THE CONTRIBUTION OF CORPORATE SOCIAL RESPONSIBILITY IN SUSTAINABLE COMMUNITY DEVELOPMENT: A CASE OF THE PLATINUM MINING SECTOR IN ZIMBABWE.

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Submitted in partial fulfilment of the requirements of the Masters In Business Leadership
February 2019
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DECLARATION

I, Kudzai Segula, do hereby declare that this dissertation is a result of my own investigation and research, except to the extent indicated in the Acknowledgements, Bibliography and comments included in the body of the report, and that it has not been submitted in part or in full for any other degree to any other university.

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Student Signature                                              Date

..........................................................
Supervisor Signature                                  Date
DEDICATION

This dissertation is dedicated to my family who encouraged me and endured long periods of my absence when I was busy with the dissertation.
ACKNOWLEDGEMENTS

Firstly, I would like to thank God for affording me this opportunity to pursue and realise my dream and providing me with the necessary resources. I would also want to thank my supervisor Dr R Rusike for his guidance and assistance throughout the writing of this study. I almost gave up and at one point wanted to change my topic but he encouraged me to carry on with my research. Without his guidance, I may not have been able to take such a topic and the study would not have been a success. His guidance helped me to clarify some of the ideas and contributed to the quality of my work. My appreciation goes to all the interview respondents for giving me the information in this study and for taking their time within their busy schedules to avail me the chance of conducting the essential interviews for this research study.

Finally, my sincere gratitude goes to my husband for both the financial and moral support and to my two daughters and two sons for their support. These people gave me the encouragement that allowed me to make my dream come true.
ABSTRACT

The research study was carried out in order to evaluate the contribution of corporate social responsibility (CSR) in sustainable community development (SCD). There is need to find out whether platinum mines are making any contribution towards the development of the surrounding communities after plundering the much sought precious minerals. Sustainable community development requires net and equitable benefits as well as the building of social capacity to the affected communities surrounding the mines in the sense that these communities continue throughout and beyond the closure of these mines hence the mines in question’s CSR programs should address this. The platinum mining sector was therefore examined from the viewpoint of CSR and SCD. The brief backgrounds of the three mines under study namely Mimosa, Unki and Zimplats were outlined together with the social, economic and environmental impacts that platinum mining activities have on the surrounding local communities. The theoretical framework for this research was drawn from theories and literature from different scholars was reviewed to have an appreciation of and experiences of corporate social responsibility programs and sustainable community development in surrounding communities from different countries in comparison with what is happening with our local platinum mines.

The study used a combination of exploratory and causal research design. The researcher used chi-square to testy the significance of the research findings. Questionnaires were used as the key research instrument to collect the data and also documentary analysis from the mines’ monthly reports was used to complement the findings. The research showed that the mines are contributing significantly to the sustainable development of the surrounding communities.
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ACRONYMS AND ABBREVIATIONS

CAFOD  CATHOLIC AGENCY FOR OVERSEAS DEVELOPMENT

CSI  CORPORATE SOCIAL INVESTMENT

CSR  CORPORATE SOCIAL RESPONSIBILITY

LED  LOCAL ENTERPRISE DEVELOPMENT

PGMS  PLATINUM GROUP OF METALS

GDP  GROSS DOMESTIC PRODUCT

PESTELG  POLITICAL ECONOMIC SOCIAL TECHNOLOGICAL ECONOMIC LEGAL GLOBAL

CAFOD  CATHOLIC AGENCY FOR OVERSEAS DEVELOPMENT

EMA  ENVIRONMENTAL MANAGEMENT AUTHORITY

HIV  HUMAN IMMUNODEFICIENCY VIRUS

ICLEI  INTERNATIONAL COUNCIL FOR LOCAL ENVIRONMENTAL INITIATIVES

ICMM  INTERNATIONAL COUNCIL ON MINING AND METALS

CSI  CORPORATE SOCIAL INVESTMENT

LED  LOCAL ENTERPRISE DEVELOPMENT

MMSD  MINING MINERAL SUSTAINABLE DEVELOPMENT
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>PESTELG</td>
<td>POLITICAL ECONOMIC SOCIAL TECHNOLOGICAL ECONOMIC LEGAL GLOBAL</td>
</tr>
<tr>
<td>PGMS</td>
<td>PLATINUM GROUP OF METALS</td>
</tr>
<tr>
<td>RTGS</td>
<td>REAL TIME GROSS SETTLEMENT</td>
</tr>
<tr>
<td>SCD</td>
<td>SUSTAINABLE COMMUNITY DEVELOPMENT</td>
</tr>
<tr>
<td>SD</td>
<td>SUSTAINABLE DEVELOPMENT</td>
</tr>
<tr>
<td>SDG</td>
<td>SUSTAINABLE DEVELOPMENT GOALS</td>
</tr>
<tr>
<td>SI</td>
<td>STATUTORY INSTRUMENT</td>
</tr>
<tr>
<td>SWOT</td>
<td>STRENGTHS WEAKNESSES OPPORTUNITIES THREATS</td>
</tr>
<tr>
<td>TBL</td>
<td>TRIPLE BOTTOM LINE</td>
</tr>
<tr>
<td>TQM</td>
<td>TOTAL QUALITY MANAGEMENT</td>
</tr>
<tr>
<td>UNIDO</td>
<td>UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANISATION</td>
</tr>
<tr>
<td>WBCSD</td>
<td>WORLD BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT</td>
</tr>
<tr>
<td>ZIMASSET</td>
<td>ZIMBABWE AGENDA FOR SUSTAINABLE SOCIO-ECONOMIC TRANSFORMATION</td>
</tr>
</tbody>
</table>
CHAPTER 1

INTRODUCTION

1.1 Introduction

This chapter introduces the study on the contribution of corporate social responsibility (CSR) in sustainable community development (SCD) in the surrounding areas of platinum mines and the mines under study are Mimosa, Unki and Zimplats. The chapter gives the background to the study and discusses the statement of the problem, research objectives, research questions, research proposition, and delimitations to the study, limitations and the significance of the research. The chapter also outlines the organisation of the dissertation and chapter summary.

Zimbabwe is richly endowed with mineral resources and has more than 35 mineral commodities. The most notable ones are gold, nickel, cobalt, chromium, diamonds, coal, asbestos and the platinum group metals (PGMs) namely platinum, palladium, rhodium ruthenium to mention a few. In terms of platinum production, the country is ranked third. (www.mines.gov.zw). (Accessed 22 September 2018) According to the Ministry of Mines and Mining Development, platinum production has overtaken gold production which was the traditional mainstay and foreign currency earner and the decline in gold production was aggravated by the closure of most gold mines including the recent closure of mines associated with Metallon Corporations.

1.2 Background of the study

Zimbabwe is ranked amongst the top 5 largest platinum producers in the world and hosts the worlds’ second largest reserves of platinum and PGMs after the Bushveld Igneous Complex of South Africa and it contributes 6% of the worlds’ primary platinum production (Chamber of Mines, 2016). Table 1.1 below talks about the top 5 largest platinum producers in the world and Zimbabwe is amongst the top 5.
Table 1.1 Top 5 Largest Platinum Producing Country

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>2017 Platinum Production (oz.)</th>
<th>2017 Platinum Mining Production (metric tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>South Africa</td>
<td>4,370</td>
<td>123.9</td>
</tr>
<tr>
<td>2</td>
<td>Russia</td>
<td>715</td>
<td>20.3</td>
</tr>
<tr>
<td>3</td>
<td>Zimbabwe</td>
<td>445</td>
<td>12.6</td>
</tr>
<tr>
<td>4</td>
<td>Canada</td>
<td>423</td>
<td>12</td>
</tr>
<tr>
<td>5</td>
<td>The United States</td>
<td>137</td>
<td>3.9</td>
</tr>
</tbody>
</table>

Source: Nick (2018)

The table above shows that South Africa is the largest platinum producer in the world producing about 125 metric tons and accounts for nearly 70% of total platinum output. Russia is second and produced 20.3 metric tons in 2017. Zimbabwe is on third place in terms of contribution to the world’s primary platinum production. (Nick, 2018)

There are three active producers in the PGMs sector namely Mimosa, Ngezi (Zimplats) and Unki. Platinum output increased since 2002 when Zimplats and Mimosa resumed operations and also the subsequent entry of Unki mine in 2010 saw further increase in output. Also the platinum sector is one of the few sectors that survived the hyper-inflation crisis whilst the rest of the mining sector recorded significant decline in output. There are also potential new comers in the industry namely Ruschrome (Rostec and Zinari Platinum) as joint venture projects under Zimbabwe Mining Development Corporation (Chamber of Mines, 2016).

1.2.1 Brief background of the platinum mines under study

The three mines are found along the Great Dyke which is a geological feature running for about 550 kilometres through the heart of Zimbabwe.

Mimosa Mine is the oldest platinum mine in Zimbabwe and is located on the southern part of the Great Dyke on the Hwedza Geological Complex. Fifty per cent of the mine is owned by Impala Platinum whilst the other fifty per cent by Aquarius platinum.

The deposits at Mimosa were briefly exploited in the 1920s with trial mining being undertaken by Union Carbide Zimbabwe between 1966 and 1975. Zimasco (a Ferrochrome mining and smelting company) took over from Mimosa in the year 1992. The company’s pilot plant was refurbished with mining recommencing in 1994. Its production averaged just less than 30,000
tonnes of ore per month. The operation was highly successful although considered to be small and this attracted the attention of the South African PGM producers. Impala Platinum acquired fifteen per cent stake in Mimosa in the year 2000, after the collapse of a proposed acquisition by Anglo America. Impala acquired a further fifteen per cent with Aquarius taking the remaining fifty per cent. Since 2002, the output of Mimosa has been gradually increasing with the company managing to extract an estimated 100 000 ounces platinum annually. (www.platinum.mattey.com). (Accessed 23 September 2018)

In its mission statements the company aims to utilize all its resources efficiently and effectively and to conduct its business in an environmentally responsible manner. They intend to safeguard the health and safety of all the stakeholders. The company also intends to foster a mutually beneficial relationship with the community. All these missions are part of the CSR programs. (www.mimosa.co.zw) (Accessed 5 January 2019).

Hartley Platinum project was developed as a joint venture between the Australian companies, BHP and Delta Gold during the early 1990s. The company commenced operations in 1995, but underground operations were suspended in 1999 due to a string of geological and metallurgical problems. BHP interest in Hartley Platinum was sold to Zimbabwe Platinum Mines (Zimplats), a spin-off of Delta Gold’s Platinum assets, which immediately started to develop a new open cast mine at Ngezi. The operations at Ngezi commenced in 2001 following the acquisition of some of the company’s shares by the Impala Platinum and ABSA of South Africa. Impala then increased its holdings in Zimplats. In 2011, Ngezi produced about 185 000 ounces of platinum from a series of underground portals/entrances.

The output is expected to rise to about 270 000 ounces of the platinum per annum. (www.platinum.mattey.com). (Accessed 23 September 2018)

Zimplats’ core values include caring for the health and safety of all their stakeholders, the preservation of natural resources, the environment in which they operate and also the socio-economic well-being of the communities within which they operate. (www.zimplats.com) (Accessed 28 December 2018) . They embrace on the principles of sustainable development by being responsible citizens by creating value for their employees, shareholders and the surrounding communities which results in effective partnerships and contribute to national development. Their context for CSR is that they thrive to conduct their business in a sustainable manner and as a result has targeted the three pillars
of sustainability namely economic, social and environmental sustainability that should be balanced in their business process.

Unki mine is an Anglo American project which was commissioned in the late 2010s and the estimated output in 2011 was 50 000 ounces of platinum. The mine was designed to extract 120 000 tonnes of ore per month which yields about 70 000 ounces of platinum annually at full capacity. (www.platinum.mattey.com)(Assesed 23 September 2018)

1.2.2 Location of platinum mines in Zimbabwe

The platinum mines are located on the great Dyke belt as shown on the Zimbabwe map below:

Figure 1.1 Locations of platinum mines in Zimbabwe

![Zimbabwe Map with Platinum Mines](Image)


1.2.3 Overview of the platinum and PGMs sector

According to a survey carried out by the Chamber of Mines in 2016, the platinum industry recorded phenomenal growth on output since 2002 despite the economic crisis which is still prevailing in Zimbabwe at the moment. The platinum output of three major players is as shown in Figures 1.2 and 1.3.
During the period 2014 to 2015 Zimplats produced 55% of the total platinum output followed by Mimosa with 30% and Unki 15% respectively.

The survey conducted by the Chamber of Mines revealed that Zimplats’ output increased by 5% to 60% and Mimosa decreased by 5% to 25% and Unki’s output remained the same as the previous period.
1.2.4 Sharing the platinum cake

Since it is every company’s interest to be a good corporate citizen, there is need therefore for the value created to be shared between the various stakeholders who include the government in form of royalties and tax, shareholders in form of dividends, communities in form of CSR projects or development activities. Table 1.2 below shows how the platinum sector shared its profit for the period 2012 to 2017.

