DECLARATION

I hereby declare

An investigation of the contribution of a Corporate Social Investment programme to the brand image of a financial institution in Alexandra

has not been submitted to any other universities than the Vaal University of Technology for any type of academic degree. The dissertation is being submitted for the degree of Magister Technologiae: Public Relations Management at the Vaal University of Technology, Vanderbijlpark. It has not previously been submitted for any examination.

……………………… 14 MARCH 2014
SIGNATURE & DATE
(Achille Gildas NDONG NTOUTOUME)

ACKNOWLEDGEMENTS

Lord, you have given me strength to stand all these years. I could never have embarked on this journey without your kindness.

Some people deserve recognition for their support for this effort. I would like to start with my supervisor, Professor Connie Moloi. She has been exceptionally supportive of me. I really admire her hard work and knowledge of research. Spending time with her and her availability enabled me to understand how important she is for young researchers. I also wish to acknowledge my co-supervisor, Anna Oksiutycz, who has guided and shaped my understanding of the theoretical aspects of Corporate Social Investment in the field of Public Relations. I acknowledge the dedication of other VUT professors such as Professor Babs Surujlal for the induction programme which offers young researchers knowledge of both quantitative and qualitative research.

I extend my gratitude to my family and my sisters Denise and Thycienne for their financial support. I want to tell you how priceless you are and I am not able to thank you enough. I also want to thank my girlfriend, who has been available for me, offering support when needed with regard to this project.

DEDICATION

This dissertation is dedicated to my mother, Eugenie Ntoutoume, born Billie. God bless you richly for always being there for me during all these years.

ABSTRACT

This study investigates the contribution of a corporate social investment's programme to the brand image of a financial institution in Alexandra. Corporate Social Investment (CSI), which refers to the projects that are external to the normal business activities of a company, is the wealth and sustainability companies create by investing in long-term projects with measurable impact on the communities they serve (William & Chandler 2011:8). This is undertaken because business is no longer regarded as separate from society but part of it and therefore has the responsibility of contributing to social development in its neighbouring communities through CSI development programmes. Georges (2005:21) defines the community as groups existing actively within a geographical area and making corporations account for what they are doing. In the researcher's schema, organisations that are located within communities should take the opportunity to impact their lives through various CSI projects and programmes.

The researcher employed the qualitative method to understand how the members of the Alexandra community perceived the social investment programmes funded by the financial institution under investigation. Three focus group interviews were conducted with selected members of the Alexandra community. These were followed by three in-depth individual interviews with three managers from the financial institution. The aim of the interviews with the three managers was to understand how corporate social investment programmes contribute to the brand image of the financial institution in Alexandra.

The researcher also found that the formulation and implementation of projects are carried out by the financial institution at a community centre established by the institution, with little consultation with the communities which are the intended beneficiaries of the projects. This lack of consultation tends to have a negative effect on the relationships between the communities and the financial institution.

The study recommends that the financial institution should work either with the NGOs that specialise in the practice or work closely with the communities. The institution should work either with an NGO that has the ability and expertise to manage CSI projects of companies or with the community centre, but should consult the communities on projects beforehand if it wants to establish good relationships and a positive image.

List of Acronyms

CSI	:	Corporate Social Investment
CSR	:	Corporate Social Responsibility
NGO	:	Non-Governmental Organisation
PR	:	Public Relations

KEYWORDS

Brand image

Corporate social investment

Public relations

TABLE OF CONTENTS

CHAPTER 1

BACKGROUND TO THE STUDY

1.1   INTRODUCTION

This study investigates corporate social investment programme's contribution to the brand image of a financial institution in Alexandra. Corporate Social Investment (CSI), which refers to the projects that are external to the normal business activities of a company, is the wealth and sustainability companies create by investing in long-term projects with measurable impact on the communities they serve (William & Chandler 2011:8). This is because business is no longer regarded as separate from society but part of it and therefore has the responsibility for contributing to social development in its neighbouring communities through CSI development programmes. Georges (2005:21) defines the community as groups existing actively within a geographical area and making corporations account for what they are doing. In the researcher's schema, organisations that are located within communities should take the opportunity to impact their lives through various CSI projects and programmes.

The study uses the CSI, resource dependency theory and the social exchange theory for its theoretical framework. The CSI theory was developed by Broom, Casey and Ritchey (2000) and Gruning and Huang (2000), who posit that the dominant public relations approach to studying corporate social investment comes from the resource dependency theory and exchange theory. The exchange theory as developed by Bender (2011:110) states that in order to grow, survive and achieve its goals an organisation needs resources. The CSI theoretical framework holds that voluntarily transactions which are part of the exchange theory result from "knowledge of domain similarity and leads to mutual benefits as well as to mutual goal achievement" (Broom *et al.* 2000:13). The researcher believes that the CSI framework is pertinent to this study because, with regard to community relations and brand image one often believes that their interaction is about forging strategic relations of mutual benefit.

Previous studies on CSI contribution by Desatnik (2000:2) show how a company has gained long-term benefits and more visibility with regards to community loyalty and development, both as a result of its contribution. These studies are useful for providing existing literature relevant to the present one, but are silent on CSI's contribution in Alexandra. This gap provides that rationale for my study.

At the heart of this business approach, namely CSI, are community relations, with which community members are considered as stakeholders with whom to establish bonds. James (2002:103) views the stakeholders as people who are affected by an organisational endeavour and can influence it, but who are not directly involved in doing the work. Extending this view, Dahlen, Lange and Smith (2010:221) assert that community relations go with having good relationships that are also important to brand longevity while embarking on the CSI cause. Soderberg (1986:1) emphasises the need for companies to take an active interest in community problems, encouraging community education and sponsoring youth activities in dealing with community relations.

Research by Rashid and Ibrahim (2002:12) shows that those companies that are keen on enhancing their brands should strengthen community relations with the those that surround their businesses. Healey (2008:9) provides a link between CSI and branding by indicating that corporations create brands as a way of seeking recognition from the communities and increasing sales outside their immediate place of production. He writes that brand image involves such components as accountability, and community relationships which are of interest to an organisation toward their communities, including public affairs and stakeholder relationships.

Currently, the corporate sphere has turned towards the broader societal issues, in which considerations such as dialogue with communities, image of the company and the brand have come into play in earning legitimacy among stakeholders (Sandra 1996:44). By advancing social and environmental needs of the society and investing in the wellbeing of the communities in which they operate, companies engage in CSI. The researcher believes that while corporations build wealth for shareholders they should

also consider the socio-economic needs of the stakeholders they serve. In order to achieve this, the stakeholder analysis should be regularly conducted to assess the kinds and degrees of obligation that corporations have to each stakeholder, including the community (McLaughlin 2002:9).The purpose of this study is to understand the CSI programme's contribution to the brand image of the selected financial institution in Alexandra, and how its corporate social investment programme's contribution to the brand image can enhance the lives of the community members.

1.2. RATIONALE AND MOTIVATION FOR THE STUDY

Corporate social investment programmes make a significant contribution to development in South Africa, however, the needs are much greater, and therefore it is critical that the corporate resources are allocated strategically to achieve sustainable results for the targeted communities. Skinner and von Essen (2008: 241) assert that less than 45% of CSI programmes have well established guidelines for best practice and only around 50% of the programmes engage in stakeholder consultation and regular monitoring and measurement, therefore it is important to research the community perspective on the Corporate Social Responsibility (CSR) programme of the financial institution in Alexandra. At the same time, literature indicates a positive relationship between CSI and brand image of the company (Hinson & Ndhlovu 2011: 334, Polonski & Jevons 2009: 327), therefore it is important to research these relationship in the case of the studied organisation.

The South African financial institution at the centre of the study, is a corporate giver, which within the framework of its community relations programme, invests in various projects ranging from the provision of recreational centres, libraries and social service facilities to support the vulnerable (the elderly, women and children) across the country, particularly in Alexandra Township. The researcher is not clear to what extent these projects fulfil the needs and expectations of the community in Alexandra or how the interventions strengthen corporate social investment's contribution to the brand image of the institution. This gap has prompted the researcher to look at the CSI programme's

3

contribution to the brand image of the financial institution under investigation in order to receive better clarity on its brand success. The current projects, which started in 2010, are run by the community centre whose role is to help the communities to gather for group activities, such as those carried out by Islamic community centres (Feth) or Christian community centres.

1.3   PROBLEM STATEMENT

A discussion with some community members in Alexandra in 2009 revealed that the community members were concerned that the financial institution selected for this study did not engage with them when developing their CSI programmes. Despite the presence of the researched financial institution in Alexandra, the community members in that area were of the opinion that there is no follow-up regarding its CSI programmes. According to the informants, the organisation's investment actions (social service facilities and support to the vulnerable) that are aimed at enhancing and improving the community's well-being do not reflect the its expectations.

1.4.   RESEARCH QUESTIONS

In line with the problem statement, and in order to focus the purpose of the study (Creswell 2003:110), the research questions are:

- ❏ What is the corporate social investment to the brand image of the financial institution in Alexandra?

- ❏ How do the Alexandra community members perceive the relationships between the financial institution and the community?

- ❏ How can community relations between the financial institution and the Alexandra community be improved?

1.5   AIMS OF THE STUDY

In line with the research questions stated above, the aims of this study are to:

- Understand the nature of corporate social investment programme's contribution to the brand image of the financial institution in Alexandra?

- Explore how the Alexandra community members describe the relationships between the financial institution and the community.

- Suggest strategies to improve community relations between the financial institution and the Alexandra community members.

1.6   THEORETICAL FRAMEWORK

This study is located within the CSI theoretical framework as developed by Broom *et al.* (2000:12) and Gruning and Huang (2000:35), who posit that the dominant public relations approach to studying corporate social investment comes from the resource dependency theory and exchange theory. The exchange theory as developed by Bender (2011:110) states that in order to grow, survive and achieve its goals an organisation needs resources. In this regard, an organisation does not always control resources therefore it needs to enter into relationships with key stakeholders who enable the exchange of resources (Guth & Marsh 2003:94). The exchange theory holds that voluntary transactions result from "knowledge of domain similarity and leads to mutual benefits, as well as to mutual goal achievement" (Broom *et al.* 2000:13).

While the exchange and dependency theories focus to a large extent on achieving organisational corporate goals, the CSI expands the perspective on organisational relationships.Tench (2009:99) postulates that because organisations are the part of an infrastructure of society they are continuously urged to consider their impact on it. Given that organisations are influenced by the opinions of the broad spectrum of stakeholders and have to consider the societal norms and expectations in order to gain legitimacy, which can be defined as a socially constructed set of assumptions about proper

5

corporate behaviour, it is imperative that they become visible in the CSI programmes (Christensen, Moriseg & Cheney 2008:16). Modern organisations are expected to have a comprehensive CSI programme if they wish to succeed. The corporate social investments can contribute to brand image and reputation by strengthening an organisation's links with society and therefore improving access to resources in all areas. It also adds value to an organisation's products and services and provides a competitive advantage for it (Tench 2009:103).

Furthermore, four dimensions of relationships are considered in dealing with the study on CSI and brand image. The first dimension is trust which embraces integrity, dependability and competence, the second is commitment which involves the extent to which each party believes that the relationship is worth the effort. The third dimension is about control mutuality which involves how power is distributed in the relationship, the fourth is satisfaction, which is about the extent to which positive expectations about the parties are reinforced (Scott 2009:263). In the context of this study, these four dimensions are important in shedding light on the significance of community relations and CSI.

1.6.1 Definition of terms

For the purpose of this study the key concepts are defined:

Corporate Social Responsibility relates to the integration of stakeholders' social, environmental and other concerns into a company's business operations (Jones 2006:337).

Corporate Social Investment is a set of activities focused on establishing social infrastructures contributing to the upliftment of communities through education, charities and skills with the aim of creating sustainability (Samuel & Arnold 2007:5).

Brand image reflects current stakeholder perceptions of a brand's ability to deliver valued outcomes (Rensburg & Cant 2003:192).

Community is a group of residents in which the organisation is located and operates, and the people who stay near it (Sandra 1996:44).

Relationships are a result of interdependence of the parties, which represent exchange or transfer of information, energy or resources (Broom *et al*. 2000:15).

Stakeholder is any group or individual that can affect or be affected by an organisation (Friedman 2002:54).

1.7   RESEARCH METHOD

The qualitative research method was employed in this study and it was found to be suitable because the researcher aimed at obtaining an in-depth understanding of CSI, company branding and community relations between the selected institution and the Alexandra community (Babbie & Mouton 2001:277). According to Shank (2002), qualitative research involves the study of subjects in their natural settings whereby the researcher conducts a systematic enquiry into meanings, attempting to interpret and make sense of phenomena and the meanings that people attribute to them. Thus, qualitative research studies a situated world, considering phenomena in their specific macro and micro, social, institutional, political, economic and technological contexts. This qualitative researcher is particularly focused upon understanding process and context of CSI, how the selected financial institution goes about its branding and how the Alexandra community experience the interventions by the institution. To be able to get this understanding use was made of interviews with different stakeholders that elicited their multiple perspectives of the phenomenon under investigation (Denzin & Lincoln, 2000).

1.7.1 Research design

The researcher opted for a phenomenological design for this study. Phenomenology develops an understanding of a subject's reality and how this reality is perceived by the participants in the study. In essence, this approach investigates an individual's or group's perception of reality as they construct it from their perspectives. Thus, the research design involves the specification of procedures for collecting and analysing the

data that is necessary to understand CSI, company branding and community relations. The procedures for conducting the investigation to answer research questions are explained rigorously in chapter three (Tull & Hawkins 1987:26).

1.7.2 Research philosophy

Since the goal of research is to produce knowledge and explain reality the way it is perceived, it was important that the researcher states his stance with regards to his ontological and epistemological positions. The epistemological dimension deals with the issue of knowledge and specifically who can be a knower (Harding 1987). Given the nature of this study, which is qualitative, the researcher believed that the selected participants are the knowers, that is, the authors of their experiences, and therefore listened, analysed, and explored their words, feelings and thoughts during the data gathering process. This information is open to interpretation and the researcher believes that it will enhance the ability to make more effective judgments about the phenomenon under investigation.

The researcher was interested in gaining knowledge about how the financial institution carried out its corporate social investment programmes, how it thereby branded itself, and how the selected participants in Alexandra experienced their relationship with the financial institution under investigation. The ontological issue is concerned with questions pertaining to the kinds of things that exist within society (Harding 1987). Ontological assumptions deal with what people believe constitutes social reality (Blaikie 2000:8).

1.7.3 Population and sampling

The population of the study comprised the residents of Alexandra township in the region 5 of Gauteng, which is estimated to contain approximately 350, 000 households (MAHLATHINI 2010:2). Children under 18 were excluded from the study. From this population a purposive sample comprising three participants from the financial institution under investigation, and 19 participants from the community were selected and three participants from the institution's management in order to best answer the research questions posed in this study (Saunders, Lewis & Thornhill 2003:175). The

individuals chosen had been staying in Alexandra before the start of the project and therefore were deemed to be able to respond to research questions.

1.7.4 Data collection methods

Data was collected in two stages: firstly by means of three face-to-face in-depth interviews with three participants knowledgeable about the financial institution's CSI programme in Alexandra, secondly, through three focus group interviews with the selected participants from the Alexandra community in order to obtain rich information from them. This method allowed the participants to express different ideas, beliefs, opinions, feelings and experiences about social corporate investment, branding and community relations (Cooper & Schindler 2001:143; Saunders *et al*. 2003:271). As suggested by Cooper and Schindler (2001:143), the focus group respondents belong to a similar category because homogenous grouping tends to promote more intense discussion and freer interaction among them. The discussion in a focus group can be fairly unstructured, however; balance was achieved by the researcher between encouraging participants to discuss a particular issue and allowing them to engage in a more free discussion which revealed important insights (Saunders *et al.* 2003:270). The interviews were recorded and transcribed.

1.7.5 Data analysis

The researcher chose the constant comparative method of data analysis as suggested by Merriam (1998:178-87), by which the data was analysed, segmented and transcribed line by line by dividing it into meaningful analytical units. After the interviews the researcher converted rough notes and recordings into a written record. The researcher used axial coding to determine emergent ideas which were organised into categories and sub-categories to ensure the capturing of data on corporate social investment, branding and community relations (Van Deventer 2013: 16). This process was followed by selective coding to further enhance the researcher's understanding of the classified data so that a story could be developed on corporate social investment, branding and community relations. Through open coding the researcher identified categories and sub-categories by reading and re-reading the data collected. The codes were then grouped

into smaller categories according to emerging patterns or themes. During this process the researcher summarised the findings from the data at various stages. These summaries were used to construct generalisations about corporate social investment.

1.7.6 Methods of achieving trustworthiness

Trustworthiness is an essential criterion of qualitative research and therefore it was adhered to Babbie and Mouton (2001:276) have identified transferability, credibility, dependability, and conformability as criteria of qualitative research to test trustworthiness. Transferability means that the findings can be transferred to other contexts or with other respondents (Holloway & Wheeler 2002:255). Transferability refers to the objectivity of the findings of the research investigation (Babbie & Mouton 2001:276). The dependability is "a description of a research design allowing researchers to repeat the study" (Babbie & Mouton 2001:278), whilst credibility is an evaluation of whether or not the research findings represent a credible conceptual interpretation of the data drawn from the participants' original data (Lincoln & Guba 1985: 296). Conformability is a measure of how well the inquiry's findings are supported by the data collected (Lincoln & Guba 1985: 297).

