments can be used to mask socially and economically detrimental business practices. This latter practice, known as harmful CSR, threatens to undermine the CSR movement if not addressed.

Godfrey (2005:777) warns also that this moral capital is degraded if the philanthropic activity is viewed as insincere behaviour. The companies need to be wary of over-promoting CSR since it can create cynicism, rather than goodwill. A firm cannot gain any reputational capital if CSR is being used to insulate the firm or buy favour. It is key to note that customers these days have become savvier in evaluating a firm's virtues.Porter & Kramer (2002:57) agree that philanthropy with no justified business purpose is unwarranted. Corporate managers should carefully consider the trade-offs before committing company assets to the myriad social causes that beckon for aid. Given the climate today, reasonable spending limits may not be enough to satisfy some interest groups. There are clear distinctions made between the types of CSR practised in either South Africa or Western countries.

Barbarinde (2009:357) noted that the practicee of CSR in Western countries tend to be mainly associated with corporate governance and standard compliance. In South Africa however, CSR means corporate citizenship where corporate citizens are encouraged to take an active role in solving challenges.

THE KING REPORT ON CORPORATE GOVERNANCE

The King Report on Corporate Governance is fast becoming an instrumental foundation for all South African companies in terms of governance and operations. Hendrikse & Hendrikse (2004:339) states the King Report on Corporate Governance (King 1) was published by the King Committee on Corporate Governance headed by the former High Court Judge Mervyn King SC aimed at promoting the highest standards of corporate governance in South Africa. Du Plessis *et al* (2011:51) noted that the King Report was first released in 1994 and was revolutionary because it gave a clear explanation of how companies in South Africa should account for the interests of their stakeholders and also outlined the benefits of an inclusive approach to governance.

Hendrikse & Hendrikse (2004:339) further note that King I, advocated for an integrated approach to good governance in the interests of a wide range of stakeholders. However, the evolving global economic environment necessitated that it be updated.This report was then further revised in 2002 to become a more comprehensive document that would lay the framework or guidelines for best practice in corporate governance. The King II Report of 2002 also highlighted a shift from focusing merely on the single bottom line of generating profits for the shareholders to embracing the triple bottom line of economic, environmental and social aspects of a company's activities.

DuPlessis *et al* (2011:52) outlined that this would involve catering for stakeholder interests by valuing the relationship between an enterprise and a community in which it exists. Integrated sustainability reporting would then be achieved as follows;

- Every company should report at least annually on the nature and extent of its social transformation ethical safety health environmental management policies and practices.
- Board of Directors should determine what is relevant for disclosure take into account the environment in which it operates.
- A company should demonstrate its commitment to its code of ethics by creating systems and procedures to introduce monitor and enforce its ethical code.

Cliff Dekker Attorneys (2002:14) also notes that King II provides aspirational guidelines to South African companies that are seeking to improve their disclosure of information and value the importance of the relationship between the enterprise and the community in which exists through integrated sustainability reporting. Banhegyi *et al* (2007:317) noted that sustainability is important since it brings together the economic and legal responsibility of a business to be profit minded and business should further be concerned with problems in the wider society. If business does not take some responsibility for problems, then business itself will be harmed. The King Report recommends that if a company is to fulfil its responsibility to stakeholders it should report on its financial performance social-ethical and environmental performance.

Banhegyi *et al* (2007:317) also mentions that these tools will ensure that business is working in the long term best interest of the wider society as well as the shareholders. In addition the ethical responsibilities of the board of directors are stipulated in the King's Report. These include setting high ethical standards, selecting honest people with integrity, communicating openly and quickly with stakeholders and protecting their shareholders rights. Affirmative action and black economic empowerment are also key areas stipulated within the report.

According to the Institute for Directors for South Africa (2009:20) the company is integral to society and is considered as much a citizen of a country. Good governance can only be achieved through effective leadership and ethical values of responsibility and accountability. According to the South African Institute of Chartered Accountants (2009:19) the King III report was further updated and focused more on corporate citizenship, integrity of leadership and responsibility. The company has to ensure that it engages with external stakeholders, minimise the effect on the environment and help all the citizens to become meaningful economic partners. Visser *et al* (2010:87) notes that King III revolved around the philosophy of emphasising on good leadership, sustainability and corporate citizenship. According to the South African Institute of Chartered Accountants (2009:1) the King III report was mainly based on the "apply or explain" basis which enabled companies to operate for the purposes for which they were intended without being bound to follow the standards which are inflexible.

Visser *et al* (2010:87) stipulates that social transformation and redress, within the King III report are vital and need to be incorporated within integrated sustainability reporting since sustainability is a primary moral and economic imperative to the business. Sustainability reporting is now widely practised in South Africa and this offers a glimmer of hope in terms of the business community becoming more proactive by investing in their communities. This seems to offer a mutual win-win solution for both the community and the organisation. This can be achieved by either supporting sustainable community projects or offering apprenticeships to the youth whilst cementing relationships with the local people.

EMERGENCE OF CORPORATE SOCIAL INVESTMENT AGENCIES

Due to the emergence of this phenomenon, the birth of corporate social investment agencies has now emerged to offer companies advice with regards to grant making. In South Africa these include Tshikululu Investments, CSI Solutions which manage the CSI initiative of companies like Anglo America, De Beers and Discovery.

These agencies have adopted the fund management for the initiatives, monitoring and evaluation, training, communications and bursary programme. Furthermore, there are new inroads with regards to education on the concept,the Graduate School of Business at the University of Cape Town is the first institution in South Africa to offer a post graduate course in CSI.

CHAPTER SUMMARY

The chapter has explored the concept of corporate social responsibility and highlighted the marked differences between CSR and CSI. The history of corporate social responsibility and its later adoption by South Africa however, known by the latter term of CSI was also discussed. It is also necessary to note that in this chapter the African culture played a central focus in the need for developing and improving the socio-economic conditions of the underprivileged which is a vast majority in developing countries such as South Africa. The impetus of CSI in South Africa also draws to mind concepts such as the Broad based Black Economic Empowerment Act which aims to correct past racial imbalances due to the apartheid era. The focus is to empower people of colour who were previously marginalized by the oppressive apartheid government so they can have equal opportunities.

However, the possible role that companies play in this restoration is undeniable through corporate social initiatives that can encourage, instigate self-reliance and boost living standards of the very people they rely on for profits. The state and non-state sectors can work to build a healthy and robust business environment which translates into a strong community. The impetus of being involved in corporate sustainable CSR stretches beyond the feel-good factor and business can become a powerful vehicle for social change. In the next chapter an overview of unemployment in Richards Bay as well as skills development programmes initiated will be discussed.

CSI SKILLS DEVELOPMENT PROGRAMMES

INTRODUCTION

In the previous chapter the history and role of CSI in South Africa has been discussed. In this chapter the researcher analyses how unemployment has affected Richards Bay. KwaZulu-Natal is regarded as one of the second most strategically important province in South Africa. The province has two of the largest ports in Africa. These ports in Durban and Richards Bay are positioned to become Africa's global trade gateway. Kuhlcke (2011:23) states that the Port of Richards Bay in particular handles over 57% of South Africa's port cargo by volume and 14% by value. Richards Bay has become an economic hub by incorporating world class industry, spectacular beaches and a well-preserved natural environment.

According to the Development Policy Research Unit (2011) the unemployment rate has expanded to 7.7% in the KwaZulu-Natal province and over 220 000 jobs were lost due to the economic recession. The investment in people will unlock their potential, untapped resources and make dreams a reality for the unemployed. The South African government has partnered with several key stakeholders including the municipalities. This partnership would embark on a R40 billion project on the port of Richards Bay and Durban Port over the next five years. Ramsay (2011) notes that this plan is earmarked to create thousands of jobs and R37.12 billion will create 9000 new jobs. The province is expected to contribute 1.1 million of the national target of five million new jobs. Hill & Goodenough (2005:18) noted that the 'big six' industries of Richards Bay which are (Richards Bay Minerals (RBM), Richards Bay Coal Terminal (RBCT), Foskor, Ticor, BHP Billiton and Mondi Kraft) play major roles in CSI.

Hill & Goodenough (2005:18) state their CSI projects have impacted the community in a variety of ways and continue to do so. The CSI programmes support initiatives that address local development needs achieving the overall aim of improving the quality and standard of living within the areas at their operations. Nzekwu (2007:20) avers that the education is the only key investment if directed at grassroots level and even though CSI is not a panacea of poverty it is, however, an effective enabler for meaningful development.

The City of uMhlathuze Annual Review (2007:53) evaluated that 95% of the economic activity is mainly vested in Richards Bay, Empangeni and Felixton. Richards Bay is also the third most important city in the province of KwaZulu-Natal. Its economic production contributes to 7.6% of the total gross geographic product. Nel *et al.* (2007:43) note that CSI has been entrenched in industrial policy and significant budgets have been spent on social initiatives. Their aim is to improve the quality of life, particularly the communities from which they draw their workforce. They form a part of the solution to the on-going unemployment scourge through their CSI programmes. Kingdon & Knight (2004:391) observed that unemployment is possibly a matter of serious concern for its effects on the economic welfare, production and erosion of instability. However they further state that, its *potential costs depend on the nature of the beast*. Unemployment in South Africa could either be voluntary or involuntary which can have important ethical and policy ramifications.

RURAL COMMUNITY DEVELOPMENT

Gubic (2010) maintains that despite the overwhelming need for more investment in rural community development, surveys show that corporate donors continue to support projects close to their urban centres. The belief is that closer proximity allows for greater interaction with the project, more accountability and provides opportunities for employee volunteer interaction. They argue that it also requires less capacity when funding shortfalls. However, the reality is that the country's rural centres are collapsing. Infrastructure and service delivery is still poor, agricultural activity is declining and more school graduates leave their rural communities each year to end up unemployed in urban slums.

Business acumen and skills may offer solutions for development challenges facing rural communities but they need to be relevant and compatible with traditional methods. Gubic (2010) suggests that the participatory approach is ideal for corporates to gain a deeper understanding of the socio-economic landscape. This is achieved through meaningful cultural exchange however sustainability should be taken into consideration. Choosing a local implementing partner that has a consistent presence and local knowledge of the community's inner workings would be integral to the success of any project. Generally, funders seldom guarantee their long-term commitment or participation towards a project so a local partner is ideal for providing a level of consistency and stability for a community.

These include working on its development challenges long after the funder has moved on. Gubic (2010) noted that community participation is not a new concept with origins as far back as Plato's Republic. The citizen participation laid the cornerstones for democracy with mandatory elements such as free speech, voting rights and equal representation at assemblies. Although not formalized to the same extent, African tribal councils carry the same hallmarks. The paradox of achieving successful rural development in a modern context is that communities need entrepreneurial thinking and management skills of big business, but delivered in a relevant format.

SOUTH AFRICA IN DEMOCRACY

According to South African info (2011a), South Africa is an economic powerhouse of Africa, leading the continent in industrial output, mineral production and generating a large proportion of Africa's electricity. Economic growth has been steady and unprecedented until the global economic crisis hit South Africa in late 2008. The table below illustrates these gross domestic product levels.

Year	2001	2002	2003	2004	2005	2006	2007	2008
GDP %	2.7%	3.7%	3.1%	4,9%	5%	5,4%	5,1%	3,1%

Table 2: Illustration of GDP levels in South Africa from 2001-2008

The figures in Table 2 indicate a rise in levels from 2001 to 2002 from 2.7% to 3.7% .In 2003 the levels kept increasing till 2005 where they had reached over 5%. The period ranging from 2005 to 2007 is characterized by this steady rate of gross domestic product levels which drastically reduced in 2008 to 3, 1%.South Africa's economy has been completely overhauled since the advent of democracy in 1994. Bold macroeconomic reforms have also boosted competitiveness, growing the economy, creating jobs and opening South Africa up to world markets. The International Monetary Fund (2007:1), in its annual country assessment, noted that South Africa's economy was:

> ..*Undergoing its longest expansion on record and in recent years has experienced elevated growth in an environment of rapid credit expansion, booming asset prices, strengthening public finances, and rising international reserves financed by large capital inflows.* IMF (2007:1)

According to Arieff *et al.* (2010:28) the IMF has expressed concerns about South Africa's current account deficit and inflation rate. The IMF report identified unemployment as being one of the biggest challenges to economic growth in the country, along with poverty, large wealth disparities and a high incidence of HIV and AIDS. The report ,however, supports the South African authorities approach to these problems. This largely includes policies aimed at raising economic growth, reducing unemployment and improving social conditions.

IMF (2007:1) stresses this strategy could be bolstered by labour market reforms and more trade liberalization. The key to overcoming challenges identified by the IMF would be the economic inclusion of South Africa's previously disadvantaged majority. South Africa's economy has a marked duality, with a sophisticated financial and industrial economy but characterized by an underdeveloped informal economy. South Africa might have an established infrastructure and economic base with great potential for further growth and development, yet its informal "second economy" presents both untapped potential and a developmental challenge for the country. As such it would be vital to exploit and maximize on this opportunity even though there are drawbacks of a lack of adequate resources to develop the informal sector.

UNEMPLOYMENT

Barker (1999) defines an unemployed person as an individual without work and currently available for work or is seeking or wanting to work. According to Mafiri (2002:36) there are several types of unemployment as some people may voluntarily remain unemployed while weighing up suitable job vacancies. Structural unemployment and seasonal unemployment refers to the total labour force and the normal expected changes in the economic activities that can cause shifts in periods of employment. According to Nafukho (1998:96) the state of youth unemployment in Africa has reached alarming proportions.

Since most African countries have gained political independence, there has been increased population growth, rapid expansion of the education systems, high levels of rural-urban migration, political conflicts, and worsening economic performance. Heyns (2011:15) in an interview for the Leadership magazine, with the Congress of South African Trade Unions (COSATU) leader, Zwelinzima Vavi revealed his beliefs of the need for a new South African revolution to tackle the endemic crisis of poverty and lack of education.

South Africa is sitting on a social time bomb as 400 000 people who finish their Matric every year join the ranks of jobless people......After 17 years, you still have people urinating in the streets, a collapse of morality and the root problem is a crisis of unemployment and poverty, which is not addressed by a cohesive all action by society. Zwelinzima Vavi in Heyns (2011:15)

According to Dubbleman (2011) Zwelinzima Vavi reiterated these facts when he addressed the second Biennial Substance Abuse Summit in Durban:

It is unemployment that drives so many to the booze and other substance abuse...Unless we can offer hope to our youth, we will never to able to wean them away from practices which promise some short term escape ,but inflict deadly long term damage to their bodies and minds.

Natrass (2002:210) also shares the same sentiments and states there are fears of a 'lost generation' being created because of unemployment which can drive the youth to a life of crime. Drugs and alcohol would therefore become an escape route since they will not have a decent job and enough income to live a normal life.

Fears of a lost generation replete with an undeveloped work ethic and a possible predilection for crime could be at the root of the concern about youth unemployment. Policy makers may worry that the experience of sustained unemployment for young people could make them hostile to the world of work, more receptive to drugs and crime and a disruptive influence in society.

Smith (2011:9) points out that there is a tendency for the youth especially after completing their matric, to enter into service related jobs. This is also largely due to a lack of finance to further their studies and they end up working in fast food outlets. These are regarded as service end jobs. This is detrimental to the South African economy since they do not contribute to the manufacturing sector. Pressly (2011:1) states that African students study the arts unlike Asian countries where sciences and technology are the norm. Therefore there is a mismatch between the needs of a growing economy and workforce since wealthy countries are made by growing the educated middle class fed by comprehensive and relevant tertiary programmes. This will affect the level of opportunities job seekers are exposed to and it is advisable for the youth to be encouraged to take up science studies.

According to The Economist (2011) in a state-of-the-nation speech, the President, Mr Jacob Zuma called 2011 the "Year of Job Creation" and vowed to increase the number of people in employment by five million within the next decade. However the number of jobless, including those too discouraged to keep looking, has hovered around 30%. Participation in the labour force is a good 10-15 % below other comparable developing countries. There have been recent pledges by government to cut unemployment statistics in half by 2014.

According to South African info.com (2011b) the President, Mr Jacob Zuma is targeting six priority areas to create more jobs such as infrastructure development, agriculture, mining and beneficiation, manufacturing, the "green'' economy and tourism. The private sector would be key in the country's efforts to create more jobs and that business, labour and communities needed to work together to beat unemployment. Altman & Marock (2008:56) observe that youth unemployment poses a special problem in South Africa where at least half of young school leavers are unlikely to find work before the age of twenty four. Dubbelman (2011) notes that South Africa's youth unemployment rate is described as 'toxic' and a 'ticking time bomb' in the media by the former Labour Minister Membathisi Mdladlana.

Smith (2011:4) notes that the Organisation for Economic Cooperation and Development (OECD) released a survey of South Africa in July 2010 revealing that South Africa had the worst rate of unemployment for youth. These were between the ages 15 and 24 among 36 countries surveyed in 2008. South Arica's 50% employment rate for working age youth is behind other middle-income emerging market economies that employ about 80%. The situation is worsened by racial disparities, 53.4% of young Black 15-24 year olds were unemployed by the end of 2009 which was three times worse than the 14.5% unemployment rate of young White South Africans.

According to the city of uMhlathuze (2009:8) the unemployment rates for the Umhlathuze Municipal Area are 36,28% higher in comparison to world standards. Burger *et al.* (2005:90) stated that presently the development of entrepreneurship in South Africa experiences a number of problems. South Africa has a growing number of people who start businesses not because they have found an appropriate niche in the market, but because of mere necessity. According to Altman & Marock (2008:59) entrepreneurship was shunned under the apartheid regime and this has transcended to the present day inadequate focus in educational curricula.

Smith (2011:8) states that the majority of youth interviewed in the South African Social Attitudes Survey 2007 prefer to be employed by someone else as opposed to self-employment. They pointed out issues such as risk aversion and credit constraints being primary reasons for not becoming entrepreneurs. Entrepreneurial activity is likely to occur in the informal sector thereby yielding lower returns which contributes to a preference for formal employment.

Morrow *et al.* in Smith (2011:6) urges young people to create opportunities for themselves and start small businesses. They will gain an income for themselves and jobs for their communities through their efforts. Altman in Smith (2011:8) notes that the youth's lack of appropriate skills, work related capabilities and higher education revolved around foundational skills, early drop-out, lack of prior work experience and lack of higher education. This is further affected by an inefficient FET(Further Education and Training)/HE (Higher Education) system and lack of adequate funding to finance studies. The end result will be low graduation rates. In addition the youth lack comprehensive information on career guidance, job search capability, networks and mobility.

According to the National Treasury (2011:1) the key reasons why young people are unemployed. These include the notion that employers look for skills and experience; they regard unskilled, inexperienced jobseekers as a risky investment. Education in their opinion is not a replacement for skills. In their view schooling is not a reliable signal of capabilities, and low school quality feeds into poor workplace learning capacity. Natrass (2002:209) also states that older jobseekers have the experience and skills demanded by employers thereby elevating them to a more superior position than younger jobseekers. The uncertainties about the potential of school leavers, employers consider entry-level wages to be too high relative to the risk of hiring these inexperienced workers.

IMPACT OF MIGRATION

According to Maharaj (2004:7) migration has had a distinct impact on the effects of unemployment. South Africa is perceived as the land of increased economic opportunities for Africans from other parts of the continent, the country is perceived as being the land of increased economic opportunities and hope. In addition to these perceptions, the structure, character and state of the South African economy, compared to those of other African countries have been the driving mechanisms behind most illegal migrations.

South African immigrants escape from poverty and destitution in their own countries, as well as civil wars and political instability. This is often viewed as a source of cheap labour by some employers; the migrants have been accused of stealing the jobs of South Africans, in an economy which had a high unemployment rate (about 40 %).

The view that migrants are parasites leads to the development of xenophobia, where they have increasingly become targets of violence. This also contributed to the increasing disparities with regards to employment coupled with the already high rate of unemployment which is currently being experienced within South Africa. Cornwell & Ider (2004 36) observed that immigrants create employment since they increase the demand for goods and services. The demand for labour is output driven thus an increase in the demand of goods and services. This increases the demand for labour which will lead to an increase in employment opportunities for both natives and immigrants. Sibanda (2008:26) affirms that the labour migration may not be beneficial on South Africa as it may exert pressure on the resources, increases the crime rate and further increases the unemployment and reduces the wages. However it is also important to note that rural to urban migration plays a significant part especially those in areas like Richards Bay and other surrounding areas flocking to the major cities such as Durban.

PUBLIC WORKS PROGRAMMES

According to Mahadea (2003:44) public works programmes of a short duration can have an immediate impact on job creation. Niño *et al.* (2009:6) states that public works programmes have been designed as a major antipoverty programme or counter cyclical safety net instrument used in both middle income and slow income countries. Mahadea (2003:44) maintains that the training component in addition to income transfer encourages workers to obtain skills in order to gain permanent employment. Implementation in poor, rural backward areas of heavy unemployment, public works infrastructure harbours the potential to provide the previously disadvantaged communities with wealth creation, earning and learning opportunities.

Lipton (1998:80) noted the following:

> *Public works do not enable permanent escape from poverty – unless accompanied by special measures such that the works programme itself builds up assets (savings, physical capital, skills, health, or infrastructure)owned by, or providing future employment income to, the poor.*

According to Mahadea (2003:44) public works programmes are not sustainable in the long run. They lack any positive generation of returns and need to be financed by government.This will cause a reduction of state expenditure in other areas, or increase in taxes which have negative consequences for job creation and growth. They can lead to permanent dependency syndrome for many individuals, entrenching them to a sense of entitlement. This will overburden the taxpayers with additional taxes.

Mahadea (2003:45) notes that dealing with South Africa's low economic growth and worsening unemployment is a formidable challenge. Government needs to set up a sound economic environment conducive to the development of business entrepreneurship. Public works programmes may help in the short term yet they are not a universal remedy. A lack of a thriving entrepreneurial class gives little hope to the jobless unless a conducive environment is created; the entrepreneurial class will be incapable of realizing its potential as both a major engine for job creation and a catalyst for economic growth.

ENTREPRENEURSHIP DEVELOPMENT

Watson (2012) defines entrepreneurship as a means through which individuals identify opportunities, allocate resources, and create value. Value is created after identifying unmet needs or citing opportunities for change. According to Business Dictionary (2011) entrepreneurship is defined as the capacity and willingness to undertake conception, organisation and management of a productive venture with all attendant risks while seeking profit as a reward. In economics, entrepreneurship is regarded as a factor of production together with land, labour, natural resources and capital. The Business Dictionary (2011) also states that an entrepreneurial spirit is characterized by innovation and risk-taking. This is an important component of a nation's ability to succeed in an ever changing and more competitive global marketplace. Therefore entrepreneurial skills are important to encourage and foster development as they can create livelihoods. The development of an entrepreneurial culture is a long-term process where various stakeholders such as government, the private sector, communities, educators and parents have to entrench and develop positive attitudes in learners towards entrepreneurship.

Vosloo (1994) states that a long-term solution to South Africa's unemployment and growth problem lies in the consolidation of existing entrepreneurship and stimulation of a new entrepreneurial class involved in small, medium and micro enterprises (SMMEs), including the informal sector. It is only through the vigorous exercise of entrepreneurship underpinned by millions of viable enterprises that we can create millions of jobs and sustainable growth. Schlemmer & Levitz in Mahadea (2003:23), however, argue that the "optimal route" to employment is through the critical mass of the informal sector and small businesses with active private-public support.

Loots (1998:319) assert that the informal sector has played an important role as an employment creator since the mid-1980s and is still an important employment creator especially in times of a decline in formal activity. The informal sector has grown from one million to 2.7 million in 2001. Mulholland in Mahadea (2003:26) noted that job creators and contributors to national production need special attention. In South Africa, 65% of national tax revenues come from less than 1% of the total population. Therefore, the country needs to try alternative solutions in order to succeed economically and achieve sustained growth.

According to Illbury & Sunter (2001:124), the following elements are critical to this scenario:

- Improving the standard of education schools, training centres and academic institutions.
- There is a need for a good work ethic, based on a family system, a strong small, non-intrusive government, with minimum regulations, low taxation and no corruption (Minimum government interference- cleaner, leaner, and better).
- A dual-logic economy, generating positive synergies between the multinationals and other large or medium-sized firms, in the corporate, mining, manufacturing and service sectors, and the small and informal sector ventures (strategic linkages and clustering).
- Social harmony with minorities co-existing with the majority (security).
- An outward-oriented outlook with a global perspective (export-led orientation).
- Tax concessions which encourage savings to mobilize capital and meet the needs of investors and 'foxy' entrepreneurs (investment).

The Economic Report on Africa (2005) notes that the long term policies aimed at creating jobs is through structural transformation, targeted skill training, and affirmative action programmes.

The slow economic growth can be attributed to a lack of skilled labour yet an increasing number of university graduates are unemployed. This highlights a mismatch between the skills African education systems are producing. It is, however, essential to note that extensive groundwork needs to be laid down for the implementation of such a scheme such as reforming the immigration policy.

SOUTH AFRICA'S ROLE WITHIN THE BRICS

According to Investopedia (2012) BRIC is the acronym for the economies of Brazil, Russia, India and China combined. The term was first prominently used in a Goldman Sachs report from 2003, which believed that by 2050, the four economies would be wealthier than most of the current major economic powers. Hult (2009:1)concurs that these countries cover 25% of the world's land mass,40 % of the world's population and are increasingly run as global market economies. The BRIC concept was coined by Jim O'Neill of Goldman Sachs in 2003 to identify countries that had fastest growing economies, with bulging middle classes and promising markets. These were likely to overtake the G7 (the US,United Kingdom, France, Italy, Canada, Germany and Japan) as best performing economies by 2040.The grouping has changed with the recent addition of South Africa to become BRICS. South African info (2011b) states that South Africa became a member of a powerful bloc of emerging economies which, according to the International Monetary Fund, will account for as much as 61% of global growth in three years-time. These countries are Russia, Brazil, China, India and South Africa.

Qobo (2010)further states that the BRIC Forum was formally founded in Yekaterinburg, Russia in June 2009 as a platform to share views on how to respond to the challenges and opportunities presented by globalization. Hult (2009:1) states that Goldman identified another set of countries making important strides and future successes to be watched. These are referred to as the next 11 (N-11), counting Korea, Turkey, Mexico, Indonesia, Iran, Pakistan, the Philippines, Egypt, Nigeria, Bangladesh and Vietnam. These countries were selected based on the strength of their economies. Qobo (2010) notes that South Africa now has political clout after being included in the BRIC formation at the second Summit held in Brazil on the 16 April 2010.The grouping has since changed to BRICS. South Africa now can become a vocal champion of the interests of developing countries.

COMPARISON BETWEEN BRAZIL AND CHINA

 According to Greenleaf (2006:5) Black empowerment and the fight against AIDS are central themes in South Africa.The United States,on the other hand view corporate social responsibility as being associated with charity and in the Netherlands it is seen as activities that transcend legislation. China has a tradition where CSR was strived for through communism. Greenleaf (2006:5) notes that since the emergence of state capitalism, social facilities have mostly been dismantled in China. Brazil's CSI is particularly associated with social commitment with a large contrast between the rich and the poor.

Bandeira & Parra in Idowu & Filho (2008:309) state that during the 1960s they were in denial, in the 1970's there was now general acceptance that the problems existed. However, in the 1980's the general views changed to acceptance of the problem and aiming to solve it from the root cause. Brazilian society is more participative and proactive about corporate social responsibility than ever before. Social responsibility is a discourse that is under construction where civil society is more concerned about the need for sustainable development.

On the other hand, China has a rich history of philanthropy dating from AD 960 to AD1279.Lin (2006:17) states that the origins of corporate social responsibility in China are anchored on notable figures that still impact society today. These include Minister Fan Zhongyan from AD 939-AD 1052 of the South Song Dynasty, a philanthropist who set up a charitable estate for poor people called 'yi tian' which catered for poor people in their community. Another key figure was Liu Zai from AD 1165-AD1238, who also founded the 'zhou ju' which was a disaster charitable organisation that assisted the refugees from either famine stricken areas and distribute food.

