

Evaluating the effectiveness of CSR initiatives in enhancing community development  
and social welfare

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## **ABSTRACT**

The 21st century has seen the concept of corporate social responsibility (CSR) transition dramatically from peripheral philanthropic endeavour to, for many organisations, an integrated strategic imperative for sustainable and inclusive growth. While Environmental, Social, and Governance (ESG) strategies demonstrate a commitment to sustainability, a persistent practical problem remains: the effectiveness and sustainability of these CSR initiatives in addressing systemic community needs is generally unclear. This practical disconnect is rooted in a fundamental theoretical tension, as existing global evaluation frameworks possess a Eurocentric bias that prioritises capital market metrics, consequently failing to capture the Relational Accountability (Ubuntu/Stakeholder Theory) essential for local legitimacy and long-term transformation in contexts like South Africa. The objective of this study was, therefore, to explore the effectiveness of CSR initiatives in enhancing community development and social welfare, using Company X's initiatives in a community in the south of Johannesburg as a case study.

This study employed an exploratory, qualitative case study design. The research was executed by conducting 14 semi-structured interviews with a diverse range of project stakeholders, including corporate staff, operational personnel, community beneficiaries, and NGO partners. The data was analysed using an inductive thematic approach to capture the subjective meanings and experiences of the participants. This primary data was triangulated with secondary documentary evidence, including internal strategic documents, the project charter, and official municipal agreements.

The findings showed that while positive contributions were made, internal and external structural and governance issues often limited their effectiveness. Critically, there was no formal framework consistently used to evaluate the long-term impact, and Company X's global CSR imperatives were often misaligned with the contextual needs of the South African community they were serving. Hence, an emergent outcome of this study was the development of an Afrocentric Model to prioritise contextual community needs, relational ethics, and capacity building. The study highlights the need for more inclusive and sustainable CSR initiatives that prioritise actual community needs through meaningful engagement between all companies, government, and communities.

## **KEY WORDS**

Corporate Social Responsibility, Stakeholder Theory, Created Share Value, Ubuntu, Afrocentric CSR Model.

## **DECLARATION**

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Philosophy in Change Leadership at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

24 November 2025

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## **CHAPTER 1: INTRODUCTION TO THE RESEARCH PROBLEM**

### **1.1 Background and Context**

The 21st century has ushered in a profound and irreversible re-evaluation of corporate purpose and responsibility, marking a critical juncture in the relationship between business and society. As former Unilever CEO Paul Polman succinctly articulated, "Businesses cannot operate in societies that fail" (Anderson, 2020). This insight underscores the growing realisation that the long-term viability and success of commercial enterprises are intrinsically intertwined with the health, stability, and overall well-being of the communities and ecosystems in which they operate. Consequently, the concept of corporate responsibility has dramatically transitioned from peripheral philanthropic gestures to an integrated, strategic imperative for sustainable and inclusive growth (Sharofiddin et al., 2024; Kargbo et al., 2025). This evolving landscape necessitates a deeper understanding of how corporations navigate their societal roles amidst global challenges and local realities.

#### **1.1.1 The Global Shift from Shareholder Primacy**

The Shareholder Primacy Model historically exerted a rigid dominance over corporate decision-making. This view, famously advanced by Friedman (1970), asserted that the sole social responsibility of business is to maximise shareholder value within the confines of the law (Menghwar & Daood, 2021). This profit-centric ideology became deeply embedded in managerial practice, often leading to short-term decision-making and contributing to increasing socio-economic inequality (Schneider & Murray, 2024).

However, major disruptions, notably the 2008 Global Financial Crisis, vividly exposed the severe limitations and inherent shortcomings of this narrow model. Corporate failures, mass job losses, and widespread social dislocation revealed that a singular focus on financial objectives could severely undermine long-term economic stability and social capital (Reyes, 2022). These crises catalysed a profound global shift toward a stakeholder-orientated approach. This expanded paradigm explicitly recognises the critical interdependence between corporate prosperity, societal welfare, and environmental sustainability. Leading institutions, such as the World Economic Forum, now advocate

for corporations to serve the interests of all stakeholders – employees, customers, suppliers, communities, and the environment – and not solely shareholders.

### **1.1.2 The Institutionalisation of Corporate Social Responsibility (CSR)**

This paradigm shift has moved Corporate Social Responsibility from the margin to the core of business strategy. CSR is understood as the voluntary and strategic integration of social, environmental, and ethical considerations into core business operations and stakeholder relations. It represents a critical framework for aligning profitability with ethical conduct and social purpose, culminating in the modern emphasis on integrated CSR (Cruz et al., 2024).

The necessity of this broader perspective has been further institutionalised through the following global frameworks:

- **Environmental, Social, and Governance Criteria:** The rise of ESG criteria marks an evolution from broad, often qualitative, CSR principles to more quantifiable and standardised metrics. ESG provides a concrete mechanism for investors and stakeholders to assess a company's sustainability and ethical performance, embedding accountability into governance and risk management (Tsang et al., 2022).
- **The United Nations Sustainable Development Goals:** The 17 SDGs serve as a global blueprint, urging corporations to align their strategies with efforts to address pressing global challenges such as poverty, climate change, and inequality (Bellandi, 2023). This places corporations as key actors in achieving sustainable development worldwide.

Despite this widespread theoretical agreement and the institutionalisation of these global frameworks, there remains a persistent tension between corporate intent (as measured by inputs and reputational gains) and demonstrable community impact (achieving quantifiable, long-lasting societal outcomes). This disconnect, where the pursuit of financial metrics often remains a "major obstacle to CSR," is particularly pronounced and consequential in the context of developing economies, creating significant practical and theoretical challenges that warrant focused investigation (Mahmud et al., 2020).

## **1.2 The South African Socio-Economic Imperative: The Practical Problem**

The Republic of South Africa presents a particularly salient and urgent context for evaluating the efficacy of CSR initiatives, where the transformative potential of business is critically tested against a

backdrop of profound and persistent socio-economic challenges. The country's socio-economic landscape is fundamentally shaped by the enduring, debilitating legacy of apartheid, which resulted in deeply entrenched structural inequalities, pervasive poverty, and alarmingly high unemployment (Cheruiyot-Koech & Reddy, 2022).

### **1.2.1 Structural Inequality and Legislative Mandate**

South Africa is consistently ranked among the most unequal societies globally, where the vast gap between rich and poor is a defining feature (Branson et al., 2024). This developmental challenge exceeds the capacity of the public sector alone, compelling the private sector to play a transformative role, one that moves beyond mere compliance towards genuine societal reconstruction and equitable development (Cheruiyot-Koech & Reddy, 2022; Saka-Helmhout et al., 2021). Consequently, Corporate Social Investment and Corporate Social Responsibility in South Africa are not merely encouraged as moral acts but are viewed as strategic and political necessities for national development.

This corporate obligation is embedded within the country's legislative and developmental frameworks:

**Broad-Based Black Economic Empowerment Act:** This legislation imposes specific mandates on businesses to contribute actively to social transformation and inclusive economic growth, linking corporate legitimacy directly to redressal of historical disparities (Cheruiyot-Koech & Reddy, 2022).

**National Development Plan:** The NDP underscores the expectation that the private sector will align its initiatives with national objectives to promote social cohesion and sustainable development.

The enduring structural inequalities mean that businesses face intense pressure to demonstrate how their CSR efforts translate into tangible social change and economic upliftment rather than symbolic gestures (Cheruiyot-Koech & Reddy, 2022; Okafor et al., 2021).

### **1.2.2 The Practical Failure: Input vs. Outcome Disconnect**

Despite substantial annual corporate social responsibility expenditures and engagement in corporate social investment by numerous organizations, evidence suggests these initiatives remain insufficient in scope and duration to effectively address South Africa's entrenched systemic challenges (Cheruiyot-Koech & Reddy, 2022). This gap is evidenced by crucial socio-economic indicators:

**Persistent Unemployment:** Data from Statistics South Africa consistently highlights the insufficient scale of current CSR/CSI models to create jobs and address systemic economic exclusion. The national unemployment rate remains stubbornly high.

**Youth Joblessness:** The crisis is particularly acute among the youth demographic. Analysis of labour market trends shows a decade-long deterioration in employment prospects for this critical group.

There are well-funded and high-performing CSR projects, such as successful scholarship programmes or schools with high pass rates, demonstrating positive immediate outcomes. However, the overarching reality is that the national economy and society continue to deteriorate, revealing a profound systemic problem (Saka-Helmhout et al., 2021). This critical paradox underscores that the success of isolated CSR projects does not equate to systemic social progress, necessitating a deeper examination of how CSR models are designed and evaluated for genuine impact. This paradox indicates that current, often top-down, CSR models are frequently misaligned with actual community needs and, crucially, fail to achieve the sustainable, long-term impact required to reverse structural trends (Mitnick et al., 2021). Consequently, the effectiveness of CSR in this context fundamentally hinges on genuine community engagement. Specifically, when projects are designed top-down without local input, they risk misaligning with community-identified priorities, fostering dependency rather than sustainable development. This crucial insight necessitates a focused examination of how CSR initiatives can transition from performative compliance to genuinely impactful, community-driven interventions that foster long-term social capital.

### **1.3 Theoretical Problem and Research Gap**

The practical failure of CSR to translate corporate social investment (CSI) into sustainable community-level outcomes in South Africa is fundamentally rooted in a theoretical deficiency.

#### **1.3.1 The Critical Measurement Gap**

While extensive research has explored the link between corporate social responsibility and corporate financial performance (Barnett et al., 2020), there remains a critical dearth of empirical evidence regarding the long-term effectiveness and sustainable impact of CSR projects from the community's perspective. The theoretical problem lies in the conceptual disconnect between the corporate perception of "doing good" (often quantified by inputs, outputs, or reputational metrics) and the societal reality of "sustainable social progress" (measurable community-level outcomes).

The existing literature explicitly calls for urgent future research to develop precise metrics capable of quantifying CSR's social and environmental effects, urging the field to move beyond mere qualitative discourse (Sharofiddin et al., 2024). This highlights a crucial gap: the dominant global evaluation frameworks (e.g., investor-centric ESG criteria) often impose a standardisation bias that prioritises metrics relevant to capital markets, thereby overlooking local legitimacy and the place-based socio-economic transformation critical in contexts like South Africa (Eskantar et al., 2024; Avramov et al., 2021). This bias often disregards the nuanced, qualitative, and relational dimensions of development that are crucial for genuine community welfare, particularly in highly heterogeneous social environments.

### 1.3.2 The Relational Engagement Gap

This study is firmly grounded in the stakeholder theory, with a particular focus on the concept of co-creation between the firm and its non-financial stakeholders, specifically, the local community (Freeman, 1984; Fan et al., 2025).

The core theoretical deficiency addressed here is the limited exploration of how the quality of engagement directly influences the longevity and perceived effectiveness of social investments in a highly unequal setting. Communities are usually only involved as mere, passive recipients of projects, which frequently results in a misalignment between corporate goals and genuine community needs. This historical imbalance of power in corporate-community interactions, particularly evident in post-apartheid South Africa, underscores the need for genuine participatory models. The quality of the relationship defined by mutual trust, co-design, and participatory decision-making is hypothesised to be the missing link between investment and long-term sustainability.

This research, therefore, addresses the measurement and implementation gap by focusing on three specific contributions:

- **Refining the Construct of 'Effective CSR':** Moving its definition beyond compliance or reputation to encompass genuine community co-ownership, contextual relevance, and long-term sustainability.
- **Developing a Community-Centric Metric Framework:** Identifying key qualitative indicators, derived directly from local stakeholder experiences, that truly capture development and social welfare.

- **Providing Contextual Insights:** Offering rich, empirical data from South Africa to inform the global discourse on CSR efficacy in developing economies.

## **1.4 Research Questions and Objectives**

This study aims to investigate the effectiveness of corporate social responsibility initiatives in enhancing community development and social welfare within the South African context. To achieve this overarching objective, the research is guided by the following Main Research Question:

### **1.4.1 Main Research Question**

How effective are corporate social responsibility initiatives in enhancing community development and social welfare?

This main question is further explored through the following sub-questions, which provide a granular focus for the empirical investigation:

### **1.4.2 Sub-Questions**

1. How do CSR projects contribute to sustainable community development, empowerment, and resilience?
2. What are the frameworks and metrics used to measure the impact of CSR on local communities, and to what extent do they reflect local realities?
3. What are the perceptions and experiences of stakeholders in the local community regarding the design, transparency, and long-term commitment of corporate actors?

### **1.4.3 Research Objectives**

The objectives of this study are to ascertain the following:

1. Examine how CSR projects contribute to sustainable community development, empowerment, and resilience.
2. Identify the frameworks and metrics used to measure the impact of CSR on local communities, and to what extent do they reflect local realities.

3. Explore the perceptions and experiences of stakeholders in the local community regarding the design, transparency, and long-term commitment of corporate actors.

## **1.5 Significance of the Study and Research Contribution**

This research holds significant academic, practical, and contextual importance.

### **1.5.1 Academic Significance**

Academically, this study contributes to the evolving discourse on Corporate Social Responsibility by providing rich empirical insights into the challenges and opportunities of CSR implementation in a developing economy, specifically South Africa. It directly addresses the critical measurement gap by exploring contextually relevant frameworks for evaluating CSR impact. Furthermore, by introducing and elaborating upon the Afrocentric CSR Model rooted in Ubuntu, this research extends existing Stakeholder Theory and Creating Shared Value paradigms, offering a novel theoretical lens that challenges Western-centric CSR models and enriches African-centered scholarship. It provides empirical substantiation for how relational ethics and local cultural philosophies can fundamentally reshape CSR effectiveness.

### **1.5.2 Practical Significance**

Practically, the findings offer actionable recommendations for companies operating in complex socio-economic environments, particularly in South Africa, to enhance the authenticity, effectiveness, and sustainability of their CSR initiatives. It can guide CSR practitioners in moving beyond symbolic compliance towards genuine community empowerment and transformative capacity. Policymakers, NGOs, and community leaders can also leverage these insights to develop more aligned and impactful CSR strategies that foster stronger, more equitable partnerships between corporations and communities.

### **1.5.3 Contextual Significance**

Given South Africa's profound historical inequalities and ongoing developmental challenges, this study provides a crucial understanding of how CSR can either perpetuate or mitigate socio-economic disparities. By focusing on a single corporate system within a specific South African community, the

research illuminates the lived experiences and perceptions that are often overlooked in broader CSR assessments, offering a unique perspective on achieving dual sustainability (business objectives and societal well-being) in a highly unequal context.

## **1.6 Delimitations, Limitations, and Assumptions**

The following delimitation, limitations and assumptions to the study were identified:

### **1.6.1 Delimitations**

The scope of this research is deliberately narrowed to ensure depth and methodological rigor, resulting in the following delimitations:

**Geographical Delimitation:** This empirical study was restricted to a single, specific geographical area within South Africa, focusing on communities where a single private company operates. This single-case, qualitative approach is chosen for rich, in-depth exploration and contextual insight, meaning the findings may not be immediately generalizable to all South African contexts or other developing economies.

**Thematic Delimitation:** The analysis is strictly delimited to the evaluation of the social and community-level outcomes of CSR projects (i.e., community development, empowerment, and social welfare). It explicitly excludes a comprehensive or in-depth analysis of the company's internal financial data or the direct quantitative link between CSR expenditure and Corporate Financial Performance.

**Sectoral Delimitation:** The research focuses on the CSR activities of a single company operating within the private sector that has a significant social and environmental footprint in South Africa.

**Perceptual Scope:** The study focuses on external and internal stakeholder perceptions and experiences of CSR effectiveness and corporate motivations for CSR beyond what stakeholders perceive.

### **1.6.2 Limitations**

The methodological choice (qualitative, single case) imposes certain limitations:

**Limited Generalizability:** Findings are context-specific, and their applicability to other industries or regions requires careful interpretation.

**Subjectivity:** The qualitative nature of the data introduces potential subjectivity in interpretation, though this is mitigated through rigorous data analysis and triangulation techniques.

### 1.6.3 Assumptions

The study operates under the following key assumptions:

**Ethical Participation:** It is assumed that the corporate and community stakeholders involved participated honestly and openly, providing accurate perceptions and accounts of their experiences.

**CSR Potential:** The study assumes that CSR is not inherently flawed but possesses the potential to be an effective catalyst for sustainable community development, provided the correct implementation and relational engagement strategies are applied.

## 1.7 Outline of the Research Report

The overall research report is structured into seven chapters, designed to provide a cohesive and systematic investigation of the research problem and proposition:

**Chapter 1: Introduction** – Introduces the research topic, provides the background and context, identifies the theoretical and empirical problems, and clearly states the research questions, objectives, contributions, and delimitations of the study.

**Chapter 2: Literature Review** – Critically reviews existing academic literature on Corporate Social Responsibility, Stakeholder Theory, and Creating Shared Value, setting the theoretical stage by defining and contextualizing the key constructs and establishing the conceptual gaps the study intends to fill.

**Chapter 3: Research Methodology** – Details the research design, providing justification for the chosen approach (e.g., qualitative case study), outlining the sampling strategy, data collection methods (e.g., interviews), data analysis techniques, and ethical considerations.

**Chapter 4: Findings** – Presents the empirical data collected from the field, logically organizing the findings around the key themes and research questions.

**Chapter 5: Discussion** – Systematically analyzes and interprets the findings in relation to the literature reviewed in Chapter 2, discussing how the results support, contradict, or extend existing theory, and addressing the main research proposition.

**Chapter 6: Afrocentric CSR Model and Conclusion** – Synthesizes the principal theoretical conclusions, outlines the academic and practical contributions, details the proposed Afrocentric CSR Model, addresses the limitations of the study, and offers policy and managerial recommendations for future CSR initiatives.

## CHAPTER 2: LITERATURE REVIEW

### 2.1 Introduction

The function and purpose of the modern corporation have undergone a fundamental transformation, moving decisively beyond the narrow economic mandate of profit maximisation to embrace broader social and environmental responsibilities (Carroll, 2021; Dmytriiev et al., 2021). This evolution reflects a growing societal recognition that corporate success is not isolated but is inextricably intertwined with the health and stability of the societies and ecosystems in which firms operate (Sharofiddin et al., 2024). Consequently, the modern corporation is increasingly viewed as a social institution and an essential actor in the pursuit of sustainable development and social welfare (Fiandrino et al., 2022).

Corporate Social Responsibility (CSR) has emerged as the central framework through which this dual mandate of profitability and accountability is reconciled. CSR represents the voluntary integration of ethical, social, and environmental considerations into core business operations and stakeholder relationships (Carroll, 2021). Globally, CSR has gained prominence as a mechanism for addressing pressing challenges, such as poverty and inequality, further institutionalised by the United Nations Sustainable Development Goals (SDGs), which position businesses as key developmental partners (Sharofiddin et al., 2024).

The urgent shift is particularly acute in the South African context. Shaped by a legacy of structural inequality and exclusion, the country demands that corporations play a transformative role in promoting equitable development, as institutionalised by the Broad-Based Black Economic Empowerment (BBBEE) Act (Plagerson et al., 2018; Ebekoziem et al., 2024). However, despite widespread corporate social investment (CSI) activity, a critical disconnect persists between corporate intention and measurable, long-term community impact, a misalignment that forms the core problem of this research.

This chapter critically reviews the evolution of CSR, traces the philosophical conflict between shareholder and stakeholder primacy, and formally establishes the integrated theoretical framework of Stakeholder Theory and Creating Shared Value (CSV) that anchors this study. It then proceeds to a detailed analysis of the CSR practices in community development, examining the persistent deficiencies in current measurement frameworks and arguing for the necessity of a community-centric, participatory approach to genuinely enhance social welfare outcomes.

## **2.2 The Historical and Ideological Trajectory of Corporate Social Responsibility**

The trajectory of corporate responsibility is fundamentally rooted in a decades-long philosophical conflict regarding the proper purpose of the corporation, a debate that necessitates critical analysis of its two dominant and opposing schools of thought.

### **2.2.1 The Shareholder Primacy Era (Pre-1970s)**

The early landscape of corporate accountability was dominated by the Shareholder Primacy Model, established and popularised by Friedman (1970). This model held that the sole duty of business was to maximise shareholder wealth within legal and ethical bounds (Menghwar & Daood, 2021; Reyes, 2022). Under this narrow economic rationality, any diversion of corporate resources toward social causes was viewed as an inefficient allocation of capital and a distortion of the market's self-regulating mechanisms. This period was characterised by philanthropic CSR, involving charitable donations and one-directional giving, often designed primarily for corporate reputation management rather than systemic change (Andrew & Baker, 2020).

However, the limitations of this profit-centric model became increasingly apparent as societies confronted the negative externalities of industrialisation, including environmental degradation, labour exploitation, and widening socio-economic inequalities (Fiandrino et al., 2024; Arvidsson & Dumay, 2021). These systemic failures exposed the inadequacy of purely economic approaches to corporate purpose.

### **2.2.2 The Formalisation of CSR (1970s-1990s)**

The academic birth of the countermovement, Corporate Social Responsibility, is conventionally attributed to Bowen's work, *Social Responsibilities of the Businessman*. However, the construct gained formal structure through Carroll (2021) Pyramid of CSR. Carroll formalised a four-part hierarchy of responsibilities:

- Economic (be profitable – the foundation)
- Legal (obey the law)
- Ethical (be ethical)
- Philanthropic (be a good corporate citizen at the top, discretionary layer)

While seminal for providing structure, Carroll’s model has faced significant critique for its hierarchical design. By placing economic responsibility (profitability) as the paramount foundation, the model structurally validates a profit-first mindset, implying that social good remains a discretionary "add-on" easily sacrificed under financial pressure (Menghwar & Daood, 2021). This foundational prioritisation inherently constrains the transformative potential of social investment, making it structurally subservient to the profit motive. It suggests that firms do social good only if and after they are profitable, thereby failing to make social engagement an integral part of the value creation process. This structural weakness motivated the subsequent shift toward truly strategic frameworks that could overcome the perceived trade-off between profit and social contribution.

### 2.2.3 Strategic Integration: Creating Shared Value (Late 1990s–2010s)

Responding to the limitations of purely philanthropic and compliance-driven CSR, scholars in the late 1990s and early 2000s reimagined CSR as a strategic tool. Porter and Kramer (2011) theory of Creating Shared Value (CSV) epitomised this movement. CSV proposed a fundamental shift: instead of viewing social issues as costs or charitable acts (as in Carroll’s philanthropic top layer), corporations should strategically address social problems to simultaneously enhance their competitiveness and create economic value (Roszkowska-Menkes, 2021). CSV fundamentally attempts to overcome the perceived trade-off between social impact and profitability by positioning the former as a direct driver of the latter, distinguishing itself from earlier CSR iterations that primarily involved sharing existing economic value.

**Table 1: Conceptual Comparison of Carroll’s CSR Pyramid and Porter & Kramer’s CSV Framework**

Concept	Primary Focus on Profitability	Approach to Social Impact
Carroll’s Pyramid	Prerequisite/Foundation: Profit is the primary base (Carroll, 2021)	Add-on/Discretionary: Philanthropy is often disconnected from core business.
Porter & Kramer’s CSV	Driver/Mechanism: Social issues are placed at the centre of business operations to create new	Integral/Strategic: Social impact is used as a source of innovation, productivity,

	economic value (Porter & Kramer, 2011)	and legitimacy (Nasta & Cudari, 2024)
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### **2.2.4 Institutionalisation: ESG 2.0 (2010s–Present)**

In the 2010s, CSR was further institutionalised into Environmental, Social, and Governance (ESG) frameworks. This movement, often termed ESG 2.0, emphasises measurable accountability, transparency, and sustainability performance, embedding CSR principles into investment decisions, risk management systems, and corporate governance (Kargbo et al., 2025; Sim & Kim, 2024).

The evolution to ESG 2.0 represents a decisive transition from voluntary, reputation-driven initiatives to a more data-driven and regulatory-orientated model (Tsang et al., 2022). However, this institutionalisation introduces a crucial challenge: ESG metrics are often optimised for global capital markets and investor interests, creating a standardisation bias those risks overlooking locally relevant measures of socio-economic transformation critical to community development (Eskantar et al., 2024). This sets the stage for the need for context-specific evaluation frameworks.