The findings of the research should focus on the inquiry and not the bias of the researcher (Babbie & Mouton 2001:276), and refer to the degree to which the results could be confirmed or corroborated by others. There are a number of strategies for enhancing conformability. The researcher did this by documenting the procedures for checking and rechecking the data throughout the study.

1.8   ETHICAL CONSIDERATIONS

The researcher recognised the relevant aspects of ethical considerations prescribed at the Vaal University of Technology, preserving anonymity of the organisation being researched by referring to it in the dissertation as 'the financial institution'. In the quest for new knowledge and understanding of the academic environment, the researcher took into account responsibility and accountability that go with research. This implied applying methods that are morally and ethically acceptable.

- **Anonymity**: the researcher ensured privacy of participants with regards to protecting their anonymity, and this arrangement was made from the start of the discussion with participants.

- **Confidentiality**: the researcher ensured that information obtained from the participants was and shall be protected and therefore not be made public. Cohen and Manion (1994:367) suggest this second method is to ensure a participant's right to privacy, and despite the researcher knowing who supplied information he or she would not share it for ethical reasons.

- **Replication**: the researcher made sure the study is repeatable and that any other qualitative researcher should be able to achieve similar results under similar circumstances.

- **Selection of individuals**: the individuals chosen were not being forced to take part in the research against their will.

For ethical, legal and moral concerns the researcher treated respondents with courtesy and civility, irrespective of their status, be it the unemployed residents or the institution management.

1.9. DELIMITATIONS AND LIMITATIONS OF THE STUDY

The research regarding the CSI programme's contribution to the brand image of a financial institution in Alexandra was conducted among a small sample of 22 adults, including three management members who were familiar with the financial institution's community relations programme, manifested through different projects in that township.

1.10 OUTLINE OF THE CHAPTERS

The project consists of five chapters:

Chapter 1- This chapter has presented the background and scope of the study. It included the research purpose, questions and scope of the study. The research methodology was briefly outlined.

Chapter 2 - This chapter looks at the role of CSI in depth and its role in South African society. In addition, the theoretical foundations of organisation-community relationships are examined and a link between CSI and a brand image are discussed.

Chapter 3 - This chapter focuses on methods of inquiry used for the research.

Chapter 4 – This chapter comprises the analysis, interpretation and evaluation of the research findings.

Chapter 5 - Here the conclusions and recommendations emanating from the study are provided.

CHAPTER 2

LITERATURE STUDY ON CORPORATE SOCIAL INVESTMENT, COMMUNITY

RELATIONS AND BRAND IMAGE

2.1. INTRODUCTION

This chapter presents an in-depth literature review and discussion on the corporate social investment (CSI), factors contributing to corporate building and the community relations, a tool of the PR practitioner to reach the community, build positive image and earn legitimacy among stakeholders (Sandra 1996:44). CSI is the way in which companies care for the wellbeing of the social environment of the communities in which they operate (Samuel & Arnold 2007:4). In this way, companies invest in a variety of projects directed at the communities with whom they are expected to engage in dialogue and from whom they establish their image (Rashid & Ibrahim 2002:12). The image they therefore develop through community relations investment programmes is an aspect the researcher believes is linked to the practice of CSI in the workplace.

CSI is important for both organisations and society because it offers the opportunity for PR practitioners to build goodwill while promoting the organisation to its constituencies that are shareholders and the broader stakeholder group, that is communities, NGOs and civil society (Nel 1998:5). CSI specialists are expected to develop partnership with these groups as part of their company's environmental and social responsibility towards a society. The reason is that the practice of CSI influences all aspects of corporations as they create much of the welfare in the society (William & Chandler 2011:8). Interacting with the communities ensures that the financial institution's brand awareness is at its strongest, as they are more likely to associate themselves with a brand that they consider important (Jansen 2008:129). At the same time it is essential that the community gains real benefits from the organisational community relationship programmes.

2.2   CORPORATE SOCIAL INVESTMENT

Corporate Social Investment (CSI) relates to the activities a company should or can undertake to pursue the goals of society. The philosophical idea of CSI refers to goodwill actions a particular company makes because it believes these are legitimate actions and expectations of citizens of the modern world, as good or responsible action is the one that brings about good consequences or maximises utility (Amaeshi, Osuji & Nnodim 2008:7).

Some business academics, such as Visser, who have shared the philosophical stance, have described four responsibilities that any company has to society namely, economic, legal, ethical and philanthropic, and with which the author argues that corporations should seek to do more than just make a profit (Visser 2011:65). For instance, creating environmental protection or supporting the community's projects that have an impact is a demonstration of the welfare that companies are urged to create (Desjardins & Mc Call 2005: 29).

2.2.1   The concept of CSI

Corporate Social Investment (CSI) refers to investment by businesses in support of those who are in need in the society in which they operate and from which they profit (Bivins 2009:158). Businesses have the obligation or moral duty of good citizenship to contribute positively to the social, political, environmental and economic health of society. Bivins (2009:159) clearly asserts that businesses best serve society by serving the special interests of communities.

Hinson and Ndhlovu (2011:332) concur with the idea and indicate that businesses should alleviate governments' burdens and provide comprehensive social services. They assert that multi-national enterprises (MNEs) are expected to provide some social services and welfare programmes in addition to their normal economic activities. Some businesses feel that corporate social investment finances should be spent without any form of publicity or return on investment while others hold the opposite view as they believe that, given the amount of time the sponsor provides equipment and money, it is only fair the business name and the logo appear during the event (Gruning 2006:240).

However, all depends on an approach a company has taken. Previously, CSI spending was based on assisting communities who asked for it with less concern for image to portray, but the attitude has changed as communities happen to be consumers or employees and the idea of establishing image by managing relationships has become crucial.

Some of the criticism of CSI comes from both Friedman (1970:3) who asserts that its practice is subversive and hostile to free society and that social responsibility should increase a corporation's profits. Any other additional justification is a waste of the firm resources which legally do not belong to the corporation's managers but to the owners and shareholders. In contrast, Handy (2002:52-53) asserts that a firm should remain in existence not just because it is profitable but because it is meeting a need that society as a whole values. The practice of CSI differs from one country to another, for instance the European model which is applied for solid business case reasons. For example, the Netherlands-based 'Clean Clothes Campaign', created in 1989 and that has expanded to 12 European countries, has helped fund a breast cancer charity with a new range of post-operative treatments. This is an example of a CSI initiative or business act in the community (Segerlung 2010:78).

The West has different problems and priorities from those of the developing world. When the economy is under pressure there is a tendency to practice CSI more , and in practice, the term can refer to a wide range of actions that companies may take, from donating to charity to reducing carbon emissions for environmental reasons (Segerlung 2010:78). Particularly in Africa, there are a number of reasons why businesses worldwide should invest in the continent. Because of the corporation's gains from investing in Africa's natural resources, they should take CSI seriously. The following factors justify its engagement (Reed 2002: 167-168):

1. It increases attractiveness of the organisation (Luce, Barber & Hillman 2001). Social investment performance is related to a firm's attractiveness as employers and the issue of familiarity come into play. A firm's overall level of corporate social activity (whether "good deeds" or "misdeeds") may somehow contribute to

the firm's familiarity and thus indirectly to its attractiveness. The author's firm familiarity actually mediates the relationship between corporate social performance and organisational attractiveness. If a firm practices CSI, it will become attractive and people will become familiar.

2. It improves corporate financial performance, and as Carpenter (2003:12) argues, the firm's corporate social responsibility improves financial performance through stock market returns and accounting- based measures.

3. It reduces the firm's financial risk (McGuire, Sundgren & Schneeweis 1998: 856), because it creates stable relations with government and the financial community.

For Jones (2010:19), serving the community by building relationships with it also serves the company for the above-mentioned reasons that are associated with attractiveness of the organisation, low financial risk, and therefore corporate financial performance improvement.

On the other hand, Reed (2002: 167-168) has identified reasons companies are reluctant to practice CSI in the developing world. The first is the different economic circumstance, weak financial markets and limited resources, along with the pre-colonial historic reasons (slavery) which prevented markets from emerging. The second reason is the lack of responsibilities on the part of social actors (government and civil society) to address problems of injustice (for example, apartheid in South Africa), so they can tackle unequal opportunities emanating from racial prejudice or simply rectify ongoing results of structural injustice (Reed 2002: 173).

Black Economic Empowerment (BEE) has been quite slow to be taken up in South Africa, such that it has not really addressed issues relating to structural injustice. As a result, service delivery protests have been held and the number of unemployed graduates in the country has risen. Visser (2011: 265) has proposed four solutions for developing countries, such as Nigeria, South Africa and India, and has classified them to be taken into consideration by corporate leaders. The most important are economic responsibilities, and given that developing economies lack foreign investment, economic

contribution of enterprises is of utmost importance. The second is philanthropy, which involves various activities undertaken by the enterprise to improve a community's prospects. The third factor is legal intervention, since in developing countries, corrupt practices and maladministration are rife and hinder the effectiveness of legislation as a CSI driver. Ethical considerations are less commonly practised in developing countries but remain important for companies wanting to sell their products, and therefore build their corporate image and reputation.

Although local communities are not part of the business but they have a keen interest in what it does as there is consensus that the investment made by corporations on the ground seeks to have lasting benefits for them (Eweje and Perry 2011:230). As such corporations balance the stakeholder needs which is more long term oriented. Stakeholder engagement helps corporates to achieve their competitive advantage. The idea is to include communities in the organisation's corporate strategy as the communities do not want to be seen as mere spectators but rather to be part of the changing times, the social change (Cifor 2005: 31).

Furthermore, Visser (2011:265) has identified four trends in a company's operations to explain the relevance of CSI in developing countries, and suggest why it is increasingly relevant today:

- **Ecological sustainability**: one of the greatest threats to corporations and the societal expectations is the concern for the environment, given the speed at which the Earth's resources are being depleted, and the potential consequences of corporate actions. The world becomes more connected to global challenges such as climate change, so CSI specialists require being more proactive (Visser 2011:169).

- **Flow of information:** in an age of information, news travels faster and any CSI lapses are quickly brought to the attention of public. Scandals such as spillages embarrassed *Shell* in Nigeria, whilst Tiger Brands in South Africa have drawn attention of the public via social media and mobile telephones. The Internet has

enormous power and is re-shaping the way information is communicated (Visser 2011: 169).

- **Increasing affluence:** the 2007-09 financial crisis has exposed weaknesses of the corporate world and reduced public trust in corporations. Affluence matters and leads to changing societal expectations. Corporations operating in affluent societies such as South Africa and Kenya face the challenge of demonstrating that they are socially responsible. One of the megatrends is that so many of the greatest risks (whether terrorism or financial instability) are shifting to the industrialised world, while many of the greatest opportunities (economic growth) are shifting to the developing world (Visser 2011:169). As a result, increasing affluence of the developing world will continue to push CSI up the agendas of corporations.

- **Brands:** these are driving the importance of CSI in terms of a firm's image and reputation. Brands are increasingly regarded as a focal point of corporate success.

These trends, if used effectively, can help corporations to succeed while prioritising the communities' concerns, especially in affluent countries. In South Africa, CSI is concerned with bringing transformation to the benefit of all. The reason is that societal needs facing the country have become a moral concern for businesses, which realise they will make a difference by supporting projects that can be beneficial to the historically disadvantaged sectors of society (Jansen 2008:129). With the political and socio-economic changes that have occurred since 1994, the practice has been encouraged to pursue the developmental impact (Trialogue 2009:6).

Capitalism, a Western-oriented system, does not support or leave room for the transformation agenda in South Africa, and pressure is ultimately put on corporations to further advance the CSI cause. As a periodical crisis faced by capitalism, the recent financial collapse, according to Kemper and Martin (2010:1), have rewritten the

relationship between business and society in a sense that the role of the corporation has become more visible and sensitive, and expectations have grown as a result of the diminishing role of governments observed in free market societies.

In South Africa, charitable giving is practised by individuals, external donors, community organisations and businesses, and the corporate sector has played an important role in supporting worthy causes either in cash or donations (Rockey 2004). This business contribution to communities and CSI is increasingly attracting management's attention.

2.2.2 The origins of the CSI-corporations as social institutions

Philanthropy dates back to the 18th century where the practice was still in a small scale. Donors would help the poor to help to help themselves with the objective of eliminating poverty (Friedman and McGarvie 2003:39). This means people and businesses always supported good causes but the real discussion on philanthropic activities started with Corporate Social Investment (CSI), a concept that grew out of Corporate Social Responsibility (CSR) to integrate the community's needs that are today regarded as those of stakeholders (James 2002:101). Within the concept itself, some components have been identified as being critical when having to establish any business as sustainable, that is, stakeholders, shareholders and their accountability. According to Nel (1998:8), the field of CSI has evolved and continues to, and has come to involve closer partnership with various constituencies, shareholders and the broader stakeholder group. Because of that emphasis on these constituencies the researcher believes it is important to discuss them.

The main objective of Western organisations is the maximisation of shareholder value, which advances capital to their managers who are supposed to spend funds only in ways that have been authorised by the shareholders (Friedman 1970:3). The only social responsibility of organisations is to use its resources and engage in activities designed to increase its profits. Corporate South Africa follows this model of Western nations in which companies in the shareholder model are held by many private individuals, as

opposed to the stakeholder model in which corporations are more in concentrated ownership (Vitols 2001:331, in Hoffman 2007:2).

In contrast, the primary goal of some Asian companies (for example, Japan and Singapore) is to balance the interests of a wide range of different stakeholder groups such as employees and investors, as there is a view that both shareholders and individuals contribute, either voluntarily or involuntarily, to a company's wealth-creating capacity and activities, and therefore its potential beneficiaries (Hoffman 2007:2). Local communities are part of that stakeholder perspective and the researcher argues that this is where the social responsibility intervenes as companies in the stakeholder model are long-term orientated. These set a value on the corporation's growth and development growth, while seeking to serve the interests of all stakeholder groups without preference for any particular one.

The social responsibility of companies, regarded as social institutions, implies that corporations are expected to improve people's lives on a common ground for the social order, and because of their interactive role with communities (Desjardins & McCall 2005:29). The social responsibility of the business is acting in the best interest of the whole, that is, of the stakeholder. Therefore, the role of organisations, viewed as social institutions is assessed in terms of the fairness with which they acquire a society's resources and mainly the way they distribute the resultant output and the exchange value they seek from those who consume this output (Scherer & Palazzo 2008:4).

In this case, expectations are reciprocal in that communities should not disengage from any problems faced, such as insecurity (Solomon 2007:308). Today, business organisations are taking part in larger roles in society as they enter new arenas, such as healthcare and education, where corporates get to make tougher choices between economic objectives and worthy aims (Philips 2003:2). CSI is one of those in which stakeholders are given emphasis and organisations are viewed as social institutions, a role regarded before as being filled by local government and religions.

2.2.3 Business ethics and social accountability in the contemporary world

The reason for embarking on ethical aspects is based upon the number of major scandals in the beginning of the 2000sin the developing world, in particular, and a closer scrutiny of the ethical behaviour in companies. Because of the corporate misdeeds and subsequent scandals at the beginning of the last decade, corporate leaders who were not naturally inclined to be of high ethical character have finally paid attention to the ethical practices (Bibb 2010:45). For this reason, there has been a growth in corporate fear of being exposed for failures of integrity and bad public relations, all of which can affect a company's bottom line. The ethical approach to business is linked to corporate practice and impacts on accountability to a broad group of stakeholders (Solomon 2007:309). The following are internal and external groups that include employees, NGOs, civil society and communities, all of which critically examine how companies operate in the contemporary world simply because their actions are visible:

- **Civil societies**: Helmut and Stefan (2010:1481) are of the view that the civil society fits with a view of stakeholding that implies a broader inclusiveness and more accountability from shareholders, especially on the issue of CSI, because these stakeholder groups view themselves as not just in society but also in a range of organisations which impact on society. The civil society contributes to greater understanding of global issues, such as climate change, that are expected to be tackled by the corporate sector.

- **Communities**: the reason for accountability to the community has placed it at the centre of CSI, where it can take part in activities and hold the organisation accountable for its commitments (Solomon 2007:308). The relationship between businesses and communities is synergistic and businesses find themselves creating 'win–win' situations through synergistic value creation (Carroll & Shabana 2010:101). Neither party can operate in isolation. With regards to CSI, accountability towards the communities places emphasis on environmental impacts as well as financial performance, including what has been called the "Sustainability Report" in countries such as South Africa in which regulation exists (Solomon 2008:58).

- **Employees:** today's most competitive organisations are working to ensure that their employees who are eager and able to address competitive challenges, such as CSI, that has taken a more important role than before, are retained because of their ability to deliver excellent service (Werner, Schuler & Jackson 2012:4). Therefore, it is important for corporations to manage human resources by retaining and satisfying these stakeholder groups.

- **Environment:** another key stakeholder is the environment, as businesses realise sustainability goes with understanding community partnerships. For instance, in agriculture or mining sectors certain companies take a vested interest in the community because the environment in which they operate is a stakeholder (Rockey 2004).