Sarkis *et al.*(2011) stated that China recently received bad press about its poor corporate social responsibility. This involved worker suicides, faulty consumer products, toxic emissions in the countryside, overworked and underpaid employees. However, NGOs have increased their influence after government's inability to provide all the necessary social programmes. The China Daily (2009) states that firms are now able to collaborate with NGOs and implement their CSR practices in various forms, such as making cash or in-kind donations, employee volunteering, collaborating on certain projects or even starting up businesses. An example of the first NGO–corporate partnership in China is when Hewlett Packard (HP) started a "Cartridges for Dragon Recycling" programme in 1995.

They partnered with two NGOs, the Global Village and the Jane Goodall Institute's Roots and Shoots Programme. This would later set the pace for change within the corporate social responsibility realm.Young (2004:291) states that the Ethos Institute of Business and Social Responsibility in Brazil, a non-profit, non-governmental organisation, has taken on a leading role in the Brazilian CSR effort. In 1998,when the Institute was founded with only 11 member companies, many considered the goal of promoting CSR as utopian. The Ethos Institute had over 800 member companies in 2004 which together employ 1.3 million people and have aggregate revenues equivalent to 30% of the country's gross domestic product (GDP).

Young (2004:292) also states that this growth indicates that CSR holds immense potential. The Ethos Institute presently maintains several partnerships with domestic and foreign institutions. These include 8 industrial federations, 33 trade associations and non-governmental organisations, 7 national media channels with specialized supplements, not to mention a network comprising almost 470 institutions of higher education. Greenleaf (2006:12) also notes that in Brazil the main themes are reducing the social inequalities and companies are expected to contribute financially or through their own personal efforts to reducing the social needs. Greenleaf (2006:13) also states that the environment is considered to play an insignificant role and perceived as being a problem caused by Western countries. The social situation in Brazil shows that there are large differences of wealth and the problem of poverty is high on the agenda. The examples of China and Brazil are perfect illustrations of the different expectations they regard corporate social responsibility. In China the main priorities are good food supplies, decent housing while a basic minimum wage has main priority in China.

Haslam (2004:1) notes that there is a huge gap between the most developed countries of the Americas (Canada and the United States).There are four different levels of CSR activity in declining order of activity namely:

- Running (Canada and USA)
- Catching up (most developed Latin America)
- Walking (rest of South America)
- Stalled (Central America and the Caribbean)

The most industrialized Latin American economies(Argentina, Chile, Mexico) have a significant private sector CSR activity by private companies especially industry associations, business professionals and independent organisations.

POVERTY IN SOUTH AFRICA

May (1998:4) summarise the main causes of poverty and inequality in South Africa as follows:

- Apartheid has resulted in the loss of assets especially land, distorted economic markets and social institutions through racial discrimination. This later caused violence and destabilization.
- This further led to communities suffering from ill health in communities due to over-crowding, environmental degradation, the mis-match of resources and opportunities, race and gender discrimination and social isolation.
- The behaviour and attitudes of government officials, the absence of information concerning rights, roles and responsibilities, and the lack of accountability by all levels of government. These triggers have shaped the nature of poverty in South Africa.

May (1998:2) states the poverty rate (proportion of people falling below the poverty line) for rural areas is 71%. Poverty is not confined to any one race group, but is concentrated among Blacks, particularly Africans: 61% of Africans and 38% of Coloured people are poor, compared with5% of Indians and 1% of Whites. Furthermore, women are more likely to be poor with the poverty rate pegged at 60%, while male headed households are 31%.

IMPACT OF HIV/AIDS

Dixon *et al.* (2002:232) state that the macroeconomic effects of HIV/AIDS in Africa based on economic theory predicted that it reduces labour supply and productivity. The AIDS pandemic has reduced the average national economic growth rates by 2% to 4% a year across Africa. There is a marked need for prevention, treatment programmes and training in skills needed in key industries. Nattrass (2003) affirms this by stating that over the past decade; the labour-market and industrial-policy environment has benefited relatively high-productivity firms and sectors. Business thus had strong incentives to reduce dependence on unskilled labour, and once the price of Highly Active Antiretroviral Therapy (HAART) started to fall from 2001 onwards, to supply it, either directly or indirectly through medical aids, to their increasingly skilled workforce.

Those without jobs had neither access to earned income nor life-prolonging medication. Nattrass (2003) observed that South Africa's unemployment rates, when compared to other middle-income developing countries are, literally, 'off the charts'.Fedderke & Mariotti (2002:830) observed that employment has become harder in South Africa's because of the structural changes, the impact of technological change and rising wage and non-wage labour costs. Amdt & Lewis (2005:2) state that the HIV/AIDS pandemic tends to strike younger adults by reducing their life expectancy and the rate of population growth.

It will also increase the burden on the working age population. The pandemic has moved beyond a health issue to become a development issue with social, political and economic ramifications. Therefore, younger adults will be forced to look for jobs than furthering their education.

SKILLS AND EMPOWERMENT ACT

According to Edwards (2001:42) trade liberalization in South Africa finds itself competing against low wage countries like India and China as well as highly productive developed countries. South Africa may find itself being squeezed from both ends of the skills spectrum, resulting in 'defensive innovations' and capital upgrading to compete against imports from developed and developing countries. Already the pressure on the labour-intensive industries is being felt with the Congress of South African Trade Unions (COSATU) arguing that the social and economic costs of globalization are being borne by the working class and the unemployed. Coetzee (2007:14) outlines that the structures created by the Skills and Development Act were mainly directed at improving the skills of the South African workforce by encouraging learners to participate in learnerships. Various incentives have been offered to learners and employers alike.

Mahadea (2003:24) pointed out the most pressing problem facing South Africa today is the absence of sustained economic growth and employment creation. New jobs have hardly been forthcoming even though the economy registered positive growth rates since the democratic government took office in 1994. According to Bhorat (2001:419) about 90 % of the unemployed are African and 56 % female and 70% of the unemployed have never held a job before. Mahadea (2003:26) noted that unemployment increased from 19.3% in 1996 to 29% in 2001 and the expanded rate increased from 33% to 37% over the same period. The 1998 Skills Development Act should hopefully impact positively on productivity, without destroying jobs.

The employers have to fund the skills development programme by means of a special monthly levy, amounting to (one-half per cent in 2000) 1% of their wages. According to Black & Rankin (1998:452) the Malumalele Social Movement for the Unemployed argued that … *the unemployed have a right to decide if they want to accept low-paying jobs*. This is presumably premised on the reality that a job with low income is better than no job at all. Mahadea (2003:36) further notes that that the *problem with legislation is that it is geared towards control.*

Heyns (2011) states that there is now provision of a large base of mentorship programme for entrepreneurs, advancing access to resources, as well as a more co-ordinated partnership between the public and private sectors. These are crucial interventions if South Africa fully taps into its entrepreneurial reservoir in addressing the backlog of joblessness and meet the target of creating five million jobs by 2020.This explains the upsurge of organisations such as the Khula Enterprise Finance, Small Enterprise Development Agency (SEDA), Industrial Development Corporation (IDC) which are committed to supporting the unemployed and those willing to start their own businesses.

SEDA (2002) states that it provides business development and support services for small enterprises through its national network in partnership with other role players in the small enterprise support. SEDA implements programmes targeted towards business development in areas prioritized by the government. SEDA provides business development and support services for small enterprises through its national network in partnership role players in the small enterprise support. SEDA implements programmes targeted to business development in areas prioritized by the Government. According to the SEDA Annual Report (2011:8) the Chief Executive Officer, Ms Lupuwana noted that business opportunities and not unemployment should spur entrepreneurs. Furthermore, they have managed to surpass their target of attracting over 60000 clients registering their own businesses highlighting the potential of entrepreneurship to create income sources for the unemployed.

According to Khula (2007) their channels include South Africa`s leading commercial banks, retail financial institutions, specialist funds and joint ventures. Their primary aim is to bridge the "funding gap" in the Small to Medium Enterprise (SME) market not solved by commercial financial institutions. Established in 1996 and operating as an independent agency under the auspices of the Department of Trade and Industry (DTI), Khula is recognized for its reputation as a major force in the development of the SME.

The Department of Trade and Industry in South Africa has also introduced notable Government initiatives which include the Centre for Small Business Promotion (CSBP), Ntsika Enterprise Promotion Agency and Khula Enterprise Finance. The CSBP administers the aims of the national strategy, which includes job creation. The DTI has entered into agreement with the European Union which will see the EU donating R550m to start a risk capital fund for Small –micro to medium sized enterprises (SMME's).Medupe (2011) noted that for government to reach the commitment to empowering rural and peri-urban communities to accelerate job creation, it is important for small businesses to be registered. According to the International Development Corporation (IDC) (2012), it was established in 1940 and formed to promote economic growth and industrial development. They are owned by the South African government under the supervision of the Economic Development department.

The IDC's primary objective is to contribute to the creation of balanced, sustainable economic growth in South Africa and on the rest of the continent. The company promotes entrepreneurship through the building of competitive industries and enterprises based on sound business principles.

CHAPTER SUMMARY

In this chapter, the researcher has discovered that solving the unemployment problem will not require solutions from government alone, but requires a multipronged approach from all key stakeholders ranging from the municipalities, communities, the corporate sector, civic organisations and government to make any notable change. The importance of CSR in revitalizing and ensuring job creation within the community is evident positively, since companies have contributed meaningfully within Richards Bay and become not solely employers but beacons of hope. Entrepreneurship has also become the key concept or model to conceptualize to eradicate poverty and ensure self-reliance after reeling from the economic crisis that resulted in job losses all over the world, leading to major upsets in all economies. There are a number of options to try and alleviate the crisis of unemployment such as public works, wage subsidies and immigration reform.

However, there should be concerted efforts at grassroots level with regards to empowering and educating the youth to broaden their horizons. The youth are the future and hope for the next generation. If they are instilled the concept of entrepreneurship early they can be more proactive with regards to making a living. Corporate Social Investment by the different companies can then timeously inject funds through income generating projects for these individuals. This will stimulate industry and bring hope to KwaZulu-Natal, Richards Bay in particular, a town that might have been insignificant to emerge as an epicentre of development. In the next chapter the researcher analyses the concept of CSI implemented by major companies in Richards Bay.

A COMMUNICATION SCIENCE PERSPECTIVE OF CSI

INTRODUCTION

Thus far, the problem of unemployment in relation to the concept of CSI has been identified. This chapter explores the concept of communication and seeks to further explain the relationship between communication and CSI. Communication is fundamental in all aspects of business and it is necessary to identify the different aspects of communication. CSR initiatives or programmes thrive on communication as this determines the level of interaction with either internal or external publics. Therefore, an analysis of how CSR initiatives are communicated is crucial, while gaining perspective on procedures observed by communications professionals in fulfilling their communication objectives.

THE NEED FOR COMMUNICATION

Sethi & Seth (2009:32) describe communication as an inseparable, essential and continuous process which can be compared to the circulatory system in the human body. This description emphasizes the importance of engaging in effective communication. The success in which a person can show in almost any organisation whether social, governmental or commercial depends largely on their ability to communicate effectively. This will be managed by public relations practitioners who have to employ vital skills through organisational, interpersonal and small group communication. It is also important to highlight that there are barriers in communication.

The Management Study Guide (2012a) states that there are many barriers that can affect communication namely:

- Perception and Language differences.
- Information Overload.
- Inattention.
- Time pressures.
- Emotions.
- Poor Retention.
- Distraction/Noise.

- Complexity in the organisational structure.

The factors above are all examples of communication barriers. As such a communications practitioner needs to be aware of these factors when constructing a strategy to deal with its internal and external stakeholders.

COMMUNICATION IN PUBLIC RELATIONS

Mersham & Skinner (1999:56) define public relations as the management of communication perceptions and strategic relationships between an organisation and its internal or external stakeholders. Rudansky-Kloppers (2002:182) reinforces this definition by stating that a company needs to maintain a close relationship with consumers, shareholders, suppliers, government institutions and several other publics. This relationship must be managed well so that a favourable corporate image is created. Therefore a public relations department responsibility is to plan, implement and evaluate the strategic process in conjunction with all other functional departments. Newsom & Haynes (2010:3) note that good public relations requires good communication skills and expertise in dealing with all the media, dynamics of public opinion and principles of persuasion. Public relations can therefore be defined as a deliberate, planned and sustained process of communication between a business and its publics for the purpose of obtaining, maintaining or improving good relations. This is with regards to goodwill, mutual understanding, acceptance and cooperation on which profitable survival and growth depend.

Steinburg (1992:47) states that public relations can be used by corporate social responsibility practitioners as a vital factor in the creation or engineering of consent in order to foster a favourable and positive climate of opinion to the institution. Cutlip (1985) in Theaker (2004:142) also states that public relations can act in the public interest by making a genuine attempt to discover the requirements of the community stakeholders and help the companies become more responsive to their social needs. The stakeholder model will have to be used in order to achieve this as a prerequisite. Theaker (2004:142) states that the model argues that the corporation should be run in the interests of all the groups which have a stake in it. In respect to the CSR programmes it would mean that the potential beneficiaries would contribute to the decision making process. This would demonstrate that the companies are treating the beneficiaries of CSR with goodwill.

According to Rochte (2009) public relations can be both a blessing and a curse if it is not done properly in embracing the strategic and integrated nature of CSR. If it is done improperly CSR can then be seen as a public relations fix tantamount to "green washing" the "sins" of a company. CSR should rather be an integrated, sustainable and systematic approach to business. Public Relations should rather lightly handle CSR initiatives until the CSR programme has reached momentum until there can be something to report, celebrate and brag about. Cutlip *et al.* (1985:56) noted that an institution's relationships with its neighbours in the community are crucial.

These neighbours supply an organisations' workforce, provide an environment that attracts or fails to attract talented personnel, set taxes, provide essential services and can cause restraints on the industry. Contrary to Cutlip *et al.*, Portway (1995:226) states that the distinguishing features of the corporate philanthropy model of CSI are that a company does not expect anything in return for its contribution. Haywood (1984:45) notes that being a good citizen pays, since good community relations are important for every organisation. Some of these groups of people include professionals, businesses and social action groups e.g. neighbours, suppliers, existing and prospective employees, community and opinion leaders, professional associations, social leisure and cultural societies, educational establishments. A number of techniques and activities can form a community relations programme such as press relations, visits, speaker's panel, open days, internal communications, facilities and sponsorship for community projects.

COMMUNICATION DEFINED IN CSI

Mersham & Skinner (1999:7) define the concept of communication by illustrating the major components of communication such as the communicator, a medium which carries the message and recipient of the message. They note that the verb to communicate means to exchange thoughts, feelings and information, to make known, make common or present something that somebody else understands. McShane & Von Glinow (2003:324) defines communication as a process by which information is transmitted and understood between two or more parties. Communication is regarded more as a dialogue than a monologue. Therefore, there is an exchange of ideas, opinions and information through the written or spoken words, symbols or actions. De Wet (2010:2) distinguishes the definition of communication as originating from Latin as *communicatio* which has two components of either making common or taking ones audience into confidence.

Steinberg (2007:18) emphasizes that communication is a dynamic process where people are not always exclusively communicators or recipients. However, in the context of CSI, the source will refer to an organisation intending to communicate with either internal or external publics. Kotler (2003:563) stresses that, *For most companies, the question is not whether to communicate but rather what to say, to whom, and how often.* This quote suggests that it is not merely a matter of companies communicating with their stakeholders but more of how they will communicate to their various stakeholders.

Tonello (2011) states that CSR communication typically focuses on a company's involvement in various social causes. The message is crucial with regards to communicating the purpose and initiatives to be implemented within a particular community by an organisation. Bueble (2009:186) defines CSR communications as using promotional techniques that are directed at informing about a company's CSR and supporting the brand identity. It will also incorporate communication that broaches the issue of socially, ethically or environmentally responsible behaviour. The peculiarities of CSR communication are that some scholars perceive CSR as a double edged sword. Tonello (2011) suggests that companies which overemphasize their corporate legitimacy run a risk of achieving the opposite effect of conspicuous CSR communication masking the existing legitimacy problems. Therefore, there must be compelling reasons that propel companies to outline their motivations and instill corporate values in constructing messages. This gives companies an opportunity to connect and engage with stakeholders as well as manage their corporate reputation.

INTRAPERSONAL COMMUNICATION

Conventionally the term intra means 'within' or 'inside' therefore intrapersonal communication will occur when an individual sends and receives messages internally. Jemmer (2009:38) defines intrapersonal communication as a view of the world within each of us. It is the perception of reality that people construct for themselves and is substantively influenced by interaction with others. Jemmer (2009:38) outlines that it is as unique as a fingerprint, continually growing and being reshaped. Furthermore, this will then lead to an individual questioning their differences, goals, motivation, language, discourse structure, memory, social rules and imagination.

Honeycutt in Stacks (2008:323) observed that intrapersonal communication takes different forms such as self-talk, inner speech, imagined interaction, and daydreaming, listening and emotional awareness. The distinguishing characteristic is that the individual is the only participant. Messages will originate and end with that individual and enable them to make sense of the world around by expressing and interpreting their own messages. Intrapersonal communication is thereby the basis of communication and has far reaching influence on shaping an individual's behaviour and attitudes. This concept is particularly relevant within organisations since each employee communicates internally. Mersham & Skinner (1999:148) state that intrapersonal communication in an organisation will begin with the individual and the person will have to be in tune with the corporate culture namely the vision and mission of the organisation.

INTERPERSONAL COMMUNICATION

Sethi & Seth (2009:32) define interpersonal communication as a procedure by which people share information, feelings and impart them through verbal and non-verbal messages. This definition emphasizes that interpersonal communication is not only concerned about 'what' is pronounced namely the language employed, but 'how' it is pronounced. Nonverbal messages can be observed through the tone of voice and facial expressions.

Pearson *et al.* (2006:133) define interpersonal communication as a process of using messages to produce meaning between at least two people in a situation that allows mutual opportunities for both speaking and listening. The prefix 'inter' means between and interpersonal communication can be best described as direct face to face communication. This interdependent relationship between the receiver and sender of a message is characterized by a strong feedback component. The purposes of interpersonal communication are, therefore, to influence, help and discover as well as share information.

Mersham & Skinner (1999:90) identified four main criteria for interpersonal communication as follows:

- There must be two or more people in physical proximity.
- Communicative behaviour will be interdependent.
- Verbal and non-verbal communication can be observed.
- Feedback and exchange are immediate.

Hartley in Sethi & Seth (2009:36) also added an important characteristic of interpersonal communication as a reflection on personal characteristics of individuals as well as their social roles and relationships. Communication will thereby be a foundation for all interpersonal relationships; through it one can communicate, establish, develop and maintain relationships. An individual can also withdraw and terminate relationships. Holba (2008:495) notes that Martin Buber, a renowned philosopher, distinguished two types of interpersonal relationships. These are the I-you relationship, I-it relationship or just basically two way communication and one way communication. In the I-you relationship partners approach each other with mutual respect, sincerity and honesty. The communication is reciprocal with authentic feelings, thoughts and beliefs are revealed. In the I-it relationship the attitude of his or her partners in communication is not an equal subject in the relationship but an object to be manipulated for personal gain.

The intention of the 'I' is to persuade the other to his or her way of thinking without taking into account the views and needs of the other. In relation to organisations, interpersonal communication will refer to the interaction fellow colleagues will have with one another and this is crucial in encouraging unity. According to Mersham & Skinner (1999:148) good relationships between managers and subordinates and peers are essential for the success and they can contribute to the mutual satisfaction and reward but also to high productivity and a sound reputation of the organisation.

INTRA-ORGANISATION AND INTER-ORGANISATION COMMUNICATION

Mersham & Skinner (1999:149) define intra-organisation communication as internal messages that are shared among members of an organisation. Information is exchanged within the organisation using both formal and informal channels namely reports, letters memoranda and informal channels like the grapevine.

Gurdal (1997) in Arklan (2011:10295) also states that intra-organisational communication is the conveyance or reception of verbal and non-verbal messages within the organisation depending on the existing organisation, structure and culture. Arklan (2011:10295) highlights that it serves as a cementing agent, which establishes the necessary connection and functional relationships among the units within the organisation. This includes employees and needs to be designed in accordance with the business goals.

Mersham & Skinner (1999:149) also add that inter-organisational communication has messages about activities and needs that different organisations share with one another. Inter-organisational communication transcends from intrapersonal and interpersonal communication as it now relates to the employees within the organisation as well as other organisations. This communication is pertinent for CSI to be practiced since it is anchored on the notion of liaising with both internal and external stakeholders for their valued input. Therefore in light of this study, on the concept of CSI, the organisation will need to employ these skills both from an internal and external perspective since they interact with stakeholders at all levels. The nature of interaction should be strongly supported or based on mutual trust.

Small Group Communication

According to Mersham & Skinner (1999:113) small group communication refers to the communication between three and twenty people who share a common purpose or goal which can be either task or social oriented. Brilhart & Galanes (1998:44) define small group communication as an interaction of a small group of people to achieve an interdependent goal. Borcher (1999) postulates that small group communication is defined by three main factors namely size, interaction and goals. A small group should have at least three and no more than twelve or fifteen members. A large group of (more than twelve or fifteen members) will inhibit the group member's ability to communicate with everyone else in the group.

Mersham & Skinner (1999:117) observed that people in groups usually share a common goal or purpose which is either task-oriented or socially orientated. Task orientation is aimed at solving problems or arriving at a particular decision. The group members must be able to communicate freely and openly with all other members of the group. A group must have a common purpose and must work together to achieve that goal. The goal brings cohesion to the group together through conflict and tension.

It is important that in any setting the smooth flow of ideas and participation is promoted in order to accomplish a particular goal. CSI will require the set up and management of various task groups for particular initiatives and it is necessary to have a synergy of committed participants. An open platform should be created for the free flow of ideas. Pearson *et al.* (2006:53) lists four types of groups even though they are complex to define.

These groups are:

- Task oriented meaning towards achieving a specific goal such as solving a problem or making a decision. They are formed for the purpose of completing tasks such as solving a problem.
- Relationship/Social orientated groups which are long term and exist to meet the needs of inclusion and affection such as the family. It originates from the human need for social contact.
- Assigned Groups evolve out of a hierarchy where individuals are appointed as members of a group such as an executive board.
- Emergent Groups are a result of environmental conditions leading to the formation of a cohesive group of individuals.

INFORMAL COMMUNICATION (GRAPE VINE)

The Management Study Guide (2012c) defines the grape vine as an informal channel of business communication. Despite existence of formal channels in an organisation, the informal channels tend to develop when one interacts with other people in organisation. It exists more at lower levels of organisation. Furthermore, this communication process is activated because of a failure or the absence of formal communication. The process is fast, accurate and can be used to the advantage of management to assess employee reaction to proposed changes. Mersham & Skinner (2001:46) stress that grapevine communication flourishes where change, ambiguity and organisational secrecy are the order of the day.

Fielding (2006:14) describes informal communication or the grapevine as filling information void, thereby giving meaning to activities within an organisation. Grapevine communication has three major activities namely:

- Acting as the barometer of the organisation by providing vital feedback to management regarding the organisation.

- Serves as an important message source.
- Helps members of an organisation to make sense of what is going on.
- Boost the morale and mood of staff; people can reveal their grievances and inform staff on new policies and procedures.

However, in the context of CSI, the grapevine serves an important function of allowing the community to talk about corporate activity within their area. This provides organisations a platform to benchmark and rate their performance within this area. The people can voice their concerns and needs which can assist the CSI practitioners on identifying possible areas to support that are relevant and fall in line with the company's vision and mission.

PARTICIPATORY COMMUNICATION

Yoon (2004) states the participatory communication approach was conceived more than two decades ago and its principles drive the work of a significant number of communicators from nongovernmental organisations, and to a lesser extent, programmes of government agencies. Participatory approaches in development communication are rooted from as early as 1970.The development community had begun to question the top-down approach of development dominant in the 1950s and 60s, targeting the economic growth of countries. Servaes *et al.* (1996:15) outline that the participatory approach incorporates the concept of development and stresses the importance of cultural identity of local communities, democratization and participation at all levels.

Tufte & Mefalopulos (2009:91) state that the vision of using new technologies to pursue better lives for human kind has always existed and has been reinforced throughout the twentieth century. In 1927 Bertolt Brecht formulated the radio theory in which he envisioned new technology such as the radio to be an instrument for change. Brecht's work is anchored on two core visions still inherent today in participatory communication. This includes the notion that technologies possess the potential to improve the lives of many people by giving them a voice. His groundwork also laid the foundation for the establishment of educational principles present in today's participatory communication models.

GUIDING PRINCIPLES OF PARTICIPATORY COMMUNICATION

According to Tufte & Mefalopulos (2009:92) the guiding principles of participatory communication are namely:

Dialogue: Free and open dialogue is central to participatory communication. Paolo Freire defines dialogue as an encounter between men in order to name the world. Servaes *et al.* (1996:26) states that Freire's theory implies that dialogical communication respects the autonomous personhood of each human being.

Voice: Central to dialogue communication is the consciousness of power relations contained in any human relationship.

The role of the media is to ensure community support.The media can ensure that the most marginalized groups have a platform to voice their concerns, engage in public debates and solve their problems.

Liberating Pedagogy: Communication is mainly through an internal person to the community or external acting to facilitate the dialogue. A radio or programme can also serve as the catalyst. According to Freire the catalyst not only offers relevant solutions to problems but allows for identifying problem and offering solutions. Paulo Freire also highlighted four major pillars on which to communicate namely love, humility (absence of arrogance), faith and hope.

Action-Reflection-Action: Participatory communication is strongly action oriented including dialogue and reflection. Empowerment process is fundamental for problem solving, reflection and action. The key results of participatory communication include raising awareness of pertinent issues and a commitment to action. This is also empowering for involved communities so they can feel a commitment and ownership of the problem.

Effective Business Communication in an Organisation

According to Borkowoski (2009:84) communication plays an important role in knowledge management. Employees are viewed as the organisations brain cells and communication represents the nervous system that carries information and shared meaning to vital parts of the organisational body. Staden *et al.* (2002:114) list factors that ensure flow of information in an organisation is successful across all levels in an organisation namely:

- Communication routes should be constantly kept open.
- Staff at lower levels needs to gain access to their superiors.
- Upward communication within an organisation should be encouraged.
- Messages should not pass through too many intermediaries before reaching their final destination.
- Coaching and mentoring programmes should also be implemented.

According to Ashraf (2008) business communication is communication that is used to promote a product, service or organisation with an aim of making a sale. The message is passed through different types of channels for example the internet, radio, word of mouth, television and print (publications).Communication in business is a prerequisite for all functions in the organisation. Management Study Guide (2012b) defines business communication as being goal oriented whilst regulated by particular rules and norms. These would then be communicated to people within and outside the organisation.

TYPES OF BUSINESS COMMUNICATION

There are two forms of business communication in an organisation namely internal and external communication.

INTERNAL COMMUNICATION

Ashraf (2008) states that communication whether through informal or formal channels will communicate in various forms to employees. Effective internal communication is paramount to addressing an organisation's needs. Smith & Mounter (2008:2) note that an informed and engaged workforce produces better results. Good communication, therefore, assists in increasing job satisfaction, safety, productivity and profit. This will also reduce the number of grievances within the business. Ashraf (2008) distinguishes internal business communication as being composed of three types namely:

- Upward Communication
- Downward Communication
- Horizontal/Literal communication

Mersham & Skinner (2001:43) define upward communication as the messages sent from the lower levels of the hierarchy to the upper levels for example from the worker, to the supervisor and to the manager. Lussier (2008:344) outline that employees send messages to their employers so they know the different activities within the organisation. The actions and feedback from customers is very important. Organisations that encourage upward communication believe that everyone is capable of generating thoughts and ideas which can help an organisation to progress. Sommerville (2007:265) emphasizes that upward communication is powerful since it allows employees to participate in the day to day decision making. However, Mersham & Skinner (2001:43) observed that top executives tend to initiate a high proportion of messages but receive a lower proportion.

