

The role of corporate social investment initiatives in South African education

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ABSTRACT

Business is arguably the most powerful institution of our society and ever since the publication of the second King Report on Corporate Governance for South Africa (King II) in 2002, South African corporate companies have sharpened their focus on their commitment to the “Triple Bottom Line”, an expanded baseline for measuring a company’s performance which includes, in addition to the traditional financial yardstick, accounting of the impact of their activities on society and the environment. It is impossible for organisations to ignore the impact of social, ethical and environmental issues on their business.

This research provides an overview of Corporate Social Investment initiatives in South Africa towards developing education. There is a demand for corporate companies to comply with both the King Report on Corporate Governance as well as Broad-based Black Economic Empowerment. Considering the poor state of education, both Government and the private sector are contributing financially to improve the socio-economic conditions of the country, specifically the state of education. Government’s contribution to public education remains its single largest investment, because it is the key to reducing poverty and accelerating long-term economic growth. However, very little impact can be measured as conditions are still very poor and problems still persist. There is no integrated, sustainable focused approach which can be effectively measured and evaluated.

The purpose of this research is to investigate initiatives toward the development of education, the focus and the magnitude and effects of initiatives. Thereafter a more synergetic and integrated plan is presented and recommended to the corporate sector to assist in developing education.

LIST OF KEY TERMS

De Wet (2005:7) defines the following useful terms:

- **SUSTAINABLE DEVELOPMENT** is the overarching framework for global development which would then provide guidelines and parameters for Corporate Social Responsibility
- **CORPORATE SOCIAL RESPONSIBILITY** is a company's internal value system for conducting business and regulating operations. Corporate Social Investment forms one small part of Corporate Social Responsibility.
- **CORPORATE SOCIAL INVESTMENT** is a company's contributions (cash or non-cash) to people, organisations or communities that are external to the company.
- **CORPORATE CITIZENSHIP** can be defined as the ability to meet the needs of the present generation without compromising the ability of future generations to meet their needs.
- **TRIPLE BOTTOM LINE** considers the social and environmental contributions made by society to the business.
- **EDUCATION IN SOUTH AFRICA** The Department of Basic Education includes all schools from Grade R to Grade 12, as well as adult literacy programmes, while the Department of Higher Education and Training deals with universities and the whole field of training, including post-school education and training.

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Chapter 1

The role of corporate social investment initiatives in South African education

1.1 Introduction and background

Over the decade, the right to education has been reaffirmed internationally. The cornerstone of this is free and compulsory primary education, though the aim is also to provide increasing access to learning opportunities at secondary, technical and higher levels. Quality education should enable learners to develop their personality, talents, and mental and physical abilities to their fullest potential. Education has also been identified as a tool to eliminate or reduce poverty (World Education Report, 2000:26).

One of the biggest challenges South Africa currently faces is providing high-quality education for all the country's children. Education, the key to a genuine participatory democracy, is the foundation for achieving sustainable development in any country. The country's population consists of over 50 million people. This inevitably results in a multicultural society with many challenges (Statistical release P0302, 2011:2). South Africa is an economically and industrially developing country where first and third worlds meet. South Africa's political history is well known. Its impact on the education system and the youth who have passed through this system is especially devastating. According to the United Nations Development Programme's Report for 2011, South Africa has a literacy rate of 88% and sits at number 113 in world literacy rankings. Despite this listing, conditions in many South African schools are the same as in developing countries. In 24% of the country's schools there is no running water within walking distance. Sixty-seven per cent of the schools have no electricity and, in most provinces, between 50% and 80% of the schools have no telecommunications while 13% of the schools have no toilets. Many schools have a serious shortage of classrooms and, of these, many are in an uninhabitable condition. The student-to-teacher ratio is also very high. In three provinces the student-to-teacher ratio was found to be more than 40 to 1. It is also not uncommon to find classes of more than 100 students being taught by one teacher in classrooms designed for 30 students (Human Development Report (HDR), 2011).

Based on the above mentioned challenges in the education sector, the South African Government has prioritised the development of education. It is also committed to complying with the Millennium Development Goals (MDG) requirements of the United Nations to provide

universal primary education to all children. The United Nations MDGs that the South African Government has committed to achieve by 2015, are as follows (MDG Report, 2005:6-36):

- Goal 1: Eradicate extreme poverty and hunger;
- Goal 2: Achieve universal primary education;
- Goal 3: Promote gender equality and empower women;
- Goal 4: Reduce child mortality;
- Goal 5: Improve maternal health;
- Goal 6: Combat HIV/AIDS, malaria and other diseases;
- Goal 7: Ensure environmental sustainability;
- Goal 8: Develop a global partnership for development.

For the purpose of this study the focus is on the second goal, namely how both the Government and the corporate sector may implement initiatives to accomplish quality primary education. To this end and in relation to the aforementioned, it is clear that the South African Government is committed to improve and develop education in line with the MDG. On the other hand, the corporate sector, also known as the corporate environment, is also required to support the development of society and communities by complying with the King III Report on good corporate citizenship and to comply with the B-BBEE code of conduct.

The South African Institute of Chartered Accountants fully endorses and uses the King Code on Corporate Governance in South Africa as a tool to evaluate the corporate governance of a company, including the Corporate Social Responsibility. This Code promotes good social and environmental practices as part of good corporate governance, which is closely oriented to the standards of international corporate governance (King Report on Corporate Governance, 2009:6). According to Blizzard (2012), the JSE Securities Exchange prescribes compliance with the King III Report to their listed companies. The first King Report was published in 1992. In an effort to support corporate South Africa, the Institute of Directors approached Professor Mervyn E. King to create a corporate governance solution for business. This resulted in the establishment of the King Committee on Corporate Governance, which launched the first King

Report in 1994. This Report marked the institutionalisation of corporate governance in South Africa.

The King III Report, which is the latest revised version, emphasises an integrated report, which will evaluate a company's impact on the economic life of the community in which it operates, as well as many other matters. The King III Report resulted from new Companies Act, No 71 of 2008 of South Africa as well as changed international governance trends since the release of the Second King Report on Corporate Governance for South Africa (King II) in 2002. The King III Report, which was released in March 2010, aims to move the focus away from the short-term mind set on what is currently reported to the investment community twice a year. Instead, it advocates a number of governance procedures, strategies and reporting requirements that focus on the longer term, which is likely to generate long-term prosperity for the organisation. The King III Report also emphasises the fundamental premise of the sustainability movement, namely that organisations do not operate in a vacuum. They rather shape, and are shaped by the communities and environment in which they function. Consequently, long-term corporate strategy must include input from a broader range of stakeholders, and must consider a number of important issues in the social and environmental realms. Furthermore, the King III Report aims to force sustainability and financial reporting onto the same footing. So, instead of sustainability being an afterthought ticked off on a corporate governance checklist, integrated reports will need to indicate how sustainability issues permeate the business, their effect on the business, and how the business will deal with them (Summary of report on Government for SA, 2009:3).

Another requirement which encourages companies to support the previously disadvantaged is compliance to Broad-based Black Economic Empowerment (B-BBEE). The South African government has been active in promulgating specific corporate social responsibility (CSR) regulations since 1994 directed at the economic empowerment of historically disadvantaged Black people. Government laws have sought to involve corporations in promoting social cohesion and in addressing problems of historical exclusion of Black communities from the mainstream economy. This objective of transformation within the economy culminated in the release of the Broad-Based Black Economic Empowerment Act in 2003. The Department of Trade and Industry finalized the *Codes of Good Practice* on February 9, 2007 (Arya & Bassi, 2009:1).

In South Africa, Corporate Social Responsibility (CSR) extends to the seven facets of Government's transformation agenda covered in the Department of Trade and Industry's B-BBEE scorecard. The B-BBEE scorecard includes aspects such as B-BBEE ownership and management, employment equity, skills development, preferential procurement, enterprise development and socio-economic development. Corporate Social Responsibility is closely aligned to the broad-based transformation agenda. CSR refers to a company's internal value system for conducting business and regulating operations, while Corporate Social Investment (CSI) refers to a company's contributions (cash or non-cash) to people, organisations or communities that are external to the company (National Human Resource Development Strategy (NHRDS), 2010). CSI forms one small part of CSR.

As a formal component of the broad CSR agenda, CSI has an explicit role to play in channelling corporate resources towards poverty alleviation and socio-economic development (De Wet, 2009:4). Changes to society and the corporate environment at the beginning of the 21st century bring CSR and CSI under the spotlight with ever-increasing levels of shareholders, public and governmental scrutiny. The emerging need is to demonstrate that the organisation is directed, managed and internally controlled by considering stakeholders' expectations and the impact of the organisation on stakeholders – economically, environmentally and socially (Castka, Bamber & Sharp, 2004). The young democracy cannot sufficiently master the many challenges in South African society today without the help of the corporate sector. These challenges include fighting poverty and initiating comprehensive education. Therefore, partnerships with companies are actively pursued. However, the appreciation of politics has only recently turned from the philanthropic approach to a more comprehensive concept of social, economic, and ecological development (Freemantle & Rockey, 2004:ix).

While the South African Government has to comply with the Millennium Development Goals to improve education, the corporate sector has to comply with the stipulations in the King III Report and the B-BBEE Code of Conduct through their CSR in order to contribute to the advancement of education. The young democracy cannot sufficiently master the many challenges in education and thus rely on the corporate sector to assist with this task.

From the above mentioned it is apparent that legislation compels companies to comply with developing and uplifting communities in terms of Corporate Social Investment spending. It is also clear that education has become an area of concern and has been identified as a priority

by both the Government and the corporate sector.

1.2 Problem statement

Manfred, Bergman and Gravett (2011:461) report that South Africa's public schools perform poorly, even among African countries. According to the HSRC Report on Education (2012), education in South Africa leaves much to be desired. According to the report, the findings of two major international studies conducted to gauge the well-being of education systems across the globe also revealed that South Africa's education system is in a poor state. This is the case despite the fact that education in South Africa receives the lion's share (21%) of the national budget. The report adds that this could be a result of the previous political dispensation and the backlogs that arose in skills deficiency. These backlogs have also rendered the national budget insufficient to provide for all the needs of the 28 000 schools. This, and the diminishing capacity of government sources, forced the latter to involve the private sector in financing education. In this regard, both Government and the private sector have identified challenges as priority areas to address in order to achieve the MDGs. The challenges experienced in the education sector range from technology, curriculum development, unqualified teachers, poor performance in literacy, reading, mathematics and science, saturated schools and limited resources, to mention but a few. A few of these challenges are briefly discussed in the next paragraphs to highlight the extent to which these challenges contribute to poor state of education in South Africa.

Technology education was implemented for the first time as part of the new national Outcomes Based Education (OBE) curriculum in 1998. Because of the limited timeframe in which the new curriculum had to be implemented, there was very little time to adequately educate or train technology teachers in this learning area (Khulisa Management services, 2001). Teachers were expected to implement technology in schools without being adequately trained in content and/or instructional methodology. As a result of discontinuing traditional technical subjects, qualified and competent teachers in subjects such as Home Economics, Woodwork, Metalwork, and Industrial Arts were generally assigned the responsibility of implementing and teaching technology. These teachers were confused by the introduction of technology education, as they had been accustomed to traditional instructional methodology in the manipulation of materials and the use of technology within the context of their traditional subjects. They were unsure how

to approach lesson planning in the new learning area, what to teach learners in class, and how to facilitate the learning area. Consequently, they taught content and skills related to their technical subjects by simply using a different approach, thereby neglecting the procedural knowledge (technological process) as an essential feature of technology education (Reddy, Ankiewicz, De Swardt & Gross, 2003:27).

Over and above the curriculum and the misplacement of qualified teacher challenges, the education sector also experiences large capacity and resource challenges in schools. Schools are becoming saturated and are expected to perform despite limited resources. The graphs below indicate that schools are at their saturation phase for the different phases in the schools, therefore most public schools in South Africa are experiencing a capacity problem due to the high demand for education and the limited supply in resources.

Figure 1.2.1 Saturation of schools

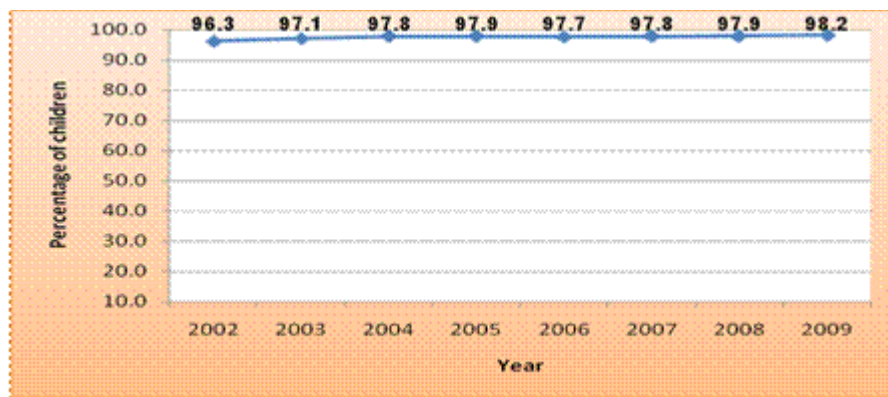


Figure 1.2.1 Saturation of schools: Percentage of 7-15 year old children attending public schools: 2002-2009 (*Statistics South Africa, General Household Survey: 2002-2009*).

The Intermediate Phase Systematic Evaluation Report (2005:15) reveals that learner achievement scores for each learning area were relatively low, with learners obtaining a national mean score of 38% in Languages, 27% in Mathematics and 41% in Natural Sciences. Similar performance trends were observed across most provinces, with the highest scores recorded in Natural Sciences, followed by Languages and Mathematics. In all three learning areas, the

highest mean percentage scores were recorded in the Western Cape, Gauteng and the Northern Cape. This evaluation by the Department of Education indicates that the majority of children are performing well below the standards required by the curriculum. Van der Berg (2008: 2) and Bloch (2009) found that educational quality in historically black schools, which constitute 80% of enrolment and are thus central to educational progress, has not improved significantly since political transition. Unsurprisingly, the Institute for Justice and Reconciliation finds that “close to 80% of South Africa’s schools are essentially dysfunctional” (Taylor, 2006:65). According to the Trends in International Mathematics and Science Study Report (TIMSS) of 2004, South African Grade 8 students achieved the lowest average scores in both Mathematics and Science out of 46 countries, including six African countries. In 2007, 21% of learners in the Foundation Phase and 52% in the Further Education and Training (FET) Phase have repeated at least one school year (Education for All Global Monitoring Report, 2006:41-63). Fleisch (2008) further points out that, apart from a small minority of school children in privileged schools, the vast majority of children attending disadvantaged schools do not attain a basic level of mastery in reading, writing and mathematics.

Surveys conducted by the Human Sciences Research Council (HSRC Report, 2012), revealed that the level of cognitive achievement of the majority of South African children is alarmingly low in key learning areas such as reading, mathematics and science. Furthermore, the country’s illiteracy levels are high and currently there are approximately six to eight million functionally illiterate adults over 15 years of age (HSRC Report, 2012). To address the very alarming challenges mentioned above, government spending on education increases annually.. Government spending on education increased annually since 2008 and accounted for R140,4 billion in 2009/2010 financial year (Veriava, 2010:22) .In the 2010/2011 budget the state allocated R165,1 billion (18.2% of overall budget) to education which constituted a 10.9% increase from the R148,9 billion allocated in the 2009/2010 financial year (Modisoatsile, 2012: 2). According to the South African Government Information, 2012: 1 the budget for the 2012/2013 financial year is set at R207 billion and for 2013/2014 at R236 billion. Spaul (2012:8) contends that although these amounts are high, it has so far not been able to address the backlog created by the divided and highly unequal education system inherited by the post-apartheid government.

In addition to the allocated budgets for developing education, the corporate sector also spends millions towards education as part of their annual CSI budget. Corporate Social Investment spending focused on education takes up the largest single portion of CSI funding; estimated at 37% in 2005, representing R980 million. This amount is shared among the various education sectors in the following priority: 51% to schooling (i.e. Foundation phase, Primary, Secondary and Further Education and Training [FET]). This 51% amounts to about R500 million. Tertiary or Higher Education (HE) receives about R300 million. The National Business Initiative (NBI) recently undertook a survey on corporate spending in the education sector. The report found that more than 61% of the large companies participating spent between R2 to R35 million during the 2010/11 financial year in support of public education (National Business Initiative Report, 2010:6-8).

1.3 Research questions

From the above cited challenges and the purpose of the study, the question that can be asked is: ***What is the impact of Corporate Social Investment spending on education in South Africa?***

1.3.1 Secondary research questions

To answer the main research question the following secondary questions will be probed:

- What are the CSI practices and procedures with regard to education in South Africa?
- What is the significance of CSI as a business practice to education?
- What is the legal compliance and governance of CSI?
- How is CSI spending aligned and integrated to Government's priorities for education?
- What are the focus areas of CSI spending towards education?
- How is the business objectives of a company aligned to its CSI spending?
- What does CSI entail as a business practice to society at large?

- How sustainable is CSI spending on education?

To realise the research questions, the following objectives will be pursued.

1.3.2 Objectives of the study

- To obtain a detailed understanding of CSI practices and procedures with regard to education in South Africa.
- To get an understanding of what the significance of CSI as a business practice is to education.
- To determine the extent of the legal compliance and governance of CSI.
- To establish how CSI spending is aligned and integrated to Government's education priorities.
- To investigate what the focus areas of CSI spending are towards education.
- To determine how aligned the business objectives of a company are to its CSI spending.
- To unearth what CSI spending as a business practice entails.
- To determine the sustainability of CSI spending on education.
- To make recommendations on how the impact of CSI in education can be improved.

1.4 Research design and methodology

Research can be conducted by using qualitative or quantitative methods. The quantitative research method is a method where numerical data is collected, often using questionnaires that are then analysed to describe the trends in responses to the questions (Cresswell, 2008:388). The quantitative research method was employed in this study because it allowed the researcher to use questionnaires as a tool to gather numerical data for the phenomenon under investigation. The quantitative research method also allowed the numerical data to be statistically interpreted in order for the researcher to get a better understanding of the current

position of CSI spending and the impact it has on education. Exploratory research is a form of the quantitative research method and is discussed below.

1.4.1 Exploratory research

McQuarrie (2006:6) asserts that discovery is the purpose of exploratory research. Churchill and Iacobucci (2005:74) further elaborate that exploratory research deals with the discovery of ideas and insights. The reason for choosing exploratory research is that it is highly flexible and unstructured while the research hypotheses are vague or do not exist at all. The idea presented by Zikmund and Babin (2010:50) of discovering new ideas as potential business opportunities as definition for exploratory research, further indicates that exploratory research is appropriate when examining new concepts in the field of marketing and may be used as a basis for future research. In this case exploratory research is very appropriate since the field of CSI is a relatively unexplored field with very little research done on the matter. The exploratory research assisted the researcher in exploring all the major facets of CSI and the impact it has on education.

1.4.2 Sampling

McDaniel and Gates (2005:359) and Welman, Kruger and Mitchell (2005:57) propound that a sampling method is either described as probability sampling or non-probability sampling. Non-probability sampling was used in this study and this method is briefly discussed below:

Non-probability sampling can be described as a sampling method that assumes that the probability of any particular member of the population being chosen is unknown. A non-probability sampling technique is representative of the researcher's skill and judgment (Zikmund & Babin, 2010:423; Parasuraman *et al.*, 2007:339). The benefits of using the non-probability sampling methods include the elimination of the costs and time required to develop a sampling frame (Aaker, Krumar & Day, 2007:393). For this reason, Welman *et al.* (2005:57) assert that non-probability sampling is used for reasons of convenience and economy. Convenience sampling as a method of the non-probability sampling is explained below.

1.4.2.1 Convenience sampling

Aaker *et al.* (2007:393-395) define convenience sampling as a sampling method where a sample is chosen purely on the basis of availability. Aaker *et al.* (2007:395) conclude that the convenience sample is simple, quick and inexpensive. McDaniel and Gates (2005:373) briefly mention that convenience sampling is a good sampling technique if a grave need exists to obtain an inexpensive estimate of true value. It is for these reasons that non-probability sampling in the form of convenience sampling was used in this study.

1.4.2.2 Sample size

Crouch and Housden (2003:163-166) mention six factors influencing the sample size. Firstly, the variability in the population must be considered, as the distribution of the characteristics of interest influences the sample size. Secondly, the required level of confidence influences sample size. Thirdly, the required limits of accuracy consider that larger samples will move closer to representing the population. Fourthly, allowance for non-response is important as not all respondents complete the questionnaire accurately. In the fifth place, all the aforementioned factors should be considered for each question in the questionnaire for subgroup analysis requirements. Lastly, practical factors such as cost, time and the availability of fieldworkers influence the size of the sample. Importantly, Welman *et al.* (2005:70) state that the larger the sample, the more accurate a generalisation of the results of the study can be. Taking all of the above into consideration (especially the time and cost constraints), the sample comprised of 48 respondents that originated from a total target population of 192 companies listed on the Johannesburg Stock Exchange (JSE), that contribute toward the development of education in their CSI focus areas.

1.4.3 Data collection

Data refers to information, such as pictures, words and numbers, which is then gathered according to certain procedures (Struwig & Stead, 2007:237). According to Aaker *et al.*

(2007:84) alternative methods of data collection can be used such as primary and secondary data collection. Primary data was collected for the research at hand by using questionnaires (Aaker *et al.*, 2007:84). Secondary data was collected doing a literature review (Aaker *et al.*, 2007:84).

1.4.4 The questionnaire

This study made use of questionnaires to collect primary data. Questionnaires were used as they are found to be a very convenient way of obtaining the relevant information from the respondents and one generic questionnaire was designed for all respondents. The questionnaires were distributed to 192 practitioners, managers and other respondents who are responsible for CSI in the field of education. The questionnaires were distributed through e-mail, along with a cover letter explaining the purpose of the research and the due date for submission.

1.4.5 Development of the questionnaire

Primary data was collected for the study by asking questions, and therefore a standardised questionnaire to record responses is required. A questionnaire can be defined as a set of questions designed to generate the data necessary to accomplish a research project's objectives, and is generally designed by consulting the literature (Wiid & Diggines, 2009:171).

Questionnaires were distributed to 192 practitioners, managers and other respondents who are responsible for Corporate Social Investment in the field of education. The questionnaire was distributed through e-mail along with a cover letter explaining the purpose of the research and the due date for submission. The respondents who had not submitted their completed questionnaires in time were phoned as a follow-up procedure.

1.5 Analysing and interpretation of data

Crouch and Housden (2003:223-225) explain that data analysis begins with data preparation.

This entails editing in terms of checking that the questionnaires are completed correctly by checking for any errors or omissions. Next, coding is done with a view to ensure that data is represented in the form of numbers for computer analysis. Pre-coding was used for the questionnaire as numbers were assigned to each question on the questionnaire, which simplified the coding process. The Statistical Product and Service Solutions (SPSS) programme (SPSS, 2007) was used to capture the data and to create a data set. Statistical analysis in terms of reliability, validity and descriptive analysis was done by means of the SPSS programme (SPSS, 2007) and the SAS statistical programme (SAS, 2007). According to Struwig and Stead (2007:150) data analysis is a specialised area of the research procedures which should be done by experts in this field. The data analysis was done by the Statistical Consultation Services of the North-West University (Potchefstroom Campus).

1.6 Statistical interpretation

Crouch and Housden (2003:230) propose that analysing and interpreting data take place in three main ways, namely to describe data (via descriptive statistics), to measure significance and to indicate relationships. The descriptive statistics method was used to interpret the findings of this study because Crouch and Housden (2003.230) assert that, in descriptive statistics, the quantitative data is analysed by describing and summarising a particular set of data. This can be done in the form of frequency distributions, mean scores and standard deviation.

The following descriptive statistical analyses were done: frequency distribution and percentage distribution, cross-tabulations, standard deviations and mean. These statistical analyses are described below.

1.6.1 Frequency distribution and percentage distribution

Crouch and Housden (2003:230) explains that frequency distributions present variables in a summative way to indicate the number of times a specific variable occurred in the data. It can either be organised in a table or in a graphic display such as a pie chart or a bar chart. A frequency distribution gives an image of the data obtained for the variable. Percentages are used to further summarise the frequencies in terms of a percentage value associated with

particular values of a variable. Crouch and Housden (2003:230) further assert that percentages are useful for making comparisons as all data is presented in a standard form..

1.6.2 Cross-tabulations

Hair, Bush, and Ortinau (2006:494) view cross-tabulations as categorising the number of respondents who have answered two questions by examining the two variables simultaneously. Zikmund and Babin (2010:519) elaborate that cross-tabulations are very useful to present relationships among multiple (non-interval) variables by displaying one variable in columns and another in rows.

1.6.3 Standard deviations

Hair *et al.* (2008:515) and Welman *et al.* (2005:233) describe the standard deviation as the average distance of the distribution values from the mean. The mean is the measure of central tendency and for this reason there should be equal values above the mean and below the mean. This difference between the mean and the values above and below the mean are referred to as the standard deviation. The standard deviation is useful in indicating the spread of your data found and how it differs from the average which is also known as the mean.

1.6.4 Mean

Hair *et al.* (2006:512) define the mean as the average of the sample. The mean is calculated as the sum of the values for all observations of a variable divided by the number of observations. It is a useful calculation as it portrays the average value from all results obtained, which is useful in determining what majority of respondents indicated for a specific question.

1.7 Ethical consideration

In this enquiry, the voluntary participation of the participants is acknowledged at all times. All the participants were informed regarding the aims of the inquiry, the research methods and the nature of participation, confidentiality and the possible publication of the results (Burgess, 1989:6).

1.8 Literature study

According to Hair *et al.* (2010:51) a study of the literature involves a comprehensive examination of available information related to the research topic. A literature study can highlight previous investigations pertinent to the research topic and indicate how other researchers have dealt with similar research problems in similar situations (Struwig & Stead, 2007:38). Churchill (1999:1050) points out that, when conducting a literature study, the major emphasis should be on the discovery of ideas and tentative explanations of the phenomenon. According to Struwig and Stead (2007:39) the reasons for conducting a literature study are:

- It can reveal unfamiliar sources of information;
- It can provide a perspective on your own study;
- It can stimulate new ideas and approaches;
- It can provide a framework for the evaluation and assessment of future work; and
- It can provide a basic body of knowledge for the derivation of theories, principles concepts and approaches for research.

In search for the relevant information for this study the literature study was undertaken by consulting journals, textbooks, dissertations, articles, theses and the internet.

1.9 Layout of chapters

- After this introductory chapter, Chapter 2 deals with the literature study and specifically with the nature and elements of Corporate Social Responsibility.
- In Chapter 3 the literature is explored with the focus on Corporate Social investment initiatives towards the development of education
- Chapter 4 focuses on the research design and methodology.
- In Chapter 5 the statistical analysis, results and main findings are discussed.
- Chapter 6 focuses on the summary of conclusions, recommendations and limitations.

Chapter 2

The nature of Corporate Social Responsibility

2.1 Introduction

The concept of Corporate Social Responsibility can be traced back for more than 60 years. The concept has also evolved from simply being a voluntary practice to a recognised measurable business principle and legal requirement. A description of the history, nature and the evolution of the term is presented. Many terms have originated from the original concept of Corporate Social Responsibility which can be viewed as the umbrella term. These terms include *Corporate Social Investment* and *corporate citizenship*. These terms are also discussed in this chapter. Various legal terms used for the compliance of Corporate Social Investment in South Africa such as Broad-based Black Economic Empowerment and the Triple Bottom Line are also discussed later in this chapter. Chapter 1 discussed the problem as well as the methodology used to achieve the objectives of this study. A brief exposition of the history of Corporate Social Responsibility is presented in the next paragraphs.

2.2 The history and background of Corporate Social Responsibility

During the first half of the 20th century business giving and business involvement in community issues were familiar to many leading companies. Its roots reach back to at least the 19th century, and far earlier if one recognises that the earliest 'corporations' were chartered with public goals and public interest objectives as well as private economic objectives in mind (The History of CSR Project, 2005. Working paper no.1).

Ismail (2011:372) describes that businesses have always had to consider how their businesses affect the environment as well as its stakeholders such as consumers, the government and communities. Ismail (2011:372) further mentions that the history of social and environmental concern of business is as old a trade as business itself. Commercial logging operations for example, together with laws to protect forests, can both be tracked back almost 500 years. Carroll (1999:268) supports this by stating that the concept of Corporate Social Responsibility (CSR) has a long and varied history. It is possible to trace evidences of the business

community's concern for society for centuries. Formal writing on social responsibility, however, is largely a product of the 20th century, especially the past 50 years. Furthermore, although it is possible to see footprints of CSR thought throughout the world (mostly in developed countries), formal writings have been most evident in the United States, where a sizable body of literature has accumulated (Carroll, 1999:268).

Both Cannon (1992:3) and Alperson (1995:3) mention that Corporate Social Responsibility stems from the Industrial Revolution, which transformed the way communities were structured and thrust new responsibilities upon employers. Cannon (1992:3) further suggests that it started when a few enlightened owners introduced worker welfare funds and supported laws to regulate factory work, oversee health and safety, protect chimney sweeps from exploitation and control working conditions for poor children. Companies realised for the first time that good relations mean good business. However, the issue of Corporate Social Responsibility being a moral obligation was still lacking. Still, this contribution to economic and social regeneration of communities was a valuable beginning (Alperson, 1995:4).

Past eras have shown acts of charity, fairness and stewardship, such as the medieval chivalry and scholastic view on pricing, the aristocracy's noblesse oblige, the early 20th century's paternalistic industrialists and the contemporary ways of corporate sponsoring of arts, sports, neighbourhood development (Van Marrewijk, 2003:96). Frederick, Post and Davis (1988:28) mention that during the early 20th century major companies, particularly in the United States, took a leading role in funding universities. Supporting education, then as now, was seen to be the best way for companies to repay the communities in which they prospered, as well as training a new generation of employees. The idea of Corporate Social Responsibility began gaining momentum in the United States of America in the early part of the 20th century. At that time corporations were being criticised for being too big, too powerful and anti-social, and they were accused of engaging in anticompetitive practices. As a result, efforts were made to curb corporate power through antitrust laws and other regulations. A few farsighted corporate executives advised the community to use its power and influence for broad social purposes, rather than solely for making the highest possible profits. This approach appealed to an increasing number of people in business and the idea eventually became known as the concept of Corporate Social Responsibility (Frederick *et al.*, 1988:28).

2.3 Nature of Corporate Social Responsibility

Although references to CSR occurred a number of times prior to the 1950s, that decade ushered in what might be called the modern era with respect to CSR definitions. In 1954, Bowen published a book on the social responsibilities of businessmen, which stood out during that period. Bowen was also acknowledged as the father of CSR (Bowen, 1953:44). In the 1960s, the literature on CSR developed considerably. Most of the definitional literature was written by academics such as Davis, Frederick, McGuire and Walton and more definitions of CSR proliferated in the 1970s (Carroll, 1999:268).

A variety of terms are used interchangeably when referring to CSR. These terms include, among others, business ethics, corporate citizenship, corporate accountability and sustainability. CSR means addressing the legal, ethical, commercial and other expectations society has for business and making decisions that fairly balance the claims of all key stakeholders. In simplest terms, it means what you do, how you do it, and what you say about it.

The King Committee on Corporate Governance (King, 2002:12) defines CSR as the fact that a well-managed company will be aware of and respond to social issues by placing a high priority on ethical standard. It is evident from the preceding paragraphs that CSR is a company's internal value system for conducting business and regulating operations. Essentially, CSR is the deliberate inclusion of public interest into corporate decision making, and the honouring of a Triple Bottom Line: people, planet, and profit. In a nutshell, CSR is about building trust:

- Trust in the brand;
- Trust in the performance of the product;
- Trust in the company to 'do the right thing'; and
- Trust in the employer.

From the above, it is evident that businesses should act responsibly regarding the impact of its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere. Furthermore, CSR-focused businesses should proactively promote public interest by encouraging community growth and development, and voluntarily eliminating practices that harm the public sphere, regardless of any legality. Consequently, CSR

should promote the deliberate inclusion of public interest into corporate decision making, to achieve the Triple Bottom Line, i.e. people, planet, profit.

This means South African businesses need to demonstrate that they are good corporate citizens and are committed to CSR by committing to a range of responsible business practices across economic, environmental and social realms (Freemantle & Rockey, 2004:ix).

Taking the various definitions of CSR into consideration, it seems as though CSR means companies integrate social and environmental concerns in their operations and in their interaction with their stakeholders on a voluntary basis. In this regard Hopkins and Cowe (2004:6) contend that CSR refers to an organisation's impact on society and the need to deal responsibly with the impact on each group of stakeholders, namely the shareholders, customers, suppliers, employees and the community, both locally and globally. From the aforementioned paragraphs it can be concluded that key issues will vary from sector to sector and organisation to organisation, but the main approach will usually embrace the following major issues: (Hopkins & Cowe, 2004:6):

- Human rights;
- Labour conditions;
- Environmental impact of products and/or services from creation to disposal;
- Impact of operations on local communities; and
- Impact of products or services on customers.

In this sense, CSR is viewed as a comprehensive set of policies, practices and programmes integrated into the company's operations, supply chains and decision-making processes throughout the company.

The term CSR has evolved from simply being a voluntary practice to a recognised measurable business principle and legal requirement. There are also many other concepts such as Sustainable Development, Corporate Social Investment (CSI), Corporate Citizenship (CC) and Triple Bottom Line (TBL), among others, that originated from the concept CSR. Corporate

Social Responsibility can therefore be viewed as the umbrella term. The terms mentioned in this paragraph are briefly discussed in the paragraphs below.

2.3.1 Corporate Social Investment (CSI)

According to the Corporate Social Investment Handbook (De Wet, 2005:7), *Corporate Social Investment* refers to a company's contributions (cash or non-cash) to people, organisations or communities that are external to the company. Freemantle and Rockey (2004:8) add that CSI refers to an organisation's contributions to society and community that are extraneous to its regular business activities, whether such investment is monetary, or in the form of other corporate resources or time. While CSI might be linked to charitable or philanthropic giving, it increasingly serves to support business development objectives. As such, CSI is an important sub-set of Corporate Citizenship or CSR, and should never be interpreted as being synonymous with those terms (Freemantle & Rockey, 2004:8).

2.3.2 Corporate Citizenship (CC)

A narrow definition of *citizenship* might simply imply compliance with the laws of the land, but in the context of sustainable development, *Corporate Citizenship* goes much further. It considers the right and responsibilities of organisations within a broader societal context, and is therefore concerned with contributions a company makes through its social and environmental impact as well as its economic contribution. *Corporate Citizenship* can therefore be defined as the ability to meet the needs of the present generation without compromising the ability of future generations to meet their needs (Corporate Social Investment Handbook, 2005:7). In addition Freemantle and Rockey (2004:8) postulate that *Corporate Citizenship* can be described as a value system, a code of conduct that is applied throughout an organisation.

2.3.3 Triple Bottom Line (TBL)

The term *Triple Bottom Line* was coined in response to businesses' tendency to focus on the financial (single) bottom-line figure when organisations measured and reported on the

performance of their business. TBL considers the social and environmental contributions made by society to the business. This refers to achieving a balanced and integrated economic, social and environmental performance. It also implies that social and environmental issues should not be regarded as secondary to more conventional business imperatives (Freemantle & Rockey, 2004:7-8).

2.3.4 Sustainability

The term *sustainability* derives from the concept of sustainable development, and measures an organisation's ability to continue operating in the long term. Sustainable development is the overarching framework for global development which provides guidelines and parameters for Corporate Social Responsibility (De Wet, 2005:7). It therefore implies that each organisation must find ways to balance the need for short-term corporate competitiveness and financial return, with the need to continue as an ongoing concern in the long term (Freemantle & Rockey, 2004:7).

2.4 The evolution of Corporate Social Investment (CSI) and Corporate Citizenship (CC) from Corporate Social Responsibility (CSR)

According to Nel (1998:9), the field of CSI has evolved from CSR. Nel (1998:9) believes that CSR can be defined as an area of management action evolving in response to the changes and demands of society at large, and involves business, government and communities in the following areas:

- Socio-economic, ethical and moral responsibility of companies;
- Compliance with legal and voluntary requirement for business and professional practice;
- The company and its employees;
- The natural environment; and
- The challenge posed by the needs of the economically and socially disadvantaged.

It excludes employees' benefits and sports sponsorships and usually concentrates on the following areas of involvement (Nel, 1998:9):

- Education
- Housing
- Health
- Welfare
- Job creation
- Community development/empowerment
- Small business development
- Arts and culture
- Environmental conservation
- Rural development.

According to Nel (1998:8) the field of Corporate Social Investment has evolved considerably, and is still evolving. If the two definitions of CSR and CSI are compared, it is clear that Corporate Social Investment has evolved from the broader field of Corporate Social Responsibility into a specialised management field (Nel, 1998:9).

Nel (1998:8) also mentions that the field of Corporate Social Investment has evolved considerably and is still evolving. The old prescriptive attitude in CSI spending programmes by companies has since changed into partnership ventures with communities. In this, companies do not force programmes onto communities anymore, but establish partnerships with communities to ensure that real needs are addressed as well as community 'approval'.

CSI activities have, over time, become an increasingly more focused version of the broader CSR; that is, they have become much more concerned with sustainable development, governance and partnerships (Hamman, 2008). Similar to CSR, discussed in the previous section, CSI can bring benefits to the participating companies by enhancing the companies'

reputations and thus maintaining their credibility and legitimacy, which puts them in a good stead with other business and government officials, contributing to corporate citizenship, by the manner of companies' social responsiveness and involvement, and therefore empowering the community at large. In addition, they can get involved in skills training, creating an atmosphere conducive for employees, and thus contributing in a positive way to the Government's social transformation agenda (Van Rooyen, 2007:126-127).

2.5 The interrelatedness of the terms CSR, CSI and CC

The term CSI is also interrelated with other terms such as Corporate Social Responsibility and Corporate Citizenship. Below (Figure 2.5.1) is a clear illustration of the interrelationship. Njenga and Smit (2007:6) argue that CSI, CSR and CC build on one another and in themselves represent an ever evolving journey that tracks the question as to what an appropriate relationship between the business and social contexts should be like. CSR is the starting point, that is, the realisation that a business cannot only gain from its environment, but is obliged to benefit it as well. This means that CSR as the umbrella term describes the variety of activities conducted by a company towards being a more socially responsible business.

CSI, on the other hand, is almost the natural second step which ignites a conscious awareness that a business should build a strong public reputation of social responsibility, both inwardly with regard to its workforce, practices and means of production, and outwardly with regard to its treatment of and respect for customers, stakeholders and the environment. In other words, CSI refers to the initiatives taken by companies, which are active in social responsibility.

Figure 2.5.1 Interrelatedness of the three concepts: CSI, CSR and CC

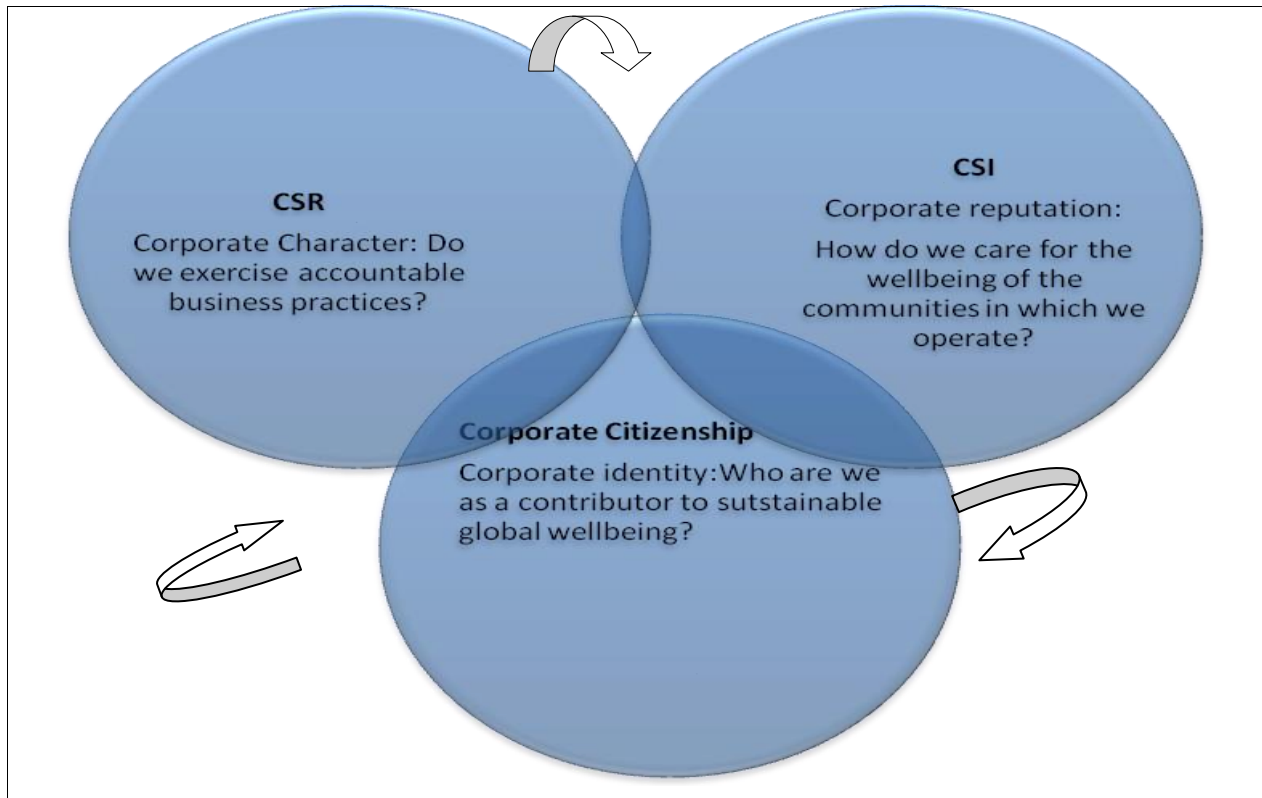


Figure 2.5.1 Interrelatedness of the three concepts (Njenga & Smit, 2007:6)

CSR is almost the natural second step, igniting a conscious awareness that a business should build a strong public reputation of social responsibility both inwardly with regard to its workforce practices and means of production, and outwardly with regard to its treatment of and respect for customers, stakeholders and the environment.

Corporate Citizenship completes that picture by incorporating CSI and CSR in a holistic vision of a sustainable future for humanity and our planet. Stacking the three concepts together reveals a certain degree of fluidity when it comes to defining them. The one presupposes the other, or flows naturally into the other. One concept cannot do without the other two.

From the above it is clear that CSR can be viewed as the umbrella term from which CSI is derived. CSI refers to the initiatives taken by companies which are more active, while CSR is

the umbrella term used to describe the variety of activities conducted by a company towards being a more socially responsible business.

In South Africa, the nature and content of CSR was fundamentally shaped by Apartheid (Bezuidenhout, Fig, Hamann & Omar, 2007:14), apparently spawning a form of CSR that assumes a broader responsibility to society at large. The odd history South Africa has on CSR, has impacted on terminology as well (Bezuidenhout *et al.*, 2007:37). This is evidenced in the rejection of the term Corporate Social Responsibility, with its implied 'obligation' in favour of Corporate Social Investment. From the above it becomes clear that Apartheid played a significant role in motivating companies to participate in CSI, thus addressing the needs of the previously disadvantaged communities.

From the above it is clear that CSI became the more preferred term of reference in South Africa and that CSR is seen as the broader term which describes the commitment and responsibility of businesses.

For the purposes of this research paper, reference is only made to CSI as it is the term/phrase generally used in South Africa.

2.6 Corporate Social Investment in the South African context

Over the last two decades South Africa has faced a myriad of political and cultural issues. The end of Apartheid in 1990 led to the freedom of black South Africans to pursue educational and economic opportunities outside of segregated townships. While these freedoms are invaluable for the success of the majority of South Africans, the threats of AIDS, regional instability and economic dependence are looming large for the country's 52 million residents (South Africa info, 2013). The solutions to these problems may be brought about quicker with corporate social investments by companies throughout the world (Katers, 2006).

In South Africa, the history and definition of CSI are far narrower. Many companies, particularly the mining house magnates, often sponsored philanthropies in their own name; however, these were generally of the most paternalistic kind. In fact, nothing had been recorded about corporate involvement in SA until 1972, when Meyer Feldberg, then a professor of Business at the University of Cape Town exhorted business leaders from the model of their US counterparts, to

sell products or draw employees. His reasoning was based on common sense: "I believe that two subordinate profits to broad social goals would be totally irresponsible", he said "on the other hand, socially responsible behaviour is essential to the long term growth and profitability of the corporation. The costs of carrying out social responsibilities should be considered as normal costs of doing business" (Feldberg, 1972). The call for South African companies to begin to assume responsibilities over and above profit-making was first raised by Fieldberg in 1972. He said: "Obligations to the wider society had to be shouldered if the private sector was to endure" (Charney, 1999:184). In 1977, social responsibility was characterised by a movement from a culture of hand-outs to a culture of participatory involvement in local communities of organisations. This became the first indication of companies taking CSI seriously and considering it as part of business and not charity.

Meyer Feldberg's talk was just the first of a few milestones in the South African CSI in the 1970s. It was followed by the creation of the Anglo American and De Beers Chairman's Fund in 1973 and, shortly thereafter, the formation of the Urban Foundation in 1976 as a private sector initiative to address critical urban development issues in volatile townships nationwide. Even then, most CSI programmes were generally ad hoc donation programmes. Little attention was given to developing a strict definition of CSI to monitor the projects that were being funded and to examine the creative partnerships between companies and its stakeholders that could make such investments go further.

The 2002 World Summit on Sustainable Development (WSSD), held in Johannesburg, South Africa on August 26 - September 2004, further focused the country's attention on the sweeping power of large, global brands and the activism of grass roots special interest groups, which are keen to bring public attention to those large multinational companies that do not show a deep interest in the process of social transformation and wealth redistribution in the country. South Africa boasts 11 official languages, 52 million people and an ever-increasing tourist population that has enjoyed a compound annual growth rate (CAGR) of 8% since 1995, the year following the installation of a democratic, non-racial government in the country.

Various individuals played a significant role in introducing Corporate Social Investment as a business concept in South Africa, such as Visagie, who formed a network of individuals from various sectors of business. Visagie was also the founder of the Gencor Development Trust which was instrumental in creating a formal CSI network in 1988. CSI managers, including

Visagie, met regularly, though on an informal basis, to brainstorm on policy and development trends as far as CSI is concerned. In 1990, the Liberty Life foundation, whose executive director took part in this informal network, invited companies to join in a national educational initiative.

The Joint Education Trust (JET) was formed one year later by combining the CSI budgets of 15 companies including, among others, Shell, GenCorp, JCI, Southern Life, Standard Bank. The aim of this trust was to advance literacy and numeracy for adults with the most basic education needs, improving education and job prospects for unemployed youth no longer in school, and upgrading the quality of teaching in the formal education system. In South Africa, different forms of CSI have been evident for many years. The nature and content to these programmes were fundamentally shaped by Apartheid. However, since the transition in the 1990s and South Africa's reintegration into a global economy, new dynamics have come to the fore (Slabbert, Prinsloo, Swanepoel & Backer. 1998:16-18). Companies also published more information about their spending, while certain firms produced social reports. Articles on CSI started to appear widely in the mainstream press. An increasing number of conferences and workshops were run to explore new issues in CSI. CSI has also been increasingly linked to the Rural Development Plan (RDP) as a means to focus private sector spending which the government has said is essential if RDP is to succeed (Alperson, 1995). CSI should not be seen as 'just the right thing to do'. It is not merely motivated by society's template of expectations, neither is it simply about complying with prescriptions. CSI should be viewed as a professional discipline that contributes to the sustainability of an organisation's business, a win-win approach that contributes to the organisation's bottom line. CSI will enhance the organisation's reputation with the government, community and customers.

2.7 Legal compliance, policy and principles affecting CSI in South Africa

Corporate Social Investment in South Africa has been influenced by issues such as legal compliance, policy and principles. These issues include the Sullivan Principles, Broad-based Black Economic Empowerment, Growth Employment, Social Responsibility Investment Index and Redistribution Strategy. The aforementioned have had significant influence on the policy, framework, measuring and structure of Corporate Social Investment practice in South Africa. Many of these matters have also been a guide to companies on how to manage their Corporate Social Investment initiatives accordingly.

2.7.1 The Global Sullivan Principles

In 1977, Reverend Leon Sullivan launched the original Sullivan Principles, which were designed to help persuade US companies with investments in South Africa to treat their African employees the same as they would their American counterparts. These principles were then re-launched in 1999 as the Global Sullivan Principles for Corporate Social Responsibility. Reverend Sullivan described the objectives of the Global Sullivan Principles at their launch as being there to “encourage companies to support economic, social and political justice wherever they do business” (Global Sullivan Principles of Corporate Social Responsibility, 2012). At the launch, UN Secretary General Kofi Annan declared that “enlightened business leaders” recognise that their reputations and even their bottom lines are “intimately tied to good corporate citizenship” (Global Sullivan Principles of Corporate Social Responsibility, 2012). The Global Sullivan Principles refer to the support for universal human rights, equal opportunities, respect for freedom of association, levels of employee compensation, training, health and safety, sustainable development, fair competition and working in partnership to improve quality of life.

The creation of the Sullivan Principles and their application to US companies established a new vocabulary for CSI in South Africa. US companies operating in South Africa voluntarily complied with the principles, but constant scrutiny by shareholders and anti-Apartheid activists back home made the voluntariness almost impossible. Institutional investors, particularly from religious organisations, municipal pension funds and trade unions, pressurised companies either to disclose the extent of the social investment in South Africa in great detail. They were exhorted to stop supplying the South African military or to make loans to the government. Thus, because of the Sullivan Principles’ proactive CSI programmes included extensive community investment as well as spending on employee wellbeing. Under the Sullivan Principles, CSI covered employee concerns such as housing, health and training to enable employees to advance on the job and education of family members. This motivated a number of South African-owned companies around the mid-1980s to form charitable trusts, both to accommodate expanded community investment as well as receiving tax benefits from the Receiver.

The Sullivan Principles were a statement of fair employment practices that included equal pay for equal work for blacks and whites; non-segregation in the workplace; training programmes to advance blacks; improved housing, transportation, schools and health care (Chaston & Mangles, 1997:47). Through the Sullivan Principles corporate responsibility in South Africa was formalised and operated as efforts to improve social standards within core business activities and by “constructive engagement” (Marzullo, 1987) with civil society and state interests. Alperson (1995:5) describes the Sullivan Principles as a “turning point” in the “vocabulary” of corporate responsibility in South Africa. South Africa, which re-entered the global markets in late 1994, after almost two decades of isolation due to the Apartheid policies of its former government, is progressively aware of the world’s increasing interest in the country as both a tourist and investment destination.

A company wishing to be associated with the Principles is expected to provide information which publicly demonstrates its commitment to them. The Principles aim to be applicable to companies of any size, operating in any part of the world. They have been endorsed and implemented by a number of business councils, campaigning non-governmental organisations, local authorities, companies and representative organisations. To date, around 100 companies have signed up to them.

Listed below are the Principles that companies comply with:

1. Non-segregation of the races in all eating, comfort, and work facilities.
2. Equal and fair employment practices for all employees.
3. Equal pay for all employees doing equal or comparable work for the same period of time.
4. Initiation of and development of training programmes that will prepare, in substantial numbers, blacks and other non-whites for supervisory, administrative, clerical, and technical jobs.
5. Increasing the number of blacks and other non-whites in management and supervisory positions.
6. Improving the quality of life for blacks and other non-whites outside the work environment in such areas as housing, transportation, school, recreation, and health

facilities.

7. Working to eliminate laws and customs that impede social, economic, and political justice (Added in 1984) (Global Sullivan Principles of Corporate Social Responsibility, 2012).

2.7.2 Growth employment and redistribution strategy

Locally the South African government also formed various programmes to address the inequality in education, social and economic matters as a result of Apartheid. The Reconstruction and Development Programme (RDP) is an example of one of these programmes. Following the 1994 elections, the new government embarked on a programme of legislative reform. The language of the RDP was used by organisations to describe their Corporate Social Investment Programmes.

By 1996 the RDP was side lined in favour of the Growth Employment and Redistribution Strategy (GEAR). As time went on, Government turned directly to corporate companies to help compensate for its diminishing capacity in numerous fields. This led to the Government's appeal to corporate companies to help bankroll the fight against crime, inner city development, the fight against HIV/AIDS, tourism promotion and many more. More forward-thinking companies, recognising that democracy is an inclusive process, began to decentralise their CSI programmes, moving away from the chairman's office into public affairs, human resources or self-contained departments. In some instances CSI was devolved into regional operations, where management and employees understood local community needs. Several chairmen's funds were renamed "community development funds" to reflect the greater connection to grassroots groups and the fact that policy decisions on corporate donations were no longer a one-way process emanating from the top (Denton & Bloeberghs, 2003:84).

Historically, the responsibility of social improvement lay mainly in the hands of the Government, although the debate as to whether or not this is appropriate is not a closed one. Government was supposed to be the body responsible for attaining national goals, which would be reviewed periodically. However, with the advent of the King Report (2002), it has become incumbent upon corporations to assist in the country's social improvement. With the release of the King Report

on Corporate Governance for South Africa in 2002, Triple Bottom Line thinking entered the corporate mainstream, although the degree to which companies embrace the principles and spirit of social responsibility varies considerably (King, 2002).

2.7.3 Corporate Social Investment and the Broad-Based Black Economic Empowerment Act

In the South African context, the Broad-based Black Economic Empowerment Act, No 53 of 2003 (B-BBEE Act), signed into law in January 2004, has placed B-BBEE firmly on the corporate agenda. The Act mandated the Department of Trade and Industry to issue explanatory codes of practice of B-BBEE in order to give companies guidance on implementing the B-BBEE legislation and drafting their own industry sector transformation charters. Together, these codes and charters provide the new rules of engagement for broad-based empowerment and transformation (Skinner & Mersham, 2008:239-255).

Njenga and Smith (2007:11) also emphasise the importance of the B-BBEE Act. According to them it is the most important document that has lately influenced and determined the character of CSI in South Africa. In this Act, and in the Codes of Good Practice emanating from it, CSI falls under socio-economic development as one of the seven measurable aspects of B-BBEE. The South African Department of Trade and Industry (DTI) has developed a balanced generic scorecard to measure the extent to which enterprises contribute to B-BBEE (Njenga & Smit, 2007:11-12).

Castka *et al.* (2004:1) describe the alignment and significance of transformation and CSR in Africa. In South Africa CSR is closely aligned to the broad-based transformation agenda. As a formal component of that agenda, Corporate Social Investment has an explicit role to play in challenging corporate resources towards poverty alleviation and socio-economic development. Changes to society and the corporate environment at the beginning of the 21st century bring Corporate Social Responsibility and Corporate Social Investment under the spotlight with ever-increasing levels of shareholders', public and governmental scrutiny. The emerging need is to demonstrate that the organisation is directed, managed and internally controlled with thorough consideration of stakeholders' expectations and of the impact of the organisation on stakeholders – economically, environmentally and socially (Castka *et al.*, 2004:1). Voluntary

sustainability initiatives have not succeeded and compliance with Black Economic Empowerment (B-BBEE) charters and environmental standards have to be legislated and regulated. Fig (2005:599-607) avers that South African companies' CSR contributions are regarded as cosmetic and self-serving.

The inclusion of CSI in the codes and charters has introduced a new set of concerns and priorities for companies and their CSI practitioners. The codes constitute the first step in implementing a coordinated national B-BBEE regulatory framework and cover seven key transformation elements, namely ownership, management and control, employment equity, skills development, preferential procurement, enterprise development and a residual CSI element.

The B-BBEE Scorecard allocates 10% weighting to the residual element and prescribes that companies spend 13% of their profit after tax on the following areas:

- Industry initiatives to facilitate the inclusion of black people in the sector and industry-specific initiatives to promote B-BBEE; and
- CSI initiatives.

The allocation is evenly divided between industry initiatives and CSI, each with an available five points and an expenditure target of 1.5% profit after tax. There is no doubt that the Government's more prescriptive stance on transformation has thrust CSI onto every corporate agenda in South Africa. The inclusion of CSI on the B-BBEE Scorecard has affirmed the valuable contribution that the private sector makes to community development and that CSI departments can make within the business and there is little doubt that the status in South Africa is on the rise. With set targets and expenditure a requirement, CSI has therefore become a performance-driven pursuit among businesses seeking to improve their overall B-BBEE scores (Skinner & Mersham, 2008:239-255).

2.7.4 The Social Responsibility Index as measuring tool for CSI

The establishment of the South African Social Investment Exchange (SASIX), which was the second of its kind in the world outside the Social Stock Exchange (SSE) of Brazil, is used to measure the impact of CSR, that is the assessment of social, programmatic and policy impacts

of corporate behaviour. Mrs Nicky Newton-King developed the Socially Responsible Investment Index (SRI Index) in May 2004 to mirror the complexity of South African society. The SRI Index was the first of its kind in an emerging economy. The social pillar of B-BBEE, social equity and social well-being was going to take pride of place in the SRI Index. “Ms Newton-King argue that this index was created against the background of growing interest in how corporate business interface with society, that is the debate on what constitutes good business behaviour” (JSE, 2005).

Registration of companies that seek to participate in the SRI Index is voluntary, although the top 140 companies were assessed in 2008, whether they volunteered or not. Plans are afoot to extend the three pillars of the Triple Bottom Line – environment, society and economy – which in ordinary business terms refer to economic, social and environmental aspects of business. Equity, accountability, responsibility and transparency underpin the pillars of the Triple Bottom Line and companies must subscribe to the standards of corporate governance in principles and practice. In order to be selected for inclusion in the SRI Index, companies must also achieve a minimum overall score of 70, and this must incorporate core indicators in social sustainability reporting such as HIV/AIDS (JSE, 2005).

In the realisation that upholding sustainability principles is important in the overall non-financial risk management of a company, the Johannesburg Stock Exchange (JSE) has sought to leverage its unique position within the financial services environment to focus the debate on responsible investment. Thus, the Socially Responsible Investment Index (SRI Index) was launched in 2004 in South Africa. The SRI Index provides a measurement of the Triple Bottom Line performance of participating companies. Companies that are constituents of the FTSE/JSE All Share Index are invited annually to participate in the assessment, and performance is measured against criteria based on the environmental, social and economic pillars of the Triple Bottom Line, with a central base in good corporate governance principles, which is measured separately (Skinner & Mersham, 2008:245-246).

From the above it is clear that the Triple Bottom Line is a good guideline to benchmark the impact of CSI initiatives. The SRI Index serves as a useful tool to measure and assess the level of social responsibility to other major companies and organisations.

2.8 CSI in practice

- Some CSI managers are pushing to have their job or department recognised as a key business function within the company, sometimes tying the position into line management and giving it a career path.
- Some larger companies with nationwide operations are decentralising their CSI programmes in order to encourage more involvement by employees who are normally not directly involved in CSI. The Standard Bank Foundation allocates a CSI budget to each of its six regional divisions.
- Employee newsletters and other company publications contain more information on CSI so that employees know what is going on. In some cases they are encouraged to become involved and are recognised for it. One corporate foundation, Liberty Life Foundation, has launched a matching fund programme based on an US model through which the company equals an employee's donation to an accredited non-profit organisation.
- Some companies have increased their consultation on CSI with trade unions, but this is still a limited process, and difficult to implement – and some firms remain hostile to this idea.
- Companies are demanding more accountability from grantees and linking their donations more closely to business needs. This appears to be the case with certain US-owned companies no longer constrained by the Sullivan Principles, which sometimes required them to engage in community projects which has no connection whatsoever to the company's business needs.
- There are now many more companies collaborating on CSI projects. Where companies once felt that by joining hands on a project they might lose the visibility that they could promote as a sole sponsor, many now acknowledge that working cooperatively bring more benefit to the receiving organisation. In arranging these partnerships, the companies often take on different tasks, depending on their strengths. An example is Tshikululu Social Investments, which manages the CSI component of companies such as First Rand, Discovery, Anglo America, UTI and Thebe Investments. This organisation forms a bridge between the interests of corporate clients committed to community grant-making and the realities found at the heart of development.
- CSI is becoming a much more hands-on practice, as managers try to make a growing number of visits into the field to see projects at work. These visits help assure accountability

of how CSI money is spent and are extremely useful for monitoring and evaluating effectiveness.

- The application and monitoring processes are more structured, with many companies requiring grantees to file regular reports.
- More efforts are being made to identify projects that benefit the development of rural communities and to uplift the previously disadvantaged (Alperson, 1995).

2.9 Conclusion

Corporate Social Responsibility (CSR) is a complex and evolving term. It has many elements which include sustainability, Triple Bottom Line (TBL), Corporate citizenship (CC) and Corporate Social Investment (CSI).

CSI is entering a new era in South Africa as companies comply with legislation and respond to the expectations of society. The central question for many companies is whether their corporate social investments are simply a mandatory expense or a strategic opportunity. It has now become a recognised part of good corporate citizenship and of conducting daily business. It forms part of the transformation and sustainability agendas of companies. It is also legally required by the B-BBEE Act, No 53 of 2003, that companies have to comply with in order to get a good B-BBEE score rating. This rating influences their credibility to conduct business with the Government and other stakeholders. Monitoring and evaluation is also a very crucial aspect in order to measure the impact of the CSI initiatives by companies. The SRI Index is very useful in measuring this impact.

It is important that CSI be positioned as a part of the transformation agenda, an element of CSR and CC and as integral to the organisation's sustainability reporting. In this way it will be recognised for its contribution on the overall corporate effort. Leading companies have already adopted this approach, moving beyond compliance to best practice and its attendant benefits. In pursuing this line, the business case for CSI becomes embedded within the broader sustainability agenda. Yet, this broader agenda should rely extensively on CSI activities for engaging with communities, for enhancing reputation, for building employee morale and for demonstrating goodwill to government (Rockey, 2003:9).

Chapter 3

Corporate Social Investment initiatives towards the development of education

3.1 Introduction

In Chapter 2 the history and nature of Corporate Social Responsibility (CSR) as the umbrella term was explained. The elements of CSR were discussed in detail, namely

- Sustainability
- Triple Bottom Line (TBL)
- Corporate Citizenship (CC)
- Corporate Social Investment (CSI)

The relationship between CSR and CSI was discussed and CSI in the South African context and in practice was presented. Njenga and Smith (2007:13) mention that CSI interventions may include, but will not be limited to:

- Development programmes for women, the youth, people with disabilities, people living in rural areas and other target groups;
- Health: support of health and HIV/Aids programmes in the community;
- Education: support for community education facilities, programmes at secondary and tertiary education levels; bursaries and scholarships;
- Training: community training; skills development for the unemployed; adult basic education and training in communities;
- Environment: focuses on conservation, awareness, education and waste management;
- Arts and Culture: support of development programmes; development of new talent; and
- Sport: support of development programmes.

This chapter explores the literature on corporate social investment initiatives especially towards the development of education in South Africa. For the purpose of the study, only CSI initiatives supporting education are explored as they have been identified as the most critical considered focus area to support in terms of CSI. According to the CSI Handbook (De Wet, 2009:38), education and health (specifically HIV/Aids initiatives) once again account for the lion's share of CSI expenditure; in fact, education and health have seen increased investment. Within the education arena, Mathematics, Science and Technology initiatives are strongly favoured, and with good cause: The World Economic Forum's 2008/09 Global Competitiveness Report ranked South Africa last out of 133 countries for quality of Mathematics and Science education. Improving performance in these subjects is not only an educational imperative, but in an economy with severe skills shortages, South African companies have vested interests in boosting skills levels in these areas (De Wet, 2009:38).

Education is regarded as a priority by many. Many resources have, therefore, been allocated in an effort to develop this sector, especially in South Africa. The UNESCO Institute for Statistics (UIS) is the official source of data used to monitor education and literacy targets associated with Education for All (EFA) and the Millennium Development Goals. The UIS collects data on youth and adult literacy through its annual survey on literacy and educational attainment. UNESCO publishes an annual fact sheet on statistics regarding the state of education which revealed that South Africa is one of the countries with the highest illiteracy rate in the world (UIS Fact Sheet No 20, September 2012:1). Another report published by UNESCO (UNESCO Institute of Statistics, 2011:2) also reveals that there are more children dropping out of school in South Africa than in any other country in the world. The social and economic impact due to the lack of education is difficult to comprehend, especially the impact of poor education on the corporate sector. Lack of education affects company productivity and competitiveness adversely. Thus, this lack of education increases the training costs of organisations immensely. Companies cannot sit on the sideline, but should rather be involved in education through CSI programmes. CSI spending in support of education can be a tool to address these great challenges (Vusani, 2010:22).

Education is an area which is currently facing major challenges in South Africa. Many schools are left with unqualified teachers, lack of resources, low literacy rates, Mathematics and Science crises and many more. CSI spending in support of education as a focus area can be seen as a

solution to these challenges over and above government programmes and interventions for South Africa's social development. This research focuses especially on the CSI initiatives in support of education. This chapter presents a perspective on the current situation of the education sector, especially in Early Childhood Development (ECD), Basic Education and Tertiary Education.

Results derived from the latest research done by Trilogue in the CSI Handbook (Matthew, 2011:142) indicate that in a sample of 105 large companies, the primary and secondary data in respect of CSI expenditure account for 70% of the total CSI marketing in South Africa. An estimated R5.1 billion was spent on corporate social investment in the 2008/2009 financial year of which the education sector benefited the most. A common approach is for companies to adopt a school, usually close to their operations. Examples of companies that support the Adopt-a-School Foundation include Abusa Limited, Absa Capital, DBSA, Exclusive Books, L'Oreal, Shanduka, Merrill Lynch and the Mondi Group. The Adopt-a-School Foundation seeks to assist schools in accessing basic facilities in order to enhance learning and teaching outcomes. Since its inception in 2001, the Foundation has supported more than 100 schools across the country, benefiting over 160 000 learners. More than R50 million has been invested in infrastructure, training and resources. Corporate companies contributing to the building or renovation of schools in partnership with the Department of Education include Vodacom, Impala Platinum, the De Beers Fund and the Anglo American Chairman's Fund (Matthews, 2011:142).

3.2 Overview of the situation within the education sector

During the past two decades, school education in South Africa has undergone a huge transformation. Pre-1994, South Africa had four provinces: Cape Province, Natal, Orange Free State and Transvaal. Each province had its own matriculation board. Currently there is only one National Senior Certificate. Recently, a new system of education was introduced known as Outcomes Based Education, better known as OBE. The first grade 12 finishers for this system matriculated in 2008. In 2009, the Department of Education (DOE) was split into two sections, namely the Department of Basic Education and the Department of Higher Education (Vusani, 2010:22).

Despite the many changes, various international indicators indicate that the education system in South Africa is not up to standard. The United Nations Human Development Index (Human Development Index Report, 2009:2) indicates that South Africa was ranked 129 out of 183 countries during 2011. This index is a measure of average human development in any given country. It takes into account life expectancy at birth, adult literacy rate, combined gross enrolment ratio and Gross Domestic Product per capita. The same report indicates that adult literacy in SA attained a ranking in the 80th position (United Nations Development Indicators, 2011:143).

The Human Poverty Index (HPI) for South Africa was 25.4%. This indicates that 12.5 million of South Africans live on less than a United States dollar per day. These people depend on the Government to provide services. Therefore, they will rely heavily on government health services, educational infrastructure, social welfare and security (United Nations Human Development Report, 2009:12).

Global Strategies such as the Millennium Development Goals (MDG) are aimed at addressing the challenges faced by education in South Africa. The second Millennium Development Goal target aspires to ensure that by 2015 children everywhere, boys and girls alike, will be able to complete a full course of primary schooling. South Africa's education system experiences a range of problems extending beyond the simple issues of meeting the MDG targets. Poor quality education reinforces major racial inequalities in society and inadequate systems make it difficult for South Africa to deliver on internal infrastructural promises or to achieve competitive levels in a globalised economy. These factors impact negatively on long-term development and internal stability in the country (Millennium Development Goal Report, 2011). The South African Schools Act, No 84 of 1996, is aimed at creating access to education (South Africa, 1996). This Act states that schooling is compulsory for children between the ages of seven and fifteen (or attendance in Grades 1 to 9, whichever comes first). Both the Millennium Development Goal and the Schools Act acknowledges education as a priority in South Africa.

While education continues to be a top priority within the Government, the challenges often appear insurmountable. The quality of education is inhibited by limited human resources, unsatisfactory infrastructure and severe shortages in resources and equipment. However, Government is proactively working to meet these challenges by providing increased

opportunities for learners and educators throughout all levels of education in the country (Matthews,2011:38).

In addition to Government, many corporate companies have also identified education as a priority area of interest in terms of their Corporate Social Investment initiatives. Furthermore, education in South Africa has been the focus of increased interest during the past 18 years. A resolution taken by the African National Congress (ANC) at the Polokwane Conference in 2009 called for education to be a national priority and the concern of the entire nation. There has also been public debate and official action against a new kind of education which is closely linked to health outcomes. In this regard Bloch (2010:1-4) states that levels of poverty alleviation resulting from improved chances of employment through higher levels of education can also be expected to improve health outcomes in the long run.

Deputy President Motlanthe stated at an education fundraiser event held on 16 August 2012 that education is without a doubt a lever to uplift individuals, their families and society at large. He added that nowhere is this truer than in South Africa where education should serve as a weapon against the scourge of poverty among young people. The CSI Handbook (Matthews, 2011:38) stresses that education is a priority and that the quality of education is also essential. This is inhibited by limited human resources, unsatisfactory infrastructure and severe shortages in resources and equipment. However, Government is proactively working to meet these challenges by providing increased opportunities to learners and educators throughout all levels of education in the country (Matthews, 2011:38). The paragraphs below provide a view into each sector of education together with the challenges that are experienced and how CSI plays a significant role in developing each of these sectors.

In addition to Government, many corporate companies have identified education as a priority of interest in term of their CSI initiatives. CSI spending towards the development of education can be a major tool to address challenges that are currently experienced within the education sector. Njenga and Smit (2007:13) state that in South Africa, CSI has a very specific look and feel. Across the globe, CSI will be contextual in nature and will be determined by circumstances and opportunities. According to the Broad-Based Black Economic Empowerment Act, No 53 of 2003, published by the Department of Trade and Industry during 2005 [Section 9 (5), Codes of Good Practice: 3-7] South African CSI is determined not only by the demands of circumstances, but is also required and measured by legislation and industry charters. CSI refers to an

enterprise's contributions to society and a community that are extraneous to regular business activities. CSI interventions may include, but will not be limited to (B-BBEE Act Empowerment Act, 2005:3-7):

- Development programmes for women, the youth, people with disabilities, people living in rural areas and other target groups;
- Health: support of health and HIV/Aids programmes in the community;
- Education: support for community education facilities; programmes at secondary and tertiary education levels; bursaries and scholarships;
- Training: community training, skills development for the unemployed, adult basic education and training in communities;
- Environment: focuses on conservation, awareness, education and waste management;
- Arts and Culture: support of development programmes; development of new talent; and
- Sport: support of developmental programmes.

During 2011, general education levels (grades 1-9) were the best supported parts of the education sector with 29% budget allocation. Initiatives to support Further Education and Training (grades 10 to 12) and Tertiary Education (universities and universities of technology) also enjoyed considerable support, each receiving 26% of the education budgets. Early Childhood Development was allocated 14%, and Adult Basic Education and Training received 6%, which is considerably less corporate funding than the other levels. Compared to the 2009 CSI spending, most companies directed their initiatives toward those that focus on the development of Mathematics, Science and Technical Education (21%) and those that provide bursaries, scholarships and university chairs (19%). It makes sense for companies to target these forms of support because commercial enterprises gain tangible benefit from people with mathematics, science and technical skills, and derive direct or indirect payback through bursaries, scholarships and university chairs. Educational infrastructure, facilities and equipment (15%) and teacher development (11%) also enjoyed relatively good support (Matthews, 2011:38).

3.3 Early Childhood Development in South Africa

The Education White Paper 5 on Early Childhood Education (2001:5) defines Early Childhood Development (also known as ECD) as an umbrella term that applies to the process by which children grow and thrive physically, mentally, emotionally, spiritually, morally and socially from birth to at least nine years of age. ECD refers to a comprehensive approach to policies and programmes for children from birth to nine years of age with the active participation of their parents and caregivers. The purposes of ECD are to protect the child's rights to develop his or her full cognitive, emotional, social and physical potential (The Education White Paper 5 on ECD, 2001:5).

The South African Government's commitments to young children flow from the Bill of Rights in the South African Constitution and from the country's ratification of international children's rights conventions such as the African Charter on the Rights and Welfare of the Child and the United Nations Convention on the Rights of the Child. Children's rights to ECD provision are implied through a number of other constitutional rights. The South African Government is committed to ensuring universal access to ECD programmes for young children in preparation for their compulsory schooling (Education White Paper 5 on Early Childhood Development, 2001:3-5). The Children's Act, No 38 of 2005, recognises the role of ECD – together with support for parents and families to fulfil their duties of care – in reinforcing children's protective rights.

Corporate Social Investment in ECD programmes plays a significant role in Social Economic Development. Investing in the foundation phases provides a child with an opportunity to develop the necessary skills in order to grow and develop in society. Investing in young children pays off in the long run. Child stimulation and development at the early stage of life has a critical role for good health, growth, success in education and in life. ECD encompasses all the processes that enable emotional, cognitive, sensory, spiritual, moral, physical, and social and communication development of children from birth to school-going age. Nutrition and clean water, caring families and communities, support for early learning and psycho-social development, and access to health care are necessary conditions for young children's survival and well-being, and for their healthy development through later childhood into well-functioning adulthood. ECD thus has a crucial role in children's realisation of their rights to survival, development, protection and participation (UNICEF, 2001:11).

Nzekwu (2007:23) points out that ECD is not a favourite investment space for business or government. Nzekwu (2007:23) also states that catering for the education of children from birth to six years of age continues to be a major purview of foreign donors, non-profit organisations (NPO's), churches, street communities and women's organisations. One per cent of the national budget and thirteen per cent of corporate funding is inadequate to provide for South Africa's 6.3 million children of pre-school age. National and international researchers reveal the invaluable social and economic return to society investment in pre-schooling. Educational research based on the US, for instance, reports that for every \$1 spent on early education, savings to the economy and society amounts to \$17.07. ECD strongly impacts on general education and poverty alleviation and the largest educational responsibility lies in this sector (Nzekwu, 2007:23).

According to the Annual Report for Basic Education 2009/2010, ECD is the foundation for the formation of quality human capital. It offers the highest return in economic development and it is the most cost-effective way to reduce poverty. Minister of Basic Education, Motshekga, stated that the ECD sector has a critical role to play in the overall improvement of the quality of education in South Africa and that the early years are very critical for the acquisition of skills and concepts that lay the foundation for life-long learning (Department of Education Annual Report, 2009/2010).

Government intends to expedite rural development and has recently begun targeting rural areas with an ECD registration campaign. In the 2010 financial year, a total of 2 514 new ECD centres were registered, 1 385 of them in rural areas. In terms of the Children's Act, No 38 of 2005, it is the responsibility of the Department of Social Development to manage the registration of ECD sites, monitor their functionality and impact, and to provide a subsidy for children who cannot afford to attend. In impoverished communities where good education is unknown, it becomes even more important to provide not only the basis upon which primary education can be built, but also an example of educational excellence. In these remote, under-resourced areas, there has never been a pattern of good education: enthusiastic and well-trained teachers who arrive at work every day, who put the interests of children above all else, who ensure that the children of illiterate and poor parents are stimulated so that their intellects grow and are being developed as pre-schoolers would make the ideal teachers.

Improving professional standards among the teaching corps should be a national priority. This is a multi-layered endeavour: we need intensive training at all levels of teaching; we need to motivate educators, providing learning materials in classrooms; we need to relieve teachers of multiple demands on their time through adequate staff resourcing; and we need to instil a culture of pedagogic excellence in our schools. We also need to make every effort to make schools safe places to teach and to learn (De Wet, 2009).

A UNICEF publication entitled *South Africa's children: a review of equity and child rights*, published in 2001, highlights that children in the poorest households are only half as likely to receive ECD compared to a child in the richest households. The review further points out that lack of money is the most prominent reason why children are not attending school in South Africa. There is a need to focus both on access to and quality of education. In this regard ECD became one of the key outputs for the Department of Basic Education's Action Plan for 2014 and is implemented in collaboration with the Department of Social Development, Health and Co-operative Governance. The Department of Basic Education is in the process of developing a national policy that will allow for better access to grade R with a target of 100% enrolment by 2014. There is currently no standardised curriculum for ECD, although the ECD Alliance has developed a curriculum which is being implemented by some NPOs (Matthews, 2011:140).

From the above it is clear that Early Childhood Development is a vital phase in the development of the education of a child. This is a very crucial area; however, it faces many challenges. The section below presents a closer look at the challenges experienced in this phase.

3.3.1 Challenges experienced in the Foundation phase

In South Africa, reading problems tend to be masked by language proficiency issues. It is assumed that poor academic performance is caused by poor mother-tongue proficiency. An associated assumption is that learners, who have difficulty using reading as a tool for learning, have problems in comprehension problems as a product of limited language proficiency. This leads to the idea that language proficiency and reading ability are alike (Pretorius, 2002:174). It must be noted that, although English is used as a main language of teaching instruction in South African schools, poor literacy results cannot be solely attributed to second language instruction as teachers and learners are struggling with literacy in the African languages as well

as English (Pretorius & Machet, 2004:47-48). Pretorius (2002:175) attests to the fact that improving the language proficiency of learners does not automatically improve their reading and comprehension. He (Pretorius, 2002:175) also contends that attention to reading improves reading skills and as a result language proficiency also improves. Although reading ability alone cannot guarantee academic success, it is highly likely that a lack of reading ability can function as a challenge to academic achievement (Pretorius, 2002:175).

Lessing and De Witt (2005:242) are of the opinion that overall, regardless of medium of instruction, the accepted assumption in South Africa is that after the Foundation Phase of schooling, a phase in which learners are expected to master basic literacy and life skills, learners will be prepared to make the change from learning to read to reading to learn. The above mentioned all contribute to the fact that during the Intermediate Phase of schooling reading to learn is possible, using the default language of instruction, which, in many cases, is English (Lessing & De Witt, 2005:242). As such, Intermediate Phase teachers may anticipate that learners entering their classes will be able to read effectively enough to allow for the mastery of learning area content. However, to the frustration of these teachers, learners, for various reasons, may not be able to read as well as expected (Lessing & De Witt, 2005:242).

The availability of ECD facilities across the country is insufficient, especially for the younger children (under the age of five years). This is a result of the uneven distribution of such facilities. According to the Situational Analysis of Children in South Africa Report (2009:20), recent data suggests that 385 000 children are supported through ECD centres registered at the Department of Social Development; another 209 000 are enrolled in stand-alone registered ECD centres and other pre-school programmes under the auspices of the DOE. This falls well short of the number of children in pre-school age. In 2009 the enrolment in grade R was approximately 44%. The Department of Education realised in 2009 that the goal of universal access would not be met by 2010 at that enrolment rate (Analysis of Children in South Africa, 2009:20).

Qualification of educators working in the ECD sector is another major challenge and is essential for providing good quality services. Qualified educators are in a strong position to understand the specificity of the development of children during their early years. Qualified educators also understand how to provide the basis programmes that holistically address child development, which ultimately leads to improved services to young children and families including early

stimulation, health, nutrition and child care. The national audit in 2000 found that almost a quarter of educators had not completed any training. Only 12% had a proper qualification (Williams & Samuels, 2001:17). The Intermediate and Senior Phases are explored later in this chapter.

3.3.2 CSI initiatives in Early Childhood Development

For the past eleven years, Engen's investment in education has made them a major contributor to Early Childhood Development, compensatory education and educator training. They emphasise improving the quality of education in mathematics, science and technology. Engen's active involvement in early childhood development centres ensures that educators are empowered to take care of children ranging in ages from one to six years of age. Furthermore, they are also taught how to manage the administration and fees of the centres, while also feeding and teaching these children. Groups are never bigger than forty children per group. These centres are mainly for those children who have 'working parents' who are not available to their children during the day while they are out earning a living, and strive to offer a safe haven for those left orphaned due to HIV/Aids and therefore have no other place to stay. A professional educator development programme that will improve the skills and abilities of 1 200 educators in the mentioned areas over the next three years has also been funded by Engen. Engen is also the leading sponsor of the South African Booksmart project. The main purpose of this project is to obtain books and teaching resources from the United States of America and Europe. These books and resources are then distributed to schools within South Africa. To date, more than one million books and educational resources to the value of R2 million (Mathematics, Science and English) have been distributed, benefiting over 750 000 learners (Engen, 2012). In many instances, the books sent by SABF (South Africa BookSmart Foundation) have been the sole source of educational resources and academic materials available to students, teachers and community resource centers in many townships and rural schools in Africa. Books are distributed to schools and communities free of charge via local resource centres located in Durban, Cape Town and Johannesburg (International BookSmart Foundation, 2013).

Another example of a corporate company supporting ECD is Volkswagen. Volkswagen Group refers to a "programme of strategic giving" which also entails "partnerships with NGOs,

educational institutions and government”. Like many companies, Volkswagen’s focus is on education (which attracts more than 30% of CSI spending) but the car maker has a much more specific focus – Early Childhood Development (De Wet, 2009:142).

3.4 Intermediate and Senior phases

Three concepts are useful for evaluating progress towards realising children’s rights to basic education, namely access, exclusion and quality. At the simplest level, access to education focuses on the proportion of school-aged children who are enrolled at school; whereas exclusion focuses on the proportion of school-aged children who are not enrolled. Enrolment on its own is not sufficient for meaningful access. Access to schools is meaningful only when it enables children’s epistemic access (or access to learning and content knowledge). High attendance rates, uninterrupted progression through grades and learning outcomes appropriate to different learning areas and phases of education are all important conditions for meaningful access (Situation analysis of children in South Africa, 2009: 58).

3.4.1 Access to education

According to the Bill of Rights (1996) every child in South Africa has the right to basic education. Furthermore, the South African Schools Act, No 84 of 1996, emphasises that school enrolment is compulsory for children from the age of seven until the age of fifteen, or from grade 1 to grade 9, whichever is reached first. The compulsory schooling period defines basic education for children in South Africa and covers three phases, namely the Foundation Phase (grades 1 - 3), the Intermediate Phase (grades 4 - 6) and the Senior Phase (grades 7 - 9), which straddle primary and secondary school. In support of the above, the South African Schools Act, No 84 of 1996, provided legal reform pertaining access to school while the National Education Policy Act, No 27 of 1996, provides the legal framework for regulations and policy governing children’s admission to both public and independent schools. The South African Schools Act, No 84 of 1996, also sets the framework for school governance and permits school governing bodies to charge school fees, on condition that no child may be denied access on financial grounds. The Education Laws Amendment Act, No 31 of 2007, introduces minimum norms and standards for all schools, outlines school performance indicators and provides new measures to curb the presence of drugs and dangerous objects (such as firearms, knives and explosives) in schools.

Amendments also include a change to the process for developing education law and policy, and allow the Minister of Basic Education to consult with a panel of experts appointed by the Minister (Calderhead, V., 2011:531).

Despite the prescripts of the South African Schools Act, No 84 of 1996, which compels all children ages seven to fifteen years with compulsory education, access to education is still a major challenge. Children's access to the compulsory education system in South Africa is extensive. National statistics revealed in the Education for All (EFA) Country Report (Department of Education, 2010:20) show that about 2% of school-aged children have never attended school and that most children stay in school at least to the end of primary school (grade 7). Most school-going children attend public schools in the primary school sector. Only 15% of South Africa's school-going population attends independent schools (Department of Education, 2010:20). An independent school is a school that is not state owned like a public school. According to section 46 of the South African School's Act (RSA (b) 1996:s. 46) an independent school must be registered by the Head of Department. Therefore no person may establish or maintain an independent school unless it is registered by the Head of Department. Furthermore section 46 (3) of the South African School's Act stipulates that a Head of Department must register an independent school if he or she is satisfied that the standards of such a school will not be inferior to the standards maintained in public schools; the admission policy of the school does not discriminate on the grounds of race and that the school complies with the grounds for registration. The Member of the Executive Council must, by notice in the Provincial Gazette, determine the grounds on which the registration of an independent school may be granted or withdrawn by the Head of Department (RSAb.1996:s. 46). Only 15% of South Africa's school-going population attends independent schools (Department of Education, 2010:20). Furthermore, enrolment data indicates whether a child is registered at school at the beginning of the school year. The Gross Enrolment Ratio (GER) is calculated as the ratio of all children enrolled in a given education level (without age restrictions) compared with all children in the age range formally corresponding to that education level. A GER of more than 100% indicates that there are more learners in the formal school system than in the appropriate school-age population (total potential population), which indicates enrolment of over-aged learners owing to late entry and grade repetition. At the national level the GER for primary schools was 103% in 2007, while the GER for secondary schools was 91% (Department of Education, 2010:20). This 103% indicates that there are more learners in the formal school

system than in the appropriate school-aged population, which indicates that there are over-aged learners in the system that can be a result of either grade repetition or late entry. The above-mentioned information indicates that schools are also suffering with capacity issues and that there may be a lack of resources and infrastructure.

3.4.2 Exclusion from education

The South African Government is failing to protect the right to primary education for children living on commercial farms by neither ensuring their access to farm schools nor maintaining the adequacy of learning conditions at these schools. This violates South Africa's aforementioned 1996 South African Schools Act, the National Education Policy Act and its obligation under the Convention on the Rights of the Child. Receiving an education is compulsory for all children up to grade nine or age fifteen, depending on whichever comes first. South Africa's inclusive education policy is designed, in part, to attract out-of-school children into schools and to help them to progress through basic education. School-related costs such as fees, uniforms and transport costs seriously limit children's exercise of their right to basic education. The distance that children travel to school is also an impediment to meaningful participation. Physical access to school is limited for children and educators with movement disabilities. Despite marked improvements and concentrated spending on infrastructure, many schools still have inadequate infrastructure, particularly laboratories and libraries in rural schools.

High enrolment rates have not yet been matched by improvements in educational quality. Children's chances of meaningful learning and a smooth pathway through school are uneven (Mandy, Mbelle, Gagnon, Taylor & Levine, 2009:4).

3.4.3 Quality of Education

The quality of the education system needs to be addressed urgently in the whole range of its different dimensions. Overcoming weaknesses in the quality of educators is imperative. Poor quality educators' persistence severely impedes the realisation of children's rights to education and development. Meagre library resources, interrupted instructional time, the burdens of implementing curriculum change and mismatches between the supply of qualified teachers and

the demand of particular learning areas impede the definitive purpose of schools, namely to enable systematic learning and to promote the values of responsible citizenship, and this needs urgent attention. Developing courses that correspond to the age and educational level and creating a supportive environment that enable all children to attain (at a level commensurate with their age and abilities) the critical cross-cutting outcomes of South Africa's national curriculum, and improving the qualifications and skills of teachers to deliver subject material effectively and to manage the class environment, have to be among the top priorities (Situational analysis of children in South Africa, 2009).

3.5 Challenges in Basic Education

South Africa's public schooling system is extraordinarily complex. More than 12 million learners are enrolled at 300 000 schools in over 70 districts and nine provinces. Nearly 400 000 educators work in the system. There are huge differences within and between provinces, districts and schools. South Africa's socio-economic inequality is reflected in the diversity of backgrounds and academic performance of learners (Sapa, 2011:1).

3.5.1 *Matriculation pass rates*

The number of learners matriculating now is no greater than in 1994, with similar poor results in higher grade Mathematics and minimal university exemption passes. It is estimated that only 52 of every 100 learners who start grade 1 make it through to grade 12. Seventy-nine per cent of high schools fall into the poorly performing category, producing fifteen per cent of the higher grade passes in Mathematics, while two thirds of the passes are produced by seven per cent of the schools. These systemic problems are compounded by high levels of unemployment, in particular among the youth. Where educational effort is not seen to lead to improved life prospects, and where access to further education and training becomes a financial and educational battle with poor prospects, there is a risk that education is no longer valued. This can be seen in the denigration of matric results, even while pass levels have improved (Block, 2010:81). Over and above the pass rate, the effectiveness and proficiency of matriculants in areas of numeracy and literacy in the real-life workplace is still questionable. It is becoming ever more apparent that matriculants are frequently grossly insufficiently equipped to hold down a job. Even though it is apparent that proficiency in Mathematics and Physical Science alone is

insufficient to secure adequate employability, it does play an important role in enhancing employment (Cullinane & Treisman, 2010:1). Nzekwu (2007:25) mentions that essentially, only slightly more than 10% of all those who start school end up securing just 30% for these subjects in grade 12. This must surely be a major constraint on the economy's ability to generate a higher sustainable growth rate. The aforementioned can also be attributed to educator moral of education.

3.5.2 Educator moral

According to Van der Berg, Burger, Burger, de Vos, Du Rand, Gustafsson, Shepherd, Spaul, Taylor, van Broekhuizen, and Von Fintel (2011:4) education quality has remained disappointing. Surveys indicate that the level of cognitive achievement of the majority of South African children is alarmingly low in key learning areas such as reading, Mathematics and Science. According to the systemic valuations undertaken by the Department of Education, the majority of children are performing well below the standards required by the curriculum. In the Trends in International Mathematics and Science Study (TIMSS) of 2002, South African grade 8 students achieved the lowest average scores in both Mathematics and Science out of 46 countries, including six African countries (Van der Berg *et al.*, 2011:4)

Educator morale has also been identified as one of the challenges in the education sector. Several factors have been attributed as underlying causes of the low morale in the teaching profession. Gonder and Hymes (1994:11) defines school climate as follows: "It refers to the atmosphere in a school by saying it consists of mannerisms and mind-sets shared by members of subgroups, such as students, management and staff and by the school population as a whole. Climate impacts on morale, productivity and satisfaction of persons involved in an organisation and are generally considered to be positive or negative". In the late 1990s the DOE implemented Outcomes Based Education (OBE) in primary schools (General Education and Training Band) in South Africa. Teachers who were teaching at that stage, especially those with 20 – 30 years of teaching experience found it difficult to understand the new curriculum and many of them resigned or took early retirement packages. The teaching profession lost many experienced teachers such as heads of departments, deputy principals and principals. In 2005 The National Curriculum Statement (NCS) became an OBE infused curriculum for grades 10 –

12. Teachers are still struggling with the new curriculum because of inadequate training by the Department of Education. Many teachers still have curriculum issues that need to be addressed and this negatively affects their morale.

During September 2011 the Minister of Basic Education; Motshekga, approved the new curriculum called Curriculum and Assessment Policy Statement (CAPS). The new curriculum Schooling 2025 would replace the highly criticised Outcomes Based Education system introduced in 1998. However, OBE will not be completely scrapped but will be modified to improve the performance of school pupils. The new CAPS will replace the existing method, where assessment requirements were mapped onto the achievement of outcomes and assessment standards (Government Gazette No. 34600, 2011:3). This suggests that teachers have to receive additional training on the new curriculum.

Educator morale is a major challenge, which limits the quality of education. Hendricks (2009:38) summarises the causes of educators' low morale as follows:

- Insufficient reward systems by principals, fluid relationships, incompatible values and views and poor working conditions;
- Personal problems resulting in stress;
- Ineffective administrative structures, unfavourable working conditions without the possibility of personal advancement and an autocratic management style;
- Non-existent relationships in the workplace, lack of freedom in planning work, lack of opportunities for policy planning and educators' perceptions of their supervisors;
- The establishment of management structures,
- The abolition of corporal punishment;
- The school climate;
- Socio-economic context within which schools are located;
- Vandalism of schools;
- Physically and verbally aggressive learners;

- Prevalence of HIV infections among educators; and
- Job satisfaction – emotional perception of their work, profession and working conditions.

3.5.3 Literacy, Mathematics and Science

While South Africa has exceeded its targets for learner to educator ratios, there is an oversupply of teachers in some learning areas and an undersupply in such critical areas as Mathematics, Mathematical Literacy, Physical Science and Languages. Qualified teachers are unevenly distributed across districts, with rural schools at a distinct disadvantage. Large class-sizes and consequent overcrowding in the early years of schooling impedes critical foundational learning.

Poor national averages for Languages, Mathematics and Science at two crucial points in Basic Education (grade 3 and grade 6) suggest that Basic Education is not yet enabling the majority of children to achieve the learning outcomes that give substance to the right to education (Situation Analysis of Children in South Africa, 2009:67).

Snyman (2010:1) writes that, despite spending more money on education, South Africa's literacy level remains lower than those of various other emerging markets, according to the latest South Africa Survey, published by the South African Institute of Race Relations. South Africa's public education spending as a proportion of total government spending amounted to 18% in 2009/2010. Data sources from the United Nations Development Programme's Human Development Report show that South Africa has an adult literacy rate of 89%. The UN defines the adult literacy rate as the proportion of people aged 15 years and above who can read, write and speak. Of the BRICS grouping (Brazil, Russia, India, China and South Africa) Brazil, Russia and China all have higher adult literacy rates than South Africa. Brazil's adult literacy rate is 90% although its education expenditure was only 16% of total government expenditure. Russia and China have higher adult literacy rates of 99.5% and 93.7% respectively. Of the BRICS grouping, India has the lowest adult literacy rate of 62.8%. It has become clear that South Africa's relatively high education expenditure is not enough to address the issue of poor education results. Despite spending more on education, South Africa is not yielding the same results as other emerging markets. The way forward therefore relies on strengthening the quality of teaching at school level and focusing on the commitment of teachers and principals

(Snyman, 2010:1). South Africa's literacy level is lower than other emerging markets despite spending more (Snyman, 2010).

The 2011 Annual National Assessment reveals that only 12% of grade 6 pupils scored 50% or more for Mathematics in a countrywide assessment test earlier that year. This low score was one of several revealed in the delayed 2011 Annual National Assessment (ANA) results, released by Minister of Basic Education, Motshekga. The assessment includes numeracy and literacy tests conducted among six million so-called foundation phase learners (grades 1 - 3) and intermediate phase learners (grades 4 - 6) attending public schools. The tests took place in February 2010, after pupils had completed the previous year's grade work. According to the document, grade 6 results for language, based on a sample of results from selected schools, show that as few as 15% of pupils scored more than 50%. Among grade 3 pupils, only 17% scored more than 50% in their numeracy assessment and 31% scored more than 50% in the literacy test (Sapa, 2011:1).

3.5.4 CSI spending towards the development of the Intermediate Phase

The CSI Handbook (Matthews, 2011:152) identified that Mathematics, Science and Literacy are the most supported areas in education. Below are examples of the types of initiatives that have been supported by corporate companies.

- The IDC's Techrusa project attempts to bring development to rural schools in Limpopo and the Eastern Cape through its partnership with the University of KwaZulu-Natal's (UKZN) Centre for the Advancement of Science and Mathematics Education (CASME). The project aims to up-skill teachers in key areas
- Murray and Roberts invest in teacher development via their funding of the Maths Centre, which delivers advanced teacher training and lesson delivery materials. They also invested R4.43 million in the TRAC project towards its four laboratories in Gauteng, Western Cape, KwaZulu-Natal and the Eastern Cape.
- Nedbank invests directly in teachers through its partnership with the LEAP Science and Maths Schools Programme by providing funding for selected teachers to receive dedicated mentorship while undertaking their Bachelor of Education Degrees at the University of South Africa (UNISA).

- ArcelorMittal spends approximately R8.8 million annually on channelling 1 200 grade 10, 11 and 12 learners, accompanied by their teachers, through its state-of-the-art Science Centres in Sebokeng and Saldanha. Another centre was scheduled for development in KwaZulu-Natal in 2010.
- Daimler-Chrysler's pilot Mercedes-Benz Maths, Science and Technology (MBMBST) project managed by Protech provides support to 40 grade 11 and 12 learners at an under-resourced school North-West of Pretoria.
- Implats funds the REACH project which has impacted some 35 000 learners and 120 teachers in 10 primary, 6 middle and 19 high schools. The company has also partnered with the Department of Education in the North-West in rolling out its Maths Intervention Project (MIP) which targets approximately 3 000 grade 3 - 10 teachers in the province.
- Investec CSI funds are directed to 500 grade 10 - 12 learners in 30 schools in UKZN and Mpumalanga through its Promaths project, aimed at supporting the secondary schooling system with a view to generating students who are competent in English, Mathematics and Science.
- Rand Merchant Bank (RMB) aims to increase the Mathematics pass rate by 5% per year in 20 schools through its direct R1.5 million per-year-per-chair funding of two National Research Foundation (NRF) Chairs in Mathematics education at universities in Gauteng and the Eastern Cape. The company also directs funding towards teacher development via the Maths Leadership Programme, an initiative in partnership with the Independent Schools Association of Southern Africa (ISASA) that focuses on developing Maths and Science infrastructure and teaching capacity by recruiting and covering the tertiary tuition and further learnership (undertaken in a resourced high-performing school) costs for 2 000 teachers in Gauteng and KwaZulu-Natal.
- The SAB, through a partnership with ISASA, currently runs the Maths Learnership Project. The project recruits and up-skills teachers training in under-resourced areas via funding their placements at high-performing mathematics schools. The company also funds the Maths Centre Professional Teachers (MCPT), a service provider that currently focuses on up-skilling 46 Maths and Science teachers in rural Limpopo.

- Anglo American's Epoch and Optima Trusts fund over 60 schools directly to improve the quantity of Maths and Science learners as well as the quality of the results. The schools apply to the fund and are selected on the basis of proven results in Mathematics and Science. The funded schools can spend the money on any mechanism they think will best meet these objectives, for example, hiring additional teachers or assistants, upgrading laboratories and classrooms or purchasing equipment and textbooks.

Other initiatives aimed at improving the Intermediate phase within the education sector are as follows: Mercedes Benz South Africa has made teacher development their main priority in terms of their CSI spending. They realise that improving education is a key target for MBSA (Mercedes Benz South Africa), currently investing significantly in education projects in the Eastern Cape. Through strong partnerships with regional government and locally based NGOs, the company now makes a sustainable impact on young learners' lives. Projects include the School Transformation and Empowerment Programme (STEP) which aims to capacitate school managers, teachers, governors and parents to engage in activities that deliver effective and sustainable learning and teaching practices. The programme further aims to equip learners with skills, knowledge and values to live economically active lives (Frank *et al.*, 2009:19). Besides the low levels of educator morale in some schools, another factor that impacts negatively on education is the meagre supply of educators in crucial learning areas such as literacy, Mathematics and Science.

3.6 Higher education in South Africa

The President of South Africa's call for educators to focus on the Triple T's (teachers, texts and time) has seen an investment into learning and teacher support materials, while the Strategic Planning Framework by Teacher Education and Development focuses on improving the quality and conditions of service for teachers. Nearly 70% of the country's population is under the age of 35 and there are more than three million youths between the ages of 18 and 24 who are neither studying nor working. The DOE has therefore developed a strategy to increase the ratio of young people who are in education training or employment by 2014/2015 to enrol with FET colleges (De Wet, 2011:140).

Recent issues in South Africa have prompted a renewed focus on higher education and its role in national development. Government's emphasis on economic development, the establishment of clear growth targets and the introduction of ASGISA (Accelerated and Shared Growth Initiative for South Africa) have highlighted the importance of advanced skills, and shortages of such skills have been identified as one of the major obstacles to development (JIPSA, 2006:5-6). The role of different education sectors in delivering appropriate education and training has consequently attracted much attention. Policy-making has lately been directed particularly at the reform and expansion of Further Education and Training (FET) but Higher Education has also come under the spotlight.

The shortage of high-level skills reported in a number of areas of the economy and the society at large (together with the existence of some graduate unemployment) indicate that the output of the higher education sector is not matching the country's developmental needs. In material terms, the overall performance of the sector indicates unsatisfactory usage of scarce resources. The loss in terms of human resources is, however, arguably much greater. In a context of relatively low participation rates, the large majority of the students who are leaving without qualifying come from at least the top quintile of the population in terms of prior learning achievement. The higher education sector must be able to cater more successfully for this intake profile if national needs for high-level skills are to be met (Scott, Yeld & Hendry, 2007:19).

In terms of equity, access remains a key issue despite the increase in black enrolment since the political transition. The persistent disparities in participation rates are not justifiable against the need for redress and social inclusion, and the sector must be able to accommodate more than the current 12% gross participation rate for the majority population group. However, since it is successful completion that really matters for individuals and the country, equity of outcomes is the overarching challenge (Scott, Yeld & Hendry, 2007:19).

Pandor (2005:15) argues that social cohesion among different racial groups plays a significant role in Higher Education. The major racial disparities in completion rates in undergraduate programmes, together with the particularly high attrition rates of black students across the board, have the effect of negating much of the growth in black access that has been achieved. Taking account of the black participation rate, the overall attrition rate of over 50% and the below-average black completion rates, it can be concluded that the sector is catering successfully for under 5% of the black (and coloured) age group. This has central significance

for development as well as social inclusion, as discussed below. It may therefore fairly be said that the graduate output of the higher education sector is not meeting national needs in respect of the two key areas of “economic growth and social cohesion” (Pandor, 2005:15). Since graduate output is a unique responsibility of the sector, the situation calls for concerted action to ensure substantial and continuing improvement.

Snyman (2012:1) states that university admission is a major issue for many grade 12s who wish to further their studies at a higher education institution in this country. According to the latest South African Survey published by the Institute of Race Relations, fewer than half of those who enrolled in grade 10 in 2008 sat for the 2010 matric examinations; of the same 2008 cohort, only 34% actually passed matric in 2010, and only a third of those passes were good enough to gain admission to university study for a bachelor degree. The Institute’s analysis is based on data released by the Department of Basic Education, those who have not completed secondary education plus those whose highest qualification in matric account for 81% of all unemployed. Only 6% of the unemployed are people who have completed a tertiary education, according to data published in this survey. Learner retention is a very serious problem affecting the South African schooling system, according to Snyman, a researcher at the Institute of Race Relations (Snyman, 2012:1). He adds that most pupils who drop out before completing high school do so as a result of a lack of funds. Other common reasons that pupils leave school are to look for work or because of family commitments. Snyman (2012:1) contends that there is also a common view that school is not relevant to their lives. Snyman also adds that “the biggest problem is that pupils who drop out of school often return to finish their education later. As many as a third of all 15 - 24 year olds are not in employment, education or training” (Snyman, 2012:1).

3.6.1 Challenges in Higher Education

The key challenges facing the South African higher education system remain as outlined in the Education White Paper 6: “to redress past inequalities and to transform the higher education system to serve a new social order, to meet pressing national needs, and to respond to new realities and opportunities”. More specifically, as the White Paper indicates, the role of Higher Education in a knowledge-driven world is three-fold (Education White Paper 6, 2001:12):

- Human resource development: the mobilisation of human talent and potential through lifelong learning to contribute to the social, economic, cultural and intellectual life of a rapidly changing society;
- High-level skills training: the training and provision of manpower to strengthen this country's enterprises, services and infrastructure. This requires the development of professionals and knowledge workers with globally equivalent skills, but who are socially responsible and conscious of their role in contributing to the national development effort and social transformation; and
- Production, acquisition and application of new knowledge: national growth and competitiveness is dependent on continuous technological improvement and innovation, driven by a well-organised, vibrant research and development system which integrates the research and training capacity of Higher Education with the needs of industry and of social reconstruction.

These challenges have to be understood in the context of the impact of the changes associated with the phenomenon of globalisation on higher education systems worldwide. The onset of the 21st century has brought in its wake changes in social, cultural and economic relations spawned by the revolution in information and communications technology. The impact of these changes on the way in which societies are organised is likely to be as far-reaching and fundamental as the changes brought by the Industrial Revolution in the 18th century. At the centre of these changes is the notion that in the 21st century, knowledge and the processing of information will be the key driving forces for wealth creation and thus social and economic development. The role of information and communication technology in advancing the reconstruction and development agenda has been recognised by President Mbeki in his State of the Nation Address at the opening of the 2001 parliamentary session, when he stated that the Government is prioritising the development of the telecommunications sector (National Plan for Higher Education, 2001:4-5).

Furthermore, the fact that South African institutions are spending more on Information Communications Technology (ICT) as a percentage of their total expenditure than they did seven years ago, raises important issues for the higher education sector (Greaves, 2005). The amount that institutions devote to ICT-related expenditure differs by institution and clearly leads

to unequal student access to ICT resources, both across institutions (nationally, regionally and by historically privileged) and within institutions (by faculty, department, student, residence and the status of students by class, level of study and so on). The possibility of further institutional collaboration, beyond a legal arrangement through the Tertiary Education Network of South Africa (TRNET) and via a sharing of ICT resources, deserves further study (Auf der Heyde, De la Rey, Jansen, Mtembu, Nkomo, Reddy, Singh, Badat, Lange & Bjamason, 2007:58-59).

3.6.2 CSI spending towards the development of Higher Education

Nampak has provided a bursary scheme assistance too high-potential learners for continuing education at tertiary institutions. As a manufacturing company, the majority of bursaries are allocated to learners studying towards degrees in Accounting, Engineering and Science. Every effort is made to offer employment to talented graduates. Nampak has a “Partner with a school”-programme which started in 2002. Currently they have a partnership with seven schools, which are located in close proximity to manufacturing plants. Each school annually receives R500 000 from Nampak (2012).

Another example is that of Barloworld who supports TEACH South Africa. Barloworld supports this strategy by aiming to recruit, train and support the most talented recent university graduates to commit to teaching for a minimum of two years in South Africa’s needy schools. These graduates go on to become TEACH Ambassadors, serving as advocates for educational equality while providing educational opportunities to disadvantaged learners. There are currently 92 TEACH Ambassadors in 46 township schools in four provinces. A recent partnership between TEACH South Africa, the Gauteng Department of Education and Barloworld saw employees from Barloworld’s Logistics Operational Excellence team brainstorm possible solutions to the challenges facing schools with 20 principals from the East Rand (De Wet, 2011:142).

The above examples are but a few of the CSI initiatives currently operating in support of education. Jackson (2010:9) states that Corporate Social Investment projects and especially those in education should go beyond making a financial contribution if the corporate sector is serious about fulfilling its Triple Bottom Line responsibilities. One of the five areas that the Government has as its focus point for the next five years is education. At international level,

education is part of the objectives of the Millennium Development Goals (Jackson, 2010:8). Therefore, synergies can be drawn between corporate companies, government departments and non-government organisations around these issues to achieve optimal outcomes. This will eliminate working in silos and will emphasise greater coordination and impact. When this is more focused at local level the wheel will turn smoother and faster. According to Jackson (2010:8) Standard Bank sees CSI as a tool for building capacity for its markets. The bank is also involved with the Dinaledi School programme which aims to boost the number of pupils competent in Mathematics and Science.

3.7 Conclusion

Corporate social investment is entering a new era in South Africa as companies comply with legislation and respond to the expectations of society. The central question for many companies is whether their corporate social investments are simply a mandatory expense or a strategic opportunity. All companies have to comply with the B-BBEE Scorecard requirements by contributing 1% of their net profit towards a social development initiative. This is unreservedly investing in the development, empowerment and capacitating of all people so that they can grow as individuals and as a nation – both economically, intellectually, ethically and socially. It is clear that education is a major focus area for corporate companies in terms of their Corporate Social Investment programmes. This ranges from adopting schools, Mathematics and Science intervention programmes, infrastructure and technology, teacher development initiatives and Early Childhood Developmental programmes aimed at improving literacy and numeracy skills.

It can be concluded that even though so many CSI programmes are operational to address the challenges in education, very little impact can be measured in terms of the output and productivity of students, teachers and schools. Corporate companies are encouraged to be more innovative about the CSI programmes they manage. These programmes need to be more holistic and sustainable and aligned to business objectives so that a greater impact can be measured. Certain new trends have emerged as a result of this realisation.

Chapter 4

Research Methodology

4.1 Introduction

In Chapters 2 and 3 the literature regarding Corporate Social Investment's role in education was explored. This chapter focuses on the research design and methodology of the study.

4.2 Research design and methodology

The purpose of this study is to explore the impact of Corporate Social Investment spending on education in South Africa. The research design and methodology are used to provide responses to this exploration.

4.2.1 Research design

Cresswell and Clark (2007:4) define research design as a plan of action that links the philosophical assumptions to specific methods. Cresswell (2008:59) further contends that research design refers to specific procedures involved in the collection of data, data analysis and report writing. This view supports the view of Burns and Grove (2005:211) who describe research design as the structural framework or blueprint that guides the research in the planning and implementation of the study, while achieving optimal control over the factors that could influence the study.

The quantitative research method is applied in this study. Quantitative research is a study where numerical data is collected, often using questionnaires, and then analysed to describe the trends about responses to the research questions (Cresswell, 2008:388). Burns and Bush (2006:202) and Parasuraman, Grewal and Krishnan (2007:179) denote quantitative research as the use of structured questions in which the response action has been predetermined and primary data is collected from a large number of individuals.

For the purpose of this research study, exploratory research was conducted. Exploratory research is a form of quantitative research method and is discussed below.

4.2.2 Exploratory research

McQuarrie (2006:6) asserts that discovery is the purpose of exploratory research. Churchill and Iacobucci (2005:74) state that exploratory research is about the discovery of ideas and insights. Exploratory research was chosen because it is highly flexible and unstructured. Furthermore, in exploratory research, hypotheses are vague or do not exist at all. The idea presented by Zikmund and Babin (2010:50) of discovering new ideas as potential business opportunities as a definition for exploratory research, implies that exploratory research is appropriate when examining new concepts in the field of marketing and may be used as a basis for future research. In this case exploratory research is very appropriate for this study, since the field of Corporate Social Investment is a relatively unexplored field with very little research done on the influence of CSI on education in South Africa. The exploratory research method will assist in exploring the facets of CSI and the impact it has on education in South Africa.

Before continuing with the research design, it is essential to revisit the purpose and objectives of the study and to specify how they relate to the actual research process. This ensures that there is alignment with the planned intention of the research and the results of the research.

4.3 The purpose of the study

Rubin and Babbie (2005:123-126) describe the purpose of a study as being exploration, description, explanation and evaluation. The purpose of this study is therefore to explore the impact of Corporate Social Investment spending on education in South Africa. To realise this purpose and the research questions as set out in Chapter 1 section 1.3, the under mentioned objectives were pursued.

4.4 Objectives of the study

The following are the objectives of the study:

- To obtain a detailed understanding of CSI practices and procedures with regard to education in South Africa.

- To get an understanding of the significance of CSI as a business practice to education.
- To determine the extent of the legal compliance and governance of CSI.
- To establish how CSI spending is aligned and integrated to Government's education priorities.
- To investigate the focus areas of CSI spending towards education.
- To determine how aligned the business objectives of a company are to its CSI spending.
- To unearth what CSI spending as a business practice entails.
- To determine the sustainability of CSI spending on education.
- To make recommendations on how the impact of CSI in education can be improved.

4.5 Methodology

Sikes (2004:16) describes methodology as the theory of getting knowledge, including methods used, to collect data knowledge construction of whatever is being researched. Sikes (2004:16), on the other hand, describes methodology as the theory of getting knowledge, including methods used to collect data knowledge construction of whatever is being researched. Furthermore, Babbie and Mouton (2006: 74) explain that research methodology focuses on the research process and the type of procedures used. In the paragraphs below, the methods to acquire knowledge of the phenomenon under investigation are discussed. The target population and sample group are discussed first.

4.6 The target population and sample group

Welman *et al.* (2005:52) view the target population as encompassing the total collection of all units of analysis (members or elements of the population) from which the researcher wishes to draw inferences. McQuarrie (2006:94) states that the results obtained from the sample are supposed to reflect a specific group of customers referred to as the population. The population

of this study comprises of the companies listed on the Johannesburg Stock Exchange (JSE) who focus their CSI spending on education. A total number of 192 companies were identified.

A sample comprises of elements or a subset of the population considered for actual inclusion in the study, or it can be viewed as a subset of measurements drawn from a population in which the researcher is interested in (Unrau, Gabor & Grinnell, 2007:279). Alternatively, a sample is a small portion of the total set of objects, events or persons from which a representative selection is made (Barker, 2003:380). McDaniel and Gates (2005:356-357) define sampling as the process of obtaining information from a subset of a larger group. A sample is therefore a subset of all the members of a population of interest.

Before dealing with the sample of this study, it is necessary to explore the sampling method used in this study.

4.6.1 Sampling methods

McDaniel and Gates (2005:359) and Welman *et al.* (2005:57) propound that a sampling method is either described as probability sampling or non-probability sampling. Probability sampling is a sampling technique where every element in the population has a known probability of being included in the sample (Zikmund & Babin, 2010:423; Parasuraman *et al.*, 2007:338; Welman *et al.*, 2005:56). Zikmund and Babin (2010:423) posit that probability sampling purges the bias that characterises non-probability sampling. Non-probability sampling on the other hand entails that the probability of any particular member of the population being chosen, is unknown. A non-probability sampling technique is representative of the researcher's skill and judgment (Zikmund & Babin, 2010:423; Parasuraman *et al.*, 2007:339). The benefits of using non-probability sampling methods include the elimination of the costs and time required to develop a sampling frame (Aaker *et al.*, 2007:393). Welman *et al.* (2005:57) assert that non-probability sampling is used for reasons of convenience and economy. These authors (2007:393-395) also posit that non-probability sampling comprises judgmental sampling, quota sampling, snowball sampling and convenience sampling. Based on the descriptions of the aforementioned authors, convenience sampling was used in this study.

4.6.2 Convenience sampling

Aaker *et al.* (2007:393-395) define convenience sampling as a sampling method where a sample is chosen purely on the basis of availability. These authors (2007:395) also contend that the convenience sample is simple, quick and inexpensive. McDaniel and Gates (2005:373) mention that convenience sampling is a good sampling technique if a grave need exists to obtain an inexpensive estimate of true value. From the reasons mentioned by the aforementioned authors the researcher is of the opinion that the convenience sampling is best suited for this study.

4.6.3 Sample size

Crouch and Housden (2003:163-166) mention six factors influencing the sample size. Firstly, the variability in the population must be considered as the distribution of the characteristics of interest influences the sample size. Secondly, the required level of confidence influences sample size. Thirdly, this requires limited accuracy, considering that larger samples will move closer to representing the population. Fourthly, allowance for non-response is important as not all respondents complete the questionnaire accurately. In the fifth place, all the aforementioned factors should be considered for each question in the questionnaire for subgroup analysis requirements. Lastly, practical factors such as cost, time and the availability of fieldworkers influence the size of the sample. The reasons mentioned by the aforementioned authors convinced the researcher that convenience sampling is best suited for this study.

The sample consisted of companies listed on the Johannesburg Stock Exchange that dedicate their CSI spending on education. A total of 190 were identified of which only 48 respondents responded successfully.

Generalisation, which is an act of reasoning that involves drawing broad inferences from particular observations, is widely-acknowledged as a quality standard in quantitative research. There are three models of generalisation, namely classic sample-to-population (statistical) generalisation, analytic generalisation and case-to-case transfer (transferability) (Welman *et al.*, 2005:70). For the purpose of this study analytical generalisation was used since the findings were analysed.

4.7 Collecting the data

4.7.1 Research instrument

According to Aaker *et al.* (2007:84), different methods of data collection can be used, namely primary data collection and secondary data collection. Primary data is collected for the specific research at hand (Aaker *et al.*, 2007:84). Primary data was collected for the research at hand by using questionnaires (Aaker *et al.*, 2007:84). According to Brown (2001:6) a questionnaire is any written instrument that presents respondents with a series of questions or statements to which they have to react by either writing out their answers or selecting answers. The questionnaire is a very convenient way of obtaining relevant information from the respondents. One generic questionnaire was designed for all respondents which allowed easier measuring and interpretation of information. Brown (2001:78) mentions that the advantages of using questionnaires are as follows:

- Questionnaires are well suited for gathering data once the issues, research questions and specific survey questions have been clearly delineated.
- They are cheap, fast, useful for large-scale studies and anonymous.
- Questionnaires also allow for controlling bias, the respondents can do them in their own time, they are standardised in format across all respondents and they can easily cover a wide geographical area.

The questionnaire was compiled after completion of the literature review (Chapters 2 and 3) and comprises five sections, namely

- Demographics
- Governance and legal compliance
- Focus areas of CSI
- Impact and sustainability
- Impact and measuring

Furthermore, the questionnaire consists of various multiple-choice questions, dichotomous questions and two open-ended questions. It is therefore necessary to briefly clarify the most prominent types of questions used in questionnaires (Churchill & Iacobucci, 2005:242, 247), namely:

- Open-ended questions: These types of questions are used when respondents use their own words to answer a question, whereas answers are limited to the choice of set alternatives in all other forms of response (Zikmund & Babin, 2010:370).
- Multiple choice questions or fixed-alternative questions: These types of questions allow the respondents to choose from fixed alternatives by choosing the alternative most closely correlated to the respondents' position on a subject (Zikmund & Babin, 2010:370; Churchill & Iacobucci, 2005:243).
- Dichotomous questions are also fixed alternatives, but respondents have a choice. Questionnaires have been used as a quantitative data collection method. The questionnaires were distributed from 16 June 2012 to 31 October 2012 to 192 respondents which included practitioners, managers and other respondents who are responsible for Corporate Social Investment in the education sector. The aim with these questionnaires was to gather numerical information that was statistically interpreted to get a better understanding of the current situation of CSI and the impact it has on education in South Africa.

The questionnaire was distributed through e-mail along with a cover letter (Annexure C), explaining the purpose of the research and the due date for submission. The respondents were asked to complete the questionnaire regarding their CSI practices to determine the impact of their CSI spending on the development of education in South Africa. The respondents, who had not returned their completed questionnaires in time, were reminded telephonically about the due date for the questionnaires. A total number of 50 respondents completed and returned the questionnaire. Out of the 50 completed questionnaires only 48 were suitable to be used for analysis as 2 questionnaires had too many omissions and thus was omitted from the sample group, leaving a total of 48 completed questionnaires.

4.8 Pilot study

McDaniel and Gates (2005:339) summarise the use of a pilot study as a means of examining a pilot group's reaction to the questionnaire. Through this, insights with regard to any misinterpretations by respondents, poor skip pattern, lack of continuity as well as additional alternatives for pre-coded and close-ended questions can be obtained. Zikmund and Babin (2010:61-62) assert that a pilot study tests the feasibility and understanding of the questionnaire and is used to refine measures by straightening out vital problems in the questionnaire design.

During the development of the questionnaire, the researcher consulted with the study leader, a statistical analyst and a pilot group of relevant CSI staff members to clear up any ambiguities that may exist. A pilot study of the questionnaire was then conducted using ten practitioners in the field of Corporate Social Investment from the study population. The respondents made a few recommendations with regard to some terms and the questions in the questionnaire. Based on their recommendations some adjustments were made to the questionnaire, which implies that the issue of content validity has been addressed. All ten respondents supported the study and were very interested in the results of this study. After the necessary modifications were made, the questionnaire was distributed to the full sample group.

4.9 Analysing and interpretation of data

Crouch and Housden (2003:223-225) explain that data analysis begins with data preparation. This entails editing in terms of checking that the questionnaires are completed correctly by checking for any errors or omissions. Editing was carried out manually for this study and questionnaires with omissions were not used. From the 50 initial respondents only 48 were selected due to omissions. Coding was done next with a view to ensure that the data was represented in the form of numbers for computer analysis. Pre-coding was used for the questionnaire as numbers had already been assigned to each question on the questionnaire which simplified the coding process. The Statistical Package for the Social Sciences (SPSS) (Field, 2007) is the statistical program which was used to capture the data and to create a data set. Before any analysis was conducted, the data set was checked for mistakes. Statistical analysis in terms of reliability, validity and descriptive analysis was done by means of the SPSS statistical program (Field, 2007). Validity and reliability are discussed in the paragraphs below.

4.9.1 Validity and reliability

To contribute to the validity and reliability of the data, the Statistical Consultation Services of the North-West University (Potchefstroom Campus) performed the data analysis (See Annexure B).

4.9.1.1 Validity

According to Babbie (2007:146) validity refers to the extent to which an empirical measure adequately reflects the real meaning of the concept under consideration. Pieterse and Maree (2007:217) contend that content validity refers to the extent to which the instrument covers the complete content of the particular construct that it set out to measure. During the development of the questionnaire, the researcher consulted with the study leader and statistical analyst about the contents of the questions, and with the pilot group of relevant CSI staff members with whom the researcher associates through daily work as a fundraiser. They reviewed the content of the literature as well as the objectives of the study to establish whether it related to the questionnaire and expected outcomes. Based on their recommendations some adjustments were made to the questionnaire, which addressed the issue of content validity.

4.9.1.2 Reliability

When a number of items are formulated to measure a certain construct, there should be a high degree of similarity among them since they are supposed to measure one common construct. A measure of this degree of similarity is an indication of the internal consistency or reliability of the instrument.

The coefficient that is used to measure the internal reliability of an instrument is called the Cronbach's Alpha Coefficient and is based on the inter-item correlations. If the items strongly correlate with each other, the internal consistency is high and the Cronbach's Alpha Coefficient will be close to one. If, on the other hand, the items are poorly formulated and do not correlate strongly, the Cronbach's Alpha Coefficient will be close to zero (Maree, 2008:216). Salkind (2006:106) lists "dependable", "consistent", "stable", "trustworthy", "predictable" and "faithful" as synonyms for "reliability". Reliability occurs when an instrument measures the same thing more

than once and it results in the same outcomes. The reliability of a measurement procedure is thus the stability or consistency of the measurement. This means that if the same variable is measured under the same conditions, a reliable measurement procedure will produce identical measurements. In other words, it refers to a measuring instrument's ability to yield consistent numerical results each time it is applied. It does not fluctuate unless there are variations in the variable being measured (Babbie, 2007:142).

According to Maree (2008:216) guidelines for the interpretation of Cronbach's Alpha Coefficient have been suggested and the following seem generally accepted by researchers:

- 0.9 – high reliability
- 0.8 – moderate reliability
- 0.7 – low reliability

Once the data from the questionnaires were captured, the internal reliability was calculated and the Cronbach's Alpha Coefficient was calculated to be 0.878163, which can be considered as a very good coefficient. This indicated that the reliability of the internal consistency of the question was moderately to highly reliable.

4.10 Ethical considerations

It is very important that every researcher considers the ethical implications of his or her research on people who may be affected by the research (Sikes, 2004:24). Many companies do not feel comfortable sharing financial information with regard to their CSI spending. Therefore the importance and purpose of the research was communicated very carefully in the cover letter (see Annexure A), requesting the respondents to participate. It was also explained to each respondent that the information provided will be dealt with confidentially, meaning that the names of the individuals and organisations will not be mentioned in this research study. The researcher committed to provide each participating respondent with a report on the research findings and recommendations. Confidentiality of information was assured to each respondent. Furthermore, each respondent was made to understand that their participation was voluntary and that they could withdraw from the research at any time they felt uncomfortable. Anonymity

was taken into account (Maree & Van der Westhuizen, 2007:41-42) by informing participants that the names of the respondents would not appear in the research paper. Based on the above steps, ethical clearance was applied for and obtained from the Faculty of Economic Management Sciences, Department of Business Management at the University of the North-West, Potchefstroom Campus, for undertaking of this research.

4.11 Measurement scales

The measurement scale refers to the design and construct of the questions and the which different ways a question can be posed. In a nutshell, Neuman (2006:203, 207) describes a scale as a measure in which a researcher captures the intensity, direction, level or potency of a variable. It arranges responses or observations on a continuum (Neuman, 2006:203, 207). A scale can use a single indicator or multiple indicators. The questionnaire used in this research study consisted of a combination of an interval scale, nominal scale and the Likert-scale as discussed below.

- Interval-scale questions are used when the intervals between numbers are meaningful. In other words, the numbers inform the researcher of size differences between categories with respect to the object being measured (Zikmund & Babin, 2010:328; Huizingh, 2007:16; Churchill & Iacobucci, 2005:269,457).
- A nominal scale is used purely for categorising objects by assigning a letter or number to each category. Nominal scale questions therefore simply identify the respondent but nothing is implied by the numbers other than to identify the respondent (Zikmund & Babin, 2010:326).
- The Likert method of summated rating allows the respondent to express the intensity of feeling because Likert-scale questions ask respondents to indicate the extent or degree to which they agree or disagree with clearly worded statements (Aaker *et al.*, 2007:297).

4.12 Methods and statistical techniques for interpretation of statistics

Crouch and Housden (2003:230) propose that analysing and interpreting data take place in three main ways, namely to describe data (via descriptive statistics), to measure significance and to indicate relationships.

Descriptive statistics were used for the data analysis to interpret the findings of this study. In descriptive statistics the quantitative data is analysed by describing and summarising a particular set of data. This was done in the form of frequency distributions, means scores and standard deviation.

The following descriptive statistical analyses were done.

4.12.1 Frequency distribution and percentage distribution

Crouch and Housden (2003:230) view frequencies as the simplest form of statistical description because frequencies provide a count of the number of responses in each category. Zikmund and Babin (2010:441) define frequency as organising the data set by summarising the number of times a particular value for a variable occurs. Percentages are used to further summarise the frequencies in terms of a percentage value associated with particular values of a variable. Crouch and Housden (2003:230) assert that percentages are useful for making comparisons as all data is presented in a standard form.

4.12.2 Cross-tabulations for obtaining frequencies for two variables

Hair, Bush and Ortinau (2006:494) view cross-tabulations as categorising the number of respondents who have answered two questions by examining the two variables simultaneously. Zikmund and Babin (2010:519) elaborate that cross-tabulations present relationships among multiple (non-interval) variables by displaying one variable in columns and another in rows. Frequencies and percentages are presented for the cross-tabulations.

4.12.3 Standard deviations for individual items of the questionnaire

Hair *et al.* (2006:515) and Welman *et al.* (2005:233) describe the standard deviation as the average distance of the distribution values from the mean. The mean is the measure of central tendency and for this reason there should be equal values above the mean and below the mean. This difference between the mean and the values above and below the mean are referred to as the standard deviation (Hair *et al.*, 2006:515).

4.12.4 Mean

Hair *et al.* (2008:512) define the mean as the average of the sample. The mean is calculated as the sum of the values for all observations of a variable divided by the number of observations.

The mean is calculated as follows:

$$M = \frac{\sum X}{N}$$

Where:

- M = mean
- X = raw score / the measure of the trait or concept in question
- \sum = the addition of all measures of X
- N = number of respondents

Each of these descriptive statistical elements was tested in order to better interpret the results obtained.

4.13 Conclusion

This chapter describes the methodology used in this study by discussing each part of the research process. By referring to all the available alternatives as applicable at the different stages of the research process, the choices and reasons for the methodology used in this study became clear. Chapter 5 presents the results obtained from this research process.

Chapter 5

Statistical analysis, results obtained and main findings

5.1 Introduction

Chapter 4 gave a detailed plan of which research methods were used in order to gather, interpret and analyse the information gathered from questionnaires. As described in the chapter on research methodology (Chapter 4) a questionnaire was distributed to 192 companies (target population) of which 48 (sample group) were successfully completed and submitted. In this chapter the results obtained for each question in the questionnaire are presented and interpreted. The questionnaire consists of the following categories of questions which were derived from the literature:

- Demographics
- Governance and legal compliance
- Focus areas of CSI
- Effectiveness of CSI
- Impact and sustainability
- Impact and measuring

The SPSS Statistical Program (Field, 2007) was used to capture the data and to create a data set. Before any analyses were conducted, the data set was checked for mistakes. Statistical analysis in terms of reliability, validity and statistical analysis were done by means of the SPSS Statistical Program (Field, 2007).

Before addressing the results found, an alignment and link has to be established between the questions asked and the desirable objectives aimed to be achieved through this study. Below is a review of each question and how it relates to the objectives.

5.2 Link between objectives and questions

Each question was designed to contribute to achieving the desired objective set out for this chapter. Below is a brief description of how questions addressed to respondents were designed to achieve the desired objectives.

5.2.1 Research question

The research question of this study is:

What impact does Corporate Social Investment have on education in South Africa?

All questions (Annexure A) were categorised and designed to get a detailed understanding of CSI practices and procedures with regard to research questions. Below is a description of information gathered per category and which questions contributed toward achieving the objectives of the study. These objectives are perused to answer the research questions.

Questions 1 – 7 gave insight into the demographical focus and procedure of Corporate Social Investment. Questions 8 – 13 presented information regarding the legal compliance and governance of Corporate Social Investment. Questions 14 – 34 gave more information regarding the focus areas of CSI and the allocation of funding towards education and its different sectors.

Question 35 measured the effectiveness of Corporate Social Investment practices and procedures. Questions 36 – 46 explored the impact and sustainability of Corporate Social Investment spending towards education. Questions 47 – 50 explored the measuring and impact of Corporate Social Investment toward education.

All 50 questions contributed to explore the role of CSI initiatives in the education sector in South Africa. The results to the questions can be found in Annexure B – Descriptive Statistics.

5.2.2 Objectives of the study

The objectives of the study are more focused on certain aspects of Corporate Social Investment

and the impact it has on the education sector.

5.2.2.1 Objective 1: To obtain a detailed understanding of CSI practices and procedures with regard to education in South Africa.

All 50 questions (see Annexure A) contributed toward getting a detailed understanding of CSI practices and procedures. All 50 questions were designed to get further information regarding the following categories:

- Demographics
- Governance and legal compliance
- CSI focus areas
- Effectiveness of CSI
- Impact and sustainability
- Impact and measurement

5.2.2.2 Objective 2: To get an understanding of the significance of CSI as a business practice to society at large.

Questions 1 – 7 (see Annexure A) were able to provide information regarding CSI as a business practice. The questions gave further insight into the demographic focus of CSI toward society. These questions address the following matters which give a more detailed understanding of CSI as a business practice:

- Percentage of budget allocated
- Period of CSI
- Geographical distribution of CSI spending

5.2.2.3 Objective 3: To determine the extent of the legal compliance and governance of CSI

Questions 8 – 13 (see Annexure A) were designed to get information regarding the governance and legal compliance of Corporate Social Investment. These questions addressed the following aspects to get a detailed understanding of CSI spending toward education and its governance and legal compliance:

- Millennium Development Goal 2: Achieving universal primary education
- Government priorities
- Triple Bottom Line
- King III Report on Corporate Governance
- Corporate citizenship
- B-BBEE

5.2.2.4 Objective 4: To establish how CSI spending is aligned and integrated to Government's education priorities.

Questions 8 – 9 (see Annexure A) were designed to provide understanding of the alignment of CSI and Government priorities. These two questions specifically addressed the companies' intention to align their CSI with Government's priorities to improve education.

5.2.2.5 Objective 5: Investigating the focus areas of CSI spending toward education

Questions 14 – 34 (see Annexure A) gained information regarding the focus areas of CSI and the allocation of funding towards education and its different sectors. These questions were designed to address the following aspects in order to get a detailed understanding of the focus areas of CSI spending toward education:

- Sector of education such as Early Childhood Development, Intermediate phase, Higher Education and Further Education;

- Selection criteria before selecting projects;
- Aspects of education;
- Frequency of interaction with projects supported in education;
- Other focus areas besides education;
- Branding and marketing of CSI.

5.2.2.6 Objective 6: To determine how aligned the business objectives of a company are to its CSI spending

Questions 15, 22 and 24 addressed the company's intentions to align the business objectives with the CSI practices and procedures.

5.2.2.7 Objective 7: To unearth what impact CSI spending as a business practice entails

Questions 36 – 46 explored the impact and sustainability of Corporate Social Investment spending towards education. These questions were designed to gain insight on the sustainability and the ability of the company to measure the impact of the CSI spending.

5.2.2.8 Objective 8: Determining the sustainability of CSI spending on education

Questions 46 – 50 explored the measuring and impact of Corporate Social Investment towards education. These questions addressed the sustainability of CSI spending. It also determined if the company had a national view in terms of their CSI spending to make a bigger impact on the country, and how they measured the impact they have made with their contribution towards education.

5.2.2.9 Objective 9: To make recommendations on how the impact of CSI in education can be improved.

Chapter 6 is dedicated to make recommendations, based on the conclusions and findings during the study, on how the impact of CSI in education can be improved.

5.3 Results and findings obtained

This section focuses on the analysis of questions and the results obtained. Statistical analysis in terms of reliability, validity and descriptive analysis were done by means of the SPSS Statistical Program (Field, 2007) and the SAS Statistical Program (SAS, 2007). Information gathered from the questionnaires were analysed and are discussed under the following categories:

5.3.1 Demographics

5.3.2 Governance and legal compliance

5.3.3 Focus areas of CSI

5.3.4 Effectiveness of CSI

5.3.5 Impact and sustainability

5.3.6 Impact and measuring

Each of these categories will now be discussed in more detail.

5.3.1 Demographics of respondents

A total of 27 of the respondents were Corporate Social Investment managers and the remainder of the 21 had different titles which were categorised as other. Since Corporate Social Investment is a recent addition to companies, most companies do not have a dedicated department with sufficient structures and staff established. In most cases, these managers fall under Marketing and Communications or Sustainability and Transformation.

5.3.1.1 Period of Corporate Social Investment spending

(This information was gathered from Descriptive Statistics (Annexure B) and Question 1 from the Questionnaire – Annexure A)

According to the 48 respondents the mean (average) years that companies have been operating in Corporate Social Investment in education, is 13.8 years. Since CSI has only become a legal obligation for companies since the release of the B-BBEE regulations in 2007, which sets out the codes of good practice. Education has only been identified as a priority for CSI in recent years after the Millennium Development Goals identified education as a priority for Social Economic Development. The mean for this question was found to be 13.8 (years), indicating that the average number of years that companies have been practicing CSI in education is 13.8 years.

5.3.1.2 Budget allocation towards education

(This information was gathered from Descriptive Statistics (Annexure B) and Question 2 from Questionnaire – Annexure A)

According to the respondents the mean (average) of 37.7% of CSI budgets are allocated towards education and the development thereof. Other focus areas, to which CSI spending is allocated, include:

- Health
- HIV/AIDS
- Disability
- Orphans and vulnerable children
- Women empowerment
- Arts and culture
- Environmental conservation

- Enterprise development
- Community development
- Job creation
- Welfare

This indicates that education is not the primary focus area for CSI spending and that the spending is shared with other focus areas.

5.3.1.3 Geographical distribution

(This information was gathered from Descriptive Statistics (Annexure B) and Questions 3, 4 and 5 from the Questionnaire – Annexure A)

Gauteng was found to be the most prominent province in which most companies spend their CSI funding with 89.3%, followed by the Western Cape with 68%, the Eastern Cape with 57%, the Free State with 53.1%, the Northern Cape with 42%, KwaZulu-Natal with 78%, Limpopo with 51%, the North-West Province with 46.8% and Mpumalanga with 55.3%.

Table 5.3.1.3.1 Provinces in which company operates:

Province	%
Gauteng	89.3
Western Cape	68
Eastern Cape	57
Free State	53.1
Northern Cape	42
KwaZulu-Natal	78
Limpopo	51
North-West Province	46.8
Mpumalanga	55.3

Furthermore, 44.7% indicated that companies only support projects in the provinces in which they operate and 55.3 support projects not only in the province in which they operate.

Respondents also identified the following provinces as other provinces in which they operate in terms of CSI initiatives as can be seen in the table below.

Table 5.3.1.3.2 Other provinces who receive CSI funding

Province	%
Gauteng	81.5
Eastern Cape	70.4
KwaZulu-Natal	70.4
Western Cape	66.7
Free State	59.3
Mpumalanga	44.4
North-West Province	48.2
Northern Cape	40.7
Limpopo	28.2

Table 5.3.1.3.2 portrays that Gauteng (81.5%), Western Cape (66.7%), Eastern Cape (70.4%) and KwaZulu-Natal (70.4%) once again account for provinces that benefit from most of CSI spending, although they are provinces in which the organisation does not operate in.

5.3.1.4 Equality of CSI spending per province

(This information was gathered from Descriptive Statistics (Annexure B) and Question 6 from the Questionnaire)

A total percentage of 8.9% of respondents indicated that their CSI spending is equal in all provinces while 91.1% indicated that their CSI spending is not equal in all provinces. From this information it can be deduced that most companies' CSI spending are unequal among provinces.

5.3.1.5 Summary of main findings: Demographics

(This information was gathered from Descriptive Statistics (Annexure B) and Question 1, 2, 3, 4, 5, 6 and 7 from the Questionnaire – Annexure A)

- The average number of years that companies have been operating in Corporate Social Investment in education is 13.8 years.
- Only 37.7% of budgets are allocated towards the development of education.
- Gauteng, the Western Cape and KwaZulu-Natal benefit most from CSI funding from companies.
- Most companies operating nationally do not spend their CSI funds equally in all provinces.

In summary most respondents indicated the following reasons why their CSI spending is not equal in all provinces:

- The social investment spending is dependent on the request from beneficiaries;
- Budgetary constraints;
- The spending is dependent on the number of partners per province;
- Spending is more in provinces where the brand presence is higher;
- Making use of different variables;
- Funding is not enough to meet the needs;
- Lack of sufficient capacity;
- Support is based on compelling programmes aligned to the core business;
- The CSI strategy is not focused on specific geographies;
- The majority of employees are stationed in Gauteng;
- Grants are disbursed according to project proposals received;
- Based on the strength of proposals received;
- Each provincial region has their own CSI budget and spends according to their budget;
- The needs in each province differ, rural areas have greater needs than others;

- Determined by the number of applications for funding per province that are aligned with business objectives;
- Most of the CSI spending is granted to Gauteng regions since many head offices are based in Gauteng;
- The spending per province is all dependent on the overall net profit of the company;
- The distribution is according to programmes and projects, but not according to provinces;
- Preference is given to projects or beneficiaries that do not yet have sufficient support;
- Most of the budget is allocated toward the poorer provinces; and
- Operations are not equally distributed among provinces.

5.3.2 Governance and legal compliance

(This information was gathered from Descriptive Statistics (Annexure B) and Question 8 from the Questionnaire – Annexure A)

This section discusses the results obtained from the questions designed to gain insight into the governance and legal compliance of CSI practice. The overall Cronbach Alpha calculated for this section (Governance and Legal Compliance) was found to be 0.87 which indicates that the question can be viewed as very reliable and consistent.

Table 5.3.2.1 Governance and legal compliance

Factor	Mean	Standard Deviation
Millennium Development Goal 2: Achieving Universal Primary Education	2.7	0.9
Priorities of Government to improve education	2.9	0.9
Triple Bottom Line	3.0	0.8
King III Report	3.4	0.7
Corporate Citizenship	3.2	0.7

From the above results it can be concluded that most respondents found governance and compliance of CSI to be reasonably to very effective. The high mean score indicates that most respondents found the Millennium Development Goals, and the Priorities of Government to improve education, Triple Bottom Line, the King III Report and Corporate Citizenship to be reasonably to very effective.

5.3.2.1 Alignment of CSI

(This information was gathered from Descriptive Statistics (Annexure B) and Question 9 from the Questionnaire – Annexure A)

It was concluded that 84.8% of respondents indicated that their CSI spending is aligned to the priorities of Government and a minority of 15.2% indicated that their CSI initiatives are not aligned to Government's priorities to improve education. This implies that the majority of companies do align their CSI initiatives with Government's priorities to improve education in South Africa.

5.3.2.2 Compliance with B-BBEE (Broad-based Black Economic Empowerment)

(This information was gathered from Descriptive Statistics (Annexure B) and Question 10 from the Questionnaire – Annexure A)

A total of 89.4% of respondents indicated that they do comply with the B-BBEE requirement of spending 1% of their net profit after taxes, while 10.6% of respondents indicated that they do not spend 1% of their net profit after taxes on CSI. This indicates that 89% (the majority) of companies therefore comply with the Code of Good Practice of B-BBEE.

5.3.2.3 Compliance with the TBL (Triple Bottom Line)

(This information was gathered from Descriptive Statistics (Annexure B) and Question 11 from the Questionnaire – Annexure A)

Most companies (95.6% of companies) indicated that they also consider the Triple Bottom Line (TBL), which is the environmental, social and economic influence the company has on each of the aforementioned elements of the Triple Bottom Line. A very low 4.4% did not consider the Triple Bottom Line as a priority.

5.3.2.4 Elements of the Triple Bottom Line

(This information was gathered from Descriptive Statistics (Annexure B) and Question 12 from the Questionnaire – Annexure A)

The elements of the Triple Bottom Line are environmental, social and economic. Most of the respondents indicated that they actively regard these elements as equally important. This is illustrated in Table 5.3.2.4.1 below:

Table 5.3.2.4.1 Elements of TBL

Element	%
Environmental	86.7
Social	100
Economical	91.1

From the results above it is clear that the respondents consider social (100%), environmental (86.7%) and economic (91.1%) elements as important influences and aspects of the company’s daily business.

5.3.2.5 Trustworthiness

(The information was gathered from Descriptive Statistics (Annexure B) and Question 13 from the Questionnaire – Annexure A)

The Cronbach’s Alpha coefficient for this section was calculated to be 0.9 which indicates that the trustworthiness was found to be very reliable and consistent.

Table 5.3.2.5.1 Trustworthiness

Factor	Not Trustworthy	Relatively trustworthy	Reasonably trustworthy	Very trustworthy	Mean	Standard Deviation
Trust in the Brand	0%	6.8%	34.1%	59.1%	3.5	0.6
Trust in Performance of Product and Services	0%	6.8%	29.6%	63.6%	3.5	0.6
Trust in the Company	0%	9.1%	34.1%	56.8%	3.4	0.6
Trust in the Employer and Society	0%	9.1%	31.8%	59.1%	3.5	0.6

From the above it is clear that no respondents (0%) indicated that their company is found to be untrustworthy in any of the areas, namely brand, performance, product, service, the employer and its role towards the society and the company at large. Almost 60% of the respondents indicated that the above-mentioned aspects are found to be reasonably to very trustworthy. This is confirmed by the high mean score of 3.5. This mean score is an indication that most respondents indicated that the brand, the performance, service and product of the company as an employer and toward society at large can be considered to be very trustworthy.

5.3.2.6 Summary of main findings: Governance and legal compliance

Most companies (84.9% of respondents), indicated that they acknowledge and comply with Government's priorities to improve education. It was found that the majority of companies indicated that they comply with the aspects listed below, which form part of their CSI practice and procedure:

- Millennium Development Goals which state: Goal 2: Achieving Universal Primary Education;
- Addressing the priorities of Government to improve education;
- Triple Bottom Line;

- King III Report on Corporate Governance; and
- B-BBEE.

The brand/service/company's ability to do the right thing and the company as employer and its role in society was found to be trustworthy. Thus it can be concluded that governance and legal compliance to CSI practice was regarded as a priority by most respondents.

5.3.3 Focus areas of CSI

This section focuses on getting insight into the focus areas of CSI and to identify which areas of education are given more attention and why. (Questions 14 – 35 were dedicated to gathering information regarding the focus areas of CSI).

5.3.3.1 Selection criteria

(This information was gathered from Descriptive Statistics (Annexure B) and Question 14 from the Questionnaire – Annexure A)

In terms of the selection criteria for a project for funding, 97.8% of respondents indicated that they do apply selection criteria before selecting a project to support. A further 2.1% of respondents indicated that they did not use selection criteria before funding projects. This indicates that most respondents (97.8%) do have some sort of selection criteria before supporting a CSI programme or project.

5.3.3.2 Alignment of selection criteria with business objectives

(This information was gathered from Descriptive Statistics (Annexure B) and Questions 15 from the Questionnaire – Annexure A)

Table 5.3.3.2.1 Alignment of selection criteria with business objectives

Alignment	Percentages
Not Aligned	2.1%
Relatively Aligned	20.8%
Reasonably Aligned	41.7%
Very Aligned	35.4%

The above information in Table 5.3.3.2.1 suggests that 41.7% of respondents found their CSI to be reasonable, while 35.4% indicated that their CSI initiatives are very aligned to their business objectives. This is also supported with a mean score of 3.1 and a standard deviation score of 0.8. The high mean indicates that most respondents indicated a positive response, which in this case is reasonably to very aligned business objectives with selection criteria.

5.3.3.3 Due diligence investigation

(This information was gathered from Descriptive Statistics (Annexure B) and Question 16 of the Questionnaire – Annexure A)

The due diligence investigation was found to be conducted by 95.9% of respondents while 4.1% did not conduct due diligence investigations. This indicates that the majority of respondents do a due diligence investigation prior to supporting a particular project before funding it.

5.3.3.4 Reliability of investigation

(This information was gathered from Descriptive Statistics (Annexure B) and Question 17 from the Questionnaire – Annexure A)

Table 5.3.3.4.1 Reliability of investigation

Level of reliability	%
Unreliable	0%
Relatively Reliable	26.1%
Reasonably Reliable	43.5%
Very Reliable	30.4%

The mean was found to be 3.0 indicating that most respondents found their investigation's reliability to be reasonable. The high mean score (above 2) means that most respondents indicated a positive indication of the reliability of the investigation. A total of 43.5% of respondents indicated that the investigation was reasonably reliable while 30.4% of respondents indicated that the investigation was very reliable. Very few respondents (26.1%) found the selection criteria to be reasonably reliable while none (0%) found their selection criteria to be unreliable. The standard deviation was found to be 0.75, which indicates the distance from the mean. The standard deviation measures the spread of individual results around a mean of all the results. The small standard deviation indicated that most respondent's results were in agreement.

5.3.3.5 Period of having education as a focus area

(This information was gathered from Descriptive Statistics (Annexure B) and Question 18 –from the Questionnaire – Annexure A)

It was concluded that the longest time a company has been focusing on education with regards to their CSI is 41 years, while the shortest time was found to be 3 years. The range in years is thus between 3 and 41 years. This can be because some companies have been practicing CSI longer than others as a result of the Sullivan Principles which most companies had to comply with if they were international companies operating locally.

5.3.3.6 Sector of education

(This information was gathered from Descriptive Statistics (Annexure B) and Question 19 – Annexure A)

Table 5.3.3.6.1 Priority sector of education

Sector	%
ECD	66%
Intermediate Phase	72.3%
Higher Education	72.3%
Further Education	66%

From the above it can be concluded that all sectors were found to be equally important. A total of 66% of respondents found Early Childhood Development to be a priority focus area, while 72.3% identified the Intermediate phase to be a priority focus area for CSI spending in education. Furthermore 72.3% indicated that Higher Education was a priority focus area. Lastly, Further Education was found to be a priority for 66% of respondents.

5.3.3.7 Education sectors

(This information was gathered from Descriptive Statistics (Annexure B) and Question 20 from the Questionnaire – Annexure A)

The aim of this section was to determine which aspects of education are preferred to be supported by companies. The table below provides a summary of the results obtained.

Table 5.3.3.7.1 Aspects of education

Aspect	%
Literacy and numeracy	61.7%
Mathematics and Science	72.3%
Teacher development	57.5%
School infrastructure	46.8%
ITC development	38.3%
Bursaries	72.3%
Adopt-a-School	34.0%
Resource provision	44.7%
Leadership development	48.9%

From the above it can be concluded that most (72.3%) respondents identified Mathematics and Science (72.3%), Bursaries (72.3%) and Literacy and Numeracy (61.7%) as the more preferred aspects of education to support in terms of their CSI spending. Other areas identified were Teacher development (57.5%), School infrastructure (46.8%), ITC development (38.3%), Adopt-a-School programmes (34%), Resource provision (44.7%) and Leadership development (48.9%).

5.3.3.8 Visits to beneficiary projects

(This information was gathered from Descriptive Statistics (Annexure B) and Question 21 of the Questionnaire – Annexure A)

The mean calculated from responses was 2.8, indicating that most respondents regularly visit the schools or educational institutions they support. Below is a summary of the findings obtained with regard to frequency of visits:

Table 5.3.3.8.1 Frequency of beneficiary visits

Frequency	%
Never	0%
Seldom	21.7%
Regularly	69.6%
Often	8.7%

From the above information it can be concluded that most respondents (69.6%) visited the schools and institutions they supported regularly, while 21.7% of respondents visit beneficiary projects seldom and 8.7% of respondents visits beneficiary projects often. The low standard deviation of 0.5 indicates that most respondents were in agreement with their results.

5.3.3.9 Alignment of CSI spending

(This information was gathered from Question 22 from Questionnaire – Annexure A)

Most respondents (87.2%) indicated that the CSI spending is aligned to the core business while 12.8% of respondents indicated that their CSI spending is not aligned to the core business of the company.

5.3.3.10 CSI model/guideline

(This information was gathered from Descriptive Statistics (Annexure B) and Question 23 from Questionnaire – Annexure A)

A total of 89.4% of respondents do have a CSI model or guidelines by which they regulate their CSI initiatives while 10.6% do not have any model or guideline.

5.3.3.11 Alignment of CSI model to the business objectives

(This information was gathered from Descriptive Statistics (Annexure B) and Question 24 from the Questionnaire – Annexure A)

The objective of this question was to determine whether the CSI model/guideline is aligned with the business objectives of the company. The alignment results were found to be as follows:

Table 5.3.3.11.1 Alignment of CSI model

Alignment	%
Very Aligned	40%
Relatively Aligned	35.6%
Reasonably Aligned	22.2%
Not Aligned	2.2%

From the above it can be concluded that most respondents (40%) indicated that their CSI model was very aligned to the business objectives while 35.6% indicated that it is relatively aligned. 22.2% indicated that it is reasonably aligned and only 2.2% indicated that they found their CSI model not aligned to the business objectives.

5.3.3.12 Focus areas besides education

(This information was gathered from Descriptive Statistics (Annexure B) and Question 25 from the Questionnaire – Annexure A)

The focus areas other than education were found to be as follows:

Table 5.3.3.12.1 Other Focus areas

Focus Area	%
Housing	18.8%
Health	58.3%
Welfare	47.9%
Job creation	47.9%
Community development	75%
Enterprise development	72.9%
Arts and culture	39.6%
Environmental conservation	45.8%
Rural development	37.5%
Women's empowerment	47.9%
Orphans and vulnerable children	6.3%
HIV/Aids	64.6%
Disability	43.8%
Other	22.9%

It is clear from the table that Community development (75%), Enterprise development (72.9%), HIV/Aids (64.6%) and Health (58.3%) account for the most preferred areas to support. Other focus areas indicated by the respondents as focus areas include Housing (18.8%), Job creation (47.9%), Arts and Culture (39.6%), Environmental conservation (45%), Rural development (37.5%), Women's empowerment (47.9%), Orphans and vulnerable children (6.3%), Disability (43.8%) and Other (22.9%).

5.3.3.13 CSI Activities – Independence and collaborations

(This information was gathered from Descriptive Statistics (Annexure B) and Question 26 from the Questionnaire – Annexure A)

The majority of respondents (90.2%) indicated that their CSI activities are done internally and 9.8% indicated that it was done by external consultants.

5.3.3.14 Collaborations and impact

(This information was gathered from Descriptive Statistics (Annexure B) and Question 27 from the Questionnaire – Annexure A)

A total of 48.8% of respondents indicated that they do conduct CSI activities in conjunction with other companies in the same industry in order to reach larger audiences and to make a greater impact, while 51.2% indicated that they do not collaborate with other companies.

5.3.3.15 Publishing of CSI initiatives

(This information was gathered from Descriptive Statistics (Annexure B) and Question 28 from the Questionnaire – Annexure A)

It was found that 87.2% of respondents (majority) published their CSI initiatives in their publications and marketing material while only 12.8% do not publish their CSI initiatives in their publications and marketing material.

5.3.3.16 Branding and marketing strategies

(This information was gathered from Descriptive Statistics (Annexure B) and Question 29 from the Questionnaire – Annexure A)

A total of 80.4% of companies do align their CSI initiatives with the marketing and branding strategies while 19.6% do not.

5.3.3.17 Publishing of CSI programmes

(This information was gathered from Descriptive Statistics (Annexure B) and Question 30 from the Questionnaire – Annexure A)

It was found that most respondents' (64.6%) CSI programmes are published regularly, 29.2% indicated that they seldom publish, while 6.2% indicated that they publish often.

5.3.3.18 Beneficiaries and input into strategy

(This information was gathered from Descriptive Statistics (Annexure B) and Question 31 from the Questionnaire – Annexure A)

A total of 50% of respondents indicated that they do allow beneficiaries of the project to have input into the strategy, while 50% indicated that they do not.

5.3.3.19 National presence of CSI

(This information was gathered from Descriptive Statistics (Annexure B) and Question 32, 33 and 34 from the Questionnaire – Annexure A)

In terms of the national rollout 48.9% of respondents indicated that they have rolled out a project nationally while 51.1% indicated that they have not. The average number of projects that have been rolled out nationally was found to be 6 projects. The highest number of projects rolled out nationally is 9 projects, and the lowest number of projects is 1 project. Furthermore, a total of 77.5% of respondents indicated that they have been able to measure better impact from national projects as opposed to 22.5% who were not able to do so.

5.3.3.20 Summary of main findings: Focus areas of CSI

- Most respondents found their investigation and selection criteria to be reasonably reliable.
- It was concluded that the longest a company has been focusing on education is 41 years while the shortest was found to be 3 years.
- ECD (Early Childhood Development), Intermediate Phase, Higher and Further Education are all considered important by companies as they are all equally involved in these sectors. No specific sector was found to be more important than the other.
- Companies indicated that they conducted regular visits to beneficiary projects.

- It was also found that Mathematics and Science, bursaries and literacy and numeracy are top priority focus areas for CSI spending.
- The majority of companies have not yet rolled out projects nationally which could be measured and monitored more easily.
- 50% of beneficiaries of projects indicated that they do not have input into the CSI strategy.
- 64.6% of companies publish their CSI initiatives regularly.
- The majority of companies (51.2%) do not collaborate with any other companies in order to consolidate funds and have greater impact.
- The CSI model is relatively aligned by the business objectives and core business of the company.

Companies identified the following initiatives as their efforts to contribute toward improving education:

- Aiming to develop Grade 10 learners;
- Upgrading learning and teaching equipment at schools;
- Developing youth development and youth unemployment;
- Empowerment of schools, teachers, principals and learners;
- Provision of bursary programmes;
- Capacitating leadership in education;
- Assisting beneficiaries from Early Childhood Development to tertiary level;
- Supporting of community education facilities and support through bursaries;
- Creating the availability of learning resources that are unavailable in schools;
- Support through science centres and development programmes in schools;

- Supporting internship programmes;
- Providing support for Mathematics and Science programmes in rural schools;
- Partnering with institutions that already work toward the improvement of the education situation;
- Building capacity and skills development;
- Contributing toward the Adopt-a-School programme as part of a whole-school development approach;
- Promoting early learning, language development, learner performance in education and functional education management and delivery systems;
- Supporting teacher development, Early Childhood Development and the improvement of Maths and Science;
- Development of teachers;
- Supporting tertiary education access projects;
- Supporting Grade 12 learners to successfully complete secondary school;
- Forming partnerships with all relevant stakeholders specifically the National Department of Basic Education, school governing bodies and educators;
- Providing an opportunity to improve learners' Mathematics and Science tuition;
- Providing learners with access to further tertiary education in fields of Engineering and Accounting;
- Supporting programmes that develop learner and teachers;
- Focusing on literacy and numeracy;
- Supporting primary schools by capacitating teachers and learners.

5.3.4 Effectiveness of procedures and practices

(This information was gathered from Descriptive Statistics (Annexure B) and Question 35 from the Questionnaire – Annexure A)

This section aimed to get a detailed understanding of the effectiveness of CSI procedures as far as the implementation is concerned. Areas such as selection processes, models and guidelines, collaborations, involvement, monitoring and evaluation were evaluated. This entire section obtained a Cronbach's Alpha Coefficient of 0.8, indicating that most respondents' answers were consistent. This indicates that respondents all indicated a reliable set of answers that were very consistent.

5.3.4.1 Summary of main findings: effectiveness of procedures and practices

The effectiveness of the CSI procedures and practices listed below were found to be relatively to reasonably effective:

- Selection process;
- CSI model or guideline;
- Collaborative projects with other corporate;
- Involvement of staff and top structure of your company;
- Monitoring and evaluation process;
- Measuring impact;
- Interaction with beneficiaries; and
- Involvement with project.

5.3.5 Impact and sustainability of CSI on education

(This information was gathered from Descriptive Statistics (Annexure B) and Questions 36 – 46 in the Questionnaire – Annexure A)

This section focused on understanding the sustainability and long-term impact of the CSI initiatives by companies in terms of education.

5.3.5.1 Sustainability of programmes

(This information was gathered from Descriptive Statistics (Annexure B) and Question 36 from the Questionnaire – Annexure A)

Table 5.3.5.1.1 Sustainability of programmes

Level of Sustainability	%
Not sustainable	0%
Relatively sustainable	29.8%
Reasonably sustainable	53.2%
Very sustainable	17%

It can be concluded from the table that most respondents (53.2%) found the programmes they support to be reasonably sustainable, while 29.8% of the respondents found their programmes to be relatively sustainable and the minority (17%) of respondents indicated that their programmes are very sustainable. The mean was calculated to be 2.8 and standard deviation 0.67. The 2.8 (high) mean score indicates that most respondents found the sustainability to be reasonably to very sustainable. The low standard deviation indicates that most respondents were in agreement and that results did not differ significantly.

5.3.5.2 Impact measurement

(This information was gathered from Descriptive Statistics (Annexure B) and Question 37 from the Questionnaire – Annexure A)

A total of 37.7% of respondents indicated that they have been able to measure the impact of CSI support, while 21.3 % of respondents were not able to do so.

5.3.5.3 Selection criteria based on a sustainable outcome

(This information was gathered from Descriptive Statistics (Annexure B) and Question 38 from the Questionnaire – Annexure A)

A total of 93.8% (the majority) of respondents indicated that the selection criteria they use are based on a holistic and sustainable outcome while 6.3% of respondents indicated that their selection criteria are not based on a holistic and sustainable outcome.

5.3.5.4 National presence

(This information was gathered from Descriptive Statistics (Annexure B) and Question 39 from the Questionnaire – Annexure A)

A total of 41.9% of respondents indicated that they have rolled out a successful project on a national scale while 58.1% indicated that they have not yet rolled out a successful project that is holistic and sustainable on a national level.

5.3.5.5 Effectiveness of measuring tool for national projects

(This information was gathered from Descriptive Statistics (Annexure A) and Question 40 from the Questionnaire – Annexure A)

Table 5.3.5.5.1 Effectiveness of measuring tool for national projects

Degree of effectiveness	%
Not effective	12%
Relatively effective	24%
Reasonably effective	52%
Very effective	12%

The majority (52%) of respondents found their measuring tool for national projects to be reasonably effective, while 12% of respondents indicated that their measuring tool has not been effective. Furthermore, 24% of respondents indicated that their measuring tool was relatively effective while, 12% found their measuring tool to measure nationwide impact for national project to be very effective. The mean was calculated to be 2.6 and the standard deviation was 0.86. The 2.6 mean score indicates that most respondents found the effectiveness of the measuring too for national projects to be reasonably to relatively effective, while the standard deviation of 0.86 indicates that most respondents were in agreement and that there was no significant difference in the results.

5.3.5.6 Number of projects supported annually

(This information was gathered from Descriptive Statistics (Annexure B) and Question 41 from Questionnaire – Annexure A)

Table 5.3.5.6.1 Number of projects supported per annum

Number of Projects	%
3	12%
6	24%
13	52%

The majority of respondents (52%) indicated that they support a total of 13 projects per annum, while the least (12%) number of projects were found to be three projects and 24% of respondents indicated that they support up to six projects per annum.

5.3.5.7 Feedback from beneficiaries

(This information was gathered from Question 42 from Questionnaire – Annexure A)

Table 5.3.5.7.1 Feedback from beneficiaries

Frequency	%
Never	4.4%
Annually	26.7%
Bi-annually	35.6%
Quarterly	33.3%

The results regarding the frequency of feedback from beneficiaries was that 4.4% of respondents indicated that they never communicate with their beneficiaries, 26.7% of respondents indicated that they receive feedback annually from their beneficiaries. Furthermore, 35% of respondents indicated that they communicate with or receive feedback bi-annually from beneficiaries, while 33.3% get feedback from beneficiaries quarterly. The mean score was calculated at 2.9 and that standard deviation was 0.8. This mean (2.9) indicated that most respondents indicated either bi-annually or quarterly and the 0.8 standard deviation indicates that most respondents were in agreement and that the results did not differ significantly.

5.3.5.8 Audited financial statements

(This information was gathered from Descriptive Statistics (Annexure B) and Question 43 from the Questionnaire – Annexure A)

The majority of respondents (80.4%) indicated that they requested audited financial statements while 19.6% of companies indicated that they do not request audited financial statements from beneficiaries.

5.3.5.9 Independence of projects

(This information was gathered from Descriptive Statistics (Annexure B) and Question 44 from the Questionnaire – Annexure A)

A percentage of 31.1% of respondents indicated that they do have projects running completely independently from CSI funding while 68.0% indicated that they do not.

5.3.5.10 Number of years before project became sustainable

(This information was gathered from Descriptive Statistics (Annexure B) and Question 45 from the Questionnaire – Annexure A)

The average number of years before a project became sustainable was found to be 3.5 years.

5.3.5.11 Sustainability

(This information was gathered from Descriptive Statistics (Annexure B) and Question 46 from the Questionnaire – Annexure A)

Table 5.3.5.11.1 Sustainability

Level of Sustainability	Percentage
Not sustainable	2.2%
Relatively sustainable	31.1%
Reasonably sustainable	55.6%
Very sustainable	11.1%

From the above it is clear that most respondents (55.6%) indicated that they view their projects as reasonably sustainable while 31.1% of respondents indicated that they view their projects as relatively sustainable. The minority of respondents (2.2%) found their CSI projects to be unsustainable and 11.1% indicated that their CSI projects are very sustainable.

5.3.5.12 Summary of main findings: Impact and sustainability

- Most respondents (53.2%) found their CSI to be reasonably sustainable and are able to measure the impact of their CSI.
- Most companies (93.8%) indicated that their selection criteria are based on a holistic and sustainable outcome.
- The majority of companies (41.9%) have no national presence in terms of their CSI spending.

- The majority of companies (52%) found their measuring too or national projects to be reasonably effective.
- The largest number of projects supported by a company was found to be thirteen (13).
- The majority of companies (68%) indicated that the projects they supported have not yet been able to run successfully and independent without funding

5.3.6 Impact and measuring of CSI practices

The questions below address issues of impact, monitoring and evaluation of CSI practices with regard to education as a focus area. Questions 47 – 50 were designed to gain insight into the impact and measuring of CSI.

5.3.6.1 Brand image and goodwill of company

(This information was gathered from Descriptive Statistics (Annexure B) and Question 47 from the Questionnaire – Annexure A)

All respondents (100%) agreed that the impact of CSI has been positive on the brand image and goodwill of their company.

5.3.6.2 Recording of impact on society

(This information was gathered from Descriptive Statistics (Annexure B) and Question 48 from the Questionnaire – Annexure A)

A total of 72.1% of respondents indicated that they have been able to record the impact that their company has made on society, while 27.9% of respondents were not able to record the impact they have made on society.

5.3.6.3 Social Responsibility Investment Index listing

(This information was gathered from Descriptive Statistics (Annexure B) and Question 49 from Questionnaire – Annexure A)

A total of 54.6% of respondents are listed on the Social Responsibility Investment Index (SRI Index) while 45.4% of respondents are not listed. This implies that not many companies comply with the criteria of the Johannesburg Stock Exchange according to their social responsibility.

5.3.6.4 Summary of main findings: Impact and measuring

- All companies (100%) indicated that CSI have impacted positively on the brand and goodwill of the company.
- The majority of companies (72.1%) are measuring and recording the impact of their CSI on society.
- Most companies (54.6%) are listed on the Social Responsibility Index.

5.4 Conclusion

Education as a focus area for CSI spending has only been around for a period of 14 years. It has become very clear that most respondents acknowledge and identify education as a priority area. However, the focus areas for education differ significantly and range from Early Childhood Development, literacy, numeracy, teacher development, learner support, bursary provision to capacity building. The support through CSI spending is also allocated to different sectors of education such as the Foundation phase, Secondary phase and Tertiary phase. The distribution of CSI spending was also found to be unequal in all provinces. Bigger provinces such as Gauteng, the Western Cape and KwaZulu-Natal receive more funding than other provinces. Many companies have not yet considered the sustainability and long-term impact of CSI toward the country's educational situation as a whole. Impact measurement and monitoring and evaluation are also areas of concern as far as CSI spending is concerned. Most companies publish their CSI initiatives in their marketing publications and have found CSI to have a good

impact on the goodwill of the company's brand. Companies do not typically enter into collaborations with other companies with similar interests and focus areas in order to ensure a greater impact. The national impact that companies have on education has also proved to be an area of concern, as not many companies have education projects which they have rolled out nationwide.

Chapter 6

Conclusions, recommendations and limitations

6.1 Introduction

In Chapter 5 the results were analysed and findings were presented, which highlighted a few areas of concern as far as CSI spending towards education is concerned. Chapter 6 also addresses Objective 9 (*cf.* 4.4) which is: *To make recommendations on how the impact of CSI in education can be improved.* The statistical analysis was able to give a detailed understanding of the impact of Corporate Social Investment on education in South Africa. The following categories emerged from the statistical analysis:

- Demographics
- Governance and legal compliance
- Focus areas of education and CSI
- Effectiveness of CSI
- Impact and sustainability
- Impact and measuring

The above-mentioned categories are discussed in this chapter and recommendations are made on how the impact of Corporate Social Investment in education can be improved.

6.2 Summary of conclusions: Demographics

- The average number of years that companies have been involved in Corporate Social Investment in education is 13.8 years.
- Only 37.7% of budgets are allocated towards the development of education.
- Gauteng, the Western Cape and KwaZulu-Natal benefit most from the CSI funding from companies.

- Most companies operating nationally do not spend their CSI funds equally in all provinces.

6.2.1 Recommendations: Demographics

Based on the conclusions made in terms of the demographic profile of CSI, the following sub-categories were identified:

6.2.1.1 Period of commitment towards education;

6.2.1.2 Portion of budget dedicated towards improving education;

6.2.1.3 Provincial distribution of CSI budget.

In the next section recommendations are made with regard to the above-mentioned sub-categories.

6.2.1.1 Period of commitment towards education

In terms of demographics it was found that most companies have only been focusing on education for the last 13.8 years. This means that education was not previously recognised as a priority in terms of CSI spending. Education is also not the only priority area identified as a focus area for CSI support. Thus, both Government and companies are faced with many backlogs and challenges within the education system that has occurred over many years and now has to be rectified. **It is therefore recommended that companies who have identified education as a priority should continue doing so and should commit to a dedicated sector of education** (for example Early Childhood Development) over a long-term period. This will ensure that the impact in a focused area of a sector can be measured over time. **It is also recommended that companies that have identified education as a focus area should totally commit their entire CSI budget towards developing education and not just a portion of it.** This will again ensure greater impact and sustainability in the education sector of their choice.

6.2.1.2 Portion of budget dedicated towards improving education

Findings indicate that education only accounts for about 37.7% of CSI spending. This means that there is no allocated dedicated consortium of companies completely and entirely dedicated to the sole development of education as companies have other priority areas toward which they also have commitments in terms of their CSI spending. **It is recommended that companies should select one specific focus area to which they can commit 100% in terms of the improvement and development of education.** In this way more return on investment can be measured and a significant impact can be made on education.

6.2.1.3 Provincial distribution of CSI budget

Provinces such as Gauteng, the Western Cape and KwaZulu-Natal receive most of the CSI funding while other provinces such as the Northern Cape, the Eastern Cape, the Free State, Limpopo, Mpumalanga and the North-West Province receive very little. These neglected provinces are the provinces that already suffer economically and academically, yet the few interventions available that can help to uplift them do not identify them as priority areas. Companies have a national footprint and most of their services or products are distributed and sold nationwide, however they only choose to focus their CSI spending in major provinces such as Gauteng, KwaZulu-Natal and the Western Cape. **It is strongly recommended that companies conduct a needs analysis of the more disadvantaged provinces where they can make a greater impact in terms of their CSI spending in education by elevating rural communities and neglected areas.** This would also fall in line with the priority of Government to dedicate resources to develop and improve education in rural provinces.

There is also a tendency in companies to support communities where their major plants are based. An entire 44.7% of companies support projects in the provinces in which they themselves operate, while 55.3% do not support projects in provinces in which they do not operate. A clear distinction has to be made in terms of operation, whether it is the regional or head offices placed in each province, plants or factory or services rendered or product distribution per province. Thus, a needs analysis would be able to indicate the magnitude of the business the company is rendering in each province. **It is recommended that such companies should dedicate an amount of their CSI spending towards education in the**

provinces in which they do not operate. Provinces like Gauteng that have received intense CSI support for over 13 years, should be self-sustainable by now, after receiving such significant support from various companies.

Another option could be to calculate the unemployment level, literacy level and poverty rates per province, which would give a clear indication of the needs in terms of education. If each company can address the Millennium Development Goals in collaboration with Government intervention, it would have a significant positive impact on education, poverty alleviation and the economical status of each province. **It is recommended that companies consider a holistic, sustainable, nationwide project that can be duplicated in each province where better impact can be measured on the whole country in terms of education.** Education is an area in which it is necessary for each and every province to succeed.

6.3 Summary of conclusions: Governance and legal compliance

It was found that the majority of companies indicated that they comply with the aspects which form part of their CSI practice and procedure listed below:

- Government priorities to improve education
- Millennium Development Goals which state: Goal 2: Achieving Universal Primary Education
- Triple Bottom Line
- King III Report on Corporate Governance
- Corporate Citizenship
- B-BBEE

In the next paragraphs the recommendations are made.

6.3.1 Recommendations: Governance and legal compliance

In this section recommendations are made in terms of improving the legal compliance and governance of Corporate Social Investment spending towards education from the aspects below:

6.3.1.1 Government's priorities to improve education

6.3.1.2 Millennium Development Goal 2: Achieving Universal Primary Education

6.3.1.3 Triple Bottom Line

6.3.1.4 King III Report on Corporate Governance

6.3.1.5 Corporate Citizenship

6.3.1.6 Broad-based Black Economic Empowerment

6.3.1.7 Alignment of branding in CSI

Recommendations on the above-mentioned aspects are discussed below:

6.3.1.1 Government's priority to improve education

Most companies (84.8%) do acknowledge Government's priorities to improve education; however, they do not actively engage and partner with Government in order to implement these plans synergistically. Most companies also seem to comply with the Broad-based Black Economic Empowerment (B-BBEE) regulation which requires companies to pay 1% after net profit toward CSI. To strengthen the collaboration between Government and the corporate sector, **it is recommended that companies and the Department of Education form Public, Private Partnerships (PPP), where funding can be allocated together in order to have greater impact on education.** This will also ensure that responsibility is being taken by both Government and the private sector aimed at a common cause. A strategic planning session among the relevant stakeholders can be held in order to identify core priorities and areas where the need is greater, along with deadlines, thus ensuring that more sufficient funds be made

available to make a greater impact from the contributions of both Government and the private sector.

6.3.1.2 Millennium Development Goal 2: Achieving Universal Primary Education

Most companies indicated that they reasonably apply this goal in terms of their CSI initiatives as far as education is concerned. This indicated that this goal is not entirely fully applied and incorporated as a focus and guideline for all CSI initiatives towards the development of education.

It is recommended that companies incorporate the Millennium Development Goal 2 in their annual planning and to make it part of the mission and vision of their company's CSI spending. Another recommendation is for all companies who have identified education as a priority, to work in collaboration with the United Nations and Government to achieve the goal of achieving Universal Primary Education.

6.3.1.3 Triple Bottom Line

The Triple Bottom Line focuses on three main elements which companies have to consider, namely social, economic and environmental elements. This implies that a company has to consider the impact that is made on these three elements as they do business as usual. Most companies (95.6%) indicated that they do reasonably apply the Triple Bottom Line as part of their daily practices and policies. In order for companies to optimally function in their CSI and have greater impact nationwide and globally, **it is recommended that the companies incorporate their education focus areas and their CSI spending, with a positive environmental, economic and social perspective.** This would ensure that development in education has a positive impact in the social, economic and environmental wellbeing of the country at large, thus again addressing the sustainability and holistic issue in the King III Report.

6.3.1.4 King III Report on Corporate Governance

The King III Report is the most essential guide in order to guide the practices of Corporate Social Investment. Although most companies do acknowledge and follow this report they do not yet implement the two essential issues highlighted in this specific report, namely leadership and sustainability. In order for companies to be successfully aligned with the King III Report, **it is recommended that an auditor is part of the CSI committee to check whether the company is always in compliance with the King III Report and the company's CSI spending.** Special attention has to be given to key risk reporting issues which are more technical matters concerning CSI funding. The CSI practice and procedures need to be aligned with the auditing and financial regulations which are what the King III Report is based on.

6.3.1.5 Corporate Citizenship

Corporate Citizenship involves more. It considers the rights and responsibilities of organisations within a broader societal context, and is therefore concerned with contributions a company makes through its social and environmental impact as well as its economic contribution. From the questionnaire it was found that most companies acknowledge Corporate Citizenship as a business principle. They are, however, not able to measure the effectiveness of how well they practice it. **It is highly recommended that companies review their CSI practices over a period starting at inception, and monitor and evaluate the impact that has been made in society and communities at large in terms of education.** They should review if there was any impact at all. It is also advisable to measure if the CSI initiatives have made a significant difference, for example how many matriculants or graduates have been produced through the programmes and projects that the company supports and to see if this has produced a significant return on investment.

6.3.1.6 Broad-based Black Economic Empowerment

The majority of the companies (89.4%) indicated that they do comply with the B-BBEE Code of Good Practice. This suggests that 1% of net profit has to be spent on social development. However, there are no specific guidelines on how exactly this 1% should be spent in order to

create better sustainability and development in the country. **It is recommended that companies integrate their compliance to the B-BBEE Code of Good Practice with their core business and CSI practices and procedures. By this is meant that contributing 1% of net profit should be aligned to the CSI strategy and procedure as well as the core business, which would be more meaningful and have a greater impact.**

6.3.1.7 Alignment of branding and CSI

It was found that most organisations found the marketing of the brand and the perceived trustworthiness to be reasonably trustworthy to very trustworthy. Most companies indicated that the brand is trusted to do the right thing and to be trusted as an employer in society. **It is recommended that a revised B-BBEE strategy be developed that is aligned with the Government's priorities in terms of social development and the Millennium Development Goal 2.** This will ensure that all goals, plans and priorities are aimed at achieving a common result. The next section deals with the summary of conclusions: focus areas of CSI.

6.4 Summary of conclusions: Focus areas of CSI

- Most respondents found their investigation and selection criteria to be reasonably reliable.
- It was concluded that the longest a company has been focusing on education is 41 years while the shortest was found to be three years.
- ECD (Early Childhood Development), Intermediate phase, Higher and Further Education are all considered important by companies as they are all equally involved in these sector. No specific sector was found to be more important than the next.
- Companies indicated that they conduct regular visits to beneficiary projects.
- From the above it is clear that Mathematics and Science, bursaries, literacy and numeracy are top priority focus areas for CSI spending.

- The majority of companies (51.2%) have not yet rolled out projects nationally which could be measured and monitored more easily.
- 50% of beneficiaries of projects do not have input into the CSI strategy.
- 64.4% of company's CSI interventions are published regularly by companies.
- The majority of companies (%) do not collaborate with any other companies in order to consolidate funds and have greater impact.
- The CSI model is relatively aligned with the business objectives and core business of the company. The paragraphs below will focus on the recommendations for the focus areas of CSI.

6.4.1 Recommendations: focus area of CSI

6.4.1.1 Reliability of selection criteria

6.4.1.2 Period of investing in education as a focus area

6.4.1.3 Sector of education

6.4.1.4 Interaction with beneficiaries

6.4.1.5 Most preferred discipline of education

6.4.1.6 National presence and roll out

6.4.1.7 Collaborations with other companies

6.4.1.8 Alignment with business objectives

Each of the areas above is now discussed and recommendations are made on how to make improvements to maximise and better the selection of focus areas of CSI.

6.4.1.1 Reliability of selection criteria

Most respondents (43.5%) indicated that they found their selection criteria to be reasonably reliable. Although this is very good, it was also indicated that the selection criteria also allowed for other projects in other areas to be selected. It was found that education shared priority with other focus areas at times. These include among others:

- HIV/Aids
- Disability
- Orphans and vulnerable children
- Empowerment of women
- Arts and culture
- Environmental conservation
- Enterprise development
- Community development
- Job creation
- Welfare

Over and above these focus areas education has various sectors, such as Early Childhood Development, Intermediate phase, Higher Education and Further Education. Based on the above observations, **it is recommended that companies who have selected education as a focus area should dedicate all their resources solely to this focus area. It is also recommended that one sector of education should be selected, which would enable the company to measure the impact it has made in that sector.** Once the sector of education is identified, a clear subject must be chosen such as literacy, numeracy, Mathematics, Science, etc. to focus on.

Clearly defining the focus areas will already make the selection criteria easier. **It is also recommended that each of the legal compliance issues are addressed in the selection criteria such as:**

- Millennium Development Goal 2: Achieving Universal Primary Education
- Alignment with Government's priorities to improve education
- Triple Bottom Line
- King III Report
- Corporate Citizenship

If the recommendation is adhered to it will ensure that the projects/beneficiaries that are selected for support will make a national impact. An impact can therefore be measured and justified on various levels of compliance.

Another main issue at hand is that the selection criteria should address the company's business objectives. **It is thus recommended that each project/beneficiary that is selected must be in line with the company's business objectives.**

6.4.1.2 Period of investing in education as a focus area

It was concluded that the longest a company has been focusing on education is 41 years while the shortest was found to be three years.

It is recommended that companies dedicate a long-term, mutually beneficial period towards the development of education through their consistent CSI spending efforts.

This should be a focused approach at a dedicated area and discipline of education in collaboration with Government and other companies with similar interests.

6.4.1.3 Sector of education

Over and above education, most companies also support other areas in terms of their CSI focus areas. These include housing, health, welfare, job creation, community development, enterprise development, arts and culture, environmental conservation, rural development, women's empowerment, orphans and vulnerable children, HIV/Aids and disability. This indicates that education is not a primary priority of a company and that it is shared with other areas of development. It was also found that ECD (Early Childhood Development), Intermediate phase, Higher Education and Further Education were all considered priority areas by companies as they are all equally involved in these sectors. **Studies have shown that the more proactive and earlier the support and development are given, the better chances of success. It is recommended that companies dedicate their CSI funding to a dedicated sector of education. Allocating CSI funding towards a dedicated sector makes it easier to measure impact. It is also recommended that companies focus on the earlier stages of education which would alleviate some of the challenges experienced during later stages of education e.g. Primary and Secondary School. For example: Early Childhood Development is an ideal stage to develop key areas of education such as reading, writing and arithmetic. This will eliminate resources being allocated at fixing the lack of reading and writing in later stages of education. Support should also be continuous throughout Basic Education so that the entire education sector can benefit from support at all levels. However, the support should be dedicated and focused to ensure improved results.**

6.4.1.4 Interaction with beneficiaries

Companies (50%) indicated that they conduct regular visits to beneficiary projects. **It is recommended that a beneficiary of a project should be recognised and acknowledged as a strategic partner and stakeholder of the company.** A long-term mutual beneficial relationship should be established and maintained with beneficiaries. This will ensure that beneficiaries maintain the target outputs they set out to produce in the agreement which in turn will contribute to the overall company CSI progress and achievements. Regular communication and interaction will eliminate misunderstandings and ensure compliance with the agreed report-

back terms. Report back from beneficiaries should be aligned to the reporting structure of the company.

6.4.1.5 Most preferred discipline of education

ECD (Early Childhood Development), Intermediate phase, Higher and Further Education are all considered important by companies as they are all equally involved in these sectors. All disciplines of education were found to be equally important sectors to support in terms of CSI spending. However, even though each sector of education's needs are equally important, being proactive and developing early stages of the education sector such as Early Childhood Development and Intermediate phase would eliminate challenges in the further stages of Education such as Higher and Further Education. **It is therefore recommended that companies in collaboration with the Government should proactively dedicate support to the early stages of education.** This would eliminate challenges in the later stages of the education sectors. If challenge areas such as numeracy and literacy in students' schooling are addressed earlier, through support to the early stages of education, challenges of literacy and numeracy will be eliminated in later stages of schooling. The Mathematics and Science challenges are further examples of challenges which can be addressed earlier as opposed to dedicating time, resources and funding towards this problem in later grades such as grades 10, 11 and 12.

6.4.1.6 Most preferred discipline of CSI spending

Most companies (72.3%) identified Mathematics and Science, bursaries and literacy and numeracy as top priority areas of support. **It is recommended that companies allocate their CSI spending to bottleneck areas where there is a significant dropout of students.** If more resources are allocated and capacity building and development of teachers are focussed on the foundation phases of schooling, chances of students pulling through the system will be better than later in their schooling career. Mathematics, Science, numeracy and literacy are critical areas to support, however teacher development and capacity building are just as critical. The teacher needs to be equipped and correctly trained in order to present the subject better. Most

schools lack competent teachers and equipment or facilities in order to teach properly. It is also recommended that companies allocate funding to one priority area instead of many at the same time where very little impact can be measured.

6.4.1.7 National presence

The majority of companies (51.1%) have not yet rolled out projects nationally. It was found that companies regularly published information on the projects they supported. **It is recommended that companies with a national brand that is sold across the country should be able to have a national presence in terms of their CSI. Not only will this strengthen the brand, but it will also contribute to the goodwill of the brand. Companies that are more aggressive and present in terms of their Corporate Social Investment have a stronger brand presence and have a competitive advantage. This means that companies can ensure a stronger brand presence and competitive advantage by positioning the brand in such a way that it cares for the community's wellbeing by being socially present in terms of the company's Corporate Social Investment spending.**

6.4.1.8 Collaborations with other companies

The majority of companies (51.2%) do not collaborate with any other companies in order to consolidate funds and have greater impact on education. Many companies tend to support the same projects individually instead of collaborating and consolidating resources towards a common cause that would render greater return on investment as well as a greater impact on education as a whole. **It is recommended that companies collaborate and consolidate their resources towards education to make a greater impact.** For example if all medical companies allocated their resources towards the development of national Mathematics and Science, since these subjects form part of their core business, it would ensure more graduates, doctors and medical practitioners in the long run as well as to produce university-prepared students into Higher Education.

6.4.1.9 Alignment with business objectives

The CSI model is relatively aligned with the business objectives and core business of the company. **It is recommended that companies synchronise their core business and business objectives with their CSI guidelines, policies and procedures.** This would ensure that a holistic more sustainable approach is being met in terms of CSI. A company that employs engineers should strongly allocate their CSI funding towards Mathematics and Science development since they would benefit from recruiting such graduates in the long run, thus creating a more holistic approach to the allocation of funds where return on investment can be measured.

6.5 Summary of conclusions: effectiveness of procedures and practices

The effectiveness of the below listed CSI procedures and practices were found to be relatively to reasonably effective:

6.5.1.1 Selection process

6.5.1.2 CSI model or guideline

6.5.1.3 Collaborative projects with other corporate

6.5.1.4 Involvement of staff and top structure of company

6.5.1.5 Monitoring and evaluation process

6.5.1.6 Measuring impact

6.5.1.7 Interaction with beneficiaries

6.5.1.8 Involvement with project

The recommendation for the effectiveness of procedures and practices are made below:

6.5.1 Recommendations: Effectiveness of procedures and practices

Most of the above-mentioned aspects concerning the effectiveness of CSI procedures and practices have been found to be reasonably effective. However, in order to improve these aspects the following is recommended:

6.5.1.1 The selection process

It is important for the companies to identify which aspects of education are more aligned to their core business and business objectives. Once the project complies with the core business and business objectives and can justifiably add value to society at large and can contribute positively towards education it should be shortlisted. Once a project complies with all the above mentioned legal requirements it should shortlisted.

It is recommended that the selection process has to include all aspects of compliance such as the B-BBEE, the King III Report, the Triple Bottom Line, the Millennium Development Goal 2, Corporate Citizenship and Government's priorities to improve education.

6.5.1.2 CSI model or guideline

The CSI model or guidelines should be aligned with the selection criteria, legal compliance criteria and long-term strategy for the CSI spending of a company. This document should also form part of the overall strategy of the company and the Government's Social Economic Development Plan. The focus areas should be identified and the reasons for deciding on the specific focus areas should be specified. **It is recommended that the CSI model or guidelines should be very specific and clear.**

6.5.1.3 Collaborative projects with other companies

It is recommended that companies collaborate on projects relating to education. By doing this, more resources and funding can be allocated to a common cause and more impact can be measured.

6.5.1.4 Involvement of staff and top structure in company

It is recommended that employees and the top structure of a company should be involved in the formulation of the CSI strategy. The more this happens, the more it will create an increased sense of ownership of caring for the community and society at large. This will also create a philanthropic culture within the company where employee volunteerism becomes very popular.

6.5.1.5 Monitoring and evaluation process

It is recommended that monitoring and evaluation form the most essential part of the CSI procedure. This is because it indicates what impact was made towards society and what return on investment can be measured. The CSI project that is supported should be monitored very carefully and report-back and feedback should regularly be given in order to carefully measure the success and impact of CSI interventions. The monitoring and evaluation process should include regular interaction with beneficiary projects. Regular correspondence and interaction with Government, other companies and the careful identification of the needs of the community will ensure continuous updates on matters. In the paragraphs below, the summary of conclusions on the impact and sustainability of CSI on education and the recommendations are highlighted.

6.6 Summary of conclusions: Impact and sustainability of CSI on education

- Most respondents (53.2%) found their CSI to be reasonably sustainable and are able to measure the impact of their CSI.

- Most companies (93.8%) indicated that their selection criteria are based on a holistic and sustainable outcome.
- The majority of companies (58.1%) do not have a national presence in terms of their CSI spending.
- The largest number of projects supported by a company was found to be 13.
- The majority of companies (68%) indicated that projects they supported have not yet been able to run successfully and independent without funding.

6.6.1 Recommendations on the impact and sustainability of CSI on education

According to the above-mentioned conclusions on the impact and sustainability on education, recommendations are made below:

6.6.1.1 Measurement of CSI impact

Most companies (72.1%) indicated that they are able to reasonably measure the impact of their CSI spending and found it to be reasonably sustainable. The King III Report emphasises the focus on sustainability. The King III Report requires that a formal process of assurance with regard to sustainability reporting should be established. **It is therefore recommend that companies should improve the sustainability and impact measurement of CSI selected projects within the education sector that can reap returns on investment for the company.** For example, by supporting students through university courses that would directly add benefit to the organisation would be more sensible. Once these students graduate, they are automatically employed by the company. Another example would be for engineering companies to start focusing on Mathematics and Sciences in schools across the country. This would contribute towards the lack of students taking Mathematics and Sciences and better develop them for university level.

6.6.1.2 Nationwide presence

It is very important for a company operating nationally to have a nationwide footprint and presence in terms of CSI. **It is therefore recommended that such companies must distribute their CSI funding equally among all provinces.**

Some provinces in the country are very disadvantaged and are in dire need of support, especially in education. A company's first point of entry should be to establish which aspects of education will be a priority to support, and a pilot project should then be established where the company can perfect a model and guidelines to successfully duplicate and roll out in other provinces. **It is recommended that the company must partner with organisations in each province, such as universities, that can assist with research, monitoring and evaluation of each project in order to measure the impact of the interventions.** This will ensure that the company's CSI profile is equally distributed among provinces in the country.

6.6.1.3 Independence of beneficiary projects

Projects that are selected to be supported should be able to be self-sustainable. Companies should consider the option to commit to a project over a long time for the project to become self-sustainable. Commitment over a long time will ensure that better impact can be measured.

The huge backlogs of skills deficiency arising from Apartheid's legacy mean that business needs to spread its corporate tentacles into some abnormal areas of education and skills development in order to achieve projected economic growth and significantly reduce poverty levels among the majority of the population. The researcher believes that this longer term perspective is as applicable for a developmental field such as CSI as it is for national economic development. **It is recommended that companies should commit by collaborating with Government in order to maximise impact.** The ability to make a sustained impact largely depends on a company's ability to work with others and to contribute in areas where they are most equipped to do so. The next section focuses on a summary of conclusions of impact and measuring.

6.7 Summary of conclusions: Impact and measuring of CSI practices

- All the companies (100%) indicated that CSI have impacted positively on the brand and goodwill of the company.
- The majority of companies (72.1%) are measuring and recording the impact of their CSI on society.
- Most companies (54.6%) are listed on the Social Responsibility Investment Index.

Recommendations with regard to the above are made below.

6.7.1 Recommendations on the impact and measuring of CSI practices

Impact and measuring of Corporate Social Investment can be improved by following the recommendations listed below.

6.7.1.1 Goodwill of brand

Companies, through CSI, invest in communities to improve the lives of the poor, enable NGOs to sustain their development projects, while enabling both beneficiaries to relate to their brand. A public and high profile approach to CSI has distinct advantages. The most important is the level of transparency and accountability this promotes. A well-defined strategy can help a company to reach out to communities and achieve business objectives through best practice formulas. **It is recommended that all companies strive to be seen as worthy competitors by their peers.**

The leaders of most companies that engage in CSI initiatives are considered 'captains' of industry by the media. A company is required to comply with specific corporate governance guidelines to qualify for a listing on the Johannesburg Stock Exchange (JSE). It does not matter how small the investment or the multiplier effect of benefits are. In addition, companies qualify for tax benefits when they support an acknowledged public benefit organisation in a measurable manner. **It is recommended that companies should use their employees as ambassadors**

and involve them to spread the word of goodwill and to align their CSI with their company's values and goals.

6.7.1.2 Recording of impact

CSI is a relatively new element of business in Southern Africa and although there are a number of methodologies for the development of CSI strategies for community engagement and investment, there seems to be a lack of maturity in the field of CSI programme evaluation. Integrated approaches to measure the impact of CSI spending and to measure return on investments seem to be limited. This is a result of the fact that when companies report on the impact they tend to focus extensively on the resources (input) and outcome (numbers), but lack to record the actual impact and returns achieved.

The aim of the evaluation of a CSI programme is to determine the relevance and fulfilment of objectives, development efficiency, effectiveness, impact and sustainability. Such an evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process of both recipients and donors. Evaluation also refers to the process of determining the worth of significance of an activity, policy or programme.

It is therefore recommended that:

- **A company should incorporate both quantitative and qualitative measuring systems.**
- **The comprehensive evaluation of the company should be aligned to the CSI strategy, strategic objectives, focus areas, selection criteria and the procedure and practices of CSI funding.**
- **A company should evaluate each programme individually against the stated measurement and impact indicators, and to benchmark this against the outcome expected as defined by the funding application and implementation process.**
- **A company should measure the return achieved against an internal rate of return determined by the company.** For example every R1 invested by the company should

achieve a return on investment of between R6 and R16 respectively. This implies that a graduate employee who received a bursary and is fully skilled for his or her position will save the company training costs.

6.7.1.3 Social Responsibility Investment Index

The SRI Index is a South African benchmark for corporate citizenship, and has as its constituents JSE-listed companies with high standards of environmental, economic and social performance as well as good governance. The SRI Index is calculated by the JSE, and constituents are drawn from the companies that meet the SRI Index criteria as well as set liquidity ratios. It acts as a tool for investors to select certified good corporate citizens and a benchmark for companies looking to improve corporate responsibility. This SRI Index listing automatically gives the company a good rating with regard to their Corporate Governance and CSI contributes to the well-being and overall governance of the company. **It is therefore recommended that companies should be listed on the Social Responsibility Investment Index.**

6.8 Limitations of the study

- The sample group of the study was limited. Although a target population of 192 companies were approached, only 48 successfully completed the questionnaire. The reason for this could be that CSI managers travel extensively and have limited time to address such enquiries.
- Most respondents were restricted to share certain information as it is against company policy.
- Each company's structure is different; therefore a generic guideline or model for CSI would not be relevant.
- Since this study only pertained to education as a focus area, it limited the information that respondents were able to submit.

- The education sector is very large, each with its own challenges per discipline and sector which limits recommendations on how to improve CSI.

6.9 Directions for further research

A study can be done that would explore and investigate Corporate Social Investment in its entirety including other focus areas such as housing, health, welfare, job creation, community development, enterprise development, rural development, women empowerment, orphans and vulnerable children, HIV/Aids, disability and education and how each focus area contribute to the well-being of society at large.

6.10 Conclusion

After conducting the statistical analysis and interpretation of the results, the following conclusions have become apparent in this study: the Corporate Social Investment spending towards education is geographically unequally focused across the country. Although education has become a priority focus area for many companies, the education sector is still faced with severe challenges despite all the funds allocated in support of its development. Each sector of education is faced with its own unique challenges and the donations allocated annually are not making significant improvements. CSI spending towards education need to be addressed as a strategic focus business practice in partnership with relevant key stakeholders such as Government and other companies that have similar interests in education. A strategic alignment is necessary for CSI spending towards education which is aligned to core business, business objectives and compliance with all legal requirements with regard to CSI. A sustainable and holistic approach is necessary when selecting projects to support. CSI spending towards a focus area such as education needs to be specific and a 100% budget commitment needs to be dedicated over a long-term period which would ensue a better return on investment as well as sustainability. Finally, the researcher is convinced that if companies and the Department of Education adhere to the recommendations as set out in the preceding paragraphs their collaborative contributions will contribute significantly to the advancement of education in South Africa.

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Annexure A

Demographics

1. For how long (in years) has your company been practicing CSI in Education?

.....

2. What percentage of your budget is allocated towards education?

.....

3. In which provinces does your company operate in?

Province	Yes	No
1. Gauteng		
2. Western Cape		
3. Eastern Cape		
4. Free State		
5. Northern Cape		
6. KwaZulu Natal		
7. Limpopo		
8. North-West		
9. Mpumalanga		

4. Does your organization only support projects in the provinces in which it operates?

1. Yes	X
2. No	

5. If not, which other province does your company support in terms of CSI initiatives?

Province	Yes	No
1. Gauteng		
2. Western Cape		
3. Eastern Cape		
4. Free State		
5. Northern Cape		
6. KwaZulu Natal		
7. Limpopo		
8. North-West		
9. Mpumalanga		

6. Is your CSI spend equal for each province?

1. Yes	
2. No	

7. If not, briefly explain why your CSI spend is not equal?

We have a national budget

.....

Governance and legal compliance

8. On a scale from 1 to 4, how effective do you think your company addresses the following priorities?

Priority	1. Not effective	2. Relatively effective	3. Reasonably effective	4. Very effective
8.1 The Millennium Development Goals which states: Goal 2: Achieve universal primary education?				
8.2 Address the Priorities of Government to improve education				
8.3 Triple Bottom Line				
8.4 King Report III on Corporate Governance				
8.5 Corporate citizenship				

9. Does your company align their CSI initiatives with the priorities of Government to improve education?

1. Yes	
2. No	

10. Does your organization comply with the BEE (Black Economic Empowerment) requirement of spending a minimum of 1% of Net Profit after taxes on CSI?

1. Yes	
2. No	

11. Does your company comply with the TBL (Triple Bottom Line) of Corporate Social Responsibility?

1. Yes	
2. No	

12. If yes, which elements of the TBL does your company actively address?

ELEMENT	YES	NO
1. Economic		
2. Social		
3. Environmental		

13. On a scale from 1 to 4 rate how trustworthy your company is in terms of their Corporate Social Responsibility?

Trust element	Not Trustworthy	Relatively trustworthy	Reasonably trustworthy	Very trustworthy
13.1 Trust in the brand				
13.2 Trust in performance of the product/ service				
13.3 Trust in the company to “do the right thing”				
13.4 Trust in the employer and society				

Focus areas of CSI

14. Does your company have specific selection criteria before supporting projects?

1. Yes	
2. No	

15. If yes how aligned are these selection criteria to the business objectives?

1. Not aligned	
2. Relatively aligned	
3. Reasonably aligned	
4. Very aligned	

16. Does your company do a due diligence investigation before supporting a project?

1. Yes	
2. No	

17. If yes, how reliable and thorough has this investigation been?

1. Unreliable	
2. Relatively reliable	
3. Reasonably reliable	
4. Very reliable	

18. For how long has Education been a focus area for your company (in years)?

.....

19. Which sector of Education does your company support?

Sector	Yes	No
1. Early Childhood Development		
2. Intermediate phase		
3. Higher Education		
4. Further Education		

20. Which aspect of Education do you cover?

Aspect	Yes	No
1. Literacy and Numeracy		
2. Mathematics and Science		
3. Teacher development		
4. School infrastructure		
5. ITC development		
6. Bursaries		
7. Adopt a school		
8. Resource provision		
9. Leadership development		

21. On a scale from 1 to 4, how often do you visit the schools or education institutions which you support? Linked with programs

1. Never	
2. Seldom	
3. Regularly	
4. Often	

22. Is your CSI Spend aligned to the core business of your company by which your company operates?

1. Yes	
2. No	

23. Does your organization have a CSI model or guideline?

1. Yes	
2. No	

24. On a scale from 1 to 4 how aligned is your CSI model aligned to the business objectives?

1. Not aligned	
2. Reasonably aligned	
3. Relatively aligned	
4. Very aligned	

25. Please select which other focus areas, besides Education does your company support in terms of CSI?

Focus Area	Yes	No
25.1 Housing		
25.2 Health		
25.3 Welfare		
25.4 Job creation		
25.5 Community development		
25.6 Enterprise development	X	
25.7 Arts and Culture		
25.8 Environmental conservation		
25.9 Rural development		
25.10 Women empowerment		

25.11 Orphans and vulnerable children		
25.12 HIV/AIDS		
25.13 Disability		
25.14 Other		

26. Are your company's CSI activities done internally or by outside consultants?

Internally	
Externally	

27. Are the CSI activities done in conjunction with other companies in the same industry to reach a larger audience in order to make a greater impact?

1. Yes	
2. No	

28. Does your company publish their CSI initiative in their publications and marketing material?

1. Yes	
2. No	

29. Is your CSI initiatives aligned with your branding and marketing strategies?

1. Yes	
2. No	

30. How often do you publish the CSI programmes which your company supports?

1. Never	
2. Seldom	
3. Regularly	
4. Often	

31. Do the beneficiaries of the projects you support have input into your strategy?

1. Yes	
2. No	

32. Have you ever rolled out a successful project out nationwide?

1. Yes	
2. No	

33. If yes how many projects?

.....

34. Are you able to measure the impact that your company is making more effectively from projects that have been rolled out nationwide?

1. Yes	
2. No	

35. On a scale from 1-4 rate how effective the following areas of your CSI procedure have been?

CSI procedure	Not effective	Relatively effective	Reasonably effective	Very effective
35.1 The selection process				
35.2 CSI model or guideline				
35.3 Collaborative projects with other corporates				
35.4 Involvement of staff and top structure of your company				
35.5 The monitoring and evaluation process				
35.6 Measuring impact				
35.7 Interaction with beneficiaries				
35.8 Involvement with projects				

Impact and sustainability

36. How sustainable has your programmes been thus far?

1. Not sustainable	
2. Relatively sustainable	
3. Reasonably sustainable	
4. Very sustainable	

37. Have you ever been able to measure the impact of your CSI support?

1. Yes	
2. No	

38. Are the selection criteria based on a holistic and sustainable outcome?

1. Yes	
2. No	

39. Have you ever rolled out a successful project on a nationwide scale?

1. Yes	
2. No	

40. If yes, how successful have your measuring tool been to measuring the nationwide impact?

1. Not effective	
2. Relatively effective	
3. Reasonably effective	
4. Very effective	

41. How many projects do you support annually?

.....

42. How often do request beneficiaries to report to you?

1. Never	
2. Annually	
3. Bi-annually	
4. Quarterly	

43. Do you request Audited financial statements?

1. Yes	
2. No	

44. Do you have project which you have supported that are now completely running independently from funding?

1. Yes	
2. No	

45. If yes, for how long have you supported this project before it became completely independent?

.....

46. How sustainable do you rate your initiatives?

1. Not sustainable	
2. Relative	
3. Reasonable	
4. Very sustainable	

Impact and measuring

47. If yes, has your CSI impacted positively on the brand image and goodwill of your company?

1. Yes	
2. No	

48. Have you been able to record your impact on society as a result of your support?

1. Yes	
2. No	

49. Is your company listed on the SRI (Social Responsibility Index) of the JSE?

1. Yes	
2. No	

50. In your opinion, and given the challenges within the Education sector, how does your company's CSI programmes best contribute toward improving the education situation in this country?

.....
.....
.....

Annexure B

Descriptive statistics.

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The FREQ Procedure

POSITION	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	29	64.44	29	64.44
2	3	6.67	32	71.11
3	1	2.22	33	73.33
4	3	6.67	36	80.00
5	2	4.44	38	84.44
6	2	4.44	40	88.89
7	2	4.44	42	93.33
8	1	2.22	43	95.56
9	1	2.22	44	97.78
10	1	2.22	45	100.00

Frequency Missing = 3

DEPT	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	1	2.63	1	2.63
2	7	18.42	8	21.05
3	5	13.16	13	34.21
4	2	5.26	15	39.47
5	5	13.16	20	52.63
7	1	2.63	21	55.26
8	2	5.26	23	60.53
9	3	7.89	26	68.42
10	1	2.63	27	71.05
11	1	2.63	28	73.68
12	2	5.26	30	78.95
13	1	2.63	31	81.58
14	1	2.63	32	84.21
15	1	2.63	33	86.84
16	1	2.63	34	89.47
17	1	2.63	35	92.11
18	1	2.63	36	94.74
19	1	2.63	37	97.37
20	1	2.63	38	100.00

Frequency Missing = 10

The FREQ Procedure

Q1	Frequency	Percent	Cumulative Frequency	Cumulative Percent
3	1	3.70	1	3.70
4	1	3.70	2	7.41
5	4	14.81	6	22.22
6	1	3.70	7	25.93
7	2	7.41	9	33.33
8	1	3.70	10	37.04
9	1	3.70	11	40.74
10	3	11.11	14	51.85
12	1	3.70	15	55.56
14	1	3.70	16	59.26
16	1	3.70	17	62.96
17	3	11.11	20	74.07
20	4	14.81	24	88.89
28	1	3.70	25	92.59
37	1	3.70	26	96.30
41	1	3.70	27	100.00

Frequency Missing = 21

Q2	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	3	8.82	3	8.82
2	1	2.94	4	11.76
5	2	5.88	6	17.65
11	1	2.94	7	20.59
13	1	2.94	8	23.53
15	2	5.88	10	29.41
20	1	2.94	11	32.35
25	1	2.94	12	35.29
26	1	2.94	13	38.24
30	2	5.88	15	44.12
35	2	5.88	17	50.00
40	3	8.82	20	58.82
44	1	2.94	21	61.76
50	3	8.82	24	70.59
55	2	5.88	26	76.47
60	1	2.94	27	79.41
65	2	5.88	29	85.29
70	2	5.88	31	91.18
80	2	5.88	33	97.06
100	1	2.94	34	100.00

Frequency Missing = 14

Descriptive statistics.

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The FREQ Procedure

Q3N1	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	42	89.36	42	89.36
2	5	10.64	47	100.00

Frequency Missing = 1

Q3N2	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	32	68.09	32	68.09
2	15	31.91	47	100.00

Frequency Missing = 1

Q3N3	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	27	57.45	27	57.45
2	20	42.55	47	100.00

Frequency Missing = 1

Q3N4	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	25	53.19	25	53.19
2	22	46.81	47	100.00

Frequency Missing = 1

Q3N5	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	20	42.55	20	42.55
2	27	57.45	47	100.00

Frequency Missing = 1

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2012

Descriptive statistics.

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The FREQ Procedure

Q3N6	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	37	78.72	37	78.72
2	10	21.28	47	100.00

Frequency Missing = 1

Q3N7	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	24	51.06	24	51.06
2	23	48.94	47	100.00

Frequency Missing = 1

Q3N8	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	22	46.81	22	46.81
2	25	53.19	47	100.00

Frequency Missing = 1

Q3N9	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	26	55.32	26	55.32
2	21	44.68	47	100.00

Frequency Missing = 1

Q4	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	21	44.68	21	44.68
2	26	55.32	47	100.00

Frequency Missing = 1

271
2012

Descriptive statistics.

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The FREQ Procedure

Q5N1	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	22	81.48	22	81.48
2	5	18.52	27	100.00

Frequency Missing = 21

Q5N2	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	18	66.67	18	66.67
2	9	33.33	27	100.00

Frequency Missing = 21

Q5N3	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	19	70.37	19	70.37
2	8	29.63	27	100.00

Frequency Missing = 21

Q5N4	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	16	59.26	16	59.26
2	11	40.74	27	100.00

Frequency Missing = 21

Q5N5	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	11	40.74	11	40.74
2	16	59.26	27	100.00

Frequency Missing = 21

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2012

Descriptive statistics.

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The FREQ Procedure

Q5N6	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	19	70.37	19	70.37
2	8	29.63	27	100.00

Frequency Missing = 21

Q5N7	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	13	48.15	13	48.15
2	14	51.85	27	100.00

Frequency Missing = 21

Q5N8	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	12	44.44	12	44.44
2	15	55.56	27	100.00

Frequency Missing = 21

Q5N9	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	13	48.15	13	48.15
2	14	51.85	27	100.00

Frequency Missing = 21

Q6	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	4	8.89	4	8.89
2	41	91.11	45	100.00

Frequency Missing = 3

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2012

Descriptive statistics.

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The FREQ Procedure

Q8N1	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	6	13.64	6	13.64
2	10	22.73	16	36.36
3	18	40.91	34	77.27
4	10	22.73	44	100.00

Frequency Missing = 4

Q8N2	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	3	6.38	3	6.38
2	11	23.40	14	29.79
3	19	40.43	33	70.21
4	14	29.79	47	100.00

Frequency Missing = 1

Q8N3	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2	12	26.09	12	26.09
3	18	39.13	30	65.22
4	16	34.78	46	100.00

Frequency Missing = 2

Q8N4	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2	7	15.22	7	15.22
3	13	28.26	20	43.48
4	26	56.52	46	100.00

Frequency Missing = 2

Q8N5	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2	9	18.75	9	18.75
3	16	33.33	25	52.08
4	23	47.92	48	100.00

Descriptive statistics.

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The FREQ Procedure

Q9	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	39	84.78	39	84.78
2	7	15.22	46	100.00

Frequency Missing = 2

Q10	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	42	89.36	42	89.36
2	5	10.64	47	100.00

Frequency Missing = 1

Q11	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	44	95.65	44	95.65
2	2	4.35	46	100.00

Frequency Missing = 2

Q12N1	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	39	86.67	39	86.67
2	6	13.33	45	100.00

Frequency Missing = 3

Q12N2	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	45	100.00	45	100.00

Frequency Missing = 3

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2012

Descriptive statistics.

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The FREQ Procedure

Q12N3	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	41	91.11	41	91.11
2	4	8.89	45	100.00

Frequency Missing = 3

Q13N1	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2	3	6.82	3	6.82
3	15	34.09	18	40.91
4	26	59.09	44	100.00

Frequency Missing = 4

Q13N2	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2	3	6.82	3	6.82
3	13	29.55	16	36.36
4	28	63.64	44	100.00

Frequency Missing = 4

Q13N3	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2	4	9.09	4	9.09
3	15	34.09	19	43.18
4	25	56.82	44	100.00

Frequency Missing = 4

Q13N4	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2	4	9.09	4	9.09
3	14	31.82	18	40.91
4	26	59.09	44	100.00

Frequency Missing = 4

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2012

Descriptive statistics.

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The FREQ Procedure

Q14	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	47	97.92	47	97.92
2	1	2.08	48	100.00

Q15	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	1	2.08	1	2.08
2	10	20.83	11	22.92
3	20	41.67	31	64.58
4	17	35.42	48	100.00

Q16	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	46	95.83	46	95.83
2	2	4.17	48	100.00

Q17	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2	12	26.09	12	26.09
3	20	43.48	32	69.57
4	14	30.43	46	100.00

Frequency Missing = 2

Descriptive statistics.

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The FREQ Procedure

Q18	Frequency	Percent	Cumulative Frequency	Cumulative Percent
3	1	3.85	1	3.85
4	2	7.69	3	11.54
5	6	23.08	9	34.62
6	1	3.85	10	38.46
7	2	7.69	12	46.15
10	3	11.54	15	57.69
11	1	3.85	16	61.54
14	3	11.54	19	73.08
16	1	3.85	20	76.92
17	2	7.69	22	84.62
20	2	7.69	24	92.31
23	1	3.85	25	96.15
41	1	3.85	26	100.00

Frequency Missing = 22

Q19N1	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	31	65.96	31	65.96
2	16	34.04	47	100.00

Frequency Missing = 1

Q19N2	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	34	72.34	34	72.34
2	13	27.66	47	100.00

Frequency Missing = 1

Q19N3	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	34	72.34	34	72.34
2	13	27.66	47	100.00

Frequency Missing = 1

Descriptive statistics.

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The FREQ Procedure

Q19N4	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	31	65.96	31	65.96
2	16	34.04	47	100.00

Frequency Missing = 1

Q20N1	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	29	61.70	29	61.70
2	18	38.30	47	100.00

Frequency Missing = 1

Q20N2	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	34	72.34	34	72.34
2	13	27.66	47	100.00

Frequency Missing = 1

Q20N3	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	27	57.45	27	57.45
2	20	42.55	47	100.00

Frequency Missing = 1

Q20N4	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	22	46.81	22	46.81
2	25	53.19	47	100.00

Frequency Missing = 1

Descriptive statistics.

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The FREQ Procedure

Q20N5	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	18	38.30	18	38.30
2	29	61.70	47	100.00

Frequency Missing = 1

Q20N6	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	34	72.34	34	72.34
2	13	27.66	47	100.00

Frequency Missing = 1

Q20N7	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	16	34.04	16	34.04
2	31	65.96	47	100.00

Frequency Missing = 1

Q20N8	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	21	44.68	21	44.68
2	26	55.32	47	100.00

Frequency Missing = 1

Q20N9	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	23	48.94	23	48.94
2	24	51.06	47	100.00

Frequency Missing = 1

The FREQ Procedure

Q21	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2	10	21.74	10	21.74
3	32	69.57	42	91.30
4	4	8.70	46	100.00

Frequency Missing = 2

Q22	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	41	87.23	41	87.23
2	6	12.77	47	100.00

Frequency Missing = 1

Q23	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	42	89.36	42	89.36
2	5	10.64	47	100.00

Frequency Missing = 1

Q24	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	1	2.22	1	2.22
2	10	22.22	11	24.44
3	16	35.56	27	60.00
4	18	40.00	45	100.00

Frequency Missing = 3

Q25N1	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	9	18.75	9	18.75
2	39	81.25	48	100.00

Descriptive statistics.

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The FREQ Procedure

Q25N2	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	28	58.33	28	58.33
2	20	41.67	48	100.00

Q25N3	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	23	47.92	23	47.92
2	25	52.08	48	100.00

Q25N4	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	23	47.92	23	47.92
2	25	52.08	48	100.00

Q25N5	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	36	75.00	36	75.00
2	12	25.00	48	100.00

Q25N6	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	35	72.92	35	72.92
2	13	27.08	48	100.00

Q25N7	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	19	39.58	19	39.58
2	29	60.42	48	100.00

Q25N8	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	22	45.83	22	45.83
2	26	54.17	48	100.00

Descriptive statistics.

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The FREQ Procedure

Q25N9	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	18	37.50	18	37.50
2	30	62.50	48	100.00

Q25N10	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	23	47.92	23	47.92
2	25	52.08	48	100.00

Q25N11	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	28	58.33	28	58.33
2	20	41.67	48	100.00

Q25N12	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	31	64.58	31	64.58
2	17	35.42	48	100.00

Q25N13	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	21	43.75	21	43.75
2	27	56.25	48	100.00

Q25N14	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	11	22.92	11	22.92
2	37	77.08	48	100.00

Descriptive statistics.

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The FREQ Procedure

Q26	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	37	90.24	37	90.24
2	4	9.76	41	100.00

Frequency Missing = 7

Q27	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	21	48.84	21	48.84
2	22	51.16	43	100.00

Frequency Missing = 5

Q28	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	41	87.23	41	87.23
2	6	12.77	47	100.00

Frequency Missing = 1

Q29	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	37	78.72	37	78.72
2	9	19.15	46	97.87
3	1	2.13	47	100.00

Frequency Missing = 1

Q30	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2	14	29.17	14	29.17
3	31	64.58	45	93.75
4	3	6.25	48	100.00

Descriptive statistics.

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The FREQ Procedure

Q31	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	22	50.00	22	50.00
2	22	50.00	44	100.00

Frequency Missing = 4

Q32	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	22	48.89	22	48.89
2	23	51.11	45	100.00

Frequency Missing = 3

Q33	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	9	45.00	9	45.00
2	2	10.00	11	55.00
3	1	5.00	12	60.00
4	1	5.00	13	65.00
5	1	5.00	14	70.00
6	1	5.00	15	75.00
8	1	5.00	16	80.00
10	1	5.00	17	85.00
12	1	5.00	18	90.00
18	1	5.00	19	95.00
45	1	5.00	20	100.00

Frequency Missing = 28

Q34	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	31	77.50	31	77.50
2	9	22.50	40	100.00

Frequency Missing = 8

The FREQ Procedure

Q35N1	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2	9	19.15	9	19.15
3	27	57.45	36	76.60
4	11	23.40	47	100.00

Frequency Missing = 1

Q35N2	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	1	2.22	1	2.22
2	7	15.56	8	17.78
3	22	48.89	30	66.67
4	15	33.33	45	100.00

Frequency Missing = 3

Q35N3	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	6	13.33	6	13.33
2	21	46.67	27	60.00
3	15	33.33	42	93.33
4	3	6.67	45	100.00

Frequency Missing = 3

Q35N4	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	2	4.26	2	4.26
2	9	19.15	11	23.40
3	26	55.32	37	78.72
4	10	21.28	47	100.00

Frequency Missing = 1

The FREQ Procedure

Q35N5	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2	15	31.91	15	31.91
3	22	46.81	37	78.72
4	10	21.28	47	100.00

Frequency Missing = 1

Q35N6	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	2	4.35	2	4.35
2	21	45.65	23	50.00
3	19	41.30	42	91.30
4	4	8.70	46	100.00

Frequency Missing = 2

Q35N7	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2	13	28.26	13	28.26
3	21	45.65	34	73.91
4	12	26.09	46	100.00

Frequency Missing = 2

Q35N8	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	1	2.17	1	2.17
2	12	26.09	13	28.26
3	19	41.30	32	69.57
4	14	30.43	46	100.00

Frequency Missing = 2

Descriptive statistics.

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The FREQ Procedure

Q36	Frequency	Percent	Cumulative Frequency	Cumulative Percent
	2	14	14	29.79
	3	25	39	82.98
	4	8	47	100.00

Frequency Missing = 1

Q37	Frequency	Percent	Cumulative Frequency	Cumulative Percent
	1	37	37	78.72
	2	10	47	100.00

Frequency Missing = 1

Q38	Frequency	Percent	Cumulative Frequency	Cumulative Percent
	1	45	45	93.75
	2	3	48	100.00

Q39	Frequency	Percent	Cumulative Frequency	Cumulative Percent
	1	18	18	41.86
	2	25	43	100.00

Frequency Missing = 5

Q40	Frequency	Percent	Cumulative Frequency	Cumulative Percent
	1	3	3	12.00
	2	6	9	36.00
	3	13	22	88.00
	4	3	25	100.00

Frequency Missing = 23

The FREQ Procedure

Q41	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	1	4.00	1	4.00
2	1	4.00	2	8.00
5	1	4.00	3	12.00
6	2	8.00	5	20.00
7	1	4.00	6	24.00
8	2	8.00	8	32.00
12	1	4.00	9	36.00
13	2	8.00	11	44.00
14	1	4.00	12	48.00
15	1	4.00	13	52.00
18	1	4.00	14	56.00
20	1	4.00	15	60.00
26	1	4.00	16	64.00
30	1	4.00	17	68.00
37	1	4.00	18	72.00
39	1	4.00	19	76.00
40	1	4.00	20	80.00
50	2	8.00	22	88.00
146	1	4.00	23	92.00
270	1	4.00	24	96.00
820	1	4.00	25	100.00

Frequency Missing = 23

Q42	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	2	4.44	2	4.44
2	12	26.67	14	31.11
3	16	35.56	30	66.67
4	15	33.33	45	100.00

Frequency Missing = 3

Q43	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	37	80.43	37	80.43
2	9	19.57	46	100.00

Frequency Missing = 2

Descriptive statistics.

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The FREQ Procedure

Q44	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	14	31.11	14	31.11
2	31	68.89	45	100.00

Frequency Missing = 3

Q45	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	1	11.11	1	11.11
2	1	11.11	2	22.22
3	2	22.22	4	44.44
4	2	22.22	6	66.67
5	3	33.33	9	100.00

Frequency Missing = 39

Q46	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	1	2.22	1	2.22
2	14	31.11	15	33.33
3	25	55.56	40	88.89
4	5	11.11	45	100.00

Frequency Missing = 3

Q47	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	43	100.00	43	100.00

Frequency Missing = 5

Q48	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	31	72.09	31	72.09
2	12	27.91	43	100.00

Frequency Missing = 5

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Descriptive statistics.

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The FREQ Procedure

Q49	Frequency	Percent	Cumulative Frequency	Cumulative Percent
1	24	54.55	24	54.55
2	20	45.45	44	100.00

Frequency Missing = 4

Descriptive statistics.

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The MEANS Procedure

Variable	N	Mean	Std Dev	Minimum	Maximum
Q1	27	13.8148148	9.7034373	3.0000000	41.0000000
Q2	34	37.7647059	26.5113570	1.0000000	100.0000000
Q8N1	44	2.7272727	0.9732142	1.0000000	4.0000000
Q8N2	47	2.9361702	0.8945306	1.0000000	4.0000000
Q8N3	46	3.0869565	0.7838959	2.0000000	4.0000000
Q8N4	46	3.4130435	0.7476210	2.0000000	4.0000000
Q8N5	48	3.2916667	0.7706956	2.0000000	4.0000000
Q13N1	44	3.5227273	0.6283473	2.0000000	4.0000000
Q13N2	44	3.5681818	0.6249736	2.0000000	4.0000000
Q13N3	44	3.4772727	0.6643282	2.0000000	4.0000000
Q13N4	44	3.5000000	0.6647259	2.0000000	4.0000000
Q15	48	3.1041667	0.8052906	1.0000000	4.0000000
Q17	46	3.0434783	0.7588448	2.0000000	4.0000000
Q21	46	2.8695652	0.5419592	2.0000000	4.0000000
Q24	45	3.1333333	0.8420754	1.0000000	4.0000000
Q30	48	2.7708333	0.5550382	2.0000000	4.0000000
Q35N1	47	3.0425532	0.6579760	2.0000000	4.0000000
Q35N2	45	3.1333333	0.7567875	1.0000000	4.0000000
Q35N3	45	2.3333333	0.7977240	1.0000000	4.0000000
Q35N4	47	2.9361702	0.7634093	1.0000000	4.0000000
Q35N5	47	2.8936170	0.7293250	2.0000000	4.0000000
Q35N6	46	2.5434783	0.7213112	1.0000000	4.0000000
Q35N7	46	2.9782609	0.7450319	2.0000000	4.0000000
Q36	47	2.8723404	0.6794186	2.0000000	4.0000000
Q40	25	2.6400000	0.8602325	1.0000000	4.0000000
Q41	25	66.2400000	167.0696661	1.0000000	820.0000000
Q42	45	2.9777778	0.8915994	1.0000000	4.0000000
Q46	45	2.7555556	0.6794234	1.0000000	4.0000000
Priorities	48	3.0937500	0.6776631	1.6000000	4.0000000
Responsability	45	3.5222222	0.5954902	2.0000000	4.0000000
Procedure	47	2.8390071	0.5039816	1.7142857	4.0000000

Reliability Priorities

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The CORR Procedure

5 Variables: Q8N1 Q8N2 Q8N3 Q8N4 Q8N5

Simple Statistics

Variable	N	Mean	Std Dev	Sum	Minimum	Maximum
Q8N1	44	2.72727	0.97321	120.00000	1.00000	4.00000
Q8N2	44	2.93182	0.92504	129.00000	1.00000	4.00000
Q8N3	44	3.09091	0.80169	136.00000	2.00000	4.00000
Q8N4	44	3.40909	0.75693	150.00000	2.00000	4.00000
Q8N5	44	3.29545	0.76492	145.00000	2.00000	4.00000

Cronbach Coefficient Alpha

Variables	Alpha
Raw	0.878163
Standardized	0.884362

Cronbach Coefficient Alpha with Deleted Variable

Deleted Variable	Raw Variables		Standardized Variables	
	Correlation with Total	Alpha	Correlation with Total	Alpha
Q8N1	0.643875	0.872824	0.630979	0.880008
Q8N2	0.705023	0.854439	0.687734	0.867173
Q8N3	0.776854	0.837230	0.791146	0.842929
Q8N4	0.762316	0.842367	0.777967	0.846081
Q8N5	0.701454	0.855115	0.721417	0.859398

Reliability Responsibility

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The CORR Procedure

4 Variables: Q13N1 Q13N2 Q13N3 Q13N4

Simple Statistics

Variable	N	Mean	Std Dev	Sum	Minimum	Maximum
Q13N1	43	3.53488	0.63053	152.00000	2.00000	4.00000
Q13N2	43	3.58140	0.62612	154.00000	2.00000	4.00000
Q13N3	43	3.46512	0.66722	149.00000	2.00000	4.00000
Q13N4	43	3.51163	0.66805	151.00000	2.00000	4.00000

Cronbach Coefficient Alpha

Variables	Alpha
Raw	0.943728
Standardized	0.943618

Cronbach Coefficient Alpha with Deleted Variable

Deleted Variable	Raw Variables		Standardized Variables	
	Correlation with Total	Alpha	Correlation with Total	Alpha
Q13N1	0.817344	0.940817	0.817482	0.940799
Q13N2	0.850029	0.931085	0.849828	0.930821
Q13N3	0.914532	0.910356	0.913419	0.910746
Q13N4	0.880594	0.921480	0.879230	0.921615

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Reliability Procedure

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The CORR Procedure

7 Variables: Q35N1 Q35N2 Q35N3 Q35N4 Q35N5 Q35N6 Q35N7

Simple Statistics

Variable	N	Mean	Std Dev	Sum	Minimum	Maximum
Q35N1	44	3.04545	0.68044	134.00000	2.00000	4.00000
Q35N2	44	3.13636	0.76526	138.00000	1.00000	4.00000
Q35N3	44	2.31818	0.80037	102.00000	1.00000	4.00000
Q35N4	44	2.90909	0.77214	128.00000	1.00000	4.00000
Q35N5	44	2.90909	0.74141	128.00000	2.00000	4.00000
Q35N6	44	2.56818	0.72810	113.00000	1.00000	4.00000
Q35N7	44	3.00000	0.74709	132.00000	2.00000	4.00000

Cronbach Coefficient Alpha

Variables	Alpha
Raw	0.820412
Standardized	0.824703

Cronbach Coefficient Alpha with Deleted Variable

Deleted Variable	Raw Variables		Standardized Variables	
	Correlation with Total	Alpha	Correlation with Total	Alpha
Q35N1	0.616707	0.788476	0.617610	0.792919
Q35N2	0.631517	0.784243	0.637106	0.789615
Q35N3	0.188454	0.859033	0.188466	0.859547
Q35N4	0.553498	0.797913	0.558555	0.802774
Q35N5	0.667101	0.778471	0.671449	0.783735
Q35N6	0.598096	0.790474	0.596573	0.796455
Q35N7	0.746518	0.764178	0.747005	0.770522

Annexure C

RE: MASTERS RESEARCH IN “THE ROLE OF CORPORATE SOCIAL INVESTMENT INITIATIVES IN SOUTH AFRICAN EDUCATION”

My name is Nicole Solomon and I am an honours graduate who wishes to complete her Masters Dissertation at North West University. Currently conducting my Master thesis in “**The role of Corporate Social Investment initiatives in South African Education**”, because you are the CSI manager or responsible for CSI as your role within your organization, I am inviting you to participate in this research study by completing the attached survey.

The attached questionnaire will require approximately 20 minutes to complete. There is no compensation for responding. If you choose to participate in this project, please answer all questions as honestly as possible and return the completed questionnaires promptly via e-mail, to bagarettenm@gmail.com. The due date for submitting is on the 31st October 2012.

Thank you for taking the time to assist me in my educational endeavours. The data collected will provide useful information regarding the impact of Corporate Social Investment initiatives on the current situation in Education. The information submitted will also be kept confidential and will be used for the purpose of this study only. A Summary of the study will be made available to you at your request. Thanking in you advance for your cooperation.

Yours Sincerely,

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Faculty of Economic Management Sciences