

# Participatory communication for social change and stakeholder relationships: Challenges faced by social development NPO's and their corporate in South Africa

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## **ABSTRACT**

In recent years the ideas of good governance and the responsibility of corporate South Africa to contribute to the society in which they operate have become an undeniable part of organisational conception. Indeed, South Africa is considered to be a leader in the field of corporate governance internationally. Forming part of governance practices is Corporate Social Investment (CSI) whereby corporate organisations contribute to causes and societal groupings in need of financial and other assistance. Among these societal groupings that receive support from CSI activities are non-profit organisations (NPOs) that rely on funding from their corporate donors for survival. Based on the exchange of funding and a shared attempt at social development, a relationship between the two parties emerges. From the perspective of the stakeholder theory, corporate organisations, through their CSI activities, and NPOs are stakeholders of each other and a positive relationship between them could strengthen their individual and collective goals.

This study explored and described the relationship between corporate donors and recipient NPOs in order to understand the state of the relationship and to critically consider the way in which the relationship is defined, described and measured. First, the relationship was explored by means of partially structured interviews based on well-known relationship indicators where it appeared that the relationship is not only fraught with negative perceptions from both sides, but also where the relationship indicators used to explore the relationship were not entirely suited for the specific context of this relationship. The negative perceptions and inappropriate relationship indicators formed the basis of a theoretical inquiry of literature on CSI, stakeholder relationships and participatory development communication. Subsequently, the partially structured interviews and the literature review informed the design of two corresponding survey questionnaires that could test both findings quantitatively. The results of validity and reliability testing confirmed the qualitative finding that a contextualised measurement is suited for this relationship. A mix of existing and newly formulated items grouped in contextual elements and redefined relationship indicators was used to describe the relationship. A combined analysis of qualitative and quantitative results indicated that the relationship is not as negative as the qualitative research might have suggested (possibly a result of contextualised measurement); but that very specific relational challenges are present and it is suggested that these challenges need a realistic approach of which accurate description is a starting point.

The research contributes twofold with the first contribution being a clearer understanding of the relationship between corporate donors and recipient NPOs and the second being a set of redefined and contextualised relationship indicators with which to define and measure this relationship.

**Keywords:** *Stakeholder relationships, relationship management, Corporate Social Investment (CSI), Corporate Social Responsibility (CSR), development communication, participatory development, non-profit organisations (NPOs)*

## OPSOMMING

In die afgelope paar jaar het die beginsels van verantwoordelike bestuur en sosiale verantwoordelikheid onteenseglik deel geword van organisatoriese beskouing in Suid-Afrika. Suid-Afrika word dan inderdaad ook wêreldwyd as 'n leier op die gebied van verantwoordelike korporatiewe bestuur beskou. As deel van verantwoordelike bestuurspraktyke, gaan korporatiewe sosiale investering (KSI) oor finansiële en ander bydraes vir sosiale sake en gemeenskapsgroepe. Onder die gemeenskapsgroepe wat baat uit KSI-aktiwiteite, is nie-winsgewende organisasies (NWOs) wat op hulle korporatiewe donateurs staatmaak vir oorlewing. Die uitruil van befondsing en die gesamentlike poging tot sosiale ontwikkeling impliseer dat daar 'n verhouding ontstaan tussen die twee partye. Korporatiewe organisasies en NWOs word so belangegroep van mekaar en 'n positiewe verhouding tussen die twee kan die bereiking van hulle individuele en gesamentlike doelstellings fasiliteer.

Hierdie studie verken en beskryf die verhouding tussen korporatiewe donateurs en die ontvanger-NWOs om die verhouding te verstaan, maar ook om die wyse waarop die spesifieke verhouding gedefinieer, beskryf en gemeet word krities te beskou. Die verhouding is eerstens verken deur middel van semi-gestruktureerde onderhoude gebaseer op bekende verhoudingsaanduiers. Hierdie onderhoude het laat blyk dat die verhouding grootliks geken word aan negatiewe perspepsies van albei kante, maar ook dat die verhoudingsaanduiers wat gebruik is om die verhouding te verken nie heeltemal gepas is vir die spesifieke konteks van die verhouding nie. 'n Literatuurondersoek oor belangegroepverhoudinge en deelnemende ontwikkelingskommunikasie het op die aanvanklike verkenning gevolg. Bevindinge van die semi-gestruktureerde onderhoude en die literatuurondersoek is gebruik om die vraelyste te ontwerp vir twee ooreenkomstige opnames sodat die bevindinge empiries getoets kon word. Die resultate van betroubaarheids- en geldigheidstoetse het die kwalitatiewe bevindinge dat 'n gekontekstualiseerde meting van pas is vir hierdie verhouding bevestig. Die gekontekstualiseerde meting bestaan uit 'n kombinasie van bestaande en nuut-geformuleerde items wat saam groepeer om kontekstuele elemente en hergedefinieerde verhoudingsaanduiers te vorm. 'n Gekombineerde analise van beide kwalitatiewe en kwantitatiewe bevindinge wys dat die verhouding nie so negatief is as wat die kwalitatiewe analise aanvanklik aangedui het nie (moontlik vanweë die gekontekstualiseerde meting); maar dat daar wel spesifieke uitdagings in die verhouding is. Daar word aanbeveel dat hierdie uitdagings realisties aangepak moet word met die beskrywing van die verhouding as 'n beginpunt.

Die navorsing dra tweevoudig by; eerstens deur 'n duideliker begrip van die verhouding tussen korporatiewe donateurs en ontvanger-NWOs en tweedens deur die daarstelling van hergedefinieerde en gekontekstualiseerde verhoudingsaanduiers om hierdie verhouding mee te definieer en te meet.

**Sleutelwoorden:** *Belangegroepverhoudinge, verhoudingsbestuur, Korporatiewe Sosiale Investering (KSI), Korporatiewe Sosial Verantwoordelikheid (KSV), ontwikkelingskommunikasie, deelnemende ontwikkeling, nie-winsgewende organisasies (NWOs)*

## DEDICATION AND ACKNOWLEDGEMENTS

*I dedicate the journey towards this thesis to my grandfather,*

*Dr Michiel Heyns (14 July 1911 – 3 September 2006), my first and biggest academic inspiration.*

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## PREFACE

The presentation of this thesis assumes a compilation format rather than the better-known monograph style. While a monograph thesis is written as a coherent work a compilation thesis consists of a number of components (usually scientific articles and conference papers) written during the period of postgraduate study (Lundahl, 2010:1).

The decision to present a compilation of articles for this study was motivated by two considerations pertaining to the format itself. Firstly, it was motivated by the *publish or perish* mantra in South African academe. Preparing the research reporting in such a way that it is already published or publishable supports the notion that publication is important to confirm one's presence as a researcher (Fridlund, 2010:144). Secondly, the first two articles in this thesis will already have been published at the time of submitting the thesis for examination. These two articles had already been scrutinised by reviewers during peer review and the comments of reviewers had been incorporated. The review process arguably improved the quality of the articles and provided the candidate with a valuable learning experience (Lundahl, 2010:1; Lee, 2010:18).

The choice of thesis format was also motivated by the topic of the research and the approach to the research problem. The study is an interpretative exploration and description of the relationship between corporate donors and recipient NPOs and the compilation format allowed for change in the research design based on the results and conclusions made in the first two publications (Fridlund, 2010:144). The compilation format thus provided the opportunity for reflection and review of the research as it unfolded.

### PERMISSIONS

Permission was obtained from the editors of the two journals in which the first two articles were published in 2012. Both Professor PJ Fourie, editor of *Communicatio*, and Professor JC de Wet, editor of *Communitas*, gave permission for the published articles to be included as components of this thesis (see Addendum E for e-mail correspondence).

### AUTHOR CONTRIBUTIONS

Ms LI van Dyk, the candidate, designed and planned the overall study, contextualised the measuring instruments, conducted the literature search, collected and analysed all data, designed and planned the individual articles, interpreted all the results and wrote the articles. Professor LM Fourie (supervisor and co-author of all the articles) supervised the design of the study and measuring instruments, the contextualisation of the measuring instrument, the design of individual articles and interpretations made based on the results (see Addendum F for a statement of contributions by Professor LM Fourie).

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