Green & Knippen (1999:9) state that employees need to take the initiative rather than wait for the manager to encourage more upward communication. Upward communication gives subordinates a sense of belonging to the organisation and management can benefit new ideas from them. This has an effect of increasing employees' motivation so they feel valued and respected.If problems occur they are more likely to be identified. The types of upward communication include suggestion boxes, feedback forums/surveys, grievance procedures and employee manager discussions. Fielding (2006:13) stresses that the main purposes of upward communication is to receive feedback on how well messages have been received. Furthermore progress of tasks, employee's attitudes, motivation, perceptions, suggestions from staff and also check on individual performance. Ashraf (2008) points out that Upward Communication is a platform for staff to:

- Exchange Information.
- Offer ideas.
- Express enthusiasm.
- Achieve job satisfaction.
- Provide feedback.
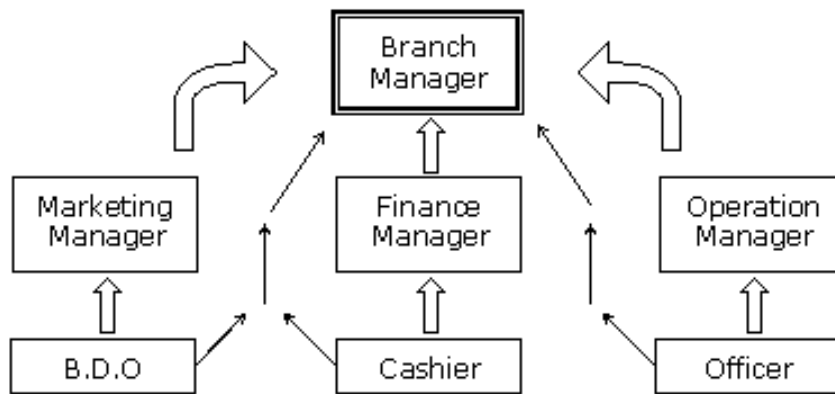
Figure 4: Example of Structure of Upward Communication in a Bank

Source: (Ashraf 2008)

DOWNWARD COMMUNICATION

Sommerville (2007:265) defines downward communication as information that begins flowing from the top of the organisational management hierarchy cascading down the chain of command to influence or inform others. This includes telling people in an organisation what is important (mission) and what is valued (policies). Downward communication is therefore necessary to execute the decisions and to give employees information about the organisation.

Guffey *et al.* (2009:16) observes that managers who use downward communication are able to provide feedback and at the same time instil a sense of mission in achieving organisational goals. Managers make decisions on procedures to be adopted by the organisation for maximum efficiency. According to Montana & Charnov (2000:340) downward communication is subject to organisational filtering by superiors to their subordinates. This poses two main effects such as distrust of top management by subordinates develops. On the other hand, top managers will choose deliberately not to transmit enough information to make their subordinates dependent on them. The types of downward communication include job descriptions, appraisals, evaluations, organisational policy and organisation systems. Downward communication comes after upward communications have been successfully established.

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Guffey *et al.* (2009:17) provides the following types of communication that an organisation follows:

- Transmit vital information.
- Give instructions.
- Encourage two way discussions.
- Announce decisions.
- Seek Cooperation.
- Provide motivation.
- Boost morale.
- Increase efficiency.
- Obtain feedback.

According to Fielding (2006:14) downward communication messages sent from managers to subordinates generally have 8 basic purposes.

- Describe a company's goals, philosophy and mission.
- Describe the company's ethical standpoint.
- Describe general company policies and procedures.
- Describe employee's relationships with the company.
- Instruct people on how to do the job.
- Give information on how one job is related to others.
- Give people feedback on how successful previous jobs have been.
- Give departments and individuals feedback on their general performance.

Downward communication may be in the form of oral and written instructions, policy manuals, memoranda, reports, notices and in-house magazines. It is also important to note that both downward and upward communications are collectively called vertical communication.
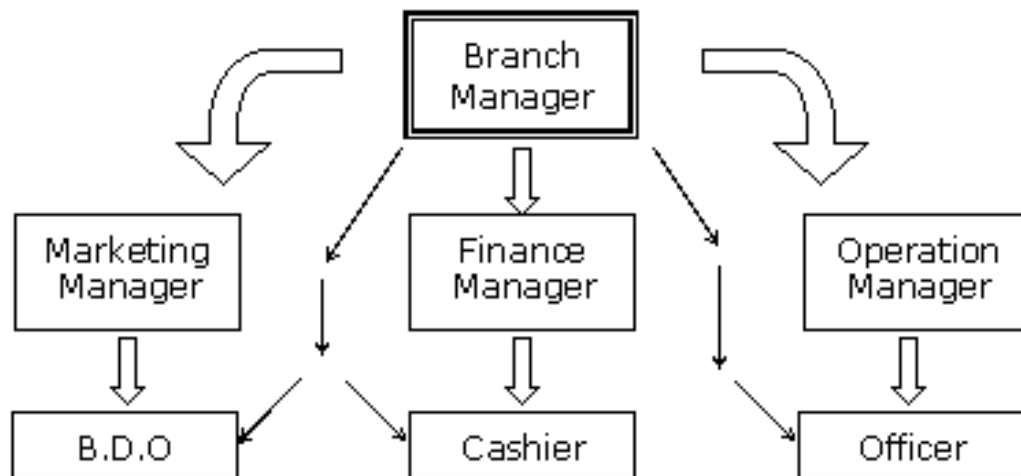
Figure 5 Illustration of Downward Communication in a Bank

Source: (Ashraf 2008)

HORIZONTAL/LATERAL COMMUNICATION

Mersham & Skinner (2001:42) define lateral communication as messages between equals namely manager to manager, or worker to worker. Robbins (2003:46) states that communication will take place among the same work groups for example managers at the same level which is crucial for the accomplishment of work. Guffey *et al.* (2009:16) affirms this fact that lateral channels of communication transmit information to workers at the same level, however, if a manager fails to set boundaries there is potential for conflict. These channels allow individuals to share information,coordinate tasks, resolve conflicts and solve problems.Horizontal communication takes place through personal contact, telephone, email, memos, voicemail and meetings.

Ashraf (2008) states that horizontal communication is essential for:

- Solving Problems.
- Accomplishing tasks.
- Improving teamwork.
- Building Goodwill.
- Boosting Efficiency.

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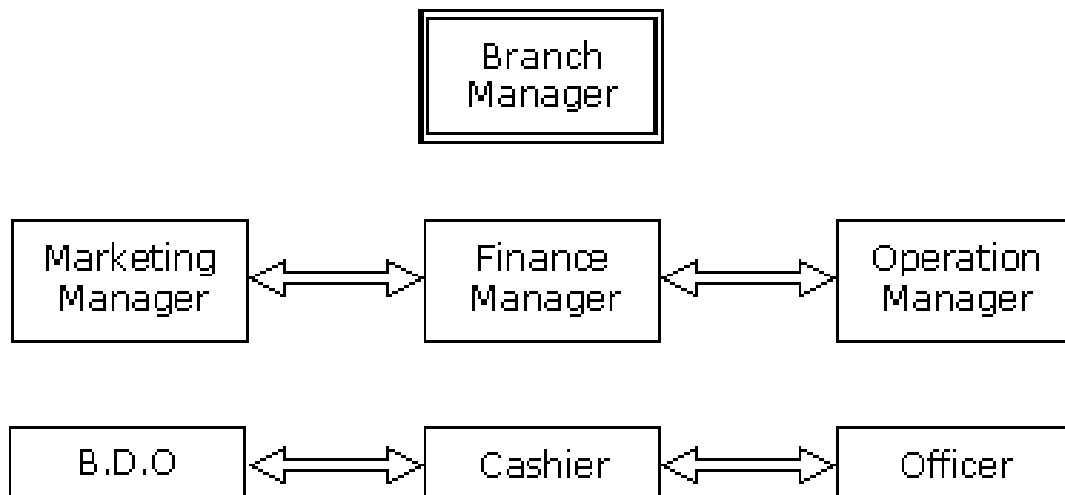
Figure 6: Illustration of Horizontal Communication in a Bank
Source: (Ashraf 2008)

EXTERNAL COMMUNICATION

Ashraf (2008) states that communication with people outside a company is called "external communication". Boone & Kurtz (2010:30) define external communication as the meaningful exchange of information where messages are transmitted between an organisation and its major audiences, suppliers and customers. Businesses therefore use external communication to keep operations functioning to maintain their positions in the market place and build customer relationships.

Ashraf (2008) indicates that modern organisations have now design technological systems to communicate with customers and undertake e-commerce which leads to better:

- Sales volume.
- Public Credibility.
- Operational Efficiency.
- Company Profits.
- Overall performance.
- Public Goodwill.
- Corporate Image.
- Organisational goals.
- Customer Satisfaction.

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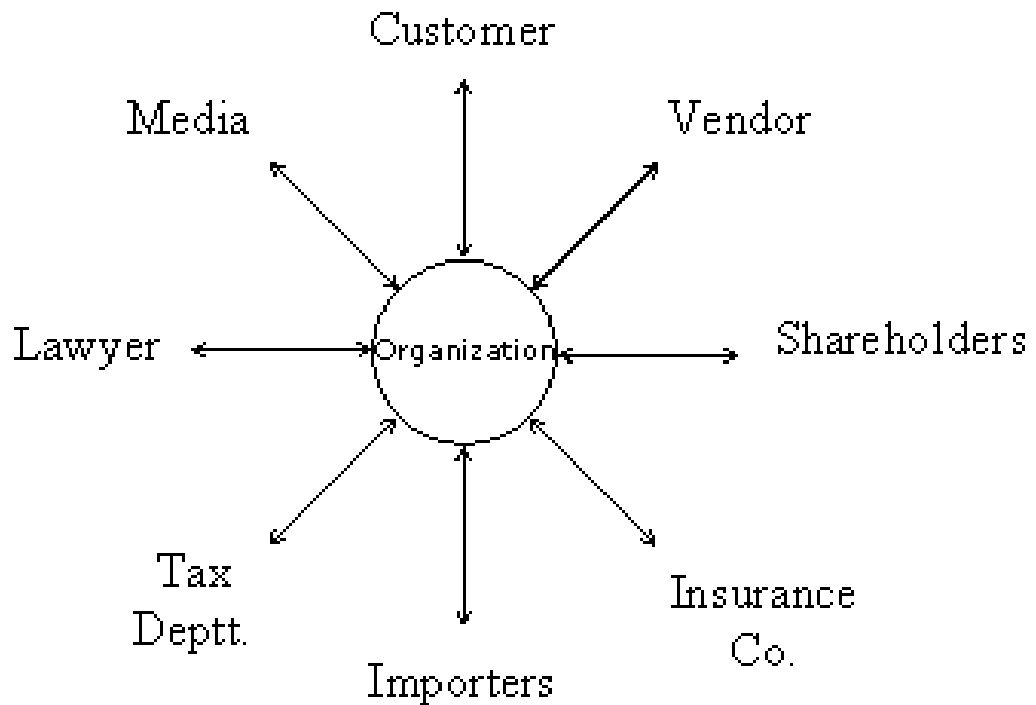
Figure 7 Illustration of Relationships/External Communication in Organisation
Source: (Ashraf 2008)

FUNCTIONS OF INTERNAL & EXTERNAL COMMUNICATION

Technology has rapidly expanded the types of internal and external communication available to organisations:

- Examples of external communication are letters, fax, direct mail, Internet, video, telephone, advertising and websites.
- Examples of internal communication are team briefings, notices, reports, memos, face to face interaction and email.

Guffey *et al.* (2009:16) defines internal communication as the sharing of ideas and messages with superiors, co-workers and subordinates. The functions of internal communication is to issue and clarify procedures and policies, inform management of progress, develop changes or improvements, coordinate activities, evaluate and reward employees.

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COMMUNICATING CSR

According to Exeter (2010:23), there are critical factors that need to be considered before communicating messages with regards to CSR. The messages allow stakeholder understanding, acceptance and embedding of the CSR strategy and actions. Therefore there is a need to validate, develop and adapt what intends to be communicated. The target audience also needs to be identified and clustered so as to tailor the message accordingly. Tonello (2011) identified three fundamental factors that determine the nature of CSR communication as the following:

LEVEL OF COMMITMENT

This is determined by the amount of input an organisation has towards a particular cause. Companies can support social causes in various ways such as donating funds, corporate resources, marketing,in-kind contributions, or providing, human capital, and employee volunteering. The durability of this association as well as the consistency of the input will need to be observed.

PERCEIVED CONGRUENCE BETWEEN A SOCIAL ISSUE AND THE COMPANY'S BUSINESS

The CSR fit is essential because it affects stakeholder's perceptions. Companies can sponsor social issues that fit well with their core corporate activities. This may result from common associations that a brand will share with a cause, such as, product dimensions for example herbal products brand can sponsor the protection of rain forests. If a particular social initiative has a low CSR fit, due to incompatibility between the social issue and business this may evoke stakeholder scepticism. This inevitably reduces any positive reactions towards the company's CSR activities. Therefore, a company should highlight the CSR fit of its social initiative.

LEVEL OF IMPACT

In CSR communication a company can choose to focus on aspects of its commitment to a social cause instead of the input side of its involvement in a social cause. The company can also focus on its societal impact, or benefits that have accrued (or will accrue) to the target audience of a social cause. The message should be factual and care should be taken to avoid the impression of "bragging." The support for a particular cause will determine its durability.

The longer term commitments are more likely to be seen as driven by a genuine concern for increasing societal or community welfare. The short term campaigns are more likely to be viewed as a way to exploit the cause for the sake of profit. Jahdi & Ackidili (2009:103) note that marketing communication tools can portray a company's CSR messages and contribute to its corporate image and brand equity. Public relations, advertising and sponsorship can prove to be more effective. Marketing communications tools, are not seen in a positive light by consumers or businesses. The company can document or communicate about its CSR activities through annual CSR reports, press releases, corporate websites, television commercials and magazines or billboards.

This may involve product packaging where companies can include or print messages about their involvement within the community. Baghi *et al.* (2009:15) investigated the impact cause-related marketing, which is a strategy that aims to communicate a company's striving for CSR and to improve brand image. Bronn & Vrioni (2001:207) affirm this notion by stating that this cause related marketing strategy is considered an effective way to prove a firm's commitment towards the solution of important social concerns.

The results of the study by Baghi *et al.* (2009:17) concluded that consumers prefer products associated with a vivid message of the social cause rather than products associated with a pallid message. Furthermore,vivid messages induced more positive affective reactions and a higher trust in the effective use of money than pallid ones. It is essential to note that in South Africa brand managers have discovered the savvy use of corporate social investment policies as making them more competitive and giving their brands high local profile. Irwin (2003:303) states that savvy CSI programmes on banks, game lodges and multinationals have proven to be an excellent means of promoting brand loyalty. This is important since consumers look at business to help solve the myriad of economic and social inequalities.

Lewis (2001:31) notes that the public now want to be informed of the companies stance behind the brands and products presented to them. Customers have the power to reward 'good' companies and punish the 'bad ones'. Jahdi & Ackidili (2009:110) noted that marketing communications can be used for ethical and corporate social responsibility purposes. The growth of ethical and green claims by companies, some of which appear in the so-called '*sin industries'* category, contribute to growing consumer scepticism of such CSR communications and green-washing.

Jahdi & Ackidili (2009:111) describe this phenomenon as a '*shotgun wedding*' between marketing communications and CSR. Companies that use CSR and ethics as a unique selling proposition sometimes thrive on this selling point. Communications with the stakeholders can ,therefore, be described as more of a '*marriage of convenience*', as far as marketing communications and CSR are concerned.

CSR CHANNEL OF COMMUNICATION

Tonello (2011) states this refers to the means or venues of communicating with various audiences about an organisation or CSR activities. These involve using the mass media to communicate an organisation's commitment to its CSR activities through commercials on television and radio. This can also be covered on websites and social media. Newsom & Haynes (2010:8) state that a channel can also refer to individuals through social media, person to person meetings and group interaction. This strongly applies to CSI where the communications practitioner needs to have good interaction with either internal or external stakeholders.Tonello (2011) also states that a company can also communicate its CSR activities through official documents, such as annual corporate responsibility reports, press releases, magazines, newspaper supplements or billboard advertisements.

Tonello (2011) observed that an important form of communication which may be overlooked is word of mouth through either employees or consumers. This is considered a credible yet an informal communication channel and its power should be not underestimated. Furthermore, the channel must be appropriate for that particular message. The product packaging can also be used to communicate a company's involvement with a message about the initiative being supported. Employees also generally have a wider reach among other stakeholder groups through their social ties and are often considered a credible source of information. Therefore, it would be beneficial for all the employees to be engaged in the concept of CSI and become advocates for the benefit of their respective communities.

ELECTRONIC COMMUNICATION/SOCIAL MEDIA

Watson *et al.* (2000:97) describe the Internet as an all-purpose communication medium for interacting with a wide variety of stakeholders. The Internet can take on many communication roles including being a persuasive advertising medium. In terms of time and space, as long as one is in a country or region that has access, the Internet makes physical location largely irrelevant. This has paved the way for the influence of social media in a fast paced and technologically advancing age.

The consumer has emerged as a powerful stakeholder as a result. Watson *et al.* (2000:97) also state this informally, yet effective communication channel is facilitated by word of mouth through blogs and social networking sites such as Facebook and Twitter. The consumer inevitably becomes an ambassador for the good works of an organisation and this can become viral instantly all over the world. O'Reilly (2005) states that stakeholder engagement can be promoted via online communication platforms that are devoted to participation and involvement in corporate decision-making. These information platforms known as Web 2.0 allow stakeholders to increasingly share, participate and collaborate online. Web 2.0, therefore, is a tool for consumer and citizen empowerment. Neef (2003) in Jones *et al* (2009:928) also recognizes the importance of an organisation's on-line reputation management process. Flashy websites, annual CSR reports, philanthropy are not an indicator of the company's commitment rather the manner in which they conduct themselves online.

According to Jones *et al.* (2009:927) stakeholders have an important role to play. They have become consumer watchdogs, investigative journalists, and opinion influencers by using conversations to share industry information. Effective branding and reputation management is necessary for businesses to work in partnership with diverse stakeholder groups. However, Neef (2003) in Jones *et al.* (2009:928) states that the way a company behaves on-line and is perceived by its wider audience is far more important than overt philanthropy, donations to charities, flashy websites or even annual CSR reports. Lee *et al.* (2006:316) in an analysis of blogging strategies of the Fortune 500 companies highlighted the emergence of corporate blogs as an ideal medium to engage with stakeholders. This new form of interactive online publication provides a platform for exchanging opinions and comments on both emerging and existing issues. Therefore, many companies have now begun to document their activities using blogs.

Zerfass (2006:7) affirms this notion by noting that companies use blogs as platforms for communication to either build relationships with stakeholders or utilize the blogosphere for crisis prevention and viral campaigns in the public sphere. The motivation for greater interaction is attributed to a change in stakeholder demands and as a sign of corporate goodwill. Fieseler *et al.* (2010:599) state that CSR issues appear to be a natural fit for this communication vehicle.

Morsing & Schultz (2006:328) outline that this is backed up by research which indicates that both internal and external communication will reflect an organisation's status and activities with respect to its societal obligations. The evidence suggests that a responsible and responsive company successfully retains current employees and is attractive to potential employees. In their simplest form, weblogs are online publications consisting of short entries, which are usually written in an expressive and authentic style and arranged in reverse chronological order.

Zerfass & Boelter (2005) in Fieseler *et al.* (2010:601) outline that the most important feature of blogs is their built-in function that enables commentaries on each of the entries. This function enables open discussion on every entry made, and fosters dialogue between blog authors and readers. Stuart & Jones (2004:84) state that websites are a valuable communication tool for corporations since they can inform, educate and interact with stakeholders.

However, many corporate websites currently remain static and do not use the full potential of dialogue-based communication. This form of churning out communication is at the disadvantage of the organisation as they will lose out on valuable feedback. Therefore companies need to take into account these factors before relying on this form of communication strategy. The website should embody an organisation's distinct identity guidelines but the language and strategy chosen should be suitable for the medium. Pollach (2005:285) in her research on the World Wide Web (WWW) recommends that companies use a number of persuasive appeals, such as third-party evidence to enhance their credibility. An organisation can get positive media coverage from independent and unbiased sources to substantiate their involvement in social initiatives with regards to CSI. Stakeholders with an interest in green and social issues are often particularly interested in opportunities to engage with firms.

Stakeholders may not only be interested in invitations for engagement, but may be interested if given the opportunity. Hence, a corporate blog devoted to CSR activities may open new frontiers for companies in relation to their interaction with shareholders, consumers and concerned citizens interested on such issues. Morsing & Schultz (2006:323) point out that messages about corporate ethical and socially responsible initiatives are likely to evoke strong positive reactions among various stakeholders.

Fombrun *et al.* (2000:85) state that CSR processes may lead to policies and outcomes of corporate practices that are more adapted to societal expectations. This has a positive effect since it creates a reputation among stakeholders that will help to attract resources, enhance performance, and build a competitive advantage. According to Tonello (2011) the media, monitoring groups and consumer forums that are not entirely controlled by a company provide credible information. Stakeholders perceive CSR communication via corporate sources as less credible than non-corporate sources. Tonello (2011) noted that consumers react positively to a company's CSR activities after learning from a neutral source or independent organisation that provides unbiased evaluations of corporate activities. Firms have a habit of making gross overstatements when describing themselves. A positive attitude adjustment and involvement of the audience can alleviate this problem.

Zeghal & Ahmed (1990:38) indicate that the lower cost of producing and distributing brochures allows organisations to treat in greater depth themes of special interest. Pollach (2005:288) asserts that the World Wide Web and corporate websites are superior to the conventional mass media in a variety of ways. The capacity to transmit an unlimited amount of information to all potential target audiences makes it a 'pull' medium. The audiences tend to have more control over what they wish to view compared with the traditional media. The World Wide Web enables organisations to learn more about their stakeholders by encouraging dialogue. This offers credibility, value of content and usability as benefits. Stewart (2003:33) argues that Pollach failed to highlight that, within the choppy oceans of company websites, locating a beacon of trust, reliability and credibility can be increasingly difficult. The absence of media gatekeepers or watchdogs makes people wary of the authenticity of web based content since corporates may just want to attempt especially to put across an ethically glossy corporate image.

Stewart (2003:34) suggests in order to overcome mistrust, the organisation needs to provide hyperlinks of trusted organisations such as nongovernmental organisations, academic institutions or government departments which would be more effective.

CHAPTER SUMMARY

This chapter dealt with a concise and detailed analysis of communication aspects ranging from intrapersonal, interpersonal, small group and mass communication. An organisation needs to have great communication skills from all levels regardless of which level and as such communications professionals can take advantage of this fact. This is particularly relevant for corporate social responsibility which deals with interaction with the community as part of the external publics for the greater good. The skills or strengths of being adept to communicate at all levels and groups are vital for the creation of good partnerships. Furthermore the manner in which organisations can communicate their corporate social responsibility initiatives was also discussed featuring plausible means of constructing relevant messages to stakeholders about their CSR initiatives.

The advent of new communication technology has also made it easier for corporates to discuss and share important concepts such as CSI to their stakeholders through social media and websites. These communication strategies will vary from making use of the media to incorporate messages about corporate social responsibility. Therefore, the role of public relations is undeniable since it encourages the creation of a mutually beneficial relationship between the corporate and the community. The next chapter will essentially focus on the theoretical framework that anchors concepts of CSI within communication. The researcher will analyse Mersham's theory and the Uses and Gratifications Theory.

CONCEPTUAL FRAMEWORK

INTRODUCTION

The previous chapter created an understanding of the role of corporate social responsibility within the field of communication science. This involved unravelling the basic concepts of communication and also establishing how communication is effectively used in corporate social responsibility initiatives. The chapter unpacks Mersham & Skinner's communication theory in association with the Uses and Gratifications theory. The researcher has used theories to conceptualise a model which corporate social practitioners could use to reduce the high unemployment rates in Richards Bay. Simply, a conceptual framework is an interim model which is scientifically calculated.

UNDERSTANDING A MODEL

According to Miles & Huberman (1994:18) a conceptual framework lays out the key factors, constructs or variables and presumes a relationship among them. Mortensen (1972) states that a model is a controlled illustration of an object or event in ideal and abstract form. Models are arbitrary by nature. In its abstract form certain details are eliminated to focus on essential factors. The key to the usefulness of a model is the degree to which it conforms to the underlying factors of communication behaviour. Communication models are merely pictures; they can even be distorted pictures, because they stop or freeze an essentially dynamic interactive process into a static picture. Therefore, models may be metaphors and allow us to see one thing in terms of another.

THE ADVANTAGES OF MODELS

According to Chapanis (1961) models probe one to ask questions. Therefore, a model is useful when it provides a general perspective as well as a point of reference to interpret raw data and to ask questions. Although models are flexible, they generate calculated pathways to obscure destinations. Models also assist to clarify complex events (or issues). They do this, as Chapanis (1961) noted, by reducing complexity to simpler, more familiar terms. Thus, the aim of a model is not to ignore complexity or to explain it away, but rather to give it order and coherence. It is important to note that, especially in third world countries, conceptual frameworks should be as simple as possible to ensure successful implementation.

Sometimes, models can lead to oversimplification. There is an ideology that anything in human affairs which can be modelled, is too superficial to be given serious consideration.

MERSHAM AND SKINNER THEORY OF COMMUNICATION
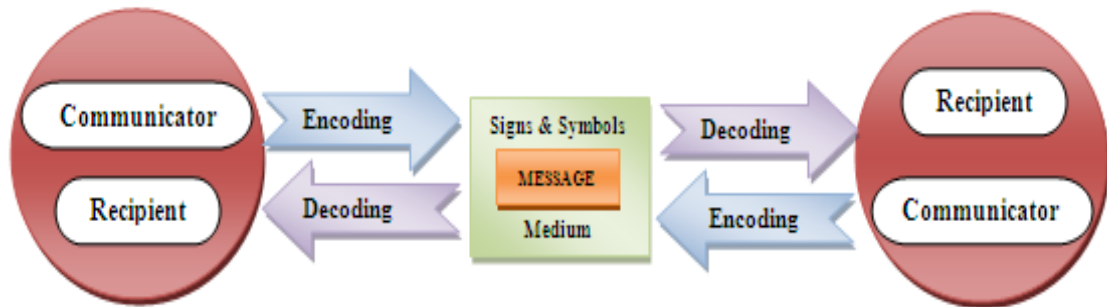
Figure 8: A Model of the Bi Directional Communication Process. Adapted from Mersham & Skinner Source: Naidoo (2008:32)

According to Mersham & Skinner's 1999 model, communication is two-way and interactive in nature. This shows how individuals are both the 'communicator' and the 'recipient'; both individuals participate equally in the exchange. This is called interpersonal communication. There must be a forum in which all stakeholders such as CSI foundations, grant-makers and community based organisations can interact with each other. This forum will provide a platform for communication to provide all stakeholders information that will enhance corporate social investment. Mersham & Skinner (1999:7) elaborated that the communication process entails the communicator or the source which is the primary originator of the message. The source or communicator may be an individual or several individuals working together such as a committee or an organisation.

The message is an idea and information that the source transmits to the recipient. The messages can be composed of either signs or symbols. Encoding the message will result in meaning formation, while the channel is the actual means whereby the message will travel from the source to the intended recipient.