## **2.3 Theoretical Foundations: Stakeholder Theory and Creating Shared Value**

The academic argument of this research is grounded in two interlocking theoretical pillars: stakeholder theory, which provides the ethical mandate, and creating shared value (CSV), which provides the strategic mechanism.

### **2.3.1 Core Theoretical Principle: Stakeholder Theory**

#### **2.3.1.1 Introduction and Historical Genesis**

Stakeholder theory stands as one of the most influential paradigms in contemporary business ethics and corporate governance, fundamentally redefining the purpose and accountability of the modern corporation (Mahmud et al., 2020). First introduced Freeman (1984) in his seminal work *Strategic Management: A Stakeholder Approach*, the theory emerged as a direct challenge to the dominant Shareholder Primacy Model that had long framed business as an instrument for maximising returns to investors. Freeman’s framework argued that the long-term success and legitimacy of a corporation depend not solely on shareholders but on the effective management of relationships with all groups who can affect or are affected by corporate actions, including employees, customers, suppliers,

communities, and the natural environment (Freeman, 2002; Freeman et al., 2020). Stakeholder theory thus represents a paradigmatic shift in corporate thought: from a narrow economic conception of the firm to a broad socio-ethical conception. This shift reframes the corporation as a social institution whose continued existence relies upon the trust, cooperation, and shared value generated among multiple stakeholder constituencies (Reyes, 2022). The theory emerged during a period of growing corporate scandals, social activism, and environmental crises that exposed the limitations of profit-maximising approaches and underscored the need for moral accountability in business (Shin et al., 2021).

### **2.3.1.2 Core Assumptions and Conceptual Foundation**

At its core, stakeholder theory rests upon three interrelated assumptions (Freudenreich et al., 2020; Attanasio et al., 2021; Cruz et al., 2024):

- **Interdependence:** Corporations operate within an ecosystem of interconnected stakeholders whose cooperation is essential to the firm's survival.
- **Legitimacy of Stakeholder Claims:** All stakeholders possess legitimate interests in the firm, not solely those with financial ownership.
- **Mutual Value Creation:** Long-term corporate success depends on balancing stakeholder interests and generating mutual benefits, rather than prioritising one group at the expense of others (Freeman et al., 2020).

These assumptions introduce a relational ontology of the firm, viewing it not as an isolated profit-maximising entity but as a nexus of relationships characterised by mutual dependence, communication, and negotiated legitimacy (Fleurbaey & Ponthière, 2021). Within this framework, value creation is understood as both an economic and moral process, linking corporate activity to broader societal well-being.

### **2.3.1.3 Dimensions of Stakeholder Theory**

Freeman and subsequent scholars (Freeman, 2007; Freeman et al., 2010; Freeman & Parmar, 2023; Harrison et al., 2020) identified three main dimensions of stakeholder theory: descriptive, instrumental, and normative, each serving distinct but complementary purposes.

**Descriptive Dimension:** This aspect explains how corporations behave, recognising that firms depend on multiple stakeholders and routinely balance competing interests in decision-making. It provides a lens for understanding corporate dynamics beyond purely financial terms (Freeman & Parmar, 2023).

**Instrumental Dimension:** The instrumental perspective links stakeholder engagement to improved corporate performance, arguing that effectively managing stakeholder relationships enhances competitiveness, innovation, and risk management (Jones et al., 2018; Sharofiddin et al., 2024). Numerous empirical studies confirm that companies with higher stakeholder trust demonstrate superior resilience and long-term profitability (Barnett et al., 2020).

**Normative Dimension:** The normative foundation is the ethical core of the theory. It asserts that all stakeholders have intrinsic moral value and that firms have a duty to respect and balance their legitimate interests, regardless of economic outcomes (Reyes, 2022). In other words, corporations ought to act in ways that are fair, transparent, and inclusive, because doing so is ethically right, not merely strategically useful.

In the context of this study, the normative dimension is paramount, as it directly supports the argument that ethical, participatory engagement with communities rather than mere transactional involvement is essential for the sustainability and perceived legitimacy of Corporate Social Responsibility (CSR) initiatives.

#### **2.3.1.4 The Relational Imperative and the Co-Creation Ethos**

A central tenet of stakeholder theory is the relational imperative, the idea that the quality of stakeholder relationships determines the effectiveness and longevity of corporate actions (Harrison et al., 2020). In developmental contexts, this relational quality manifests through dialogue, participation, and co-creation.

Co-creation refers to collaborative processes through which firms and stakeholders jointly design, implement, and evaluate initiatives, ensuring that outcomes reflect shared goals and contextual realities (Siltaloppi et al., 2020). Within CSR, this principle shifts the role of communities from passive beneficiaries to active partners in development. Such participatory engagement cultivates mutual trust, shared ownership, and adaptive legitimacy – elements widely recognised as critical to project sustainability (Fan et al., 2025). For example, in South Africa's historically unequal socio-economic context, communities often distrust corporate motives, viewing CSR projects as symbolic gestures

rather than authentic partnerships. Stakeholder theory provides a framework for overcoming this deficit by advocating inclusive dialogue and long-term relationship-building that recognises community agency (Adeola, 2024)

### **2.3.1.5 Stakeholder Theory in Developing and Transitional Economies**

While stakeholder theory originated in Western corporate governance discourse, its application in developing economies reveals distinctive dynamics. In contexts like South Africa, where businesses operate amid stark inequality and social instability, the theory assumes both ethical and developmental urgency.

Developing economies present asymmetric stakeholder environments characterised by weak institutions, uneven power relations, and heightened community dependency on corporate actors for basic services and employment (Cheruiyot-Koech & Reddy, 2022). Consequently, corporate responsibilities extend beyond conventional market obligations to include social reconstruction, empowerment, and inclusive development.

In these settings, the stakeholder framework becomes a practical tool for fostering social legitimacy and shared value. For corporations such as Company X, stakeholder engagement cannot be confined to compliance or philanthropy; it must demonstrate genuine responsiveness to local needs, co-designed solutions, and transparent accountability structures (Myeza et al., 2023). This approach aligns with the African ethical philosophy of Ubuntu, which emphasises relational interdependence, compassion, and collective well-being (Ehrnström-Fuentes & Böhm, 2022). When embedded within CSR, Ubuntu operationalises Stakeholder Theory's ethical dimension through culturally resonant practices of dialogue and reciprocity.

### **2.3.1.6 Contextualising Stakeholder Theory: The African Philosophy of Ubuntu**

The application of universal CSR theories in a developing context like South Africa is inherently problematic, requiring grounding in indigenous ethical philosophies to achieve legitimacy. This necessity is met by the philosophy of Ubuntu, an African humanist concept typically translated as, "I am because we are". Ubuntu fundamentally redefines the corporate-community relationship, shifting it from a transactional or contractual arrangement toward one that is fundamentally relational.

This philosophy, emphasizing interconnectedness, communal accountability, and mutual growth, contrasts sharply with the individualistic, profit-first orientation of conventional Western CSR models derived from liberal market logic. Ubuntu prioritizes collective well-being and interdependence over sole shareholder gain, asserting that a corporation's existence is intrinsically tied to the health and stability of the community in which it operates.

This ethical foundation is crucial for enhancing the normative dimension of Stakeholder Theory, providing a culturally resonant mechanism for accountability. Ubuntu operationalizes the relational imperative by demanding corporate conduct that reflects sincerity, empathy, and mutual respect. This mandate is essential for securing social legitimacy and building the long-term trust required for business resilience, particularly in a socio-economic environment shaped by historical inequality. Therefore, evaluating CSR effectiveness in South Africa must begin with this contextual mandate, which justifies the subsequent need for an Afrocentric approach that prioritizes local needs and community-defined outcomes over global standardization.

### **2.3.1.7 Stakeholder Theory and Corporate Social Responsibility**

The intersection between stakeholder theory and CSR is foundational and mutually reinforcing. CSR provides the practical expression of stakeholder theory, operationalising its ethical and relational mandates through structured corporate initiatives aimed at societal benefit (Dmytriyev et al., 2021). Conversely, stakeholder theory provides CSR with moral depth, moving it beyond reputation management toward authentic accountability.

From this perspective, CSR effectiveness is not determined by the size of financial investment but by the quality of relational engagement with affected stakeholders. Dmytriyev et al. (2021) argue that CSR initiatives grounded in genuine stakeholder participation are more likely to yield long-term developmental outcomes than those designed from top-down, corporate-centric perspectives. This directly aligns with the research proposition of the present study: that the effectiveness and long-term

sustainability of CSR projects are positively correlated with the quality of stakeholder engagement and community co-ownership. The stakeholder theory framework, therefore, offers both a theoretical and ethical rationale for evaluating CSR through community perceptions and relational outcomes rather than merely financial or reputational indicators.

#### **2.3.1.8 Stakeholder Theory and Sustainable Community Development**

Within the field of community development, stakeholder theory provides a critical lens for assessing how corporate interventions can support empowerment rather than dependency. Sustainable community development depends on participatory governance, capacity building, and shared ownership, all of which are intrinsic to the stakeholder model (Attanasio et al., 2021). Empirical evidence increasingly supports the link between robust stakeholder engagement and community resilience. For instance, Sharofiddin et al. (2024) demonstrate that firms adopting participatory engagement frameworks experience higher levels of community trust, reduced conflict, and more sustainable project outcomes. Similarly, Fiandrino et al. (2022) highlight that stakeholder-inclusive evaluation mechanisms produce richer, more valid indicators of social welfare improvement than top-down corporate reporting.

In this sense, stakeholder theory not only informs the ethics of CSR but also its methodology, guiding corporations to embed inclusivity, dialogue, and shared evaluation within every stage of the CSR process.

#### **2.3.1.9 Synthesis and Conceptual Framework**

This literature review has demonstrated that the transformation of CSR from a philanthropic gesture to a strategic imperative is incomplete. The transformative potential of CSR emerges only when it is grounded not only in Western theories but also in indigenous ethical engagement. The synthesis for this study rests on three interlocking conceptual pillars: Stakeholder Theory provides the ethical and relational mandate; Creating Shared Value (CSV) offers the strategic implementation mechanism ; and Ubuntu provides the essential contextual ethical foundation required for legitimacy in South Africa.

This integrated framework, explicitly acknowledging Ubuntu, is necessary to resolve the persistent Theoretical Gap of Relational Accountability and the Conceptual Gap of Community-Centric Measurement. The resulting model structurally addresses the failures of market-centric metrics that are inconsistent with local values and development priorities. This synthesis directly supports the core

research proposition: that the effectiveness and long-term sustainability of CSR projects are positively correlated with the quality of stakeholder engagement and the level of community co-ownership.

## **2.3.2 Strategic Mechanism: Creating Shared Value (CSV)**

### **2.3.2.1 Introduction**

To address the tension between the ethical mandate of stakeholder theory and the economic constraints of the profit-driven world, the concept of creating shared value (CSV) provides the necessary strategic implementation mechanism. CSV extends the ethical foundation of stakeholder theory by embedding societal improvement directly within the firm's competitive strategy (Porter & Kramer, 2011; Menghwar & Daood, 2021).

Creating Shared Value (CSV) has emerged as one of the most transformative paradigms in corporate strategy, reframing how businesses reconcile economic imperatives with social responsibility. Introduced by Porter and Kramer (2011), CSV redefines the relationship between business and society by asserting that corporate competitiveness and social progress are mutually reinforcing rather than mutually exclusive. The central premise of CSV is that corporations can enhance their profitability and simultaneously advance the socio-economic conditions of the communities in which they operate by embedding social and environmental challenges directly into their core business strategies.

In contrast to traditional Corporate Social Responsibility (CSR), which often functions as a peripheral or philanthropic activity, CSV positions social engagement as a strategic driver of innovation, productivity, and competitive differentiation (Roszkowska-Menkes, 2021). The concept thus extends the ethical foundation of stakeholder theory discussed in the previous section by providing a practical, economically grounded mechanism through which firms can operationalise their responsibilities to multiple stakeholders. CSV represents a structural evolution in business philosophy: it shifts the corporate focus from compliance and charity toward co-created profit-linked solutions to social problems.

### **2.3.2.2 The Intellectual Genesis of CSV**

CSV is conceptually rooted in the evolution of strategic CSR and the limitations of earlier frameworks. Traditional CSR approaches, particularly those derived from Carroll's (1991) pyramid, framed social initiatives as discretionary acts contingent on profitability. Under this model, philanthropy was often

detached from business operations, serving primarily to manage corporate reputation rather than to create sustainable change (Carroll, 2021).

Porter and Kramer (2006) challenged this notion, arguing that such separation between corporate and social value is economically inefficient and strategically myopic. They posited that firms could unlock new markets, improve productivity, and reduce risks by addressing societal problems that intersect with their value chains.

CSV thus emerged as a response to three interrelated challenges:

- The inadequacy of philanthropic CSR to drive systemic change.
- The failure of compliance-based CSR to integrate social goals into strategy.
- The need for a model that aligns corporate incentives with long-term societal well-being (Porter & Kramer, 2011; Menghwar & Daood, 2021).

Through this integration, CSV bridges the ethical imperative of stakeholder theory with the economic logic of strategic management, thereby reframing social investment as a source of competitive advantage rather than a cost centre.

### **2.3.2.3 Core Principles and Mechanisms of Shared Value Creation**

Porter and Kramer (2011) outline three principal mechanisms through which companies can create shared value:

#### **2.3.2.3.1 Reconceiving Products and Markets**

The first dimension involves innovating products and services that address societal needs while opening new market opportunities (Sharofiddin et al., 2024). For example, developing affordable clean energy solutions, low-cost healthcare technologies, or sustainable packaging simultaneously meets community needs and generates profit. In developing economies such as South Africa, where inequality and service delivery gaps persist, reconceiving products for underserved markets directly contributes to inclusive economic growth (Fiandrino et al., 2022). This dimension is particularly relevant for firms operating in the industrial and energy sectors. By designing projects that reduce environmental risk, enhance community access to clean water, or support small enterprise integration into value chains, firms can address critical developmental deficits while enhancing operational efficiency and reputation.

### 2.3.2.3.2 Redefining Productivity in the Value Chain

The second mechanism involves improving internal operations to simultaneously advance economic and societal outcomes. Porter and Kramer (2011) argue that inefficiencies and externalities such as energy waste, workplace safety risks, or community health challenges impose real costs on business. By mitigating these issues, firms not only improve their competitiveness but also generate social benefit. For example, investing in local supplier development can reduce procurement costs, shorten supply chains, and enhance social inclusion. In South Africa's context, localisation through Broad-Based Black Economic Empowerment (BBBEE) initiatives and supplier mentoring represents a strategic form of shared value creation, as it empowers historically marginalised groups while supporting business continuity (Cheruiyot-Koech & Reddy, 2022).

### 2.3.2.3.3 Enabling Local Cluster Development

The third mechanism, cluster development, refers to strengthening the external environment in which the firm operates, including infrastructure, skills, education, and institutional capacity. Strong local clusters enhance productivity and innovation, while weak clusters constrain competitiveness (Porter & Kramer, 2011).

In the South African socio-economic context, corporate investment in education, vocational training, and community infrastructure constitutes not merely philanthropy but a long-term strategic investment in the firm's operating ecosystem. By enhancing the capacity of local labour markets and suppliers, businesses effectively build resilience within their own value networks (Fan et al., 2025; Cruz et al., 2024).

### 2.3.2.4 CSV as the Strategic Evolution of CSR

CSV redefines the logic of CSR by positioning social progress as an engine of business innovation and long-term profitability (Roszkowska-Menkes, 2021). Traditional CSR approaches sought to "share" existing value by redistributing profits through donations or compliance initiatives, whereas CSV aims to create new value by integrating societal challenges into the firm's profit-making process.

**Table 2: Comparative Dimensions of Traditional CSR and Creating Shared Value (CSV)**

Dimension	Traditional CSR	Creating Shared Value (CSV)
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<b>Purpose</b>	Reputation management, compliance, philanthropy	Strategic cocreation of economic social value
<b>Core Logic</b>	Redistribution of existing profit ("sharing the pie")	Generation of new value by solving social problems ("expanding the pie")
<b>Integration</b>	Peripheral, separate from core business	Central to strategy and operations
<b>Measurement</b>	Inputs and outputs (funds spent, beneficiaries reached)	Outcomes and value creation (improved competitiveness and social impact)
<b>Time Horizon</b>	Short-term	Long-term and sustainable
<b>Community Role</b>	Passive beneficiaries	Active co-creators and partners

In this framework, community development is not an external act of benevolence but an investment in competitive advantage. CSV's logic ensures that projects addressing skills gaps, unemployment, or local enterprise growth are not discretionary but integral to the company's sustainable operations (Nasta & Cundari, 2024).

### 2.3.2.5 Resolving the Time Horizon Dilemma

A recurring challenge in CSR practice is the Time Horizon Dilemma the tension between short-term financial reporting pressures and the long-term nature of social investment (Edmans, 2022). CSV mitigates this dilemma by explicitly linking social outcomes to business performance metrics. For instance, when a company invests in education and vocational training, it simultaneously cultivates a future workforce that reduces recruitment costs and enhances productivity. Similarly, community environmental restoration can reduce regulatory risk and operational disruptions. These mutual benefits create an incentive structure that aligns long-term community outcomes with sustained corporate success (Cruz et al., 2024).

In the South African context, such alignment is particularly critical. Long-term investment in inclusive development helps corporations build resilience amid political, social, and environmental volatility.

Firms that adopt CSV strategies effectively transform compliance-driven social spending into strategic social capital, ensuring sustained legitimacy and operational continuity.

### **2.3.2.6 CSV in the Context of Developing Economies**

In developing and transitional economies, CSV holds transformative potential because it offers a mechanism to mobilise private-sector resources for inclusive development without undermining profitability. However, the operational context differs markedly from that of developed economies.

In South Africa, high inequality, weak public infrastructure, and skills shortages present opportunities for companies to pursue shared value through local capability building. For example:

**Supplier and SME Development:** Through targeted procurement and mentorship, corporations can integrate local enterprises into their supply chains, thereby stimulating job creation.

**Skills and Education:** Corporate investment in technical education programmes (aligned with SDG 4 and SDG 8) enhances employability and strengthens the local talent pipeline.

**Environmental Rehabilitation:** Investing in sustainable energy or water management solutions reduces operational risks and supports community resilience (Ebekozien et al., 2024).

By aligning corporate activities with national development priorities such as those articulated in South Africa's National Development Plan (NDP) and BBBEE framework CSV acts as a bridge between policy and practice, converting corporate competitiveness into social transformation (Plagerson et al., 2018).

### **2.3.2.7 Critiques and Limitations of the CSV Model**

Despite its strategic appeal, CSV has been subject to extensive academic critique. Scholars question its conceptual clarity, originality, and practical depth.

#### **2.3.2.7.1 Conceptual Ambiguity**

Critics such as Menghwar & Daood (2021) argue that CSV often repackages established ideas from strategic CSR and stakeholder management under a new label, offering limited theoretical novelty. Moreover, the assumption that business and society always share compatible interests is overly optimistic, overlooking contexts where corporate profit motives and community welfare diverge (Sharofiddin et al., 2024).

#### **2.3.2.7.2 Oversimplification of Trade-offs**

The CSV framework underplays the inherent tensions and ethical dilemmas that arise in balancing social and economic goals. Not all social issues can be monetised, and not all profitable actions yield social benefit (Menghwar & Daood, 2021). This limits CSV's explanatory power in cases where trade-offs are unavoidable, such as environmental degradation linked to industrial production.

#### **2.3.2.7.3 Neoliberal Reframing**

Another critique concerns the ideological underpinnings of CSV, Menghwar & Daood, (2021) warns that CSV may reinforce neoliberal narratives by positioning corporations as the primary agents of social change while marginalising the role of governments and civil society. This "corporate-centric" framing risks subordinating public interests to private objectives.

#### **2.3.2.7.4 Operationalisation Challenges**

Empirically, implementing CSV requires complex cross-sector collaboration and sophisticated impact measurement. The absence of universally accepted metrics for shared value creation complicates evaluation and accountability (Sharofiddin et al., 2024). In developing contexts, where institutional frameworks are weaker, ensuring that CSV initiatives genuinely empower communities rather than entrench dependency remains a critical challenge.

#### **2.3.2.8 CSV and the South African Developmental Imperative**

In the South African context, CSV must be interpreted through the lens of transformation and social justice. The country's historical inequalities demand that corporations move beyond generic CSR to address the structural roots of exclusion education, employment, and enterprise development (Cheruiyot-Koech & Reddy, 2022).

CSV aligns with these imperatives by transforming community investment into a mutual value proposition: as firms contribute to empowerment and inclusion, they simultaneously cultivate more stable, prosperous markets. The integration of CSV into CSR frameworks thus supports the country's national priorities, including the BBBEE Act and the NDP, while operationalising the African ethical philosophy of Ubuntu promoting relational interdependence, dignity, and shared prosperity (Adeola, 2024).

For Company X and similar entities, CSV provides a framework for embedding social transformation within the company's operational model. By linking its logistics, infrastructure, and environmental

management initiatives with community training and SME inclusion, Vopak can create synergistic value that strengthens both corporate performance and local well-being.

### **2.3.2.9 CSV in Relation to Stakeholder Theory**

In a Western context, the integration of Stakeholder Theory and CSV creates a constant tension: the ethical mandate of ST (normative duty to all stakeholders) can inherently conflict with the economic logic of CSV (linking social issues to profit generation). This tension means social value remains perpetually subject to, and constrained by, the profit motive, often leading to criticisms of CSV as neoliberal or strategically myopic. This study argues that the Afrocentric CSR Model is normatively superior as it resolves this fundamental conflict. By rooting corporate action in the philosophy of Ubuntu, which enforces relational ethics and communal well-being as the foundational core, the pursuit of economic value (CSV) is structurally constrained. This ensures that profit-seeking remains within ethical and communal bounds, preventing the systemic trade-offs that weaken the transformative potential of conventional CSR.

## **2.4 Community Development with CSR**

Building on the ethical foundation of Stakeholder Theory and the strategic mechanism of Creating Shared Value, this section examines how these frameworks manifest in practice through corporate-led community development initiatives. It explores how CSR functions as both a moral commitment and an operational strategy for fostering empowerment, co-creation, and sustainable transformation within local communities

### **2.4.1 Community Development and CSR in South Africa**

The South African context presents a distinctive landscape for Corporate Social Responsibility (CSR), shaped by deep socio-economic inequality, the legacy of apartheid, and structural unemployment. CSR is therefore not merely a voluntary corporate choice but a moral and developmental imperative. Post-1994, policy frameworks such as the Broad-Based Black Economic Empowerment (BBBEE) Act and the National Development Plan (NDP) institutionalised corporate engagement in socio-economic upliftment. These frameworks position the private sector as an essential partner in achieving inclusive growth and community transformation (Department of Trade and Industry, 2020).

Within this environment, CSR has progressively evolved from ad hoc philanthropy to a strategic driver of sustainable community development. Corporations are increasingly required to align their CSR initiatives with national and local development goals, ensuring that interventions deliver tangible and measurable outcomes in education, employment, and infrastructure (Mahmud et al., 2020). This strategic alignment between corporate priorities and public-sector objectives exemplifies the concept of Creating Shared Value (CSV), wherein corporate competitiveness and social progress are treated as mutually reinforcing (Porter & Kramer, 2011).

#### **2.4.2 Strategic Co-creation and Local Partnership**

In South Africa, the most impactful CSR programmes are those designed through co-creation collaborative models that integrate community voices into corporate decision-making processes. These initiatives reject one-directional "donor–recipient" paradigms and instead emphasise local agency, participatory governance, and shared accountability (Adomako et al., 2024). Co-created CSR interventions build legitimacy and sustainability because they respond to the lived realities of beneficiaries and leverage local capabilities (Sharofiddin et al., 2024). Examples of such practices include Anglo American's Simele Programme, which fosters small enterprise development through access to finance and mentorship, and Vopak South Africa's WeConnect Initiative, which collaborates with local schools to advance digital education and youth empowerment. These projects illustrate how corporations can simultaneously advance business goals such as supply chain resilience and social license to operate while addressing systemic challenges like unemployment and educational inequality.