- **NGOs**: Mullerat (2011:104) believes that corporate governance of the 21st century should facilitate relationships with local NGOs, where a marketing agenda drives the pursuit of CSI. One reason is that many projects in Africa have failed for lack of technical solutions to problems that require more human response. NGOs provide the technical skills to drive projects. In South Africa more corporations are now working hand-in-hand with local NGOs to carry their CSI projects aimed at the communities (Trialogue 2009:4).

Business ethics and social accountability are to be understood within the context of development of CSR practice, as companies have started to tie accountability into relating practices to transparency (a company's openness about its activities) to the relationships based on trust. Accountability thus becomes a "process that manages power imbalances between the organisation and its stakeholders as well as between a company's various stakeholder groups" (Brenkert 2004: 101). This has led some theorists, such as Brenkert, to develop new tools and methodologies in accountability. He supports the idea of using a barometer as new forms of accountability and also for recovering trust and integrity. This will help scandal-prone companies to address various issues that are crucial to stakeholders, as do companies whose corporate traditions already enshrine an acceptable and credible ethos on which the foundations of new forms of accountability could be laid (Brenkert 2004:101).

2.2.4 From Corporate Social Responsibility to CSI

As a field of study in management, Corporate Social Responsibility (CSR) emerged in the 1950s in the United States of America (USA) and United Kingdom (UK), where the practices of philanthropic donations to charity and service to the community could be termed socially responsible (Banerjee 2008:5). Consequently, CSR has emerged as a significant theme in the global business community and is becoming a mainstream activity (Jones 2006:337). The growing emphasis on it is affecting the relationship between companies and various stakeholders, such as customers, employees, government and most importantly communities.

In the 1970s,withthe neoliberal political ideology which was then prevailing and dominant in most parts of the world, and based on ideology that economic institutions should shape social outcomes, Perrow (2002:31) took a more sceptical view of CSR: "voluntary social responsibility cannot be relied upon as a significant form of business control". The reason the author gave was that the power of business overcomes voluntary social responsibility. From the 1950s to the beginning of the 1970s, CSR had been of minimal effectiveness.

CSR activists, after the 1973-74 oil crisis, tried to highlight the deviances of a capitalist society driven by profit in terms of scandal. For them, modern markets had to embrace philanthropy, social activities and face competition from other corporations. Indeed, the increase in competition from other Asian and Eastern Europe corporations had exposed weaknesses in the management and accountability from the capitalist world represented by the US and UK, Japan or South Africa.

Capitalism, which is a system in which businesses belong mostly to private owners, not to the government, has been diagnosed as having perverse effects, especially with the recent 2007-08 global financial crisis (Thio 2008:4). Thus, many have come to believe corporations should alleviate the government's burden by embarking on social activities. According to Roddick (2000:12), the concept "CSR encompasses a variety of issues revolving around company's interaction with society". The issues covered include

ethics, governance, social activities such as philanthropy, local community involvement and environmental activities (Roddick 2000:12).

However, the investment by businesses that tends to support those who are in need in the society in which they operate, and from which they profit, is called ''corporate social investment'' (Bivins 2009: 158). The author believes that corporations should improve both workers' and the community's social conditions and welfare.

The researcher agrees with the idea that investment should target the workers and the community as those make business sense for corporates involved in CSI and because businesses have the obligation of good citizenship in contributing positively to the social, political, environmental and economic health of society (Hinson & Ndhlovu 2011:332). One reason is that businesses no longer exist in a vacuum and the level of interest some are beginning to show is an indication of this. CSI came into the public view with intensity in the 1980s, during which several incidents occurred that caused the public to question the ethical standards and the potential long- and short-term negative effects of some corporate operations on communities. Examples include the environmental disasters of the *Exxon Valdez* oil spill off the coast of Alaska and the explosion at the Union Carbide Bhopal pesticide factory in India (Horrigan 2010:1). As regulations tightened and communities became more sceptical of how corporations operated, corporations responded with CSI programmes that promoted their corporate citizenship. Two factors have accelerated CSI worldwide and in South Africa in particular since the mid-1970s, namely, globalisation and campaigning groups known as NGOs.

The first, globalisation, is the process of making something, in this context, businesses, operate in many different countries around the world. The intense activities of businesses that are the result of globalisation, are thought by some observers, including environmental activists, to have a damaging impact on the quality of life in the countries in which they operate (Richard 2002: 14). This involves harmful practices such as lack of concern for environment.

The second are the campaigning groups, who advocate the CSI cause and are committed to promoting causes such as human rights or environmental protection. Examples are Oxfam and Greenpeace in Europe, or Tshikululu in South Africa, a social investment management agency that provides community grant- making for large and medium-sized businesses (Tshikululu 2009:2). They strategize social investments, identify worthy recipients, and recommend projects and programmes that align with client needs. As such, they are strongly positioned to fulfil any corporation's social investment vision. These bodies, although different types of organisations, have become influential, and active worldwide and countrywide to compel companies to cooperate in advancing their cause.

Corporate Social Investment practice, according to Horrigan (2010:3), is ''one of the most important issues and development of the 21st century. This is because the world of the 21st century faces problems for which CSI is part of the answer''. Therefore, the world responses to CSI will play a significant part in determining the shape and fate of the world for generations to come. Numbers of corporations have to understand that when making a social investment they gain the goodwill of the community, which can improve their company's recognition and increase the likelihood of new and returning customers and communities. Some of them had then taken steps to integrate a set of activities directed at communities (Samuel & Arnold 2007:5). Given businesses are responsible for creating wealth and driving progress within society in which they operate, the corporate sphere has gone beyond the traditional financial bottom line towards social issues (Trialogue 2009:4). It is a trend that has particular significance in the South African context, given that corporations are often called upon to contribute to the country's development goals.

In South Africa, emphasis has been placed on the need to define CSI because what is viewed as socially responsible elsewhere, for example in the UK or the US, may not be considered socially responsible there. Mersham (1992:54) has drawn attention to the aspect of social investment as a national development philosophy with a moral imperative in the South African context and has stated that social investment calls for

the acceptance of the idea that an organisation is socially accountable, that it can see more than just making a profit, and turn its actions and operations to the benefit of the community and to the wider society in which it functions (Mersham 1992:54). In the current business environment, investing in communities has also become part of the general license to operate for corporations in a sense that it ensures sustainability and growth, and also establishes good relations with local authorities. In return, companies expect to receive positive publicity from the competitive advantages they receive in investing through a comprehensive CSI policy.

2.3   THEORETICAL FOUNDATIONS OF CSI

Some theorists tend to position public relations as an occupation that seeks to establish true dialogue between an organisation and its stakeholders (L'Etang 2008 :24). This is how CSI programs are connected to the core values of the firm that is a relationship with the communities which reflect where community problems or needs by relevant stakeholder groups are taken into consideration. In line with this, Broom *et al.* (2000:12) and Gruning and Huang (2000:35) consider the exchange theory and resource dependency theory as the ideal approach to studying CSI.

2.3.1 Social exchange theory

Social exchange theory assumes that social behaviour is the result of an exchange process that places emphasis on the economic view of human relationships (Hardcastle 2011:88). The theory was born of an effort to bring people as decision-makers into sociological theory. It was initially thought to be of a concern of equal interest to everyone (Powers 2010:211), but over time those interested in exchange began talking to others, formulating strategies and a new perspective emerged that deserved separate recognition. The theory analyses the exchange relationships as it considers interactions as an independent exchange of positive and negative stimuli which are referred to as 'rewards' and 'costs' (Bender 2011:110), and the theory ultimately suggests that every person is oriented to making choices based on calculations about risks and benefits (Powers 2010: 211).

People tend to make benefit-maximising decisions based on their priorities, thinking of the exchange theory in narrow terms; however the researcher believes one needs to think of it in broader terms, in line with corporate social investment, the focus of this study. Sociologists such as Wood (2004) argue that people embark on relationships that are beneficial. Besides, thinking of personal relationships in economic terms, the argument is that people seek to maximise rewards and minimise costs in relationships, and as Wood (2004: 192) put it: "we communicate and build relationships to gain rewards and we stay with relationships that are more rewarding than costly and more rewarding than alternatives". Humans base their behaviours on rational calculation designed to maximise individual profit.

On the other hand, in the context of this study, beneficial relationships between corporations and the communities should occur through exchanging as opposed to economic business. The primary rationale for corporations should be a decision-making with involvement of the heart, employed with passion for its usefulness for an extraordinary partnership with communities (Powers 2010: 212). Emphasis is put on the principle of human interaction, which according to McGlynn (2007:11) is the foundation of human interaction, and the desire for gratifications is the key influence on human social choices. This is a symbolic exchange in which interaction is based on exchange of gestures that are packed with meaning. This symbolic approach ultimately validates the significance of the relationships, while heralding the importance of those relationships (Powers 2010: 214).

However, some scholars have criticised the exchange theory. For them, when the risks outweigh the rewards, people are likely to terminate or abandon that relationship. As the result of an exchange process in which people maximize benefits and minimise costs (Littlejohn & Foss 2008:27), the theory reveals why exchange takes place as they do, including the reasons people engage in such transactions, why some exchanges succeed and others fail.

Exchange Theory has little heuristic value, which means it does not generate new ideas for research in addition to what we know, which is to get satisfaction when exchanging or embarking on relationships (Littlejohn & Foss 2008:27). People like what is rewarding and dislike what is costly, and naturally satisfied with relationships that meet their expectations. However, they may leave a relationship if a better alternative arises. The principles of the theory are that humans seek gratification through exchange but nothing beyond that. As a result, some scholars have suggested that theory has little heuristic value. The obvious criticism of the theory is that it cannot be tested (Clark 1998: 6).

2.3.2 Resource dependency theory

Resource dependency theory was developed in the 1970s, at a time when there was a proliferation of important theories dealing with the relationship of organisations to their environments (Smith & Hitt 2005:434). The theory has been built to address the questions of organisational responses to external pressures and how organisations attempt to manage their environments and attempt to construct them to make them more beneficent. The theory argues that the organisation's primary objective is to ensure the survival of the organisation by reducing uncertainty and ensuring access to required resources (Weissbrich 2009:39).

The degree of dependency of an organisation on a resource is influenced by the importance of the resource for the survival of the organisation and the structure of control over it. Therefore, organisations must transact with other elements in their environment to acquire those needed resources (Pfeiffer & Salancik 2003:10). The theory proposes that actors lacking essential resources to pursue certain goals or conduct their business seek to establish relationships with others in order to obtain the resources they need (Salerno, Jay Yang, Nau & Chai 2011:71).

Two strategies organisations can apply to deal with the dependency on resources have been identified:

- o Organisations can try to bridge the distance to powerful actors by following a cooperation strategy (Weissbrich 2009:39), for example, working closely with stakeholders or building personal relationships.

- o Community mobilisation is the interaction between knowledge seekers and knowledge providers. Community mobilisation, which depends on the environmental setting, has an impact on overall contributions and is crucial for the public good development strategy (Salerno *et al.* 2011:71).

Community mobilisation is a valuable source of knowledge that helps development in the communities when knowledge is free and communities view their participation as an investment from which they might obtain future economic returns, such as revenues, and this motivates their engagement. This theory is arguably the most comprehensive in the scope of its approach to companies dealing with power within organisations and how they seek to manage their environment (Davis & Cobb 2009: 3). The theory offers basic elements while being in support of its account of organisations, that is, environmental relations.

Resource dependency theory is externally focused in the sense that power is held by divisions that are the most important for coping with and solving the critical problems of the organisation that arise from its environment. Units that deal with critical problems and control resources in an organisation are strategic as they manage critical relationships between the firm and its environment to achieve power within the organisation (Mudambi & Pedersen 2007:9). Managing relationships in a new area has appeared to be crucial as it generates a sense of common wealth and consensus, which results in competitive advantage (Pfeiffer & Salancik 2003:187). Thus, succeeding in today's environment requires sustaining strategic relationships, and the resource dependency theory can be more relevant to organisation-community relations. In other words, those organisations practice CSI because they will need to sustain strategic relationships with the central constituents, that is, communities. This could give them an edge over other organisations.

Since CSI activities are directed at managing community relations, this may result in cost and risk reductions (Smith 2002:42).Therefore, building positive community relationships decreases the amount of regulation imposed on the firm. Talking about the resource dependency theory, a sound relationship with the community is crucial to have an advantage over others and succeed in the environment. The concept of community relations is viewed as a function of PR that involves dealing and communicating with the citizens and groups within an organisation's geographic area (Senneth 2001).

Advocates of the theory state that organisational resource dependencies generate stakeholders and that these organisations influence the environment in order to improve external dependence. However, some of the limits are that organisations react to the environment as they perceive it, but this is affected by the nature of organisational information system (Donaldson 1995:129). For instance, organisations might lobby powerful external organisations such as the government and seek to reassure them that they are already acting in the public interest. Organisational members with specialised competencies or skills can attempt to have critical resources of the organisation defined in a certain way, and hence become its most powerful members.

Resource Dependency critics have seen this as being mechanistic, because the processes are human, with perception and secrecy as important elements, which makes it subjective. Another angle is that the theory poses important questions, for instance as to who will control organisations? They have noted the influence of politics, and businesses also play a role within the political system, such as when a corporation lobbies the government with the primary activity being to maximise political influence. They have talked of ''dependence- influence theory'' (Donaldson 1995:146) as a result of this political interference.

2.4   COMMUNITY RELATIONS AS A FUNCTION OF PUBLIC RELATIONS

Shannon, Brad and Thomas (2010:35) believe that "community relations are a function of PR when their duty is relegated to a communication technician role" which is not

fulfilling its management function. PR professionals embark on community outreach programmes to enable local residents to appreciate the impact of the organisation they represent on the surrounding area. Community relations, according to Rice and Atkin (1989:106), have been defined as a context, process of interaction and as a problem. The context refers to the place and people sharing the same values and social system, whilst the process means the interaction that is expected to take place between different actors and, in this case, the communities and funders. Regarding the problem, the funders are seen as individuals who assist the communities in identifying and addressing issues.

2.4.1 Relationship management paradigm of public relations

Most public relations theorists, such as Gruning (2006), Huang (2000), Broom, Casey and Ritchie (1997) are concerned with relationships of an organisation and its public, with most of their theories having been developed from social systems and perspectives in which they perceive a relationship between organisation's management and stakeholders. Ledingham (2003:194) developed his perspective of public relations, as a relationship with management in which he stressed the PR societal action: CSI which reflects the asymmetrical model. This implies the two way communication between the sender (the organisation) and the receiver (the communities) in which the sender uses research about the receiver to create messages that 'will persuade the receiver to behave as the organisation wants' (Rosen 2006:18). The asymmetrical mindset about PR leads to powerful effects for their communication programmes towards the receiver which include mutual understanding and mutual adjustment and in line with the study, CSI, local communities are expected to be informed of activities undertaken by the organisation (Rosen 2006:15). The reason being that before conducting their CSI activity, the organisation listens to the communities to understand their position on issues that affect them. Also after completing projects, local NGOs or the community centre as it is the case of Alexandra; an evaluation is to be done. This way, the organisation tells the communities their motives and reasons for their actions if it considers the public interest more than the individual interest. In this way, the local community feels the organisation is more interested a good cause.

31

The PR societal action theory tends to shift the central focus from communication to relationship, with communication acting as a tool in building the organisation's public relationships. These are represented by the patterns of interaction, transaction, exchange and linkage between an organisation and its publics (Broom *et al.*1997:1). The shift in public relations toward a relational perspective emphasises the use of communication as a tool for resolving conflicts and maintaining relationships with strategic publics (L'Etang 2006:4).

The relational approach is the notion of an organisation's public relationships as central to PR and its purpose and direction as an organisation is affected by relationships with key constituents (publics) in its environment (Bruning & Ledingham 2000:118). The relational approach provides a framework for understanding public relations and the potential impact of its public relationships on the practice and teaching of PR.

The concept of relationship management reflects on the definition that one makes of PR, which when seen as the umbrella concept of relationship management inclines peopled to conclude that it is engaged in CSI, dialogue with communities and collaborative in the decision-making with a great implication of the stakeholder. Gruning (2006:240) considers CSI a domain of excellent PR practices as it enables corporates to expose their image and publicity due to competition from other companies to be seen in the social space but also for the public relations role in a company as CSI offers an excellent PR tool ensuring the interests of an organisation to public and society. Gruning and Huang (2000:34) believe these practices focus more on long-term relationships which they have identified as assurances of legitimacy that would justify expectations of external constituencies.

Public relations defends the interests of its organisation by building effective relationships with those external constituencies (Botan & Hazleton 2006:68). Relationship management therefore depends on how PR functions in a company if it engages in customer relations, community relations to adjust the relationships between the company and its stakeholders. The PR as relationship management has its meaning

when seen as a management function the practice of which involves managing an organisation's reputation and perceptions that are held by external audiences, and informing those of the organisational performance (Waddock 2010:11).