Mersham & Skinner (1999:8) further state that the recipient is the person or persons receiving the message, communication effects are the changes in the recipient behaviour that occur as a result of the transmission of a message. Naidoo (2008:33) notes that feedback is a response, by a recipient, to a sources' message which confirms that communication has taken place. Negative feedback informs the source that the intended effect of the message was,however, not accomplished. Positive feedback on the other hand, informs the source that the intended effect of a message was accomplished. It is important to note that two-way communication is especially important with regards to the CSI within organisations. This will require opening all channels of communication with regards to employers, employees, community and external stakeholders. It is especially important that an organisation receives feedback whether positive or negative to effectively show how successful they are in communicating their vision and goals.

USES AND GRATIFICATIONS THEORY

This theory was propounded by Katz Lazarsfeld in 1970 and an outcome of Abraham Maslow's Hierarchy of needs. According to Fourie (2010:391) the Uses and Gratifications Theory focuses on the media audience who select media to satisfy particular needs. This is contrary to the media effects tradition which assumes homogenous passive mass audiences to a broader trend of how people use the media. This redefines the media audiences from passive to active. LittleJohn & Foss (2005:351) state that unlike the powerful limited effects tradition, this approach focuses on the media as a consumer rather than the media message. It also views the members of the audience as actively utilising the media content rather than being passively acted upon and does not assume a direct relationship between messages and effects, but postulates that the members of the audience put these messages to use.

The audience is assumed to be active, goal directed and responsible for choosing the media which meet their specific needs. The Uses and Gratification Approach highlights the manner in which people use various media to gratify their needs. This explains how individuals use them for information, personal identity, social interaction, integration or entertainment purposes. Larson (2009:352) states that the theory assumes we all have differing primary ,secondary and even tertiary needs for the various types of information. Chandler (1994) states that the information can mainly be finding out the current events of the world, learning and self-educating, satisfying curiosity and seeking advice on practical issues.

Personal identity is mainly concerned with reinforcing personal values, finding models of behaviour and gaining insight into one's self. Mersham & Skinner (1999:23) note that the focus of the theory is not "what the media do to the people" but "what the people do with the media". The theory also suggests that basic human needs motivate individuals to attend to particular mass media and to select and use messages in ways they find personally gratifying. Furthermore, this will enable one to connect with family, friends and society. Entertainment will cover relaxing, escaping from problems, emotional release and filling time. This is highlighted by the emergence of social networking sites which offer forums for people to meet, chat and share media content with people all over the world.

Blumler & Katz in Chandler (1994) argued that audience needs have social and psychological origins which generate expectations about the mass media. Different patterns of media exposure result in either gratification of needs or often unintended consequences. This does assume an active audience making motivated choices. However, McQuail (1994:235) suggests that the dominant stance of recent researchers in this tradition is now that:

Personal social circumstances and psychological dispositions together influence both... general habits of media use and also... beliefs and expectations about the benefits offered by the media, shape... specific acts of media choice and consumption, followed by.... assessments of the value of the experience (with consequences for further media use) and, possibly... applications of benefits acquired in other areas of experience and social activity.

The dependency theory is an extension of the uses and gratification theory and was proposed by Sandra Ball-Rokeach and Melvin de Fleur in 1976. People fulfil their needs with the media in different ways and a single person may use the media in different contexts. LittleJohn & Foss (2007:352) explain it as follows; *The more readily available, the greater the perceived instrumentality, and the more socially and culturally acceptable the use of a medium is ,the more probable that media use will be regarded as the most appropriate functional alternative.*

The Uses and Gratifications Theory seeks to identify positive and negative consequences of individual media use and at the core lies the assumption that audiences will actively seek out the mass media to suit their individual needs.LittleJohn & Foss (2007:352) states that a medium will be used more when existing motives to use the medium lead to more satisfaction. Therefore, in relation to CSI there is a need for the corporates to be able to communicate effectively using the best channel for that type of audience.

The onset of social networking sites provides corporates with a platform they can exploit to communicate their CSI initiatives. However, the Uses and Gratifications Theory also outlines that audiences will select the media that will positively relate to their needs and wants, therefore, the corporates need to make sure that their messages are sent to media that most people consume.

CONCEPTUALISING THEORY FOR EMPLOYMENT USING CSI

The researcher proposes a theory that will take into account the Mersham and Skinner's theory, Uses and Gratifications Theory and Stakeholder Theories .

Figure 9 Two-way Communication between Corporate and CBO

The Figure illustrates that the Corporate (sender) communicates to Community Based Organisations (receiver) by using a two-way communication process. This facilitates the establishment of a direct relationship. CBOs communicate to the Corporate and secure funding to assist fund their organisational specific programmes.
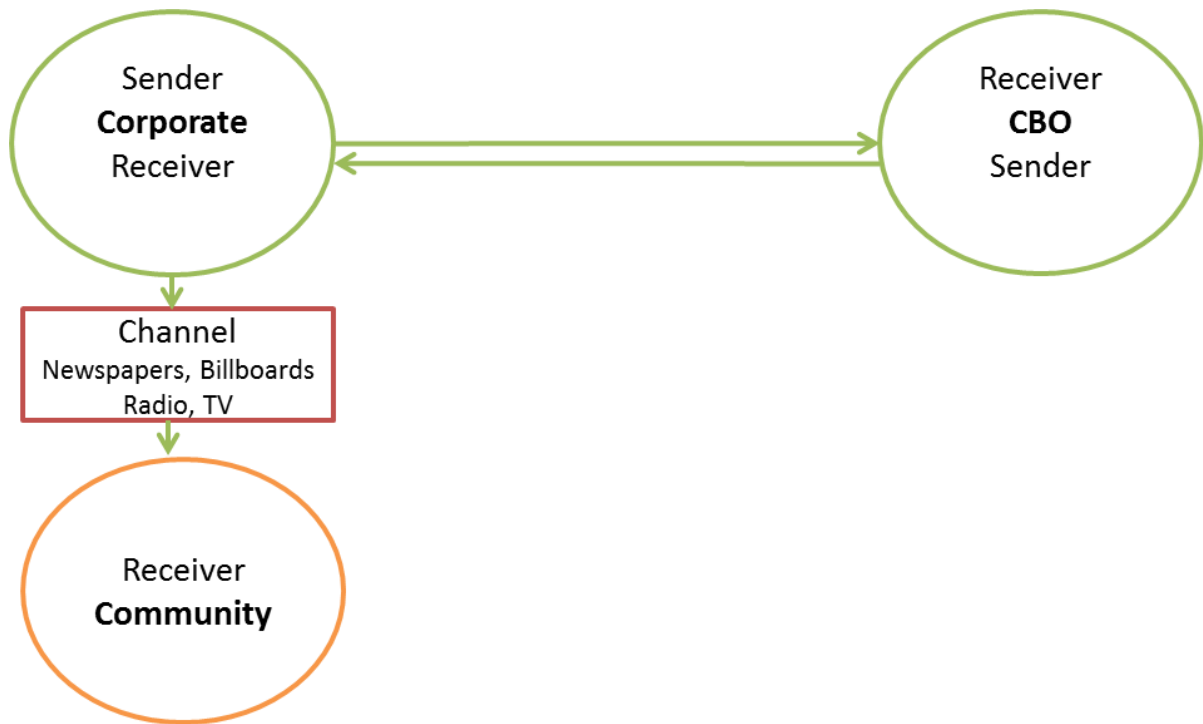
Figure 10 One way communication from the Corporate to the Community

Figure 10 illustrates a one-way communication that the corporate uses to provide information to the community. This form of communication becomes ineffective since it does not afford the community to respond or to provide feedback. The community often sees this approach as merely a public relations stunt.
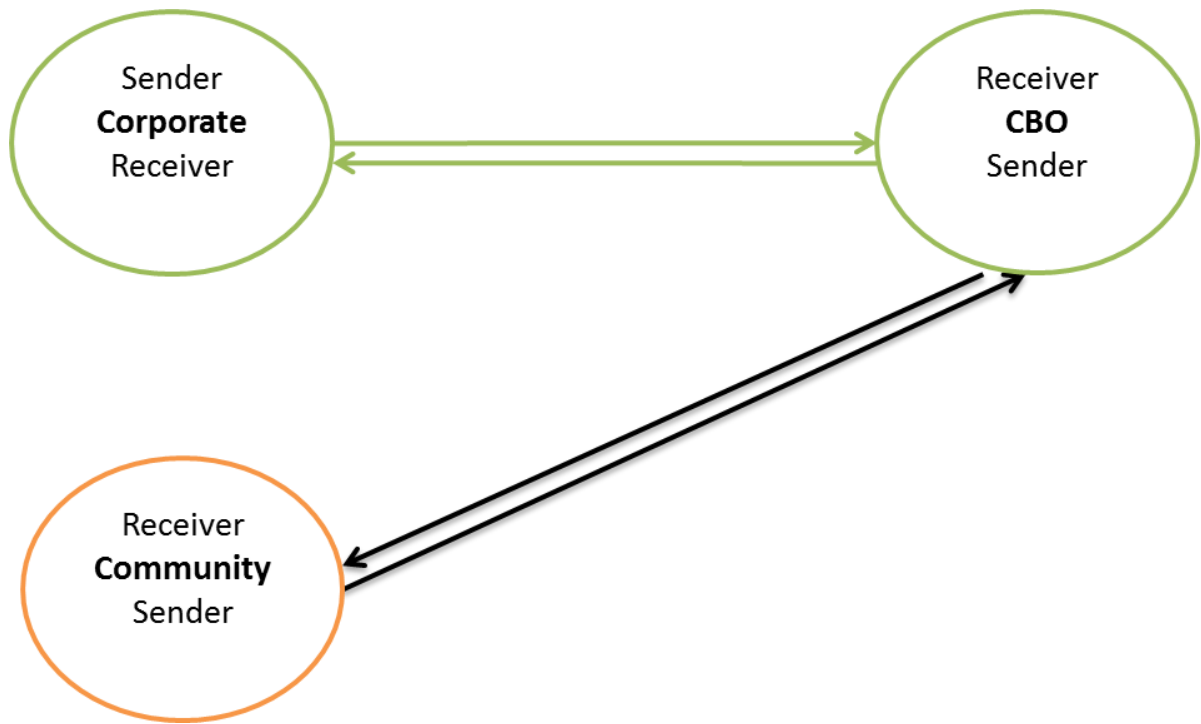
Figure 11 Two way Communication between Community and CBO

In Figure 11 the two-way communication between the Community-to-CBO and the CBO-to-Corporate. The CBO is the in between which still disconnects the Community from the Corporate. Corporates engage CBOs who in turn engage the Community with organisational specific programmes and not community specific programmes. `

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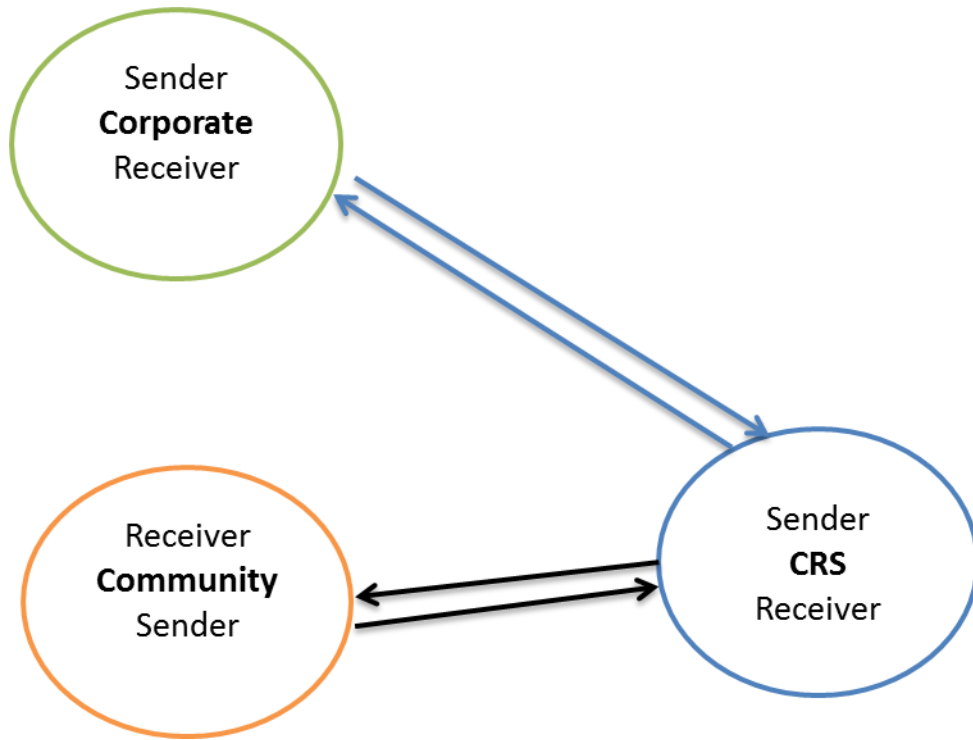
Figure 12 Two Way communication between Community CRS

In this figure, a new incumbent: Community Relations Specialist (CRS) is introduced. CRS becomes the representative of corporate-to-community and community-to-corporate. CRS is able to establish and maintain relationships between the two. The CRS is able to have a meaningful a two-way communication between the community and corporate. This approach ensures that the needs of community is prioritized through a value added, building and partnership process.
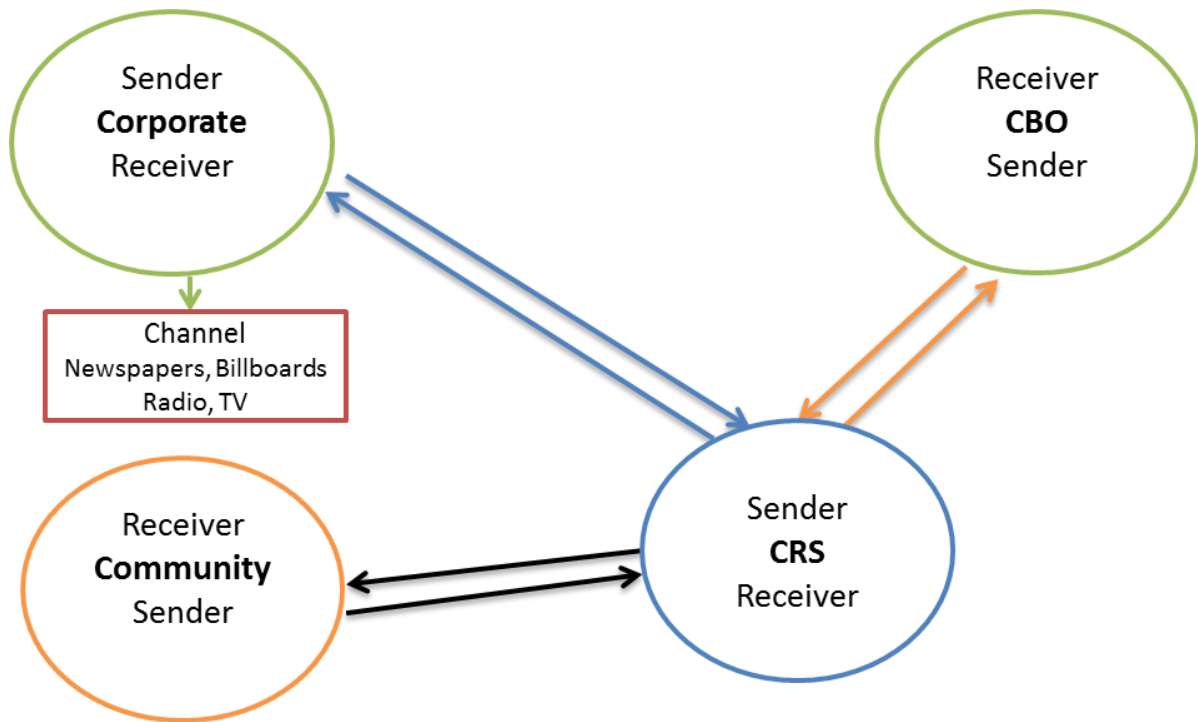
Figure 13 Two way Communication facilitated by CRS

Community Relations Specialist (CRS) in figure 13 represents both the Corporate and Community and in turn engages the CBOs on their behalf. CRS is able to establish relationships with the Corporate, Community and CBOs. The CRS is able to have a meaningful a two-way communication between the Community-to-CBOs. This approach ensures that the needs of community is being assessed and thereafter the correct programme offering is provided. The CRS also carry out impact assessment and carefully monitor on the relevance of the CSI initiatives conducted by CBOs. This information is then communicated to the corporate and CBOs. The Corporates will also have the opportunity to publish their CSI initiatives using mass media as an inclusive method of communicating information.

SYNTHESIS

The concepts discussed in this chapter are namely; Mersham & Skinner's two-way communication model and the Uses and Gratifications Theory which illustrate the nature or flow of communication. This is essential for CSI to be relevant in the community. Corporates need to ascertain the society's needs and wants by identifying and implementing relevant CSI initiatives which offer solutions to problems for example unemployment.

The two-way communication model illustrates the corporates as the sender, while the community is the receiver. The message will then provide details on the different CSI initiatives the corporate is supporting. However, this model is fundamentally flawed in respect to CSI since there is no feedback from the community in respect to the CSI initiatives implemented within the community. Feedback is essential for the corporates to benchmark and rate the level of relevance the CSI initiative is having in the community. Feedback is a vital ingredient for any CSI initiative to have any lasting impact since the community can interact and also highlight other plausible areas that can be invested. The Uses and Gratifications Theory highlights an important aspect of an active audience, carefully selecting and utilising media content they want to see or hear. In relation to CSI the community will pay attention to matters that affect them the most. Therefore, visibility of corporates CSI initiatives especially in the media is crucial as it provides awareness to the local community. Critical questions will then arise such as the relevance of that particular programme which will spark dialogue between corporates and the community.

An example could be a skills centre which offers training to unemployed locals in life skills that allow them to start their own businesses. The centre would need to be monitored to investigate whether the beneficiaries are getting employed after this training and mentorship. This feedback from beneficiaries' reveals how relevant this initiative can make to the community. The worst case scenario would be that the corporate will only be window dressing by donating funds for a CSI initiative which is not sustainable. This is detrimental to the community as it provides a band aid to the problem and not directly deal with the root cause to prevent further recurrences of the problem.

The corporates merely churn out information depicting a one way flow of information in favour of the organisation while the community is not granted an opportunity to provide feedback. This feedback is essential as corporates can be persuaded to alter their plans for the mutual benefit of all parties involved namely the community's specific needs. Therefore, the researcher developed a theory or prototype for CSI practitioners to use when implementing initiatives. The key concepts to designing a CSI model for employment are anchored on two-way communication which allows for feedback. This interaction however should give all the stakeholders equal powers and influence towards decision-making.

The CSI practitioner should ensure that they consult the community they wish to support and identify their needs. On the other hand,the community will advise and initiate on skills or projects they require support. This ensures that corporates will tailor relevant initiatives guaranteed to make an impact in the community. This communication will not end with the establishment of these CSI initiatives but constant feedback is encouraged through monitoring and evaluation.

CHAPTER SUMMARY

In this chapter, theories that support the notion of CSI in the broad context of communication were discussed. Mersham and Skinner theory stipulates that there is two- way communication due to an active interaction between the communicator and recipient which can be an organisation and its various publics. This theory serves to illustrate the framework of communication where organisations need to ensure feedback from their external stakeholders. There is a need for dialogue between stakeholders and the company to allow for their planned initiatives to be successful. Despite the dialogue and open communication with all the external stakeholders, the organisation needs to make an effort of using the new social communication platforms.

These include social networking sites like Facebook and blogs to showcase their initiatives unlike relying on the traditional forms of media such as print media. The Uses and Gratifications Theory has been discussed which outlines the notion of an active audience that consume media that is relevant to them.The researcher thereby proposed a theory to apply in the context of employment which observes the key elements of two way communication, feedback and allowing stakeholders to influence decision-making. This provides accountability for the CSI initiatives yet making a lasting impact in the community. In the following chapter the researcher will explore the research methods used in the study to better understand how corporate social investment initiatives are being initiated within the community of Richards Bay.

RESEARCH METHODS

INTRODUCTION

In the previous chapter the theories that underpin the concept of corporate social investment were discussed. These range from Mersham and Skinner's model of communication to the Uses and Gratifications Theory and these were used to formulate a theory to support CSI initiatives in the community. In this chapter the researcher will illustrate the methods used in order to conduct the study on CSI, outlining the different initiatives that RBM,RBCT, Foskor and Exxaro are currently engaged in within their respective communities.

RESEARCH DESIGN

The research was focused within Richards Bay economic hub which is a unique, thriving industrial and manufacturing sector surrounded by a largely rural population. This study focused on corporate social investment which is placed within the public relations field. There are many different research strategies that could be used in such research; however, the researcher employed the use of a qualitative method with a quantitative integration.

QUALITATIVE COMMUNICATION RESEARCH

Ereaut (2011) defines qualitative research as being all about exploring issues, understanding phenomena and answering questions. Savenye & Robinson (2004:1046) state that qualitative research methods typically include interviews and observations but may also include case studies, surveys, historical and document analysis. Qualitative communication research involves three methods namely participatory, qualitative interviewing and social text analysis. Qualitative interviewing like participant observation focuses on understanding meanings and the rules of meaning making. The selection of informants is to interview are guided by the same sampling techniques. Baxter & Babbie (1994:187) note that qualitative interviewing is evaluated by the same criteria of trustworthiness that guide all qualitative research namely dependability, conformability, credibility and transferability.

In survey research, questionnaires and interviews are standardized and structured. However, in contrast to qualitative interviewing, the preference is for unstructured questioning or at most semi structured interviewing. The literature review in the previous chapters gave a background to the concept of corporate social investment. Furthermore, the notion of communication as an integral component of corporate social investment also puts into perspective how it should operate in any organisation. Wellman & Kruger (2000) define the term methodology as an application of various methods, techniques and principles in order to create scientifically obtained knowledge by means of objective methods and procedures within a particular discipline.

Quantitative Research

Hopkins (2000) avers that in quantitative research the aim is to determine the relationship between one thing (an independent variable) and another (a dependent or outcome variable)in a population. Quantitative research designs can be either descriptive (subjects are usually measured once) or experimental (subjects measures before and after treatment). Nykiel (2007:56) states that if designed and conducted properly the results are statistically reliable. Quantitative research can reliably determine whether one concept, idea, product, package and so on are better than the alternative. The second advantage is that the results are projectable to the population. The primary disadvantage of quantitative research is that the issues are only measured if they are known prior to the beginning of the survey. Therefore quantitative research is essentially evaluative than generative. For this study the researcher focused more on qualitative form.

Target Population

Malhotra (1996) in Rampersad (2007:132) mentions that a population or a universe is the total of all the elements, by sharing some common set of characteristics that comprises of the universe. The target population is the collection of elements or objects that process the information sought by the researcher and about which inferences are to be made. In this study the population under study was carefully selected to be carefully aligned with the aims and objectives of the study.

According to Wild & Diggines (2009:193) the aggregate of all the units of the analysis forms the population. To illustrate an example: the spending patterns of households within a specific community were studied; the total collection or group of all households in the community formed the population. Wild & Diggines (2009:193) further mention that the problem investigated, is called the target population. The population units of the analysis from which sample are in fact drawn are called the survey population. The target for the research was to identify the programmes or corporate social initiatives that are currently being implemented by major industries within Richards Bay related to the mining sector.

These companies included Foskor a leading phosphate and phosphoric acid producer, Richards Bay Minerals (RBM) sand and minerals processing company, Exxaro Sands and Richards Bay Coal Terminal (RBCT).The researcher conducted structured or unstructured interviews with key personnel in charge of these programmes as well as individuals benefiting from these initiatives. A comprehensive literature review was also compiled detailing on the concept of CSR ranging from its origins to how corporate decide to support a particular cause. The communication strategies involved in the crafting of the initiatives which were closely analysed and involved marketing communication especially public relations which was examined.

SAMPLING PROCEDURE

According to Robbins (1999:109) the best way to collect information about a group of people or things that will provide an accurate picture, one must examine every single member or element of such group. Robbins (1999) further state that it is also possible to reach accurate conclusions by examining only a portion of the total group and that is referred to as sampling. Bless & Smith (1995:96) concur by highlighting that a large sample is more representative but very costly. On the other hand, a small sample is much less accurate but more convenient. Thus, the four companies Richards Bay Minerals, Exxaro KZN Sands, Richards Bay Coal Terminal and Foskor are all internationally recognized producers and exporters of sand mining, phosphoric acid and coal respectively. Therefore, it was imperative for the researcher to approach the corporate social investment personnel, management, public relations or more recent concept of corporate affairs.

According to Rampersad (2007:134) the most important requirement of a good sample is that each unit in the target population must be given an equal opportunity to be included in it. There are two basic types of sampling methods namely probability and non- probability sampling procedures.

NON-PROBABILITY SAMPLING

Connaway & Powell (2010:117) note that the in non- probability sampling the researcher cannot state the probability of a specific element of the population being included in a particular sample. The techniques involved are quota, judgmental, snowball, convenience and purposive sampling. The researcher used the accidental/convenience type of sampling. According to Wikipedia (2012) a population is selected because it is available and convenient. In this case it proved convenient for the researcher as they are all leading players centrally located around the Richards Bay area. A smaller sample allowed for greater concentration and collection of data for further analysis.

PROBABILITY SAMPLING

Wimmer & Dominick (2010:89) state that probability sampling uses mathematical guidelines whereby each unit's chance for selection is known. It also allows researchers to calculate the amount of sampling error in the research study. Betrand & Hughes (2005:67) state that probability sampling methods produce a sample which is statistically representative of a large population, allowing the generalization from the sample to the population on the assumption that repeated sampling would produce similar results. There are also critical issues to be considered before choosing probability and non-probability sampling methods namely:

- Purpose of Study
- Cost versus Value
- Time Constrains
- Amount of Acceptable Error

FIELDWORK

According to Wolcott (2005:4) fieldwork is regarded as a form of inquiry in which one immerses oneself personally in the on-going social activities of some individual or group for the purposes of research. Wolcott (2005:5) further mentions that collecting data can be done scientifically, but fieldwork consists of more than collection data.

The survey was conducted in Richards Bay with four companies cited for the research. The research was mainly focused on the corporate social investment officers who have specific departments that focus on special initiatives within their companies, observe their set up and overall performance within their respective communities namely Richards Bay.

QUESTIONNAIRES

According to Baker (1994:162) there are two primary modes of doing a survey using questionnaires or giving interviews. Newsom & Carrell (2001:82) define a questionnaire as a research workhorse, which is a sound means of getting information from people. In the questionnaire these questions are written down and the respondent reads them and gives written answers. According to Wikipedia (2012) comprehensive questionnaire construction is a critical component to the success of a survey. The use of inappropriate questions, incorrect ordering of questions, incorrect scaling, or bad questionnaire format can make the survey valueless, as it may not accurately reflect the views and opinions of the participants. A questionnaire needs to be pre-tested among a smaller subset of the targeted respondents to make sure that it is adequate.

According to Mack *et al.* (2005:33) in an interview the interviewer will ask the questions as they are written in an interview schedule and then records the respondent's answers either by writing them down or recording them electronically. Interviews may be face to face or may even be carried out on the telephone. The first consideration in choosing among them is whether a potential set of respondents will be able to give answers to the types of questions to be asked. Secondly it is important to design a survey appropriate for the sample which should include the questions which such a group could and would answer. The language must be familiar to the set sample so that the members of the group will understand.

The points to note when designing the questionnaire are the following:

- Include questions which address research concerns.
- Make the questionnaire appealing.
- Keep the questionnaire short.
- Keep the instructions brief.
- Make the questionnaire appealing.
- Consider issues in advance that a respondent may raise.

Types of Questions

Closed Ended Questions

This forces a respondent to select a single response from list. Such lists of responses must cover the entire range of possible answers. Furthermore, the responses must not overlap one another in such a way that a respondent might think they should appropriately select more than one category.