Nevertheless, scholars caution that many CSR initiatives remain compliance-driven, serving corporate reputational objectives rather than transformative community empowerment (Fiandrino et al., 2022). To avoid such pitfalls, CSR must move beyond transactional outputs (number of beneficiaries or financial spend) and toward transformational outcomes increased local ownership, capability enhancement, and intergenerational sustainability.

#### **2.4.3 Ubuntu and Ethical Legimacy**

An essential dimension of CSR in the South African context is its ethical grounding in the philosophy of Ubuntu. Rooted in African humanism, Ubuntu emphasises interconnectedness, mutual care, and collective well-being (Ehrnström-Fuentes & Böhm, 2022). Integrating Ubuntu principles into CSR

practice transforms corporate-community relationships from contractual to relational where corporations act not as benefactors but as partners in shared prosperity (Adeola, 2024).

Ubuntu-driven CSR provides a cultural lens through which global frameworks such as Stakeholder Theory and CSV can be localised. By foregrounding empathy, reciprocity, and accountability, Ubuntu strengthens the social legitimacy of CSR initiatives and fosters community trust (Adeola, 2024). Furthermore, it challenges Western-centric CSR models by embedding moral obligation and communal benefit within corporate purpose, thereby aligning business conduct with the ethical expectations of local stakeholders.

#### **2.4.4 Integrative Perspective**

Overall, CSR in South Africa functions as both an instrument of socio-economic redress and a platform for collaborative development. The interplay between global CSR paradigms (Stakeholder Theory and CSV) and local ethical constructs (Ubuntu) creates a hybrid framework of practice one that aspires to reconcile profit-making with inclusive, sustainable growth. However, achieving this balance requires robust evaluation mechanisms to ensure that CSR's moral intentions are matched by measurable social impact. This leads to the next critical discussion: the persistent challenge of measuring CSR effectiveness and its developmental value at the community level.

### **2.5 CSR and Social Welfare as a Strategic CSR Objective**

Social welfare represents the broader societal benefits that stem from effective CSR, which addresses systemic challenges like poverty, inequality, and health disparities, ultimately leading to improved societal well-being. While community development focuses on local scales, social welfare encompasses macro-level societal progress, as noted by Sharofiddin et al. (2024).

Carroll (2021) formalised the essential link between responsibility, responsiveness, and outcomes, facilitating the transition from Corporate Philanthropy to Corporate Social Performance (CSP). CSP entails proactive corporate engagement in addressing social externalities through strategic partnerships with governments, NGOs, and international agencies, as highlighted by Carroll & Shabana (2010) and Okafor et al. (2021).

#### **2.5.1 CSR initiatives that enhance social welfare contribute to multiple domains:**

Health: Expanding access to healthcare services and sanitation (Cruz et al., 2024).

Education: Improving literacy, school retention, and digital inclusion (Sharofiddin et al., 2024).

Livelihoods: Supporting job creation, skill development, and equitable income growth (Cruz et al., 2024).

Importantly, these programmes also foster social cohesion, trust, and diversity – key non-material outcomes that enhance corporate legitimacy and societal stability (Saka-Helmhout et al., 2021). During crises such as the COVID-19 pandemic, organisations with a strong social capital base demonstrated greater operational resilience and stakeholder support (Myeza et al., 2023). This highlights the importance of investing in social programmes not only for the benefit of communities but also for the long-term sustainability of businesses. By prioritising social capital, organisations can build stronger relationships with stakeholders and weather unexpected challenges more effectively.

Yet, the measurement of social welfare outcomes remains a significant challenge. Many CSR reports rely on narrative accounts or perception surveys rather than concrete empirical data to measure impact. To remain relevant in the long term, corporations must establish impact evaluation frameworks that prioritise transformative and measurable change beyond mere compliance (Barnett et al., 2020). By incorporating data-driven approaches and rigorous evaluation methods, companies can demonstrate their commitment to social responsibility and drive meaningful progress in addressing societal issues simultaneously. This shift towards evidence-based impact assessment will not only enhance transparency and accountability but also lay the groundwork for the development of more effective CSR strategies in the future (Scelles et al., 2024). By utilising impact evaluation frameworks, corporations can gain a deeper understanding of the outcomes of their initiatives and make informed decisions regarding future investments. This proactive approach can not only help companies align their business goals with social impact but also lead to the creation of more sustainable and impactful CSR programmes (Fan et al., 2025). In addition, implementing impact evaluation frameworks can also help companies identify areas for improvement and optimise their social responsibility efforts. By continuously measuring and analysing the impact of their initiatives, corporations can ensure that their CSR programmes are making a tangible difference in the communities they serve.

## **2.6 Frameworks and Metrics for Measuring CSR Impact**

### **2.6.1 From Philanthropic Inputs to Strategic Outcomes**

CSR measurement has evolved from input-based (e.g., donations made) to impact-orientated frameworks assessing tangible community outcomes (Sharofiddin et al., 2024). Early models prioritised reporting activities over driving actual change. Carroll's Corporate Social Performance (CSP) framework, later expanded by Porter and Kramer (2006), introduced outcome-based evaluation that integrates CSR within business strategy. This shift towards outcome-based evaluation has empowered companies to gain deeper insights into the real impact of their CSR initiatives on the communities they serve. By focusing on strategic outcomes, businesses can ensure their efforts align with their business objectives and values (Saka-Helmhout et al., 2024).

Recent approaches employ Social Return on Investment (SROI) and Sustainable Development Goal (SDG) mapping to quantify social and economic contributions (Jaouhari et al., 2023). However, measurement remains fragmented due to the proliferation of Corporate Sustainability Systems (CSSs) that vary in their measurement approaches and lack standardised metrics (Benussi et al., 2025). To address this challenge, businesses can play a pivotal role in establishing and adhering to industry-wide standards for measuring and reporting on CSR initiatives. By prioritising transparency and accountability in their impact assessments, companies can bolster their credibility and underscore a sincere dedication to social responsibility. This approach not only streamlines the process of SDG mapping but also ensures the availability of precise data for stakeholders, enabling them to make informed evaluations of the impact and effectiveness of CSR initiatives (Tyan et al., 2024). Ultimately, standardisation in measuring social and economic contributions can empower stakeholders to make well-informed decisions, leading to amplified positive effects on society and the environment. Furthermore, the presence of consistent metrics for CSR initiatives not only enables benchmarking and comparison between companies but also fosters healthy competition and drives ongoing enhancements in sustainability practices. In summary, industry-wide standards for measuring CSR play a vital role in propelling progress towards the attainment of the United Nations Sustainable Development Goals (Sharofiddin et al., 2024). Moreover, frameworks like the Global Reporting Initiative and ISO 26000 provide structured guidelines for reporting on environmental, social, and governance performance, with variations in rigour of application observed across different sectors and regions (Kong & Majhi, 2025).

## **2.6.2 Bridging the Critical Measurement Gap**

The central weakness in contemporary CSR assessment is the critical measurement gap, which refers to the disconnect between standardised global metrics and locally meaningful outcomes (Sharofiddin et al., 2024). Effective evaluation requires mixed method approaches that integrate quantitative and qualitative data, capturing both the depth and breadth of social change (Barnett et al., 2020). This gap can be bridged by engaging with local communities, conducting thorough impact assessments, and adapting measurement frameworks to reflect diverse perspectives and contexts. By addressing this challenge, companies can not only ensure that their CSR initiatives are truly impactful and aligned with the needs of all stakeholders involved (Sharofiddin et al., 2024) but also enhance the credibility and transparency of their social responsibility efforts. This approach not only enhances the credibility and transparency of their social responsibility efforts but also allows for continuous improvement and innovation in addressing social issues. By prioritising meaningful outcomes and engaging with diverse stakeholders, companies can create sustainable change that benefits both society and the business itself.

Emerging technologies such as AI-based analytics, blockchain transparency tools, and spatiotemporal mapping provide innovative means of tracking real-time social impact (Fiandrino et al., 2024). However, to ensure both technical and ethical validity, participatory evaluation involving communities as co-assessors of impact is necessary (Scelles et al., 2024). This approach not only enhances the credibility of the data collected but also ensures that the solutions implemented are truly responsive to the needs of the communities they aim to serve. By incorporating community feedback and perspectives into the evaluation process, companies can not only build trust, foster collaboration, and achieve more sustainable and impactful social change but also ensure that the solutions implemented are truly responsive to the needs of the communities they aim to serve (Fiandrino et al., 2022). Engaging communities in the evaluation process not only helps to address power imbalances but also ensures that marginalised voices are heard and considered in decision-making, leading to more inclusive and equitable outcomes. This participatory approach can lead to more inclusive and equitable outcomes, ultimately strengthening the effectiveness of social impact initiatives by ensuring that diverse perspectives are considered and integrated into decision-making processes.

Moreover, involving communities in the evaluation process can provide valuable insights and data that may not have been otherwise captured, enriching the evaluation with diverse perspectives and local knowledge. This can lead to more informed decision-making and a deeper understanding of the complex issues at hand. Adomako et al. (2024) say that this iterative and flexible measurement framework makes sure that CSR projects stay flexible and adapt to changing community needs. This

encourages real social innovation by ensuring that CSR projects remain adaptable and responsive to changing community needs, fostering creativity and out-of-the-box solutions.

## **2.7 The Critical Measurement Gap and Evaluation Frameworks**

A persistent challenge in CSR scholarship and practice is the measurement gap the difficulty of quantifying the social, developmental, and community-level outcomes of corporate initiatives (Eskantar et al., 2024). While traditional corporate performance indicators (e.g., financial returns, brand reputation) are easily measured, the social value generated by CSR is complex, multidimensional, and context-dependent (Eskantar et al., 2024). Consequently, much of CSR reporting remains input-focused (how much was spent) rather than impact-focused (what changed).

### **2.7.1 Limitations and Conventional Metrics**

Standard global frameworks such as the Global Reporting Initiative (GRI) and Environmental, Social, and Governance (ESG) metrics offer valuable guidance for corporate accountability but are often insensitive to local contexts (Siltaloppi et al., 2020). They privilege quantifiable indicators over qualitative community transformations such as empowerment, capacity building, and social cohesion (Fan et al., 2025). As a result, CSR effectiveness in developing contexts particularly within South Africa's township and rural communities tends to be underrepresented or misrepresented in conventional reports.

Furthermore, these frameworks rarely capture relational dimensions of development, such as trust, inclusion, and co-creation aspects central to Stakeholder Theory and Ubuntu ethics. Consequently, CSR practitioners risk equating compliance with impact, mistaking the fulfilment of reporting standards for genuine social transformation (Menghwar & Daood, 2021).

### **2.7.2 Emerging Approaches to CSR Impact Evaluation**

To address these limitations, contemporary research advocates integrated evaluation frameworks that combine quantitative and qualitative methodologies. Hybrid tools such as the Social Return on Investment (SROI), Community Impact Scorecards, and Participatory Rural Appraisal (PRA) provide more holistic assessments by valuing both tangible and intangible outcomes (Mahmud et al., 2020).

Participatory evaluation models embody the co-creative principles of Stakeholder Theory and CSV by involving community members directly in the design, monitoring, and interpretation of CSR outcomes. This approach not only enhances data validity but also promotes shared learning and accountability (Adomako et al., 2024). In the South African context, this participatory turn aligns naturally with Ubuntu's relational ethics, reinforcing CSR as a mutual, trust-based process rather than a one-sided corporate initiative.

### **2.7.3 Towards a Contextual**

A contextualised CSR evaluation framework for South Africa should therefore integrate four dimensions:

1. Strategic Alignment – consistency with corporate strategy and national development priorities (e.g., BBBEE, NDP).
2. Empowerment Outcomes – enhancement of skills, agency, and local entrepreneurship.
3. Relational Impact – trust, inclusivity, and stakeholder satisfaction.
4. Sustainability and Legacy – evidence of long-term structural transformation.

These dimensions collectively address both ethical and strategic expectations of CSR, ensuring that social investment translates into sustained community empowerment. Such an approach bridges the gap between global reporting imperatives and local developmental realities a necessary evolution if CSR is to function as a true driver of social welfare rather than a performative compliance exercise.

## **2.8 Community Perceptions of CSR Effectiveness**

Community perceptions constitute the ultimate litmus test for evaluating CSR's legitimacy and effectiveness. While corporations may define success through output metrics or compliance indicators, communities assess CSR in terms of tangible life improvements, participation, and trust (Sharofiddin et al., 2024).

Empirical studies across South Africa reveal that communities tend to value relational authenticity sustained engagement, transparency, and responsiveness more than the scale of financial investment (Adeola, 2024). Where CSR projects are co-designed and community-led, perceptions of fairness, empowerment, and shared benefit tend to be high; conversely, when projects are imposed without consultation, they are often viewed as tokenistic or exploitative (Fan et al., 2025).

Perceptions are therefore not peripheral but central indicators of CSR success, reflecting the degree to which corporations embody the principles of Stakeholder Theory and Ubuntu in practice. Measuring perceptions through participatory feedback mechanisms (e.g., community scorecards or public dialogues) closes the accountability loop, allowing corporations to continuously refine their social engagement strategies.

Ultimately, aligning corporate intent with community experience transforms CSR from a reputational exercise into a reciprocal partnership, fostering enduring trust and developmental legitimacy the essence of community-centred CSR in South Africa.

### **2.8.1 The Global Perspective**

Globally, CSR effectiveness is now more commonly evaluated based on community perceptions rather than corporate reports. Diverse cultural and socio-economic contexts influence how CSR is understood and valued (Hauser et al., 2023). Participatory approaches where communities define development priorities enhance legitimacy and local ownership (Fiandrino et al., 2022). Scholars advocate for differentiating CSR for, to, and with communities (Chilufya et al., 2019), highlighting that only the latter ensures co-creation and enduring social value. Engaging with communities in a meaningful way, such as involving them in decision-making processes and co-creating initiatives, fosters trust and collaboration, ultimately leading to more sustainable and impactful CSR outcomes. By involving stakeholders in the decision-making process, companies can better address local needs and create positive social change. Ultimately, this collaborative approach can result in more successful and mutually beneficial partnerships between businesses and communities (Barnett et al., 2020). It also helps companies build stronger relationships with stakeholders, leading to long-term support and shared value creation. By prioritising co-creation and social value, companies can ensure that their CSR initiatives have a lasting impact on the communities they serve, creating sustainable change over time. This approach not only benefits the community but also enhances the company's reputation and brand image, ultimately leading to increased trust and loyalty from stakeholders.

### **2.8.2 The South African Perspective**

In South Africa, the history of inequality, dispossession, and underdevelopment makes CSR both a moral and developmental imperative. The National Development Plan (NDP), the King IV Code, and BBBEE have all shaped the nation's sociopolitical framework, positioning CSR as a catalyst for

economic change (Kabir et al., 2015; Ebekoziem et al., 2024). However, many communities remain sceptical of corporate motives, particularly in industries with histories of exploitation, such as mining and logistics (Sharofiddin et al., 2024). Despite these challenges, there are success stories of companies effectively engaging in CSR initiatives that benefit both the business and the community. By actively involving stakeholders in decision-making processes and prioritising long-term sustainability over short-term gains, companies can build trust and create shared value in South Africa.

To gain and maintain a social licence to operate (SLO), corporations must actively demonstrate transparency, engage continuously with stakeholders, and deliver measurable benefits to the community. This requires transformational CSR, emphasising co-design and shared accountability rather than transactional philanthropy (Fan et al., 2025). By adopting a holistic approach to CSR, companies can effectively address pressing social and environmental issues, enhance their reputation, and boost their financial performance (De La Rosa et al., 2023). The improved well-being of communities and efforts to conserve the environment show that businesses that prioritise CSR in South Africa can ultimately contribute to positive societal change and drive sustainable development in the region. By strategically integrating CSR into their core business strategies, companies can build trust with stakeholders and foster long-term relationships with the communities they operate in, aligning business goals with social responsibility. This not only enhances their SLO but also creates a positive impact on society. Moreover, companies that prioritise CSR are more likely to attract and retain top talent, as employees are increasingly seeking out organisations with a strong sense of social responsibility (Okafor et al., 2021). Moreover, by aligning CSR initiatives with the United Nations Sustainable Development Goals, companies can showcase their commitment to addressing global challenges and contributing to international efforts for sustainable development.

### **2.8.3 The Translation Challenge and Local Validity**

The challenge lies in translating global CSR principles into locally verifiable welfare outcomes. Communities prioritise tangible improvements jobs, healthcare, and education over abstract ESG metrics (Sharofiddin et al., 2024). Bridging this gap necessitates bottom-up validation mechanisms, participatory monitoring, and place-based analytics to ensure CSR efforts reflect lived experiences (Fan et al., 2025). Companies must actively engage with local stakeholders, understand their unique needs and preferences, and tailor their CSR initiatives accordingly. By doing so, companies can build trust, credibility, and long-term relationships with the communities they seek to benefit.

Ultimately, CSR's credibility in South Africa depends on the community's perception of empowerment and inclusion, a test of whether corporations truly practise shared value rather than symbolic compliance. Hence, companies must not only implement CSR initiatives but also actively involve and empower local communities in the decision-making process. This will help ensure that CSR efforts are truly impactful and sustainable in the long run (Sharofiddin et al., 2024). By fostering genuine partnerships with local stakeholders, companies can ensure that their CSR initiatives are closely aligned with the actual needs and priorities of the community. Consequently, this approach can result in more meaningful and mutually beneficial outcomes for both the company and the community.

## **2.9 Synthesis and Conceptual Framework**

The persistent dilemma facing Corporate Social Responsibility is the structural disconnect between its ethical mandate and its economic implementation (Sharofiddin et al., 2024). The existing theoretical frameworks, particularly Creating Shared Value (CSV), are critiqued for their oversimplification of trade-offs and conceptual ambiguity. This fundamental theoretical deficiency where profit-seeking often subordinates genuine social impact is precisely what contributes to the critical measurement gap (Saka-Helmhout et al., 2021). The market-centric, quantifiable metrics of Environmental, Social, and Governance (ESG) fail to adequately capture genuine social progress because the foundational Western theories (ST/CSV) from which they derive under-prioritize the communal and relational outcomes central to African societies, such as those mandated by Ubuntu. Consequently, the dominant global evaluation frameworks impose a standardization bias that overlooks local legitimacy, and the nuanced, qualitative transformation required in contexts like South Africa. Resolving this theoretical failure and its resulting measurement deficit requires a decisive shift toward contextually relevant frameworks anchored in relational ethics and communal well-being (Saka-Helmhout et al., 2021).

### **2.9.1 The Integrated Stakeholder-CSV Framework**

The synthesis of Stakeholder Theory (the moral and relational foundation) and Creating Shared Value (the strategic implementation mechanism) provides the dual framework necessary for this study: Stakeholder Theory justifies the corporate mandate to serve its non-financial publics and demands equitable engagement (Dmytriyeu et al., 2021). CSV provides the mechanism for achieving this mandate sustainably by linking social investment to core business strategy (Porter & Kramer, 2011).

## 2.9.2 Research Gaps

The persistent Theoretical Gap (Relational Accountability), the Empirical Gap (Impact Translation in South Africa), and the Conceptual Gap (Community-Centric Measurement) converge on a single causal relationship: the quality of engagement determines the quality of the outcome. This synthesis directly supports the core research proposition established in Chapter 1: The effectiveness and long-term sustainability of Corporate Social Responsibility (CSR) projects, as perceived by the local community, are directly and positively correlated with the quality of stakeholder engagement and the level of community co-ownership in the design and implementation of the initiatives (Fan et al., 2025).

This correlation is the golden thread that links the theoretical critique (Carroll's flaw, ESG's bias) to the practical problem (persistent structural inequality) and defines the empirical focus of the research. The subsequent chapters will empirically test how co-creation translates the ethical mandate of Stakeholder Theory into verifiable, sustainable community development outcomes in the South African context.

## 2.10 Chapter Summary

This chapter has charted the evolution of corporate responsibility from the strict Shareholder Primacy model to a more institutionalised and strategic approach. The review highlights that the true transformation of Corporate Social Responsibility (CSR) emerges by moving beyond discretionary philanthropy toward Creating Shared Value (CSV), a concept that embeds social concerns into the core business strategy (Menghwar & Daood, 2021). This shift is fundamentally underpinned by Stakeholder Theory, which provides the ethical mandate for inclusive engagement, arguing that corporate legitimacy depends on balancing the interests of all affected parties, not just investors (Fleurbaey & Ponthière, 2023). Within the South African context, marked by historical inequality, this ethical obligation is amplified by the Ubuntu philosophy, which demands that CSR acts as a vehicle for transformation and fosters relational interdependence (Sharofiddin et al., 2024).

Global measurement frameworks, such as ESG criteria, often privilege financial and compliance indicators, frequently overlooking the local perceptions and qualitative transformations (like empowerment and trust) valued by communities (Bellandi, 2023). The failure of CSR to effectively address structural inequality is largely attributable to this critical measurement gap (Ehrnström-Fuentes & Böhm, 2022). Therefore, the literature converges on the necessity of moving away from company-centric metrics towards participatory, co-created evaluation models. This approach, which

places the community's voice at the center of validation, is essential to ensure that CSR initiatives are not merely compliance exercises but genuine drivers of sustainable and legitimate social development in South Africa.

## CHAPTER 3. RESEARCH QUESTIONS

### 3.1 Introduction

This chapter outlines the principal research issues that direct this investigation into assessing the efficacy of corporate social responsibility in promoting community development and social welfare. The formulation of these issues is derived from the theoretical and empirical insights established in the prior literature assessment, which underscored ongoing deficiencies in defining, quantifying, and confirming the genuine impact of CSR on communities. The literature recognises CSR as a possible driver of social innovation and inclusive development (Sharofiddin et al., 2024); however, there is insufficient agreement on the extent to which CSR initiatives yield quantifiable enhancements in community welfare, especially in the context of socio-economic disparity and historical marginalisation in South Africa (Sharofiddin et al., 2024).

Thus, the research questions outlined below aim to overcome these conceptual and empirical deficiencies. Their foundation is in the integrated theoretical framework of stakeholder theory and the creation of shared value, as covered in Chapter 2, both of which underscore the necessity for corporate strategies that harmonise company performance with societal advancement. This study aims to elucidate the role of CSR projects in social transformation, assess their effectiveness, and examine how stakeholder views influence their legitimacy and sustainability (Fan et al., 2025).

### 3.2 Research Questions

#### 3.2.1 Main Research Question:

How effective are corporate social responsibility initiatives in enhancing community development and social welfare?

#### 3.2.2 Sub-Questions:

**3.2.2.1 Sub-Question 1:** How do CSR projects contribute to sustainable community development and improve social welfare?

This question explores the intricate relationship between business activities and community well-being, specifically focusing on how corporate social responsibility initiatives translate into tangible improvements in the quality of life for individuals and the overall advancement of communities (Okafor et al., 2021). It investigates the mechanisms through which CSR initiatives foster economic, social, and environmental sustainability at the local level (Fan et al., 2025). Furthermore, it aims to identify the factors that mediate or moderate this relationship, such as the level of stakeholder engagement, the nature of the interventions, and the socio-economic context of the communities involved. This further includes an examination of how various CSR approaches, from philanthropic to embedded strategies, influence the longevity and depth of positive community impact.

**3.2.2.2 Sub-Question 2:** What are the frameworks and metrics used to measure the impact of CSR on local communities?

By looking beyond financial metrics and including social and environmental indicators that show real community benefit (Sharofiddin et al., 2024), this question takes a critical look at the ways that CSR effectiveness is measured. However, it can be hard to separate the effects of corporate social responsibility (CSR) from other factors that affect development. This paper investigates how strong, situation-specific evaluation frameworks can give more accurate and useful information about the social returns on corporate investment (Scelles et al., 2024). This also means looking into how different institutional and cultural settings affect the choice and use of these frameworks for measuring, especially in developing countries where the effects of CSR can be very different (Sharofiddin et al., 2024).