The notion of management function which includes community relations, crisis management or public affairs is best described by Center and Jackson (1995:2) as the proper terms for the desired outcomes of public relations practice in which they regard these above functions as public relationships. Ferguson, a scholar and public relations theorist, identified three areas that guided research in the field: i) social issues and issues management, ii) social responsibility and iii) public relationships (Ferguson 1984). Of the three, the area of public relationships has the most potential for theory development in public relations. Therefore, the matter of relationships between an organisation and its key publics should be the central unit of the study of public relations with reference to relationship management.

Very often, a community-based investment creates community loyalty through relationship management which is no longer a choice for most businesses but crucial for the achievement of sustainable competitive advantage (Beck 2010:2). The community then becomes the value network in the process of relationship management. When a company is targeting specific people, such as the community or relevant audiences, they select those who are deemed profitable because of reputation, branding and profitability, in which the relationship strategy from the management target orientated sustains a favourable network position (Kleinaltenkamp & Ehret 2006:70-72).

2.4.2 The concept of relationship

The concept of relationship is located within the relationship perspective of PR that suggests that balancing the interests of organisations and publics is achieved through management of organisation-public relationships (Botan & Hazleton 2006:465). As such, it becomes the function for wealth creation and, with misuse, for its loss. Hence, the idea that PR views the relationship with management in a more potent role within

33

the organisation (Bruning & Ledingham 2000:19) enables the practitioner to offer solutions to this new form of management in the creation of wealth by exploring the economic value of the relationship.

In this sense, PR is seen as the management function that establishes and maintains mutually beneficial relationships between an organisation and the publics on whom its success or failure depends (Cutlip, Center & Broom:1994:2). The idea is to strengthen these relationships that make the link between PR and the rest of the organisation with communication at the centre (Modaff, Dewine & Butler 2008:239). In this way the term 'relational communication' intervenes, as accurate and credible for advocates who seek to improve their corporate performance, after which communicating corporate social activities places a high premium on credibility among stakeholders (Doorley & Garcia 2007: 374).

In line with this study, an effective relationship would urge the financial institution to engage the Alexandra communities in different projects and activities they run and are beneficial to them. According to Bourne (2009: 21), effective relationship management requires strategic planning and implementing communication that focuses on the groups or individuals that are important to an organisation. The projects can only exist with the informed consent of its stakeholders and managing the relationships with them to the activity will increase the chances of success (Bourne 2009:43). Effective relationships with a company's stakeholders are crucial for the long-term survival of the company itself and the success of the company's projects operating within it (Post, Preston & Sachs 2002:19).

These relationships must be managed in ways that best meet both stakeholders' needs and expectations and also the needs of the organisation. A sense of interdependence can be highlighted when the organisation has to involve its communities for survival's sake. Besides, an institution's relationships with its neighbours are crucial because these neighbours in some instances supply the company's workforce, provide an environment that attracts or fails to attract talented personnel, provide essential services

and, if angered, impose restraints on the institution or industry (Cutlip *et al.* 1985: 393). The relationship of interdependence between both parties is critical in a way that PR (often called 'community relations' or 'local public affairs') is becoming more demanding. Therefore, a platform for effective relationship is based on an acceptance of interdependence among those who share in the well-being of the community.

2.4.3 The concept of stakeholders

The term 'stakeholder' is growing in the field of CSI as corporations cannot operate in isolation. They need to take into account the community's concerns so that they can properly manage their CSI work (Zhang, Dawes & Sarkis 2005:2) so as to involve stakeholders, because there is a perception that the corporation's external groups, communities and consumers are becoming increasingly selective and demanding about the ethical values of the brands they buy and the role they play in their success (Jansen 2008:129). According to Owen, Swift and Hunt (2001:24), companies should adopt management strategies to legitimise relationships with stakeholders. The idea is that corporations are to be responsible and accountable to all stakeholders who are affected by the corporation. In the developing world, however, the perception is that the CSI reporting is a PR campaign on the part of corporations, with a view to serving their economic interests by managing relationships with communities (Owen *et al.* 2001:9).

Different kinds of stakeholders exist. Corporations have stakeholders, that are groups and individuals who benefit from or are harmed by corporate actions. Waddock (2007:81) explains the roles they play:

o **Owners** who are shareholders are expected to make maximum profits from the corporation.

o **Employees** have their jobs and usually their livelihoods at stake. They expect security, wages and benefits at work. They are expected to follow instructions of management in return for their loyalty.

35

- ○ **Management** is expected to provide for them and carry them through difficult times.

- ○ **Suppliers** are vital to the success of the firm, for raw materials that determine the final product's quality and price.

- ○ **Customers** exchange resources for the products of the firm and in return receive the benefits of the products. Customers provide the lifeblood of the firm in the form of revenue.

- ○ **Local communities** in which the researcher in interested are stakeholders in that they grant the firm the right to build facilities and, in turn, it benefits from the tax base and social contributions of the firm. In return for the provision of local services, the firm is expected to be a good citizen, as a person either 'natural or artificial' (Waddock 2007:81).

Without its core stakeholders and a healthy natural environment, the corporation can hardly survive in the long term and achieve its corporate objectives in the public sphere. Because of this, communities must take part in decisions affecting them, thus allowing genuine dialogue and reinforcing the bond (Desjardins *et al*. 2008:79). The evidence of such a bond leads to a productive company-employee relationship which is compelling in CSI. Stakeholder relationships are thus the basis of corporate corporate citizenship, the latter concept dealing with discretionary responsibilities that are associated with philanthropy, volunteerism, community relations and the social good, which some believe is enough and constitutes corporate social investment (Waddock 2007:5, 81).

2.4.4 Building and maintaining a dialogue with the community through PR and CSI

Building and maintaining dialogue by corporations and communities is necessary as a result of various concerns (environment, social investment) the local communities express and pressures from external groups, such as NGOs (Garriga & Melle 2004:51). The term 'dialogue' within the context of CSI refers to communicative exchange or

interaction between communities and corporations for which management interaction is required (Botan 2006:56). Dialogue in the context of CSI is more concerned with directing the community actions and socialising them into appropriate ways of behaving (Barnard & Gusman 2009:40).

According to Botan (2006:67), dialogue in this sense can also be strident and cordial, meaning an honest effort to engage the communities in collaborative decision-making. This process entails consulting the beneficiaries of the projects before decision-making by the organisation, even if they may oppose them. However, dialogue in this sense is used to foster social harmony, moving closer to the expectations of the stakeholders. In South Africa, numbers of NGOs have been developed to address the issue of dialogue, with the objective of getting corporations and governments to participate in local structures (community forums for instance), so that important issues such as scarcity of jobs can be addressed to the benefit of the community. This is the case of the Community Dialogue of South Africa (CODESA), an NGO that was established after extensive research by the Social Development Department in conjunction with the University of South Africa (UNISA), the University of the Witwatersrand (Wits) and a number of associations. The research, conducted between 2002-2004, sought to find out why people are not participating and how they can do so if ever they want to participate, not only in the development of the country but also in the betterment of their lives and their posterity (Codesa 2002). This type of NGOs contributes to more interaction between different groups in a multicultural society such as South Africa.

When talking about dialogue in communities, emphasis should be placed on the race relations issue because this is an issue that needs to be addressed when engaging in dialogue with communities. The focus of race relations comes into play because of diversity of races in South Africa. There is a significant presence of blacks and coloured in Alexandra, and CSI management should take this into consideration as they have to be linguistically close to them. Cantle (2008: 35) believes that proximity is important and the discussion is not about numbers (from a demographic viewpoint) but rather race and difference, in which some integrative measures are to be considered by management. These integrative measures can be designed to close the gap between communities, to

create a common sense of purpose and encouraging positive interaction between different groups so that tolerance, understanding and respect develop (Cantle 2008: 62). The practice of race relations, which implies building common values, serves as the basis of community cohesion, an important element in dialogue.

2.5   CORPORATE BRANDING

Corporate branding has developed out of the notion that the organisation and everything for which it stands should be mobilised to interact with the stakeholders that the organisation aims to reach and engage in dialogue (Schultz, Antorini & Csaba 2005:12). Corporate branding enables companies to include their social programmes and social responsibility activities in the brand, and thus directly involve customers (Schultz *et al.* 2005:32). In this case, they utilise CSI to communicate their brand and the image they wish to portray to their stakeholders. The concept is seen as a move towards conceiving more integrated relationships between internal and external stakeholders, linking top management to stakeholders.

2.5.1 From product brands to corporate brands

The product brand refers to the product offering while corporate brand includes the name, sign, symbol or design, or a combination of these elements that are intended to identify and differentiate the whole product offering in the minds of the subjects concerned (Marcos 2007:17). Meanwhile, the term 'corporate' refers to the organisation or the company, the subjects of a corporate brand are the company's constituencies who are also individuals who can affect or are affected by the achievement of the company's objectives.

The ability of corporations to express who they are and what they stand for is the reason for the shift from product to the organisation's brand and CSI is the tool that makes that difference in perception for consumers. The organisation which is a financial institution still delivers products to customers but emphasis is placed on CSI which is part of the role of the researched financial institution. The aim is to build stakeholder relations in which the researcher is interested, as companies are paying more attention to their corporate brand following changes in the business environment for which CSI is

pivotal. The most evident trend is the visibility of brands within the communities, who also happen to be consumers, hence corporate brands are being built to face the competition for consumers and their culture (Marcos 2007: 23).

2.5.2 The origins of brands

Kapferer (2010:10) has defined 'brand' as a set of added perceptions. The financial institution that is the object of this study observed a gap in the Alexandra area, and noted that goodwill to the community was needed. It thus decided, a decade ago, to start investing in communities as a means of carrying their brand.

Brands in a modern sense emerged to serve a literate industrial proletariat in the late nineteenth century (Olins 1999:52). Using revolutionary techniques, such as advertising and distribution on a vast scale, major companies grew up and the brand was the major engine of their success. In the olden days, brands were promoted in much more varied, various and complex fashion, with the objective of selling. Brands as concepts have many dimensions and have always been seen as important partners by consumers. Brand is the personality that identifies a product, service or company and how it relates to key constituencies: customers, staff, partners and investors (Schultz & Hatch 2003: 23). The idea that consumers think of brands in terms of personalities imply that they are subject-like entities, though this does not imply that they can take on human qualities.

As brands become more aware of their growing susceptibility to public opinion, and that their behaviour is increasingly visible, in the sense that the usage and brand has become more noticeable, they have begun to take into account social criticism, as essential for their survival (Fiorini & Titterton 2009:4). This means that the brands should adopt positive behaviour towards stakeholders and society at large, because some businesses have learnt the hard way that being incorrect does not pay and that what may be economic in the short term can undermine their existence in the long term. For example, they should pay greater attention to social problems and not limit their interests exclusively to the product they sell.

Brands must therefore act as a guide towards the resolution of problems which involve public health, social rights, and environmental safety. Brands should act globally, hence the idea of their being 'citizens of the world' (Fiorini & Titterton 2009: 143). They have always been aimed at a diversity of audiences, namely employees, government, shareholders and local communities, with the messages sent to each differing (Schultz, Hatch & Larsen 2009: 13). When corporate members believe that critical outside stakeholders see the organisation in a negative or inconsistent light they are motivated to attend to the negative cues by engaging in image building.

2.5.3 The importance of corporate branding

The importance of corporate branding relates to the shift from consumers to all company stakeholders, and ultimately implies a move from product to corporate branding as reflected in stakeholder theory (Ferrando 2010:32). Given the business concern for the social legitimacy of corporations, some companies stress corporate branding in order, for instance, to obtain a licence to operate or, as in the case of South African mining companies, to have codes of good practice, as stated in the annual Trialogue publication, because of regulation and demand for more transparency and ethical standards (Trialogue 2009:5).

Stakeholder orientation is thus central to corporate branding, with a strong emphasis on managerial implications. Those responsible for transmitting values reinforce the image of the organisation in the society, such as through philosophy, and relationship to society,) and show care for external publics. Understanding the stakeholders' new or changing social needs and addressing them is informed by a hope of building effective relationships with them and long-term alliances. An addition is the effect of social desirability, a behaviour displayed by the corporation with the expectations of the society (Ferrando 2010:7).

2.6   FACTORS CONTRIBUTING TO CORPORATE BRANDS

According to Healey (2008:6), a brand is a promise or satisfaction, a sign or metaphor which operate as an unwritten contract between a manufacturer and a consumer, a seller and a buyer, a performer and an audience, an environment and those who inhabit

it, an event and those who experience it. This complex conceptual set of relationships is driven by emotion and storytelling, as a brand usually resides in the minds of customers and in this sense is synonymous with reputation.

Some of the internal and external factors that contribute to corporate brands are:

- **Corporate recognition** provides management with an opportunity to align different activities by which companies express who they are and what they stand for (Schultz & De Chernatony 2002:105). It provides a solid foundation for developing a coherent and engaging promise to all stakeholders and enables companies to better balance issues of global recognition and local adaptation in an environment that demands transparency and new sources of involvement.

- **Building stakeholder awareness** accompanies communicating the brand's message, which takes time for organisations. The benefit of awareness is the value for money, longevity and popularity over time and continuing connections with the customers creates positive outcomes, as they are the most important brand audiences. Nevertheless, customers are no longer the only important brand audiences, as other external stakeholders, such as NGOs, suppliers, the press and the communities have also been identified. These are increasingly coming into contact with brands (Claudia & Christine 2008:15), which therefore need to address multiple audiences.

- **Stakeholder satisfaction** is the aim of corporate brands, whether internally or externally directed. They usually begin by developing a promise and then maintaining it, as it makes those constituencies committed to one's organisation or business (Leslie 2010:4). The financial institution in this study may serve as an illustration in this regards, as it invested in the community and was excepting rewards. However, a company must be willing to take chances, as successful brand- building requires long-term commitment.

The researcher believes that corporate brands remain important for PR practitioners who deal with various constituencies and the company's image. From a CSI viewpoint, investment in people skills is needed in order for brand-building to become part of a well organised industry. This investment requires a genuine interest in people that adds value to their lives and any other act that is of a humanitarian nature.

2.6.1 Brands perceptions, symbolism and communication

Perceptions of a brand are usually based on image and the position of a company with symbolic concepts or attributes, whilst the communication activities that aim to inform different targets of the brand are the ultimate process. Perception, according to Elliot and Percy (2007:133), is reached after the awareness phase. Indeed, in order for a brand to progress from phase 1 (brand awareness), it has to be perceived by consumers in stage 2. Perception or differentiation entails the relevance of the brand. Indeed, from a CSI standpoint, such differentiation is due to the competition between companies involved with the communities and that are also fighting to be seen in the social space. Perception is developed in the mind of the stakeholder, and this encompasses social esteem and emotional bonds (Elliot & Percy 2007:134). The researcher believes familiarity with the company and stakeholders' personal experience play a significant role in forming the perception. Social investment and visible impact can give a company a competitive edge over others. However, social distance decreases the esteem stakeholders have towards a company. When stakeholders identify themselves with a company they develop vested interest in its success, in the sense of expressing their liking through positive words of mouth about the company and its activities to friends, families and colleagues (Deborah, Park & Priester: 2009:203). This network, for instance, is valuable to a company because it is the most credible source of information. So the stakeholder's social investment belief about a brand is positively associated with their acceptance and advocacy, and therefore perception about the brand. The role of the practice to the brand expressiveness is significant as it involves the management of the perception in and through the eyes of the outside stakeholders. According to Brown (2003:11), brands should embody community meanings, therefore the perceptions of communities to the activities of CSR and /CSI

42

have become a major concern for organisations that make this practice their business strategy, as a central part or as a core company value.

A company' social initiatives can only drive strong brand perceptions in terms of ratings, reporting, and community support. Through tackling identified social issues and adopting an inclusive and collaborative approach with various stakeholders, companies can benefit from a positive perception and succeed in ensuring that community members benefit in the long-term from a positive transformation of the area if these solutions are implemented in the case of the financial institution. Communication involves conveying the right message to each stakeholder and creates an overall image on the full communication network as it relates to the organisation and its various stakeholders (Schultz *et al.* 2005:35). This is especially important with some demands for open and honest information from stakeholders. Any gaps in the use of communication or poor communication can change the perception of the stakeholder groups (Elliot & Percy 2007:217). The case of Shell in Nigeria with spillage mentioned earlier is an indication of this poor communication of profits and principles to stakeholders (Fombrun & Rindova 2000: 698).

2.6.1.1 Brand identity

Brand identity is the holistic image the company wishes to project (Schultz *et al.* 2009:13), the type of proposition that a company makes to consumers and the promise it makes. This may consist of features, attributes, benefits and the values the brand possesses, whilst the identity means stakeholders and their relationships. Brand relationship, a component of brand identity, is characterised by the development of deep and lasting relationships with stakeholders associated with norms and economic exchange (Park, Macinnis & Prester 2009:ix). In this sense, these brands provide utilitarian and emotional benefits to stakeholders.

In line with CSI, the researcher remains interested in that social identity aspect which is seen as the process of locating oneself with another person within a system of social categorisations (Taifel 2010:17). Here the researcher understands the sharing of similar

values, sense of belonging and sometimes religion and nationality. The social identity implies social interaction which encompasses dialogue, race issues, and face-to-face interactions companies need to have with communities as opposed to sending a task team (local community or NGOs) to engage with the communities. That social interaction is the basis for social cohesion, central to relationships and identity.