Open Ended Questions

These state questions and leave room for a respondent to write out an answer. If a specific number of lines are left a suggested length for a response is more precise than if an amorphous space is left.

Construction of the Questionnaire

The questionnaire was divided accordingly into the following main sections namely:

- The Consent Form.
- The Information Sheet.
- The questions on Corporate Social Investment.

This questionnaire was structured in a manner to illicit important answers from the communications professional within that particular organisation to discover the nature of the functions of that specific unit. Furthermore it was important to highlight the posts that the staff had within the organisation.

Questionnaire Design

In this section I will explain the manner in which the questionnaire was constructed. The first part highlights the important information that shows that it was to be anonymous and confidential and the content thereof would be privy to the researchers only. The following is the detailed breakdown of the questionnaire.

THE INFORMATION SHEET

Part A: focuses on thanking the respondent in advance for agreeing to take part in the research and assuring them that their contributions will be private and confidential. I also indicated the estimated duration of completing the questionnaire which was ten minutes.

Part B: states that the questionnaire has two components with the first Section requesting permission to use the responses for academic research.

In Section B requests responses that are relevant to the concept of Corporate Social Investment. This part also asks how the companies are implementing corporate social investment programmes especially in relation to the scourge of unemployment which has impacted every fibre of society.

INFORMED CONSENT

Mack *et al.* (2005:9) state that informed consent is a mechanism that ensures that people understand what it means to participate in a particular research study. This allows the respondent decide in a conscious, deliberate way whether they want to participate. Informed consent is one of the most important tools for ensuring the respect for persons within the research. Pedroni & Pimple (2001:2) also state that obtaining a subject's informed consent to participation tends to increase their adherence to protocol and hence the quality of the research. This will further nurture public trust in the research. In the questionnaire the last statement acknowledges that some questions may cause undue stress one can contact the toll free number to receive counselling. This would have been relevant if the questionnaire had been directed to the general public since it may be traumatizing for an unemployed person to be questioned and probed on the reasons why they are not gainfully employed. The questionnaire was used to interview the public relations practitioners within the companies RBM, RBCT, Exxaro Sands and Foskor.

RATIONALE OF QUESTIONNAIRE

The motivation for developing this questionnaire was after extensive reading on the concepts of corporate social investment. The researcher formulated the topic and the type of questions that would be relevant in the context of the unemployment crisis within Richards Bay. The questions focused on the types of initiatives being implemented through communication strategies. In the questionnaire, question one ascertained whether the company is involved in corporate social investment in the community.

Question two to five establish whether the companies recognize unemployment as a major problem within Richards Bay. Their personal views on the unemployment levels were also noted. Questions six and seven focused on the companies identifying the initiative they are currently implementing targeted at reducing unemployment. Furthermore questions eight to eleven also dealt with the inception, funding and determining the people responsible for formulating the CSI initiatives.

Questions twelve to fourteen ascertain the level of staff contribution in the CSI projects and policy. This would determine whether the staff is acutely aware of these activities and whether they actively participate. Questions fifteen to seventeen seek to analyse the monitoring and evaluation of the CSI projects and whether CSI spending is published. Questions nineteen allowed the companies to tick where applicable the communication strategies when communicating with either internal or external stakeholders. The respondents made their selection from the following categories: Press Releases, Newsletters, Meetings/Forums, Reports and Websites.

Questions nineteen to twenty ultimately dealt with the success rate of the various initiatives these companies may have implemented within the community. The challenges they came across since they started these projects were also the focus, in order to understand the nature of CSI in its practicality. Question eighteen also ascertained whether the company has any future plans or core projects that the companies would like to introduce with regards to empowering people within the community.

PRE-TESTING OF THE QUESTIONNAIRE

Scheuren (2004:45) states that the systematic checking or pretesting of a questionnaire is central to planning a good survey and critical for identifying questionnaire problems. Rampersad (2007:143) stresses that all aspects of the questionnaire should be tested including the question content, wording, sequencing, form and layout. Scheuren (2004:46) also identifies the types of pretesting that can be divided into two categories namely pre-field and field techniques. Pre-field techniques are generally used during the preliminary stages of questionnaire development. They include the respondent focus groups and laboratory interviews.

The draft of the questionnaire was pretested in order to determine its effectiveness. In this study the researcher distributed some of the questionnaires to fellow colleagues to try and see whether the questions were suitable and relevant to the topic under discussion. Therefore if some of the questions were not clear, the researcher would then rephrase them so they could be understood by the respondents.

INTERVIEWS

Kvale (1996:14) defines interviews as:

> … *An interchange of views between two or more people on a topic of mutual interest, sees the centrality of human interaction for knowledge production, and emphasizes the social situatedness of research data.*

A qualitative interview is therefore the interaction between an interviewer and a participant in which the interviewer has a general plan of inquiry but not a specific set of questions. According to Rubin & Rubin (1995:43) qualitative interviewing design is flexible and continuous rather than prepared in advance and locked in stone. Furthermore qualitative interviewing builds on conversational skills but in order to conduct one the researcher needs to practise. The interviewer establishes a general direction for the conversation and pursues a specific set of questions that may be asked using particular words in a particular order.

Gray (2004:214) noted that there are many reasons to use interviewing as a research instrument for collecting data. These are the following:

- There is a need to get personalized data.
- There are opportunities required for probing.
- A good return rate is important.
- Respondents are not fluent in the native language of the country, or where they have difficulties with written language.

In this study it was critical to meet the people that are on the frontlines of certain CSI projects to ascertain their responses on the progress made and challenges faced. Gillham (2000:38) notes that it is essential for a researcher to prepare before an actual interview and needs to make sure that the respondents have:

- A clear idea of why they have been asked.

- Basic information about the purpose of the interview and the research project of which it is a part.
- Some idea of the probable length of the interview and that you would like to record it (explaining why).
- A clear idea of precisely where and when the interview will take place.

TYPES OF INTERVIEWS

Kajornboon (2005:4) states there are four main types of interviews, which are the following:

- Structured interviews.
- Semi-structured interviews.
- Unstructured interviews.
- Non-directive interview.

STRUCTURED INTERVIEW

Corbetta (2003:269) states that structured interviews are

… Interviews in which all respondents are asked the same questions with the same wording and in the same sequence.

Bryman (2001:107) emphasizes that the aim is for all interviewees is to be given exactly the same context of questioning. This means that each respondent receives exactly the same interview stimulus as any other. The strengths of structured interviews are that the researcher has control over the topics and the format of the interview. Ryman (2001:107) notes that the questions are usually very specific and very often the interviewee a fixed range of answers. This type of question is often called closed, closed ended, pre-coded, or fixed choice. An advantage of structured interviews is that according to David & Sutton (2004:160) prompting can be included with the questions. If a question is inappropriate, data on why no response was made can be recorded. Furthermore, non-verbal cues, such as facial expressions and gestures can be recorded.

Kajornboon (2004:5) notes that the drawbacks of structured interviews are that they adhere too closely to the interview guide and may be the cause of not probing for relevant information. A set interview guide may cause the respondents to hear, interpret or understand the questions in a different manner. The researcher's verbal comments and non-verbal cues can cause bias and have an influence upon respondents' answers.

SEMI-STRUCTURED INTERVIEWS

According to David & Sutton(2004:87) semi structured interviews unlike structured interviews are non-standardized and frequently used in qualitative analysis. In this type of interview the order of the questions can be changed depending on the direction of the interview. An interview guide is also used, but additional questions can be asked. Corbetta (2003:270) states that the order in which the various topics are dealt with and the wording of the questions are left to the interviewer's discretion.

Patton (2000:343) also observed that interviews

> *...explore, probe, and ask questions that will elucidate and illuminate that particular subject ... to build a conversation within a particular subject area, to word questions spontaneously, and to establish a conversational style but with the focus on a particular subject that has been predetermined.*

The strengths of semi-structured interviews are that the researcher can prompt and probe deeper into the given situation. Interviewers are able to probe or asked more detailed questions of respondents' situations and not adhere only to the interview guide. Kajornboon (2005:6) notes the researcher can explain or rephrase the questions if respondents are unclear about the questions. However the drawbacks associated with interviews especially inexperienced interviewers, is the failure to ask prompt questions. Relevant data can be missed in the interview as well as probing thoroughly into a situation.

UNSTRUCTURED INTERVIEWS

This type of interview is flexible and encourages interviewees to speak openly, honestly and give as much detail as possible. Usually the interviewer has received virtually little or no training or coaching about the interview process and has not prepared much. Kajornboon (2005:6) noted that interviewers ask questions that respondents would be able to express their opinions, knowledge and share their experience. The strengths of unstructured interviews are no restrictions are placed on questions. Crawford (1997) states the unstructured informal interview is normally conducted as a preliminary step in the research process to generate ideas/hypotheses about the subject being investigated so that these might be tested later in the survey proper. Such interviews are entirely informal and are not controlled by a specific set of detailed questions. Rather the interviewer is guided by a pre-defined list of issues.

These interviews amount to an informal conversation about the subject. The drawbacks of unstructured interviews are that they can be inappropriate for inexperienced interviewers. The interviewers may be biased and ask inappropriate questions. Also, respondents may talk about irrelevant and inconsequential issues. Consequently, it may be difficult to code and analyse the data.

NON DIRECTIVE INTERVIEWS

Kajornboon (2005:7) defines non-directive interviews as having no pre-set topic unlike structured and semi-structured interviews which have set issues and questions. In this case the questions are not pre-planned but the interviewer will listen and not take the lead of the process. Gray (2004:217) affirms this notion by stating that the interviewer will have the objectives in mind, however the interviewee is allowed to talk freely about the subject. The interviewer's role is to check on the unclear points and rephrase the answer to check accuracy and understanding. The advantages of this form of interviewing are that subconscious feelings on the subject are realized. The drawbacks however is that, lack of direction can cause diversion to other irrelevant topics unrelated to the core subject.

Therefore, in summary the structured interview is where the interviewer asks the respondent a series of pre-established questions with a limited set of response. A semi structured interview consists of a list of questions that an interviewer wants answered by the informant with an exception of an occasional closed ended question. In contrast to structured interviewing, semi structured interviewing gives substantial freedom on the part of the interviewed. However, unstructured interviewing gives the interviewer freedom to answer questions while the. Interviewer can create questions during the interview.

FACE TO FACE INTERVIEWS

According to Opdenakker (2006:3) face-to-face interviews are noted by synchronous communication in time and place. Face to face interviews can take advantage of social cues such as the voice intonation and body language. The interviewer gains a lot of extra information that can be added to the verbal answer of the interviewee on a question. Opdenakker (2006:3) also notes that the advantages of face to face interviewing are that there is not time delay. There is no time delay between a question and answer since the interviewer and interviewee can directly react on what the other says or does. Furthermore, they can be tape recorded to be transcribed later and capture more information. It is also important to engage the respondent so that interest is maintained throughout.

Termination of an interview is also possible as compared to other interview methods. One should note to minimise the use of open ended questions; they should be worded to encourage brief responses and a greater degree of precision.Baker (1994) notes that there are four basic rules in becoming an interviewer which are as follows:

- Understand the Interview.
- Make a commitment to complete the interview.
- Practice the Interview.
- Minimise the effects of your personal characteristics.

TELEPHONE INTERVIEWS

Crawford (1997) states that telephone interviews schedules are similar to interview schedules. They also require instructions to the interviewer on how to proceed with the interview and questions on which the interviewer is to read of to the respondent. The language of the telephone interview schedule may need to be a little different from the in person interview schedule. It may require more verbal clarification statements such as: Did you understand? 'Is that clear? Interviewing respondents over the telephone is easier, in that it is cheaper to carry out, telephone surveys take less time and effort, they are also impersonal than face to face interviews.

Mann & Stewart (2000:12) make a distinction of the advantages of telephone interviewing in the following categories:

- Wide geographical access. People from all over the globe can be interviewed—of course if they have access to telephone or computer. Face to face interviewing can be very expensive and takes too much time.
- Hard to reach populations. It enables researchers to contact populations that might be difficult to work with on a face to face basis for example mothers at home with small children, shift workers, computer addicts and people with disabilities.
- Closed site access. It is a possible means of access to people on sites, which have closed or limited access (such as hospitals religious communities, prisons, the military, and cults).
- Sensitive accounts. Some personal issues are so sensitive that participants might be reluctant to discuss them face to face with an interviewer.

- Access to dangerous or politically sensitive sites. Interviewers can interview people living or working in war zones, or sites where diseases are rife, without needing to grapple with the danger.

DISADVANTAGES OF TELEPHONE SURVEYS

There is less motivation generated among respondents in a telephone interview because of the induced stimulation because of not seeing the interviewer in person. Furthermore, facilitating the questions by giving a respondent lists with the choices to offer some form of visual assistance cannot be done in the same manner as the face to face survey.

CASE STUDY APPROACH

According to the Webster's dictionary (2011) a case study is an intensive analysis of an individual unit (as a person or community) stressing developmental factors in relation to environment. Ragin & Becker (1992:217) noted that the decisive factor in defining a study as a case study is the choice of the individual unit of study and the setting of its boundaries, it's "casing". The individual unit may be studied in a number of ways, for instance qualitatively or quantitatively, analytically or hermeneutically, or by mixed methods. Chelimsky (1990) defines a case study as a method of learning about a complex instance based on comprehensive understanding of that instance obtained by extensive description and analysis of that instance in its context. Baker (1994) defines the case study as a research strategy which focuses on a single organisation, institution, event, decision, policy or group. A case study often explains why or seeks an explanation. This may either be in the form of historical research.

Yin (1994:10) states that there are six sources of evidence for engaging in a case study research which is as follows:

- Documents (letters, agendas, progress reports).
- Archival records (Service records, organisational charts, budgets etc).
- Interviews (typically open-ended, but also focused, structured & surveys are possible).
- Direct observations (formal or casual; useful to have multiple observers).
- Participant observation (assuming a role in the situation & getting an inside view of the events).
- Physical artefacts.

According to Yin (1994) there are four types of case studies which are as follows:

- **Illustrative Case Studies:** These are mainly descriptive studies which typically utilize one or two instances of an event to show what a situation is like. Illustrative case studies serve primarily to make the unfamiliar familiar and to give readers a common language about the topic in question.

- **Exploratory (or pilot) Case Studies:** These are condensed case studies before implementing a large scale investigation. They assist in identifying questions and select types of measurement prior to the main investigation.

- **Cumulative Case Studies:** These gather information from several sites collected at different times. The collection of past studies allows for greater generalisation without additional cost or time being spent on new and possibly repetitive studies.

- **Critical Instance Case Studies:** This method is useful for answering a cause and effect question.

Chelimsky (1990:10) notes that the primary pitfall of exploratory case studies is that initial findings may seem convincing enough to be released prematurely as conclusions. According to Chelimsky (1990:11) also noted that critical instance case studies assess one or more sites for either the purpose of examining a situation of unique interest with little to no interest in generalizing or to call to attention universal assertion. However, with regards to this study the researchers will implement all four of the types where the information will be collected from various sources the analysed carefully.

THEMATIC ANALYSIS

Taylor & Bodgan (1984) define themes as units derived from patterns, conversational topics, recurring activities, meanings, feelings, folk's sayings and proverbs. Braun & Clarke (2006:7) state that thematic analysis is a method for identifying, analysing, and reporting patterns (themes) within data. It minimally organizes and describes your data set in (rich) detail. Leininger (1985:60) states that themes are identified by blending components or fragments of ideas or experiences which are often meaningless when viewed alone.

In this study it will be necessary to read through all the data gained from qualitative interviewing and further organize these comments into similar categories, similar concerns, suggestions and recommendations. There will also be an attempt to define the patterns and causal relationships. According to Aronson (1994) the first step is to collect the data then to identify all data that relate to the already classified patterns. The next step to a thematic analysis is to combine and catalogue related patterns into sub-themes. The researcher can then build a valid argument for choosing these themes by referring back to the related literature. Braun & Clarke (2006:36) state that the advantages of thematic analysis are, however, that it is flexible and relatively easy to carry out. Furthermore, key features of a large body of data are summarised and can also generate unanticipated insights. Thematic analysis will also highlight similarities and differences across the data set. Boyatzis (1998:12-14) however, points out that there are three major obstacles or threats to using thematic analysis effectively in research such as the following:

- **Researcher's projection:** The stronger a researchers ideology or theory, the more he or she will be tempted to project his or her values or conceptualisation of issues. Familiarity with the phenomenon studied and source material has a curvilinear relationship with encouraging projection. However, to prevent this, the researcher will have to develop an explicit code. Establish consistency of judgement and use several people to encode information. A researcher should use raw information in the development of themes and codes. The best technique, however, to minimise the effect of projection is to practice thematic analysis and code development.

- **Sampling:** sing thematic analysis with any qualitative analysis, '*the law of garbage in, garbage out"* applies. If raw information being processed and analysed is full of contamination from factors and variables, the analysis and subsequent interpretation is flawed.

- **Mood and Style:** This will greatly affect the interpretation of the data and the researcher can be biased towards the respondents. Therefore it is necessary to be neutral when carrying out research to avoid this problem.

CHAPTER SUMMARY

In this chapter the research methods have been outlined and how the researcher executed the research. In the following chapter the researcher will analyse and interpret the data from the techniques illustrated. This will give a much clearer picture of the nature of corporate social investment initiatives within the Richards Bay area. These methods included interviewing and extensive gathering of information from multiple sources to compare and contrast the level of activity each company engages in within the community.

DATA ANALYSIS

INTRODUCTION

In the previous chapter the research instruments for the study were identified and also the manner in which the researcher carried out the investigation were also discussed. This chapter will focus on the results obtained after carrying out this investigation in the four major companies within Richards Bay namely Richards Bay Coal Terminal, Richards Bay Minerals, Exxaro Sands and Foskor. The basis for the collection of data was through prior communication via email and included setting up appointments to meet with the various personnel. They were very supportive and eager to share their activities and structure of their CSI initiatives. Furthermore, my findings were entirely based on a one on one interaction with personnel directly in charge of their various corporate social investment departments. However ,not as an afterthought, to bring substance to the core of the research I then visited the Zikulise community centre. The researcher was privileged to be shown around this centre and observe some beneficiaries, hard at work being equipped with life skills.

CURRENT INITIATIVES

The first question dealt with a breakdown of the different initiatives that each company may be engaged within the community. These four companies under study are mainly large manufacturing and industrial companies that are Richards Bay Coal Terminal, Richards Bay Minerals, Exxaro Sands and Foskor. They all employ a huge number of people within the community of Richards Bay and surrounding areas. Their corporate social investment initiatives range from tackling macro problems such as HIV/AIDS, poverty, unemployment to environmental conservation. Their main focus is that in the overall investigation the researcher observed that all companies were mainly involved in a broad spectrum of initiatives. These focused on education, identifying causes or centres to support such as orphanages and local community centres. This also covered issues of sustainability by encouraging the community to embark on agricultural products and foster a sense of self-reliance.

Furthermore,enterprise and skills development training were also the highlight with the companies each encouraging people from the surrounding communities to get training for future employment relevant to the company's operations. However, it is important to note the similarities within the various CSI initiatives that are being implemented by the companies under study involved education, skills development, agriculture production and environmental awareness amongst others. The overall tone suggests the need for these to take precedence over other sectors and assist in alleviating poverty within the community and provide income sources.

RICHARDS BAY MINERALS

The CSI initiatives at Richards Bay Minerals are geared towards empowering communities - especially their host communities namely Sokhulu, Dube, Mbonambi and Mkhwanazi. This further ensures that the locals are given a fair chance of being employed and able to sustain themselves and uplift the community. The Tailings Treatment Plant alone has created job opportunities for 459 people from host communities. Richards Bay Minerals (2012a) states that the company is one of the world's foremost producers of titanium minerals, high purity pig iron, rutile and zircon. Their corporate social investment programmes is aimed at empowerment and sustainable development. According to the RBM Sustainable Development Report (2010:2) the corporate social investment programme encompasses education, health care, agricultural development, economic empowerment and community safety. Richards Bay Minerals (2012b) states the corporate social investment initiatives are aligned to business strategy and reflect the company's commitment to sustainable social development. These focus on mainly improving the quality of education, preventing illnesses and promoting better health. RBM intends on providing employment in an area characterized by high unemployment rates. The main focus is to improve the quality and livelihood of women who are marginalized and always almost at the bottom of the economic scale.

Richards Bay Minerals Total Spend 2010
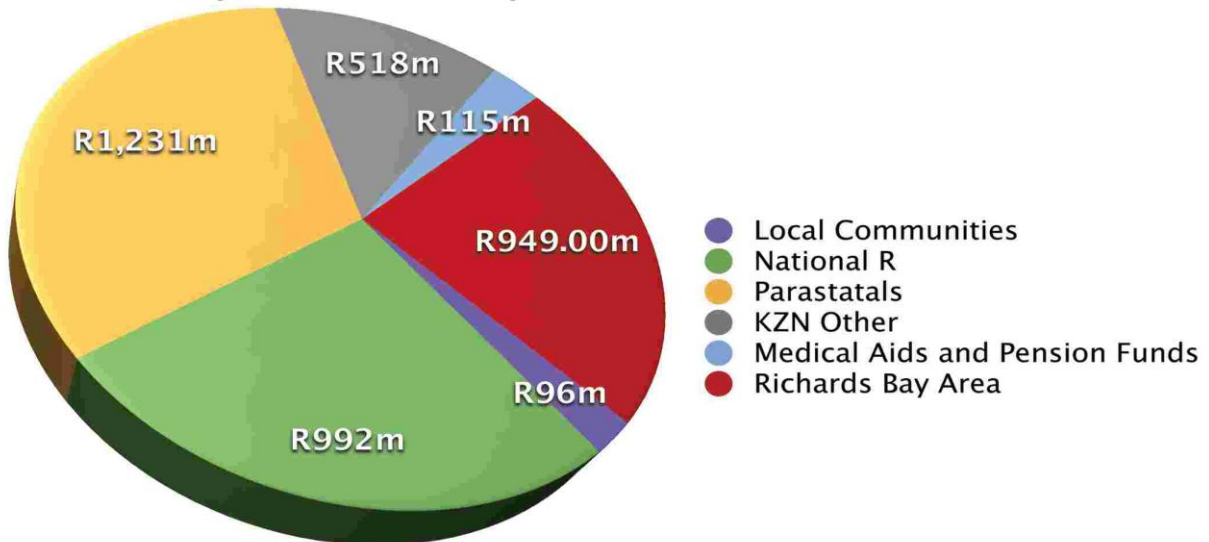
Figure 14: Richards Bay Minerals Budget allocation

Source: RBM (2010:16)

Figure 5 illustrates the allocation of the budget for 2010 towards the allocation of funds towards different areas. Richards Bay Minerals invested over R949 million within the Richards Bay area and R96 million dedicated towards the local communities. This further cements their stance of empowering communities and ensuring that they make a difference within people's lives. According to the RBM Sustainable Development Report (2010:10) the company firmly believes that partnerships with different stakeholders such as employees, shareholders, suppliers and customers. This also includes the surrounding urban and rural communities, local traditional authorities, commerce and industry, special interest groups, political leaders, academic institutions, media and local government departments. As a result of this engagement the company also has empowered its host communities of Sokhulu, Dube, Mbonambi and Mkhwanazi.

These host communities have since become shareholders since 2009.The RBM Sustainable Development Report (2010:8) also states that R17,5 million has been distributed to the Dube, Mkhwanazi and Sokhulu public benefit trust. Furthermore the estimated CSI budget for CSI projects for 2011 is R58 million while LED (Local Economic Development) projects have R150 million invested to cater for those targeted projects.

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Mbonambi will be in the near future given this boost. Hill & Goodenough (2005:21) states that the Dube community is the poorest and the community relies on the natural environment for survival. This includes engaging in illegal gill-net fishing for subsistence and commercial purposes. They also harvest mangroves at the detriment of the environment. RBM's intervention since 2003 is to alleviate the poverty by creating alternative employment opportunities.

Sector	2008	2009	2010
Agriculture	R873 023	R 586 239	R 639 296
Business Development	R 1 036 707	R 215 831	R 6 874 504
Education	R7 969 407	R6 746 551	R113 611
Environment	R43 424	0	R240 996
Health	R2 209 904	R3 287 961	R632 005
HIV/AIDS	R785 275	R998 800	R321436
Sport and Recreation	R842 806	R1 658 309	R525 361
Safety and Security	R6 723 042	R459 791	0
PBO's	0	R35 000 000	R6 000 000
Other	R1 614 653	R6 413 163	R4 601 905
Total	R22 098 241	R55 366 645	R19 949 114

Table 3 :Adapted Illustration of the RBM CSI contribution towards local economic development from 2008-2010

Source: RBM(2010)

Table 3 shows the levels of CSI contribution from 2008 to 2010 can be analysed as having been reduced. Business development enjoyed a massive injection in 2010 with R6 874 504 while education was allocated the least contribution for the year 2010.The other major focus areas for 2010 were agriculture, health, sport and HIV/AIDS closely followed by education and safety issues. The nature and trend of these figures highlights the importance that RBM places on self-sufficiency and empowerment with also a keen outlook for encouraging agriculture within the communities. The impact that the company is displaying within its host communities and surrounding areas is highlighted by the following initiatives:

Job Creation

This is encouraged through agriculture where the disadvantaged community is assisted and trained in the latest farming techniques to start their own gardens. The project facilitates the adoption of good nutrition and encourages self-reliance in the community.According to Richards Bay Minerals (2012c) the rural development programme initiated by RBM in Mbonambi in 1988 started out with gardening and cooking clubs to promote good nutrition. The initiative was extended to Sokhulu and Mfana and takes the form of a network of efficiently run committees under the overall control of Community Development Councils (CDC). An annual Farmers Day and Agricultural Day are held at a rural development centre with flourishing demonstration gardens and poultry projects. This offers on-going inspiration and advice to residents to apply at their own homesteads. This includes crop rotation, improved maize and vegetable growing, egg production and poultry farming. These Farmers Days allow the residents a platform to showcase techniques their produce such as vegetables, hand-sewn articles, crafts and baked goods.

This has led to numerous private gardens in local communities as well as 65 communal gardens involving over 950 people. Four poultry projects set up by RBM are now run independently by community members. Three community co-operatives have also been established to provide an accessible, reasonably-priced source of gardening tools, seeds, implements and building materials for local residents. Three community members have been trained to run their own nurseries. The monthly fresh produce market day at RBM provides a lucrative outlet for vegetable growers in Sokhulu, Mhlana and Mbonambi to sell their produce. RBM also sponsors market days once a month throughout the year at the University of Zululand, where local farmers are given an opportunity to sell their produce to the public. In a bid to motivate and encourage these upcoming farmers RBM seeks to assist them by exposing them to markets to gain profit for their hard work.

Imbokodo Programme

This programme mainly focuses on empowering and encouraging women to venture into the mining industry. The RBM Sustainable Development Report (2010:34) states that the learnership programme which began in 2005 assists women for this purpose. The students are trained at Umfolozi College for the first year and then gain practical training at the company to gain their National Certificate in Open Cast mining.

In Service Training & Bursaries

Richards Bay Minerals (2012c) states that the company offers in-service training annually to final year students from the Owen Sithole College of Agriculture, giving them valuable practical experience working with communities. Richards Bay Minerals (2012d) supports a bursary scheme that is open to all candidates, with a special emphasis on historically disadvantaged South Africans and candidate in RBM's local communities. The preferred disciplines include the following:

- Mining, electrical, chemical or mechanical engineering.
- Metallurgy.
- Geology/surveying/drilling.
- Chemistry.
- Environmental science.
- Accounting.

Bursary holders can then pursue studies at South Africa's major tertiary institutions, such as the universities of Cape Town, Stellenbosch, KwaZulu-Natal, Witwatersrand and Pretoria. RBM expects bursary holders to work for the company for the duration of the studies financed.Furthermore RBM began a community skills development programme targeted towards unemployed youths in a variety of trades to a cost of almost R4 million. The trained youths have now found employment as boiler makers, riggers, painters, steel fixers, tilers and safety officers.