Table 1.2: Sharing the Platinum Cake

<table>
<thead>
<tr>
<th>STAKEHOLDERS</th>
<th>2012-2015</th>
<th>2016-2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Supplies</td>
<td>28%</td>
<td>45%</td>
</tr>
<tr>
<td>Labour</td>
<td>14%</td>
<td>23%</td>
</tr>
<tr>
<td>Government duty, loyalties ,taxes</td>
<td>13%</td>
<td>18%</td>
</tr>
<tr>
<td>CSR, community trusts</td>
<td>1%</td>
<td>8%</td>
</tr>
<tr>
<td>Capital expenditure local</td>
<td>16%</td>
<td>_</td>
</tr>
<tr>
<td>Foreign supplies</td>
<td>17%</td>
<td>_</td>
</tr>
<tr>
<td>Interest paid</td>
<td>1%</td>
<td>_</td>
</tr>
<tr>
<td>Loan repayments</td>
<td>7%</td>
<td>_</td>
</tr>
<tr>
<td>Dividends</td>
<td>3%</td>
<td>_</td>
</tr>
<tr>
<td>Shareholders</td>
<td>_</td>
<td>2%</td>
</tr>
<tr>
<td>Others</td>
<td>_</td>
<td>4%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Chamber of Mines Survey Reports (2017)

1.2.5 Contributions of platinum sector to economy.

The contributions of the platinum sector into the economy for the year 2016 and 2017 were as shown in tables 1.3 and 1.4 overleaf;
## Table 1.3 Contributions of the PGM sector to the economy in 2016

<table>
<thead>
<tr>
<th>ITEM</th>
<th>DIRECT CONTRIBUTION TO ECONOMY</th>
<th>TOTAL CONTRIBUTION (DIRECT AND MULTIPLIERS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution to GDP</td>
<td>3.50%</td>
<td>6.40%</td>
</tr>
<tr>
<td>Contribution to total exports</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>Employment number</td>
<td>10 200</td>
<td>40 600</td>
</tr>
<tr>
<td>Contribution to foreign direct investment</td>
<td>37%</td>
<td>37%</td>
</tr>
<tr>
<td>Contribution to fiscal revenue</td>
<td>3.2%</td>
<td>3.2%</td>
</tr>
</tbody>
</table>

Source: Chamber of Mines Survey Report 2016

## Table 1.4: Contribution of PGMs Sector to economy 2017

<table>
<thead>
<tr>
<th>ITEM</th>
<th>DIRECT CONTRIBUTION TO ECONOMY</th>
<th>POTENTIAL CONTRIBUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution to GDP</td>
<td>6.40%</td>
<td>13%</td>
</tr>
<tr>
<td>Contribution to total exports</td>
<td>17%</td>
<td>35%</td>
</tr>
<tr>
<td>Contribution to fiscal revenue</td>
<td>3.2%</td>
<td>10%</td>
</tr>
<tr>
<td>Employment number</td>
<td>40 600</td>
<td>60 000</td>
</tr>
<tr>
<td>Contribution to foreign direct</td>
<td>37%</td>
<td>45%</td>
</tr>
</tbody>
</table>

Source: Chamber of Mines Survey Report 2017
In 2016 alone, the platinum sector accounted for a mere 3.5% of the Gross Domestic Product (GDP), which increased by 13% in 2017. Tax revenue from the PGMs sector is projected to increase to $242.52 by the year 2019 from $121.91 in 2014, a massive increase of 242.87% (Mlambo, 2016). Employment levels for both permanent and contract labour are expected to increase significantly resulting from the planned expansions and expected entrance of new investors.

1.2.6 The internal environment analyses for the PGMs sector

The strengths, weaknesses, opportunities and threats (SWOT) analysis was used to analyse the PGMs internal environment in order to see if there are any factors which may contribute to bring out clearly the concepts of CSR and sustainable community development.

Zimbabwe is the second largest source of platinum after South Africa in the world. The country is set to benefit since platinum is on high demand the world over as it has a variety of uses. The success of the three mines may mean that there will be employment opportunities for the local community. The companies’ other competitive strength is the cheap labour available in the Zimbabwe.

Zimbabwe as a country is far away from the market for the mineral. This means that the companies are likely to incur high transport costs in transporting the platinum to the market. The indigenisation policy in Zimbabwe which required that there be 51% ownership by Zimbabweans and 49% by foreigners was amended by the government and no longer applies to the rest of the extractive sector and the other sectors of the economy save for the diamond and platinum sectors. (www.investzim.com) (Accessed 5 January 2019) This is an obstacle in terms of development and growth of the three mines. This means the availability of investment funds will be limited and the companies will not be attractive especially to well established and large institutional investors since they have to be guided by these amendments. The high tax rates in Zimbabwe will also make the companies unattractive to big investors. The mining companies are charged high mining fees which also negatively affects the companies’ profitability and also liquidity. The shortage of domestic facilities means that the companies have to import from overseas the key machinery for use on their mines. This has been worsened by the current foreign currency shortages currently been experienced by the country. The three mines have resorted to sourcing the foreign currency from the parallel market which is very expensive. This has resulted in the companies incurring a high operational cost which again has a negative impact on the profitability of the companies. The bulk water required in the
companies coupled with high power and electricity tariffs means the operational costs are also very high. The current rail and road infrastructure is very poor. The Sunday Mail of 23 December 2018 observed that the National Railways of Zimbabwe used to move 18 million tonnes of freight in the 1990s, which has dropped to a mere 2.8 million tonnes, an 85% percent downscaling of operations blamed on poor infrastructure and this means the mines are also affected by this. The foreign currency retention by the government through the Reserve Bank of Zimbabwe is too high which is disadvantageous to the companies. The difficulty in accessing capital is also another challenge that the companies have to grapple with and this may result in limited growth in the three companies.

The platinum mines have an opportunity to expand into the southern African region especially those countries where the by-products are sold. In addition to this, the companies can also explore markets with associated metals in the region and the whole of Africa. They can also go further and set up processing plants so that they will not sell the metal as raw thus earning the country the much needed foreign currency.

The main threat is the issue of government regulations which are everchanging. As a result mining executives remain pessimistic about the government’s ability to maintain predictable and consistent mining policies. (www.iol.co.za) (Accessed 5 January 2019) The other threat is the volatile political environment which was witnessed after the elections and the recent fuel hikes. Also the monetary policies of the country also makes it difficult for the mines to plan because they are ever changing. The companies are facing a very tight competition on the international front from countries like South Africa which might push the prices for the metal downwards. This coupled with the unfavourable economic environment will result in depressed profits.

1.2.7 The external business environment analysis for the PGMs sector

Every organisation has to identify external factors that could have an impact on their operations. The corporations do not have control over these factors but the implications of these factors need to be understood. PESTEL is the popular tool for identifying these external factors since it helps an organisation to consider the Political, Economic, Social, Technological, Environmental and Legal issues and some even look at International issues due to globalisation (www.brighthub.pm.com). (Assessed 25 September 2018)
In relation to platinum mining, the political developments during the last quarter of 2017 generated a significant interest in the mining sector due to the new investor friendly policies that were being advocated for by the government in line with the “Zimbabwe is open for business mantra”. (Chamber of Mines Journal Q 1, 2018) This has in a way increased confidence levels in the prospects of the country and the mining industry in particular. This resulted in a lot of foreign and domestic investors making serious enquiries on investment opportunities available in the country’s mining sector. (Chamber of Mines Journal Q 1, 2018, 2017). This means the PGMs sector will benefit indirectly from this.

Zimbabwe is undergoing difficult times with shortages of fuel and basic commodities coupled with the subsequent introduction of the 2% tax as gazetted under Statutory Instrument 205 of 2018 on all transfers in October 2018 by the Ministry of Finance. A number of companies are facing closure as a result of the difficult operating environment. This is compounded by the unclear exchange rate policy, especially the United States dollar to the Zimbabwe bond rate which the government maintains as being 1USD:1Zim bond, which is at variance to the parallel market rate and the subsequent introduction of the Real Time Gross Settlement (RTGS) in the monetary review policy in February 2019 by the Reserve Bank of Zimbabwe in Statutory Instrument (S I) 33 of 2019. Moreover, there is an acute shortage of foreign currency and mining companies are facing challenges in accessing the foreign currency to recapitalise and acquiring critical equipment.

Social factors take into account the events that affect the surrounding community as the platinum mines carry out their mining business. The PGMs mining sector has to look at the advantages and disadvantages brought about to the people around the area where the mining activities are taking place. The sector therefore has to try to mitigate the impact of their operations on the community and other stakeholders.

New technology in a way can benefit the mining industry and consumers in all stages of a mine life cycle. Mines have to use modern technology in order to yield higher productivity, increased margins of safety for workers and the surrounding communities as well as greater environmental protection. (www.nap.edu) (Accessed 25 September 2018). Zimbabwe is currently advocating for the introduction of new cost –slashing, capital unlocking, mine broadening and cobalt saving platinum technology, being driven by Pallinghust of South Africa. As a result, the platinum companies will no longer send their concentrate out of the
country, but will process locally thereby optimising mining and reducing costs. (www.miningzimbabwe.com). (Accessed 25 September 2018)

Under environmental factors, ecological and environmental aspects have to be taken into consideration and these can either be social or economic in nature. The environmental impacts of mining include amongst other things soil erosion, sinkhole formations, loss of bio-diversity and contamination of soil and water by chemicals from the mines. The contamination can also result from the chemical leakages from mines that affect the health of the local community (www.nationalgeographic.com). (Accessed 25 September 2018) Mining companies are required to assist and encourage the people of Zimbabwe to understand the importance of eco-friendliness of the environment and the conservation of the natural resources for the well-being of the current and future generations. This will ensure fair and sustainable use of resources which might result in raising of the standard of living for the people of Zimbabwe. (www.oxfordcollegeofmarketing.com) (Accessed 25 September 2018)

There are legal factors which can affect the operation of an organisation or industry and these include employment legislation, trade regulations, and health and safety regulations. The government of Zimbabwe amended the Indigenisation and Empowerment Act and removed the 51/49% indigenisation cap on all other sectors of the economy and all other minerals except for platinum and diamond producing companies and these are expected to comply with the legislation. The Zimbabwe Chamber of Mines is continuing with its engagements with the government with the view of seeking for equal treatment of all mining companies in order to give investors a wide choice and also due to the fact that the sector is capital intensive. (www.chamberofmines.com) (Accessed 5 January 2019)

Every company that intends to mine in Zimbabwe has to familiarize itself with the following provisions of legislation listed below that govern mining operations:

Mines and Minerals Act Chapter 21:05

Explosives Regulations

Mining (General) Regulations

Mining (Managements and Safety) Regulations

Mining (Health and Sanitation) Regulations
Mines and Minerals (Custom Milling Plants) Regulations

Gold Trade Act

Precious Stones Trade Act

Environmental Management Act

Environmental Regulations

Forestry Act

Water Act

Zimbabwe National Water Authority Act

There are other pieces of legislation that have a bearing on the operation of commercial ventures such as the Companies Act, the Sales Tax Act, Exchange Control Act and others that mining companies as commercial activities need to comply with. (www.chamberofminesofzimbabwe.com)(Accessed 28 December 2018)

1.3 The mining stakeholders

1.3.1 Corporations:

The social and environmental responsibilities of corporations are increasing due to the changes in the manner in which their roles are perceived. These changes are influenced by the global changes and increasing expectations coming from the notion that corporations have a larger role to play in sustainable development (Dashwood & Hevina 2012). Companies must have a positive local reputation and must comply with local and international business regulations and acceptable CSR standards which may contribute to sustainable community development.

1.3.2 Surrounding Community:

The community is a key stakeholder apart from employees, investors and government hence they should benefit from the industry that imposes on its livelihood. Mining companies may therefore have to formulate strategies that provide sustainability for both business and the surrounding community and at the same time mitigate the adverse effects of their operations in communities.
1.3.3 Government:

Government has an important role to play in advancing CSR by playing an active role in shaping and regulating. Therefore, it is necessary for the government to align global CSR norms with locally-specific and culturally sensitive solutions for sustainable community development. This is because government is interested in long term sustainable growth and development. Revenue realised from the mining sector may contribute sustainably to the fiscal as well as to the national development.

Figure 1.4 below shows stakeholders in mining

**Figure 1.4 Mining stakeholders**

![Graph showing mining stakeholders]

**Source: Adopted from Freeman (1984)**

Freeman(1984) came up with a framework that included all the stakeholders shown in the diagram above where a company is placed in the centre separate from the stakeholders. Every corporation therefore has to take stakeholder groups into account when conducting their business.

The level of interest of the stakeholders and conflict is as shown in the table 1.6 below.
Table 1.5: Stakeholder interest and conflict

<table>
<thead>
<tr>
<th>STAKEHOLDER</th>
<th>INTEREST</th>
<th>CONFLICT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>Mandated to make sure that the company pays tax and protects environment and the community.</td>
<td>Environmental damage, tax, employee regulations, health and safety.</td>
</tr>
<tr>
<td>Community</td>
<td>Protection of the environment, economic driver.</td>
<td>Mine damage to the environment, source of income dependent on the mine.</td>
</tr>
<tr>
<td>Law enforcement agents (ZRP, EMA)</td>
<td>Monitoring regulatory enforcement of the mine.</td>
<td>All rules and regulations should be followed.</td>
</tr>
<tr>
<td>Suppliers</td>
<td>Easy, fast and direct income, the mine should use environmentally friendly methods, suppliers do not want to be associated with dubious companies.</td>
<td>Wants the company to be socially responsible thus protect their names.</td>
</tr>
<tr>
<td>Customers</td>
<td>High grade platinum at reasonable price.</td>
<td>Requires intervention of the government so that the price is reasonable.</td>
</tr>
</tbody>
</table>

Source: The researcher

CSR programs are no longer viewed as part of a company’s public relations strategy only but are now increasingly recognised as serious effort to deliver sustainable benefits and to improve the well-being of people and communities in which miners operate (Komp, Boele and Brereton, 2006). It therefore becomes imperative to find out how CSR by the mining companies may contribute towards sustainable community development.

1.4 Statement of the research problem

Mining yields great economic benefits given the large mineral deposits in Zimbabwe but at the same time mining may give rise to the disruption of local flora and fauna. It may also result in the displacement of local communities and disruption of local livelihood sources such as agriculture hence they may be a need to balance to ensure sustainability.
There are economic, environmental and social and labour benefits and consequences that may result from the mining industry nationally and globally. According to Jerkins and Obara (2008) historically mining had a negative attitude towards the impact of its operations by operating in areas without social legitimacy and causing major devastations and then leaving after exhausting all economically valuable resources and the latter is still being witnessed in Zimbabwe in artisanal mining.