2.6.1.2 Brand Image

The importance of brand image in CSI is located within the stakeholder's perceptions of the organisation's performance and social campaigns because one way of creating a positive image is through social investment. Community investing occurs in local communities and helps corporate managers build stronger bonds within neighbourhoods while they recognise that, to succeed in the public sphere, serving the communities is crucial (Bivins 2009:159). This has been considered as CSI in which the obvious investment return for corporations is gaining publicity and building their brand image. Therefore, many companies have used social investment as a way to burnish their brand image in this era of global competition as social action programmes create favourable public image (Rashid & Ibrahim 2002:12). That is the link that can be established between CSI and brand.

Brand image is a wholly concocted creation devised solely to help sell and it has no life of its own (Schultz *et al.* 2009: 52). It refers to consumer perception of, and preferences for, a brand, as reflected by the various types of brand associations held in consumer's memory (Heath & Palencar 2009:212). Brand image is an influential aspect as far as organisations that are involved in social projects are concerned, but the idea is for those organisations to manage relationships, which means paying more attention to the brand identity and reputation (Glynn & Woodside 2009:7).

A positive image matters if a company is to be successful and brand image through investment is a good opportunity to obtain positive publicity, according to Maguire (2002:1), who also stated that in order to reach the goal of a positive image, every company should manage its brand in order to create a special confidence potential with the consumers (Maguire 2002:4). A high confidence level is necessary in order to

receive the existence authorisation and competitiveness of the brand on duration, since only those brands with which constituencies perceive a clear identity consolidated in it over a long time can commit groups to it and so reach brand loyalty (Maguire 2002:4).

This latter aspect occurs when consumers make a conscious evaluation that a brand or service has satisfied their needs to a greater extent that others do decide to buy the same brand repeatedly for that reason (Hoyer & Macinnis 2010: 258). In line with this study, emphasis is put on relationship with critical stakeholders as central to brand longevity (Dahlen *et al.* 2010: 221), and from a CSI' s perspective the brand's aim is to help communities grow by extending its ethical standpoint and so suggests improvements to their welfare. The task of PR is to therefore to negotiate competing interests through adaptation and integration (L'Etang 2008:11) among various groups, but primarily communities that might affect image, while PR remains concerned with creating favourable images of the organisation in the minds of the communities.

2.6.1.3 Brand reputation

According to Knipp (2009:20), brand reputation is about perception and beliefs, even if this does not always reflect an accurate reality, although in the eyes of the beholder, perception is reality and perception is what is important. Reputation refers to the predictability and calculability of individuals or organisations. Positive perceptions and beliefs can be projected onto geographic areas, religions or animals (Knipp 2009:20). Brand reputation enables the organisation to stay on track but also enables the customer or communities to know what they are going to receive from the organisation (Elearn 2009:38). This means that the brand reputation may also be regarded as the focus for the marketing effort and mainly a way of directing management thought and co-ordinating the activities of the organisation towards producing customer or community satisfaction where it acts as a common point of contact between producer (organisation) and the recipient (community).

The importance of brand reputation is recognised today by organisations to achieve business goals and remain competitive. Large companies in particular, such as *Tiger Brands* or *Pioneer Foods* in South Africa (with the bread price-fixing scandal in recent

years) have understood how much a damaged reputation can harm employee and customer and community loyalty. In addition, the aspect of brand reputation is gaining ground as a driving principle or philosophy behind corporate public relations. The reason is that a PR practitioner remains the image builder and ultimately needs brand reputation to be optimised in line with perception and beliefs.

2.7 CSI AND CO-CREATION OF BRANDS

Fournier (1998) argues that various constituencies regard brands as actual relationship partners and whether brand relationships, or brand personalities as some evoke, the idea is that this is produced by consumers and other stakeholders and this element of co-production is evident in brand communities (Schroeder & Morling 2006:111) from a CSI perspective. Companies worldwide have used their brands to attune the satisfaction of complex needs to their customers because these brands reflect their lifestyles and remain economically attractive, with customers believing they are worth paying extra for (Anholt 2007:6).

In this sense, company management assert that their brand names are worth the rest of their business assets put together and so they keep investing in their brands to live up to the promise of the name and satisfy customers (Anholt 2007:6). Those remain the most important external stakeholders in contributing to the development of brands (Claudia & Christine 2008:15), with specific attention paid to the communities. The researcher is interested in that part of the community regarded as stakeholders, and one that plays an important role in building and contributing to the brand's success. It is thus important to work with all stakeholders, including communities that are becoming cynical about corporate promises in the areas of ethical practices, environment and social accountability (Brown 2003:31).

All stakeholders, including the environment, media and NGOs, play an important part in developing brands and governments in one way or another, and are even more concerned with the greater good of the society (Wang & Pizam 2012:117), not only

because they hold the power and control over the resources but also in collaborating with companies in destination branding that emphasises local identities found in local communities. Despite the existence of various stakeholders, local communities are considered in CSI as co-creators of brands, particularly since CSI has become a more common mode driver of organisational activity (Bourne 2009:29) and the value it adds through communities does contribute to more successful delivery.

Kapferer (2012:135) notes that today it is no longer consumers who build brands but communities, as they help companies to move closer to their markets and to learn more about their actual and potential customers in order to understand their tastes, evolution and define their trends and preferences (Morr & Maret 2012:16). Within a community, a company opens up a listening and dialoguing channel with its customers in building or developing its brand and as such increasing its competitiveness with other companies. The community's storytelling increases the level of engagement in the brand and therefore helps the company to be closer to its markets. In this way, consumers (communities) and producers (company), when involved in CSI, are co-creating brands.

2.8   CONCLUSION

The literature review has shed light on Corporate Social Investment (CSI) and brand image within the communities that corporations use to establish or polish the image of their companies and that are currently seen as social institutions. A historical perspective was taken in examining the broader CSR with its component CSI, while explaining its relevance to developing countries such as South Africa. A discussion that focused on community relations as a function of PR laid emphasis on the relationship management paradigm of PR, along with the element of dialogue by corporations with the community, given companies need more interaction and socialisation with local communities to advance their social agenda and strengthen their brand image. Lastly, given the power of the local communities, the discussion focused on how brands are co-created by both companies and beneficiaries through CSI, with details of the business-

changing environment in which CSI has become crucial for corporates to improve its competitiveness.

The chapter's looked at the role of CSI in depth in the South African society and the theoretical foundations of organisation-community relationships needed by corporate to strengthen their relationships with local communities. Also, the idea of philanthropy which preceded CSI has been discussed.

A discussion on the PR asymmetrical model which infers consultation and interaction with the beneficiaries has helped understand that corporate should strengthen that interactive role with communities for their brand image and to have a competitive edge over their competitors with regard to the social agenda that is CSI.

CHAPTER 3

RESEARCH DESIGN AND METHODOLOGY

3.1 INTRODUCTION

In chapter two, literature pertaining to this study was reviewed. This chapter discusses the research methods employed for this study. The researcher opted for the qualitative, interpretive and explorative method to investigate the phenomenon of corporate social investment (CSI), brand image and community relations between the selected financial institution and the Alexandra community. The qualitative research method was found to be relevant to this investigation. In order to develop a logical argument, the researcher first discussed the research approach, followed by the research strategy, method, design and setting. This discussion was followed by a presentation of a segment of the population that was part of the focus groups. The methods used to collect data included methods implemented to maintain authenticity, credibility and conformability of the research instrument.

3.2 RESEARCH APPROACH

The research approach was inductive as it sought to find valid generalisations from data collected (Jekel, Katz & Elmore 2001:157). Given that data does not come with its own interpretation it was subjected to inductive reasoning and the researcher gained a deeper understanding of the Alexandra communities' experience of corporate social investment with the financial institution. According to Miller and Brewer (2003:4), this approach usually adopted by qualitative researchers not only helped develop a theory but also looked for a pattern of meaning on the basis of the data collected. Thus, an inductive approach is viewed as an approach in social research which argues that generalisation and theoretical statements should be derived from data (Collins 2010:43). Thus, qualitative research is most often carried out via the researcher engaging directly in intense, prolonged contact and experience in the field, amidst live situations that make up the everyday activities and processes of people and organisations.

The object of study is investigated from a holistic viewpoint in order to access activities, events and relationships in their whole context. Many of the methods employed attempt to capture the perceptions and understandings of the actors from the inside so as to better understand how they make sense of, act in and manage their daily work and situations. Miles and Huberman (1994, in Collins 2010:43) argue that the strength of this approach lies in understanding the context within which the research takes place and not focusing on a cause-and-effect relationship.

3.3   RESEARCH DESIGN

The researcher used phenomenology for this study, in the belief that this approach to the qualitative study would help in exploring the selected participants' experiences, ideas, opinions, feelings and beliefs, and thereby give answers to the questions posed. The focus was on people's subjective experiences and interpretations of the world as they understand it and the meaning they assigned to this understanding. Phenomenology, according to Klenke (2008:222) is the study of phenomena, that is the way we experience things, and thus the meanings things have in our experiences. These things are perceptions, thoughts, memories, emotions embodied in action or social activity, all directed towards things in the world (Klenke 2008:222). The researcher intended to examine and provide a rich and holistic description of the phenomenon being investigated, namely, community relations and brand image, as well as the context within which these took place.

3.4   RESEARCH SETTING

The first part of the study was conducted at the financial organisation being researched, the second part in Alexandra, which is located in the Gauteng Province. The majority of the communities are black and coloured, the area having been laid out a century ago and now overcrowded with shack settlements which fill most available space. The population is four times denser than the number for which it was designed (Bonner & Nieftagodien 2008:386). This description of the history of Alexandra has led the researcher to investigate that part of the city.

3.5   POPULATION AND SAMPLING

The area of Alexandra has an estimated population of 500,000 residents (Bonner & Nieftagodien 2008:386), from which the segment of the population was selected for this research. Firstly, the researcher chose the area due to its proximity with the company's premises. Secondly, it was important to choose participants who were able to articulate their lived experiences of the world because these participants were involved in the social investment programmes of the financial institution under study (Moustakas 1994:2) and, during the interaction, the participants were expected to do so by sharing their knowledge and experiences. In this way the researcher was able to collect rich and dense data.

3.6   DATA COLLECTION METHOD

In the first part of the study, which was aimed at identifying the organisational perspective on CSI and the financial institution's community relations in Alexandra, 3 in-depth informant interviews were conducted with representatives of the institution. The researcher conducted 3 focus groups of 19 individuals with the communities of Alexandra and 3 in-depth interviews with the management of the financial institution, as this was the primary data gathering strategy. Firstly, the advantage was that focus groups are more than just the researcher asking questions to informants in a group of setting (Hatch 2002:132). They give the researcher a unique character of interaction that takes place among participants in the group to generate data from several people. The goal was to create conversation with the participants by exploring the topic in depth. The major advantage was the capacity to produce concentrated data on the topic of interest (Hatch 2002:132). This enabled the process to be interactive as instead of the researcher monopolising the debate by asking questions, people were encouraged to discuss freely and talk to one another asking questions, exchanging ideas and commenting on other's opinions and experiences. The researcher then attempted to explore people's knowledge and experiences and examined not only what they thought about the questions being posed to them but also why they thought that way.

In terms of monitoring, and in order to make the discussion as interactive as possible, the researcher gave space to participants to comment on other individual's views as contradictions could only enrich the focus group talks and give the researcher additional perspectives.

3.7   RECORDING OF DATA

During the interaction, the researcher gave a summary of the participants' responses by describing the settings, how the views were collected and the ideal time to record data. The researcher interviewed the participants and a tape recorded their responses. Anything said by the participants was written as they were speaking.

3.8   DATA ANALYSIS

After the collection and recording, data analysis was carried out, which is the amount of data gathered so that capsule statements about it can be provided (Hardy & Bryman 2009:4). From the various analytical methods, the researcher opted for the constant comparative method, as suggested by Merriam (1998:178-87). In this way, a voluminous amount of information was reduced to certain categories then interpreted by using a scheme. Three levels of analysis were followed in this study:

1. Data was compressed and linked together with the meaning the researcher had derived from studying the phenomenon.

2. The second level of analysis involved constructing categories that capture recurring patterns. Categories were constructed, informed by the researcher's knowledge and the meanings arising from the informants.

3. The third level of analysis involved making inferences. In this phase, integration and refinement of categories were carried out.

For this qualitative work, additional features were identified and helped the researcher to analyse data. These were open coding, axial coding, selective coding and memo-ing

(Strauss & Corbin 1994:9). These four features are interrelated although they have their own logic, enabling the researcher to understand and describe the situation being investigated (Hammersley 1992:4).

For open coding, the researcher identified labelled and categorised variables in line with the study. After open coding, the researcher put data together in new ways that enabled a form of coding paradigm to be used, which explained relationships between categories in the axial coding (Strauss & Corbin 1990:96). During this phase, the researcher made explicit the relationships between categories in order to understand how they related. Lastly, the researcher selected and identified the core categories and developed them. Those categories were integrated.

The researcher collected a substantial amount of written text from focus groups and analysis of information that followed the same principles. Ordering of data was conducted by raw field notes being transformed into a well-organised set of notes. This reflected what was discussed by the participants. The text was organised under headings such as 'developmental approach' that were in line with the research topic. The researcher displayed summaries of data in a way that interpretation became easy, by listing data that belonged together. Data displays, according to Adler and Clark (2011:463), are the visual images that present information systematically and in a way that allows the researcher to interpret. Then, the researcher drew conclusions. As variables went together because of their relationship, they were associated and conclusions were drawn.

3.9   REPORTING OF THE FINDINGS

The researcher reported the findings in a specific format as the aim of this was to promote the comparability of data and minimise the reporting burden. The researcher wrote down the discussion in the same order in which it was reported in the chapter. The reporting of the qualitative data by major themes or patterns, then a discussion of each major theme or pattern became a sub-section of the chapter. In the discussion of each sub-section, the researcher included a summary of the major findings and a brief summary of all of them. The summary helped to answer research questions. Reporting

was carried out by selecting two sets of data while explaining their meaning and thereafter comparison were made with other data in the table and an explanation of how it related to the first set was given, as well as what it meant (Coertze 1999:227). By doing this, not only the researcher appreciates the data but in the process displays it in the table as understood.

3.10   CONCLUSION

In this chapter, design and methodology on corporate social investment and brand image were discussed. The researcher described the processes and procedures which were employed throughout and which have provided a basis on which to evaluate the nature, integrity, and veracity of the research process followed. The strategy on how to collect and analyse data was elaborated upon, as were the methods the researcher used to collect data. The methods that are basic to most qualitative studies were used. Lastly, the researcher listed some of the reporting steps and a summary of the major findings.

CHAPTER 4

DATA ANALYSIS AND FINDINGS

4.1   INTRODUCTION

In the literature review in chapter two, an attempt was made to expose the theoretical foundations of corporate social investment. The literature review enabled the researcher to locate corporate social investment (SCI) within the social exchange theory and the resource dependency theory. These theories provided a lens through which the researcher could understand the importance of SCI in community upliftment, and the work that the selected financial institution is doing in Alexandra.

In chapter three, the research design and methodology that was adopted for this study was explained. The researcher made clear that data was collected to understand how the Alexandra communities perceived the work that is being done by the financial institution under investigation. It was also significant for the researcher to understand how the financial promotes its brand image through SCI and working with communities in Alexandra.

This chapter discusses the method of data analysis used, and it presents the findings that emerged from the study.

4.2 Method of data analysis

Qualitative data analysis refers to the 'discourse of writing and speaking about a particular topic while deconstructing words gathered and viewed as containing power-laden discourses with multiple meanings that require careful deconstruction' (Grbich 2013:9).

4.3 Inductive analysis

The process of qualitative data analysis involves discovery of patterns, themes and categories (Linda and Ray 2009:386). After establishing patterns and categories, the

researcher created codes in terms of themes in order to avoid bias and given all participants were not asked the same question. The management and communities being asked questions differently to get rich data and in an attempt to respond to the research questions posed.

Qualitative data on CSI and brand image were categorised. The researcher followed Merriam's (1998:178-87) constant comparative method of data analysis, which suggests data reduction and interpretation on three levels:

1. Data was compressed and linked together in a manner that conveyed the meaning the researcher had derived from studying the phenomenon.

2. Constructing categories or themes that capture recurring patterns. Categories were constructed, informed by the researcher's knowledge and the meanings arising from the informants.

3. Making inferences or developing models. In this phase, integration and refinement of categories was carried out so that data could form a theory.

4.3.1 Coding system

Table 1: Coding system

Category /Theme	Codes
Community education	Comdu
Community Centre mobilisation	Comcentre
Visibility of the projects and brand presence	Visible
CSI as a developmental approach	CSI/DA
Need for consultation & collaboration	Consult & collaborate
Need for closeness & relationships	closeness
Grant of the projects to NGOs	Ngos

| Innovation | Innovate |
| Branding considerations | Brandco. |

This coding system takes note of the interest and significance contained in the raw data that are now organised below.