BEE for local Companies

This involves the employment of local contractors and suppliers who live in the rural communities such as Asihambe Women Construction company from Dube. According to the RBM Sustainable Development Report (2010:34) it is company policy to employ local contractors who live in rural communities when they undertake construction of buildings and schools. This further ensures the boosted profits to directly to the community. RBM also helps to establish local BEE enterprises and an example is an industrial cleaning company called FMD Spillage Control Services.

This company was begun in 2002 and jointly owned by a former RBM employee and Mbonambi resident. The company employs 54 people and has an impressive turnover of R1, 3 million annually.

Enterprise Development

According to RBM (2012e) the Enterprise Development sub-unit at RBM works with SMMEs (small, medium and micro enterprises) and members of the local rural communities. This involves helping historically disadvantaged South Africans to set up new companies to fill specific needs at RBM. This starts with identifying prospective entrepreneurs from amongst RBM employees or local rural communities. This programme provides a platform for disadvantaged entrepreneurs to gain access to lucrative new markets and to acquire practical business skills training, enabling them to develop their businesses and employ more people. Workshops for local SMMEs are held regularly on topics such as:

- Basic business management training.
- New taxation legislation for small businesses.
- Business compliance and labour legislation.

Training to empower communities

According to RBM (2012e) in 2009, more than 480 local community members were trained in various trades. Six hundred of these were trained for work readiness. In an effort to promote employment opportunities within the lease area, a community recruitment office was also established in 2007. This has assisted hundreds of Mbonambi and Sokhulu residents to secure work with RBM contractors. The Tailings Treatment Plant alone has created job opportunities for 459 people from host communities.

Education

According to RBM (2012f), RBM has built and equipped classrooms and administration blocks at schools in surrounding communities. This includes equipping libraries and computer centres and upgrading infrastructure at schools and crèches. The Zululand Observer (2012:20) states that RBM assists rural schools not receiving assistance from the Department of Education as well as urban schools within the Richards Bay and Empangeni district.

Tisand Technical High School

Tisand Technical High School was funded and developed in partnership with the KZN Department of Education. This school offers practical knowledge and skills through workshops for electronics, motor mechanics, metal work and electrical engineering at a high school level. According to RBM (2012f) in 1996, this project received international recognition when it won the Global Best Award for Community Development through Partnerships. The school has technical drawing rooms, chemistry and physics laboratories, a computer centre, library and a career guidance centre. Furthermore, the school also has an indoor sports centre and outdoor sporting facilities also contribute to a healthy learning environment. The school serves the wider community through adult education outreach programmes, which include computer literacy training. Facilities are also made available for training, sporting events and functions.

Bambisanani Programme

Thuthukani (2012:3) states that RBM in partnership with the Department of Education and Grantleigh school launched this project. The company identifies grade ten to twelve learners with a potential in Mathematics and Science. The learners attend extra lessons at Grantleigh school every week. In 2011, the programme had 56 learners and achieved a 98% pass rate. Seven of the learners obtained 22 distinctions. The company also supplements this programme with awards and bursaries to help them advance their careers.

Science Kits

Science kits are also distributed to high schools in RBM's four host communities. The RBM Sustainable Development Report (2010:32) notes that the kits make a significant and positive impact towards improving the pass rate for mathematics and science. These kits contain manuals, apparatus which cover concepts of chemistry, electronics and science related disciplines.

Employee Participation

RBM encourages its employees to take part in corporate social investment drives. A group of employees called the Phenomenal Club launched a school shoe collection after being touched

on seeing young barefooted learners going to school. According to Thuthuka (2012:4) the group collected 150 pairs of which 100 were donated to Mabhodla primary school.

Tree-prenuer Project

According to RBM (2012e) the Tree-preneur project run in partnership with the Wildlands Conservation Trust (WCT) enables local orphans and vulnerable children to earn food parcels, clothing and bicycles to ride to school in exchange for the indigenous seedlings they grow for planting in their communities.

Health

According to RBM (2012g) the company has spent R60 million on the health care infrastructures within the community. Seven community clinics have been built and are being operated by the Department of Health. The company also funds eight community health workers, who extend their care into the homes of residents, overseeing the treatment of patients and the taking of chronic medication, as well as offering advice on preventive health care. Since 2008, over 250 000 community members have been impacted positively by RBM health programme in the Uthungulu District. The RBM Sustainable Development Report (2010:33) also acknowledges that the company facilitates nursing students from Ngwelezane College of Nursing in carrying out practical training.

HIV/AIDS Awareness

The socio-economic impact of HIV/AIDS has also caused the company to implement an ongoing programme to raise awareness at RBM rural supported schools. RBM (2012g) states that this R540 000 a year programme is run in partnership with DramAide, an NGO operating at the University of Zululand. It focuses on specific problems such as peer pressure, teenage pregnancy, rape, drug and alcohol abuse that can lead to HIV/Aids. A total of R19 million has been spent on this project and other HIV/Aids awareness programme in recent years.

Environment

According to RBM (2012h) their stance on the environment focuses on responsibility beyond mining. Projects such as the Tree-preneurship[2] exercise have a dual role in the community. The indigenous trees that are grown are incorporated into the environment and the community

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[2] This is a description of entrepreneurship where people grow trees for sale to gain profit ,yet at the same time contribute to the conservation of the environment in this exercise.

makes a living from selling these trees while make valid contributions by growing indigenous trees to be planted in the community to both the livelihood of the community. RBM also subscribes to a high standard of integrated environmental management to preventing pollution and minimise adverse impacts our activities may have on the environment. These relate to the surrounding natural environment, its flora and fauna, energy usage, ground and surface water, air quality and waste disposal. RBM also cooperates a comprehensive environmental management system and maintains continuous ISO 14000 accreditation. RBM Sustainable Report (2010:22) notes the company also evaluates the rehabilitation of coastal dune forests as a contribution to the sustainable development of a natural resource. These will be used as an experimental platform on which to conduct innovative ecological research. RBM supports a research grant to the Conservation Ecological Research Unit (CERU) of the University of Pretoria. RBM (2012i) states that an archaeological research project began in 1994 after discovering, pottery shards dating back to 1 500 years ago along with iron slag from ancient furnaces. These would have been used by early Iron Age people to make implements like hoes, axes, spears with metal adornments.

RBM partnered with Heritage KwaZulu-Natal museum and even built the Mananga Heritage centre to detail the history of the local community and showcase the artefacts. These archaeological findings are accessible to the locals, schools and interest groups to preserve the wealth of information from long ago. In 2005, RBM in conjunction with the Council for Scientific and Industrial Research (CSIR) identified sustainable land use options for land that had previously been used for mining. The CSIR designed a five year trial to determine which crops there would be a demand for and will yield the highest economic return. These include mangoes, macadamia nuts, litchis, bananas essential oils and legumes. This land would then provide a notable income generating source.

RICHARDS BAY COAL TERMINAL

According to RBCT (2011a) the company is the single largest export coal terminal in the world able to handle large ships and subsequently large volumes. However RBCT (2011b) in line with its slogan for coal to the world is concerned about community development initiatives that can result in the growth of nation. According to Van der Merwe (2007) RBCT is focused on addressing national priorities namely education, job creation, health care, HIV/Aids and the need to preserve the environment.

The Zululand Observer (2012:19) affirms that RBCT focuses on education, skills development, crime prevention, environment, community welfare, HIV & Aids and sport development. The RBCT Sustainability Report (2010a:34) states that over R3, 2 million has been used to fund various community projects within uMhlathuze municipality. In their annual report (2010a:3) the Chief executive officer, Mr Chirwa reiterates that the main focus of community development is to ensure that communities become self-sufficient. The company maintains both open and constructive dialogue with non-governmental organisations. This includes participation in national platforms such as the United Nations Global Compact (UNGC).
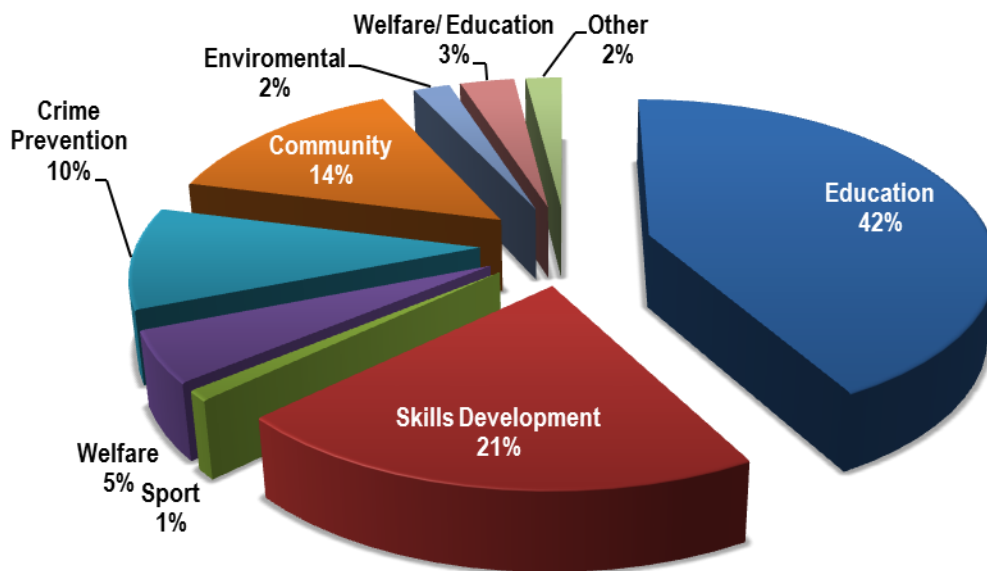
Figure 15: Adapted RBCT Corporate Social Investment Allocation for 2006
Source: RBCT (2006:14)

Figure 9 illustrates the nature of the budget allocation towards specific initiatives for 2006. Education and skills development received significant funds of 42% and 21% respectively. It would be interesting to note what impact this investment has made so far in the community. Sport was allocated 1% while welfare and crime prevention received 5% and 10% respectively. Community service however was allocated 14% while environmental and other issues were only awarded 2% each.

This diagram implies that RBCTs focus was mainly targeted at boosting education levels and skills development for that year. This seems to suggest a more concentrated approach on developing skills within the community that can offer them a better chance of gaining employment. The Corporate Affairs Manager, in an interview, estimated that the budget for CSI activities for 2012 is R4, 2 million to concentrate more on projects in full swing. Furthermore in future RBCT intends on focusing on community institutions and early childhood development.

Education

RBCT (2009:30) notes that through the employees' commitment and efforts to improve the pass rate of the local schools, they assist with extra lessons in Mathematics, Physical Science and Accounting over weekends in Esikhawini. The learners come from high schools in the Esikhawini area. This initiative is supported by tutors who are mostly employees with some final year students from the University of Zululand.

Ntabeni Primary

Another project RBCT is involved in is Ntabeni Primary School. Ntabeni primary school has received approximately R2 million since 2001 to be fully functional. The company has sponsored the building of ten classrooms, an administration building, an ablutions block and a container library. RBCT is currently busy with the next phase of building two additional classrooms with gutters, downpipes and water tanks to capture much-needed water for the school.

Swana School and Assessment Centre

RBCT funded the construction of his centre dedicated for children with special learning needs worth over R600 000.The school boasts of a staff complement of seven who are able to provide holistic education and therapy to 25 learners. The school also functions as an Assessment Centre for all learners with special educational needs in the Zululand area. In the future, the aim of the school is to expand its capacity to 280 learners. The Department of Education has approved land for the construction of this facility.

Science Kits

Richards Bay Coal Terminal (2011b) states that the company supports rural schools that do not have access to laboratories and has managed to partner with the Department of Education

to achieve this goal. The project involves donating mobile science kits for distribution to rural schools. The set target is to donate at least 100 mobile science laboratories by 2013 due to the success in improving the overall performance of learners.

Providing Crèches in the community

Richards Bay Coal Terminal (2011b) states that they support Qhubekani crèche which is based in Esikhawini. This crèche was built by the community, but due to overcrowding and a lack of resources were no longer able to cope. They now have enough room to cater for children and Adult Based Education and Training (ABET) lessons in the afternoon. In order to ensure sustenance they hire our one of the classrooms during weekends to the community for events and weddings to generate income for the crèche.

Employee outreach programmes

Richards Bay Coal Terminal (2011b) acknowledges that employees play a key role in adding a human touch to the lives of people. They support collection drives for school shoes in conjunction with participating in the Cancer Association of South Africa (CANSA)'s Shavathon where employees raise funds which RBCT matches. Annually they donate blankets to the Do I Care Enough (DICE) organisation and contribute towards efforts to the World Wide Fund for Nature (WWF), a global environmental organisation to save rhinos.

HIV/AIDS Care

The company also supports Amangwe village, a place where hope can be restored, love is shared and support given unconditionally. According to Van der Merwe (2007) the company committed R1million to the creation and support of this fully equipped crèche catering for HIV/Aids-affected children and child-headed households. On an annual basis, the centre is funded in order to continue providing home-based care to people infected and affected by the HIV/Aids pandemic. RBCT also donated two homes to the Ithembalethu Community Centre in Mzingazi, to be used as shelter for the teaching and learning of orphaned children. The centre caters for 246 children of whom some of them are affected by the HIV/AIDS pandemic.

Trees for life Project

According to the RBCT Sustainability Report (2010a:37) an on-going project the company is actively involved in is Trees for Life. The project educates communities about environmental awareness.

The needy individuals in the community are identified by facilitators who demonstrate how to grow indigenous trees from seeds. These are traded back to the Wildlands Conservation Trust who run the programme. These individuals involved are known as tree-preneurs and can purchase goods such as school uniforms and groceries, clothes, bicycles, wheelbarrows and even building materials. RBCT (2010b) notes that an entrepreneurial spirit is fostered in young people, and in July 2010, 72 001 trees were traded. This ultimately reflects the dire need within the community and willingness of people to grab opportunities given to them.

Homestead Gardens

RBCT (2010:35) notes that the company in conjunction with the Department of Agriculture in supporting 65 households to start their own vegetable gardens. Home owners are trained and equipped on how to start and manage a home garden. On completing the course, beneficiaries receive the necessary tools, equipment and seeds to start their home gardens. This highlights the company's aim of cultivating self-reliance in the community.

Nseleni Skills Centre

According to RBCT (2010:35) this centre is run by Umfolozi College to provide welding, building and sewing training for unemployed people in the area. Esikhawini Further Education and Training (FET) College has been earmarked as the most appropriate college instead of Nseleni to provide National Certificate Vocational (NCV) programmes in construction and engineering.

Bursaries

RBCT (2011c) notes that the company recognizes the need to develop relevant skills in line with its business needs as well as those of the community in which it operates. RBCT's bursary scheme specialises on the following key fields of study:

- Electrical and Mechanical engineering (BSc).
- Electrical Light Current National Diploma (Technicians).
- Production Management.
- Financial studies (B Comm. Accounts).
- Occupational Nurse.
- Safety studies.
- BSc Maths and Science.

Traineeships

RBCT also offers traineeships to meet the future skills requirements of key positions at RBCT.These include the following:

- Apprenticeships.
- Learnerships (registered with a Sector Education Training Authority (SETA).
- Learnerships (unregistered).

RBCT Relay Run

RBCT (2006:33) the annual charity event is organized by RBCT annually to highlight the region's athletics calendar. This is the second largest sporting event in Zululand and attracts more than 3000 runners and over 7000 spectators for the 49.2km relay run each year. All proceeds from the entry fees and site bookings go to deserving charities in the area. In 2007, the charity relay run raised in excess of R80 000 for local charities. Organisations that have benefited in 2007 include the SPCA, Thuthukani Special School, National Sea Rescue Institute (NSRI), SA Scout Association, DICE, Richards Bay Family Care, Rotary and Round Table. In 2008, funds in excess of R100 000 were donated to deserving local charities to further enhance the services they provide to communities.

Support for Non-Governmental Organisations

RBCT also donates to the following organisations; Red Cross, South African National Council on Alcoholism and Drug Dependency (SANCA), Zululand Mental Health Society, Zululand Hospice, Thuthukani Special School, Siyabonga Shelter, Society for the Prevention of Cruelty to Animals (SPCA), NSRI and Business Against Crime (BAC).

Environment

RBCT (2011d) has had its Environmental Management System certified to ISO 14001 since 2002. The following initiatives are designed to minimise any direct negative impact on the surrounding areas in the daily operations of the terminal. Dust abatement mechanisms have been implemented and are in operation, including numerous computer-controlled water sprays. Road sweepers and a water tanker run on a constant cycle to keep roads free of dust. Furthermore ,the company has ensured that over 5000 trees and shrubs are planted on site to reduce the effect of wind and improve aesthetics.

Information from the SA Weather Bureau assists RBCT to use the system effectively, alerting the control tower prior to any high velocity winds reaching the area. Twenty settling ponds are positioned at strategic points to collect run-off water which allow suspended coal particles to settle, thus preventing them from entering the harbour. Boreholes are also spaced throughout the terminal to monitor the quality of ground water available for use.

EXXARO

Exxaro (2010a) states that it (Exxaro) is a South African-based mining group with diverse and world-class commodity portfolio in coal, mineral sands, base metals and industrial minerals. The company also has exposure to iron ore through a 20% interest in Sishen Iron Ore Company (SIOC). Exxaro is the second-largest South African coal producer with a capacity of 45 million tonnes per annum and the third-largest global producer of mineral sands. It is also a significant participant in the coal and mineral sands markets. The company has over 55 projects such as the Vusani project which offers business training, poultry farming and agriculture at Gobandlovu. The main emphasis is to empower the unemployed people. This involves the adoption of hydroponic farming with produce such as tomatoes which can offer a sustainable livelihood to the community. Furthermore, some projects that are also in operation are in Dube village which focuses on traditional beading and women are encouraged to participate in enterprise development. Exxaro also assists in establishing a better educated community through improving comprehension of Maths and Science subjects in rural high school learners.

This is done through exposing them to learning resources not normally available to them and ensuring that their educators are well trained. This is supported by a Science Academy Winter school or the rural high school learners where they can also offer benefit from the career guidance provided. The company also supports initiatives to boost the scale of tourism within the area by partnering with Department of Tourism and ensuring that its flagship projects will acquire markets for their products. Exxaro has also opened a life skills centre in Ntambanana for empowerment and equip the people with business skills. Their support also extends to providing crèches such as the Senzokuhle in the community to provide the children with a good start for when they enter primary schools.

Exxaro also supports SMME's by assisting in identifying non mining business opportunities especially to local community residents. They will assist in the establishment and growth of these new companies as well as monitor their progress.

STAKEHOLDER ENGAGEMENT

Exxaro (2010b) states that the company engages with stakeholders which create value for investors by building solid relationships with various authorities. Stakeholder engagement is also further strengthened when Exxaro applies the AA1000SES stakeholder engagement standard. A new integrated software system to manage stakeholder engagement more effectively has been installed. Employees can comment on any aspect of the group through bi-monthly newsletters, intranet, regular employee surveys and feedback from various forums. Customer perceptions are surveyed through external service providers and by regular interaction. Supplier interaction on the other hand is on-going through external perception surveys, forums and other initiatives. The objective of these interactions is to maintain an informed and supportive employee network.

EMPLOYEE INVOLVEMENT

According to the Exxarro Annual Report (2010) in terms of socio-economic development, Exxaro introduced social responsibility strategies that highlight the commitment from the Exxaro Chairman's Fund and Exxaro Foundation. This reinforces a positive image of Exxaro as a caring corporate citizen in the community by the local community is crucial in projects to further cement a culture of volunteerism. The company also focuses on strategic and relevant areas suitable for socio-economic development.

SOCIO-ECONOMIC DEVELOPMENT

Exxaro (2010c) highlights that socio-economic development projects refers to an application of funds, goods and labour to provide sustainable services for the local community, which can be owned, managed and maintained by that community. Exxaro's role in these projects extends beyond providing funds to active involvement in applying these funds, as well as a project management role. Exxaro (2010) states that community activities are a strategy of maintaining sustainability, protecting and building its reputation through mutually beneficial relationships with local communities. Their main focus is to alleviate poverty and improve the overall life of identified communities. This is relevant considering the rural location of most operations which are areas characterised by the high level of unemployment and relevant development needs.

According to Exxaro (2010), the company allocated R38, 6 million to socio-economic development projects which are currently under way and other initiatives. This includes discretionary donations made by the corporate centre and individual business units. The objective is to ensure real sustainable development and growth in communities. These initiatives are drawn from identified community needs and are considered against the local municipality's integrated development plan.

Vusani Project

According to Keegan (2012) this project was aimed at the youth of the mining community at Gobandlovu at Hillendale mine. The main goal is to assist them in sustainable farming businesses that create incomes. This includes training of 12 business owners including a one year training course at Owen Sithole College in pig farming. This would also further assist them in establishing a vegetable garden as well as purchase of pigs to start the farming. This project was also in partnership with the Department of Agriculture and resulted in jobs being created in the area.

Uplift Maths and Science in high school learners

This project focused on assisting rural high school learners become a better educated community and be employable. Keegan (2012) notes that this included capacity building among educators and school by establishing a Science Academy Winter school. This ensured science awareness by displays and experiments and expanded its reach within the Fairbreeze area. Career guidance which is effective is also a part of Exxaro's mandate and exposure to learning resources which are not readily available to rural schools.

Dube Village Women's Business Development Project

According to Keegan (2012) the purpose of the project is to empower women and establish a sustainable business and skills training centre in the community. Women are encouraged to participate in enterprise development within their communities through skills such as traditional beading. Two new businesses have emerged from the beading skills training for the youth while new jobs have been created by the establishment of a sewing factory. Exxaro also assists the business centre to buy shares with profits gained.

Township -Arts and Crafts Promotion

The Esikhawini Tourism Association is assisted to become more sustainable by promoting surrounding businesses which Ticor SA established. The craft sold from the different women's project will have a ready market and further assists other rural projects that can contribute to tourism in the area.

Ezingeni business development project for the physically handicapped

This aims to empower the physically handicapped to establish a sustainable business in the uMlazi Municipality in Mtunzini. Keegan (2012) states this includes business training and encourages self-sufficiency through hydroponic farming and production of items focused on tourism initiatives. This also involves traditional beading and farming for example tomatoes. This project has been partnered with the Department of Arts and Culture and Department of Agriculture to ensure the sustainability of the project.

Life Skills Centre in Somopho Traditional Authority

According to Keegan (2012) Ntambanana being one of the poorest municipalities in uThungulu district required intervention. Exxaro established a life skills centre to empower the members of the community with business skills and further improving the relations of the Somopho traditional authority.

Providing Crèches in the Community

The aim was to develop school ready children who will enter primary schools already exposed to English at an early age. According to Keegan (2012) the Senzokuhle crèche fulfils the necessary health and educational requirements since there are no other decent facilities for preschool children in the area. Exxaro assists in the training of the pre-school teachers and is supported by the Somopho community.

Support for SMME's

Exxaro supports the generation of non-mining economic opportunities within identified local communities, particularly for local BEE companies and SMEs owned by disadvantaged groups. Exxaro's role is to ensure that policies are in place to support the SMEs whilst developing partnerships with accredited training and development institutions.

Exxaro (2010) focuses on recruiting locals in surrounding communities to ensure they benefit from the mine's presence in multiple ways. Exxaro focuses on developing the skills of community members by training them to fulfil the group's requirements.
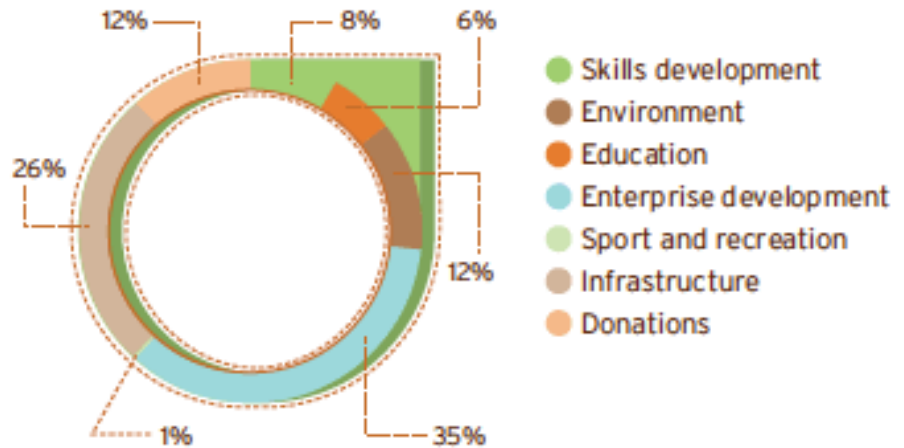
Figure 16: Exxaro Chairman's Fund and Exxaro Foundation
Source: Exxaro (2010)

In Figure 16 the allocation of the CSI budget for 2010 is illustrated. The company invests 35% of its budget towards enterprise development, 8% is also towards skills development and 12% towards donations. In total this accounts for 55% of the budget towards philanthropy and CSI projects that can lead to the overall sustenance in the community. Infrastructure is also a key component of the budget with 26% allocated for the maintenance of roads and other key structures.

Enterprise Development and Job Creation

Exxaro (2010) states a number of jobs have been created through projects exceed over 670 and indirectly benefiting over 11 400 people. Exxaro also contributed more than R16 million in 2010 through corporate projects and commitments, including university chairs, skills development and membership fees to national and international bodies. These include the National Business Initiative, World Wildlife Fund (WWF) and the Peace Parks Foundation.

Exxaro (2009) also notes that the company encourages and aims to attract women to work in the group's core business. This has achieved some degree of success as 220 girls as part of the Take a Girl child to work initiative.

Environment

Exxaro (2010) notes that the organisation is committed to the conservation of natural resources and reducing the burden of pollutants on the environment. This involves complying with environmental legislation and developing relevant innovative policies and programmes to address any environmental impacts. This is necessary since the company is involved in dust-generating activities from blasting, vehicle entrainment and wind erosion of exposed operational areas. These challenges are being mitigated through the use of anti-dust-suppressant agents which is referred to as Dust-A-Side on haul roads and applying water to unpaved operational roads. The company is also in the process of developing biodiversity management plans for each business unit in order to contribute to reduction of greenhouse gases in the atmosphere.

FOSKOR

The Richards Bay plant produces sulphuric acid, phosphoric acid and granular fertiliser. Foskor Richards Bay is 3 km from the deep-sea port which, by virtue of its sheer proximity, provides easy access to markets. The port of Richards Bay is used to export raw material inputs such as sulphur and ammonia from Canada and the Middle East. Foskor's social and economic development initiatives are aligned with the company's overall growth strategy and in accordance with government interventions. Their centre of focus involves unemployment and job creation, rural development and poverty alleviation. The health care system, education and environmental projects are also an important part of their programme. They also support beading training in Mandlanzini, near Richards Bay. The company actively recruits its labour from local communities and implements training initiatives that will focus on developing the skills of community members to fulfill the group's requirements.

They established the Ezingeni business development project in Mtunzini which empowers the physically handicapped and Dube project with business skills to allow them to be self-sufficient. They can engage in hydroponic farming and traditional beading. This project has been partnered with the Department of Arts and Culture and Department of Agriculture to ensure the sustainability of the project.

Another skills centre has also been established in Ntambanana which is the poorest municipalities in the area. Foskor has also partnered with the Department of Arts and Culture to ensure that communities benefit, especially women by assisting these women in marketing their products at relevant expos and market days. The company also promotes agriculture as an important element of survival and provides the farmers with the necessary training. This also includes poultry farming which can create more jobs, combat poverty and empower the community.The company also has plans when assisting farming prophets to provide tractors which can be used within the five local tribal authorities in association with the Department of Agriculture. Their CSI initiatives are also centered on education with the set-up of mobile libraries which intend on promoting reading in the disadvantaged communities. The Science and Mathematics development project allows the selected learners an opportunity to improve their performance by giving them extra lessons. This has an added advantage of increasing their chances to study at tertiary institutions.

The Foskor Media Centre in conjunction with the Zululand Chamber of business assists under resourced schools within the Empangeni district. The schools that fall under this 50 km radius are selected and offered annual assistance. Their stance on education is not limited however to high school but also at grass root level with the Literacy and Numeracy Early Childhood project where teachers are given the relevant teaching aids for ECD. This ensures that the children will have best grounding for their education. Furthermore career guidance is of prime concern for the company to its adopted high schools where they will offer an extra class including guidance and exposure to bursary opportunities.

Education and skills development

Foskor (2011a) state that the company accommodates three schools on its premises at no cost. These are the Kingfisher Private School and Moshate Hotel School (Phalaborwa) and the Ntambanana Crèche in (Richards Bay).Foskor (2011a) states they have also adopted the former Stanbury Primary School and renamed it Foskor Primary School in November 2009.Foskor also sponsors a Winter School for Grade 12 learners. The Company also makes a grader available to local schools over weekends so they can level sports fields or playgrounds, and repair pathways for pedestrians.

Foskor also sponsors the University of Zululand's Science Centre to ensure that Zululand's communities have access to world-class science and technology apparatus. Foskor also supports the Take a girl child to School initiative; this provides motivation to young girls and motivates them to pursue meaningful careers that will bring social and economic benefits. In skills development, Foskor believes in empowering women with skills to enable them to survive the difficulties arising from unemployment. According to the Foskor Annual Report (2011:87) Foskor identified and enrolled women from the Namkagale, Lulekani, Mashimande and Majeje areas for an eight week course in sewing.

Science and Mathematics Development Project

Foskor also ensures selected learners get extra lessons and support to improve their performance in Mathematics and Science. Foskor also gives both educators and learners access to data and information by stocking the library with relevant and up-to-date textbooks. This will ensure that learners have increased access to tertiary study opportunities. This will also involve career guidance and scarce skill programmes for learners which will provide them exposure to bursary opportunities. Foskor embraces the Dinaledi Maths and Science project, having adopted four schools, two in Limpopo Province and two in KwaZulu-Natal. Foskor (2011:84) states that the Dinaledi project encourages maths and science tutoring in secondary schools in preparation for tertiary studies. Dinaledi schools are set to become centres of excellence and training for both educators and learners hoping to pursue careers in the maths and science fields.

Mobile Libraries

Mobile libraries are also supported by the company with a vision of assisting in the eradication of illiteracy in disadvantaged schools and also making reading more fun for learners. The educational literature and books are provided and Foskor has collaborated with the Department of Education in Empangeni to identify the schools with the most need. This however only focuses on Early Childhood development and Foundation phase.

Literacy, Numeracy Early Childhood and Foundation phase project

This project is focused on assisting teachers and schools with relevant teaching aids for Early Childhood and Foundation phase. This gives learners the best foundation for their education.

This involves the training of educators in classroom management and curriculum implementation. Resource kits and educational posters are also supplied. This is in conjunction with the Department of Education who identify the disadvantaged schools. The benefits include enhancing the corporate image while building partnerships with relevant stakeholders such as government departments. In the future, by 2015 Foskor would like to assist 10 schools in Literacy and Numeracy to disadvantaged communities.

Foskor Media Centres

Foskor funds two media centres namely the Richards Bay media centre and Phalaborwa in Namakgale. According to Foskor (2011:89) the Richards Bay Media Centre was founded in partnership with the Zululand Chamber of Business Foundation and the Department of Education. The centre provides administrative services such as faxing, photocopying, printing, Risography (high-speed digital printing), document binding and laminating to 46 schools. Foskor at the Phalaborwa Media Centre in Namakgale, rents equipment and pays for the upkeep of the facility that serves as a resource centre for 75 schools.

Bursaries

According to the Foskor Annual Report (2011:84) Foskor grants bursaries to matriculants with a keen interest in studying towards obtaining degrees and diplomas. This is mainly geared for the engineering, geology, metallurgy and chemical disciplines. Preference, however,is given to candidates with a superior academic record.

Learnership Programmes

Foskor also supports training in plant, mining and engineering disciplines. According to the Foskor Annual Report (2011:85) in 2010, Foskor expanded its learnerships to include other disciplines and through these opportunities, fully qualified artisans such as electricians and fitters and turner are produced.

Community health and well-being

Foskor (2011b) states that the company actively participates in the communities where it operates and is visibly a socially responsible corporate citizen. The HIV/AIDS programme in Phelang ensures that the Foskor nursing sister distributes free condoms and nutritional supplements to the Ba-Phalaborwa community. Counselling and training is also offered to home-based caregivers in need of a support group.

Foskor Community Centres

Foskor (2011:89) states that Foskor is developing the Ntambanana Community Centre in Richards Bay as a lodge for widows, orphans and other vulnerable persons. This community centre will offer training facilities for business start-ups and assistance to entrepreneurs. A business centre in Namakgale was established which currently houses seven small, medium and micro enterprises (SMMEs), including catering concerns, vehicle spares shop, hairdressers, sewing, upholstery and tailoring businesses.

Housing for Orphans and Widowers

According to the Foskor Annual Report (2011:87), Foskor has also built and furnished three - bedroomed houses for 5 families in the Ntambanana community. However, to ensure the sustainability of this project, Foskor ensured that 14 individuals from these 5 families are trained in bricklaying, plastering and plumbing at Umfolozi college. This has the added benefit of imparting a life skill which can contribute to the livelihood of that household.

Agriculture

Foskor (2011:89) states that they encourage homestead gardens by training communities with the necessary skills for productive farming. This is based on the belief that agriculture is the backbone for the economy and can be a survival strategy for poor rural people. They also support poultry farming to create more jobs and opportunities to combat poverty. According to the Foskor Annual Report (2011:89) the local farmers are trained in sustainable organic farming and the principles of permaculture. The households are supplied with tools and seeds to produce organic home food gardens. At the Ntambanana Centre (Richards Bay), Foskor provides widows with tools and seeds to cultivate their own gardens. Farming market days provide the farmers with a platform to market their fresh produce. Foskor (2011c) states that the company believes in uplifting impoverished communities by providing people the means to be self-sufficient.

Traditional Beadwork

Foskor (2010:5) also states that the company has joined forces with the Department of Arts and Culture for a training and skills development programme for traditional beading. The programme provides rural communities for example Mandlanzini, a recent beneficiary to be self-sufficient and reduce the levels of poverty. In this project 16 women have been trained and Foskor assists these women in marketing their products at relevant expos and market days.

Partnering with Business against Crime (BAC)

According to Foskor (2011:89) Foskor has partnered with Business Against Crime by providing a safe house for destitute victims of crime in Enseleni. Another shelter in Phalaborwa was also established for abused women. The main goal is to ensure a safe and secure economic environment that is conducive for economic growth.

Environment

Foskor through the Greening Project aims to minimise the carbon footprint in uThungulu district. Fruit trees are planted in schools and disadvantaged homes within the district. Furthermore ,(Foskor 2011:89) notes that the company is actively involved in the conservation and maintenance of the Zululand Birding Route by the implementation of measures such as fencing protected areas, maintenance of the Ongoye forest and removing invasive alien plants. The company also creates community awareness through these environmental education projects. Foskor (2011d) states that socially responsible behaviour spreads economic wealth equitably and brings a better quality of life to those affected by the operation's daily activities. Therefore for example Acid Division, in Richards Bay sources clarified water from the uMhlathuze Municipality and is contractually bound to consume no more than 393,802 kilolitres of potable water per month. The division uses aapproximately 10 mega litres of water everyday in the manufacture of phosphoric acid.

There is stringent control on the usage of water including recycling effluent water and adopting efficient waste disposal initiatives. The Acid Division also at times risks emitting sulphur dioxide in excess of permit requirements when the sulphuric acid plants are started up. Plant start-ups are limited to suitable weather to avoid excessive emissions and discomfort to both personnel and the surrounding public. This monitoring eliminates environmental risks such as water and air pollution.

Local Economic Development

According to Foskor (2011c) the Local Economic Development (LED) is a government-driven economic growth initiative that encourages locals to pool resources with municipalities and alleviate poverty. This programme aims to encourage growth through employment creation schemes. LED programmes aligned to national policy allow more support from the provincial and local government structures.

According to Foskor (2011c), the Ba-Phalaborwa Municipality and Foskor have agreed on five projects valued at R26.5 million over the next four years, as per the 2009/10 IDP. These include the following:

- Paving the streets and installing additional storm water drains.
- Rehabilitating streets in Phalaborwa.
- Rehabilitating landfill sites in Namakgale, Lulekani and Phalaborwa.
- Upgrading the sports precinct in Lulekani.
- Creating a Bollanoto infrastructure development hub.

BEE PROCUREMENT

According to Foskor (2011c) in 2009 the Procurement and Logistics Division focused on promoting transformation and wealth creation through preferential black economic empowerment (BEE) spending. The department has updated its database with supplier details and verifying their compliance documentation. During 2009, supplier evaluation was reinstated at the Acid Division in Richards Bay and adjustments were made to the processes used at the Mining Division in Phalaborwa. The Acid Division achieved a 60% BEE procurement spend and the Mining Division 32%. On average, the group achieved 45% BEE spend, up from 44% in 2008/09.Foskor (2011c) notes that they entered into an agreement with South African International Business Linkages (SAIBL) and benefit from procurement opportunities. Foskor allocated R1 million to this project in 2009/10. Ten SMMEs benefited from this initiative of which five were in Phalaborwa and the balance from Richards Bay.

CSI Activity	March 2011	March 2010	March 2009	March 2008	March 2007
No of communities supported	11	3	9	5	3
No of community projects invested in	85	65	88	29	21
No of SMME's supported	33	7	10	0	0

Table 4: Foskor CSI Activity from March 2007- March 2011

Source: Foskor Annual Report (2011)

The table illustrates the nature of Foskor CSI activity from March 2007 to March 2011.The trend shows a gradual increase in projects supported within communities as well as the number of communities supported. The number of community projects have significantly decreased from 88 in 2009 to 85 in 2011.However there has been marked improvement with the number of SMME's supported from none since 2007 to 33 in 2011.

ZIKULISE SKILLS TRAINING AND SME DEVELOPMENT CENTRE

According to Exxaro (2010) the Zikulise centre was officially opened in November 2007 as a partnership project between Exxaro KZN Sands, uMhlathuze Municipality, NGO Zikulise Community Upliftment and the European Union. This project worth over R6 million, offers skills training in areas such as sewing, beading, baking, pottery and handcrafted jewellery. Blind people are also trained by the Blind Society of KZN in weaving baskets and cane furniture production. The centre has produced five SME companies and three are currently moving through the incubation phase. The centre continues to mentor established SMEs for three months to ensure their sustainability.

Currently over 1 800 people from the community have been trained by the centre. The centre is also a tourist attraction since visitors can view able to view training sessions and buy products from trainees. Bakery trainees learn more about hospitality training while giving visitors a chance to enjoy unique African baking and delicacies like home-made ginger beer. A morning market done every month enables all SMEs to market their products at the centre. Zikulise is a beacon for Zululand since it focuses on critical areas such as the alleviation of poverty, skills training and enterprise development.

Communication Strategies	EXXARO	RBM	RBCT	FOSKOR
Press Releases	Y	Y	Y	Y
Newsletters	Y	Y	Y	Y
Meetings/Forums	Y	Y	Y	Y
Reports	Y	Y	Y	Y
Website	Y	Y	Y	Y

KEY	
Yes	Y
No	N

Table 5: Illustration of Communication Strategies Used by the Organisations

The communication strategies range from newsletters, reports, press releases, meetings, websites and internal communication within the company. These types of communication strategies were identified by all the companies to use for public awareness of their various corporate social investment initiatives. Notably this information is mostly made available to the public via the company websites, media, annual reports and local or community newspapers. This has an added advantage as it reinforces the company's commitment and interest in the community.

Exxaro for example encourages its employees to comment on any aspect of the group through bi-monthly newsletters, intranet, regular employee surveys and feedback from various forms. Furthermore they all agreed that it was vital to keep the various stakeholders well informed of the activities that the company supports whether internal or external. This is also through newsletters distributed in the organisation for employees to be made aware of the various programmes supported by the company. Foskor on the other hand relies on its intranet, newsletters and Focus in-house magazine to communicate internally with its employees and the websites to communicate with external stakeholders. They also hold open days for CSI where employees are encouraged to participate in CSI projects undertaken by the organisation.

Richards Bay Minerals also makes use of its intranet, newsletters such as the Inkwazi which will give the employees insight on the company's aims and objectives for their CSI intervention in the community.

IMPACT OF CORPORATE SOCIAL INVESTMENT INITIATIVES

There are win-win returns for embracing corporate social investment as these companies realize when implementing various initiatives within their respective communities. The organisation needs to stay in touch with their various stakeholders by carefully aligning the CSI strategy into areas that can benefit and ensure the well-being of people for the long term. This will serve to reinforce the brand and name of that company such that they can have an affinity with their core values and vision. The greatest challenge would be ensuring that the investments are long term, sustainable and have a measurable impact and in line with the transformation agenda of the country.

However, to be able to circumvent these obstacles the company needs to focus on areas they are passionate about to bring change. The Chinese proverb, *Give a man a fish and you feed him for a day. Teach a man to fish and you feed him for a lifetime* sums up the intentions of these organisations in engaging in corporate social investment initiatives. Income generation is the key to gaining self-reliance thereby leading to sustenance. It is critical that organisations take serious thought in matters that relate to social development. They are currently engaged in training, apprenticeships in various fields for members of the community which creates an opportunity to impart valuable skills that will further expose them future career prospects. Furthermore, it is also important to note that the company needs to have a monitoring plan to ensure that the CSI project is making an impact. This can be done by getting feedback from those in charge and conducting surveys from external stakeholders to rate the level of CSI performance.

MONITORING AND EVALUATION

The study revealed that most of the CSI initiatives implemented by the organisations cost a lot of money. Therefore it is essential for the organisation to keep abreast of the progress of that particular project for the good of the company and the beneficiaries. In **Annexure A**, an example of how the company can keep track of the support they give to primary schools for example Foskor which regularly receives an assessment form for the progress made by learners at Dover primary school.

This allows the company to identify whether they should increase their support or implement a totally different strategy. The companies also monitor the level of impact they are making through their CSI initiatives within the community through assessment forms which they issue to stakeholders. This is beneficial for evaluating whether the corporate is making any headway into uplifting the community or need to improve. See **Annexure B** for an example of such an assessment form by Foskor.

DECISION MAKING PROCESS

In the study it was also essential to determine the individuals responsible for a particular cause or initiative to support or implement within a community. The board of directors has a crucial role in determining which project to support and this is largely proposed by the relevant department such as public relations and the corporate social investment unit. However, it is essential to note that the CSI practitioner needs to determine the needs of the community and then tailor suitable strategies. However, this is not done in isolation but through consultation with the public relations, corporate affairs or corporate social investment departments. The major factor being that the cause is aligned with the company's vision and goals. Once the project has been approved, a proposal is drafted outlining the aims, target individuals and budget drawn up for administrative purposes.

SUPPORT FOR ENTREPRENEURS

The companies Richards Bay Coal Terminal (RBCT) awards traineeships, apprenticeships and bursaries to deserving individuals within the community, to afford them the learning opportunities. This is also available for employees so that they can advance their skills. Richards Bay Minerals also is actively sponsoring agricultural inputs and encouraging members of the community to be self-reliant in Mbonambi and Sokhulu by operating their own gardens and poultry production. This is greatly displayed especially on Market Days at the University of Zululand where beneficiaries of this project are encouraged to sell their produce and earn a living. Furthermore, they also encourage the local orphans and disadvantaged children to participate in the Treepreneur project. They grow indigenous tree seedlings which they will in turn sell to members of the community and are able to gain money for their school fees and other necessities. The concept of entrepreneurships has managed to filter down to the children to understand that they can also be responsible and earn a living.

Exxaro KZN Sands, however, is currently engaged in development projects which focus on enterprise development, infrastructure development and poverty alleviation. Examples of these projects include the Dube and Vusani project which encourage and support beadwork and other savvy business skills. Foskor also aids the Ntambanana centre in Richards Bay by also supplying farming inputs to use in their gardens. They also support beading amongst the rural women and the disabled within the community facilitated through the Department of Arts and Culture. Foskor also encourages those identified after training to register their own companies to foster entrepreneurship skills in them. This will be accompanied by continued mentorship until their businesses can generate profits to sustain themselves.

SUCCESS STORIES

The success rate for these projects or programmes implemented is highlighted by the desire by most of the company's expanding their reach and increasing the budget plan. There is always a positive response with regards to the empowerment of communities and the only need that may arise is enough projects that can be sustainable over a long period of time. Richards Bay Minerals has since 2009 trained more than 480 community members and 600 were trained for work readiness. This led to them establishing a community recruitment office in 2007 to promote employment opportunities for residents from Mbonambi and Sokhulu. Inevitably the people employed by the company will be from the surrounding area which boosts their standard of life. Richards Bay Coal Terminal with their on-going project for Trees for Life, this is a measure to assist the treepreneurs who can then feed their families, buy school uniforms, receive bicycles and receive basic building materials for their homes.

Foskor has also successfully established Ntambanana Community centre which offers services to women and youth that have no access to proper infrastructure, inadequate access to training and development facilities. Foskor after training some of the disadvantaged especially at Umfolozi College, integrate the beneficiaries within the company or encourage them to register their own companies so they can be suppliers. Exxaro through its flagship project in Dube village has managed to establish a women's centre that encourages skills such as traditional beading that are vital in boosting tourism within the area and sustaining livelihoods. This also includes opening a life skills centre in Ntambanana for empowerment and equip the people with business skills. RBCT has contributed in the establishment of key centres like Ntabeni Primary and Swana School and Assessment Centre dedicated for children with special learning needs.

This also includes the Amangwe village which provides home-based care to people infected and affected by the HIV/Aids pandemic. Furthermore, they also donated two homes namely Parkhomes and Ithembalethu Community Centre in Mzingazi as shelter for the teaching and learning of orphaned children. The centre caters for 246 children of whom some of them are affected by the HIV/AIDS pandemic. Corporate Social Investment being the future for most companies in giving back to the community, it is vital that after such implementation there be future plans or core projects to continue with the projects.The intention mainly being to keep investing in marked projects that are fruitful and have marked potential. However, the trend of the projects is to focus more on skills training and enterprise development.The companies all demonstrated that they would consider increasing the budget towards particular projects.

RELATIONSHIP WITH COMMUNITY/BENEFICIARIES

The nature of interaction with the community or targeted beneficiaries to determine their needs is especially important for a successful project. Building a relationship with a community which surrounds particular corporate operations is fundamental. In this regard they may be rural people with a basic education and there may be problems in the initial stages, they may not act or think like business people. In order for the project to make headway it needs to be fully supported by the tribal authorities especially. Carmichael & Drummond (1989:62) note that a project which is ardently proposed by a community group or respective company may lose momentum and diminish within three months. According to May (2006:28) these issues may not be resolved in a year or even three years, for the projects to run smoothly. Therefore economic sustainable is a long winding process that requires patience, commitment, empathy and a passion for change. A solution would be that company staff and the community spend more time together and be sensitized to each other's differences. The more personal contact there is between corporate members and the community, the stronger the relationship and more effective CSI initiatives.

CHALLENGES FACED IN IMPLEMENTATION

The main challenges that were identified include, staying committed to a particular initiative or project as it may take time for it to take off and run smoothly. There should also be transparency with regards to the stakeholders, so that they are informed every step of the way of any decisions or projects.

This is essential since corporate social responsibility involves building trust in the brand, performance of the product and the company as an employer. The budget or money allocated specifically for CSI is not always enough sometimes due to the great need within the community. This money therefore needs to be spread out equally over the number of projects within the area. This will be dependent on the performance of the company since ultimately the profits will determine the amount targeted for CSI projects.

Another problem is resistance from the tribal authorities who can sometimes suggest assistance which does not fall in line with company's mandate, vision and goals. It is imperative therefore, that traditional protocol is observed before launching a project by consulting the relevant authority.The challenge then for the CSI practitioner is to negotiate and make them understand why that particular project cannot be supported. A fundamental requirement is to be able to converse in their home language since engagement is the key for any successful project within the community. Community development is the process of strengthening the effectiveness of communities thereby facilitating the people's quality of life. This will inevitably enable people to participate in decision making to achieve long term control over their lives. Sustainability is a critical ingredient for successful community development. However the overall auditing of the project is difficult and will need to be managed. Regular monitoring of the project is essential even though it may be successful to keep the momentum.

STAFF PARTICIPATION IN CORPORATE SOCIAL INVESTMENT INITIATIVES

Generally in the companies under study they concurred that employees are an important aspect of stakeholder engagement. They have to feel a part of the corporate social investment initiative to be effective ambassadors within the community. Exxaro for example allows employees to make suggestions to improve any aspect of projects through their newsletters and other internal communication. This fosters the team spirit within an organisation and allows employees to take pride in their workplace and its efforts to improve and empower the community. RBCT also incorporates its employees within the projects by for example conducting extra lessons at Khula High school in Esikhawini Township. The intention being to assist learners to improve their pass rate and is done in conjunction with final year students from the University of Zululand. Furthermore, they participate in collection drive for school shoes as well as fund raising for the annual CANSA: Shavathon.

Therefore, this offers a win-win situation for both the organisation and the community as they benefit in all aspects. Foskor has Employee month in June where employees are encouraged to take up volunteer jobs in either existing projects or just support the corporate social investment drive within the organisations.

COMMUNITY BASED ORGANISATIONS

The researcher decided to choose at random an organisation that has been supported by one of the organisations under study namely Exxaro. The purpose of the interview was to benefit from an active centre that is making headway in alleviating the unemployment crisis by encouraging a sense of entrepreneurship. Zikulise Entrepreneur Skills Training Centre is a non-profit organisation which aims to empower the local community to alleviate the unemployment crisis which has crippled the nation. The establishment is based in Empangeni which seems to be a central area near Richards Bay. The findings of this research were also made possible after consulting with the personnel managing this project who are proving to be notable leaders by actively impacting the community. The centre engages in practical training of baking, catering, sewing, pottery making and traditional bead weaving.

The impressive statistics of the centre highlight their determination to improve the outlook of the people within the area through poverty alleviation, crime prevention and avoiding small business failure. This will result in the avoidance of problems such as orphaned and vulnerable children. In an interview with Ms Julie Johnson, the Executive Director of the centre ,she outlined their goals for the centre and expressed optimism for plans to create a reserve fund that will allow for them to be self-sustainable. The future goals for the centre are to further expand the training facilities to include five new long term Incubators for baking, sewing, pottery making and traditional bead weaving. Furthermore, a Business Support Hub and Entrepreneurs' Resource Library for trainees to further assist them in becoming successful entrepreneurs.

VISION

According to Zikulise (2012) the aim is to educate and train people thereby empowering them. The vision of the centre is to uplift the local community by addressing the unemployment crisis, resulting poverty and the failure rate of the small businesses. The highest priority is the creation, sustainability of new and existing small enterprises that have a real potential to contribute to the local economy.

The target group is mainly the unemployed, youth, women, physically challenged, offenders and ex-offenders, people from a disadvantaged background, SMME's cooperatives and entrepreneurs. Zikulise (2012) states that over 2054 people have received training at no cost, while 189 jobs have been created. Furthermore, 127 new and existing businesses have received mentorship support. Also 135 local businesses have been supported, 40 local networks and partnerships have been supported. The centre receives support from a number of local and external sponsors such as Exxaro KZN Sands, ABSA, Bank, Umhlathuze City Council, Industrial Development Corporation (IDC),UThungulu Council, Standard Bank to name a few. However, they do not solely rely on sponsors but actively carry out fundraising initiatives that are income generating. These include hiring out the Zikulise conference facilities, catering for meetings and conducting lessons to paying members of the public. The centre has managed to produce success stories with one of the trainees now currently operating his own business in bead making and employing people from the community.

CHAPTER SUMMARY

In this chapter the researcher analysed the different inputs the four companies Richards Bay Minerals, Richards Bay Coal Terminal, Foskor and Exxaro Sands are contributing towards the Richards Bay community. This is especially important due to the underlying problems such as the HIV and AIDS pandemic, poverty, unemployment as well as a lack of access to basic service delivery within the largely rural community. The researcher presented the findings in a thematic format and it was interesting to note the responses from the companies under study. The data was drawn from interviews by CSI personnel, brochures, hand outs and annual reports.

Website information was also used to complement the information gathered.The relevance and importance of corporate social investment can be clearly outlined by the trend in of supporting education, job creation, agriculture and the conservation of the environment.Unemployment has been identified as the root cause for most of the problems that affect all communities leading to dependence on government hand-outs. A perfect example of a centre with the potential to turning the unemployment woes of the community is Zikulise Upliftment Training Centre. This centre is supported by Exxaro and best embodies the future of corporate social investment. In the next chapter the researcher will conclude and pose recommendations towards how best corporates can best tailor their CSI initiatives to suit the dilemma of unemployment.

CONCLUSIONS AND RECOMMENDATIONS

INTRODUCTION

In the previous chapter the researcher analysed the data obtained and managed to assess the level of CSI activity undertaken by the four companies. This chapter, however, summarizes key findings that pertain to CSI activity within Richards Bay and how unemployment is being redressed through these activities. These community concerns range from the environment, health and skills development. However, after an analysis of RBCT, RBM, Exxaro and Foskor initiatives it is clear that the community requires assistance with regards to opening avenues to make a sustainable living. This is in consideration of the economic or social challenges they face. Therefore it is noteworthy to acknowledge some solutions that government could also implement with the assistance of such companies through their CSI initiatives to alleviate the problems of unemployment.

This will require both short and long-term measures that encompass an increasing demand for labour, improving education and skills, and labour market interventions that improve the employability of young people. The researcher also came up with a conceptual theory that takes into cognisance the importance of a CRP as evidenced by Figure 13 which illustrates the central role of a community relations practitioner. However, the researcher takes into account that the existence of such a practitioner will not eliminate the overall problem of unemployment but will only facilitate the communication among corporates, the community and community based organisations to be mutually beneficial and participatory. This theory need not be used in isolation, since the four companies have acknowledged the importance and need for CSI within the communities. However, the researcher also makes recommendations that will equip CSI personnel and departments to make a notable impact within their target community.

According to the National Treasury (2011) the key to resolving the unemployment crisis is to develop a multi-pronged strategy to tackle youth unemployment, which is a priority in the government's programme of action for 2011/12. The activities that can contribute to developing the multi-pronged strategy include developing the education sector by boosting the concept of Further Education and Training (FET) institutions. This will allow for the maximum advancement for all school leavers to get relevant skills for the industry. These FET institutions are also in need of good corporate links to establish their relevance to provide the much needed skills. The corporate sector has to play a more a proactive role within skills development which will prove to be an answer to the crisis facing the country. Organisations need to take a more proactive role and not rely on government to intervene in social issues.

ACHIEVEMENT OF STUDY OBJECTIVES

The objectives of the study were namely:
   i. To determine how the business community and other stakeholders intervene to alleviate the crisis of unemployment in Richards Bay.
   ii. To determine the extent of unemployment within Richards Bay.
  iii. To investigate the types of strategies and forms of communication that exists between the company and the community.
   iv. To analyse the implementation and impact of CSI initiatives.

The findings in respect to the research questions posed above will be discussed and further highlighted in the conclusions and recommendations.