**3.2.2.3 Sub-Question 3:** What are the perceptions and experiences of stakeholders in the local community?

This question delves into the subjective evaluations of CSR initiatives by community members, including their assessment of transparency, inclusivity, and the alignment of corporate actions with local aspirations and values (Sharofiddin et al., 2024). Going beyond corporate-centred reporting to include community stories and insights (Fan et al., 2025), this aims to get a full picture of the real effects and acceptance of CSR projects by collecting the different points of view of project beneficiaries, local leaders, and other people who are affected. This includes an examination of how institutional pressures at the local community level can drive CSR practices and shape community perceptions of these initiatives (Barnett et al., 2020).

Additionally, it evaluates how the level of community involvement in the planning and execution phases of CSR projects affects these perceptions, emphasising the significance of co-creation for long-lasting positive impact. This also involves exploring the differences in perception between corporate and community stakeholders, emphasising the need for beneficiary-centred approaches to CSR (Fan et al., 2025). The integration of local community values and norms is also critical for understanding CSR specificity and ensuring that initiatives resonate with local expectations, moving beyond general corporate strategies to context-specific applications.

## CHAPTER 4: RESEARCH METHODOLOGY

This chapter provides a detailed overview of the methodological framework adopted to explore the research problem. It details the research philosophy, research design, target population and research setting, sampling strategy, data collection procedures, data analysis process, and the measure adopted to ensure research quality, scientific rigour and ethical compliance. The final section briefly details the limitations of the research design and methods chosen to carry out the study.

### 4.1 Research Philosophy

Saunders and Lewis (2018) define a research philosophy as a system of beliefs and assumptions about the development and nature of knowledge as determined by the researcher conducting a particular research study. These assumptions largely fall into three main categories: ontological, epistemological and axiological. Saunders and Lewis (2018) further note that in management and business research, there are 5 main research philosophies, namely, positivism, interpretivism, critical realism, postmodernism and pragmatism.

The study adopted an interpretivist philosophy to explore stakeholder perceptions and experiences of CSR initiatives in a select community by company X. Interpretivism was deemed appropriate for the study as it allowed the research to explore how various project stakeholders experienced and perceived the effectiveness of the various CSR initiatives 'rolled out' in the community. Participants subjective meanings and experiences were viewed as central to understanding the complex relationship between CSR projects and the perceived effectiveness in fostering sustainable community development and welfare in the select community. Overall, the aim was not to generalise findings primarily, but to generate rich contextually grounded insights that reveal how participants interpret the role and effectiveness of the various CSR projects.

Adopting interpretivism allowed the researcher to engage reflexively, acknowledging personal perspectives, while striving to represent participants' "voice" authentically. Moreover, interpretivism acknowledges multiple realities in the social world, shaped by lived experiences and contextual interpretations, which is crucial for assessing CSR effectiveness, where no universal approach exists. Lastly, the study was conducted primarily for theory-building, as it sought to explore new concepts and develop a deeper understanding of the relationship between CSR and community development in the South African context.

Overall, the aim was not to generalise findings primarily, but to generate rich contextually grounded insights that reveal how participants interpret the role and effectiveness of the various CSR projects. Adopting interpretivism allowed engaging reflexively, acknowledging personal perspectives, while striving to represent participants' "voice" authentically. Moreover, interpretivism acknowledges multiple realities in the social world, shaped by lived experiences and contextual interpretations, which is crucial for assessing CSR effectiveness, where no universal approach exists (Ehrnström-Fuentes & Böhm, 2022). Lastly, the study was conducted primarily for theory-building, as it sought to explore new concepts and facilitate the development of the emergent Afrocentric CSR Model in the South African context (Cheruiyot-Koech & Reddy, 2022). Overall, by adopting interpretivism, this study acknowledged the relativistic ontology, that reality is subjective and plural, and the constructivist epistemology that sees knowledge as co-created through interactions with multiple parties, including the researcher. These beliefs and set of assumptions guided both the entire research process, ensuring that the study maintained its fidelity to participants perspectives while producing credible, theoretically informed interpretations.

## **4.2 Research Design**

An exploratory qualitative design was selected for its capacity to capture the meaning, perspectives and experiences of participants in their natural contexts (Aquinis & Glavas, 2012); Creswell & Poth, 2018). More specifically, this design approach was adopted as it allowed the researcher the ability to investigate how CSR initiatives are experienced and evaluated by stakeholders in an in-depth manner, rather than test hypotheses or measure variables. Using an exploratory research methodology, this study aimed to pinpoint basic trends and mechanisms via which CSR initiatives inspire social innovation.

The specific exploratory research design adopted was the case study design, as it enabled an in-depth, contextualised exploration of the social impacts of CSR in a bounded setting. Moreover, the case study design is not limited to a single technique but allows a researcher to integrate multiple sources of evidence, namely, interviews and observations, which allowed the research to develop a more comprehensive understanding of CSR in the selected community.

## **4.3 Reflexivity**

Given my dual role as both a researcher and an employee of the organisation being studied, reflexivity was necessary to keep my objectivity and make sure the research process was credible. Insider

research presents distinct advantages, including contextual familiarity and access to organisational networks; however, it also entails the potential for bias arising from pre-existing relationships, assumptions, or allegiance to the organisation (Berger, 2015). To reduce these risks, I used a systematic reflexive approach at every step of the research process.

Firstly, I kept a reflexive journal from the start of the study until the data analysis was done. This journal was a place for me to write down my thoughts, feelings, and interpretations after each interview and data review session. Writing down these thoughts helped me find possible biases, see when I was being subjective, and tell the difference between what participants said and what I thought. This practice promoted continuous self-awareness and guaranteed that new insights were based on participants' actual experiences rather than preconceived notions.

Secondly, I did peer debriefing with academic colleagues unfamiliar with the organisation. This process involved presenting preliminary findings and interpretations to challenge my assumptions and identified potential areas where my insider knowledge may have oversimplified or biased the contextual narrative.

Finally, I clearly stated my positionality, knowing that being an insider gave me both advantages and disadvantages. Although my previous experience in the company helped me get to key informants and better understand CSR practices, I was careful not to assume that participants had the same meanings. Reflexivity thus evolved into both a personal discipline and a methodological instrument, guaranteeing that the research remained transparent, credible and ethically robust.

#### **4.4 Research Setting and Target Population**

The research was conducted within the context of a select community of a semi-industrial town in the South of Gauteng Province, South Africa. The area has two different types of social and economic environments. It is home to a few substantial industrial and corporate enterprises that are important to the economy of the area and the region. On the other hand, it includes low-income neighbourhoods that are always dealing with problems like unemployment, poverty, and a lack of access to long-term development prospects. This difference gives a good reason to look at how well Corporate Social Responsibility (CSR) programs that aim to improve community welfare and encourage inclusive local development work. Company x has had numerous CSR projects in this area in the past. This setting

provided direct access to individuals with first-hand experience of the CSR projects run in the select community.

The specific target population included the various types of project stakeholders in the CSR projects run in the community, which includes project sponsors, project managers, project employees, beneficiaries, and community leaders. The diverse population allowed for a varied collection of viewpoints and experiences of individuals involved in CSR-driven social innovation. Saunders et al. (2019) propose that such an approach helps to guarantee a thorough awareness of the possibilities and difficulties in the subject.

There was no sampling frame; however, specific selection criteria were developed and used to select participants from these groups within the selected organisation and community.

#### **4.5 Level and Unit of Analysis**

According to Wong & Bustami (2019), a unit of analysis is the primary entity where data is analysed to serve the research's purpose. The level of analysis in this qualitative study was the individual, focusing on each study participants' experiences, perceptions, and interpretations of the effectiveness of CSR in enhancing community development and social welfare in community X. These experiences were then analysed within the broader institutional, economic, cultural and social context to understand collective patterns, viewpoints and meanings.

The unit of analysis on the other hand, comprised of each study participants narrative account of CSR project effectiveness as expressed in the interviews. Each narrative account was treated as a discrete case, which were then collated and thematically analysed to identify broader categories and relationships across participants.

#### **4.6 Sampling Method and Sample Size**

In most research studies, it is not feasible or possible to use the entire target population in a research study; a subset of the target population is selected, called a sample, using various sampling methods (Saunders et al., 2019). In this study, purposive sampling was adopted, which is a sampling method that allows a researcher to select participants who are the most knowledgeable and experienced in relation to a particular research phenomenon, which in this case was CSR projects in community X by organisation X. This sampling method allowed the researcher to select project stakeholders that would likely provide the depth demanded by qualitative research projects.

This sample size in qualitative studies should promote depth while allowing for data saturation, the point at which additional interviews yielded no new themes or insights (Hennink & Kaiser, 2022); which in this study was reached at 14 participants. Overall, the sample was diverse in demographic, stakeholder role and professional characteristics to capture variation in perspectives.

#### **4.6.1 Selection Criteria:**

- Project sponsors, managers, and employees were directly involved in the design/implementation of the CSR initiatives within the select community by company X.
- Beneficiaries who received benefits from the specific CSR initiatives.
- Recognised community leaders within the community where the CSR initiatives are implemented and know community needs/perceptions.
- NGOs that have a direct relationship with the organisation's CSR initiatives in the community.

#### **4.6.2 Research Instrument**

The primary data for this qualitative study was collected through semi-structured interview guide to elicit detailed, reflective, and contextually rich responses. The interview guide consisted of open-ended questions that align with study aims, allowing participants to freely share their views while enabling comparability across interviews. This approach allows for focused discussions while providing flexibility for participants to share rich, in-depth narratives about their experiences with CSR projects and their perceived influence on social innovation (Sánchez et al., 2022).

The interview questions were based on a comprehensive literature review and designed to directly address the research questions. To ensure the effectiveness and validity of the interview instrument, the following steps were taken:

- Expert Review: The interview questions were reviewed by the researcher's supervisor and institutional review committee for clarity, relevance and alignment with the research questions.
- Pilot Study: A pilot study was conducted with 2 participants who fit the selection criteria but were not part of the final sample. The goal of the pilot study was to assess the clarity of questions, the interview flow, the estimated time required for each interview, sequencing and sensitivity. Feedback from the pilot study informed minor revisions to wording and flow, and the tailoring of questions to project workers and beneficiaries.

### **4.6.3 Recruitment process**

The recruitment of participants adhered to a systematic, ethical, and transparent methodology aimed at guaranteeing voluntary participation and informed consent. Participants were selected intentionally, based on their significance to the study's objectives and their direct engagement or experience with the company's Corporate Social Responsibility (CSR) initiatives. These were people from businesses, community leaders, and project sponsors who had first-hand experience with CSR planning, execution, and effects in the community.

I sent out email invitations to make first contact. In these emails, I introduced myself, explained the purpose of the study, and gave a brief overview of what participation would involve. Every person who wanted to take part in the study got an information sheet and a consent form that explained the goals of the study, the ethical protections in place, and their rights, such as the right to withdraw at any time without penalty.

Once participants confirmed their willingness to take part, they were asked to sign and send back the consent form electronically. After getting permission, I sent calendar invites to set up interviews at times that worked for both of us. The interviews were done in person and online, depending on where the participants lived and what they preferred.

Five of the total participants were interviewed in person, and the rest were interviewed virtually using Microsoft Teams. One of the in-person interviews involved going to Durban to meet with a key project sponsor, and another involved driving to the office of a community leader to do the interview there. The last three in-person interviews were held at my office, which was an area participants felt they could be more comfortable being interviewed in.

The mixed-mode method, which included both in-person and online interviews, made sure that everyone could participate at their own convenience. It was flexible enough to fit with the participants' schedules while keeping the depth and authenticity of qualitative engagement. All interviews were done according to the approved ethical protocol, which made sure that participants' privacy and autonomy were respected during the recruitment and data collection process.

## **4.7 Data Collection**

Data was collected through both online and face-to-face semi-structured interviews, each lasting between 40 and 60 minutes. All interviews were conducted in English. The participants preferred location and time to promote comfort and openness. After gaining participants' consent, all sessions were audio-recorded and later transcribed in the intelligent verbatim method to ensure accuracy.

Field notes were also kept capturing non-verbal cues, contextual details, and research reflections, which enhanced interpretive depth during analysis. However, these notes were limited as some interviews were online.

#### **4.8 Data Analysis**

Inductive thematic analysis was conducted to identify patterns and themes in stakeholder responses (Braun et al., 2016). The analysis was done manually in a Microsoft Word document.

The following six steps were followed:

1. Interview transcripts were read and re-read to gain an overall sense of the responses.
2. Initial line-by-line coding was then done to identify patterns and label meaningful segments of the transcribed text related to the research aims.
3. Grouping the initial codes into categories reflecting the broader patterns of meaning.
4. Emerging themes were identified, refined, and validated for coherence, distinctiveness and meaningfulness.
5. Final themes were named and defined.
6. The findings were then presented clearly and concisely, supported by quotations from participant interview responses.

#### **4.9 Data Quality**

While quantitative research uses the concepts for validity and reliability for data quality, qualitative research replaces it with the concept of trustworthiness first developed by Lincoln and Guba (1985).

The following are the four key criteria:

- **Credibility:** This element of trustworthiness refers to the accuracy and believability of the research findings, ensuring the participant perspectives and experiences are relayed authentically. This was achieved in this study through prolonged engagement with participants and the triangulation of interview data with documents and reports of the CSR projects. The debriefing with academic

colleagues unfamiliar with the organisation was done to challenge the assumptions and identify potential areas of bias.

- **Dependability:** This element refers to the consistency and reliability of the research process for collecting and analysing the study data. It involves ensuring that the research process is systematic, transparent and well-documented.
- **Transferability:** This element of trustworthiness refers to the extent to which the research findings can be applied to other contexts and populations, which in this case was South Africa and other Low-to-middle income nations. This was achieved through thick, contextual descriptions enabling readers to easily determine the applicability of the research findings. Moreover, the limitations of the study are presented explicitly and in detail.
- **Confirmability:** This element of trustworthiness refers to the overall objectivity and neutrality of the research findings, such that the findings are based on the data with minimal researcher bias. As this study is qualitative; hence, the research is the primary instrument of inquiry, potential bias could not be completely negated; however, a section on reflexivity has been included to reveal the researchers background, potential biases and assumptions. Moreover, verbatim participant quotations have been added throughout the presentation of findings to substantiate interpretations.

Triangulation was used to enhance validity, combining interviews with documentary sources. A pilot interview was conducted to refine the interview instrument to enhance the trustworthiness of the research study. Triangulation, using multiple data sources (interviews, documents, and observations) was also employed to enhance the validity and reliability of the findings to maintain quality. Triangulation strengthens the research by providing multiple perspectives on the phenomenon of interest and reducing the potential biases associated with relying on a single data source (Parry et al., 2013). It also allows for a more comprehensive understanding of the research topic. Parry et al. (2013) emphasise that it also helps identify potential biases or limitations in research. Such analysis ultimately leads to more robust and reliable conclusions and real-world scenarios. This type of analysis helped ensure the validity and effectiveness of the research findings in informing decision-making and driving positive change.

## **4.10 Ethical Consideration**

Marczyk et al. (2010) believe that almost all studies with human participants come with some degree of risk, which poses an ethical challenge for researchers. Additionally, Singh (2006) asserts that researchers who use human participants have a specific responsibility towards them. Ethical approval was obtained from GIBS masters research ethics committee (MREC) prior to commencing the study. The study complied with ethical principles of beneficence, autonomy, justice and non-malificence mentioned by Resnik (2020). The following are specific measures adopted to ensure the study is conducted ethically.

### **4.10.1 Ensuring Informed Consent**

Before collecting data, every participant was informed of the study's objectives, procedures, potential risks and benefits as relayed in the study's information letter, then participants had to sign an informed consent form, thereby guaranteeing their voluntary involvement and their awareness of the goals of the research. This process ensured that the autonomy of the study participants was maintained.

### **4.11 Ensuring Confidentiality and Anonymity**

Ali (2023) advocates that maintaining confidentiality throughout the research process will help to safeguard participant identities and guarantee ethical treatment of delicate material. Confidentiality, according to Ali (2023), is the act of not revealing private study material to unapproved third parties without the express permission of the respondents. Anonymity was maintained by removing personal identifiers and using pseudonyms for the organisation running the CSR project, the community and the study participants when presenting the data. To maintain confidentiality, the data management plan included storing audio-files and transcripts in a password-protected universal serial bus (USB) accessible to only the researcher and set to self-delete in 5 years.

### **4.12 Limitations and Delimitations**

According to Saunders et al. (2019), almost every research study has its limitations. Limitations include the study's qualitative scope, which limits generalisability. The study is also geographically bound to a single community and organisation. Delimitations include the focus on CSR initiatives with at least one year of implementation history.

#### **4.12.1 Study Limitations:**

This study focused on a single case, specifically one organisation and its community, which provided rich contextual insights was inherently limited. The use of purposive sampling further limited the ability to generalise findings as not all project stakeholders could be selected in the study. Moreover, as this study was qualitative in nature, the research acted as an instrument of inquiry, introducing potential bias, though reflexivity and triangulation mitigated this risk. Lastly, time and resource constraints limit the variety of CSR initiatives that could be covered.

#### **4.13 Chapter Summary**

The chapter detailed the methodological framework employed to explore the effectiveness of CSR in enhancing community development and social welfare. The choice of the qualitative case design, target population and sampling strategy is justified; moreover, the data collection and analysis processes are outlined as well as measure to ensure validity and ethical integrity. The next chapter presents the thematically analysed findings.

## CHAPTER 5: DATA ANALYSIS AND PRESENTATION

### 5.1 Introduction

This chapter presents the empirical findings of the qualitative analysis of interview data on Corporate Social Responsibility initiatives undertaken at Company X in relation to community development and social welfare. The findings are derived from fourteen semi-structured interviews conducted with project team members, community members, and CSR partners. The major themes and sub-themes that represent participants' voices and perspectives are presented in alignment of the study research questions. Moreover, a brief outline of the participant characteristics, selection rationale, and the process through which data saturation was achieved. The subsequent sections elaborate on each overarching theme and its constituent sub-themes, supported by illustrative quotes from the interview transcripts to provide empirical depth to the analysis.

### 5.2 Participant Characteristics and Selection Rationale

Fourteen participants took part in the study, purposefully selected to represent a diverse range of stakeholder perspectives involved in or affected by Company X's CSR initiatives. This diversity allowed for triangulation of views across organisational hierarchies and community roles. The rationale for selection was based on the participants' ability to provide in-depth insight into CSR implementation, perceived effectiveness, and social outcomes within the context of South African community development. The final sample achieved data saturation, ensuring the completeness and richness of information.

**Table 3: Participants Characteristics**

Category	Participant Role	Number	Description
Corporate/Managerial Staff	Senior managers, sustainability and maintenance managers, CSR and stakeholder engagement officers	5	Provided organisational and strategic perspectives on CSR planning, implementation, and alignment with business goals.

Operational and Project-Level Staff	Analysts, coordinators, and site-level representatives	3	Shared insights on day-to-day implementation, challenges, and staff engagement in CSR.
Community Beneficiaries	Local entrepreneurs, scholarship recipients, youth participants	4	Reflected on the impact of CSR programs on livelihoods, education, and empowerment.
Community and NGO Partners	Local municipal liaison, school representative, NGO collaborator	2	Provided external perceptions of Company X's community partnership model and outcomes.

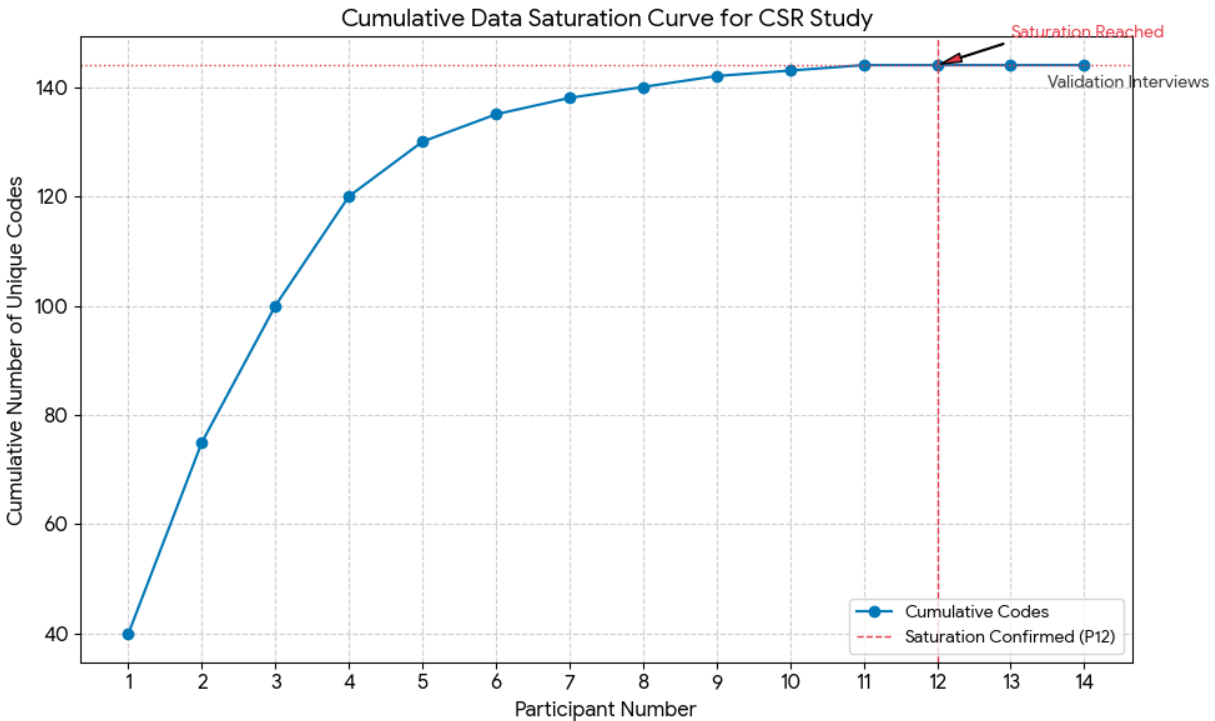
All participants had direct or indirect involvement with Company X's CSR programs between 2017 and 2024. Their tenure with or exposure to these initiatives provided both longitudinal and comparative depth to the data. Specifically, insights from senior managers elucidated strategic underpinnings, while operational staff offered granular details on practical implementation and informal assistance mechanisms. Meanwhile, community beneficiaries and partners furnished critical perspectives on the tangible and perceived impacts of these initiatives on social welfare and community development, offering a holistic view of CSR effectiveness. This triangulation of perspectives, encompassing both internal and external stakeholders, allowed for a comprehensive evaluation of Company X CSR initiatives.

Participant selection was further guided by their direct involvement, representation across multiple stakeholder categories, and geographical diversity, including Company X's CSR activities in the South of Gauteng, ensuring the capture of full spectrum of CSR influence from strategy design to community level experience.

### 5.3 Data Saturation

Data saturation was achieved after the twelfth interview, when no new codes or concepts emerged from subsequent interviews. Participants thirteen and fourteen served as validation interviews, reinforcing the themes identified earlier.

**Figure 1 Cumulative Data Saturation**



Based on the verbal description that data saturation was achieved after the twelfth interview, indicating that interviews P13 and P14 served as validation, here is the Cumulative Data Saturation Curve.

The curve demonstrates the core pattern of qualitative research: a rapid initial increase in unique codes, followed by a substantial flattening as the breadth of participant experiences is captured, ultimately confirming that new data yield no new concepts.

The plot shows:

- **Rapid Initial Growth:** The curve rises sharply through the first few interviews as most unique codes and concepts are uncovered.
- **Saturation Point:** The curve flattens completely at Participant 12 (P12), indicating that no new codes were generated from P12 onwards.
- **Validation:** Participants P13 and P14 confirmed the stability of the thematic framework, reinforcing the conceptual completeness of the dataset.