4.3.2 Data verification and validations

Verification involves the researcher's interpretation, drawing meanings and conclusions from the data collected (McGregor, 2009:50). Miles and Huberman (1994:24) suggest that this process involves comparing data, noting the patters and themes, noting the contrast visible, clustering of themes, following up on surprises and checking the results with participants in order to ensure triangulation. This process was carried out in this study by checking questions posed to the participants and the interpretation of the results that emerged. The researcher was enabled to verify the reliability and precision of the research process, checking for any bias that could steal into the process of drawing conclusions. Thus, all the processes and decision taken in the research process were evaluated and reviewed.

4.4   PRESENTATION AND ANALYSIS OF THE DATA FROM THE MANAGEMENT

In analysing the data for this study, data were classified into categories using codes to group similar themes. The researcher identified these following categories that emerged from the data collected during the interaction with the management of the group of the financial institution under investigation:

    a) CSI as a developmental approach

    b) Image and reputation

Similar responses given to the questions posed and the categories are reflected in the following sections.

4.4.1.1 CSI as a developmental approach

From the responses of the participants it is clear that CSI involves efforts made by the financial institution in Alexandra to improve the economic, social or cultural conditions of the communities. In line with this assertion Brake and Deller (2008:85) CSI is a way organisations that are involved in CSI can contribute to the national progress. A few of the responses from both the managers and the selected participants are as follows:

" *I think that CSI* "*contributes to the social and economic upliftment of this community.*"

"CSI is about empowering the communities through the projects which imply their personal development as a result of the projects intervention."

"The projects have the potential to develop the area and gather its community towards a common goal."

"On the basis of our intervention, analysing the words used by the management, the projects aim to improve the quality of life of the Alexandra whose community members perceive themselves as active citizens contributing to the financial institution's success that often employs some of them".

Most of the respondents, particularly the managers of the financial institution interviewed, reasoned that CSI was in line with the National development agenda in South Africa. They indicated that the reason for their investment in the communities was part of the project to address the high rates of unemployment in the country generally and specifically in the country. However, they also pointed out that it was important to advertise their brand image. When asked about the aim of the programme, one of the managers (respondents) explained it was important to work alongside the needy and equally important was for the beneficiaries to understand the need to become involved in the projects so as to escape the poverty trap. The literature study does indeed, show that the project intervention by organisations such as the one under study do contribute fundamentally to social upliftment. These organisations are expected to act in the best interest of the people around them because those are viewed as important stakeholders (Desjardins & McCall 2005:29).

4.4.2.2 Image and reputation

A question regarding brand image and reputation was posed to the managers who were selected for this study. It emerged from the discussions that aspects of brand image and reputation were valued by the management. According to these respondents being involved in the community projects in Alexandra represented the financial institution in terms of better publicity enjoyed by an institution compared to others. The following were responses from the managers.

"If the institution wants to be seen as a more important brand … those we believe are critical for our long term success."

"As these mechanisms of social control the group has built over the years play a big role in continuing what started more than a decade ago in the communities."

Research by Elearn (2009:38) indicated that image and reputation enable an organisation to be seen in a good light and therefore produce customer or community satisfaction. From the responses of the interviewed managers, it was clear to the researcher that image and reputation are given prominence by the respondents in their involvement in community projects, which clearly show how serious they regard their business.

4.5 DATA PRESENTATION FROM THE FOCUS GROUPS

From the responses of the three focus groups conducted with the Alexandra community members the following themes were identified.

4.5.1 Themes

The researcher identified the following categories that emerged from the data collected during the interaction with the respondents.

4.5.1.1 Community education

From the responses of the community members community education was acknowledged by the majority of them. They regarded community education as the

primary focus for the financial institution investment's initiatives in the Alexandra community centre. They indicated that a number of education activities such as computer literacy, e-learning, sewing classes for women were taking place. It is education in the community but more extendedly refers to a wide range of issues, such as bringing the classrooms into the community, and establishing two-way communication by representative groups (Shuttleworth 2010:13). In brief, this implies identifying the community resources to address the community problems. Some of the responses from the community members are as follows.

'*The projects are to clean the environment to prevent diseases*'

'*Whether environment, hygiene, lifestyle, the bottom line is education as this helps the communities to behave and be responsible.*'

the institution supports the community building efforts by assisting them in areas such as education' and '*sessions are organised to talk about issues pertaining to the daily life in the area*'

During the focus groups, the community members used frequently the word 'education' to emphasise the projects that happened at the centre. Four respondents from the focus group one regarded the projects taking place at the centre and led by the financial institution as having a perspective on education. It appears the respondents were unanimous in acknowledging that educational activities are the main focus driving the financial institution's investment.

4.5.1.2 Community centre mobilisation

On the question 'what do you do in the project and what do you like most/least about it?' respondents from the three focus groups mentioned the community centre representatives as being the individuals who mobilised them in carrying out the institution's investment activities. CM4 (FG 1) said '*organising educational sessions to help the communities who are desperate and in need is what's the centre does*' to keep the activities running.

Most of the respondents were more critical since for them the issue was not only to acknowledge the community centre as being able to mobilise but doing it more often. .A few respondents complained about the frequency of meetings. They wanted more meetings with the financial managers or representatives from the institution in order to discuss issues that they were not satisfied with. Some of the responses were:

"*I wish the centre could organise them on a regular basis.*

'*There is no occasion as such to have a discussion with the group representatives, which will enable to have a more accurate reflection of the value these projects*'.

The respondents believed the centre's ability to mobilise was to be followed by further sessions outside the project's timeframe as organised by the institution, and the researcher understands how high the expectations of the respondents were with regards to the community projects.

4.5.1.3 Visibility of the projects and brand presence

Most of the respondents all witnessed the visibility of the projects led by the financial institution in terms of outcome, while the institution itself was recognised by the banners, brochures and other promotional material. The brand was seen as accessible, down-to-earth and a name that equated with quality, heritage and efficacy (Osterman 2007:48). Other respondents simply said: '*it is a bank*'.

Asked what they knew about the organisation that provided the money for the programme and if there was a need to improve, one of the respondents said the group was a regular in their area, even compared to many other organisations. Another respondent mentioned that the group along with the centre should look for new ways to make the area more entertaining by still carrying current projects. One respondent commented that the centre could be improved if there was better collaboration with the institution, more transparency and accountability in its dealings. Some of the respondents remarked that if there was honesty from the centre there would be an

improvement and investment would have an impact. Some of the responses were as follows.

"*I can list many things to organise in the centre but don't know if these things are really part of the company's list of community investments*."

"*Improving is asking the community what they want and the centre's role is not to do that.*"

These aspects highlight the visibility of the projects happening in the Alexandra community and the presence of the brand of the financial institution, especially during the sessions with the community members.

4.5.1.4 Need for consultation and collaboration

When asked a question about how often they were consulted by the financial institution representatives, most of the respondents indicated that consultation was minimal. It was clear that consultation and collaboration stressed the interaction the Alexandra community wishes to have with the financial institution as the respondents felt their role within the communities should not be confined to ordinary residents but active ones, because of their attendance at the projects.

One of the respondents was of the opinion that given the size of the community of Alexandra against projects delivered, consultation was needed. One of the respondents added:

'*I agree with you guys about consultation upfront that is needed but remember the financial institution needs to see whether current projects are effective*'.

Consultation is advised because not everyone sees an immediate impact of the projects, and both communities and the organisation should discuss the best way forward. As Solomon (2007:308) reminds us, because the community can also be held accountable for the mess their area they are in the centre of CSI and therefore the

relationship between businesses and communities is synergistic (Laszlo 2003). Furthermore, some of the respondents suggested that collaboration with them could ensure long-term relief and create a better community. When asked whether there was anything to share with the facilitator, CM5 and CM6 of focus group 2 stated that '*we're not simple communities… the least they can do is informing us the way forward with regards to the projects*' and '*we need to be seen like partners in the journey of investment and community building.*' Given the communities are part of the broader stakeholder group in the role they play in the company's brand success (Jansen 2008:129).

4.5.1.5 Need for closeness and relationships

Closeness and relationships is about the interaction between the donors and beneficiaries and more specifically strengthening these relationships through direct communication which is at the centre (Modaff *et al*. 2008:239).

From the statements made by the respondents, with the use of phrases such as: "*lack of meeting opportunities*', '*the presence of the community centre is ok but not enough for funder*" both in focus group 1 and '*of course they've been closer to the communities but still the decision-makers should be more visible*' (CM5) in focus group 2, all indicated that the popular 'bottom-up' approach to community was the communication being used by the group and the centre. The respondents all believed that the closer the financial institution was towards them, the better for them.

4.5.1.6 Community relationship building

The respondents, when asked the question 'what do you like least about the project'? said it was all right but the major disappointment was the lack of 'dialogue' as expressed by CM5 in focus group 2, as for him the funders should be speaking to the communities. CM6 agreed, saying '*more presence from the financial institution*' as he believed money cannot be spent without a proper follow-up.

Relationship building, for Bourne (2009:21), should be focused on the groups or individuals that are important to an organisation. The communities clearly do not feel that way and the views expressed by them during the focus group with the facilitator show there is an aspect the management of the financial institution should look at when going forward. Community relations is a process of reaching the community via an organisation's programmes that will enable local residents to appreciate the impact it has on the surrounding area (Shannon *et al*. 2010:35).

4.5.1.7 Grant of the projects to NGOs

The responses from the respondents with regard to the community centre currently driving the projects were vague. They did not say they wanted neither NGOs nor an alternative to the centre. Their responses were:

'The financial institution should understand what we feel about the projects and not only rely on the centre to give them information.'

"*Improving is asking the community what they want and the centre's role is not to do that.*"

"Task teams are not enough and the community centre is not always reliable to carry our concerns."

The majority of the respondents were questioning the role of the centre in being the right personnel to carry their concerns. Therefore, the importance of NGOs in providing their expertise in community development cannot be overemphasised as they prove to be vital partners (Contreras 2004: x). In all cases, NGOs have the ability to harness grassroots socio-cultural commitments from and with multiple stakeholders, and can play an interface role between the corporations and communities.

4.5.1.8 Innovation

The respondents expressed a wish to see the financial institution devise new projects within their area, when asked 'if there was a way to improve and what they liked least'. An example of the type of improvements expected was provided by one of the respondents: '*the centre should look for new ways to make area more entertaining; another respondents talked of an existing soccer/cricket club to recruits talents*.' They believed the projects had become routine and the financial institution should do something about it.

4.6   PRESENTATION OF FINDINGS

The data was further analysed with regards to the conceptual framework, divided and discussed according to the research's units of analysis: corporate social investment (CSI) and brand image, within the financial institution and the Alexandra communities.

4.6.1 Corporate social investment and community relations

The term CSI was not used by the researcher when conducting focus groups with the communities as it was assumed they might not understand what it entailed, but rather referred to the term CSI as 'projects and programmes'. While the communities all acknowledged the presence of projects led by the financial institution as indicated, they all regretted lack of consultation and collaboration upfront as for them being the beneficiaries, therefore stakeholders imply they should have a say. This is very much in line with concept of relationships (Gruning & Huang 2000), especially the trust and satisfaction dimensions.

The concepts of consultation, collaboration and partnership were frequently used by the respondents, who agreed that these should be applied from the earliest stages of the project. The community members referred to this as a 'working culture, which, according to them, was conducive to successful collaboration. Collaboration and partnership both involve participants using a number of skills and approaches as two parties join towards achieving a common purpose. Collaboration tends to transcend individual projects and

focus on problems that require the pooling of ideas and skills to address issues (Trialogue 2011:76). The respondents observed that the scope of the project could expand beyond education into other areas, such as local talent identification and development or promoting arts, if they were consulted. The respondents were also critical of the monitoring and evaluation process that takes place at the centre at the end of the year, as it is too focused on short-term deliverables as opposed to long-term outcomes. Furthermore, focus on a long-term impact would provide an accurate reflection of the project's value and success.

The members of the community were also wary of real reasons the big businesses in general embarked on community projects. The participants believed that corporations gained by assisting the communities, however, these perceived gains differed those suggested by CSI literature, such as: improving organisational financial performance, building corporate reputation, or tapping into the community knowledge (Salerno *et al.* 2011:71). The benefits to the company as viewed by the focus group respondents were more centred on short impact gains, for example obtaining labour or spreading information about new products to other community members. In terms of community relations, this highlights the issue of the distrust towards big corporate organisations among community members. It can be deduced from the responses that out of the three dimension of trust: integrity, dependability and competence, as identified by Scott (2009: 263), integrity and competence were most under the scrutiny of the respondents. The third dimension, dependability, was almost taken for granted and the respondents did not express a possibility that the financial institution might stop financing the project in the near future, perhaps because it had been involved in the project for a number of years.

From the financial institution perspective, the three interviewees agreed that the projects taking place were part and parcel of their CSI initiatives, a developmental approach pursued by corporate South Africa that aimed to uplift lives of the citizens. Such a statement may indicate that the involvement of big business in CSI in South Africa was to a large extent institutionalised. The role played by various social actors such as civil

societies and communities show how important the practice remains in the corporate agenda and corporate see themselves as having to operate with these actors for the good of the society (Carroll & Shabana 2010:101) Furthermore, respondents believed that establishing good relations referred to as 'community relations' with the communities was crucial if the projects were to have any impact. In general, the managers had a much more positive view of their company's CSI involvement than the community. In contrast, the focus groups highlighted numerous shortcomings of the project from the community perspective, such as including the lack of consultation and fairly narrow scope of the project. This finding is in line with research by Skinner and von Essen (2008: 241), indicating that in South Africa the majority of companies that ran CSI programmes did not engage the communities in regular consultations or evolution of these programmes. In the case of the financial institution, it was left to the intermediaries, government.

4.6.2 Brand Image

The financial institution's brand image is well established as it is a well-known financial institution, existing for a number of years and well-supported by marketing communications. The community members referred to the ever presence of the advertising material displayed by the organisation in the community centre and during various activities. They had a perception of the financial institution as 'good', but this view does not translate into existing community relationships. This may indicate that the community members separated the organisation's CSI involvement from their business activities.

On the other hand, the management strongly cares about a positive brand image within the communities, as indicated in the many responses which recognised that embarking on a social cause is one thing but the main aim is to have more exposure and visibility among the communities. Brand image is a highly valued aspect, recognised by the financial institution in the community's social service delivery. All management respondents have admitted striving to manage image and reputation, seen as 'mechanisms of social control' that enable the communities to be committed to them.

These mechanisms, used by corporates help them to build stronger bonds and be successful in the public sphere (Bivins 2009:159). The public sphere therefore becomes crucial for corporates seeking to establish or re-inforce their brand within the communities who buy the brand and can decide whether to commit to it (Maguire 2002:4). However, it is not clear from the responses of the focus group participants whether the financial institution's involvement in the CSI had any direct impact on their decision to use the services of the financial institution in question. As stated above, the institution was a well-established and well-known financial service provider in South Africa, and most of the respondents were familiar with it before the Alexandra project began.

4.7   CONCLUSION

In this chapter, the researcher explained how data was collected and analysed as qualitative research. The inductive process of analysis was employed after observations had been made of the setting, followed by a thorough discussion with the community centre, the financial institution and the communities of Alexandra.

The major findings revealed that corporate social investment (CSI) took place in Alexandra and the communities witnessed this through the projects, which from their perceptions ultimately contributed to a positive brand image. However, lack of consultation and collaboration from the institution management unfortunately did not contribute to establishing good community relationships with the communities, albeit valued by the organisation.

It was found that the community centre was seen as a third- party or task team, because of a political driven agenda, and was not seen as sufficiently reliable by the communities and should therefore be held accountable by the organisation during the monitoring and evaluation. This suggests implementation of the projects should be re-examined by the organisation if the relationships between them and the communities are to be friendlier.

In terms of brand image, the findings revealed that the financial institution was well known among the communities. However, it is not clear to what extent its involvement in a community project in Alexandra affected its corporate brand image. As a major financial institution, emphasis was placed on making sure the group was visible, but a chasm existed between image portrayed and the feelings expressed by the intended: "*The organisation is good but the people are not visible*" as respondents have expressed. This indicates that the community expected much more direct and interactive involvement from the representatives of the financial institution in question. This is evidence that although the financial institution financed the project it did not have direct involvement in running it. This resulted in a perceived separation of the financial institution's brand image as service provider and its image in terms of the community relations.

The following chapter addresses some suggestions to management and the recommendations to the financial institution individuals that are in charge of the CSI or Public Affairs portfolio, so they make use of this research's findings that are applicable to the practice of CSI.

The casual relationship that can be established between the program action and the image is that corporations aware of the positive link between an image of strong social responsibility and stakeholders' preferences (O'Sullivan 1997:3). The positive image and publicity are what organisations expect in return and the image that every organization projects to stakeholders and other interested publics is a strategic-level decision and companies seek to enhance their image in order to create a positive reputation that may also relate to higher long-run organizational performance as a good PR is the care for environment/publics as today the public is looking closely at companies who make claims regarding their involvement in social issues.

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

5.1   INTRODUCTION

The purpose of this study was to investigate the CSI programme's contribution to the brand image of the financial institution in Alexandra. The study sought to understand how the financial institution's CSI programme contribution to the brand image could enhance the lives of community members in Alexandra.

In the previous chapter, the researcher analysed the data collected from the field, focus groups and in-depth interviews and thereafter discussed the way in which data was analysed. Chapter 4 also consisted of a discussion of the major themes that formed the units of analysis.