CONCLUSIONS

The focus of the study took a microscopic view of corporate social investment within South Africa and carefully dissected its functions and application by analysing four major companies within Richards Bay. This is a relatively new but growing field that is being embraced and adopted by various organisations as part of a multipronged approach to deal with the complexities of problems such as unemployment. This has a trickledown effect in the country, community, family and sense of self. A lack of a job will especially undermine one's self esteem and lead them to indulging in negative criminal activities without any regard to the impending consequences. These will then become an escape route for more psychological problems.

The role that businesses play within the community has increased thereby government is not expected to cater to all the gaps in society that need to be boosted. This has been accomplished by engaging in initiatives that lead to sustenance and self-reliance and encourage entrepreneurship skills. Equipped with tangible skills they can confidently seek ways to source income and sustain themselves through agriculture or bead making and other activities. They now have begun to contribute to the national construction and development efforts even though it may benefit their reputation as a form of a public relations exercise. However, CSI has been adopted by top management and board members to become a more formal component of the corporate operations. The overall impression is that the business community in spite of the intervention of nongovernmental organisations has an equally important role within the community. It is also noteworthy to give credit to upcoming centres of excellence such as Zikulise Entrepreneur Skills Training & Support Centre which have set targets to offer training in life skills that can uplift the community.

Existence of Corporate Social Investment Programmes

This pertains to the companies studied namely; RBM, RBCT, Exxaro and Foskor who all showed that they were actively contributing to the betterment of society. They all are involved in activities that range from conservation of the environment to tackling the HIV/AIDS pandemic Furthermore, these companies are also active in enterprise and skills development where they encourage people for the community to take up traineeships and apply for bursaries. They also afford advanced learning opportunities for their employees so they can also benefit from these skills. Moreover, sponsoring agricultural, poultry projects and supporting small to medium enterprises for sustainability and sustenance of the community. The support is also not limited to just individuals but also includes centres with the potential to uplift the community by training them with life skills that can spark an entrepreneurial spirit. This is mainly due to the high unemployment levels which have resulted in the youth being jobless and possibly turning to a life of crime.

According to Statistics SA (2011) in a labour force community survey conducted within Zululand and Uthungulu they revealed the following figures,

Area	Zululand	Uthungulu
Employed	105188	158929
Unemployed	106360	115035
Not Economically active	267616	243078
Unspecified	11547	8649
Institutions	7214	7803

Table 6 Excerpt from a Labour Force Community Survey

Source: Stats SA(2011)

The figures illustrated in the diagram above highlight a glaring indication of more than double of the number of the working population which is not economically active. These facts provide the basis for CSI initiatives being implemented by the companies under study. This is also compounded by the fact that it is virtually difficult especially in a rural setting for people to get jobs. According to the City of uMhlathuze (2011) in their integrated development plan , the unemployment level in the area is 37, 3% whilst that of the uThungulu region is 45, 7%. Furthermore manufacturing is the dominant economic sector in the uThungulu district and is centered in the City of uMhlathuze where only 24% of people employed work within this sector. Therefore with such statistics it is commendable that the companies' understudies are playing an active role within their community to provide sustainable development.

Communication strategies being utilised to inform internal and external stakeholders

During the study the researcher observed the number of communication tools or strategies used to keep in touch with key internal and external stakeholders. This included websites, newsletters, print media and the radio. Furthermore, on an internal level this included meetings and forums where such issues would be discussed.

On the other hand, it is important to note that much of the information is readily available to the public on the focus and target of corporate social investment projects. In addition, the researcher observed that the companies were not maximizing social media tools such as Facebook, Twitter and blogs to keep the technologically savvy people who have access to these platforms. However, it is poignant to note that the corporate exhibits mainly one way flow of communication which does not give the community ample platform to offer feedback. The researcher has suggested the use of community relations practitioner (CRP) who can bridge the gap between both the community and corporates and keep abreast of developments.

Establishing partnerships with community based organisations

These organisations primarily operate within the local area and may cater to the community service or action, health, educational or personal growth and improvement. It is in the best interest of an organisation to identify a centre that can identify with their goal and vision and invest their energy and resources for maximum impact. An example is the partnership of Exxaro and Zikulise Upliftment Centre which offers training of life skills and ensures that locals are equipped with skills that can sustain them. This has the added advantage to targeting the most deserving individuals to benefit from the programme who will have qualified personnel assisting them.

A Positive and Encouraging Impact on the Community

There are brilliant success stories where some 'shining stars' have been moulded into successful entrepreneurs within the area. They in turn will be examples to the community of how perseverance and hard work can be channelled into results and promote self-reliance. This will create a cycle or chain of self-reliance and will decrease the level of unemployment within the community.

Stakeholder Engagement

In order for CSI to become a reality the foundation must be based on effective stakeholder engagement. This involves liaising with non-governmental organisations, traditional leaders, municipalities, customers, suppliers, shareholders, media, communities and the government. In this research the four companies under study have good stakeholder relationships as evidenced by their partnering of various groups such as for, example, the Department of Agriculture for a farming project.

This is very encouraging to take note that these major companies are taking the initiative to approach the disadvantaged within the community and creatively seeking ways to improve their way of life. RBM for example makes an effort to interact and consult with the traditional leaders within their community. The company also gains by building a reputation that sets itself apart from the competitors.

RECOMMENDATIONS WITHIN THE CORPORATE SOCIAL INVESTMENT SECTOR

Implement Strategic Corporate social initiatives

Companies should direct their efforts towards programmes that promote structural transformation, affirmative action programmes and targeted skill training. This is a definite solution for assisting the influx of unemployed people especially the youth. Furthermore entrepreneurial skills are vital for fostering development since they create livelihoods through running their own businesses. Public works programmes through projects such as maintaining and building new infrastructure provide a potential to disadvantaged communities with wealth creation earning and learning opportunities. Companies that have successfully adopted this alternative for example RBM to identify and train individuals through their community skills development programmes in a variety of trades. Their programme has produced boiler makers, riggers, painters, steel fixers, tilers and safety officers with some having found employment with the company.

Collaborative CSI

Once off donations by corporates presents a photo opportunity without benefit to the intended beneficiaries. A lasting relationship between the donor and beneficiaries can ensure the marginal success of a project. It would be more highly effective if a collaborative approach is implemented by several companies to aggregate their contributions in order to improve their impact and sustainability.

Collaborations with other organisations, municipalities and government departments will involve the pooling of resources together for added impact when supporting a particular cause or initiative.

Foster good relationships between donors and beneficiaries

It is important to have a good working relationship and use the expertise of all stakeholders to achieve synergy where appropriate, enables skills transfers to augment initiatives. Furthermore, there is a need for the relationships to be based on a mutual understanding of the desired aims and objectives of that particular organisation. There should also be open communication between the beneficiaries so that they can air out their grievances or feelings towards that project. This feedback is especially important when assessing the impact these initiatives are having within the community.

Enterprise Development

'Enterprise development' is often regarded as the panacea for job creation. However, there is a need to change the mindset of the youth with regards to expect a job, but rather acquire skills to begin their own businesses. Commendable projects include the 'Treepreneur' by RBCT which tackles the conservation of the environment as well as encouraging self-reliance, discipline and entrepreneurship skills. These skills are vital for the community and can lead to self-sustenance which is the objective of the programme. This mainly involves the creation of new enterprises or the redevelopment or funding of existing businesses with a goal to become self-reliant. This also relieves the pressure on government for social grants and subsidies to encourage these small to medium scale businesses.

Increased Involvement in Job Creation with the Youth

Corporates can support or adopt creative and innovative programmes. This is especially important for the development of the youth who need to be guided and encouraged to have entrepreneurship skills. The culture of living on hand outs is no longer practical and acceptable. This however can only be achieved through an increased involvement of corporates with government programmes, family structures and non-profit organisations. The private sector is flexible, mobile and less encumbered by process frameworks and has more resources to play a strategic role in youth employment and wealth creation.

Encourage Feedback from Stakeholders

This would be beneficial in ascertaining the level of impact a particular programme within a community. Some initiatives may look good in theory but are not practical and relevant to the environment. Therefore, it is important to involve stakeholders in constructing policies or programmes and also to get feedback from other stakeholders.

Third Party Endorsement

It would be beneficial and add more authenticity of an organisation's work to be communicated by the beneficiary, civic organisations and other external stakeholder. They can then express the degree of support and involvement received on behalf of a corporate social investment initiative. An example could be Zikulise Upliftment and Training Centre which can display what they have benefited after generous support from Exxaro KZN Sands. This recommendation can be evaluated in conjunction with press releases and thereby maximizing the level of public exposure.

Adopt Best Practice Outlined in the King Report III

South African companies should adopt best practice stipulated in the recently modified King Report III, which encourages companies to be responsible corporate citizens. They should increasingly be more proactive in assisting citizens to become more meaningful economic partners. Good stakeholder relationships lay the foundation for establishing corporate citizenship, where companies can include the concerns of stakeholders in their decision-making. The added advantage is that the organisation will be more aligned with the community in which it operates and be able to gauge through the integrated sustainability reporting, how much of an impact they are making within their programmes.

Aggressive On-going Monitoring

It is fundamental for the organisations to constantly keep monitoring the progress of the CSI initiatives that they launch in communities. This will give an outlook as to the feasibility of the project and highlight some weaknesses that need to be addressed. An example could be a farming project, where farming implements need to be available and planning is essential. The organisation will have to make sure before the beneficiaries engage in farming that they have the expertise and tools to produce a good yield. Furthermore, this concept still applies with regards to boosting education levels of the people in the community.

This is vital to note whether the exercise is making progress and whether the pass rate for the students is improving.

Donate Practical Implements

The tendency for most organisations is to write a cheque in order to solve a particular problem. It is highly advisable to investigate further the particular needs of that community. An example could be an orphanage which might perhaps need assistance with extending its property to accommodate more children. The organisations may actually coordinate the project or buy the necessary material for construction purposes. This will also apply with regards to unemployed people who will benefit more if they get adequate training by either donating computers or investing in a skills centre where they are taught life skills.

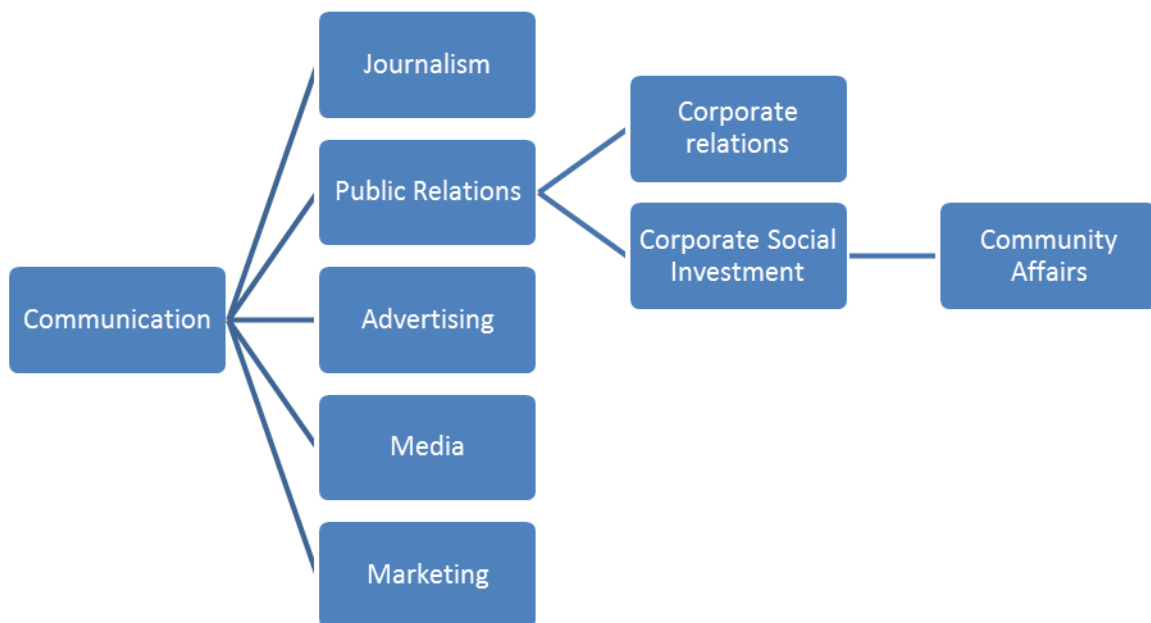**INCLUSION OF CORPORATE SOCIAL INVESTMENT IN AN ORGANISATION**

Figure 17: A Cross Section of Communication Disciplines towards Corporate Social Investment

The diagram above illustrates the nature of importance corporate social investment and that companies recognize it as a fully-fledged discipline and integrated within the functions of the organisation. The companies under study all acknowledged the importance of this function and some like Richards Bay Minerals have specific personnel that deal with this concept.

This is totally separate from the other roles of communication yet interlinked with all the different roles. Another noticeable observation is its distinction from the public relations role or communications and marketing aspect of the business. This is an indication of the shift and realization of the importance of the focus on investing within the community for both overall growths of the company and to uplift the community.

POSSIBLE SOLUTIONS FOR UNEMPLOYMENT

The number of unemployed South Africans represents the total lost in economic output of the country. According to Lievenhson (2007:2) there are policies which can alleviate unemployment namely the following:

- **Wage Subsidies**: These refer to tax collected on wages earned in the formal sector. This will encourage employment in the formal sector and investment in the capital instead of labour. In the South African context research has revealed that young school leavers fail to enter the labour market since firms are hesitant to hire them. They create a great financial burden; however, since they will require training and pose the risk of leaving the firm for better jobs once they are trained. The solution would be to place the burden of training on an employee, but because entry level workers are relatively poor. However, wage subsidies have drawbacks since firms can now have the opportunity to hire and fire at will. This policy also only targets one major group namely school leavers at the expense of the diverse groups within society that equally face this dilemma.
- **Immigration Reform**: A shortage of highly skilled workers has cause a need for other highly skilled workers from other countries. These skilled workers will actually complement and open up the labour market. The government ostensibly loses valuable resources each time a professional emigrates if that professional had a government subsidized education.

LIMITATIONS OF THE STUDY

- The sample frame only consisted of the four major companies within the Richards Bay area and these are not necessarily indicative of the nature of corporate social investment activity within the whole area.
- Due to the short time frame it would have been beneficial for the researcher to visit each of the various initiatives or centres set up in the communities around Richards

Bay to ascertain the impact that these companies have demonstrated through corporate social investment.

Areas for Future Research

Since Corporate Social Investment is a relatively new and growing concept, there are more areas to be researched on such as:

- The corporate social investment initiatives implemented by the small to medium (SMME's) business sector.
- Evaluate the corporate social investment projects in operation within a particular community.
- Explore and analyse the community organisations such as the Zikulise centre and investigate what impact they have within the community, to encourage funding and support.
- Research on the impact that staff in an organisation can make by participating actively in corporate social investment initiatives.
- Research on the concept of companies going 'green' to conserve the environment.

The chapter has focused on addressing the objectives of the study. It ensured that the objectives of the study were fulfilled and that all the questions were answered. Recommendations were aligned to the conceptual framework and addressed gaps which were identified during the quantitative study.

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ADDENDA

ADDENDUM 1: Information Sheet

Information Sheet

Voluntary questionnaire

Corporate Social Investment

An investigation into communication strategies aimed at curbing unemployment in Richards Bay

University of Zululand

Department of Communication Science

Researcher: Dadiso Caroline Nyahuye (Student Number: 201000855)
Supervisors: Prof. H. Rugbeer & Dr. GM Naidoo

PART A: NOTE TO THE RESPONDENT

I appreciate your willingness to assist in this research, however, please note that you are not compelled to partake in this survey. Your contributions to this questionnaire will remain private and confidential. No one will be able to trace your responses back to you as a person.

Your permission to use these responses is required. This will form the first part of the questionnaire. This is a confidential survey and your name will not be linked to your responses. All personal information will remain confidential. This questionnaire will take approximately *20* minutes.

PART B: The questionnaire has two parts:

Section A requests for permission to use your responses for academic research.
Section B requests that you indicate how Corporate Social Investment: An investigation into communication strategies aimed at curbing unemployment in Richards Bay.

How to complete the questionnaire

1. Your opinion is required. It does not matter what other people think. I am solely interested in your opinion. Tell me how you feel. Your responses are important to me.

2. Read each question carefully and take a moment to ponder your answer.

3. Please use a pen to mark your responses by placing a tick (✓) or a cross (X), in the appropriate column, or by writing down the appropriate information, where ever required.

4. Please do not change any of your responses afterwards (for instance: do not scratch out or tippex any of your responses).

Thank you for your participation.

Contact Details: *Dadiso Caroline Nyahuye,* **Address:** *University of Zululand* **Tel:***0714829880* **Email:** *dnyahuye@gmail.com Should you require counselling, please call the SA Depression &Anxiety Group: 011 262 6396*

ADDENDUM 2: Questionnaire

Corporate Social Investment

An investigation into communication strategies aimed at curbing unemployment in Richards Bay

> University of Zululand
>
> Department of Communication Science
>
> Researcher**:** Dadiso Caroline Nyahuye (Student Number: 201000855)
>
> **Supervisor: Prof H. Rugbeer**
>
> **Co-supervisor: Dr.G.M. Naidoo**

Section B

Please fill in the blank spaces

1. Are you involved in any CSI projects?

	YES	NO	UNDER CONSIDERATION
A Exxaro			
B RBM			
C Foskor			
D RBCT			

2. Are these projects aimed at creating employment?

	YES	NO	UNDER CONSIDERATION

A Exxaro			
B RBM			
C Foskor			
D RBCT			

3. What CSI initiatives are you currently undertaking?

	EDUCATION	ENVIRON - MENTAL	AGRICULTURE	EMPLOYMENT/jo b creation	Support to NGOs / SMMEs	Other
A Exxaro						
B RBM						
C Foskor						
D RBCT						

4. In your opinion, has unemployment negatively affected families in Richards Bay?

	YES	NO	Not Sure
A Exxaro			
B RBM			
C Foskor			
D RBCT			

5. Indicate the severity of unemployment in Richards Bay

	Very Bad	Bad	Not Bad	Unemployment did not affect NRB	Not sure
A Exxaro					
B RBM					
C Foskor					
D RBCT					

6. What is the main aim of your initiative?

	Poverty Eradication (Skills Training)	Poverty Eradication (Entrepreneurship)	Poverty Eradication (Apprenticeships)	Social Development opportunities	Support to NGOs / SMMEs	Education support (e.g. extra tuition to matriculants)	Welfare	Other
A Exxaro								
B RBM								
C Foskor								
D RBCT								

7. Does the company have a specific department that is responsible for corporate social investment?

	YES	NO	Not Sure
A Exxaro			
B RBM			
C Foskor			
D RBCT			

8. If the company does not have a department that deals with CSR, please state which
   department deals with these issues?

	PR Dept	Marketing	CSI Dept	Other
A Exxaro				
B RBM				
C Foskor				
D RBCT				

9. How are the corporate social investment programmes and initiatives funded?

	Specific budget by the company the company (planned)	Surplus funds (when/if available)	Annual consideration at AGM	Not specified (randomly allocated)
A Exxaro				
B RBM				
C Foskor				
D RBCT				

10. Who decides on which initiative to support within the organisation?

	Company management	Company CSI department and Board of directors	Annual consideration at AGM	Random departments	Anyone can start a CSI initiative
A Exxaro					
B RBM					
C Foskor					
D RBCT					

11. Has the budget for CSI changed over the past five years?

	Slight increase	Drastic Increase	No Change	Slight Decrease	Drastic Decrease
A Exxaro					
B RBM					
C Foskor					
D RBCT					

12. Does the company have a specific CSR policy? If yes who is responsible for formulating such policies?

	YES	NO	Not Sure	Responsible Person / Department (if applicable)
A Exxaro				
B RBM				
C Foskor				
D RBCT				

13. Is the staff informed about any of the CSI initiatives of the company?

	YES	NO	Sometimes	Not Sure
A Exxaro				
B RBM				
C Foskor				
D RBCT				

14. Does staff participate in any of the CSI activities that are conducted by the company?

	YES	NO	Sometimes	Not Sure
A Exxaro				
B RBM				
C Foskor				
D RBCT				

15. Does the company publish information on CSI spending **internally**?

	YES	NO	Sometimes	Not Sure
A Exxaro				
B RBM				
C Foskor				
D RBCT				

16. Does the company publish information on CSI spending **externally**?

	YES	NO	Sometimes	Not Sure
A Exxaro				
B RBM				
C Foskor				
D RBCT				

17. How does the company monitor the progress of its investments?

	Visitation	Meetings with community	Structured Surveys	Other	Not Sure
A Exxaro					
B RBM					
C Foskor					
D RBCT					

18. Which communication strategies do you use to communicate with internal and external stakeholders for CSI initiatives ?

	Press Releases	News Letters	Meetings / Forums	Reports	Websites / Social Media
A Exxaro					
B RBM					
C Foskor					
D RBCT					

19. What success rate have these projects or programmes implemented enjoyed since inception?

	Good	Neutral	Poor	Not sure
A Exxaro				
B RBM				
C Foskor				
D RBCT				

20. What are the challenges you have come across since inception of these projects?

	Time Consuming	Lack of continued Support from community	Loss of motivation because some goals take a long time to achieve	Constant monitoring	No buy-in by community	Community apathy
A Exxaro						
B RBM						
C Foskor						
D RBCT						

21. What are your future plans or core projects linked to your company mission and goals that you intend on introducing   with regards to empowering people within your community? (FILL IN THE BLANKS).

A Exxaro	
B RBM	
C Foskor	
D RBCT	

-Thank You-

CONSENT FORM

Title of Project: **Corporate Social Investment**

An Investigation into Communication Strategies aimed at Curbing Unemployment in Richards Bay

Name: Dadiso Caroline Nyahuye

Contact Details: 0714829880

Study: Masters in Communication Science student.

Address: University of Zululand, KwaDlangezwa Private Bag 3886

Please initial box

1. I confirm that I have read and understand the information sheet for the above study and have had the opportunity to ask questions.

2. I understand that my participation is voluntary and that I am free to withdraw at any time, without giving reason.

3. I agree to take part in the above study.

Please Note: indicate Yes or No only if the following statements, if appropriate, or delete this section from the consent form:

Please tick box

	Yes	No
4. I agree to the interview / focus group / consultation being audio recorded	☐	☐
5. I agree to the interview / focus group / consultation being video recorded	☐	☐

_____   _____   _____

Name of Participant   Date Signature

_____   _____   _____

Name of Researcher

Date Signature

ADDENDUM 3: Sample Letter to one of the Companies

16 August 2011

The Manager

Dear Sir/Madam

REQUEST FOR PARTICIPATION IN SURVEY

Student Number: 201000855

My name is Dadiso Caroline Nyahuye and I am currently studying towards a Master's degree in the Faculty of Arts, Department of Communication Science at the University of Zululand.

The title of my thesis is:

Corporate Social Investment: An Investigation into the communication strategies aimed at curbing unemployment in Richards Bay.

The objective of the study is to investigate and examine the manner in which the corporate world can intervene in the current unemployment crisis through their corporate social investment initiatives. This will assist government's interventions in improving the livelihood of disadvantaged communities. I confirm that I am a registered student with the University of Zululand. I would appreciate if you would participate in this survey by sharing your expertise in the completion of this interview and questionnaire. The information provided will make an important contribution to the success of this study.

Please advise on possible dates when we can meet to complete the interview.

Your cooperation in this study is highly appreciated.

Yours Sincerely

Dadiso Caroline Nyahuye

ADDENDUM 4: Sample of an Email Correspondence

Corporate Social Responsibility

DADISO NYAHUYE <dnyahuye@gmail.com>   **Wed, Apr 27, 2011 at 8:57 PM**
To: "Natalie Keegan [EPG Exxaro Sands KZN]\"" <Natalie.Keegan@exxaro.com>
Cc: vrugbeer@pan.uzulu.ac.za, Vijay Rugbeer <vijayrugbeer@gmail.com>

Dear Natalie

 My name is Dadiso Caroline Nyahuye and I am a student at the University of Zululand.I am currently studying for my Masters in Communication Science and was referred to you by Mr Koos Davel for assistance.My area of research is mainly on corporate social responsibility within Richards bay and would appreciate some practical and in depth knowledge from a communications professional.I believe that i would get more insight that would be of benefit to my research.

This is also linked to the public relations field and would highlight how much for e.g Exxaro has contributed within its respective community.I would appreciate an appointment or telephone contact details to further discuss this if possible.

Please do not hesitate to contact me on 0714829880
I hope to hear from you soon

Kind Regards
Dadiso Caroline Nyahuye

Annexure A

SCHOOL.: DOVER COMBINED SCHOOL.
EMIS NO: 1523099
CLUSTER: B
YEAR : 2011
PAYPOINT : 5072/051311

TELEPHONE NO.: 035 792 0078
CIRCUIT : LOWER UMFOLOZI
TOTAL REGISTERED: 103
SCHOOL TYPE: FULL SERVICE   GRADE : 12 (Twelve)

2011 GRADE 12 FINAL RESULTS ANALYSIS

DISTRICT: EMPANGENI
NAME OF SCHOOL: DOVER COMBINED SCHOOL

SUBJECTS	No. Wrote	No. Passed	Pass %	1 0%-29%	2 30%-39%	3 40%-49%	4 50%-59%	5 60%-69%	6 70%-79%	7 80%-100%	No. Failed	% Failed	Educators
IsiZulu	103	103	100	0	0	0	14	48	38	3	0	0	Bhengu R.M.M. (Mr)
English	103	103	100	0	1	16	34	40	11	1	0	0	Ngcobo M.P. (Mrs)
Maths	56	8	14	48	8	3	1	0	1	0	48	86	Ngema Z.G. (Mr)
Math Lit.	47	103	100	0	10	18	11	7	1	0	0	0	Luthuli X.H. (Mr)
L.Orientation	103	103	100	0	0	1	1	8	74	19	0	0	Dladla P.H. (Miss)
L. Sciences	69	59	87	10	24	17	13	3	2	0	10	14	Mkhize R.C.G. (Mr)
Geography	32	31	97	1	5	16	6	2	3	1	1	3	Ndlela S.F. (Mrs)
Phy.Sciences	56	29	52	27	16	11	1	1	0	0	27	48	Mthembu A.Z.
History	47	47	100	0	4	10	17	10	3	3	0	0	Mthembu M.Z.
Tourism	47	47	100	0	1	7	31	4	4	0	0	0	Shezi H.S. (Mr)
C. Appl. Techn	56	55	98	1	25	20	5	4	1	1	1	2	Shezi S.B. (Mrs)
TOTALS				87	94	118	134	127	138	27			

% PASS AVERALL : 77

EMPANGENI

Annexure B

FOSKOR

CORPORATE SOCIAL RESPONSIBILITY EVALUATION

Project Evaluation

Section services rendered by:	CORPORATE AFFAIRS
Assessment Period:	1 April 2010 - 31 March 2011
Assessor:	Derek Fish
Position:	Director: Unizul Science Centre

Have the projects made a difference to the community ? Yes - Unizul Science Centre has been acclaimed both nationally and internationally for the difference we make to surrounding communities. This work is only possible with the assistance of companies like Foskor.

Service Category	Service rendered	Score	Comments
Corporate Affairs Stakeholder Relationship & Projects	CSI Projects	4	The CSI we have received from Foskor has always been crucial in allowing us to fulfill our mandate of assisting rural schools
	General Interpersonal Relationships	5	Hlengiwe Mvubu has always been very easy to work with, being pleasant and efficient.

Scale D:

- 0 = Services not rendered.
- 1 = Services rated as not acceptable by survey respondents.
- 2 = Services rated as poor/below expectation by survey respondents.
- 3 = Services rated as average/as expectation by survey respondents.
- 4 = Services rated as good/above expectation by survey respondents.
- 5 = Services rated as excellent/exceeding expectation by survey respondents.

Comments by assessor

It has been a pleasure to work with the CSI section of Foskor, and their input into what we do at the Science Centre, both in terms of actual cash donations and in-kind assistance has been crucial to the work we do here.

Signature of Assessor