Key indicators of saturation included:

- Repetition of core ideas regarding education, empowerment, and sustainability.
- Consistent articulation of similar implementation challenges and success factors.
- Redundancy in new data, indicating conceptual completeness of the coding frame.

This ensured that the final dataset captured the breadth and depth of experiences necessary for robust thematic analysis, while maintaining the credibility and dependability of the qualitative findings.

## **5.4 Thematic Presentation of Findings**

The findings are presented under five overarching themes, each meticulously developed and supported by direct participant quotations. Each theme directly addresses specific aspects of the research questions, systematically elucidating how CSR initiatives influence empowerment, sustainability, and social development within the South African context. This presentation rigorously integrates rich descriptive evidence with insightful interpretation, providing a comprehensive understanding of the study's conclusions.

The Main Research Question: How effective are corporate social responsibility initiatives in enhancing community development and social welfare in South Africa?

All Themes collectively contribute to answering the MRQ by providing a comprehensive assessment of design, implementation, perceived impact, and limitations of effectiveness. This structured thematic analysis ensures that the emergent insights are both empirically grounded and theoretically informed, offering actionable implications for future CSR strategies and policy development. The subsequent sections meticulously elaborate on each theme, presenting robust empirical evidence and rich participant insights to substantiate the identified patterns and relationships.

### **5.4.1 Results for Sub-Question 1**

Research Sub-Question 1: How do CSR projects contribute to sustainable community development, empowerment, and resilience?

This question critically examines the mechanisms through which CSR initiatives cultivate human capacity and engender lasting change within communities. Participant responses consistently highlighted a significant programmatic evolution: a strategic pivot from conventional social aid to robust initiatives designed to foster genuine self-reliance. This shift is underpinned by a pronounced emphasis on achieving long-term sustainable impact and comprehensive human capital development. Crucially, this comprehensive approach targets foundational life skills, entrepreneurial development, and future-oriented competencies, thereby directly empowering communities for sustainable economic prosperity and enhanced social well-being.

#### **5.4.1.1 Theme 1: CSR as a Mechanism for Sustainable Community Empowerment**

This theme comprises four sub-themes that detail how CSR initiatives contribute to empowerment within communities.

##### **5.4.1.1.1 Sub-Theme 1: Human Development and Capacity Building**

From project sponsors perspectives, the intent of CSR initiatives run by company X was to prioritise enhancing individual and collective capabilities within communities, with the goal of moving beyond superficial engagement to focus on skills transfer, educational attainment, and health promotion. These initiatives were perceived as instrumental in fostering self-reliance and improving overall quality of life. The interventions were targeted at building foundational competencies, providing individuals with the tools to navigate future challenges and realise their potential. The following excerpt relays some of the sentiments from the participants:

*"The life skills program we ran there, I think, made a difference. I remember after speaking at one school, a student said she was going to really focus and apply to be a medical doctor." (P03)*

*"Life skills programs talk to quite a number of elements. They talk to overall wellness, the psychosocial element... We offer coaching on how they deal with psychological issues. In that way, we are preparing these young individuals to deal with future challenges as they grow up." (P04)*

From the beneficiaries point of views, most of which are grappling with the persistent challenge of economic exclusion, the provision of direct financial support and business coaching was seen as life-changing:

*"I can count myself in as a person that has been benefiting and grown in my business, I've got to learn a lot about the importance of business from paperwork to safety part of business remember how it's like sometimes being a businessperson in a in a local township" (P09)*

*"At the beginning, not having a means to go to school, I got a lump sum that helped with essentials, especially with the relocation to a different city... So, I think it provided that necessary building block for a foundation." (P010)*

#### **5.4.1.1.2 Sub-Theme 2: Empowerment Through Self-Reliance**

The different stakeholders saw CSR a strategic pivot from traditional charitable donations towards initiatives that actively cultivate independence and reduce communities' reliance on external aid. It was seen by some of the employees by Company X as a tool to build community resilience and addressing grand challenges through capacity building, rather than merely providing handouts. The shift emphasises enabling communities to solve their own systemic problems:

*"Another initiative is the involvement with the 'One Family One Garden' initiative where Company X looks at communities that are in need and they supply them with tools which they can use to work on their gardens. This is to ensure that they fight hunger and instill a mindset of taking initiative as a person and not wait for the government to give them the solution." (P014)*

*"...the infrastructure that we build as we give the community these opportunities, we also build infrastructure. That infrastructure helps the community to sustain themselves because once you have infrastructure, it will be there forever; it's not a once-off thing. So, the community can self-sustain itself in the long run and is self-sufficient..." (P04)*

Some of the beneficiaries view it as the empowerment model that is reinforced by entrepreneurial support, providing them with the initial resources and registration necessary to launch their own businesses.

*"I remember they did a business program for other people; they registered their businesses for them... I think it's meaningful; it's a head start. I think it's addressing the need, especially entrepreneurship." (P09)*

#### 5.4.1.1.3 Sub-Theme 3: Inclusivity and Gender-Sensitive Development

The Industrial Relations consultant also mentioned the criticality of inclusivity and gender-sensitive development within CSR initiatives.

*"I will talk about the schools... Also, regarding skills, we have run a lot of programs in relation to skills development at schools that are affecting the youth, especially, and women." (P01)*

Almost all project team members emphasised that marginalised groups should be prioritised, and Company X should put in more measures to ensure more equitable access to resources and opportunities. Moreover, participants P01 & P03 agreed that the commitment to marginalised groups should extend beyond women to include those facing social and physical barriers:

*"I wish we could go today into HIV babies that are being abandoned. That's the place where we need to go the marginalised." (P03)*

*"...I even put up a proposal to have one of the disabled schools in my location, which was approved." (P05)*

#### 5.4.1.1.4 Sub-Theme 4: Holistic Well-Being and Social Cohesion

The project team members unanimously emphasised the importance of comprehensive initiatives that address not only immediate needs but also foster long-term psychosocial resilience and robust community through sports and life skills programs.

*"We run life skills programs. Life skills programs talk to quite a few elements. They talk to overall wellness, the psychosocial element." (P04)*

*"With the sports initiatives, the kids are now able to navigate in terms of the importance of eating healthy and the importance of keeping their bodies in a good condition. I'm sure the kids that are participating in this program stay away from drugs and alcohol..." (P014)*

*"Our core mission is to empower the youth in sports and also using sports as a tool to bring the communities together through life skills." (P02)*

## **5.4.2 Results for Sub-Question 2**

Research Sub-Question 2: What are the frameworks and metrics used to measure the impact of CSR on local communities, and to what extent do they reflect local realities?

This question explores formal structures, internal processes, and the measurement of results in the various CSR initiatives. It further investigates how these frameworks capture the multifaceted dimensions of community development and social welfare, moving beyond purely economic indicators to encompass social, environmental, and cultural impacts. Furthermore, it critically assesses the inherent limitations of current metrics in adequately capturing the qualitative dimensions of community well-being and the long-term sustainability of CSR interventions, a challenge amplified by the diverse socio-economic contexts prevalent in regions like Sub-Saharan Africa.

### **5.4.1.2 Theme 2: Frameworks, Structures, and Implementation of CSR**

This theme directly addresses Research Question 2 by examining the formal and informal systems that govern Company X's CSR activities. Findings revealed a significant organisational tension between global compliance structures and the demand for localised, flexible execution, often leading to resource coordination challenges and implementation friction. The perspectives reveal a clear disconnect between the strategic intent articulated by corporate staff and the perceived efficiency on the ground.

#### 5.4.1.2.1 Sub-Theme 1: Strategic Alignment and Governance

Project team members motioned that their philosophy is that there must be strategic alignment of CSR projects and the company's governance structures. There were views that highlighted an internal push toward structural rigor and long-term sustainability. P07 states:

*"The projects we've run so far were short-term, but they have the potential for a long-term impact if they are well-structured, which I think is something we are still currently working on. Ideally, a CSR project should be long-term and full circle. ... Previously, we did not have a structure where we could measure. However, we recently created a CSR strategy and a CSR policy. Once implemented, it will allow us to monitor and evaluate the impact." (P07)*

However, participant P04 highlights the complicated existence of the global mandates, and that Company X is cushioned:

*Company X is cushioned by the global "WeConnect" foundation, which has caused them to delay local CSR implementation until mid-year, running the two things separately instead of concurrently. (P04)*

Participant P03 further argues that the Global mandate directly imposes a Eurocentric priority bias, making it difficult to address high-priority African social challenges:

*Company X is sometimes limited by the Global We Connect mandate, making it difficult to address critical South African issues like sanitation, water scarcity, or paraffin lamps. He states, "I wish we could go today into HIV babies that are being abandoned. That's the place where we need to go the marginalised." (P03)*

The challenge was perceived as not just internal but extends to external government relationships. Participant P06, the municipal liaison, confirms the formalised nature of the relationship through an official document but emphasises the lack of governance flexibility:

*"The working agreements between the Municipality and Company X are outlined in a Project Charter, which he suggests needs to be realigned and contextualised due to constant change in prevailing conditions." (P06)*

#### 5.4.1.2.2 Sub-Theme 2: Participatory Planning and Co-Creation

The general view amongst participants highlighted the importance of involving community stakeholders in the planning and design phases of CSR initiatives, emphasising the benefits of a co-creative approach. Participant P07, the project manager who was responsible for initiating planning, outlined the formal, needs-driven approach:

*“The company starts by engaging with community stakeholders to find out what their needs are; they do not limit them. Analyse the needs to see what is doable and what would align with global goals before designing the project.” (P07)*

The beneficiaries' perspective (P014) validates the premise that this planning is effective in targeting priorities and managing secondary expectations:

*“The organisation ensures they are not just pushing corporate goals by engaging with the community first to understand their needs and focusing on the main priority. They are willing to address secondary needs later.” (P014)*

#### 5.4.1.2.3 Sub-Theme 3: Localised and Adaptive Implementation

The projects sponsor revealed the need for CSR implementation to be localised and adaptive to specific contexts, moving away from what he felt was standardised, top-down approaches. The need for Afrocentric adaptation is strongly articulated by P03, demonstrating a critical awareness of cultural and developmental context:

*“You are trying to rationalise it in a normal Eurocentric way, but if you feel it through your heart in an Afrocentric way, it's totally different. That's probably why CSR has to be different.”*

This belief in local adaptation is re-emphasised by the recommendation made by P07, who pushes for decentralisation:

*“No, I think the structure should be designed per business unit or country...we will not be able to solve the same problem at the same speed or with the same resources.” (P07)*

#### 5.4.1.2.4 Sub-Theme 4: Challenges in Coordination and Resources

The Industrial Relations consultant noted that there are challenges related to coordinating efforts and securing adequate resources for CSR initiatives, impacting their reach and effectiveness. P01 highlights the narrow focus and limited resources from the perspective of an external collaborator:

*"I think the significant contributions I will talk about the schools... I think on a scale of 1 to 10, where 10 is the best, I will give Company X a two when it comes to that." (P01)*

This low rating was directly attributed to the failure to address other critical needs (like health), demonstrating the impact of resource constraints on perceived effectiveness. Internally, participant P04 attributes resource issues directly to structural failings:

*"We Connect came through for us because it makes us focus on the We Connect project a lot, and then by mid-year, that's when we start realising that, 'Oh, okay, let's push our internal CSR now'." (P04)*

This sequential scheduling was seen to compromise the allocation of local resources. Furthermore, the consequence of resource constraints is the inability to meet the scale of need, leading to stakeholder disappointment, as noted by P08: highlighting that *"it's never enough for everyone."* The project manager, P07, highlights that resource scarcity leads to avoiding high-need communities for fear of creating unfulfillable promises:

*"We avoid engaging with the community a lot because sometimes they misunderstand and create high expectations. This misunderstanding has caused tension, such as community strikes..." (P07)*

#### 5.4.1.3 Theme 3: Monitoring, Evaluation, and the Question of Impact

This theme critically examines the processes and metrics Company X employs to assess the effectiveness and durability of its CSR interventions. Findings reveal a significant reliance on informal, experience-based feedback currently, coupled with an urgent internal drive toward formalising measurement tools. This dual perspective highlights the gap between philosophical

commitment to long-term change and the current structural limitations in verifying sustained outcomes.

#### **5.4.1.3.1 Sub-Theme 1: Informal and Experience-Based Evaluation**

A few participants agreed that while formal impact measurement frameworks are sometimes lacking, a significant portion of evaluating CSR effectiveness relies on qualitative observations and anecdotal evidence from community members and program facilitators. They admitted that there was no structured approach for systematically tracking the long-term impact of interventions, often depending on self-reported improvements and observational insights from community members.

*"I observe them when we start the program; they are tentative, and their confidence levels are not as high. But watch them give their speech in the annual event. You are taking a child whose public speaking skills were not the greatest, and suddenly, they stand up there. They can speak and are confident. For me, that's important." (P03)*

However, this reliance on experience-based metrics (e.g., confidence, self-reported change) is internally contrasted with the perceived lack of structural follow-through. Participant P01, an industrial relations consultant, highlighted this weakness in procedural consistency:

*"They are temporal interventions... we do not have a structured program that speaks to the long term. It is only the short term, and we are not even following up." (P01)*

Conversely, an operational staff member, P014, offered a counter-perspective, confirming that follow-up procedures do exist at the project level, but acknowledged the challenge that impact often lags implementation:

*"I think in terms of measuring; at times you will not realise the results if you did an initiative yesterday or this year; you can only realise the results the following year. I know at Company X with the initiatives we are doing, we do follow-ups." (P014)*

#### **5.4.1.3.2 Sub-Theme 2: Emerging Formal Frameworks and Tools**

The project manager noted active efforts toward establishing more formal frameworks for CSR. These emerging tools were viewed as a strategic pivot towards institutionalising evaluation and measuring longer-term impact, reducing reliance on informal assessment. This transition, however, is a recent development, underscoring the fragility of the shift from the old system:

*"Company X recently created a CSR strategy and a CSR policy. Once implemented, this will allow them to monitor and evaluate the impact and set targets." (P07)*

While the launch of a formal internal strategy is a positive structural step, another project-level staff member, P05, argued that new metrics must go beyond merely updating internal reporting and must focus on the primary stakeholder—the community. Participant P05 suggests that internal measures, such as post-project evaluations, are insufficient on their own:

*"While they currently complete an internal evaluation form at the end of a project, Company X needs to look at something that offers direct feedback from the community to measure impact." (P05)*

#### **5.4.1.3.3 Sub-Theme 3: Longitudinal and Sustainable Impact**

Some participants believed that CSR initiatives should aim for sustained change that extends beyond immediate relief, thereby fostering self-sufficiency and empowering communities to drive their own development. This belief was consistently expressed across all stakeholder categories, demonstrating a shared vision of impact. Participant P07, a strategy-focused manager, defined this ideal state as a "full circle model":

*"The initiatives have the potential of being long-term if Company X can implement a strategy that creates a full circle model of support, from youth to adulthood." (P07)*

This concept was echoed by the senior manager, P03, who articulated impact as a "movement" designed to prevent a return to the original problem:

*"Company X cannot change communities on an event; they have to change them on a process, creating a movement of mindsets, young talent, and capability." (P03)*

The collaboration dynamics confirmed that this philosophical commitment translated directly into material infrastructure designed for long-term utility. P04 the project sponsor by highlighting the difference between temporary aid and lasting assets:

*“Company X is committed to long-term impact and long-term sustainability. The infrastructure they build helps the community to sustain themselves and be self-sufficient for future projects.” (P04)*

Moreover, the external collaborator, P02, provided concrete evidence of how upskilling leads to sustainable livelihood, confirming the long-term impact model:

*“By upskilling coaches to gain employment, the initiative is more than just an activity; it's job creation that also helps them in their livelihood and is a sustainable initiative.” (P02)*

Finally, the experience of a beneficiary, P09, confirmed that even smaller, targeted financial solutions are viewed not as one-off charity, but as critical foundational steps toward self-sufficiency:

*“The financial aid provided the necessary building block for a foundation.” (P09)*

#### **5.4.1.3.4 Sub-Theme 4: Gaps and Limitations**

Nine of the 14 participants in agreement consistently identified various gaps and limitations in current CSR initiatives, highlighting areas where impact was constrained or less effective. These limitations included Eurocentric bias, structural oversight, narrow focus, and political barriers. The view, articulated by P03, highlighted the disconnect between global CSR mandates and local African realities:

*“Company X is missing the boat on CSR by operating with a Eurocentric mentality, which limits them from addressing critical African issues like sanitation, water scarcity, paraffin lamps, and the needs of babies and the elderly.” (P03)*

This narrow focus was corroborated by the industrial relations consultant, P01, who provided a low rating for the overall effort due to neglecting key social components:

*"Company X has a significant neglected aspect in health, as requests from clinics have not been addressed. He rates Company X's contribution as a 'two on a scale of one to ten' due to this narrow focus." (P01)*

A crucial limitation regarding structural capacity was revealed by P04, reflecting a governance failure in maintaining continuity and commitment:

*"The organisation needs a structured and committed committee, as the previous committee suffered from low commitment/attendance issues." (P04)*

The discontinuity in management lead to a discontinuity in a project as recounted by a project manager P05:

*"A specific project for a disabled school was approved but never implemented due to a change in management, leading to a lost opportunity and community disappointment." (P05)*

The constraints were also external. P08 the NPO highlighted the unmanageable scale of need encountered during execution:

*"The biggest challenge on the ground is that the assistance is 'never enough for everyone'; Company X should always think of the worst-case scenario regarding needs." (P08)*

Finally, a geographic bias was noted by the project member P014:

*"There is a geographical gap where it is easier to reach communities that have roads and Wi-Fi, which risks 'leaving out communities that are really in need'." (P014)*

#### 5.4.3 Results for Sub-Question 3

Research Sub-Question 3: What are the perceptions and experiences of stakeholders in the local community regarding the design, transparency, and long-term commitment of corporate actors? This question focuses on stakeholder subjective views, relationships, and the non-financial/relational aspects of CSR.

#### 5.4.3.1 Theme 4: Stakeholder Perceptions and Relationships

This theme investigates the subjective lens through which the community and partners view Company X's CSR efforts, focusing on the relational aspects critical for building legitimacy and social capital. Findings reveal that authenticity, transparency, and localised relationships are more valued than the scale of the financial contribution, directly addressing Research Question 3.

##### 5.4.3.1.1 Sub-Theme 1: Authenticity and Trust

The project sponsor perceived genuine concern as more impactful than mere compliance. The internal, management-level perspective (P03) revealed an acknowledgement that the corporate narrative must shift away from brand management toward ethical commitment:

*"We've related CSR strongly to our brand, but we need to relate CSR to humanity." (P03)*

This shift is supported by a project team member (P014), who observed that CSR effectiveness is driven by the internal motivation of the staff executing the projects. This authenticity is powerfully reinforced by the physical presence of local staff, which builds trust and legitimacy:

*"Mostly when we do these initiatives, it's people who are aligned with the fact that they want to help the communities... By doing that, we demonstrate that we are passionate about making a change in these communities..." (P014)*

This feeling that the work is heart-driven is validated by the direct experience of the beneficiaries, who view the support as fundamentally sincere and visible:

*"I could even talk to them if I had struggles. And they were very approachable. It didn't feel like they were leaders of the corporate world somewhere. I think they are there. They're willing to help. They even said to themselves that if you need anything, always feel free to say so. So, I think they are there. They're visible." (P010)*

*"I'm a product of Company X; I was assisted that year... So, I personally don't think it's just a tick box they are required to do according to the law." (P011)*

#### 5.4.3.1.2 Sub-Theme 2: Communication and Awareness

Views across roles indicated a significant gap in communicating the company's efforts. A beneficiary (P011) highlighted the most critical consequence of poor awareness: limited community access to resources. This individual stated:

*"I think they need to be more active in going out to make the community aware. I don't think many learners know that they can go to Company X and ask for assistance in terms of school resources..." (P011)*

#### 5.4.3.1.3 Sub-Theme 3: Partnerships and Collaboration Dynamics

Different participants categories indicated that the effectiveness of CSR initiatives was significantly influenced by the nature of partnerships and collaboration dynamics between Company X and various community stakeholders. The most formal collaboration dynamic is with the municipality, articulated by the liaison (P06), which structures the entire engagement:

*"Along the way, we were able to discuss and draw up agreements that define how we will work together, cooperate, and collaborate. The agreements I am alluding to are outlined in the Project Charter..." (P06)*

However, the collaboration strategy also heavily relies on NGOs and NPOs, with P07 highlighting the need to strengthen these external partners to ensure sustainability and quality. The importance of the municipal partnership is also emphasised as a channel for needs assessment, as stated by P01:

*"Company X needs to invest in getting local NPOs to be more compliant and accredited. If they have that, they can work with them on a long-term basis." (P07)*

*"I think since we are partners with the municipality, it is to look at those requests that are affecting health and social responsibility..." (P01)*

#### **5.4.3.1.4 Sub-Theme 4: Community Voice and Inclusion**

The project participants emphasised the importance of integrating community voice and ensuring inclusion in the design and implementation of CSR projects to enhance their relevance and perceived effectiveness. The issue of Community Voice is inextricably linked to awareness, as highlighted by P011 (beneficiary) and P07 (staff):

*"I think they need to be more active in going out to make the community aware. I don't think many learners know that they can go to Company X and ask for assistance in terms of school resources..." (P011)*

*"Company X needs better community outreach or engagement." She also notes, "We do a lot of good work, but the community doesn't know about it." (P07)*

#### **5.4.3.2 Theme 5: Barriers, Risks, and Improvement Pathways**

This theme addresses Research Question 3 by synthesising the structural, political, and organisational risks that impede Company X's CSR effectiveness. The theme concludes with the opportunities identified by participants for strengthening implementation, emphasising a focus on systemic solutions over one-off interventions.

##### **5.4.3.2.1 Sub-Theme 1: Structural and Resource Limitations**

The internal staff frequently identified structural and resource limitations as significant barriers impacting the scope and sustainability of CSR initiatives. The primary limitation highlighted was an internal governance failure, exposed by the lack of commitment from the oversight body. P04, an operational staff member, described the consequences of this organisational deficit:

*"I think we need to have a structured committee that is committed. We tried to have a committee, but we would get to the committee to present the issues, and by the third meeting of the year, you only have three people attending a meeting." (P04)*

This structural weakness is compounded by financial constraints, often imposed by the global allocation system. P03, a senior manager, acknowledged that limitations exist because the company often operates outside of its designated global budget for local initiatives:

*"...we don't address all of them. I think sometimes we are limited, and we don't put budgets on these other activities outside of the X amount we put for We Connect." (P03)*

The consequence of these limitations is felt by implementers. P013, a project-level employee, confirmed the impact on project quality:

*"I've had experiences with the budgets where I had to cut down on some of the things I wanted to use. So, definitely the budgets." (P013)*

Beyond financial scarcity, the most significant risk is the loss of goodwill and trust due to the inability to follow through. P05 recounted a definitive structural failure:

*"I even put up a proposal to have one of the disabled schools in my location, which was approved. Unfortunately, it was never implemented due to a change in management." (P05)*

#### **5.4.3.2.2 Sub-Theme 2: Geographic and Access Inequalities**

The project team member revealed that geographic and access inequalities posed challenges to ensuring equitable distribution and reach of CSR initiatives, potentially leaving out certain communities. The logistical bias was summarised by P014, an implementer who highlighted the inequitable nature of outreach:

*"I think maybe the limitations are with the communities which do not have many resources. At times, it's easier to go to the community that has a road, and we end up leaving communities that do not have roads." (P014)*

This disparity reinforces the marginalisation of those with the greatest need, such as the communities served by the disadvantaged schools P05 mentioned. A senior manager, P03, linked this local access challenge to the broader strategic failure of Eurocentric mandates:

*"I think we can do so much more, but I need to put a South African hat on. For me, it's about going into the marginalised areas where people are still battling for clean water." (P03)*

The impact of this geographical and preferential bias is reflected in stakeholder perception. P01, an external partner, articulated the consequences of this narrow focus:

*"...in a nutshell, the perception is at 30%. What they are doing is at 30%; they still have 70% that they need to do. They still feel that the Company X programs are only focusing on a certain specific type of people or type of age" (P01)*

#### 5.4.3.2.3 Sub-Theme 3: Organisational and Political Challenges

Participants identified various organisational and political challenges that could hinder the smooth implementation and effectiveness of CSR programs, often creating friction and undermining trust. The internal organisational risk is again evident in the failure of the governance committee, as stated by P04:

*"I think we need to have a structured committee that is committed... by the third meeting of the year, you only have three people attending a meeting." (P04)*

A further internal barrier, noted by P03, is the unclear decision-making process for projects initiated outside of the core global mandate:

*"...I think there is a gap there, but it's not just me. We have enough people... You'll see when we have these things outside the We Connect mandate..." (P03)*

The political challenge is articulated by P06, the municipal liaison, who advised caution in governmental engagement:

*"If you want to engage with NGOs, just invite the NGOs directly and engage them without involving or with less involvement from the political parties in the community, because they tend to be destructive..." (P06)*

The most significant external risk is the management of community expectations. P07, a manager, detailed the defensive strategy required to mitigate this risk:

*"We avoid engaging with the community a lot because sometimes they misunderstand and create high expectations. This misunderstanding has caused tension, such as community strikes..." (P07)*

Finally, the procedural failure articulated by P05, where an approved disabled school project was terminated due to a change in management, represents a profound risk to procedural and relational legitimacy.

*"Unfortunately, it was never implemented due to a change in management." (P05)*

#### **5.4.3.2.4 Sub-Theme 4: Opportunities for Strengthening CSR**

Some participants offered numerous suggestions and identified opportunities for strengthening CSR initiatives, emphasising improved structure, collaboration, and a focus on deeper community needs. The opportunities fall into three categories: Strategic Focus, Systemic Improvement, and Collaborative Action.

Strategic Focus: P03 called for broadening the target demographic to foundational age groups:

*"I wish we could spend more time with babies and creches. I feel very comfortable with that, but we are targeting youngsters in schools..." (P03)*

Systemic Improvement: P07 called for formalising the ad-hoc approach with clear guidelines, stating:

*"My recommendation is to have a proper structure and clear requirements... choosing three global goals and making it known that Company X works with them." (P07)*

This is complemented by P04's call for fixing the core governance weakness:

*"I think we need to have a structured committee that is committed... We have started again; we've scheduled all the meetings for the rest of the year. We've tried to resuscitate the committee." (P04)*

Collaborative Action: P01 highlighted the need to leverage existing relationships to address underserved needs like health:

*" So far, we've only invested a lot in education because we feel that once young people are educated, they themselves can come back into the community to provide solutions related to health and the quality of life. We haven't had an opportunity to invest in health and welfare on a bigger scale." (P07)*

Finally, P01 suggested leveraging corporate power to drive multi-stakeholder collaboration:

*"Maybe if we can partner as well with other companies, also with the municipality, to try to come up with a training centre to train people on artisan skills and so forth." (P01)*

## **5.5 Conclusion**

Across the data, CSR initiatives implemented by Company X were perceived as embodying a paradigm of evolving impact, marked by both profound human successes and critical systemic limitations. Participants consistently described CSR not merely as a bridge between corporate objectives and societal needs, but as a transformative catalyst dedicated to fostering empowerment through education, specialised skills development, and authentic community partnerships.

The thematic analysis definitively established that Company X has successfully shifted its programmatic focus from transactional aid to capacity building. Analysis affirms that initiatives emphasising Empowerment Through Self-Reliance and Holistic Well-Being contribute measurably to social welfare and long-term community resilience, particularly through upskilling coaches and supporting local entrepreneurship.

However, the efficacy of this commitment is significantly constrained by structural and governance limitations. A fundamental tension exists between the adherence to Eurocentric global mandates

(Theme 3) and the urgent call for addressing critical Afrocentric, marginalised needs (Theme 5), such as sanitation and health. Critically, the current approach relies predominantly on Informal and Experience-Based Evaluation (Theme 2), creating a severe deficit in accountability, as articulated by the consistent lack of structured metrics and longitudinal follow-up.

Ultimately, participants' narratives suggest that Company X's CSR framework achieves its greatest success not through its financial scale, but through the Authenticity and Trust (Theme 4) cultivated by passionate, localised staff. To transition from an impactful but structurally limited model to a truly sustainable and resilient framework, deliberate investment is required in Emerging Formal Frameworks and Tools (Theme 2) to correct deficits in monitoring, transparency, and equitable geographic outreach.

## CHAPTER 6: DISCUSSION

### 6.1 Introduction

This chapter interprets the findings presented in Chapter 5 through a theoretically informed and literature-anchored discussion. It analyses the empirical findings by relating them systematically to the foundational theories and current literature established in Chapter 2. The discussion draws primarily upon the Stakeholder Theory, which provides the ethical and relational mandate (Freeman et al., 2021), the Creating Shared Value (CSV) paradigm, which offers the strategic mechanism for mutual economic and social benefit (Menghwar & Daood, 2021), and contemporary critiques of Corporate Social Responsibility (CSR) effectiveness. The urgency of this analysis is underscored by South Africa's enduring legacy of structural inequality and socio-economic disparities (Cheruiyot-Koech & Reddy, 2022). This context mandates that corporate engagement must transcend symbolic gestures toward tangible, measurable social change and economic upliftment.

Results are compared to existing literature to extend the body of knowledge on enhancing CSR initiatives.

### 6.2 Discussion: Research Sub-Question 1

<b>Sub-Question One</b>	How do CSR projects contribute to sustainable community development and improve social welfare?
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#### 6.2.1 Theme 1: CSR as a Mechanism for Sustainable Community Empowerment

Theme 1 revealed that Company X's CSR initiatives were widely experienced by participants as mechanisms that promoted human development, enhanced self-reliance, supported inclusivity, and contributed to psychosocial well-being. When these participant perspectives are compared with the academic literature, strong convergence emerges, though the findings also enrich and broaden certain theoretical discussions on empowerment and capability development.

### **6.2.2 Human Development and Capability Building**

Participants repeatedly described CSR interventions that enhanced life skills, psychosocial wellness, academic opportunities, and future-oriented competence. Statements such as P04's description of programmes that develop "overall wellness, the psychosocial element" and P010's reference to financial support creating a "building block for a foundation" demonstrate a clear orientation toward capability enhancement. This resonates with Sen's capabilities approach, which positions human development as the expansion of individual potential and social freedoms (Ensor et al., 2021). Scholars such as Kargbo et al. (2025) and Carroll (2021) likewise argue that effective CSR in developing contexts must address systemic deficits in education, skills, and psychosocial resilience rather than merely providing philanthropic relief.

However, what participants add to this discussion is the emphasis on psychosocial support as a developmental asset. While classical CSR literature often focuses on education or economic upliftment, the participants' reflections illustrate that self-esteem, confidence, and psychological readiness are equally vital for long-term empowerment. When P03 noted how a previously shy learner could confidently address an audience after participating in a life skills programme, this suggests empowerment as an internal transformation rather than a solely economic or educational outcome. Thus, while the findings support the mainstream developmental CSR literature, they also extend it by emphasising psychosocial dimensions that are less foregrounded in traditional CSR scholarship (Sharofiddin et al., 2024).

### **6.2.2 Empowerment Through Self-Reliance**

Participants also framed Company X's CSR as a pivot away from dependency and toward self-sufficiency. Initiatives such as the One Family One Garden programme or support for entrepreneurial registration were interpreted as empowering communities to solve their own challenges. P014's statement that the gardening initiative instils a mindset of "taking initiative as a person and not waiting for the government" exemplifies this shift. This interpretation closely aligns with work by Sharofiddin et al. (2024) and Fan et al. (2025), who argue that empowerment-focused CSR strengthens local agency and resilience, enabling communities to break cycles of structural vulnerability. Similarly, Porter and Kramer's shared value framework encourages interventions that improve local productivity and enhance self-reliance (Roszkowski-Menkes, 2021).

Furthermore, participant testimonies underscore the role of infrastructure as a durable instrument for empowerment. As articulated by P04, the enduring nature of infrastructure ensures its perpetual availability, thereby facilitating subsequent initiatives and promoting sustained community development. This tangible, material aspect enriches empowerment theory by illustrating that empowerment extends beyond behavioral or cognitive transformations to encompass infrastructural and environmental provisions (Munkuli et al., 2024). Consequently, these findings corroborate existing shared value literature, while simultaneously expanding it by emphasising the persistent importance of physical assets within empowerment frameworks.

### **6.2.3 Inclusivity and Gender-Sensitive Development**

Some participants' reflections on the importance of including women, disabled individuals, and other marginalised groups align strongly with both global and South African literature that positions inclusivity as central to effective CSR. P01 and P03's emphasis on supporting women and marginalised children reflects wider scholarly recognition that inclusive CSR enhances social equity, reinforces fairness, and aligns with ESG expectations (Adeola, 2024; Cheruiyot-Koech & Reddy, 2022).

These findings, also bring to light populations often overlooked in existing literature, such as infants affected by HIV (as noted by P04) and disabled learners (as observed by P06). This suggests that participants conceptualise inclusivity in more expansive, humanistic ways than typically accommodated by conventional CSR frameworks, which are often critiqued for their superficiality or limited scope (Sharofiddin et al., 2024). This provides novel empirical insights into African CSR discourse, which increasingly advocates for a deeper alignment between CSR practices and local vulnerabilities. Consequently, the findings corroborate existing inclusivity research while simultaneously broadening its scope to highlight less represented beneficiary groups (Scelles et al., 2024).

### **6.2.4 Holistic Well-Being and Social Cohesion**

Participants identified sports programmes, life skills training, and wellness activities as contributors to social cohesion, behavioural change, and mental well-being. These findings align with Fiandrino et al. (2022) argument that CSR increasingly encompasses psychosocial

interventions that strengthen community relationships and collective resilience. They described youth avoiding drugs and alcohol due to sports initiatives, echoing Mahmud et al. (2020) findings that sports-based development programmes reduce social risk behaviours and enhance cohesion.

The literature often emphasises economic and infrastructural dimensions of CSR, but participants' experiences foreground the relational and psychosocial benefits of corporate engagement. This not only supports emerging scholarship on psychosocial CSR but also enriches it by showing how such interventions operate within industrial communities in South Africa. This perspective illuminates how CSR can transcend purely transactional engagement to foster deeper social capital and address complex societal issues beyond mere economic metrics (Cheruiyot-Koech & Reddy, 2022).

### **6.2.5 Conclusion for Theme 1**

Collectively, the findings from Theme 1 are consistent with existing literature on empowerment-oriented Corporate Social Responsibility, stakeholder value creation, and sustainable development. These findings extend current understanding by foregrounding psychosocial empowerment and infrastructural durability, aspects often marginalised in conventional CSR frameworks. The research strengthens stakeholder theory by demonstrating that fostering capabilities, promoting inclusivity, and enhancing well-being are crucial for cultivating community legitimacy and trust (Mahmud et al., 2020).

Theme 1 not only aligns with established scholarship but also extends it by underscoring the conceptual significance of psychosocial transformation and sustainable infrastructure as integral mechanisms for empowerment. No direct contradictions to the existing literature were found within this theme; rather, the findings provided deeper contextual insight and expanded on existing theoretical constructs.

### **6.3 Discussion: Research Sub-Question 2**

<b>Sub-Question Two</b>	What are the frameworks and metrics used to measure the impact of CSR on local communities?
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**6.3.1 Theme 2: Monitoring, Evaluation, and the Question of Impact**

The second theme reveals a critical tension within Company X’s CSR approach. While the company aspires to long-term community transformation and participants repeatedly express a philosophical commitment to sustainable change, the mechanisms required to measure and substantiate such impact remain fragmented, informal, or newly emergent. Comparing participants’ observations with existing literature exposes significant consistencies with long-standing critiques of CSR in developing economies, while also highlighting unique contextual insights that extend current debates.

**6.3.2 Reliance on Informal, Experience-Based Measurement**

Many participants acknowledged that CSR impact is often assessed through informal observations rather than structured metrics. For example, P03 described evaluating success by watching how learners’ confidence improved during public presentations, while others noted that community feedback tended to be anecdotal rather than systematically captured. This reliance on subjective impressions mirrors broader criticisms raised by scholars such as Scelles et al. (2024), and Hall et al. (2021), who argue that CSR in Africa frequently lacks robust monitoring tools, leading companies to evaluate projects based on perceived enthusiasm, individual testimonials, or visible outputs rather than measurable social outcomes.

The participants’ reflections therefore support this critique, as they reveal organisational dependence on perceptual evaluations whether confidence, behavioural changes, or community gratitude. Scholars have long warned that such informal approaches obscure long-term effectiveness and allow corporations to overestimate impact (Barnett et al., 2020; Saka-Helmhout et al., 2021). Your findings confirm this pattern while illustrating it through rich empirical detail.

**6.3.3 Weak Follow-Up and Fragmented Continuity**

Participants repeatedly emphasised a lack of systematic follow-up with beneficiaries. Some framed this as a structural weakness, while others explained it because of resource limitations or shifting management priorities. P01’s observation that the organisation “does not follow up” and

P05's account of a project approved but never implemented due to leadership change demonstrate discontinuities that are not only operational but relational. This mirrors concerns in African CSR literature that highlight short-termism and project fragmentation as central obstacles to sustainable corporate impact. Participants' perspectives echo these academic findings, revealing that CSR may achieve initial success but risks losing momentum without formalised systems of accountability. Thus, the study's findings support existing literature but also extend it by showing how leadership turnover and governance challenges directly undermine continuity within a corporate CSR program. This systematic failure in adherence to stated strategic goals exemplifies policy-practice decoupling, where the formal commitment to long-term impact is undermined by inconsistent operational execution and governance fragility.

### **6.3.4 Emerging but Underdeveloped Formal Frameworks**

Several participants referenced new CSR strategies and policies recently introduced within the organisation. While this indicates a shift towards institutionalisation, participants admitted that these frameworks still lack operational clarity and have not yet transformed practice. This transitional phase reflects (Carroll, 2021) distinction between implicit and explicit CSR, where organisations move from informal, culturally embedded CSR to more formalised, policy-driven approaches.

The participants' recognition that the company is "working on" establishing structured impact measurement aligns with the global shift toward ESG-aligned metrics and SDG-linked indicators (Sim & Kim, 2024). However, scholars such as Tyan et al. (2024) warn that organisations often experience policy-practice decoupling, whereby formal commitments exist at the strategic level but are not reflected in actual implementation.

These findings support this critique, indicating that Company X is only beginning to transition towards explicit CSR, and its operational mechanisms remain underdeveloped. Consequently, the participants' observations both confirm established academic criticisms and provide detailed, context-specific empirical insights into the disconnect between policy and practice within a South African industrial firm. This gap between policy articulation and practical implementation indicates a persistent challenge in translating strategic CSR objectives into tangible, measurable outcomes, especially when compared to the rigorous impact evaluation methodologies employed in development economics (Barnett et al., 2020).

#### **6.3.4 Longitudinal Impact and Sustainability Aspirations**

Participants expressed a clear belief that CSR should be long-term and developmental rather than event based. For instance, P07's reference to a "full circle model" from youth to adulthood reflects a desire for CSR that builds lasting community resilience. This is consistent with theories of transformational CSR put forward by Bhattacharya et al. (2020), and with sustainable development scholars such as (Sharofiddin et al., 2024), who argue that corporate impact is maximised when interventions unfold over long time horizons.

However, participants also acknowledged that the organisation's current measurement systems are not yet capable of tracking longitudinal impact. This discrepancy between aspiration and operational capacity reflects the tension described by Bouwens and Rossouw (2020), who found that many South African corporations articulate long-term ambitions but lack the monitoring infrastructures to substantiate them.

#### **6.3.5 Eurocentric Bias and Misalignment with Local Realities**

The most distinctive contribution of Theme 2 arises from participants' observation that global CSR mandates often impose Eurocentric priorities that do not fully reflect South African realities. Participants noted that pressing local needs such as sanitation, access to clean water, infant welfare, and rural marginalisation receive less attention due to global directive constraints. This gap is a critical manifestation of **policy-practice decoupling**. Although the company possesses a formal CSR policy (the "policy"), the overriding influence of the global, often Eurocentric, mandate (the "practice") means that locally relevant issues (like sanitation, as noted by P03) are strategically overlooked in favour of more globally aligned objectives. This structural constraint, coupled with the internal governance fragility discussed earlier (e.g., low committee attendance and project termination due to management changes ), prevents the company from translating its expressed purpose into meaningful action that addresses core local needs. The findings thus reinforce and extend African-centered critiques of CSR by showing how global frameworks may unintentionally perpetuate exclusion or misalignment in local contexts.

#### **6.3.6 Conclusion for Theme 2**

The observed reliance on informal measurement, inconsistent follow-up, and emerging but underdeveloped frameworks strongly supports prevailing academic arguments that CSR in Africa is often fragmented, loosely structured, and insufficiently aligned with long-term developmental outcomes. However, the findings also extend current literature by contributing novel empirical insights into how global CSR mandates can distort local responsiveness and by revealing how internal leadership transitions directly disrupt continuity within CSR initiatives. These nuances enrich theoretical debates by illustrating the complex organisational and contextual dynamics that shape CSR evaluation processes in practice.

Overall, the findings both validate key strands of CSR scholarship and offer new empirical depth concerning the tensions between aspiration and execution within a South African corporate environment.

#### **6.4 Theme 3: Frameworks, Structures, and Implementation of CSR**

Theme 3 focuses on the organisational architecture through which Company X designs, governs, and delivers its CSR initiatives. Participants repeatedly emphasised the importance of structural clarity, strategic alignment, participatory planning, local adaptability, and effective resource coordination. When these perspectives are compared to the broader CSR literature, a pattern emerges: the company exhibits many of the strengths associated with evolving CSR governance, yet it also faces structural and contextual limitations that mirror longstanding critiques within African CSR scholarship.

##### **6.4.1 Strategic Alignment and Governance of CSR**

Participants described an organisation that is in the process of formalising its CSR structures. Several managers acknowledged that the company has recently introduced a CSR strategy and policy, signalling an institutional shift toward more explicit CSR governance (Dmytriyev et al., 2021). This is consistent with the transition towards formalised frameworks aligned with strategic goals. However, the findings also revealed and simultaneously complicated this transition. Participants acknowledged that these frameworks are still relatively new and not yet consistently implemented in practice (Fatima & Elbanna, 2022). P07's admission that "previously we did not have a structure where we could measure" illustrates a common gap identified by scholars. Likewise, scholars describe this pattern as "policy-practice decoupling," where the existence of

CSR strategies masks a lack of operationalisation. The participants' narratives suggest that Company X is currently navigating this gap: while the policy scaffolding is emerging, the practical mechanisms necessary for systematic execution remain incomplete.

At the same time, a unique tension arises from the interaction between global and local governance structures. Participants noted that the global foundation mandate exerts considerable influence over local CSR timelines and priorities, sometimes delaying or overshadowing community-driven needs. P04's observation that the organisation is "cushioned by the global WeConnect foundation" and therefore delays local CSR work echoes critical arguments that global CSR frameworks often impose Eurocentric priorities that inadequately reflect African social realities. This misalignment can produce CSR "managerialism," where corporate compliance with global directives outweighs the value of local responsiveness (Ehrnström-Fuentes & Böhm, 2022). This external pressure, combined with internal governance failures (e.g., low committee attendance), reinforces the operational challenge of policy-practice decoupling, where resources and attention are diverted away from contextually relevant local needs, such as sanitation and health, to meet external mandates.

#### **6.4.2 Participatory Planning and Co-Creation**

Participants across stakeholder categories consistently described participatory planning as a central feature of Company X's CSR design process. Many noted that the company begins by engaging with community members, asking them to articulate their needs and co-defining priorities before designing interventions. This reflects strong alignment with the literature on stakeholder engagement, particularly Freeman's (1984) argument that stakeholder inclusion enhances moral legitimacy and project relevance. Several participants in particular P07 and P03 emphasised that CSR planning is rooted in listening and co-creating with community stakeholders, thereby reinforcing the normative dimensions of stakeholder theory that position stakeholder well-being as an ethical organisational obligation.

The emphasis on needs-driven planning also supports the principles of Creating Shared Value (CSV). Porter and Kramer (2011) argue that shared value is created when companies identify social problems that intersect with their strategic priorities and local contexts. Company X's practice of assessing community needs before aligning them with global goals mirrors this process, suggesting an attempt to integrate community-defined issues within strategic CSR frameworks. Yet, as with governance, this alignment is not without challenges. While participatory

planning is described as genuine, the literature warns that participation without adequate resources or structural responsiveness can foster unrealistic expectations or erode trust (Saka-Helmhout et al., 2024). This is reflected in participants' accounts of community misinterpretations of CSR intentions and the occasional mistrust that arises when expectations exceed what the company can offer.

Consequently, the findings both support and nuance participatory planning literature: Company X takes meaningful steps to integrate community voice, but persistent structural constraints limit the extent to which these participatory engagements translate into fully resourced or fully implemented initiatives.

### **6.4.3 Localised and Adaptive Implementation**

A pronounced theme in participants' accounts was the importance of tailoring CSR to local contexts, with several explicitly calling for Afrocentric approaches to CSR. P03's remark that CSR must be understood "through an Afrocentric way" rather than a Eurocentric logic speaks directly to a longstanding critique in African CSR scholarship: that globalised CSR models often fail to respond to the cultural, economic, and social complexities of African communities (Makwara et al., 2023). African theorists argue that CSR in the region must embrace relational values, communalism, and context-sensitive practices rooted in Ubuntu.

Participants supported this perspective by highlighting the need for decentralised CSR structures that allow each region or business unit to design projects responsive to local conditions. P07's argument that "the structure should be designed per business unit or country" mirrors recommendations made by scholars such as Nwagbara (2020), who advocate for decentralised CSR models that respect local socioeconomic heterogeneity. In Company X's case, the desire for localised implementation suggests an organisational awareness of the limitations inherent in top-down CSR governance and a recognition that contextual responsiveness enhances effectiveness.

Nevertheless, the findings also point to challenges. While local actors within the organisation advocate for Afrocentric adaptation, resource flows and decision-making appear to remain heavily centralised, often influenced by global structures. This reinforces existing literature suggesting that African CSR often struggles to translate local insights into corporate-level decisions due to

hierarchical governance and misaligned priorities (Ivanaj et al., 2021). Thus, participants' perspectives both support the literature on the importance of localised CSR and illuminate organisational barriers that prevent full contextual adaptation.

#### **6.4.4 Coordination and Resource Constraints**

Participants described significant challenges in coordinating CSR initiatives and securing adequate resources. Concerns ranged from limited budgets and inconsistent committee engagement to the difficulty of managing community expectations. These challenges are not unique to Company X; they mirror systemic issues identified in the literature on CSR in transitioning economies.

Scholars such as Hamann (2019) and Chinyamurindi et al. (2023) argue that weak internal coordination frequently undermines corporate development initiatives in South Africa. Participants' accounts of governance committees that fail to meet consistently, or projects that collapse due to leadership turnover, align with these critiques. Notably, P05's description of a fully approved project that was abandoned due to management changes illustrates the organisational fragility that can erode community trust a phenomenon widely acknowledged in the literature on CSR legitimacy (Mahmud et al., 2020).

Resource limitations also intersect with issues of inequality and accessibility. Participants noted that high-need communities located in remote or infrastructure-poor areas are often unintentionally excluded from CSR benefits. This is consistent with literature showing that CSR tends to gravitate toward areas of easier access, inadvertently reinforcing spatial inequalities (Mahmud et al., 2020). Participants' reflections that communities without roads or adequate connectivity are likely to be overlooked highlight the same equity concerns raised by scholars studying development disparities in South Africa.

Finally, the risk associated with community expectations such as community strikes or misinterpretations of corporate intentions echoes literature on the political dynamics of CSR, particularly in contexts where community distrust of corporations or government is historically grounded (Mahmud et al., 2020). Participants' concerns demonstrate how deeply political CSR becomes in environments marked by poverty, unemployment, and governance failures.

### 6.4.5 Conclusion for Theme 3

The findings from Theme 3 demonstrate a complex relationship with existing CSR scholarship. Participants' reflections are consistent with global trends, affirming that Company X is moving towards more explicit and structured CSR governance. However, the data also corroborates longstanding academic critiques regarding policy-practice decoupling, centralised authority structures, and inadequate resource coordination, thereby highlighting the persistence of these issues in a South African context.

Furthermore, this theme extends the literature by offering concrete empirical examples of how global CSR mandates can inadvertently impede locally grounded CSR through their influence on resource allocation and decision-making. The strong emphasis on Afrocentric contextualisation and the necessity of local responsiveness, as articulated by participants, enriches existing debates on African CSR by illustrating the lived consequences of global-local governance tensions.

## 6.5 Discussion: Research Sub-Question 3

<b>Sub-Question Three</b>	What are the perceptions and experiences of stakeholders in the local community?
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### 6.5.1 Theme 4: Stakeholder Perceptions and Relationships

Theme 4 focuses on the relational dimension of CSR, exploring how communities, employees, beneficiaries, and partners perceive Company X's initiatives. The findings illustrate that authenticity, trust, communication, collaboration, and community voice are central to how CSR is experienced on the ground. When compared to the broader literature, participants' reflections reveal significant alignment with stakeholder theory and community engagement research, while also offering nuanced insights into how relational dynamics shape CSR legitimacy and impact in South Africa.

### **6.5.2 Authenticity and Relational Trust**

The most striking finding in this theme is the emphasis on authenticity as a determinant of CSR credibility. Participants consistently distinguished between CSR that is “heart-driven” and CSR that is performed merely for compliance or reputational purposes. For instance, P03’s assertion that the company must shift from CSR “linked to brand” to CSR “linked to humanity” articulates a normative expectation that CSR must reflect genuine moral commitment rather than corporate image management. This echoes early and contemporary contributions to stakeholder theory, particularly the normative arguments advanced by (Adewole, 2024), who argue that stakeholders must be treated not only as instruments for organisational success but as individuals with intrinsic worth. Likewise, the literature on African business ethics, especially studies influenced by Ubuntu philosophy, asserts that relational sincerity and mutual respect are foundational to ethical organisational conduct (Ehrnström-Fuentes & Böhm, 2022). The participants’ perspectives therefore reinforce the argument that CSR legitimacy in African contexts depends not only on the content of initiatives but also on the moral tone with which they are implemented.

Participants further revealed that authenticity is often embodied not in corporate structures, but in the people who deliver CSR on the ground. P01’s observation that the project felt “more heart-driven” because of local staff’s connection to their communities’ mirrors findings in the literature that local champions play a crucial role in strengthening the relational fabric of stakeholder engagement (Fan et al., 2025). This suggests that CSR credibility is experienced interpersonally: community members trust CSR more when it is delivered by individuals who demonstrate empathy, familiarity, and emotional investment. Such relational proximity is less discussed in mainstream CSR literature, which tends to focus on organisational structures rather than interpersonal dynamics. Thus, the findings extend existing research by offering a more granular understanding of how CSR authenticity is embodied through people rather than policies.

### **6.5.3 Communication and Equity of Access**

Communication emerged as another central theme, with participants describing significant gaps in community awareness about available CSR opportunities. For example, P011 noted that many learners “do not know that they can go to Company X and ask for assistance,” revealing a disconnect between CSR activities and public understanding. This finding aligns with stakeholder

communication scholarship, which argues that effective CSR requires transparent and proactive information flows (Andrew & Baker, 2020). Without sufficient communication, CSR becomes invisible, limiting its reach and diminishing its perceived legitimacy. The literature further suggests that communication failures can inadvertently reinforce power asymmetries, as only those with pre-existing access to information can benefit from corporate initiatives (Mahmud et al., 2020). Participants' reflections validate this critique, illustrating that communication is not merely an operational function but a mechanism through which equity of access and stakeholder participation is mediated.

The significance of collaboration also featured prominently in participants' accounts. Partnerships with municipalities, NGOs, and schools were described as essential for identifying needs, designing interventions, and implementing projects. P06's detailed discussion of the Project Charter illustrates a formalised partnership structure that governs the relationship between Company X and local government. This aligns with literature emphasising cross-sector collaboration as critical for addressing complex social issues, particularly in developing contexts where government capacity may be constrained (Adomako et al., 2024). However, participants also noted challenges associated with these partnerships, including variability in NGO capacity and political interference from community actors. These concerns reflect academic debates about the risks of uneven power relations and the politicisation of CSR partnerships (Hamann, 2019). P06's warning that political parties may become "destructive" if involved unproductively highlights the sensitive governance environment in which CSR must operate, especially in communities marked by political contestation.

#### **6.5.4 Community Voice and Relational Sustainability**

The theme of community voice and inclusion further enriches the discussion. Participants emphasised the importance of involving the community, not only in needs identification but also in shaping expectations and ensuring transparency. This mirrors participatory development literature, which argues that community input enhances project ownership, contextual relevance, and sustainability (Thampi et al., 2024). Yet, the findings also reveal tensions: while Company X strives to incorporate community voice, limited communication and misaligned expectations sometimes create misunderstandings. Such dynamics underscore scholarly observations that participation must be continuous and relational, not limited to initial consultation (Saka-Helmhout et al., 2024). Thus, the study contributes to the literature by showing that even when participatory

practices are in place, gaps in communication and resource constraints may undermine the participatory intent.

Theme 4 findings illustrate that CSR effectiveness depends heavily on relational dynamics that go beyond project design or resource allocation. The participants' strong focus on authenticity, interpersonal trust, communication, and collaboration suggests that CSR legitimacy in South African communities is fundamentally relational. This insight resonates with stakeholder theory's normative foundations and extends the literature by demonstrating how relational ethics, interpersonal presence, and locally grounded staff play a vital role in shaping community perceptions.

#### **6.5.5 Conclusion for Theme 4**

In synthesising these reflections with the scholarly literature, the findings of Theme 4 are consistent with existing theories of stakeholder engagement, providing robust support for their principles regarding the importance of relationships in CSR. Furthermore, the theme extends the literature by offering novel contributions regarding the lived social and relational dimensions of CSR, particularly in the South African context. The findings demonstrate that while traditional CSR structures and resources are important, communities ultimately judge CSR effectiveness and legitimacy by the sincerity of its intent, the integrity of its communication, and the respectfulness of its relationships. No direct contradictions to the existing literature were found within this theme; instead, the study provided deeper contextual insight into how relational dynamics shape CSR outcomes in a complex socio-cultural environment.

This further underscores the necessity of moving beyond mere transactional engagements towards fostering genuine dialogue and trust with local populations, thereby ensuring that CSR initiatives are not only perceived as authentic but also truly meet identified community needs (Mahmud et al., 2020).

#### **6.6 Theme 5: Barriers, Risks, and Improvement Pathways**

Theme 5 reveals the structural, contextual, and relational constraints that shape the implementation and perceived effectiveness of CSR at Company X. Participants' reflections on political interference, resource limitations, geographic inequities, governance inconsistencies,

and institutional misalignment provide a textured understanding of the challenges confronting CSR in South Africa. When these lived experiences are compared with scholarly literature, a clear pattern emerges: the barriers encountered by Company X closely parallel the limitations that scholars attribute to CSR in developing economies. At the same time, the findings illuminate specific local risks and organisational blind spots that extend the debate on CSR implementation in complex socio-political environments (Ehrnström-Fuentes & Böhm, 2022).

### **6.6.1 Geographic Inequity and Resource Constraints**

One of the most striking barriers identified by participants relates to geographic and infrastructural inequities. P014's concern that communities without adequate roads or connectivity risk being "left out" of CSR initiatives reflects a broader structural reality in South Africa, where access to resources is deeply unequal and spatially determined. Scholars such as (Cheruiyot-Koech & Reddy, 2022) note that CSR often gravitates toward easily accessible communities because logistical and infrastructural challenges create cost and operational barriers for corporations. Participants' reflections therefore support the literature by demonstrating how structural inequality shapes the spatial distribution of CSR benefits, often unintentionally privileging communities that are easier to reach while marginalising those most acutely in need (Mahmud et al., 2020).

This dynamic is compounded by resource constraints that limit the scale, scope, and consistency of CSR projects. Several participants voiced concerns that the company does not allocate sufficient resources to meet community needs, with P01 rating the company's CSR performance as a "two out of ten" due to its narrow focus and limited reach. These reflections closely align with the arguments of (Fan et al., 2025), who assert that CSR in developing contexts often suffers from resource insufficiency, leading to fragmented, small-scale interventions that cannot address systemic problems. The literature further argues that insufficient resources undermine CSR credibility because communities perceive corporate interventions as symbolic rather than substantive. Participants' descriptions of unmet needs and under-resourced programmes provide empirical evidence of this gap, reinforcing scholarly critiques of the inadequacy of corporate investment relative to socio-economic need (Saka-Helmhout et al., 2021).

### **6.6.2 Political Entanglements and Governance Inconsistencies**

Political dynamics constitute another major barrier identified by participants. Stakeholders noted that political interference particularly from local political actors seeking influence or visibility can threaten the neutrality and effectiveness of CSR projects. P06 warned that political actors might become “destructive” if not managed carefully, an observation that echoes (Mahmud et al., 2020) critique that CSR in Africa often becomes entangled in political agendas, power struggles, and contestations for local influence. These entanglements can distort project implementation, raise community expectations unrealistically, or provoke resistance when corporate interventions conflict with political interests. Participants’ testimonies affirm these scholarly concerns, illustrating how the political landscape surrounding CSR projects can create risks that must be navigated delicately to safeguard project integrity (Mahmud et al., 2020).

Another central barrier relates to governance inconsistencies within the organisation. Participants described the CSR committee as lacking continuity and commitment, with irregular attendance and fragmented leadership undermining execution. P04’s assertion that the previous CSR committee suffered from “low commitment/attendance issues” demonstrates how internal governance deficits can destabilise CSR implementation. Scholars have long argued that CSR effectiveness depends on internal alignment, governance stability, and organisational commitment (Tyan et al., 2024). When leadership changes lead to project abandonment as in the example shared by P05 regarding a project approved but never implemented communities experience disappointment, and trust is eroded. This phenomenon aligns with (Saka-Helmhout et al., 2024) argument that CSR governance gaps can create relational ruptures between corporations and the communities they seek to support.

### **6.6.3 Eurocentric Bias and Misaligned Expectations**

A particularly meaningful contribution of the findings lies in participants’ critique of Eurocentric CSR priorities imposed by global structures. P03’s concern that Company X operates through a “Eurocentric mentality” that fails to prioritise local issues such as sanitation, paraffin lamps, infant care, and rural vulnerabilities highlights a misalignment between global CSR expectations and African development realities. This finding directly echoes scholarly arguments advanced by Sharofiddin et al. (2024), Ehrnström-Fuentes & Böhm (2022), and Carroll (2021), who contend that Western CSR models cannot simply be transplanted into African contexts without adaptation. Participants’ reflections provide concrete examples of how global CSR mandates can inadvertently limit local responsiveness, thereby extending the literature by revealing how these

tensions manifest in contemporary corporate practice. Their critique suggests that efforts to improve CSR must begin with a deeper embrace of Afrocentric values and local knowledge, as Ubuntu-informed CSR scholarship has argued (Ehrnström-Fuentes & Böhm, 2022).

The theme also highlights risks related to community expectations and perceptions. Several participants observed that communities sometimes assume that the company has limitless resources, leading to disappointment when the scope of assistance is smaller than anticipated. This reflects broader development literature, such as (Saka-Helmhout et al., 2021), which notes that unmet expectations can undermine participatory relationships. Participants' testimonies illustrate this tension vividly: while the company seeks to meet its obligations and support communities, the scale of need described by P08 as "never enough for everyone" means that CSR programming inevitably leaves some needs unaddressed. This reinforces scholarly arguments that corporations must carefully manage expectations to avoid eroding social legitimacy (Hamann, 2019).

#### **6.6.4 Conclusion for Theme 5**

The findings from Theme 5 are consistent with existing scholarly recommendations for more effective CSR. Participants' proposed improvement pathways, such as enhancing communication, strengthening follow-up mechanisms, building internal governance stability, and adopting more locally grounded frameworks, directly mirror best practices identified by scholars like Ebekozi et al. (2024) and Bhattacharya et al. (2020). This alignment between participant suggestions and academic prescriptions indicates that the organisation possesses an internal awareness of how CSR could be enhanced, even while structural and contextual barriers currently impede these improvements.

Furthermore, the identified barriers of resource limitations, political entanglements, and misaligned global frameworks strongly support the literature's longstanding critiques of CSR implementation in developing economies. These findings also extend the scholarly conversation by providing rich empirical evidence of how these systemic and contextual barriers are experienced within a single corporate system, offering nuanced insights that both validate and deepen existing theory. No direct contradictions to the established literature were found within this theme; instead, the study provided empirical substantiation and contextualised extensions to current academic discourse.

Ultimately, Theme 5 reinforces the conclusion that CSR effectiveness cannot be understood solely through program design; it must also be analysed through the complex structural, political, and institutional landscapes in which it is embedded.

## 6.7 Discussion: Main Research Question

<b>Main Research Question</b>	How effective are corporate social responsibility initiatives in enhancing community development and social welfare?
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### 6.7.1 Organisational Culture, Alignment, and Systemic Enablers of CSR Success

The findings from Chapter 5's Theme 3 and Theme 5 highlight the crucial role of organisational culture and internal alignment in sustaining CSR effectiveness. Participant reflections revealed that employee passion, leadership commitment, and effective internal communication are decisive enablers of Company X's CSR outcomes. This observation reinforces the notion that internal stakeholders play as significant a role in CSR implementation as external communities, a critical distinction for achieving sustained impact. Indeed, the success of CSR initiatives is not merely contingent on external factors but is deeply embedded in the internal cultural fabric and strategic alignment of an organisation (Tyan et al., 2024). Leaders must cultivate a culture of purpose within their organisations, empowering employees to become ambassadors of this purpose, and ensuring authenticity and consistency in communication to build credibility and trust (Ibn-(Mohammed et al., 2024). Moreover, organisational culture forms the bedrock for elaborating and implementing effective CSR programs, intrinsically linking shared values and ways of thinking to successful outcomes (Risi et al., 2022). This internal cultural alignment also directly influences external perceptions of CSR authenticity, impacting stakeholder engagement and the potential for co-creation of value.

### 6.7.2 Internal Alignment and the Role of Employee Passion

According to Freeman's Stakeholder Theory, employees represent a critical internal stakeholder group whose engagement directly influences corporate behaviour and social outcomes.

Participants' sense of pride and fulfilment in contributing to CSR initiatives, exemplified by the statement from a beneficiary (P011), "I'm a product of Company X... So, I personally don't think it's just a tick box they are required to do according to the law," suggests the presence of what Turker terms "internal CSR" organisational practices that integrate ethical values into the employee experience. By enabling staff to participate voluntarily in community initiatives, Company X fosters a culture of shared purpose and ethical commitment. This internal alignment within Company X's workforce, where employees act as "brand agents" and "ambassadors" for CSR initiatives, is crucial for both internal motivation and external communication, ensuring that the organisation's social impact is genuinely conveyed and sustained (Fan et al., 2025). This deep engagement fosters an environment where employees not only understand but also embody the company's commitment to social responsibility, translating into more authentic and impactful community interactions (Ibn-Mohammed et al., 2024).

However, the data also revealed gaps in internal diffusion. This is compounded by organisational challenges such as "low committee attendance" (P04) from Theme 5: Sub-Theme 1, indicating a breakdown in internal commitment structures. The failure of the CSR committee and the subsequent termination of an approved project due to management changes (P05) illustrate how governance failure can directly compromise external commitments and erode relational legitimacy. These findings suggest that the internal diffusion of CSR values remains uneven, echoing findings by Park (2024), who argue that internal communication mediates the relationship between CSR commitment and employee engagement. Strengthening communication channels and ensuring active internal participation could thus enhance coherence between strategic intent and operational practice, moving beyond merely individual passion to more systemic integration. This systemic integration requires robust internal communication strategies that actively involve employees in CSR initiatives, fostering a shared understanding and commitment to ethical practices.

### **6.7.3 Systemic Enablers and Shared Value Creation**

The findings also compel a focus on systemic enablers, demonstrating that effective CSR is not limited to the project design but must address the fundamental institutional and capacity challenges within the community ecosystem. This includes a critical examination of how corporate responsibility strategies and managerial practices influence employee perceptions of the motives behind CSR, distinguishing between symbolic and substantive attributions. These perceptions

are critical because they dictate employee engagement and the ultimate success of CSR initiatives, differentiating between top-down mandates that can lead to cynicism and embedded practices that foster genuine commitment (Siltaloppi et al., 2020).

Furthermore, the critical role of teacher capacity in sustaining educational CSR outcomes, identified as a "Teacher Capacity Gap" (P02) under Theme 2: Sub-Theme 4, reinforces the need for systemic enablers. Company X's interventions in education, while successful in improving infrastructure, are limited by a lack of teacher training and motivation. This observation resonates with social systems theory, which posits that developmental change requires the simultaneous strengthening of interconnected subsystems. When the institutional capacity is weak, the efficacy of material investment is significantly curtailed.

From a Creating Shared Value perspective, investing in teacher capacity represents a direct form of shared value creation that benefits both the community and the company (Menghwar & Daood, 2021). Enhanced educational quality contributes to a more skilled local labour pool, which in turn supports business sustainability by strengthening the local cluster (Menghwar & Daood, 2021). The recognition of these systemic enablers extends existing theory by demonstrating that CSR effectiveness depends not only on isolated projects but on the coherence between organisational values, community needs, and institutional systems (Barnett et al., 2020). This highlights that the responsibility extends beyond the immediate project to addressing the deep-seated structural issues that limit the long-term potential of the investment.

#### **6.7.4 Syntheses of the discussion of the Main Question**

While employee passion aligns with CSR goals, challenges like inconsistent communication and low internal commitment contradict the ideal of systemic integration. This highlights that CSR effectiveness is contingent on robust internal alignment and addressing systemic enablers like capacity building, moving the focus from inputs to sustainable coherence within the social system. This perspective emphasises that organisational subcultures, which may possess competing systems of meaning, can impede the dissemination of consistent CSR values, thereby affecting employee engagement and the overall efficacy of CSR initiatives. The interplay of these factors necessitates a multi-stakeholder approach to CSR that balances the interests of both internal and external stakeholders, fostering a more holistic and impactful implementation of socially responsible practices (Pfajfar et al., 2022). Consequently, a deeper understanding of how these

diverse stakeholders' perspectives influence and are influenced by CSR engagement strategies is essential for transforming CSR from a value stabiliser to a value enhancer (Fan et al., 2025). This transformation requires a dynamic and adaptive framework for CSR implementation that moves beyond mere compliance to proactive engagement with community needs and expectations (Mahmud et al., 2020).

## **6.8 Integrative Discussion: Towards an Afrocentric CSR Model**

This indigenous framework, centered on Ubuntu, places communal welfare and relational ethics at its core, contrasting sharply with Western models that often prioritise profit maximisation. The normative superiority of the Afrocentric CSR Model lies in its structural ability to resolve the inherent tension between the ethical demands of Stakeholder Theory and the profit orientation of Creating Shared Value (CSV). Unlike models where social initiatives are perpetually subordinate to financial performance, the Ubuntu foundation elevates relational ethics to the core. This effectively constrains the pursuit of economic value, ensuring that profit-seeking activities remain bound by the non-negotiable imperative of communal well-being and relational accountability. This structure is essential for transforming CSR from a value stabilizer into a genuine vehicle for social reconstruction in developing economies.

### **6.8.1 Philosophical Context: The Emergence of the Afrocentric Model**

The emergence of an Ubuntu-grounded framework is a direct consequence of the empirical findings and their misalignment with the prevailing theoretical discourse. The literature review did not foreground Ubuntu because the foundational theories of CSR are structurally Western-centric. Mainstream models, such as Carroll's Pyramid or Stakeholder Theory, are rooted in individualistic Western philosophies and a liberal market logic that frames social engagement as either a compliance obligation or a discretionary strategic choice (Ashrafi et al., 2020; Carroll, 2021; Dmytriyev et al., 2021; Sharofiddin et al., 2024). Consequently, the literature historically excludes indigenous African knowledge systems that define corporate existence through communal and relational values. This exclusion creates a vacuum where a concept like Ubuntu, which positions the firm as an intrinsic part of the community, simply does not fit the default paradigm of Western academic inquiry. The Afrocentric CSR Model, therefore, does not emerge from a pre-existing theoretical debate but is instead derived from the lived experiences of

stakeholders in this study, which naturally connect to an existing, non-Western ethical philosophy (Ubuntu) that the mainstream literature has largely overlooked.

### **6.8.2 Theoretical Foundation: Ubuntu and Relational Ethics**

The proposed model is deeply rooted in the philosophical principles of Ubuntu, an African humanist philosophy typically translated as "I am because we are". This concept is critical because it radically redefines the corporate-community relationship, shifting it from transactional or contractual to fundamentally relational. Ubuntu enforces reciprocity, communal accountability, and mutual growth, thereby prioritising collective well-being and interdependence over individual or shareholder gain (Adeola, 2024).

The point of grounding the CSR framework in Ubuntu is to resolve the tension between corporate aspiration and local reality. This indigenous understanding posits that corporations are inherently part of the community and thus bear an intrinsic responsibility to contribute to collective well-being rather than merely fulfilling external, economic, or legal obligations (Mahmud et al., 2020). This mandate transforms the relationship into one of shared humanity, requiring the company to cultivate authenticity and relational trust (Mahmud et al., 2020). This directly addresses the normative dimension of Stakeholder Theory, asserting that corporations ought to act transparently and inclusively because it is ethically right, while simultaneously challenging the Eurocentric mentality that limits CSR from addressing critical foundational African needs like sanitation and health (P03). This indigenous framework, centered on Ubuntu, places communal welfare and relational ethics at its core, contrasting sharply with Western models that often prioritise profit maximisation (Adeola, 2024).

### **6.8.3 Integration with Strategic Frameworks and Empirical Findings**

The Afrocentric CSR Model integrates the normative principles of Stakeholder Theory with the strategic intent of Creating Shared Value (CSV). Under this model, effectiveness is measured not only by material outcomes but critically by the depth of social relationships, the perceived authenticity of engagement, and the sustainability of empowerment processes (Fiandrino et al., 2022). This integration confirms that the relational aspect building trust and fostering mutual respect is equally critical for sustainable community development in contexts like South Africa.

The model operationalises CSV and Stakeholder Theory through four interconnected requirements:

- **Co-Creation and Agency:** It positions the community as an active co-creator of social innovation, demonstrated by instances of participatory planning (P07, P08). This application of the CSV mechanism shifts focusses from corporate goals to community-defined priorities.
- **Transformation over Output:** The model advocates a crucial shift from "impact as output" to "impact as transformation". Sustainable change, evidenced by the desire for a "full circle model of support" (P07), is achieved when corporate interventions enhance local agency and build systemic capacity.
- **Capacity Building over Aid:** The shift towards capacity building and self-reliance (P014, P09) demonstrates CSV in practice. The model extends CSV by requiring strategic investment to address institutional weaknesses that limit project sustainability, such as the observed Teacher Capacity Gap (P02).
- **Structural Accountability:** The model requires deliberate investment in Emerging Formal Frameworks and Tools (P07) to correct deficits in monitoring, transparency, and equitable geographic outreach (P014). This institutional commitment is necessary to mitigate the risks posed by governance failures (P04, P05).

#### 6.8.4 The Afrocentric Relational CSR Model

The preceding discussions have established a critical disconnect authentic, capacity-building intent is structurally undermined by internal governance deficiencies and the limitations of global measurement frameworks. The Afrocentric Relational CSR Model is proposed as the necessary, context-specific framework to resolve this tension, ensuring the CSR mandate translates into verifiable, sustainable community transformation. This innovative model directly corrects the deficiencies found in both Stakeholder Theory and CSV within the South African context.

The model is defined by three interconnected axes of implementation, structurally anchored by Ubuntu as the foundational core:

1. Foundational Core: Ubuntu and Relational Ethics
  - Imperative: Corporate legitimacy and sustainability are contingent upon balancing the interests of all stakeholders, structurally anchored in the African ethical philosophy of Ubuntu.

- Mandate: Ubuntu enforces Relational Accountability, demanding the corporation respect the intrinsic moral value of the community and directly address the structural weakness of procedural inconsistency (P05).
2. The Strategic Axis: CSV for Systemic Capacity
- Imperative: The ethical commitment must be translated into sustainable strategic investments that address poverty and inequality.
  - Mandate: Strategic focus must shift to Targeting Systemic Enablers (P02), requiring investment in institutional weaknesses like the Teacher Capacity Gap to truly unlock Shared Value.
3. The Governance Axis: Correcting Structural Flaws
- Imperative: Formal, accountable structures must be created to correct pervasive deficiencies in internal governance and external measurement.
  - Mandate: This requires Procedural Accountability to solve governance failures (P04, P05) and Contextual Measurement (P03, P01) to capture community-centric, qualitative transformation outcomes, directly challenging the standardisation bias of global ESG metrics.

This model provides a holistic answer to the Main Research Question, asserting that CSR effectiveness is achieved not by the volume of expenditure, but by the successful management of these three axes, which enables Transformative Capacity. By rooting engagement in Ubuntu and structurally enforcing this through robust Governance, the framework ensures the relational imperative is prioritised over symbolic compliance.

### **6.8.5 Conceptual Formalization of the Afrocentric Model**

The empirical findings necessitated the formalization of key concepts that define the unique parameters and expectations of the Afrocentric Relational CSR Model. These core constructs move beyond descriptive themes to establish a specialized academic language that bridges the theoretical limitations of Western-centric CSR with the developmental needs and ethical frameworks of South African society.

**Table 4: The table below formally defines the core theoretical extensions derived from the study's data:**

Concept	Formal Definition	Empirical Link (Justification)
<b>Afrocentric Relational Accountability</b>	The duty of the corporation to uphold procedural integrity and consistent follow-through, driven by the relational ethics of Ubuntu, where failure to maintain commitment is viewed as a systemic ethical breach.	Directly addresses the structural governance failures (P04, P05) that erode trust, and the need to link CSR to <i>humanity</i> (P03).
<b>Systemic Enablers</b>	Institutional and capacity weaknesses (e.g., skill deficits, infrastructure gaps) that must be targeted by CSV initiatives to ensure material investments yield sustained social outcomes and expand the local cluster.	Directly addresses the <i>Teacher Capacity Gap</i> (P02) and the strategic necessity of implementing a <i>full circle model</i> (P07) to build long-term resilience.
<b>Contextual Measurement</b>	The evaluation of CSR impact using locally defined, non-financial metrics that quantify relational and developmental change, directly countering the standardization bias of global ESG frameworks.	Directly addresses the need for Community-Centric Metrics and critiques the <i>Eurocentric Bias</i> that overlooks local needs (P03)

## 6.9 Conclusion

This chapter successfully provided a theoretically informed and systematic interpretation of the empirical findings. The comprehensive discussion established how Company X's CSR initiatives embody the strategic principles of Stakeholder Theory, the operational mechanisms of Creating Shared Value, and the developmental imperative of community empowerment within the highly unequal South African context. The analysis definitively showed that effective CSR necessitates a holistic, relational, and culturally grounded approach that integrates global CSR frameworks with local realities and ethical philosophies. This integration is crucial for fostering dual sustainability, ensuring that both business objectives and societal well-being are advanced through CSR strategies (Sharofiddin et al., 2024).

The empirical investigation reaffirmed the study's core proposition, demonstrating that CSR operates most effectively when underpinned by authentic leadership, transparent processes, and empowered partnerships, which cultivate trust and mutual benefit (Sharofiddin et al., 2024). However, effectiveness is significantly constrained by structural and governance failures, notably low committee attendance (P04) and a critical tension created by the challenge of applying Western-centric metrics to measure locally defined, relational outcomes (P03, P05). This tension confirms that the measurement gap is exacerbated by standardisation bias in local contexts.

Collectively, these insights underscore the profound value of embedding CSR within a broader developmental vision, culminating in the proposition of the Afrocentric CSR Model. This model, rooted in Ubuntu, offers a potent counter-narrative to purely economic or compliance-driven approaches, positioning CSR as a vehicle for social reconstruction. The discussion emphasises that true CSR effectiveness is fundamentally measured by its transformative capacity, moving beyond inputs and outputs to foster systemic, long-term change and align corporate purpose with the relational ethics of Ubuntu (Makwara et al., 2023).

The next and final chapter will synthesise these theoretical and empirical insights into actionable and specific recommendations for enhancing CSR practice and governance.

## **CHAPTER 7: CONCLUSION AND RECOMMENDATIONS**

This chapter synthesises the outcomes of the investigation into the effectiveness of corporate social responsibility initiatives in enhancing community development and social welfare in South Africa. Drawing directly from the theoretical interpretations established in the discussion, this chapter presents the principal conclusions, outlines the research's contribution, and provides actionable recommendations for corporate management and future academic inquiry.

### **7.1 Principal Theoretical Conclusions**

The study's findings unequivocally confirm the main proposition that the effectiveness and long-term sustainability of Corporate Social Responsibility (CSR) projects are directly correlated with the quality of stakeholder engagement and the level of community co-ownership. Overall, the effectiveness of CSR in enhancing community development is transformative but structurally fragile. Effectiveness is maximized when operations are anchored in the proposed Afrocentric CSR Model, which is built on three core pillars: prioritizing Capacity Building over Aid (validating CSV as a strategy for systemic enablers) , enforcing Relational Accountability over Compliance (upholding the normative duty of Stakeholder Theory and Ubuntu ethics despite governance failures) , and using Contextual Metrics over Global Standardization (resolving the measurement gap by capturing local realities).

The research established three key theoretical conclusions regarding CSR efficacy in the South African context:

- **The Shift to Capacity Building and Shared Value:** CSR effectiveness is maximised when the corporate approach moves beyond philanthropic acts to focus on longitudinal human capital and systemic capacity building. This approach fundamentally contradicts the discretionary layer of Carroll's Pyramid, embedding social good as a strategic necessity rather than a charitable add-on. The research provides an empirical extension of CSV, demonstrating that in transitional economies, this strategy must specifically target systemic enablers.
- **Legitimacy is Dependent on Relational Accountability:** The findings affirm that corporate legitimacy is fragile and dependent on relational accountability. The inability to follow through on promises due to poor governance creates a profound deficit in trust and directly contradicts the relational imperative central to both Stakeholder Theory and the local

ethical ethos of Ubuntu. This conclusion highlights that procedural integrity is non-negotiable for securing long-term social capital in historically contested contexts.

- The Structural Normative Superiority of the Afrocentric Model: Effective CSR implementation is critically constrained by rigid Western-centric frameworks that fail to capture local realities. The proposed Afrocentric CSR Model, rooted in Ubuntu, provides the necessary framework by prioritising collective well-being and relational ethics. This model is structurally and normatively superior because the philosophy of Ubuntu acts as a non-negotiable ethical constraint on the economic logic of Creating Shared Value (CSV). This ensures that the pursuit of economic value is perpetually bounded by the imperative of communal well-being, effectively preventing the systemic trade-offs that weaken conventional, profit-subordinate CSR models.

## **7.2 Research Contribution**

The study makes significant contributions across academic, practical, and policy domains by providing rich, context-specific empirical evidence. Academically, it advances CSR theory by empirically validating the limitations of universalistic models in diverse socio-economic landscapes, proposing an Afrocentric alternative that resonates with indigenous ethical frameworks (Kabir et al., 2015). It further contributes to the discourse on shared value by demonstrating how such strategies must be specifically tailored to address systemic enablers and local cluster development within transitional economies (Ferri et al., 2021). Practically, this research offers a critical lens for multinational corporations operating in the Global South, emphasising the need for robust stakeholder engagement and the integration of local ethical frameworks like Ubuntu to foster sustainable community development. It underscores the importance of philanthropic contributions, especially in developing economies, as a direct means of community development, advocating for well-developed CSR policies to ensure companies address CSR issues adequately (Kabir et al., 2015). This study corroborates extant literature on the crucial role of government involvement, education, and training in enhancing CSR implementation within the construction industry, particularly in contexts like South Africa (Ebekoziem et al., 2024). The findings address the gap in existing literature regarding CSR in developing nations, particularly in Africa, by offering an in-depth analysis of its effectiveness within the South African context (Kabir et al., 2015). Furthermore, by illuminating the specific challenges and opportunities for CSR in post-apartheid South Africa, the study provides valuable insights that can be leveraged by other African nations and international investors (Kabir et al., 2015).

### **7.2.1 Theoretical Contribution: Extension of Core Paradigms**

The study extends existing CSR theory by empirically advancing the Afrocentric CSR Model as the new conceptual tool, directly derived from the study's findings.

- **Extension of Stakeholder Theory:** The research provides empirical validation for the relational imperative by demonstrating that the failure to uphold procedural consistency (P05) is a direct violation of the normative duty, which instrumentally destroys the long-term trust necessary for business resilience. This solidifies that social capital is contingent upon structural integrity in contested contexts.
- **Extension of CSV:** The findings enrich the CSV framework by arguing that in transitional economies, strategic investment must address institutional weaknesses (P02, P07) to truly achieve shared value, positioning CSV not merely as a business strategy, but as a vehicle for systemic social reconstruction. This extends the principle that community upliftment and core business sustainability are mutually reinforcing.
- **Contribution to Measurement Discourse:** The study provides empirical backing for the critique that global ESG metrics are insufficient for measuring local legitimacy, contributing to the conceptual development of community-centric measurement frameworks. This highlights the need to overcome the standardisation bias by capturing qualitative, local transformation outcomes.

### **7.2.2 Empirical Contribution**

The research provided rich, contextualised qualitative insights derived from the experiences of a diverse group of stakeholders. This effort successfully bridged the long-standing measurement gap between corporate intent and community-defined outcomes by identifying the specific Community-Centric Metrics that communities use to define effectiveness. These metrics, which should be integrated into a Localized Scorecard for the Afrocentric CSR Model, include:

- **Relational Trust and Authenticity:** Measured by the perceived sincerity of corporate intent (moving from brand to humanity), staff visibility and approachability, and evidence that support is not merely a tick box exercise.
- **Procedural Integrity and Follow-Through:** Assessed by the reliability of internal governance (consistent committee attendance), and whether the organisation follows through on approved proposals without project termination due to management changes.

- **Psychosocial Empowerment:** Quantified by observable improvements in self-esteem, confidence in public speaking , and the enhancement of overall wellness and psychosocial elements through life skills programs.
- **Livelihood Sustainability and Self-Reliance:** Measured by the direct conversion of training into employment for individuals like coaches , support for business registration , and fostering a mindset of taking initiative rather than waiting for external aid.
- **Systemic Resource Allocation:** Evaluated based on the scope of contribution beyond the company's core focus, such as addressing health requests from clinics or marginalised groups like disabled schools and infants.

### **7.2.3 Practical/Policy Contribution**

The findings offer a tangible framework for enhancing social legitimacy and resilience by identifying specific structural barriers (e.g., internal governance failures (P04, P05), resource misallocation due to Eurocentric bias (P03)) and offering solutions to strengthen community co-ownership and participation. This serves as a vital governance blueprint for corporations operating in similar transitional economies.

## **7.3 Recommendations for Management and Other Stakeholders**

These recommendations are designed to translate the principal conclusions into actionable strategies for enhancing CSR effectiveness and long-term social capital.

### **7.3.1 For Corporate Management**

**Institutionalise Localised Measurement and the Community-Centric Scorecard:** Abandon the sole reliance on informal evaluation and Eurocentric metrics. Implement the emerging formal framework to specifically include a Community-Centric Scorecard, drawing the metrics identified in Section 7.2.2 (e.g., Relational Trust, Procedural Integrity, and Psychosocial Empowerment). **Rationale:** This is essential to address the measurement deficit and ensure CSR is measured by its transformative capacity, aligning with local realities.

### **7.3.2 For NGO Partners and Policy Makers**

- **Strengthen Collaboration and Capacity:** NGOs should work towards accreditation and compliance (P07) to serve as reliable, long-term partners, improving their capacity to manage multi-stakeholder projects.
  - Rationale: Enhancing the capacity and accountability of external partners is necessary for mitigating the governance risk inherent in external collaboration.
- **Address Systemic Enablers:** Policy makers and corporations should collaboratively invest in systemic enablers like addressing the Teacher Capacity Gap (P02) through continuous training, ensuring that CSR investments in infrastructure are supported by robust, skilled human resources for sustained impact.
  - Rationale: This ensures the CSV mechanism functions effectively by strengthening the overall ecosystem and preventing the erosion of material investment value.

#### **7.4 Limitations of the Research**

The methodological design, while chosen for depth and contextual rigor, imposes certain limitations on the study as a whole:

- **Limited Generalisability:** The study employed a qualitative, single-case design focusing on one organisation and its immediate community. Findings are context-specific and may not be immediately generalisable to all industries or geographical regions within South Africa.
- **Subjectivity of Perception:** The study relied heavily on stakeholder subjective experiences and perceptions. While mitigated through rigorous triangulation, reflexivity, and peer debriefing, the findings represent interpretations of reality rather than objective, quantitative outcomes.
- **Insider Bias:** The researcher's insider status within the organisation, while granting crucial access, posed a potential risk of bias. This was addressed through rigorous methodological controls, including a reflexive journal and peer scrutiny.

#### **7.5 Suggestions for Future Research**

Based on the limitations and the emerging theoretical framework, future research should explore the following avenues:

- **Empirical Validation of the Afrocentric Model:** Future studies should use a mixed-methods approach to empirically test the efficacy of the Afrocentric CSR Model against traditional compliance-driven models across multiple organisations and sectors within South Africa. This research should seek to quantify the difference in long-term community resilience and relational trust generated by each approach.
- **Developing Localised Metrics:** Research is needed to develop and validate a Community-Centric Scorecard that quantitatively measures the intangible outcomes identified in this study, such as relational trust, co-ownership, and ethical legitimacy. This would involve a participatory evaluation design phase.
- **Impact of Governance Failures:** Longitudinal, comparative studies should track the long-term impact on community trust following procedural governance failures to quantify the economic and social cost of poor follow-through.
- **Comparative CSR Efficacy:** Comparative case studies across different industries could test whether the Systemic Enablers Thesis holds true across sectors with varying social and environmental footprints.
- **Ethnographic Analysis of Tensions:** An ethnographic approach would further enable a closer analysis of how different tactics to navigate CSR tensions intersect over organisational change processes and co-evolve with these tensions.
- **Ubuntu in Digital Enterprises:** Future investigations could delve into the specific skills and competencies required for entrepreneurs to effectively integrate Ubuntu principles into digital enterprises, providing practical frameworks for their development through targeted training and mentorship programs.

Furthermore, exploring antecedents influencing the choice of a theoretical framework for CSR, such as company size or geographical context, would provide deeper insights into strategic decision-making (Dmytriyev et al., 2021). Further research in diverse cultural contexts, extending beyond South Africa, would also strengthen the generalisability of these findings, as previous studies have highlighted the need for broader geographical sampling to validate CSR theories (Pfajfar et al., 2022). Additionally, an ethnographic approach could offer more nuanced insights into how individuals and groups navigate the complexities of CSR tensions in real-time within organisational settings (Siltaloppi et al., 2020). Moreover, longitudinal studies tracking the evolution of multinational enterprises' engagement with CSR activities globally are needed to unveil nuanced temporal dynamics (Pisani et al., 2017).

## 7.6 Conclusion

The investigation into Corporate Social Responsibility (CSR) effectiveness in South Africa confirms that the long-term sustainability and legitimacy of CSR projects are directly dependent on the quality of stakeholder engagement and community co-ownership. The key theoretical finding is the necessity of adopting the Afrocentric Relational CSR Model, which is rooted in the philosophy of Ubuntu ("I am because we are"). This model overcomes the limitations of Western-centric frameworks by structurally prioritizing Relational Accountability and shifting the focus from discretionary philanthropy to systemic capacity building and co-created transformation (Ebekozi et al., 2024). The study's principal contribution lies in providing a culturally grounded and empirically validated alternative to universalistic CSR models, demonstrating that the Ubuntu foundation acts as a non-negotiable ethical constraint, ensuring that the economic goals of CSV are perpetually subordinate to the communal welfare imperative. The study empirically validated that true effectiveness is achieved when corporations move beyond mere compliance to intentionally address institutional weaknesses (Systemic Enablers) and uphold procedural integrity, as failures in internal governance quickly erode hard-won community trust and social capital (Ashrafi et al., 2020).

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## APPENDIX 1: ETHICAL CLEARANCE

# GIBS ETHICAL CLEARANCE APPLICATION FORM 2025/26

### **G. APPROVALS FOR/OFF THIS APPLICATION**

When the applicant is a student of GIBS, the applicant must please ensure that the supervisor and co-supervisor (where relevant) has signed the form before submission

#### **STUDENT RESEARCHER/APPLICANT:**

29. I affirm that all relevant information has been provided in this form and its attachments and that all statements made are correct.

Student Researcher's Name in capital letters: NTOMBIFUTHI NJAPHA

Date: 05 Jul 2025

Supervisor Name in capital letters: LOUISE WHITTAKER

Date: 05 Jul 2025

Co-supervisor Name in capital letters:

Date: 05 Jul 2025

Note: GIBS shall do everything in its power to protect the personal information supplied herein, in accordance to its company privacy policies as well the Protection of Personal Information Act, 2013. Access to all of the above provided personal information is restricted, only employees who need the information to perform a specific job are granted access to this information.

#### **Decision:**

Approved

#### **REC comments:**

Approved

Date: 14 Jul 2025

## APPENDIX 2: CONSENT LETTER

I am currently a student at the University of Pretoria's Gordon Institute of Business Science and completing my research in partial fulfilment of an MBA.

I am conducting research exploring the factors that enable leaders with strong personalities to achieve organisational performance. The purpose of the interview is to obtain insights from your personal experience related to the topic, with the interview expected to last about an hour, and will help us understand when a tough leadership approach works to result in positive organisational outcomes.

Email	24129102@mygibs.co.za	Supervisors Name	Prof. Louise Whittaker
		Email	whittakerl@gibs.co.za

## **APPENDIX 3: QUESTIONNAIRES**

**The participation in this interview is anonymous and voluntary.**

1. Could you please describe your role and involvement with [Organisation Name]'s Corporate Social Responsibility (CSR) initiatives?
2. How do you understand Corporate Social Responsibility (CSR) in the context of [Organisation Name] and the community it serves?

### **Research Question 1: How do CSR projects contribute to sustainable community development and improve social welfare?**

3. In your opinion, what are the most significant contributions of [Organisation Name]'s CSR projects to the development of this community? Can you provide specific examples?
4. How have these CSR initiatives specifically improved the social welfare of individuals or groups within the community (e.g., in terms of health, education, living standards, or quality of life)?
5. How do these CSR projects align with the broader concept of sustainable community development, which considers economic, environmental, and social demands for present and future generations?
6. Do you believe these CSR initiatives are creating long-term, meaningful changes, or are they more temporary interventions? Please elaborate.
7. How does [Organisation Name] ensure that its CSR projects address the actual needs and priorities of the community, rather than just corporate goals?

### **Research Question 2: What are the frameworks and metrics used to measure the impact of CSR on local communities?**

8. What specific frameworks or approaches does [Organisation Name] apply to direct its CSR initiatives?
9. What metrics or indicators does [Organisation Name] apply to measure the effects of its CSR projects on the community and social welfare?
10. How were these measurements collected and analysed?
11. How does [Organisation Name] assess whether its CSR projects are living up to its expectations for society?
12. Are there any challenges in measuring the impact of CSR initiatives, especially concerning long-term societal benefits?
13. How does the organisation balance economic viability, environmental stewardship, and social equity in its CSR reporting and evaluation?

**Research Question 3: What are the perceptions and experiences of stakeholders in the local community?**

14. What are your overall perceptions and experiences with [Organisation Name]'s CSR projects?

15. How has your involvement been in the design, execution, or assessment of these projects?

16. How do you think the community perceives [Organisation Name]'s commitment to CSR?

17. Have there been instances where community expectations differed from corporate goals in CSR initiatives? If so, how were these addressed?

## APPENDIX 4: CODE BOOK

THEME	SUB-THEME	CODES	
	<b>Research Question One</b>		
Theme 1: CSR as a Mechanism for Sustainable Community Empowerment	Human Development and Capacity Building	Psychosocial element/Overall wellness	
		Bursary/Lump sum for foundation	
		Skills development through sports	
		Inspired to be a medical doctor	
	Empowerment Through Self-Reliance	Not waiting for the government/Taking initiative	
		Infrastructure remains forever	
		Entrepreneurship is a head start	
		Job creation for coaches	
	Inclusivity and Gender-Sensitive Development	Focus on youth and women	
		Prioritise disabled schools	
		Need to go to HIV babies/Marginalised	
	Holistic Well-Being and Social Cohesion	Sports is a tool to unite communities	
		Stay away from drugs and alcohol	
		Life skills programs and wellness	
		<b>Research Question Two</b>	
	Theme 2: Frameworks, Structures, and Implementation of CSR	Strategic Alignment and Governance	Created a CSR strategy and policy
Eurocentric bias/Global mandate			
Structure designed per business unit			
Participatory Planning and Co-Creation		Need for structured and committed committee	
		Engage community stakeholders for needs	
		Focus on main priority first	
Localised and Adaptive Implementation		Involved from ideation to assessment	
		Structure designed per business unit/country	

	Challenges in Coordination and Resources	<p>Insufficient budget/Have to cut down</p> <p>Assistance is never enough for everyone</p> <p>CSR not a priority/Reactive</p>
Theme 3: Monitoring, Evaluation, and the Question of Impact	Informal and Experience-Based Evaluation	<p>Observe confidence levels/Public speaking skills</p> <p>No follow-up/Temporal interventions</p> <p>Need direct feedback from community</p>
	Emerging Formal Frameworks and Tools	<p>CSR strategy and CSR policy created</p> <p>Need a diagnostic tool or app</p>
	Longitudinal and Sustainable Impact	<p>Full circle model of support (youth to adulthood)</p> <p>Movement of mindsets and young talent</p> <p>Infrastructure is long-term (remains forever)</p>
	Gaps and Limitations	<p>Eurocentric mentality/Missing boat on African issues</p> <p>Neglected the health part</p> <p>Approved project never implemented (management change)</p>
	<b>Research Question Three</b>	
Theme 4: Stakeholder Perceptions and Relationships	Authenticity and Trust	Relate CSR to humanity, not brand
	Communication and Awareness	<p>People are aligned/Passionate about making a change</p> <p>Very approachable/Visible leaders</p> <p>Not just a tick box</p> <p>Need to be more active in awareness</p> <p>Community doesn't know about the good work</p>
	Partnerships and Collaboration Dynamics	Charter signed with municipality
	Community Voice and Inclusion	<p>Partnering with NGOs for social innovation</p> <p>Community involvement through IDP</p>

		Young people's ideas need guidance/NGOs as voice
Theme 5: Barriers, Risks, and Improvement Pathways	Structural and Resource Limitations	Unfulfilled commitments/Promised but didn't happen
	Geographic and Access Inequalities	Low commitment/Attendance issues in committee
		Leaving out communities that do not have roads/Wi-Fi
	Organisational and Political Challenges	Political parties can be destructive
	Opportunities for Strengthening CSR	Avoid engaging with community to prevent strikes
		Need to look at health and social responsibility
		Address Teacher Capacity Gap