The community is a key stakeholder for all mining companies and mining has a huge impact on local communities some positive and some negative. The positive effects include the creation of new communities and wealth, income from export revenues and royalties, technology transfer, skilled employment and training for local populations and improvements in infrastructure such as roads, schools and health clinics. (CAFOD, 2006; MMSD, 2002) The mining sector due to the extractive nature of the industry is increasingly playing a significant role in the country’s economic sector and may also implement CSR programmes in order to mitigate the environmental consequences and improve the communities’ quality of life.

1.5 Research objectives

This study has been guided by the following specific objectives:

1. To find out the CSR strategies being undertaken by the platinum miners.
2. To assess the challenges faced in implementing CSR programs.
3. To find out the sustainability of the CSR programs.
4. To find out the benefits of why the platinum miners should engage in CSR programs.

1.6 Research questions

The study has been guided by a number of questions, the most important of which are posed below:

1. Which CSR strategies are being undertaken by the platinum mines?
2. Which challenges are faced by the mines in implementing the CSR programs?
3. How sustainable are the implemented strategies sustainable in the Zimbabwean communities?
4. What are the benefits of implementing the CSR programs?

1.7 Research proposition

1. There is a strong relationship between CSR and sustainable community development.

2. CSR has high influence on sustainable community development.

1.8 Research assumptions

1. There is no drastic change that is going to affect the outcome of the research.

2. The researcher assumed that the participants will answer the interview questions in a candid and honest manner.

3. Nothing will hinder the researcher from completing the research.

1.9 Significance of the research

The research will provide useful information to the respective stakeholders namely policy makers, the mining companies, the government, the community at large as well as the academia especially on issues of CSR and sustainable community development.

For the policy makers, they will come up with policies which establish and support CSR standards and guidelines which promote sustainable community development. Mining organisations will also invest in programs that generate reliable and tangible social benefits to the community as well as applying sustainable principles in as far as the way they conduct their businesses.

Lastly the academia can utilise the findings of this research as a guide for future researches.

1.10 Delimitation of the study

This study is confined to the three platinum mines namely Zimplats, Unki and Mimosa mines in Zimbabwe and will be looking at CSR and sustainable community development. There are many stakeholders involved with mining but for the purposes of this research only three main parties involved with CSR in mining are going to be looked at and these are the corporations mentioned above, surrounding communities and the government.
1.11 Limitations

This study focuses on the three major platinum mines due to time and financial constraints thereby prejudicing other small mines of being studied. There is therefore need to expand the area of study and include all mines including artisanal mining. Due to time constraints, the researcher intends to make use of emails and possibly telephone calls to communicate with the respondents in order to finish the research within the stipulated time so that the outcome of the research is not affected. The other limitation is that of financial difficulties but the researcher will use ethical considerations so as to get the restricted information from the few respondents of which the information is critical to the research at hand.

1.12 Organisation of the dissertation

Chapter 1: Introduction and background

This chapter introduces the study on the contribution of CSR and sustainable community development and gives the background of the study, the problem statement and the background of the companies that are being used as the case studies. The objectives, questions and the justification and significance of the research are also included in this chapter. The chapter further looked at the limitations, delimitations, organisation of the research and a chapter summary was also given.

Chapter 2: Literature review

This chapter focuses on literature review and outlines some of the work that has been done by other researchers. The chapter also reviews the theoretical literature on CSR and sustainability which will help determine the research gap in the study area.

Chapter 3.0: Research methodology

The chapter will focus on the research methodology that will be used in this study. It will address the research methods and design and focus will be on the research data type, sampling, the methods of data collection and data analysis techniques. The chapter also will provide some clarification of the research ethics that are applicable and going to be applied in this research.

Chapter 4.0: Findings
This chapter will look at data analysis and discuss the findings. This chapter will apply the theoretical framework from Chapter 2 to the research and examine how it relates to the findings and these findings from the research will be analysed and discussed.

**Chapter 5: Conclusion and recommendation**

This last chapter summarises major findings and also draws conclusions amongst others the distinctive contributions of the research. The last section of the chapter will focus on discussion of implications or recommendations that the researcher draws from the findings for amongst other things policy development and policy review as well as future or further research.

**1.13 Chapter summary**

This chapter introduced and discussed the background of the industry in which platinum mines fall under, the main purpose of the study, statement of research, delimitations as well as the significance of the research. The chapter also looked at the problems and challenges being faced by platinum mining companies and also the external environment using PESTELG analysis and also the importance of platinum mining in Zimbabwe and its contribution to the economy.
CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

Literature review is important for acquiring an understanding of a topic, what has already been discovered about it, how it has been researched and what the key issues are. (Hart, 1998) According to Chris (2005) literature review is the collection of information which relates to a particular topic. The information can be ideas, data and evidence given to prove some particular objectives on the topic, then an analysis and evaluation of the gathered information is done. According to Paula (2010) the major benefit of literature review is that it ensures the research ability of a topic before a proper research commences. One more purpose of conducting a literature review is that it makes the researcher aware of different angles of the study. This chapter therefore is going to examine and review related literature in the present area of study which is looking at the contribution of CSR on sustainable community development by the platinum mining sector.

In this chapter the researcher will look at the definitions of CSR and sustainable community development (SCD) in general and relate the concepts to the mining sector. Both the historical and empirical literature on CSR and sustainability in the mining sector is looked at. Furthermore, the theoretical and conceptual frameworks of CSR and SCD will be examined in relation to the present study. Also the different theories which explain CSR are also looked at.

2.2. Corporate social responsibility (CSR)

There is no consensus definition of CSR as each organisation defines it according to what suits its purpose. Carroll (1979) defines CSR of a business as encompassing the economic, legal, ethical and philanthropic expectations that society has of an organisation at a given point in time. Ranagen (2015) on the other hand said the concept of CSR is defined as the integration of social and environmental concerns in a company’s operation and in its interactions with stakeholders on a voluntary basis. Smith (2011) also defined SCR as a business system that enables the production and distribution of wealth for the betterment of its stakeholders through the implementation and integration of ethical systems and sustainable management principles.
Topa (2005) defines CSR as companies being sensitive to the needs of all stakeholders in society. Anon (2006) believes CSR is not a mere concept but rather a reflection of how corporates operate and who they are. He further said that for a corporate to be said socially responsible, it has to instil ethics and values in all its endeavours, from business operations to employees and customer treatment and to how it impact the community it operates. However Baron (2001) believes corporates are motivated to engage in CSR initiatives purely on the grounds of profit. Frankontal (2001) also believes that CSR is nothing other than a brand invention of public relations. Given the number of existing definitions of CSR and the wide range of activities that CSR has been used to describe, Blowfield & Frynas (2005) suggest that it is perhaps more useful to think of it as an umbrella term used to describe a variety of beliefs and practices which hold that companies have a responsibility for their impact on society and the natural environment, sometimes beyond legal compliance and the liability of individuals. Secondly companies have a responsibility for the behaviour of others with whom they do business for example within supply chains. Lastly companies need to manage their relationship with the wider society, whether for reasons of commercial viability or to add value to society, or both.

From a global perspective, the World Business Council for Sustainable Development (WBCSD, 2010) defined CSR as the continuing commitment by any business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as that of the local community and society at large. This definition shows that CSR refers to the idea that corporations should be sensitive to the needs and wants of all stakeholders involved in its business operations and not just the shareholders. In other words, this definition suggests that for a corporate to be seen to be engaging in CSR, it must in a way make meaningful economic contributions locally and nationally.

The World Bank on the other hand defines CSR almost the same way as the WBCSD save to say that the improvement of the quality of life must be done in ways that are both good for business and good development.

The International Organisation for Standardization (ISO, 2000), in its draft working papers defined CSR as the balanced integration of the social, economic and environmental issues with the goal of benefiting persons, communities and society in general. The United Nations Industrial Development (UNIDO, 2015) also defined CSR as a management concept whereby companies integrate social and environmental concerns in their business operations and
interactions with their stakeholders or a way through which a company achieves a balance of economic, environmental and social imperatives (Triple Bottom-Line Approach (TBL) while at the same time addressing the expectations of shareholders and stakeholders. The (TBL) concept was introduced by Elkington (1998) to indicate that an organisation’s results should be measured in terms of interrelated environmental, economic and social dimensions.

This paper will adopt the definition by the WBCSD due to the extractive nature of the mining industry which can have a range of negative short or long term impact to the mining community. As a result, the mining sector has to engage in voluntary actions or programs that either improves the living conditions of the local community economically, socially or environmentally or to reduce the negative impacts of their mining projects. The CSR programs normally invest in infrastructure, for example water, electricity, schools, roads, hospitals to mention a few and or building social capacity by providing schools, information on Human Immunodeficiency Virus (HIV) prevention and building human capital through training local people to be employed by the mines and micro business and animal rearing. (www.miningfact.org) (Accessed 30 September 2018)

2.3 Sustainable development (SD)

Sustainable development has different meanings and explanations and also means different things to different people. According to Crowther (2002) the broad definition of sustainability is concerned with the actions that are taken at present has got an impact on the future. If resources are utilised in the present then they are no longer available for use in the future, and this is of particular concern if the resources are finite in quantity. The most dominant definition of SD is according to the Brundtland Report (1987) which defined SD as a development that meets the needs of the present without compromising the ability of future. Bebbington and Gray (2001) provide a fundamental analysis of the Brundtland Commission’s definition as anthropocentric meaning it regards humankind as the central or most important element of existence in the universe. (www.dictionary.com.org) (Accessed 30 September 2018). Sustainability is also about satisfying needs and not wants. Thirdly sustainability is intergenerational meaning current and future humans are equally important. Lastly sustainability is intra-generational meaning there is no distinction between the so called developing and developed world since the needs of those in developing countries carry equal weight to those in developed countries. The overall goal of SD is the long-term stability of the economy and environment which is only achievable through the integration and

The International Council for Local Environmental Initiatives (ICLEI) is of the view that SD emphasizes environmental, social and economic concerns as three distinct, but interrelated, components of sustainable development. Van der Merwe (1999, MMSD, 2002) defined sustainable development as a programme that change the process of economic development so that it ensures a basic quality of life for all people, and protects the ecosystems and community systems that make life possible and worthwhile.

From the definitions one can see that there are three interrelated elements of SD in most definitions. The first one is that the core objective of sustainable development is to optimize human welfare. Human welfare includes income and material consumption, along with education, health, equality of opportunity and human rights. The second objective is that all physical and economic activity should be compatible with the surrounding biosphere. This element focuses on non-renewable resources, and emphasizes that these resources should not be used at a rate that exceeds the rate at which they can be substituted by sustainable renewable resources. The third element is the equitable distribution of bio-spherically compatible improvements in human well-being, both today and tomorrow (MMSD, 2002, Hoff, 1998).

In view of Elkington (1998) sustainable development comprises of the Triple Bottom Line (TBL) approach which is the foundation of economic, ecological and social factors. The three main focuses of TBL are people, planet and profit. For example, when a corporate is looking at people, it must be careful about the impact of their actions on the people who are directly involved with them which is the welfare of its stakeholders. For instance, the working hours of its employees and the community where the corporation is operating in. Concerning the planet bottom line, the company must get rid of harmful waste in a way that does not harm the community or the environment. The profit bottom line looks at profit of a company and how it sustains the entire community and not just the stakeholders (www.tools4management.com) (Accessed 30 September 2018). Wang and Lin (2007) also said TBL is concerned about what a corporation does in terms of incorporating economic, environmental and social considerations into its evaluation and decision making process.

The economic line refers to the impact of the organization’s business capability to survive and advance into the future in order to support future generations (Spangenberg, 2005). The economic line ties the growth of the economy and how well it contributes to support the
business in a way that prospers it and promotes for its capability to support future generations either positively or negatively.

The social line of TBL is about making sure that labour, human capital and the community benefit from the activities of the business. (Elkington, 1997). These practices provide value to the society by giving back to the community. These practices may include fair wages to the employees and providing health care coverage to the community as well as ensuring that the future generations have great possibilities for opportunities. Recent examples in the industries have revealed that there are economic costs associated with ignoring social responsibility. The social performance at the end of the day focuses on the interaction between the community and the organization and addresses issues related to community involvement, employee relations, and fair wages. (Goel, 2010).

The environmental line of TBL refers to engaging in practices that do not compromise the environmental resources for future generations. It pertains to the efficient use of energy resources, reducing greenhouse gas emissions, and minimizing the ecological challenges to the environment. (Goel, 2010). In all instances of the TBL, performance is measured based on the impact of companies on society as a whole, both now and into the future.

2.4 Community

In order to understand sustainable community development there is need to first understand what is a community since the community is a key stakeholder for all mining companies and is a strong focus of their CSR initiatives. Mining has a huge impact on local communities and some of the positive effects include the creation of new communities and wealth, income from export revenues and royalties; technology transfer, skilled employment and training for local populations and improvements in infrastructure such as roads, schools, and health clinics (CAFOD, 2006; MMSD, 2002). The Mining Minerals and Sustainable Development Report (MMSD 2002) define communities by differentiating categories in terms of how they have been affected by mining operations. Three categories are identified namely; occupational communities (households or families who derive all or most of their income from mining), residential communities (households or families who live within the geographical area affected by mining) and indigenous communities (households or families with an ancient and cultural attachment to the land where mining occurs or has an impact on). These types of community are not mutually exclusive and are more neatly delineated here than the reality on the ground.
Companies therefore must be sensitive to these differences when structuring community involvement plans.

2.5 Sustainable community development (SCD)

SCD is defined as the ability to make development choices which respect the relationship between the three “E”s namely economy, ecology and equity. Economy means the economic activity should serve the common good, be self-renewing and build local assets and self-reliance to the community. The ecological aspects assume that humans are part of nature, and nature has limits and communities are responsible for protecting and building natural assets. The equity component entails the opportunity for full participation in all activities, benefits and decision making of society. (http://www.maced.org) (Accessed 27 December 2018).

Companies therefore may frame themselves as central components of the communities in which they operate as neighbours and as key instigators of economic development and improved standards of living. The rationale behind the existence of a mine in a community is that the community will be better off in both the short and long term. (Jerkins, 2004)

2.6 Sustainable mining

Mining when done in the framework of sustainable development is also known as sustainable mining or mining sustainable development and it means that mining activities should maximise social and economic benefits and address negative environmental and social impacts (United Nations, 2012). The issue of sustainable mining came about in the late 1980s and 1990s as academic research began to raise concerns about the so-called ‘resource curse’ a term now widely used to describe a range of negative economic, political and social outcomes assumed to be associated with extractive industries in a country. (Ostensson, Roe, 2017)

Pring (1999) on the other hand said sustainable mining encourages the preservation of all aspects of a country’s environmental, cultural and socio-economic heritage including the rational use of non-renewable resources. The two definitions of sustainable mining give an explanation why mining must be discussed in relation to sustainability in order to decrease its negative environmental and social impacts while increasing economic and social benefits in the hope of achieving sustainability. The three main pillars of sustainable development in mining consist of economic growth, protection of natural resources and natural environment as well as social responsibility (Dubinski, 2013) as illustrated by Figure 2.1 below.
The idea behind the concept of SD is that development is a concept whereby the system consists of inter related and inter connected sub systems which cannot be separated. One of the key factors of development success depends on the balance of the three sub systems of sustainable development, as depicted by Dubinski (2013). The implementation of sustainable development will effect on the sustainability of activities and resources and this also implies to mining activities as shown in Figure 2.1 above. According to Dubinski (2013) the intentions behind sustainable development implementation of mineral mining on economy is that technical activities must guarantee economic growth while ecology guarantee protection to natural resources and environment and social responsibility means taking care of the employees both in the work place and community development in the mining environment.

The Brundtland Commission’s definition is going to be used for the purposes of this research.

2.7 CSR and sustainable community development in mining

In recent years global mining industry has become increasingly active in CSR engagement (Jerkins, 2004). This can be attributed to a number of factors, amongst them the continuing controversial nature in relation to the industry, the social and environmental externalities that have historically often accompanied mining activities. (Littlewood, 2014)
The other international prominence of CSR in mining can be traced to the related criticism levelled at mining companies from governments, non-governmental organisations (NGO’s) and the local community organisations (MMSD, 2002). What is key in addressing this challenge is that physical non-renewable resources may be deemed sustainable if there is an effective conversion of natural capital represented by resources to social capital that would allow for long term livelihood. This assumes the resilience of natural environment is not compromised undermining social and economic sustainability (Ai, O’Fa, 2007)

Historically the mining industry did not pay attention on the impacts of its operations. They operated in areas without social legitimacy causing devastation and leaving when they exhausted all the resources. This is still witnessed in Zimbabwe through what illegal gold panners are doing to the extent of digging trenches under classrooms or in peoples’ fields and homes while not paying attention to the long and short term impact of their actions so long they get what they want.

However, in recent years the global mining industry has addressed the social and environmental responsibilities since the extractive industries have come under the spotlight with regards to social and environmental sustainability. As a result, CSR programs of mining companies tend to focus on community initiatives as their impact on economic, social and environment is felt greatest at local level. (Jerkins, 2014). Also institutions such as the MMSD and organisation like the International Council on Mining and Minerals (ICMM) have influenced the mining industry to embrace the CSR agenda. Corporations are now committed to sustainable development through corporate reporting and on company websites. Companies have also developed best practices standards and guidelines and toolboxes in relation to a range of corporate responsibility issues including mine closure and mining community development and sustainability (Littlewood, 2014).

Although a lot has been said about CSR and sustainability there are questions regarding the role of mining in social and economic development and the extent to which through CSR the mining industry is fully managing and mitigating the environmental and social impact activities. For example, Hannann (2004) in discussing CSR in South Africa mining suggests that while engagements with CSR have evolved overtime the question remain about how far socially and environmentally responsible business practices have been integrated in core business activities and decision making.
Another critique of CSR is by Gulbrandsson and Mae (2007) who were criticizing the oil industry in Azerbaijan in Asia suggested that CSR agenda and community engagements are often focused on the micro-level deliberately avoiding considerations of macro level social responsibility concerns, for example resource governance and corruption. The two suggested that in their CSR engagements companies are still avoiding critical self-reflections about the overall role of resource extraction in national development and the way in which it may be implicated in the creation of wider social and environmental problems. The same question of whether CSR on its own can influence local sustainable community development remains unanswered hence the current study. This is going to be looked at in Chapter 4 when the researcher looks at the CSR programs that are being carried out by the three platinum mines namely Mimosa, Unki and Zimplats in terms of their impact on sustainable community development.

### 2.8 Impact of mining on the surrounding community

![Figure 2.2 Summary of the impact of mining](image)

Source: Geost, 2015

Mining can have significant environmental, economic and social impacts as demonstrated in figure 2.2 above.

On the negative environmental side mining can contaminate surface and ground water, soil loss of biodiversity and erosion. It can also affect the surrounding population’s health due to contamination caused by leakages of chemicals. ([www.worldatlas.com](http://www.worldatlas.com))(Accessed 30 September 2018)
The quality of air can also be affected as unrefined materials are released to the surface when mineral deposits are exposed from the sites. When operations are carried out the soil is removed together with vegetation and this exposes the soil to weather causing the particles to be airborne through road traffic and wind erosion and this can contribute to respiratory illnesses. These effects can be felt on site or off site and can be limited to the present or extended to the future. (Olalide, 2012). The surrounding land can be destroyed by creating pits and waste piles resulting in the deterioration of flora and fauna and also land degradation.

Landscape can be altered due to declination caused by ground movement which can cause damage to the roads and buildings and may render land unsuitable for agriculture and forestry. (Ololade, 2012)

Nearby water and aquifers can be polluted through mental contamination and increased sediments and this is harmful to aquatic life and people. Siltation can occur and can affect irrigation, fisheries and domestic water supply. (www.worldatlas.com) Accessed 30 September 2018) Livelihoods of the surrounding community can be affected due to temperature modification and PH. Generation of dust during drilling and blasting can also affect human health.

On the social side there can be demographic changes on the size and composition of the resident population and the displacement and resettlement of the community in-order to pave way for the mines. This can force the community to lose their homes and livelihoods. This can also alter social relationships and changes in culture and displacement of present or future economic activities. (Gaulnam, 2008) Social vices such as prostitution can increase resulting in the spread of diseases such as HIV among the migrants and residents, drug and alcohol abuse and family disorganisation. (Alkabzaa, Darimani, 2001).

Negative economic effects can also be experienced because of mining especially on closure of mines. A study by Mengwe (2010) pointed out that closure of mines forces outward movement of migrants who come into the region to look for jobs and can result in great loss for business people who depend on these migrants for their sales. Also those households who directly or indirectly depend on the industry can suffer economically since they become highly dependent on the mines for income. (Aroneka, Murthy, 2017)
2.9 Theories

2.9.1 Stakeholder theory

One of the most notable things in the historical development of CSR is that there is an evolution of the earlier idea of corporates being responsible to their shareholders in terms of profit and also the expectations of other stakeholders (Carrol, 1999). Accordingly, the stakeholder theory constitutes a substantial conceptual background for the concept of CSR.

The term stakeholder refers to the different groups that affect the achievement of organisational goals (Freeman, 2010). Stakeholder theory explains that managers’ responsibility is not only maximising shareholders value as proposed by the agency theory but the corporations must also take into consideration the wellbeing of other stakeholders who are likely to be affected by the corporate decisions which include among others workers, customers, suppliers and local community organisations (Craig, and Greenbaum, 2002). For CSR in the mining sector this means mining corporations have to bring into balance the different interests of society, the obligation of environmental protection and profit goals, then shaping their relations, attitudes and strategies in accordance with that balance (Jerkins, 2004). From the study, it is very pertinent to see how the mining companies relate with its stakeholders especially the surrounding community since it is the main focus of this study.

2.9.2 Social contract theory

Donaldson (1982) views the relationship between the business and society from a philosophical point of view. He argues that there exists an implicit social contract between business and society resulting in some indirect obligations of business towards society. Donald and Dunce (1999) further extend the theory by proposing that the social contract theory is a way for managers to make decisions in an ethical manner. The main idea behind this view is that business organisations operate because of public consent in order to serve constructively the needs of society to the satisfaction of society (Van Marrewijk, 2003). Ramathan (1976) proposes to define the concept of social components, social equity and net social contribution. The social components in this case are the different social groups to which a company is supposed to be bound by a social contract. These different groups can measure changes in its rights with respect to the company resulting from social contribution of a firm as the aggregation of its non-market contribution in relation to the welfare of society, less non-market withdrawal’s made by the company on the resources of the society (Toukabi et al, 2014). It
becomes imperative that the mining companies are expected to fulfil some indirect obligations of the surrounding communities by making tangible social contributions through their CSR programs.

2.9.3. Legitimacy theory

Deegan and Unerman (2011) are of the view that the legitimacy theory relies on the notion that society will have expectations on how an organisation conducts its business. O’Deneven (2002) on the other hand argues that the legitimacy theory stems from the idea that for corporations to continue operating successfully it must act within the bounds and norms of what society identifies as social responsible behaviour. The theory is also used to explain social and environmental disclosures and this helps the companies in achieving the legitimacy goal as it demonstrates to society that the companies are not just an economic entity but that they are good corporate citizens. (Guthrie and Parker, 1987, Naser et al, 2006)

As a result, this theory has seen the coming in of CSR reporting practice which helps to integrate CSR activities into corporation’s strategic risk management so that the impact of CSR activities can be maximised. Branco and Rodrigues (2008) argue that CSR disclosure play an important role in enhancing the effect of CSR on corporate reputation as well as representing a signal of improved social and environmental conduct. It is the researcher’s view that is the reason why the mines under study are providing extensive CSR disclosures in their corporate reports.

2.9.4 Stewardship theory

The theory is of the view that the firms’ purpose is to contribute to humanity (Karns, 2011). At the centre of the theory’s foundation is the concept that the business is here to serve rather than to make profit. (Larson, 2013). A stewardship focused firm aligns itself with the needs of society and through innovation and risk taking attempts to improve the life of others utilising a business approach (Karnes, 2011).

It is the researcher’s view that CSR fits well into the stakeholder and stewardship theory. This is because corporations do not operate in a vacuum. For example, in mining, given the negative impact on society when they are extracting the minerals, they have to do something to mitigate the impacts by taking into account the stakeholders. On the other hand, business is essential to the prosperity of society and at the same time society provides the means to make corporations successful. This shows that there is an interrelationship which is mutually beneficial to the
parties. The focus therefore is to acknowledge the influence of the stakeholders on the firms’ operations and to consider the influence of these groups on operational results in the strategic decision making process (Tse, 2011). This was also supported by Oginni and Omojowo (2015) who said industries are not only required to act socially responsible but also to act sustainable in order to meet stakeholders’ expectations and promote inclusive growth. The stewardship theory on the other hand advocates for corporations to do the right thing without financial consideration. Its primary focus is on betterment of humanity through the implementation of CSR.

In view of the above, the practicality and relevance of both the stakeholder theory and the stewardship theories for the present study lie in the extent to which they provide a framework upon which mining companies under study will be judged in terms of the value they place on CSR and sustainable community development.

2.10 Conceptual framework

The study will be guided by the conceptual framework below:

**Figure 2.3 Conceptual framework for CSR and SCD**

![Conceptual framework for CSR and SCD](source)

From the diagram above, it is demonstrated that the three variables of sustainable development that is social, economic and environmental dimensions are interrelated. The platinum mines therefore have to incorporate these in their business when making business decisions on CSR for it to contribute to sustainable community development. For example on the environmental dimension, the decisions made by the platinum mines on CSR programs must mitigate the disturbances of the environment when the mines are carrying out their operations. On the economic dimension, the CSR programs that the companies decide to implement must benefit
the community and must be made with the long term benefits rather than short term. The social dimension decisions on CSR must promote the idea of the betterment of the surrounding communities. At the end of the day the CSR programs that the companies implement must ensure that the future generations should enjoy the same or greater quality of life benefits just like the current generations do in order to fulfil the definition of sustainable development by the Brundtland Report.

2.11 Empirical literature review

Hamann and Kapelus (2004) researched about CSR in South Africa in platinum and chrome mining in Rustenburg around the Bushveld Complex which contains the world’s largest reserves of PGMs. In the case study area, companies’ dominant interpretation of CSR has been in terms of the so called Corporate Social Investment (CSI) which includes philanthropic initiations in communities surrounding the mines or via national programs in education, health, welfare or small business development. The research concluded that many of the CSR related activities being carried out by the companies represent important development contributions.

Mensah (2009) carried research on the role of CSR on sustainable development in Obuasi which is in Ghana and the mine happens to the oldest gold mines in Ghana which incorporates CSR as one of its core values. The study was carried out to see how the company has been able to apply this policy in their operation especially when working with the local community. It was concluded that CSR presents itself as a very useful tool for the implementation of sustainable development if the policies are well applied. It was said it is important for mining companies to have the developmental interest of their local communities at heart during their stay in the company and even after they have abandoned the sight. The research found out that in theory the mining company seem to be contributing something back to the community but the worry here is that these projects and policies could not be said to be enough to ensure the sustainability and sustainable development of the people in the community.

Tiainenem (2012) carried out a research on Kyrgyz mining industry which is in Central Asia. The Kyrgyzstan is a small and mountainous country in Central Asia. The case study examined the mining sector from the viewpoint of social sustainability reflecting it onto the general development of the surrounding society. The research found out that the three spheres of social, environmental and economic sustainability are not treated as an ensemble that complement each other and that in order to build economic and socially sustainable practices, the Kyrgyzstan
government, mining companies and local communities require the application of new approaches to the development of the communities.

Mendez and Rodriguez (2016) researched about CSR for mining companies based on the practices and processes used by mining companies in Santander, Moorland in Colombia. Their study revealed that whenever the exploitation of minerals takes place, it becomes important for mining companies to take a sustainable development approach where the three dimensions of environment, social and economic components come together. They argued that CSR today is not just a question of mere philanthropy, ethics or management but a question of integrating all commercial dimensions with the goal of sustainable development in mind. There is therefore need for a paradigm shift in all spheres of the company because CSR becomes an effective alternative not just one that permits the mitigation of negative impacts resulting from the operations but also one that generates value addition that is shared by all its stakeholders meaning it becomes reflected in society in general thus significantly contributing to sustainable development (Quazi and O’Brien 2000).

The findings of the research were that in general, the mining in Santurban have CSR policy or strategies but with respect to communities, it was found that companies do practice social investment but the impact on social development cannot be established and that there is no mitigation efforts with respect to the impact on development in the surrounding area. Also the mining sector has not adopted a clear benchmark for developing CSR which directly influences the impact that it has on society. Due to the uncoordinated actions there are no clear-cut generation of social, economic and environmental development because of lack of logical and systematic order that can compensate for the negative aspects generated by mining exploitation, (Mendez and Rodrigues (2016)).

However, it not always the case that CSR can contribute to SCD. This is supported by Jerkins (2004) who carried out a research on CSR and SDC on Kelian Equitorial Mining and the Kutai Communities Region of East Kalimantan in Indonesia. He found out that whilst the company claimed to be committed to numerous community and capacity building projects, it turned out that they were playing lip service to the various activities namely community development projects, recruitment of local workers, environmental management and mine closure plans as a form of propaganda.
2.12 Chapter summary

This chapter looked at the literature review relevant to the topic under study. The definitions of the concepts CSR and sustainable development from different scholars were discussed and the definition of CSR from WBCSD was adopted for the purposes. The definition of the concept of sustainable development from the Brundtland Commission was used for the purposes of this research. Four theories of CSR were reviewed in order to see the extent to which they provide a framework to mining in terms of CSR and sustainable development. The chapter further looked at available empirical literature from other countries which is relevant to the study. This study is guided by the conceptual framework in Figure 2.5 and the research methodology in the next chapter.
CHAPTER 3

METHODOLOGY

3.1 Introduction

Hernandez, Pérez and Rangel (2016) defined research methodology as a highly intellectual activity used in the investigation of nature and matter and deals with the manner in which data is collected, analysed and interpreted. It defines the research purposes, procedures, activities, measurements and applications.

This chapter is about the research methodology that was used in the actual study. Research methodology lays out the overall approach of an organised process for assembling valid and reliable information for the purpose of investigations. The researcher outlined in detail the research design, the research philosophy, research strategy, the methods of data collection and population under investigation, sampling and sampling procedure, the research process, and the detailed explanation of type of data analysis and presentation as well as the ethical considerations in order to attain the objectives of the research. It also lays down the sources of data and gives the summary of the chapter.

3.2 Research design

Kerlinger (1986) defined research design as a plan and structure of investigation purporting to obtain answers to the research questions. It includes an outline of what the researcher will do in terms of operational implications to the final analysis of data. The design also expresses both the structure of the research problem and the plan of investigation used to obtain empirical evidence in relation to the problem. The research design constitutes the blueprint for the collection, measurement and analysis of data (Saunders, Lewis, Thornhill, 2012).

There are several types of research designs, for example qualitative research and quantitative research. In this study, the researcher used qualitative research method in order to satisfy the objectives of the dissertation and is exploratory in nature since the researcher wanted to increase familiarity with the phenomenon under study. The other reason why the researcher chose this method is because it enabled the researcher observe feelings, thoughts, behaviours and the beliefs of the society under study (White, 2000). The inductive approach was used for
the purposes of this research. This is because it takes into account the context where research effort is active, while it is also most appropriate for small samples that produce qualitative data. However, it has its weakness in that it produces generalized theories and conclusions which may be based only on a small number of observations.

Qualitative data sources include interviews and questionnaires, documents and texts. For this research, face to face interviews were conducted and some questionnaires were sent out to the respondents via email. The rationale for using the interview methods was to enable the researcher to find out what is on the respondents’ mind, what they thought and how they feel about the whole aspect of CSR and sustainable community development. An interview guide was used to make sure that questions asked were relevant to the study.

3.3 Research philosophy

Galliards (1991) defines research philosophy as a belief about the way in which data about a phenomenon should be gathered, analysed and used. The philosophy applied in this study is interpretivism which is fundamentally concerned with meaning. Galliers (1991) assets that interprevists are of the belief that only through the subjective intervention in reality that can be fully understood. It seeks to understand social members’ definition of a situation and in this case the contribution of CSR on sustainable community development in the communities surrounding the three platinum mines namely Unki, Mimosa and Zimplats. This view is also supported by Saunders et al (2012) who are of the view that the purpose of interpretivist is to create new, richer understandings and interpretations of social worlds and contexts.

3.4 Research strategy

Research strategy is a general plan of how the researcher is going to answer the questions and is guided by the research questions. According to Saunders et al (2012) the strategies include experiments, survey, case study, action research, ethnography, archival research. The choice of data collection method depends on the type of data to be collected, time available, money and personnel available to assist the researcher in data gathering. Data was collected using a combination of data gathering methods which included interviews, self-administered questionnaires where the researcher could not go in person to conduct face to face interviews due to time and financial constraints. The other method used to gather data was literature survey from reading books, journals, and publications with relevant literature as well as surfing the
internet. Questionnaires were used as a tool for data collection. One was for the personnel who administer CSR programs while the second set was for the community members to whom the CSR practices are intended in order to gauge their views about CSR activities and how it contributes to sustainable community development in their area.

4.4.1 The self-administered questionnaire technique

According to Collins and Hussey (2013) a questionnaire is an instrument for data collection in which a selected number of participants are required to complete a set of questions to find out what they think or how they intend to act. Clarke et al (2015) stipulated that a questionnaire sets out the questions to be asked and possible answers, order in which questions must be asked and conditions under which questions have to be asked. A questionnaire must be structured in a way that is simple and clear and must avoid leading questions.

There are some benefits associated with using self-administered questionnaires. For instance, Yin (2003) highlighted that the biggest advantage of using a questionnaire is that answers are guided so it makes it easier for people to respond. They also enable data to be collected from a large diverse sample. They also ease administration and can lead to speedy and cheap deliveries if emails are used.

However, there are some limitations associated with using questionnaires. They can be unclear and vague. McGurk and Neil (2016) argued that the researcher might not be able to ask for clarity leading to collection of wrong data. They can be costly if too many questionnaires are printed and are time consuming to analyse. In order to avoid this, the researcher used simple language and avoided ambiguous questions.

The questionnaire can have open ended questions which have the advantage to stimulate verbal exchanges and may have many possible answers. The other benefit of using open ended questions according Baskerville (2016) is that there is no limit to standard answers as a result wide information can be collected. The limitation of open ended questions is that they are difficult to analyse statistically because to do so the qualitative information has to be reduced to coding thus answers tend to lose their original meaning.

These questionnaires can also have closed ended questions. Creswell (2012) cited that close ended questions are questions that require a yes or a no response; they are an involuntary selection among two or more requests. The respondents choose an answer from a fixed list provided by the researcher. The advantage of using closed ended questionnaire according to
Maxwell (2012) it that it is easy to answer and keep control of the conversation when using close ended questions. It is also easy to analyse the answers as they can be grouped and interpreted. It takes less time to gather data using close ended questions. However, close ended questions are difficult to design and respondents might feel that there is no suitable answer for them. The Likert Scale is usually used for close ended questions and respondents can either agree or disagrees to a question. The main advantage of using a Likert scale according to Theofilou (2012) is that it simplifies the process of quantifying responses and statistically analysing findings making it easier for the respondent to draw conclusion.

3.4.2 Face to face interview technique

Brinkman (2014) described an interview as a formal conversation where the researcher seeks to find out direct information about a certain subject. It is done in order to explore views and experiences and to get explanations of a certain subject. An interview can be done over the phone, electronically or face to face. In this case an interview guide was used to conduct the interviews face to face. This method implies that the researcher interviews all the individuals drawn in the sample.

According to Denscombe (2014) one of the benefits of using an interview is that it can assist in obtaining personal data, perceptions and attitude and data collected is directly applicable as it is collected for the purpose of the research and is also valid, reliable and relevant. Another benefit of interviews is that respondents are able to expand areas of interest which enables the researcher to obtain clear answers. Interviews also allow the researcher to see the non-verbal communication when performing face to face interviews for example facial expressions. The chances of obtaining fully filled questionnaires are increased with personal interviews, simply because the respondent will not be able to turn in partially filled questionnaires as in the case of self-administered questionnaires. Also sections or questions that are not understood well by the respondent can be clarified by the interviewer. Finally, the respondents can be accessed in their natural environments, which make them feel more confident in releasing information.

Nonetheless, interviews have got their own disadvantages. One of them is that this method is expensive, as it entails a lot of movement and in some cases the hiring of research assistants to help in distributing the questionnaires. Cole and Bird (2013) also assert that interviews can make the respondents feel intimidated which leads to respondents withholding valuable data which might be useful to the researcher.
They can also be time consuming. Again, there is the likelihood that the interviewee may react negatively or dislike the interviewer, in which case s/he will become uncooperative and unproductive. Finally, it is not always easy to assure respondents of confidentiality and anonymity, as some might imagine that they have already been seen by the interviewer and are therefore known. Before each interview, the researcher called the respondents for an appointment and the duration of the interviews varied from 30 to 45 minutes excluding a short introduction of the researcher and the research topic. The researcher gave a brief background of the nature and purpose of the study as a way of gaining confidence of the respondent. Where it was not possible to conduct face to face interviews, the researcher used telephone interview in-order to reduce costs. The researcher tried to make the interviews brief and to the point.

3.4.3 Document analysis technique

A wide range of literature related to the topic was consulted from resources such as journals, for example the Chamber of Mines quarterly journals, both published and unpublished articles, newspapers, textbooks, academic conference proceedings, dissertations and thesis by other scholars, and other publications with the relevant literature as well as surfing the internet. The company reports of the respective mines under study namely Unki, Mimosa and Zimplats also contributed a lot. This data collection technique gave an insight into what other researchers and authors have written about CSR and sustainable community development. These also gave the researcher confirmation in case of any similarities and explain disparities from the already read literature. It also served as both theoretical and empirical framework needed for the analysis of the data collected for this research.

The advantage of using this type of information otherwise known as secondary data is that it is readily available which makes it cheaper and easier to gather. The disadvantage is that it might be irrelevant and not applicable to the research under study or out dated and might not cover aspects relating to the research. To avoid this, the researcher tried by all means to use recent publications or current reports in order to avoid using out dated information.

3.5 Data collection procedures

3.5.1 Population

Reid (2004) described population in a study as all units possessing certain characteristics, which are of the interest of researchers’ study. From the definition, population can be understood as the targeted community or group of people which is involved or selected by the
researcher for his/her study. In this research problem the senior management who manage CSR programs and the community relations officers of the three mines under study were the target population. One senior management from each of the three mines and one community relations officer was therefore selected. The reason for selecting the senior management and the community relations officers was that they are directly involved in the administration and implementation of the CSR programs within the organisations. Also community leaders were selected for the purposes of this research but due to time constraints not all community leaders were selected since there are many wards surrounding the mines.

3.5.2 Sampling

Sampling refers to the process of selecting units from a population of concern. The basic idea of sampling is that by selecting some of the elements in a population, we may draw conclusions about the entire population. (Cooper, Schindler, 2003) The sampling methods can be probability or non-probability. In qualitative research only a sample of a population is selected for any given study (Denzin, Lincoln, 2005). Also qualitative research methods use non-probability type of sampling which is non-random and subjective. This includes judgement, quota, convenience, snowball and purposive. (Cooper, Schindler, 2003)

The method of purposive sampling was used to select the sample of the research under discussion. According to this method, which belongs to the category of non-probability sampling techniques, sample members are selected on the basis of their knowledge, relationships and expertise regarding a research subject (Freedman et al., 2007). In the current study, the sample members who were selected had special relationship with the phenomenon under investigation, sufficient and relevant work experience in the field of CSR and also the surrounding communities since they are the ones in a better position to evaluate the CSR programs that are implemented by the mines and evaluate their contribution to sustainable community development.

3.6 Validity and reliability

Validity, reliability, and objectivity are held out to be standard benchmarks to measure how good the research instruments are.
3.6.1 Validity

The researcher used interviews and written documents to strengthen the validity of the research. The empirical data was collected using semi-structured interviews and written documents. Cooperation was ensured by making the interview a more open discussion. The semi-structured interviews enabled the respondents to discuss in a free way about the pertinent issues in the research. This therefore enabled the researcher to find more profound answers and this improved the validity of the information.

Greater care was taken in choosing the right words and phrases in the target population. Ambiguously designed questions were correctly rephrased to have the same meaning for all the respondents. The validity of the answers was ensured because even body language communication could be captured.

3.6.2 Reliability

Reliability is the ability of the instrument to produce the same results if duplicated under similar circumstances. This ensures that there is consistence in terms of the measurements used in the study. The respondents were informed of the essence of the research through an introductory letter in the questionnaire to eliminate their unwillingness to answer. The research avoided technical terms and used simple language. The researcher avoided leading and ambiguous questions. Anonymity was employed to ensure willingness and honesty in answering personal questions.

3.7 Ethical consideration

The current study was subject to certain ethical issues. The participants were fully informed regarding the objectives of the study, while they were reassured that their answers were treated as confidential and used only for academic purposes and only for the purposes of the particular research. The researcher also attempted to create and maintain a relaxed and friendly environment during the interview process.

3.8. Data presentation and analysis procedure

According to Yin (1994) data analysis consists of examining, categorizing, tabulating or recombining the evidence to address the initial proposition of a study. This involved the preparation of data collected into useful, clear and understandable information.
Content analysis was used to analyse the data which was gathered from personal interviews. Content analysis is the procedure for the categorization of verbal or behavioural data for the purpose of classification, summarization and tabulation and can be done on two levels which are descriptive whereby the researcher will be looking at what is the data and interpretive whereby the researcher will be looking at what is meant by the data. The main advantage of content analysis is that it helps in data collected being reduced and simplified. Moreover, content analysis gives the ability to researcher to structure the qualitative data collected in a way that satisfies the accomplishment of research objectives. However, human error is highly involved in content analysis, since there is the risk for researchers to misinterpret the data gathered, thereby generating false and unreliable conclusions (Krippendorff, Bock, 2008).

Furthermore, the document analysis method was used to analyse documents obtained from the various CSR reports of the mines which were under study as well as from the internet. Elliot et al (2016), indicates that the document analysis methods involve the identification of how documents relate to each other and the context in which they are produced.

The findings drawn were then presented in a report form with tabulations and figures clearly shown and described.

**3.9 Chapter summary**

This chapter explored the methodological framework followed in order to collect the data required to conduct this study and justified reasons for using these methods. It outlined in detail the research design, the research philosophy, research strategy, the methods of data collection and population under investigation, sampling and sampling procedure, the research process, and the detailed explanation of type of data analysis and presentation as well as the ethical considerations in order to attain the objectives of the research. It also laid down the sources of data.
CHAPTER 4

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 Introduction

The research at hand was guided by the following objectives which are aimed at finding out the CSR strategies that are being undertaken by the platinum mines, to assess the challenges faced by these platinum mines in the process of implementing the CSR programs. The other objective was to find out the sustainability of the CSR programs and lastly to find out the benefits why these platinum mines are engaging in CSR programs. The mentioned objectives helped the researcher to identify the CSR programs that are being carried out by the mine as well as the challenges that these mines are facing in the process of implementing the CSR programs. The objectives also assisted the researcher to see how sustainable those CSR strategies being implemented by the mines are sustainable in the surrounding communities and also to understand the benefits of implementing these CSR programs by the mines.

This chapter is dedicated to the presentation, analysis and interpretation of the main research findings as guided by the research objectives raised in chapter 1. The chapter has been divided into four sections which are section 4.2 to section 4.5. Section 4.2 covers demographic information of the respondents so as to understand some pertinent nature of distribution and characteristics of the population under investigation. Section 4.3 illustrates the response rate. Section 4.4 is for presentation and analysis of data. The last section, 4.4 is dedicated for the discussion and interpretation of the main findings as related to the research objectives.

4.2 Demographic characteristics of the respondents

In this section, key demographic features of the respondents are analysed to provide some underpinning characteristics of the sampled subjects such pertinent features of the population that could have influenced the main constructs of the study. This is echoed by Tavakol & Dennick (2011) who recommend that important characteristics of the research instruments and the population need to be examined for such to provide some insights into methodological and study setting variations that may impact on the analysis of the main findings.
4.3 Gender

Figure 4.1 below shows the distribution of respondents according to gender. 35% of the respondents were female while the other 65% were male. This does not necessarily mean that there are more males than females in the community. It is just an indication that more males than females responded to the questionnaires in this study.

**Figure 4.1 Distribution of respondents according to gender**

4.4 Age

The majority of the respondents lie in the 25-35 years’ age group while the over 55 years’ age group had only 4 respondents of the sample size.
This may suggest that the majority of Zimbabwe is composed of young people and very few old aged citizens. The other reason could be that this age group is the one which is mostly affected by what the mines do in the surrounding community.

### 4.5 Income

It is evident that the majority of respondents are in the $400-599 range of income while a negligible number in the over $1000 and below the $200 categories as shown in Figure 4.3 below.
This can be an indication of the average salary that most of the people are being paid either by the mines or from other work places since not everyone in the community might not be working at the mines.

4.6 Qualifications

The educational qualifications demographics further showed that a very significant proportion of the surveyed members of the community had ordinary level qualifications. This could be an indication that the majority of those in the community did not further their education save for
those respondents who work for the mines or those in professional positions who went beyond ordinary level.

4.7 Response rate

The total number of questionnaires distributed to the community amounted to 50 and of these 40 were returned and this constitutes a response rate of 80%. According to Gray (2013) response rates that is above 20% for such surveys is acceptable.

4.8 Data presentation and analysis

In this section, the main findings of the study are presented guided by the research objectives which are to identify the CSR programs being undertaken by the platinum mines and how they are contributing towards sustainable development in the communities.

4.8.1 CSR programmes in place

In this section, the data is used to understand the CSR programs in place in the platinum companies. This provides some significant information pertaining to the CSR programs being undertaken by the platinum companies.

1. CSR programs are good

Figure 4.5 CSR programs are good.

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Not sure</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSR programs are good</td>
<td>25</td>
<td>12</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

The results on the table show that 37 respondents (93%) believed that the CSR programs in place were good and beneficial to the community. They indicated that the platinum companies
were not only focused on profit but were also ploughing back some of the profits towards the development of the community.

Chi-square analysis of the CSR programmes

**H0:** CSR programs of the companies are not good.

**H1:** CSR programs are good.

**Level of significance** = 5%

**Calculation of the test statistic**

**Table 4.1 Calculation of the test statistic**

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Not sure</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Observed Frequence(O)</td>
<td>25</td>
<td>12</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>Expected Frequence (E)</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>40</td>
</tr>
</tbody>
</table>

$(O-E)^2/E = 78.125 \text{ (Calculated) } = 96.75$

$X^2(\text{Critical value}) = X^2(10\%, 3) = 11.34$

**Decision:** since the calculated value of $X^2$ is greater than the critical value, we reject H0 and conclude that CSR programs are good according to the community at 0.1 probability level.

2. Are the CSR programs being well implemented?
Figure 4.6 CSR programs are well implemented

The results in the table show that a total of 18 (45%) respondents are of the opinion that the CSR programs are being well implemented. Conversely, a total of 10 respondents disagreed and believed that the platinum mines could have done more in terms of implementing the CSR programs.

**Chi square analysis**

**H0:** CSR programs of the companies are not being well implemented.

**H1:** CSR programs are being well implemented.

**Level of significance** = 5%

**Table 4.2 Calculation of the test statistic**

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Not sure</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Observed Frequence (O)</td>
<td>10</td>
<td>8</td>
<td>12</td>
<td>7</td>
<td>3</td>
<td>40</td>
</tr>
<tr>
<td>Expected Frequence (E)</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>40</td>
</tr>
<tr>
<td>(O-E)^2/E</td>
<td>12.5</td>
<td>8</td>
<td>18</td>
<td>6.125</td>
<td>1.125</td>
<td>45.75</td>
</tr>
</tbody>
</table>

\[ X^2 = \frac{(Observed - Expected)^2}{Expected} \]

\[ X^2(\text{Calculated}) = 45.75 \]

\[ X^2(\text{Critical value}) = X^2(10\%, 3) = 11.34 \]
**Decision:** since the calculated value of $X^2$ is greater than the critical value, we reject $H_0$ and conclude that CSR programs are being well implemented according to the community at 0.1 probability level.

3. Are CSR programs adequate?

Figure 4.7 CSR programs are adequate.

The results clearly show that a total of 31 (77.5%) respondents are of the opinion that the CSR programs in place is adequate whilst a mere 5 (12.5%) respondents thought otherwise.

**Chi-square Analysis (CSR programs are adequate)**

**H₀:** CSR programs of the companies are not being well implemented.

**H₁:** CSR programs are being well implemented.

**Level of significance = 5%**

**Table 4.3 Calculation of the test statistic**

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Not sure</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Observed Frequence (O)</td>
<td>18</td>
<td>13</td>
<td>4</td>
<td>4</td>
<td>1</td>
<td>40</td>
</tr>
<tr>
<td>Expected Frequence (E)</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>40</td>
</tr>
<tr>
<td>$(O-E)^2/E$</td>
<td>40.5</td>
<td>21.125</td>
<td>2</td>
<td>2</td>
<td>0.125</td>
<td>65.75</td>
</tr>
</tbody>
</table>

$$X^2 = \frac{(Observed - Expected)^2}{Expected}$$
X²(Calculated) = 65.75

X²(Critical value) = \( X²(10\%, 3) = 11.34 \)

**Decision:** since the calculated value of \( X² \) is greater than the critical value, we reject \( H_0 \) and conclude that CSR programs are adequate according to the community at 0.1 probability level.

4. Are the environmental and social plans being well implemented?

**Figure 4.8 Environmental and social plans well implemented**

The results clearly show that that 38 (95%) of the respondents were satisfied with the environmental and social plans being implemented by the platinum mines in the community. The responses in the affirmative were overwhelming clearly indicating that the mines were doing enough towards taking care of the environment.

**Chi-square analysis**

**\( H_0 \):** Environmental and social plans are not being well implemented.

**\( H_1 \):** Environmental and social plans are being well implemented.

**Level of significance**= 5%
Table 4.4 Calculation of the test statistic

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Not sure</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Observed Frequency(O)</td>
<td>23</td>
<td>15</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>40</td>
</tr>
<tr>
<td>Expected Frequency (E)</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>40</td>
</tr>
<tr>
<td>(O-E)^2/E</td>
<td>66.125</td>
<td>28.125</td>
<td>0.125</td>
<td>0.125</td>
<td>0</td>
<td>94.5</td>
</tr>
</tbody>
</table>

$X^2 = \frac{(Observed - Expected)^2}{Expected}$

$X^2$ (Calculated) = 96.75

$X^2$ (Critical value) = $X^2(10\%, 3)$ = 11.34

**Decision:** since the calculated value of $X^2$ is greater than the critical value, we reject $H_0$ and conclude that environmental and social programs are being well implemented according to the community at 0.1 probability level.

5. Are the CSR programs being well monitored?

**Figure 4.9 CSR programs are well monitored**

The results in the table above show that 37 (92.5%) respondents were satisfied with the level of monitoring in the CSR programs. The response from the community was overwhelming and this is proof that the platinum mines are fully committed to the implemented in the community.

**Chi-square analysis**
**H0**: CSR programs of the companies are not being well monitored.

**H1**: CSR programs are being well monitored.

**Level of significance** = 5%

**Table 4.5 Calculation of the test statistic**

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Not sure</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Observed Frequency (O)</td>
<td>25</td>
<td>12</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>Expected Frequency (E)</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>40</td>
</tr>
<tr>
<td>((O-E)^2/E)</td>
<td>78.125</td>
<td>18</td>
<td>1.125</td>
<td>0</td>
<td>0</td>
<td>97.25</td>
</tr>
</tbody>
</table>

\[
X^2 = \frac{(Observed - Expected)^2}{Expected}
\]

\(X^2\) (Calculated) = 97.25

\(X^2\) (Critical value) = \(X^2(10\%, 3) = 11.34\)

**Decision**: since the calculated value of \(X^2\) is greater than the critical value, we reject H0 and conclude that CSR programs are well monitored according to the community at 0.1 probability level.

6. Are engagement plans in place?

**Figure 4.10 Engagement plans in place**

<table>
<thead>
<tr>
<th>Engagement plans in place</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Respondents</td>
</tr>
<tr>
<td>Strongly agree</td>
</tr>
<tr>
<td>Agree</td>
</tr>
<tr>
<td>Not sure</td>
</tr>
<tr>
<td>Disagree</td>
</tr>
<tr>
<td>Strongly Disagree</td>
</tr>
</tbody>
</table>
The results above show that 83 (82.5%) of the respondents are agreeable to the fact that adequate engagement plans are in place as far as CSR programs are concerned. This is an endorsement that the platinum mines are actually working together with the members of the community in trying to implement CSR programs in the community.

**Chi-square analysis (Engagement plans are in place)**

**H0**: Engagement plans are not in place.

**H1**: Engagement plans are in place.

**Level of significance** = 5%

**Table 4.6 Calculation of the test statistic**

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Not sure</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Observed Frequence(O)</td>
<td>23</td>
<td>10</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>40</td>
</tr>
<tr>
<td>Expected Frequence (E)</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>40</td>
</tr>
<tr>
<td>(O-E)^2/E</td>
<td>66.125</td>
<td>12.5</td>
<td>3.125</td>
<td>0.125</td>
<td>0.125</td>
<td>82</td>
</tr>
</tbody>
</table>

\[
X^2 = \frac{(Observed - Expected)^2}{Expected}
\]

\[
X^2(Calculated) = 96.75
\]

\[
X^2(Critical value) = X^2(10\%, 3) = 11.34
\]

**Decision**: since the calculated value of \(X^2\) is greater than the critical value, we reject H0 and conclude that engagement plans are well in place to the community at 0.1 probability level.
7. CSR programs by the platinum mines

Figure 4.11 CSR programs by the mines

The results in the graph above shows that the 73% of the respondents are actually aware that the CSR programs concern them and they actually know what to expect from the mines in as far as CSR is concerned. Furthermore, 80% of the respondents indicated that the mines were actually sensitive to the needs of the community. The respondents (58%) also said that the companies were also building infrastructure for the benefit of the community and they do appreciate the efforts being made. A significant number of the respondents (85%) felt that the platinum mines were demonstrating fair business practices.

8. CSR strategies being implemented by the platinum mines

The CSR programs/strategies which are being implemented by the mines are summarised in the tables 4.7 to 4.9.
Table 4.7 Mimosa mine CSR programs

<table>
<thead>
<tr>
<th>Category</th>
<th>Activity</th>
</tr>
</thead>
</table>
| Education             | -Promoting academic excellence by constructing and refurbishing several primary and secondary schools.  
                         | -Supporting tertiary institutions with administrative equipment and learning aid.                                                         |
| Environment           | -Implementation of ISO 14001 Environmental Standards.  
                         | -Environmental sustainability through reversing loss of environmental resources in line with millennium developmental goals on environment.  
                         | -Celebrating National Tree Planting day with surrounding community and employees.                                                         |
|                       | -Partnered with Friends of the Environment and started a nursery at Mtshingwe school which was constructed by the mine with the idea of promoting a positive culture of planting and conservation in the community. |
| Empowerment programs  | -Local companies supply mining equipment to the mine under the technology transfer initiatives.  
                         | -Local companies are now contracted to build and maintain company houses.  
                         | -Supporting local entrepreneurship and empowerment on cost and quality competitiveness.                                                      |
### Table 4.8 Unki mine CSR programs

<table>
<thead>
<tr>
<th>Category</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>-Irrigation scheme measuring 21 hectares at Shungudzevhu and construction of a strip canal which supplies water to the project and benefiting 22 families.</td>
</tr>
<tr>
<td>Community Share Ownership Trust</td>
<td>-Shares worth $10 million to Tongogara community as seed capital.</td>
</tr>
</tbody>
</table>

### Table 4.9 Zimplats CSR programs

<table>
<thead>
<tr>
<th>Category</th>
<th>Activity</th>
</tr>
</thead>
</table>
| Local enterprise  | -Creation of Local Enterprise Development (LED) programs which has seen the local community supplying the company with goods and services which promotes business linkages with local entrepreneurship for the community to form part of the supply chain.  
                   | -Promoting small scale mining to local entrepreneurs who supply the mine with silica.                                                     
                   | -The mine provides technical and financial support to local enterprises.                                                                  
                   | -Housing maintenance contracts to locals add ore transportation.                                                                           |
| Agriculture       | -The community was handed with cattle to improve genetics in community heads and this has benefitted about 3,500 families. This commercial livestock project has helped to provide alternative livelihood opportunities since the community does not rely on crops due to the arid conditions of the area. |
| Sports development                                                                 | -Promoting spirit of unity and teamwork between the company and the community with the introduction of the community soccer team and Ngezi Platinum Stars. -The company also wants to promote life skills by introducing athletics, volleyball and swimming. These programs provide channels for talent identification resulting in the development of professional athletes and at the same time contributing to the enhancement of livelihoods and wellness of the communities. The programs part of efforts aimed at enhancing community relations. |
| Community Share Ownership Trust (CSOT)                                            | -The company introduced ownership trusts which have significantly contributed to the improvement of local livelihoods through infrastructural development projects and poultry business that promoted linkages between the community and operating subsidiary. Through the CSOT to date, 162 projects in health have been completed to date and about 20 have been drilled to enhance the community access to potable water. Road maintenance equipment has been purchased to assist the districts in providing access to decent roads. -The community through CSOT have managed to secure a contract of supplying sorghum to a local brewing company. |
| Environment                                                                         | -The company practices environmental stewardship with the community in conjunction with the regulators and other stakeholders by proactively preventing, mitigating, minimizing remediating environment impacts on nature. |
| Education                                                                          | -The company has constructed and refurbished a number of local schools for example Mutukwa Secondary School in Mhondoro Mubaira which was |
completed in 2017 and handed over to the community. The administration block was reconstructed and new ceilings, new toilets with running water and a staff room were constructed. The school also received 10 computers in an effort to complement the government’s efforts in improving use of ICTs in schools.

9. Sustainable Development

Figure 4.12 CSR programs and sustainable development

The bar graph above shows that the CSR programs were contributing towards sustainable growth of the community. The CSR programs are contributing towards economic growth. Furthermore, the CSR programs have also contributed towards the protection of the resources and the CSR programs have demonstrated the companies’ commitment towards social responsibility.

Chi square analysis

H0: CSR programs have not led to sustainable growth.

H1: CSR programs have led to sustainable growth.
Level of significance = 10%

Table 4.7 Calculation of the test statistic

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree</th>
<th>agree</th>
<th>Not sure</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>O</td>
<td>E</td>
<td>O</td>
<td>E</td>
<td>O</td>
<td>E</td>
<td>O</td>
</tr>
<tr>
<td>CSR programs contributes towards economic growth</td>
<td>27</td>
<td>25.3</td>
<td>12</td>
<td>9</td>
<td>1</td>
<td>2.7</td>
</tr>
<tr>
<td>CSR programs contributes towards protection of resources</td>
<td>24</td>
<td>25.3</td>
<td>8</td>
<td>9</td>
<td>4</td>
<td>2.7</td>
</tr>
<tr>
<td>CSR programs demonstrates company’s social responsibility</td>
<td>25</td>
<td>25.3</td>
<td>7</td>
<td>9</td>
<td>3</td>
<td>2.7</td>
</tr>
<tr>
<td>Total</td>
<td>76</td>
<td>25.3</td>
<td>27</td>
<td>8</td>
<td>3</td>
<td>5</td>
</tr>
</tbody>
</table>

\[
X^2 = \frac{(Observed - Expected)^2}{Expected}
\]

\[
X^2(\text{Calculated}) = 7.92222
\]

\[
X^2(\text{Critical value}) = X^2(5%, 8) = 2.733
\]

Conclusion: Since the calculated value is higher than the critical value we reject the null hypothesis and conclude that the CSR programs have contributed towards sustainable growth.

4.9 Chapter summary

This chapter discussed the research findings. It presented views of communities on the CSR programs being put in place by the platinum mines. On whether the CSR programs are good or not, 93% of the respondents believed that the programs were good and beneficial to the community. Also the results showed that the CSR programs are being well implemented and monitored. The results also showed that 73% of the respondents are aware that the CSR programs concern them and that the mines were sensitive to their needs. From the results, it can be concluded that the CSR programs have contributed towards economic growth and protection of resources and the mines’ commitment towards social responsibility. The next chapter marks the end of the dissertation by providing conclusive statements and recommendations made thereof from this study.
CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter summarises the study on the contribution of CSR in sustainable community development with specific reference to platinum mines in Zimbabwe. The chapter also gives conclusions to the study, recommendations to improve the situation as well as suggestions of areas for further research. The importance of the research to both the student and the company was clearly highlighted. The parameters of the research were also outlined in terms of limitations.

5.1 Conclusions and recommendations

5.1.1 CSR strategies being implemented by the platinum mines

The CSR programs that are implemented by the platinum mines are summarised in tables 4.7 to table 4.9 in chapter 4 and the researcher can safely conclude that most of the projects are similar. The projects include education, health, empowerment programs, agriculture, community shares, ownership, trust, sports development and infrastructural development. The companies are also ensuring environmental sustainability by reversing the loss of the environment and preventing and minimising the environmental impact as a result of their operations.

The identification and implementation of the CSR programs must not be at the mercy of the platinum mines. The communities must also be given room to choose or identify programs which suit with their needs and expectations. This can be achieved through regular consultative meetings between the mines and the community leaders. The companies should also embark on total quality management (TQM) so as to try and improve on their services delivery and also improve on its engagement processes. The companies’ service blueprint should be tailor-made towards providing services from the community’s viewpoint. The platinum companies have to make sure that their research and development department investigates the modern and
current expectations of the different stakeholders and trends of CSR around the world so as to come up with new and improved programs for the community.

5.1.2 Challenges being faced by the mines in implementing CSR programs

The companies raised some concerns which they face in the implementation process of the CSR programs. Chief among them was that as companies they are apolitical yet some structures like the local authorities or the community leaders are political and this as a result poses challenges on how the mines proceed in implementing the CSR programs. They said political interference is a major setback. They also hinted that at times parallel structures can emerge as a result of clashes between them and the Rural District Councils as their CSR programs and the strategic plans and development plans of the councils may be similar. They also said that at times the communities can demand some programs which the companies have not budgeted for or planned for or even beyond the reach of the company and this result in clashes between the community and the companies. It was also said that the three stakeholders that is the companies, government and the communities might have different motives for supporting CSR and this results in disharmony among the parties.

To overcome the above mentioned challenges, the researcher recommends that the government must work hand in hand with the platinum mines in policy formulation since some of the CSR programs are not just benefiting the surrounding communities but the nation as a whole. The stakeholders must complement each other in order to minimize conflicting ideologies or agendas in the implementation of CSR programs and also to enhance the possibility of achieving sustainable community development. Also the companies must not undermine the role of the central government or the local authorities just because they have the financial muscle to sponsor the CSR programs. This causes the communities to view the government and the local authorities ineffective and inefficient and give all the credit to the mining companies. Instead the platinum mines must balance the risk between being too involved and replacing the government and the local authorities and the risk of being sabotaged by the community and face resistance.

5.1.3 Sustainability of the CSR programs

The members of the community felt that the CSR programs in place were good and that the platinum mines are sensitive to needs of both their employees and their community. This supports the proposition of Topa (2005) which made it a requirement that the companies should be sensitive to the needs of their stakeholders. The respondents from the communities also said
the CSR programs are actually adequate. This supports the proposition by Anon (2006) that the programs should instil ethics and value in its endeavours with the stakeholders.

According to the respondents the CSR programs have helped in improving the lives of the community. This is in agreement with the proposition by WBCSD which says that the programs should contribute towards economic development while improving the quality of life of the local community. The engagement plans that are in place will ensure that the CSR programs will benefit the community. This in a way is in agreement with the International Organisation for Standards (ISO) 2000 proposition that there is need for balanced integration of the social, economic and environmental issues with the goal of benefiting the organisation.

The platinum mines demonstrated fair business practices. This clearly spells out the social aspects of the TBL which ensures that fair business practices should be demonstrated in terms of the labour practices, human capital and the community. The mines are giving back to the community through various programmes such as paying school fees for the disadvantaged and supporting tertiary institutions and have contributed towards improving the infrastructure around their communities. The improvement of infrastructure is also in agreement with the requirements of the World Bank that the CSR programs should improve the quality of life of the community. The CSR programs were being well implemented, adequate and well monitored. This supports the proposition by Anon (2006) that the company has to instil ethics and values in its operations and engagements with the community.

The operations of the platinum companies have contributed towards economic growth according to the community. This endeavour is in support of the proposition by Brundtland Report (1987) that the company’s actions should not compromise on the future. Furthermore, the companies’ impact on the economic systems is good and has helped in boosting the ability of the economy to advance into the future. Some of the programs like the LED programs have resulted in the creation of small to medium enterprises in the local communities since some people within the communities have been offered contracts by the mines to maintain the company houses and to transport ore that is being mined. These programs in a way contribute towards the resuscitation of the country’s economy and the development of local industry.

The respondents were overwhelming in their support of the notion that the platinum mines are engaging in various programs aimed at giving back to the community. This addresses the social aspect of the Triple Bottom Line. They also stated that the environmental and the social plans were well implemented. The organisations were not engaging in practices that do not
compromise the economic resources for the future generations. This is in support of the proposition by Goel, (2010). According to the United Nations report (2012) maximisation of the social and economic benefits and addressing the negative environment and social impacts should be the immediate goal of the CSR program. The CSR programs have also assisted in the preservation of all aspects of the country’s environment, cultural and social heritage thus in agreement with the proposition by Pring (1999). On the economic side the CSR programs are in line with the government’s Zimbabwe Agenda for Sustainable Social Economic Transformation (Zim-Asset) whose mission is to provide an enabling environment for sustainable economic empowerment and social transformation to the nation as a whole. This is also in line with United Nation’s Sustainable Development Goals (SDG)s which thrive to eradicate poverty and ensure environmental sustainability. The companies are aware of them of their environmental impacts and are practising environmental stewardship by complying to regulatory authorities like the Environmental Management Agency (EMA) thereby protecting the natural resources and international standards like ISO 14000 which requires companies to manage their environmental responsibilities.

The platinum mines have assisted in the improvement of infrastructure of the communities and these have contributed to the improvement of the local livelihoods. According to Elikington (1998) sustainable development means adopting the bottom line approach where the organisation focuses on people, planet and profit and from the findings of the research the mines have achieved these.

5.1.4 Benefits of platinum mines engaging in CSR programs

Generally, the mines expressed that there are a number of benefits associated with doing CSR programs in the surrounding community. They submitted that CSR helps them to enhance their relations with the surrounding community and this helps to improve their reputation and public image. They also said that CSR is a way of buying the communities goodwill which improves the companies’ social licence to operate. They also said that CSR brings about publicity of the company because it attracts positive media attention when they are embarking on the CSR programs in the communities. They also said that CSR also impacts positively on the core values of the company, efficiency as well as operational security and the environment which results in greater and more secure earnings. The other benefit highlighted was that CSR in a way attracts investment into the company since international investors have become sensitive to good corporate citizenship.
5.1.5 Overall Conclusion

In the light of the findings given above, the researcher can give a conclusion that CSR can contribute to sustainable community development and can also contribute to national development. This is supported by the fact that some of the CSR programs like the LED programs are of strategic importance not only to the community but to the country as a whole. This is because they help to identify business talent at local level and if these businesses are developed at national level, they enhance economic activities for the benefit of the whole country and result in the creation of small to medium enterprises. For example, six LED programs at Zimplats participated in the refurbishment of Kadoma General Hospital meaning it created a source of livelihood and at the same time contributing to the improvement of the health service delivery at national level. The researcher also observed that some of the CSR programs do not benefit the local community only but can go all the way to areas which are outside the communities surrounding the mines contributing to national development. For example, capacity building for local tertiary institutions by one of the mines in order to produce the right expertise due to the dynamic changes of professional environment. Zimplats is sponsoring the Professorial chair of Mining and Metallurgical Engineering at the University of Zimbabwe as a way of developing quality post graduate students in the country. The initiative also benefits the mining industry through researches carried out. Generally, the researcher found out that the CSR programs were good, well implemented, well monitored, and adequate and engagement plans on CSR programs were in place. The CSR programs have resulted in the improvement of infrastructure and improvement of the lives of the community.

The actions of the mines when embarking on the CSR programs have demonstrated that they are fulfilling their core values which were highlighted in the first chapter of caring for their stakeholders and embracing the principles of sustainable development by being responsible citizens by creating value to the communities which contributes to national development. The CSR programs being implemented by the mines is also in line with the stakeholder’s theory mentioned in the literature review since these companies are making business decisions which are taking into account the interests of the community as opposed to just serving the interests of the shareholders at the expense of the stakeholders.

The platinum mines are also fulfilling the tenets of the stewardship theory in that they are serving the needs of the community thereby improving their lives instead of just focusing on making profits for the companies.
The research has also proven that what the platinum mines are doing is the same as what is happening in Columbia in the research by Mendez and Rodriguez (2016) from the literature review where CSR is not taken as a philanthropy, ethics or management aspect but as integrating all the three dimensions of CSR with the goal of sustainable development. Also CSR is not just a measure to mitigate the negative impacts but to generate value addition that is shared by all the stakeholders to benefit everyone in society thereby significantly contributing to sustainable development of the community. However, this is different from the findings of Tianem’s research in chapter 2 where the three spheres of CSR are not treated as an ensemble that complements each other. In a research by Hamann and Kapelus in South Africa ‘platinum and chrome mining, CSR is incorporated in national programs in education, health, welfare and small business development and these activities represent important development contributions.

The above findings are in contrast with the findings of Mensah (2009) who carried a research in South Africa where the mining companies seem to be contributing something to the communities yet on the ground the CSR projects could not be said to be enough to ensure sustainability and development of the people in the community. The same applies to a research carried out in Indonesia by Jerkins(2014) which showed that mining companies can play lip service to the CSR programs and just use them as propaganda but at least this is not the case with the platinum mines under study.

5.2 Limitations of the study

The researcher used a relatively smaller sample size than the ones used to generalize results in the empirical literature analysed in the build up to data collection. This was due to the issues of time and money constraints. However, the researcher ensured that the sample was truly representative of the population.

5.3 Consideration for further research

1. This research was centred on assessing the contribution of CSR in sustainable community development in as far as platinum mines are concerned. For future research studies it can be suggested that the researcher also interviews specifically the mine employees to find out more about the factors that they consider being important about CSR on their part.
2. There is also need to further explore in other industries which are not extractive in nature like the platinum mines since the impacts differ and this can be done in form of a comparative study to validate the extent which CSR plays a role in sustainable community development.

5.4 Contribution of the research

The empirical contribution of this research is going to provide useful information to the respective stakeholders that are mentioned in the study.

1. It is going to help the stakeholders namely government, the mining companies and the local authorities to be better coordinated and be more logical and systematic when it comes to formulation and implementation of the CSR programs in order to achieve the goal of sustainable community development.

2. The government can also adopt and incorporate some of these programs at national level since the CSR programs being implemented by the companies contribute to national development but this is just from a small sector hence it has to spread to other sectors of the industry.

3. The mining companies will also invest in programs that promote capacity building instead of gifts and donations which are not effective in sustainable community development. Also the programs ensure long term sustainability to the surrounding communities even after the closure of the mines since they will have acquired the requisite skills on how to operate their businesses.

4. The research findings can also be used as a guide for further research by the academia in as far as CSR is concerned.

5.5 Chapter summary

This chapter provides the conclusions and recommendations of the research at hand which was looking at the contribution of CSR in SCD in the platinum mining sector in Zimbabwe. The chapter looked at the summary of the research and the conclusions and recommendations of the research questions and objectives and the overall conclusion of the research. Limitations to the study and consideration for further studies were also highlighted. The limitations to the study and areas to consider for further research were also looked at together with the justification of carrying out the research.
REFERENCES


Institute for Sustainable Communities. What is a sustainable community?


Jenkins, H., & Obara, L., 2008. Corporate Social Responsibility (CSR) in the mining industry, the risk of community dependency. ESRC Centre for Business Relationships, Accountability, Sustainability and Society (BRASS), Cardiff University.


Van der Merwe, I., & Van der Merwe, J., 1999. Sustainable development at the local level: An introduction to local agenda, 21 – A South African version, Department of Environmental Affairs and Tourism, South Africa.


My name is Kudzai Segula, a Master’s in Business Leadership (MBL) Student with Bindura University of Science Education (B1747713). In partial fulfilment of the requirements of MBL, I am researching on ‘The contribution of corporate social responsibility on sustainable community development: a case of the platinum mining sector in Zimbabwe’. You are invited to participate in this research study by filling in the given questionnaire. Your participation in this research is voluntary. There are no foreseeable risks associated with the research study. You are assured of confidentiality and the research findings will be used purely for academic purposes only. For any other details required kindly contact me on 0772112389 or segulakudzai@yahoo.com. Thank you in advance.
**Appendix B: Interview Guide**

*Interview: The contribution of CSR in sustainable community development: a case of the platinum mining sector in Zimbabwe*

<table>
<thead>
<tr>
<th>What I will do</th>
<th>What I will say—script</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Introduce the interview and set the stage</td>
<td>My name is Kudzai Segula and I appreciate you for taking your time to participate in this research project. My project title is: The contribution of CSR in sustainable community development: a case of the platinum mining sector in Zimbabwe. There are 10 questions that I will ask you.</td>
</tr>
<tr>
<td>• Give the applicant the opportunity to introduce themselves</td>
<td>Just to recheck, you have consented to become part of this research project by agreeing to be interviewed.</td>
</tr>
<tr>
<td></td>
<td>Remember, your participation in this project is voluntary, and you may withdraw from the study at any time prior to data analysis stage.</td>
</tr>
<tr>
<td></td>
<td>Do you have any questions about the informed consent form that I previously sent to you or the informed consent process?</td>
</tr>
<tr>
<td></td>
<td>I will be taking notes during this interview. Your participation in this interview is a private, and I will keep these proceedings confidential.</td>
</tr>
<tr>
<td></td>
<td>Do you have any questions or concerns about the confidentiality of your participation?</td>
</tr>
<tr>
<td></td>
<td>Do you have any questions or concerns about anything that I have discussed with you so far?</td>
</tr>
</tbody>
</table>

Let’s begin with the questions.

- Watch for non-verbal queues
- Paraphrase as needed

2. Which CSR programs are being implemented by the mining company in your area?
   - Engagement plans
   - Environmental sustainability plans
   - Ethical planning
   - Insurance
   - Social events
   - Others, specify

3. Do you need CSR in your community?
   - If yes briefly explain why?

4. Are socio-economic conditions of the community being improved through CSR programs?

5. In your view are CSR programs donations?
<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>6.</td>
<td>Is CSR a one-time activity or an on-going activity?</td>
</tr>
<tr>
<td>7.</td>
<td>How are the CSR programs implemented by the mine contributing to sustainable community development</td>
</tr>
<tr>
<td>8.</td>
<td>What remarks do you have about the sustainability of the CSR programmes being implemented by the mine in your community?</td>
</tr>
<tr>
<td>9.</td>
<td>Do communities in your area need CSR? If yes explain why?</td>
</tr>
<tr>
<td>10.</td>
<td>Has your community benefited from CSR initiatives? If yes what are the benefits?</td>
</tr>
<tr>
<td>11.</td>
<td>What else can you tell me about CSR program implementation that I did not ask?</td>
</tr>
</tbody>
</table>

Wrap up the interview by thanking the participant

This concludes our interview session. Thank you for your time and have a blessed day.
Appendix: C

Company questionnaire

SECTION A: DEMOGRAPHIC INFORMATION

Instructions: Indicate your answer by ticking the box

1. Gender:
   - Male
   - Female

2. Age
   - Less than 25 years
   - 25-35
   - 35-45
   - 45-55
   - Over 55

3. Monthly Income
   - Below $200.00
4. Level of Education

Ordinary Level

Advanced Level

Diploma

Degree
Masters

PhD

Other specify

5. Occupation

Employed

Unemployed

Other specify

SECTION B: CORPORATE SOCIAL RESPONSIBILITY (CSR)

1. What kind of CSR does your organisation have?

   Engagement plans
   Environmental sustainability plans
   Ethical planning
   Insurance
   Social events

   Others, specify

2. Does your organisation have a CSR policy? Yes… No….
If yes briefly explain the policy or policies

......................................................................................................................................................
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3. What are your objectives when engaging in CSR programs?

(a) To build better relations with the local communities in which they operate

(b) To obtain a social licence to operate

(c) Environmental protection and social and economic sustainability

(d) For the sake of being perceived as a good corporate citizen

(e) Strong investment in community development and betterment campaigns

(f) Others, specify

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4. In your opinion what are some of the challenges being faced by your organisation in implementing CSR programs?

(a) High cost to the company

(b) Lack of support from the community

(c) Interferences from government and politicians

(d) Lack of managers’ expertise and capability to successfully implement the CSR programs

(f) Others, specify

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5. What are some of the precautions that a company must take when undertaking a CSR projects or initiatives?

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6. What is the connection between CSR and sustainable community development?

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7. What remarks do you have about the sustainability of the CSR programmes being implemented by your organisation in sustainable community development?

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8. What strategies are being undertaken by your company in addressing the issue of CSR?

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9. How does your organisation evaluate the CSR projects therein?

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10. Has your organisation benefited from CSR initiatives?

If yes what are the benefits?

(a) Increased profits

(b) Positive working relationships with authorities at all levels of government

(c) Open lines of communication and active engagement with local community
(d) Others, specify
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11. Please tick or mark in each feature that is close to your liking. (1) Strongly Agree, (2) Agree, (3) Undecided, (4) Disagree, (5) Strongly Disagree

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<tbody>
<tr>
<td>1</td>
<td>The CSR programmes that the company has are sustainable</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>The CSR programmes have been well implemented</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>The CSR programmes are adequate</td>
<td></td>
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<tr>
<td>4</td>
<td>The platinum companies have done enough to ensure environmental plans are well implemented.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>5</td>
<td>The CSR programmes in platinum mines are well monitored.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>6</td>
<td>Engagement plans are in place to ensure CSR programmes are in place.</td>
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</table>

12. Please tick or mark in each feature that is close to your liking. (1) Strongly Agree, (2) Agree, (3) Undecided, (4) Disagree, (5) Strongly Disagree.

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<tbody>
<tr>
<td>1</td>
<td>CSR programmes have improved the profitability of the company.</td>
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<tr>
<td>2</td>
<td>CSR programmes have improved the livelihood of the local community.</td>
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<tr>
<td>3</td>
<td>The platinum mines have been sensitive to the needs of their stakeholders.</td>
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</tbody>
</table>
The platinum mines have invested towards improving the infrastructure in their areas of operation.

The platinum companies have demonstrated fair business practices to their employees and community.

13. Please tick or mark in each feature that is close to your liking. (1) Strongly Agree, (2) Agree, (3) Undecided, (4) Disagree, (5) Strongly Disagree.

<table>
<thead>
<tr>
<th>Sustainable development</th>
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<tbody>
<tr>
<td>1 CSR programmes have contributed towards economic growth.</td>
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<tr>
<td>2 CSR programmes have contributed towards protection of natural resources of the environment.</td>
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<tr>
<td>3 CSR programmes have demonstrated the company’s social responsibility.</td>
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</table>

THANK YOU VERY MUCH FOR YOUR TIME AND COOPERATION
# Appendix D: Community questionnaire

## SECTION A: DEMOGRAPHIC INFORMATION

*Instructions: Indicate your answer by ticking the box*

1. Gender:
   - Male
   - Female

2. Age
   - Less than 25 years
   - 25-35
   - 35-45
   - 45-55
   - Over 55

3. Monthly Income
   - Below $200.00

$200.00-$399.00

$400.00-$599.00

$600.00-$799.00

$800.00-$999.00

$1,000-$1,999.00

Above $2,000.00

4. Level of education

Ordinary Level

Advanced Level

Diploma

Degree

Masters
SECTION B: CORPORATE SOCIAL RESPONSIBILITY (CSR)

1. Can you define CSR in your own words?

(a) Mechanism of compensation for the social, economic and environmental costs associated with mining

(b) Providing the community with means through which they can be involved in and provide input into the mining project

(c) It is a way of how a company actively give back to the community

(d) Charitable contribution

(e) Others, specify

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

..........................................................................................................................................................
2. Which CSR programs are being implemented by the mining company in your area?

   - Engagement plans
   - Environmental sustainability plans
   - Ethical planning
   - Insurance
   - Social events
   - Others, specify

3. Do you need CSR in your community?

   If yes briefly explain why?

4. Are socio-economic conditions of the community being improved through CSR programs?

5. In your view are CSR programs donations?

6. Is CSR a onetime activity or an on-going activity?

7. How are the CSR programs implemented by the mine contributing to sustainable community development?

8. What remarks do you have about the sustainability of the CSR programmes being implemented by the mine in your community?
9. Do communities in your area need CSR? If yes explain why?

10. Has your community benefited from CSR initiatives?
If yes what are the benefits?

11. Please tick or mark in each feature that is close to your liking. (1) Strongly Agree, (2) Agree, (3) Undecided, (4) Disagree, (5) Strongly Disagree

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<tbody>
<tr>
<td>1</td>
<td>CSR programmes are good for the community</td>
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<td>2</td>
<td>The CSR programmes have been well implemented by the mine.</td>
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<tr>
<td>3</td>
<td>The CSR programmes are adequate</td>
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<tr>
<td>4</td>
<td>The platinum companies have done enough to ensure environmental and social plans are well implemented.</td>
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<tr>
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<td>The CSR programmes by the platinum mine are well monitored.</td>
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<td>Engagement plans are in place to ensure CSR programmes are in place.</td>
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12. Please tick or mark in each feature that is close to your liking. (1) Strongly Agree, (2) Agree, (3) Undecided, (4) Disagree, (5) Strongly Disagree.

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<td>1</td>
<td>CSR programs have improved the livelihood of the local community.</td>
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</tbody>
</table>
The platinum mine has been sensitive to the needs of the community.

The platinum mine has invested towards improving the infrastructure in their areas of operation.

The platinum company has demonstrated fair business practices to their employees and community.

13 Please tick or mark in each feature that is close to your liking. (1) Strongly Agree, (2) Agree, (3) Undecided, (4) Disagree, (5) Strongly Disagree.

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<tbody>
<tr>
<td>1</td>
<td>CSR programmes have contributed towards economic growth and protection of natural resources of the environment.</td>
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<tr>
<td>2</td>
<td>CSR programmes have demonstrated the company’s social responsibility.</td>
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THANK YOU VERY MUCH FOR YOUR TIME AND COOPERATION