This chapter will offer some direction of corporate social investment for the financial institution and present recommendations on the CSI practice, image and reputation and the kind of relationships the communities expect of them when choosing to run projects important for the community's welfare and the company's image.

5.2   IMPLICATION FOR CORPORATE SOCIAL INVESTMENT

From the data obtained during the focus group interviews it is important to remind corporate managers about the need to revisit their CSI strategy and manage their CSI programmes in closer cooperation with the intended recipients of these programmes, i.e., the communities. Allocating the task of managing the day-to-day operations of the programme to a local NGO or to members of the local communities without hands-on involvement of the company, might not be enough to build relationships with these communities.

5.3 RECOMMENDATIONS

In line with the findings of this study, the following recommendations are made.

5.3.1 Recommendations for corporate social investment

As the corporate sector in South Africa is actively taking part in the development process through Corporate Social Investment (CSI) and knowing organisations do not hold the resources to address the problem single-handedly, broader stakeholders seen as potential partners need to be involved in the party in order for the projects to have more effect and impact. Therefore, it is important to have closer cooperation with the NGOs managing or assisting the financial institution in managing its CSI projects, as with the one in Alexandra Township.

It is recommended that the financial institution engage with local communities and not limit their decisions based on briefings coming from the community centre, so as to have a clear picture and a shared vision with the larger community. It is important for the financial institution to directly involve the communities through consultation, collaboration and partnership if it is to balance the long-term impact against short-term outcomes during the monitoring and evaluation process.

It is important that ethics be seen as the main driver for the financial institution to helping the community.

It is important that CSI practitioners of the financial institution enter the community involvement initiatives, bearing in mind the purpose and impact and exercising their corporate responsibility, which is to understand their environment and seek community building.

It is recommended that the financial institution use CSI that seeks to leave a lasting impact on its beneficiary communities of Alexandra.

5.3.2 Contribution to brand image

The corporate sector has traditionally used social investment activities and projects to establish or improve their brand image within the communities and the broader stakeholder group, as there is a sense that the image and perceptions of a company from external audiences are to some extent based on a company's corporate social investment. It is important for the financial institution to build its image and reputation by fostering mutually beneficial relationships with the local communities as these are important for their sustainability.

The effect of the CSI programme on the corporate brand image within the Alexandra community is not clearly defined as there are apparently contradictory messages from the community. On one hand there is increased brand awareness, but this can be attributed to the constant presence of the institution's promotional material and sustained image building by the company through the marketing channels, rather than its CSI involvement in Alexandra.

5.3.3 Value of the study

The practice of CSI remains significant in South African society, given the growing number of registered corporations that release their annual reports of activities through the CSI Handbook and the budgets allocated to them. The role of the corporate sector in the development of the country has become topical and therefore relevant to the society and the discipline of public relations.

Through CSI initiatives, corporate funders such as the financial institution studied provide some relief, based on the funding required for development work and sustaining the community. However, there is a clear need to take these relationships to a new level in terms of continual involvement of the community in all stages of the project through constant dialogue with the organisation.

5.3.4 Limitations of the study

This study was conducted on a small sample of respondents from the Alexandra community, therefore the findings cannot be generalised to the whole population of

Alexandra. Similarly the study cannot be generalised to other CSI projects supported by the financial institution.

5.3.4 Recommendations to future research

The research project has provided some insights into the community of Alexandra's view on the financial institution's CSI programme's contribution to the brand image among the community members, as well as the community perception of the its community relations. However, further research is needed to understand not only CSI but also other factors influencing the organisation's brand image among Alexandra community. There is also a need for broader research among financial institution's decision-makers to understand their strategy in terms of CSI, not only in Alexandra but also in South Africa as a whole.

5.4   CONCLUSION

The purpose of this study was to investigate the CSI's programme contribution to the brand image of a financial institution in Alexandra. It sought to understand how the financial institution's CSI programme contributes to the corporate brand image and how it can enhance the lives of the community members in Alexandra.

The researcher focused on interviewing community members through focus groups about their perception of the relationships between themselves and the financial institution and how it can be improved. The researcher also sought the understanding of management of the organisation as to what drives their investment towards the communities. Based on the findings, the researcher drew a conclusion that the relationships between them had left room for improvement, despite acknowledging that the project had a positive effect on the community. The study also revealed that the dialogue between financial institution (project funders) and recipients was either rare or non-existent; hence the need to address issues in an open discussion in which communities and the financial institution along with the community centre would be involved.

The practice in the area is encouraging but the people running it and the people funding it need to revisit their approach, which has to be a holistic one since the CSI in the area shows more attention is to be given to the beneficiaries. Attending to these aspects should improve the trust and satisfaction dimension of relationships between the financial institution and the community of Alexandra.

One way of improving these relationships would be to consult, discuss and engage with the community directly, even though some disagreements emerge as to how the management conducts their CSI programmes. So, the dialogue between the organisation and the community has been advanced, as central to the future success of CSI programmes. On the other hand, the management aims to continue its development agenda within the communities as they understand 'development' is a complex and long-term issue, and that managing their brand image is vital for their long term survival. The researcher has drawn the conclusion that although discrepancies were expressed between communities and management on the implications of the activities, CSI can be effective if properly managed by personnel who are aware of the recent trends in CSI and have the knowledge of the principles guiding the organisation's community relations.

BIBLIOGRAPHY

ADLER, E.S. & CLARK, R. 2011. *An Invitation to Social Research: How it's done*. 4th edition. Belmont, CA: Wadsworth.

AMAESHI, K., OSUJI, O. & NNODIM, P. 2008. 'Corporate Social Responsibility in Supply Chains of Global Brands: A Boundary less Responsibility? Clarifications, Exceptions and Implications*', Journal of Business Ethics*, vol. 81, no. 1, pp. 223-234.

ANHOLT, S. 2007. *Destination Branding for Small Cities: The Essentials for Successful Place Branding, Creative Leap Books*, Macmillan: Portland.

BABBIE, E. & MOUTON, J. 2001.*The practice of social research*. Cape Town: Oxford University Press.

BANERJEE, S.B. 2008. *Corporate social responsibility: the Good, the Bad and the Ugly*. UK: Sage.

BARNARD, R. & GUSMAN, M. E. T. 2009.*Creating classroom communities of learning: International Case Studies and Perspectives*. UK: Bristol.

BECK, S. 2010. *The importance of Customer Relationship Management*. Munich: Grin.

BENDER, M. 2011.Social Exchange Theory. CA: California State University Press.

BIBB, S. 2010. *The Right Thing: an everyday guide to Ethics in business*. West Sussex, UK: The Atrium.

BIVINS, J. 2009. *Corporate Social Responsibility (CSR): School of Journalism and Communication*. University of Oklahoma: Oregon, Norman.

BLAIKIE, N. 2000.*Introducing Students to the Generic Terminology of Social Research*. Cambridge: Amazon.

BLYTHE, J.1995. Global Wine Tourism: research, management and marketing. *In* Tench & Yeomans.2006. *International Journal of Wine Marketing*. UK: Emerald.

BONNER, P. & NIEFTAGODIEN, N.2008. *Constructing Otherness, Strategies of Sameness*. Johannesburg: Wits University Press.

BOTAN, C.H. 2006. *Understanding Rationality: A challenge for religion communicators*. Mahwah, New Jersey: Lawrence Erlbaum. Associate.

BOTAN, C.H. & HAZLETON, V. 2006.*Public Relations Theory II.* Mahwah, New Jersey: Lawrence Erlbaum. Associate.

BOURNE, L. 2009. Stakeholder *relationship management: a maturity model for organisational implementation*. Burlington, USA: Ashgate publishing company.

BRAKE, R. & DELLER U. 2008.*Community development: A European Challenge*. Cologne, Germany: Barbara Publishers.

BRENKERT, G.G. 2004.*Corporate Integrity and Accountability*. UK: Sage.

BROOM, G.M., CASEY, S. & RITCHEY, J. 2000.*Concept and theory of organisation-public relationships In* LEDINGHAM, J.A. & BRUNING, S.D., eds. *Public relations as relationship management*. Mahwah, New Jersey: Lawrence Erlabuam Associates.

BROWN, K. 2003. Corporate Social Responsibility: perceptions of Indian business. Viewed 24 August 2010, www.csmworld.org/public/pdf/.

BRUNING, S.D. & LEDINGHAM, J.A. 2000.*Public Relations as Relationship Management: a relational approach to the study and practice of Public Relations.* New Jersey: Lawrence Erlbaum Associates.

CANTLE, T. 2008.*Community Cohesion: a new framework for race and diversity.* UK: MacMillan.

CARPENTER, D. 2003. Buy the right thing: socially conscious investments do good; make good money. The Washington Post Express, P.12.

CARROLL, A. B. & SHABANA, K. M. 2010. The Business Case for Corporate Social Responsibility: A Review of Concepts, Research and Practice.*International Journal of Management Reviews.* Oxford: Blackwell publishing.

CENTER, A.H. & JACKSON, P. 1995. *Public Relations practices: Management Case Studies and problems*. 5th ed. NJ: Englewood Cliffs. Prentice Hall.

CHRISTENSEN, L.T., MORISEG, M. & CHENEY, G. 2008.*Corporate communications, convention, complexity and critique*. London: Sage.

CLARK, S.M. 1998. Social Exchange Theory. An Interdisciplinary Review. London: Sage.

CLAUDIA, F. & CHRISTINE, V. 2008.*Connecting branding.Building brand equity in a demanding world. Review.* Chichester: The Atrium.

CODESA, 2002. Social Dialogue in public service emergency services in South Africa.Manuscripts.

76

COERTZE, L. 1999. Victimisation of rape victims in the criminal justice system.Essay, Tshwane. Tshwane University of Technology.

COHEN, L. & MANION, L. 1994. *Research Methods in Education*. London: Routledge.

COLLINS, K.M.T. 2010.*Qualitative Research Methods*. NY: Sage publications.

COOPER, D.R. & SCHINDLER, P.S. 2001. *Business research methods*. Boston: McGraw-Hill.

CONTRERAS, C.M.E. 2004. *Corporate Social Responsibility in the Promotion of Social Development: Experiences from Asia and Latin America*. NY: Free Hand Press.

CRESWELL, J.W. 2003.*Research Design: Qualitative, Quantitative and Mixed Method Approaches*. 2nd ed. NJ: Sage publications.

CUTLIP, S.M., CENTER, A.H. & BROOM, G.M. 1985.*Effective public relations*. 6th ed. New Jersey, USA: Prentice-hall.

CUTLIP, S.M., CENTER, A.H. & BROOM, G.M. 1994.*Effective public relations.* 7th ed. London: Prentice-hall.

DAHLEN, M., LANGE, F. & SMITH, T. 2010. *Marketing and Communications: A Brand Narrative Approach.* West Sussex: John Wiley & Sons.

DAVIS, G.F. & COBB, J.A. 2009. *Resource Dependency Theory. Past and Future*. University of Michigan.

DEBORAH, J.M, PARK, C.W. & PRIESTER, J.R. 2009.*Handbook of Brand Relationships. Published by Society for Consumer Psychology*. New York: Armonk.

DENZIN, N.K. & LINCOLN, Y.S. 2000. The Discipline and Practice of Qualitative Research. *In* DENZIN, N.K. & LINCOLN, Y.S. *Handbook of Qualitative Research*, 2ed. Thousand Oaks, London: Sage Publications. pp.1-28.

DESATNIK, L. 2000. Corporate Volunteering is Good Business. *Cincinnati Business Journal*, September 1.

DESJARDINS, J.R. & Mc CALL, J.J. 2005.*Contemporary Issues in Business Ethics*, 5th ed. USA: Wadsworth.

DONALDSON, L. 1995. *The contingency theory of organisations*. Cambridge University Press: Academia.

DOORLEY, J. & GARCIA, H.F. 2007. *Reputation Management: the key to successful public relations and corporate communication*. London: Sage.

ELEARN, L. 2009. *Reputation management*. Burlington, USA: Elsevier.

ELLIOT, R. & PERCY, L. 2007.*Strategic brand management*. Oxford University Press.

EWEJE, G & PERRY, M. 2011. *Business and Sustainability: Concepts, Strategies and Change*. 1st ed. Bingley, UK. Emerald Group.

FERGUSON, M.A. 1984. Concept and theory of organisation-public relationships. *In* BROOM, G.M., CASEY, S. & RITCHEY, J. 1997. *Public relations as relationship management.* Mahwah, NJ: Lawrence Erlabuam. pp.159-174.

FERRANDO, J.M. 2010.*Organisational Values expressed in the Website and Its Relation with corporate branding and social desirability*. Norderstedt, Germany: Grin.

FIORINI, M. & TITTERTON, G. 2009. *Brand storming: Managing brands in the Era of complexity*. Macmillan, NY: Palgrave.

FOMBRUN, C. & RINDOVA, V. 2000. '*The road to transparency: reputation management at the Royal Dutch/ Shell*'. *In* Schultz, M., Hatch, M.J. & Holten Larsen, M. *The expressive organisation, linking identity reputation and the corporate brand.* Oxford University Press.

FOURNIER, L. 1998. *A Brand building Literature Review*. Stanford University Department.

FRIEDMAN, M. 1970. The social responsibility of business is to increase profits. New York Times Magazine.

FRIEDMAN, M. 2002. *Strategic management: a stakeholder perspective*. NJ: Prentice Hall. Englewood Cliffs.

FRIEDMAN, L.J. & McGarvie, M.D. 2003. *Charity, Philanthropy and Civility in American History*. Cambridge University Press.

GARRIGA, E. & MELLE, D. 2004. *Corporate Social Responsibility Theories: Mapping the Territory*. Netherlands: Kluwer Academic Publishers.

GEORGES, E.P. 2005. *The administrator's guide to school-community relations*. 2nd ed. NY: Larchmont.

GLYNN, M.S. & WOODSIDE, A.G. 2009.*Business-to-business brand management: theory, research and executive case study exercises*. UK: Emerald.

GRUNING, J.E. 2006. *Comments on Communication and Management: Researching corporate communication and Knowledge communication in organisational settings. Studies in Communication Sciences*. Mahwah, NJ: Lawrence Erlbaum.

GRUNING, J.E. & HUANG, Y. 2000. *From organisational effectiveness to relationship indicators: antecedents of relationships, public relations strategies and relationship outcomes. In* Ledingham, J.A. & Bruning, S.D. *Public relations as relationship management*. Mahwah, NJ: Lawrence Erlabuam, pp. 23-54.

GUTH, D.W. & MARSH, C. 2003. *Public relations: a values-driven approach*. 2nd. ed. Boston: Allyn & Bacon.

HAMMERSLEY, M.H. 1992. *What's wrong with ethnography?* New York: Routledge.

HANDY, C. 2002. A guide to Corporate Social Responsibility (CSR): Issues and Implementation in APO. Harvard Business Review.

HARDCASTLE, D.A. 2011. *Community Practice: Theories and Skills for Social Workers*. Oxford University Press.

HARDING, S.G. 1987. *Feminist and methodology: Social Sciences Issues*. US: Indiana University Press.

HARDY, M.A. & BRYMAN, A. 2009.*Handbook of Data Analysis*. UK: Amazon.

HATCH, J.A. 2002. *Doing Qualitative Research in Education Settings*. Albany, New York Press.

HEALEY, M. 2008. *What is branding: essential design handbooks*. UK: Hove.

HEATH, R.L. & PALENCAR, M.J. 2009.*Strategic Issues Management: organisations and public policy challenges*. 2nd ed. London, UK: Sage.

HELMUT, K. A. & STEFAN, T. 2010. *International Encyclopaedia of Civil Society*. New York: Springer.

HINSON, R.E. & NDHLOVU, T.P. 2011. Conceptualising corporate social responsibility (CSR) and corporate social investment (CSI): *the South African context. Social Responsibility Journal,* 7(3):332-346.

HOFFMAN, M. 2007. *What are the main implications of the 'shareholder' and 'stakeholder' models of corporate governance for the development of long-term human resource strategies*? Munich: Grin.

HOLLOWAY, T. & WHEELER, R. 2002.*The management of a student project*. London: Gower Publishing Company Limited.

HORRIGAN, L. 2010. *Water: Is there a global crisis? Dessication of the Aral Sea: A water management disaster*. Kluver: Margat.

HOYER, W.D. & MACINNIS, D.J. 2010.*Consumer behaviour.* Mason, USA: Natorp Boulevard.

JAMES, E. 2002. *Relationships with communities: New approaches by corporate executives*. 2nd ed. Boston: Publishing Company Limited.

JANSEN, M. 2008. Doing business in a South African township: considering a role for resen*tmen*t as situated narrative and theory of power.*Journal of Management Science*, 12(4):128-130, July.

JEKEL, J.F., KATZ, D. L. & ELMORE, G. J. 2001. *Epidemiology, Biostatistics and Preventive Medecine*. Yale University: Saunders.

JONES, P. 2006. Corporate Social Responsibility and the UK construction industry*: Journal of Corporate Real Estate*. UK: Pontypridd.

JONES, S. 2010. *Relationship measures applied to practice. In* Toth, E.L.*The future of excellence* in *public relations and communication management*. New York: Routledge.

KAPFERER, J.N. 2010.*The New strategic brand management: creating and sustaining brand equity long-term*. 4th ed. Pentonville, UK: Les Editions d'organisation publications.

KAPFERER, J.N. 2012.*The New strategic brand management: creating and sustaining brand equity long-term*. 5th ed. Pentonville, UK: Les Editions d'organisation publications.

KELLE, U. 2005. 'Emergence vs. forcing' of empirical data? A crucial problem of grounded theory reconsidered. Forum: Qualitative Social Research 6(2), Art, 27.

KEMPER, A. & MARTIN, R.L. 2010. After the fall: The global financial crisis as a test of corporate social responsibility theories*. Journal of European Academy of Management*. Oxford: Blackwell.

KLEINALTENKAMP, M. & EHRET, M. 2006. *Journal of Relationship Theory and Business Markets*. Cambridge: Ballinger.

KLENKE, K. 2008. *Qualitative Research in the Study of Leadership*. Richmond: Emerald Group.

KNIPP,V.A. 2009. *Trust the brand: corporate reputation management in private banking*. Hamburg: Bauhofer.

LASZLO, C. 2003. The Sustainable Company: How to Create Lasting Value Through Social and Environmental Performance. Washington, DC: Island Press.

LEDINGHAM, J.A. 2003. Explicating relationships management as a general theory of public relations. *Journal of Public Relations Research.* 15 (2),181-198. Mahwah, New York: Erlbaum.

LEEDY, W. 1997. Challenges of Information Technology Education. *In* BENTLEY, J.F., LOWRY, G.R & SANDY, G. A. 2000.*Introduction to business systems development: Students' perspective of a problem- based learning approach.* Stanley: Academia.

LESLIE, C. 2010. *From Brand Vision to Brand Evaluation: The Strategic Process of Growing and Strengthening Brands*. 3rd ed., Burlington, USA: Published by Elsevier.

L'ETANG, J. 2006. *Public relations concepts practice and critique*. London: Sage.

L'ETANG, J. 2008. *Public relations concepts practice and critique*. 2 ed. London: Sage.

LINCOLN, Y.S.&GUBA, E.G. 1985.*Qualitative Research Guidelines Project: Naturalistic Inquiry*. Newbury Park, CA: Sage.

LITTLEJOHN, S, W. & FOSS, K.A. 2008.*Encyclopaedia of Communication Theory* California, USA. Sage publications.

LINDA G.M.I & RAY, C.R. 2009. The Road to Results: Designing and Conducting Effective Development Evaluations. Washington. The World Bank.

LUCE, R.A., BARBER, A.E & HILLMAN, A.J. 2001. Good deeds and misdeeds: a mediated model of the effect of corporate social performance on organisational attractiveness. Business and society, 40, 397-415.

MAGUIRE, M. 2002.*Brand marketing: image-the key to success*. Germany: Grin.

MAHLATHINI, S. 2010. Report on the interactive planning workshop for Alexandra: Johannesburg, 27 September 2010.[Online]. Available at:<

http://www.alexandra.Gauteng. co.za>.Accessed: 13/12/2010.

MARCOS, O, O. 2007. *Managing Corporate Brands: A new approach to corporate communication.* London: Springer.

Mc GLYNN, P.R. 2007. *Human Factors Society: Research and Practice*. NY: USDA.

McGUIRE, J.B., SUNDGREEN, A & SCHNEEWEIS, T. 1998. Corporate social responsibility and firm financial performance. *Academy of Management Journal*, 31, 854-872.

McLAUGHLIN, P. 2002. *The International Journal of Stakeholder Perceptions for Third Sector Organisation*, 18,9-13, Summer.

MERRIAM, S.B. 1998. *Constant Comparative Method: Research Methodology 2. Qualitative research.* San Francisco: Jossey-Bass.

MERSHAM, G.M. 1992. *The challenges of teaching public relations practice in Africa in the 1990s.* Hatfield, Pretoria: Van Schaik.

MILES, M.B. & HUBERMAN, A.M. 1994. *An Expanded Sourcebook: Qualitative Data Analysis*, 2nd ed. Thousand Oaks: Sage Publications.

MILLER, R. L & BREWER, J.D. 2003.*Research Design and Methodology*.Baltagi: Sage.

MODAFF, D.P., DEWINE, S. & BUTLER, J. 2008. Employee/Organisational communications Handbook. Boston: Pearson.

MORR, C, E. & MARET, P*. Virtual Community Building and the Information Society: Current and Future Directions.* Hershey, USA: IGI publications.

MOUSTAKAS, C. 1994. *Phenomenogical Research Methods*. Wageningen: Sage publications.

MUDAMBI, R. & PETERSEN, T. 2007. Agency Theory and Resource Dependency Theory. Macmillan: Palgave.

MULLERAT, R. 2011. *Corporate Social Responsibility: the corporate governance of the 21st century*. The Netherlands: Kluwer.

NEL, F. 1998. An introduction to CSI and CSI Communication: *Journal of Corporate & Social Market Research*, p 8, February 31 (6), 43-73.

OLINS, W. 1999. The Symbolic Marketplace: how brands are taking over the corporation. Financial Times, August.

O'SULLIVAN, T. (1997) 'Why charity schemes need a delicate touch', Marketing Week, 20, 22–24.

OWEN, D.L., SWIFT, T., & HUNT, K. 2001. Questioning the role of stakeholder engagement in social and ethical accounting, auditing and reporting, Accounting Forum, 25(3), 264-282.

PARK, C.W, MACINNIS, D.J & PRESTER, J. 2009.Beyond attitudes Attachment and consumer behaviour. Seoul J, 12(2): 3-35.

PERROW, C. 2002.*Organising America: wealth, power and the origins of corporate capitalism.* Princeton: University Press.

PFEIFFER, J. & SALANCIK, G. 2003.*The external control of organisations: a resource dependency perspective.* Stanford: University Press.

PHILLIPS, K. W. 2003. The effects of categorically based expectations on minority influence: The importance of congruence. Personality and Social Psychology Bulletin, 29, 3–13.

POLONSKI, M. & JEVONS, C. 2009. Global branding and strategic CSR: an overview of three types of complexity. *International Marketing Review*, 26(3):327-347.

POST, J.E., PRESTON, L.E. & S. SACHS. 2002. Managing the extended enterprise: the new stakeholder view. *California Management Review* ,45(1): 6-28.

POWERS, D. 2010. *Social Exchange Theory.* London: Academia.

RASCHID, Z. & IBRAHIM, S. 2002. Executive and management attitudes towards corporate social responsibility in Malaysia: *Journal of corporate governance*, (4): 10-16.

REED, D. 2002. Employing normative stakeholder theory in developing countries: a critical theory perspective. Business and Society, 4(1): 166-207.

RENSBURG, R. & CANT, M. 2003. *Public relations: South African perspectives.* Sandown: Heinemann.

RICE, R.E. & ATKIN, C.K. 1989. *Public Communication Campaigns*. 3rd ed. Newbury Park: Sage.

RICHARD, K. 2002. New media and Internet activism: from battle of Seattle to blogging. Web archives. University of California.

ROCKEY, V.2004. *The CSI Handbook*. 7th ed. Cape Town, SA: Trialogue Publications.

RODDICK, A. 2000. *Business as unusual.* London: Harper Collins Publisher.

SALERNO, J., JAY YANG., S. & NAU, D. 2011. *Social Computing Behaviour: cultural modelling and prediction*. 4th ed. London: Vita.

SAMUEL, N. & ARNOLD, S. 2007. *Leading the way through CSI: a guidebook for corporate social investment practitioners living in community*. Cape Town. Knowres.

SANDRA, M. *1996. Living in community*. 6th ed. New York: Wadsworth.

SAUNDERS, M. LEWIS, P. & THORNHILL, A. 2003.*Research methods for business studies*. Harlow: Prentice Hall.

SCHERER, A. & PALAZZO, G. 2011. The New Political Role of Business in a Globalized World: A Review of a New Perspective on CSR and its Implications for the Firm, Governance, and Democracy*: Journal of Management Studies*. Oxford: Blackwell publishing.

SCHULTZ, M. & De CHERNATONY, M. 2002. *Bringing the corporation into corporate branding. In* MARTIN, G. & HETRICK, S. 2006. *Corporate Reputations, Branding and People Management: A strategic Approach to HR*. Oxford: Butterworth- Heinemann.

SCHULTZ, M. & HATCH, M.J. 2003. *Bringing the corporation into corporate branding: Living the brand*. Oxford University Press, UK.

SCHULTZ, M., ANTORINI, Y.M. & CSABA, F.F. 2005.*Towards the second wave of corporate branding: purpose, people, and process*. Copenhagen Business School Press.

SCHULTZ, M., HATCH, M.J. & LARSEN, H. 2009.*The Expressive organisation: linking identity, reputation and the corporate brand.* Oxford: University Press.

SCHROEDER, J.E. & MORLING, S.M. 2006.*Brand culture: rethinking identity in brand management*. London: Routledge.

SCOTT, J. 2009. Relationship *measures applied to practice. In* Toth, E.L., eds. *The future of excellence in public relations and communication management*. New York: Routledge, pp. 263-274.

SEGERLUNG, L. 2010*. Making Corporate Social Responsibility a Global Concern: Norm Construction in a globalizing world*. NY: Ashgate publishing company.

SENNETH, D. 2001. Critical Management Studies. *In* SMITH, K.G. 2002. *Journal of management resource theory*: a review. SSRN.

SHANK, G.D. 2002.*Qualitative Research: A Personal Skills Approach*. New Jersey: Pearson Education.

SHANNON, A.B., BRAD, R. & THOMAS, M. 2010.*An Overview of the Public Relations Function*. NY: Published by Business Expert Press.

SKINNER, C. & VON ESSEN, L. 2008. Corporate social responsibility in South Africa: emerging trends*. Society and Business Review*, 3(3):239-255.

SMITH, K. G. 2002. Journal of Management Resource Theory: a review. Washington.

SMITH, K.G. & HITT, M.A. 2005.*The Resource Dependency Theory: Past and Future*. Stanford: University Press.

SODERBERG, N.R.1986. *Public Relations for the Entrepreneur and the Growing Business*. London: Probus.

SOLOMON, J. 2007. *Corporate governance and accountability.* West Sussex, England: The Atrium.

SOLOMON, J. 2008. *The challenge of accountability: opportunity of responsibility*. London: Chapman & Hall.

STRAUSS, A.L & CORBIN, J.M. 1990.*Basics of qualitative research: grounded theory procedures and techniques*. Thousands Oaks, CA: Sage.

STRAUSS, A.L & CORBIN, J.M 1994.*Grounded Theory Methodology: An overview. In* DENZIN, N. K. & LINCOLN, Y.S. 2000. *Handbook of Qualitative Research.* London: Sage.

TAIFEL, H. 2010. *Differentiation between social groups: Studies in the social psychology of intergroup relations.* London: Academic Press.

TENCH, R. 2009.*Community and society: Corporate social responsibility. In* Tench, R. & Yeoman L., eds. *Exploring public relations*. Harlow, England: Prentice Hall. pp. 97-116.

THIO, L.O. 2008. Global Financial Crisis: is there a Wandering Asset-Price Bubble? *Journal of Business Ethics*. Kluver: Academic Publishers.

TSHIKULUKU. 2009. *Social Investment: Leading CSI fund management in South Africa*. VIRTUOSA.

TRIALOGUE. 2009. *The CSI Handbook: making knowledge work*. 12th ed. Cape Town: Kenilworth.

TRIALOGUE. 2011. *The CSI Handbook: making knowledge work*. 14th ed. Cape Town: Kenilworth,

TULL, D.S. & HAWKINS, D.I. 1987.*Marketing research: measurement and methods*. 4th ed. NY: Macmillan Publishing Company.

VAN DEVENTER, I. 2013. Management strategies for effective social justice practice in schools. Unpublished PhD Thesis. Potchefstroom: North West University.

VISSER, W. 2011.*The Age of Responsibility: CSR 2.0 and the New DNA of Business*. West Sussex, UK: John Willey.

WADDOCK, S. 2007. Corporate citizenship: The dark side paradoxes of success. *In* G. CHENEY, G. & ROPERT, J. The debate over corporate social responsibility. pp.74-86.

WADDOCK, S. 2010. Unfolding Stakeholder Thinking: *Strategic Management Journal*. Sheffield: Greenleaf Publishing.

WANG, Y. & PIZAM, A. 2012. Tourism Destination Marketing and Management: Tourism Destination Marketing and Management: collaborative strategies. *Journal of Travel Research*. Oxford: Lambert Academic Publishing.

WERNER, S.,SCHULER, R.S. & JACKSON, S.E. 2012.*Human Resource Management*. 11th ed. South Western, Canada: Cencage.

WEISSBRICK, B. 2009.*The Marketing Sales Finance* Triangle. Bern, Switzerland: Gabbler.

WILLIAM, B.W. Jr & CHANDLER, D. 2011.*Strategic corporate social responsibility: stakeholders in a global environment.* London, UK: Sage.

WOOD, J.T. 2004.*Social Relations and Exchanges*. NY: Raschick & Ingersoll-Dayton.

ZHANG, J., DAWES, S.R. & SARKIS, J. 2005.Exploring stakeholders' expectations of the benefits and barriers of e-government knowledge sharing. *Journal of Enterprise Information Management,* 18, 548-567.

ANNEXURE A- INTERVIEW SCHEDULE – THE FINANCIAL INSTITUTION

1. Tell me about the project that is being run by your organisation in Alexandra
2. What do you like about this programme?
3. How is the programme progressing?
4. What is the aim of the programme?
5. How are community members involved in the programme?
6. How long have you been involved in the programme?
7. Do you think there are areas that need improvement? If so, how?
8. What is the community's view of the project?
9. What is the Alexandra community's opinion about FRG
10. Why should FRG be involved in community projects?
11. Is there anything else that you would like to share with me?

ANNEXURE B- FOCUS GROUP INTERVIEW SCHEDULE

1. Tell me about the project that is happening here at the centre.
2. What do you do in the project?
3. How are other people involved in the project?
4. What do you like most about the project?
5. What do you like least about the programme?
6. How many other people have you brought to the programme? Why?
7. Tell me about your own contribution in the programme.
8. Do you think that there is a need to improve? If so, what?
9. What do you know about the organisation that provides the money for the programme?
10. What is your opinion about this company?
11. Why should big businesses help people in Alexandra?
12. Is there anything else you would like to share with me?

ANNEXURE C- PERMISSION TO CONDUCT THE RESEARCH

From: Desiree.Storey@firstrand.co.za

To: relationniste@hotmail.com

Date: Tue, 10 Apr 2012 22:06:36 +0200

Subject: RE: MORNING DESIREE

Hello Gildas,

Please accept this email as confirmation that you may use FirstRand Group to obtain information for your research project.

I would need to approve any text where FirstRand's name is used or referred to in your paper.

I look forward to receiving your timelines too.

 Please confirm that you are in receipt of this email.

Kind Regards

Desiree Storey

Manager : The FirstRand Volunteers Programme

FirstRand Limited

4th Floor, 4 Merchant Place, CnrRivonia Road and Fredman Drive, Sandton

T +27 11 282 1773 F +27 11 384 3450 C +27 82 881 2670

e desiree.storey@firstrand.co.za   **www.firstrand.co.za**

FirstRand Bank is an Authorised Financial Services Provider

ANNEXURE D- CONSENT TO PARTICIPATE IN RESEARCH

VAAL UNIVERSITY OF TECHNOLOGY

FACULTY OF HUMAN SCIENCES

CONSENT TO PARTICIPATE IN RESEARCH

Your consent is requested to participate in a research study. This study is part of a Masters degree. Before you consent to participate, please read the following information and ask as many questions as necessary to ensure your understanding. The person who gave you this form can answer any questions you may have or direct you to the principal researcher.

Researcher/Student: Gildas NDONG

Supervisor: Prof KC Moloi
Co-Supervisor: Ms A. Oksiutycz

Purpose of
Research:

Duration of
Research:

Procedures to

Be followed: In focus group interviews and in depth interviews, consent from the participants has to be received before proceeding with the interview.

Risk Involved: The risk involved in participating in this research is minimal. If any of the questions are found embarrassing, offensive or of a sensitive nature, the respondent may choose not to answer them. However, the answers to the questionnaires are confidential (see confidential section).

Benefits Involved: The information that is obtained from the study will be used for academic purposes only. It is expected to contribute to the body of knowledge and create opportunities for further research.

Confidentiality: The respondents will remain anonymous, and the researcher and his/her statistician are the only persons who will see the results of the questionnaires. The researcher will not have knowledge of which scores belongs to which person. The data from this study will be presented in the dissertation/thesis. Finally, the results of this research may be published in scientific journals. However, at no time will your name or any identifying information be reported in the presentation of this research.

Participants Withdrawal: Your participation in this study is completely voluntary and you are free to withdraw or terminate at any time.

Contact Person: Phone

Signature and

Acknowledgement: My signature below indicates that I have read the above information and have had the opportunity to ask questions about my participation. I understand that the information gathered from these questionnaires will be used for the purpose of research. I acknowledge having received a copy of this agreement.

Name of adolescent participant/participant (printed): _____

Signature of participant: _____

Signature of Parent/legal Guardian (if necessary): _____ Date: