

INVESTIGATING COMMUNICATIVE DECISION-MAKING IN THE RELATIONSHIP BETWEEN CORPORATE DONORS AND NGO RECIPIENTS

by

Tsitsi Mkombe

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STUDY LEADER: DR. E. DE BEER

CO STUDY LEADER: PROFESSOR R.S RENSBURG

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Department of Business Management

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DEDICATION

I dedicate this thesis to my daughter Lerato Runyararo Simba. May you always reach for your dreams and follow your passion. Above all, trust in the Lord with all of your heart and lean not on your own understanding. Acknowledge him in all of your ways, and he will make your path straight.

ABSTRACT

The main purpose of this research was to investigate the communicative decision-making that takes place within the relationship between corporate donors and Non-governmental Organisations (NGOs) recipients. An extensive literature review, and empirical research indicated that factors such as *reputation*, *legal considerations*, *relationship* and *stewardship*, among others, influence a corporate body's (also "[the] corporates") decision-making regarding which NGOs to fund. The literature review also showed that the decision-making had a criterion, processes and structures that contribute to the final decision.

A phenomenological approach of enquiry was used for this study. The qualitative research method used in this research is phenomenological as it attempts to understand participants' perspectives and views of social realities in investigating communicative decision-making in the relationship between corporates and NGO recipients.

The study also takes a socio-constructivist approach which looks at social reality as subjective and co-constructed through people's experiences. It emphasises the role of qualitative methods as a means to interpret, explore and discover new concepts and constructs.

In-depth interviews were conducted in the empirical phase of the research, with a semi-structured administered interview schedule as the research instrument. The exploratory nature of the study provides a valuable means to determine the dimensions of the relationship between corporate donors and NGO recipients; to ask questions about this relationship; to seek new insights; and to assess the phenomenon in a new light.

The sample includes sixteen field studies, in which eight CSR managers from organisations providing funding to specific NGOs were interviewed about the strategic and communicative decision-making processes present in their relationships with the NGOs. Eight programme managers from the NGOs that are funded by these organisations were also interviewed. The aim was to determine the nature of strategic and communicative decision-making in the relationships between the relevant actors.

Thematic analysis was conducted on transcribed interview data. The data for this study were analysed by means of both non-automated (manually) and automated content analysis, for which Leximancer software was used.

Some of the findings agree with the literature review, which showed that *reputation, legal considerations, relationship* and *stewardship*, influence a corporate's decision-making regarding which NGOs to fund. Furthermore, the findings show that corporates fund according to their strategy which determines the criteria for funding and that the decision-making process is conducted through decision-making structures.

The traditional view of the relationship between corporates and NGOs is that of donor and passive recipient, but findings from this study opine that stakeholders like NGOs can be active participants and collaborators in the value creation process, and as such can be co-creators of development solutions, together with the corporates that fund them. The study aims to highlight these dynamics.

The research also highlighted the importance of a two-way symmetrical communication relationship between these strategic partners. With this in mind, the findings recognise NGOs who are recipients of corporate funding as strategic stakeholders and also highlight the strategic and communicative decision-making processes and structures in the relationship between corporate donors and their NGO recipients.

The study builds De Beer's (2014) integrative strategic communication model and sees communication as a fourth dimension of responsibility next to socio-cultural, economic and environmental dimensions. Communicative decision-making values feedback and dialogue and seeks communication about decisions through dialogue, conversations, co-creation, co-orientation and through two-way symmetrical communication in an integrated and strategic way. The dialogues are in different forms and in some cases corporates find themselves having to interact and engage in dialogues with different stakeholders on numerous issues and platforms in today's digital age. Some of the platforms such as social media are outside their control as people can comment and tag them and others without their control.

Lastly, the research also indicates that the communicative aspect of the decision-making process is important and can be regarded as a catalyst for the relationship between the corporates and NGO recipients. From this perspective, it is vital that the decision-making criteria regarding funding should be communicated to the NGOs at every level of the decision-making process.

TABLE OF CONTENTS

Declaration	ii
Acknowledgements	iv
Abstract	vii
Table of contents	x
List of figures	xx
List of Tables	xxi
ACRONYMS	xxii
Chapter One	1
1.1 INTRODUCTION	1
1.2 BACKGROUND	6
1.2.1 Value creation principle	8
1.2.2 Sustainable business	10
1.2.3 Social sustainability	11
1.2.4 Corporate citizenship	13
1.2.5 Corporate social responsibility	15
1.2.6 Corporate social performance	19
1.2.7 Corporate social investment	20
1.2.8 Shared value	20
1.2.9 CSR Communication	22
1.3 PROBLEM STATEMENT AND RESEARCH QUESTIONS	25
1.3.1 Purpose statement	25
1.3.2 Primary research question	26
1.3.3 Secondary research questions	26
1.4 CONCEPTUALISATION	27
1.5 RESEARCH DESIGN AND METHODOLOGY	28
1.6 IMPORTANCE AND BENEFITS OF THE STUDY	31
1.7 DELIMITATIONS	32
1.8 ASSUMPTIONS	33
1.9 DEMARCATION OF THE CHAPTERS	34
1.10 SUMMARY	35

CHAPTER TWO: THEORETICAL FRAMEWORK	37
2.1 INTRODUCTION	37
2.2 THEORETICAL FRAMEWORK	37
2.2.1 <i>Meta-theoretical approach</i>	39
2.2.2 Primary domain and disciplines	40
2.2.3 Academic fields	41
2.2.4 Theories.....	43
Strategic Constituencies Theory	46
Game Theory	55
2.2.5 Models	57
2.3 SUMMARY	58
Chapter three: RELATIONSHIP BETWEEN CORPORATE DONORS AND THEIR NGO RECIPIENTS	60
3.1 INTRODUCTION	60
3.2 RELATIONSHIP BETWEEN CORPORATES AND NGOs	61
3.2.1 Stakeholder management.....	63
3.2.2 Stakeholder management and sustainability	66
3.2.3 Reasons for NGO engagement.....	67
3.2.4 Organisational relationships	69
3.3 ATTRIBUTES OF NGO AND CORPORATE RELATIONSHIPS	72
3.3.1 Dialogue	72
3.3.2 NGO contributions	74
3.3.3 Power imbalances	74
3.3.4 Five Forces Framework	75
3.4 CORPORATE IMAGE AND REPUTATION	78
3.5 CORPORATE GOVERNANCE	81
3.5.1 Emergence of corporate governance in South Africa.....	82
3.5.2 Responsible corporate governance	82
3.5.3 King 111 Principles of Corporate Governance	83
3.5.4 Legal considerations/policy	85
3.5.5 Stakeholder governance	87
3.6 INTERNATIONAL INTEGRATED REPORTING	90
3.6.1 Benefits of Integrated Reporting	92
3.6.2 Challenges of Integrated Reporting	93
3.7 SUMMARY	93

CHAPTER FOUR: STRATEGIC AND COMMUNICATIVE DECISION-MAKING	95
4.1 INTRODUCTION	95
4.2 STRATEGIC MANAGEMENT	96
4.3 DECISION-MAKING	97
4.3.1 Reflective decision-making	98
4.3.2 Participatory decision-making	99
4.3.3 Factors affecting decision-making processes.....	99
4.3.4 Decision specific characteristics.....	99
4.3.5 Internal organisational characteristics.....	100
4.4 STRATEGIC DECISION-MAKING	101
4.4.1 Mintzberg’s decision-making model.....	102
4.4.2 Strategic decision-making process.....	103
4.4.3 Strategic issues.....	106
4.5 STAKEHOLDER APPROACH TO STRATEGIC MANAGEMENT	107
4.5.1 Stakeholders’ influence on decision-making	108
4.6 THE ROLE OF INFORMATION IN STRATEGIC DECISION-MAKING.....	108
4.6.1 Strategic role of information.....	110
4.7 CORPORATE COMMUNICATION	112
4.7.1 Communication in the organisation	115
4.7.2 Communicative leadership	116
4.8 ROLES OF A COMMUNICATIVE LEADER.....	117
4.9 STRATEGIC COMMUNICATION	118
4.10 COMMUNICATIVE DECISION-MAKING	120
4.11 DECISION COMMUNICATION.....	121
4.12 COMMUNICATIVE ACTION.....	123
4.12.1 Strategic vs communicative action	123
4.13 SUMMARY	124
CHAPTER FIVE: RESEARCH METHODOLOGY	125
5.1 INTRODUCTION	125
5.2 RESEARCH DESIGN.....	125
5.2.1 Sampling.....	128
5.2.2 Target population.....	129
5.2.3 Sample size.....	130
5.2.4 Participants	130

5.3	DATA COLLECTION	131
5.3.1	Research procedures	139
5.4	DATA ANALYSIS	142
5.4.1	Thematic analysis.....	142
5.4.2	Data analysis process	144
5.4.3	Leximancer 4.5	147
5.5	SUMMARY	152
Chapter six: RESEARCH RESULTS		153
6.1	INTRODUCTION	153
6.2	FIELD STUDY 1	154
6.2.1	Theme 1: Process	155
6.2.2	Theme 2: Relationship	157
6.2.3	Theme 3: Organisation.....	158
6.2.4	Theme 4: Partnership.....	159
6.2.5	Theme 5: People	159
6.2.6	Theme 6: Areas	160
6.2.7	Theme 7: Reputation	160
6.2.8	Theme 8: Communication.....	161
6.2.9	Theme 9: Structures.....	162
6.2.10	Theme 10: Legal	163
6.2.11	Theme 11: Stewardship	164
6.3	FIELD STUDY 2	165
6.3.1	Theme 1: Corporate	166
6.3.2	Theme 2: Funding	167
6.3.3	Theme 3: Decision.....	168
6.3.4	Theme 4: Need.....	168
6.3.5	Theme 5: Organisation.....	169
6.3.6	Theme 6: Goals	169
6.3.7	Theme 7: People	170
6.3.8	Theme 8: Partnerships	170
6.3.9	Theme 9: Legal	171
6.4	FIELD STUDY 3	172
6.4.1	Theme 1: NGOs	173
6.4.2	Theme 2: Report	174

6.4.3	Theme 3: Communication.....	175
6.4.4	Theme 4: Beneficiaries.....	175
6.4.5	Theme 5: Partnership.....	176
6.4.6	Theme 6: Policy.....	177
6.4.7	Theme 7: Stewardship.....	177
6.4.8	Theme 8: Processes.....	178
6.4.9	Theme 9: Relationship.....	179
6.5	FIELD STUDY 4.....	181
6.5.1	Theme 1: NGOs.....	182
6.5.2	Theme 2: Strategy.....	182
6.5.3	Theme 3: Management.....	183
6.5.4	Theme 4: Report.....	183
6.5.5	Theme 5: Legal.....	184
6.5.6	Theme 6: Trust.....	184
6.6	FIELD STUDY 5.....	186
6.6.1	Theme 1: Organisation.....	187
6.6.2	Theme 2: NGOs.....	187
6.6.3	Theme 3: Communication.....	188
6.6.4	Theme 4: Decision.....	189
6.6.5	Theme 5: Need.....	189
6.6.6	Theme 6: Trust.....	190
6.6.7	Theme 7: People.....	190
6.6.8	Theme 8: Feeding.....	191
6.6.9	Theme 9: Board.....	191
6.7	FIELD STUDY 6.....	192
6.7.1	Theme 1: NGO.....	193
6.7.2	Theme 2: Communication.....	194
6.7.3	Theme 3: Organisation.....	194
6.7.4	Theme 4: Reports.....	195
6.7.5	Theme 5: Education.....	195
6.7.6	Theme 6: Need.....	196
6.8	FIELD STUDY 7.....	197
6.8.1	Theme 1: NGOs.....	198
6.8.2	Theme 2: Communication.....	199

6.8.3	Theme 3: Partnership.....	199
6.8.4	Theme 4: Organisation.....	200
6.8.5	Theme 5: Beneficiaries.....	201
6.8.6	Theme 6: Processes.....	201
6.8.7	Theme 7: Legal	202
6.8.8	Theme 8: Structures.....	202
6.8.9	Theme 9: Policy.....	203
6.9	FIELD STUDY 8.....	204
6.9.1	Theme 1: Structures.....	205
6.9.2	Theme 2: CSI	206
6.9.3	Theme 3: Legal	206
6.9.4	Theme 4: Partnership.....	207
6.9.5	Theme 5: Communication.....	207
6.9.6	Theme 6: Need.....	208
6.9.7	Theme 7: Strategy	208
6.9.8	Theme 8: Stewardship	209
6.9.9	Theme 9: Reputation	209
6.10	COMBINED CORPORATE FIELD STUDIES.....	211
6.10.1	Theme 1: NGOs	212
6.10.2	Theme 2: Decision.....	213
6.10.3	Theme 3: Communication.....	214
6.10.4	Theme 4: Stewardship	215
6.10.5	Theme 5: Organisation.....	215
6.10.6	Theme 6: Strategy	216
6.10.7	Theme 7: People	217
6.10.8	Theme 8: Process	217
6.10.9	Theme 9: CSI	218
6.10.10	Theme 10: Board.....	218
6.10.11	Theme 11: Focus	219
6.10.12	Theme 12: Legal	220
6.11	FIELD STUDY 9.....	221
6.11.1	Theme 1: Donor	222
6.11.2	Theme 2: Corporate	223
6.11.3	Theme 3: NGOs	224

6.11.4	Theme 4: Organisation.....	225
6.11.5	Theme 5: Board.....	226
6.11.6	Theme 6: Trust	226
6.11.7	Theme 7: Processes.....	227
6.11.8	Theme 8: Legal	228
6.11.9	Theme 9: Structures.....	228
6.12	FIELD STUDY 10.....	230
6.12.1	Theme 1: Donors.....	231
6.12.2	Theme 2: Funds.....	232
6.12.3	Theme 3: Strategy	232
6.12.4	Theme 4: Communication.....	233
6.12.5	Theme 5: Decision.....	234
6.12.6	Theme 6: Need.....	235
6.12.7	Theme 7: Trust	235
6.12.8	Theme 8: People	236
6.12.9	Theme 9: Legal	236
6.12.10	Theme 10: Structures.....	237
6.12.11	Theme 11: Stewardship	237
6.13	FIELD STUDY 11.....	239
6.13.1	Theme 1: Corporate	240
6.13.2	Theme 2: Funding	241
6.13.3	Theme 3: Funder	241
6.13.4	Theme 4: Organisation.....	242
6.13.5	Theme 5: Need.....	242
6.13.6	Theme 6: People	243
6.13.7	Theme 7: Report	243
6.13.8	Theme 8: Stakeholders	244
6.13.9	Theme 9: Business.....	244
6.13.10	Theme 10: Policy.....	245
6.14	FIELD STUDY 12.....	246
6.14.1	Theme 1: Corporates	247
6.14.2	Theme 2: Structures.....	247
6.14.3	Theme 3: Need.....	248
6.14.4	Theme 4: Organisation.....	249

6.14.5	Theme 5: Board.....	249
6.14.6	Theme 6: People	250
6.14.7	Theme 7: Strategic	250
6.14.8	Theme 8: Communication.....	251
6.14.9	Theme 9: Brand.....	252
6.15	FIELD STUDY 13.....	253
6.15.1	Theme 1: People	254
6.15.2	Theme 2: Corporates	255
6.15.3	Theme 3: Church.....	255
6.15.4	Theme 4: Children.....	256
6.15.5	Theme 5: Organisation.....	256
6.15.6	Theme 6: Relationship	257
6.15.7	Theme 7: Legal	258
6.16	FIELD STUDY 14.....	259
6.16.1	Theme 1: Corporates	260
6.16.2	Theme 2: Decision.....	261
6.16.3	Theme 3: Maths (Mathematics).....	262
6.16.4	Theme 4: Policy.....	262
6.16.5	Theme 5: Communication.....	263
6.16.6	Theme 6: Stewardship	264
6.16.7	Theme 7: Partnership.....	264
6.16.8	Theme 8: Report	265
6.16.9	Theme 9: Reputation	265
6.16.10	Theme 10: Organisation.....	266
6.16.11	Theme 11: Schools	266
6.16.12	Theme 12: Structures.....	267
6.16.13	Theme 12: People	267
6.17	FIELD STUDY 15.....	269
6.17.1	Theme 1: Corporates	270
6.17.2	Theme 2: Decision.....	271
6.17.3	Theme 3: Policy.....	272
6.17.4	Theme 4: Communication.....	272
6.17.5	Theme 5: Report	273
6.17.6	Theme 6: Reputation	274

6.17.7	Theme 7: Legal	274
6.17.8	Theme 8: Trust	275
6.18	FIELD STUDY 16.....	276
6.18.1	Theme 1: Corporates	277
6.18.2	Theme 2: Stewardship	278
6.18.3	Theme 3: Policy.....	278
6.18.4	Theme 4: Partners.....	279
6.18.5	Theme 5: Processes.....	279
6.18.6	Theme 6: NGO.....	280
6.18.7	Theme 7: Reputation	281
6.18.8	Theme 8: Trust	281
6.19	COMBINED NGO FIELD STUDIES 9 TO 16	282
6.19.1	Theme 1: Funding	283
6.19.2	Theme 2: Corporates	284
6.19.3	Theme 3: Communication.....	284
6.19.4	Theme 4: Decision.....	286
6.19.5	Theme 5: Reputation	287
6.19.6	Theme 6: Report	288
6.19.7	Theme 7: Policy.....	288
6.19.8	Theme 8: Structures.....	289
6.21	Summary.....	296
chapter seven: FINDINGS		298
7.1	INTRODUCTION	298
7.2	RESEARCH QUESTIONS.....	298
7.2.1	Research Question 1	299
7.2.2	Research Question 2	312
7.2.3	Research Question 3	321
7.2.4	Research Question 4	332
7.2.5	Research Question 5	344
7.2.6	Research Question 6	354
7.3	ADDRESSING THE PRIMARY RESEARCH QUESTION	360
7.4	ADDRESSING THE PROBLEM STATEMENT	370
7.5	COMMUNICATIVE DECISION-MAKING IN THE RELATIONSHIP BETWEEN CORPORATE AND NGO RECIPIENTS AS NEW KNOWLEDGE.....	378

7.6	MANAGEMENT IMPLICATIONS	379
7.7	SUGGESTIONS AND IMPLICATIONS FOR FURTHER RESEARCH	382
7.8	SUMMARY	383
9.	Appendix	403

LIST OF FIGURES

Figure 1: The Pyramid of corporate social responsibility (Carroll, 1991)	18
Figure 2: Competitive forces within NGOs - Schwenger <i>et al.</i> , 2014:12.....	76
Figure 3: Corporate Communication System - Vesala-Varttala & Varttala, 2010:8	80
Figure 4: Strategic role of information – Citroen 2009:51.....	109
Figure 5: Corporate Communication as an integrated framework for managing communication	114
Figure 6: Field Study 1 Concept Map	154
Figure 7: Field Study 2 Concept Map	165
Figure 8: Field Study 3 Concept Map	172
Figure 9: Field Study 4 Concept Map	181
Figure 10: Field Study 5 Concept Map	186
Figure 11: Field Study 6 Concept Map	192
Figure 12: Field Study 7 Concept Map	197
Figure 13: Field Study 8 Concept Map	204
Figure 14: Combined Field Studies 1 to 8 Concept Map.....	211
Figure 15: Field Study 9 Concept Map	221
Figure 16: Field Study 10 Concept Map	230
Figure 17: Field Study 11 Concept Map	239
Figure 18: Field Study 12 Concept Map	246
Figure 19: Field Study 13 Concept Map	253
Figure 20: Field Study 14 Concept Map	259
Figure 21: Field Study 15 Concept Map	269
Figure 22: Field Study 16 Concept Map	276
Figure 23: Combined Field Studies 9 to 16 Concept Map.....	282
Figure 24: Combined corporates concept map next to combined NGOs concept map.....	291

LIST OF TABLES

Table 1: Ten criteria that inform the meaning of value creation (International Integrated Reporting Council, 2013)	9
Table 2: Business and social results by level of shared value. Source: Porter <i>et al.</i> (2011)	22
Table 3: Theoretical framework of the study	38
Table 4: Typology of Stakeholder Saliency Model stakeholders (Mainardes <i>et al.</i> , 2012:1866).	65
Table 5: Field studies 1 to 8 – Corporates.....	130
Table 6: Field studies 9 to 16 - NGOS.....	131
Table 7: Administered interview schedule used in data collection	132
Table 8: Shows Field Study 1 concept map results	155
Table 9: Shows Field Study 2 Concept Map results	165
Table 10: Shows Field Study 3 Concept Map results	172
Table 11: Shows Field Study 4 Concept Map results.	181
Table 12: Shows Field Study 5 Concept Map results.	186
Table 13: Shows Field Study 6 Concept Map results	192
Table 14: Shows Field Study 7 Concept Map results.	197
Table 15: Shows Field Study 8 Concept Map results.	204
Table 16: Shows combined Field Studies 1 to 9 Concept Map results.	211
Table 17: Shows Field Study 9 Concept Map results.	221
Table 18: Shows Field Study 10 Concept Map results.	230
Table 19: Shows Field Study 11 Concept Map results.	239
Table 20: Shows Field Study 12 Concept Map results.	246
Table 21: Shows Field Study 13 Concept Map results.	253
Table 22: Shows Field Study 14 Concept Map results.	259
Table 23: Shows Field Study 15 Concept Map results.	269
Table 24: Shows Field Study 16 Concept Map results.	276
Table 25: Shows Combined Field Study 9 to 16 Concept Map results.	282
Table 26: Shows combined corporates concept map next to combined NGOs concept map	292
Table 27: Shows the main focus areas of the beneficiaries of the corporates that were interviewed for the study.....	335
Table 28: Shows the areas the NGOs focus on in their work with community beneficiaries.....	336

ACRONYMS

B-BBEE	Broad-Based Black Economic Empowerment
CSI	Corporate Social Investment
CSP	Corporate Social Performance
CSR	Corporate Social Responsibility
ESG	Environmental, Social, and Governance
Exco	Executive Committee
IIRC	International Integrated Reporting Council
JSE	Johannesburg Stock Exchange
MOU	Memorandum of Understanding
NGOs	Non-Government Organisations
NPO	Non-Profit Organisation
OECD	Organisation for Economic Co-operation and Development

CHAPTER ONE

ORIENTATION AND BACKGROUND

1.1 INTRODUCTION

As the awareness and power of stakeholders, including NGO recipients of corporate funding, increases, so too does the pressure on corporates to show their responsibility socially as well as environmentally. Cantrel, Kyriazis and Noble (2013) posit that the growing pressure from both internal and external stakeholders to be more socially responsible, has resulted in many corporates' giving programmes being incorporated into; reported on; and included in modern research on organisational Corporate Social Responsibility (CSR), as corporations do their utmost to be seen as socially responsible.

Abugre and Nyuur (2015) see the growing integration of CSR into a strategic agenda as stirred by the increasing demand of society to control power, but also to control the environmentally shattering activities of corporates. Over and above this, they argue that the threat of negative publicity has admonished organisations to take up and to promote CSR, emphasising that corporations could be good by contributing to social and economic development, as well as protecting the environment, without the coercive push of governments, institutions and society (Jenkins, 2005). On the other hand, Szócs, Schlegelmilch, Rusch and Shamma (2016) argue that the CSR activities of corporates can also be a vital part of safeguarding their reputation. They define corporate reputation as the shared opinion of an organisation held by its stakeholders. For the purpose of this study, these stakeholders include NGO recipients of CSR/CSI funding.

Porter and Kramer (2011:4) go beyond CSR - they argue that businesses need to reconnect company success with social progress. They see the solution as laying in the principle of shared value, which involves companies creating economic value in a way that also creates

value for society by taking care of the needs and challenges of the society. They do not see shared value as social responsibility, philanthropy, or even sustainability, but as an innovative way of accomplishing success economically for both the company and society. For them, companies must lead in re-uniting business and society.

Business mostly works with society through NGOs. They mostly channel their CSR activities to communities in society through NGOs that raise funds from various sources, including corporates. Through CSR funding, corporates enter into partnership with NGOs to implement projects that benefit communities on the corporates' behalf. However, Mitchell (2014:69) argues that the way NGOs rely on the external environment for financial support exposes them to resource dependence and possibly to external control.

In light of the above, Ramaswamy (2011:39) highlights that although traditionally, the relationship between corporates and NGOs is seen as that of donor and passive recipient, new and fresh views put forward show stakeholders like NGOs can be active participants and collaborators in the value creation process. They can be co-creators of solutions with numerous private-public-social enterprises (Ramaswamy, 2011:39). Co-creation (Ramaswamy, 2011:39), is about:

- engaging with stakeholders in an inclusive, creative and meaningful manner;
- mutual expansion of value;
- practices that are human-centric;
- strategically constructing engagement opportunities throughout the business-civic-social ecosystem; and
- transparency, providing access, engaging in dialogue and reflexivity.

This view of NGOs as partners and co-creators of solutions has seen CSR evolving. Cantrel *et al.* (2013) highlight how CSR funding has evolved into more than an altruistic response from being requested for support, to a response which is entrenched in the corporate strategy and which supports organisational identity. Corporates are now considering the development of CSR giving processes that provides a competitive advantage.

To achieve this, they also need to develop good two-way relationships with the NGOs that are their CSR partners.

The two-way symmetrical communication model endeavours to reach this balance by improving the relationship between organisations and stakeholders and by focusing on, amongst others, conflict resolution to negotiate mutually beneficial outcomes. Two-way communication gives-and-takes information through dialogue (Grunig, 1992). Corporates' use of the two-way communication between themselves and their stakeholders including NGO recipients opens up dialogue and feedback so that they can negotiate mutually beneficial outcomes. This is in line with Morsing and Schultz's (2006:328) stakeholder involvement strategy towards CSR communication, which assumes a dialogue with its stakeholders. For this strategy, communication is centred on making sure that a two-way dialogue takes place. The strategy mainly aims to foster mutual understanding, rational agreement or consent (Morsing & Schultz, 2006:328).

In light of the above, the stakeholder relationship is an important relationship, which needs to be managed well. Grunig (1992) sees stakeholders as people who are affected by the decisions of an organisation - or those whose decisions may possibly affect the organisation. Stakeholders furthermore include NGO recipients of corporate funding who are linked to an organisation; and they and the organisation have consequences upon each other. Their decision-making influences each other. According to Freeman (1984:40), corporates have stakeholders that are groups as well as individuals who benefit from or are impacted negatively by corporate actions. For the purpose of this study, NGO recipients of corporate funds are part of this group.

From this perspective, the relationship between a corporate and the NGOs that it funds is also vital, and trust is an important component of that relationship. Trust is paramount for successful decision-making in collaborative networks. It is characterised by transparency, fairness, and openness. NGO recipients should be free to participate in dialogue without fear of disrespect for their ideas (Henderson & Smith-King, 2015:1552). Henderson and Smith-King (2015) postulate that when there is distrust among partners, working together towards actualising common goals is hindered as it will take some time to restore that trust.

They see a trusting relationship as a catalyst to catalyse collaborative work and as the glue that seals it together.

In light of the above, Henderson and Smith-King (2015) identify three over-arching features of trust that can be traced: vulnerability, expectations and risk. Collaborating partners are vulnerable and susceptible to damage but trust assures them that opportunistic conduct and autonomous actions are unacceptable for the relationship to work.

Reducing the risk of vulnerability is part of the decision-making process that corporates go through in deciding which NGOs to fund. Muller, Pfarrer and Little (2014:1) argue that not much is known about how corporate philanthropy decisions are made, as the reality of corporate philanthropy decisions seems to be complex. They postulate that the criteria for corporate decisions are ambiguous and their effect on an organisation's bottom line is indeterminate as emotions, amongst others, have a key role in decision-making. They posit that these emotions, like empathy, triggered by human needs external to the organisation, affect the *likelihood*, *scale*, and *form* of organisational philanthropic responses directed at alleviating that need.

Also of interest are the strategic decision-making processes that a corporate follows before a decision to fund or not to fund an NGO is finalised. Of importance are managerial mechanisms that are applicable to identifying, defining, designing, implementing and measuring, as well as improving business processes on an on-going basis. This happens as process-oriented businesses stress synchronisation and coordination between activities that are joined and focussed on the fulfilment of the needs of customers (Gębczyńska, 2016:1081).

According to Henderson and Smith-King (2015), decision-making processes related to social policy and planning takes place in contexts that usually include task forces, councils, executive boards, or boards of directors. Parts of these processes include formulating a strategy at a higher level, as well as implementing the strategy at managerial level. Thus, the efficient implementation of any strategy ensures that the structure and processes internally match the strategy envisaged (Gębczyńska, 2016:1081). Part of decision-making includes

self-governing structures, in which decision-making happens through the meetings held by members or through frequent interactions that are not formal (Henderson & Smith-King, 2015:1547). They postulate that decision-making processes can be seen as a reflection of organisational policy or strategies and in turn are influenced by the same. Communication of the decisions is also important and this study is interested in the communication of decisions in relation to corporate donors and their NGO recipients.

To investigate communicative decision-making in the relationship between corporate donors and their NGO recipients, it is imperative to show how corporates and NGOs communicate. Dawkins (2004:109, in Moreno & Capriotti, 2009) points out that communication remains the missing link in the practice of corporate responsibility. For Lewis (2003:361, in Moreno & Capriotti, 2009), many companies really commit to fulfilling their social responsibilities, they however fail in communicating their efforts sufficiently to convince anyone of it.

To stress this point, Moreno and Capriotti (2009:162) argue that any initiative undertaken by corporations to gain legitimacy and the confidence of the public through responsible corporate behaviour ought to be in tandem with a capacity to communicate with – and respond to - the demands of stakeholders. They cite Burke and Bakan (2005:31), who argue that CSR is the effort by society to renegotiate its social contract with corporations. They see partnership as the key to achieving CSR solutions. Crane and Glozer (2016) agree that responsible corporations ought to engage with their stakeholders on CSR issues, and regularly communicate about their CSR programmes, products, and impacts with concerned stakeholders. This is important because stakeholders need information.

Information about the priority areas and criteria of corporate funding and how corporates arrive at their decisions to fund NGOs is valuable to the latter. NGOs themselves sometimes create platforms like The Southern African NGO Network (SANGONeT) where they share resources that help other NGOs access funding. Wilson and Murby (2010) refer to stakeholders like corporate NGO recipients as being empowered through social networks, such as social media platforms, where they can share and access information promptly. These include the tasks of scanning, idea-sharing, reproducing and broadcasting.

These innovative networks are empowered and charged by their speed of transmission; plus a great exchange of thoughts and ideas across numerous media platforms; including a variety of channels and voices un-limited by language or whereabouts (Wilson & Murby, 2010:34). These networks include NGOs who are trying to obtain information on how corporates can fund them and how they communicate their decision-making about the funding.

Communication is vital and plays an important role in the success of partnerships. Communication between corporates and NGOs is just as vital as in any relationship. This research study explores how communication is managed in partnership relationships between corporate donors and NGO recipients and examines the communicative decision-making criteria, processes and structures that corporates use in determining which NGOs to fund as well as communicative decision-making channels that are used for this communication. The thesis also explores whether the stewardship responsibility of NGOs play a role in the decision-making processes of corporates regarding funding. Do NGOs need to demonstrate that the corporate's investment in them is a good decision? Do NGOs also need to show that they exercise good stewardship of the funds that they have received from other funders before; and that they have systems in place to be able to effectively manage and account for the funds? Does the reputation of the NGO impact on the decision to fund or not to fund it? These are general questions that will be addressed in the study.

1.2 BACKGROUND

In South Africa, government, civil society and society at large are looking to corporates to step in and assist to solve some of the social problems experienced, like poverty, unemployment and education (Hinson & Nhdlovu, 2011:335). With recent social media campaigns like #feesmustfall and the drought and water crisis in the Western Cape, corporates are under pressure to respond to such social issues through their CSR giving. For some corporates, CSR is part of their brand management strategy as the more they communicate their CSR activities, the more their brand value increases. Some corporates have opened up two-way communication channels with their NGO recipient stakeholders

and have embraced collaboration through dialogue and the subsequent co-creation of value.

Against the above background, the research also investigates whether legal considerations play a role in the corporates' decision-making regarding the funding of NGOs. In a country like South Africa, where corporates are required by government to give to previously disadvantaged beneficiaries, it is vital to also investigate whether legal considerations influence decision-making regarding corporates' CSR projects.

To expand on this, Mersham and Skinner (2016) highlight that at the end of the apartheid era, the social portrait of the country was fraught with inequalities with regards to education, infrastructure, economic power, and access to basic services, among others. To address the imbalances, the post-apartheid South African government presented a programme known as Black Economic Empowerment (BEE), an ingenuity to redress historical imbalances by enabling black people to participate in the formal economy. Later, it was protracted and re-named Broad-Based Black Economic Empowerment (B-BBEE) and governed by the B-BBEE Act No. 53 of 2003 and the B-BBEE Codes of Good Practice gazetted in February 2007.

Mersham and Skinner (2016) advise that B-BBEE status is an important component that impacts a company's competence to successfully tender for government and public entity tenders and (in other sectors like mining and gaming) to get licences. Private sector clients have also increased their requirement of their suppliers to have a minimum B-BBEE rating to boost their own B-BBEE ratings. For the South African government, B-BBEE is a significant feature of CSR (Mersham & Skinner, 2016:111). This is also pertinent to good corporate governance.

As the need for good corporate governance increases, the need to follow corporate governance principles in organisations, as indicated in the King III (2010) and King IV (2016) Reports, also increases. From this perspective, both reports take a stance that is inclusive to stakeholders, where the authentic interests of stakeholders are considered and recognised on top of the shareholders' interests, in a way which is befitting to the long-term

sustainability of the entity. This approach acknowledges that stakeholder perceptions impact on the company reputation and as a result, corporates endeavour to manage reputational risk, amongst others. Corporate governance which includes integrated reporting is seen as the systems which controls and directs companies (King III Report, 2009).

Integrated sustainability reporting has, furthermore, been adopted by companies listed on the Johannesburg Stock Exchange (JSE). The King Code of Governance for South Africa is a voluntary effort by South African organisations to improve larger stakeholder accountability. This includes improving the transparency, accuracy and consistency of CSR-related though non-financial disclosures (Ackers & Eccles, 2015:515). Notwithstanding its voluntary nature, it is a requirement by the JSE for all listed companies to apply the King III and King IV principles. This also includes the provision of independent CSR assurance. King III consequently made independent CSR assurance a *de facto* compulsory requirement, although on an “apply or explain” basis (Ackers & Eccles, 2015:515). Though the King Reports do not constitute official legal documents, they are regarded as advanced guidelines *regarding* good corporate governance and have been comprehensively adopted by South African business (Mersham & Skinner, 2016:113). The King reports address the need for corporations to acknowledge all stakeholders and to adopt a “triple-bottom line” approach in corporate governance, focusing on social, environmental and economic concerns as well as value creation.

1.2.1 Value creation principle

According to Tunji (2015:2) value creation is seen as the volume of wealth made by producing or delivering goods or services at a lower cost than what is actually paid by consumers. Value is created when the income made from a firm’s operation is more than the cost of inputs bought or components that were used as a way to generate output (Tunji, 2015:2).

Value is adopted when the volume of value is spread to stakeholders and the balance remains in the firm. The value is consequently value created for all the stakeholders of a company and not just for shareholders (Tunji, 2005:2).

For the value creation to be more effective, co-creation of value by all stakeholders is needed. According to Dahan, Doh, and Oetzel (2010), NGOs and companies can offer missing competences to “complete” each other’s business models to be whole. They can also co-create novel and innovative business models. They postulate that just as companies do, NGOs use business models to map out the tools they intend to deliver value to their target public. These are mostly social rather than economic - and they highlight how the necessary costs and revenues will be organised. This is relevant for this study as the corporates and NGOs in the study need one another to be able to complete each other’s business models, for them to be more effective in society.

Ten criteria that inform the meaning of value creation are listed in the table below.

Table 1: Ten criteria that inform the meaning of value creation (International Integrated Reporting Council, 2013)

Value creation takes place within a context
Financial value is relevant, but not sufficient, for assessing value creation
Value is created from tangible and intangible assets
Value is created from private and public/common resources
Value is created for an organisation and for others
Value is created from the connectivity between a wide range of factors
Value creation manifests itself in outcomes
Innovation is central to value creation
Values play a role in how and what type of value is created
Measures of value creation are evolving

1.2.2 Sustainable business

Sustainable business advocates for economic, environmental and social justice, and equity, while also providing value, balance and accountability (Landrum & Ohsowski, 2007:387). As a result, sustainable business models, need to be grounded on economic, social and environmental fundamentals, so as to provide pragmatically driven foundations for applicable business theory (Høgevoid *et al.*, 2014).

The topic of sustainable business is very important for this study as it shows how corporates need to integrate economic, environmental and social elements to be sustainable. This study fits under the social arm of the corporates as it deals with the relationship between corporate donors and their NGO recipients, which ultimately is for societal gain and for the benefit of the corporates to enable them to be more sustainable.

Sustainable development is referred to as development that not only meets the needs of the present, but also does not compromise the ability of upcoming generations to be able to meet their own needs (Rao, 2000:85). Sustainable development furthermore requires the long-term integration of social, environmental, and economic considerations.

The concept of sustainable development is premised on Systems Theory, and postulates that the triple bottom line i.e. the social, the economic and the environmental levels are interconnected (Almahmoud & Doloi, 2015:152). As a result, each level needs to function well to ensure that the larger system is maintained. For Galuppo, Gorli, Scaratti, & Kaneklin, (2014:686) sustainability is related to the “triple bottom line” of *people, planet and profit*.

To further explore this topic, an extensive outlook of business sustainability, based on the triple bottom line as presented by Elkington (1997), refers to an organisation’s attempts to preoccupy not only on profitability, but also on efficiently and effectively managing, balancing and integrating its environmental, social and economic influence. The social aspect involves social sustainability.

1.2.3 Social sustainability

Social sustainability is very relevant for this study as this literature sheds light on the relationship between corporate donors and their NGO recipients and the decision-making process for corporates to fund NGOs for the benefit of society. The CSR strategy and activities implemented by corporates through NGOs lie in the social sustainability arena. Galuppo *et al.* (2014) argue that for corporates, social sustainability is about the responsibilities of the company towards society and also towards its social and human capital. An organisation that is socially sustainable would plough back to the community, instead of just misusing its funds (Galuppo *et al.*, 2014:688). The organisation needs to decide how they get involved socially. This is part of the decision-making process.

According to Grant (2011), individuals that are a part of business contribute to corporate decisions that impact on society. Hemmati (2004) asserts that there are two perspectives of sustainability that have been developed in the business context: the normative perspective and the rational perspective. The normative perspective asserts that global social responsibility caused the integration of sustainability into the decision-making process. The rational perspective's focus is on using resources efficiently through innovation and protection of resources and the balance between the supply of resources and the way the resources are consumed.

More importantly, Hemmati (2002) argues that social sustainability needs the company to be committed to the stakeholders by the way they communicate with them, through leadership that value and demonstrate transparency and participation, as well as decision-making. Consequently, as the stakeholders are seen as important, and invited to processes that show transparency and participation, it leads to a concrete journey towards social sustainability.

Galuppo *et al.* (2014) argue that social sustainability and stakeholder theory are constant as they are attentive to value creation. Consistent with this same perspective, constructing a socially sustainable organisation needs various stakeholders (such as NGOs) to participate and to capture the attention of the organisation through diverse strategic processes.

Taking this broadly, Huq, Stevenson and Zorzini (2014) see social sustainability as a holistic concept that must at the onset consider the other triple bottom line components and not be implemented in isolation but must integrate with economic and environmental performance aspects. They further argue that social sustainability must take cognisance of stakeholders within and beyond the supply chain; and, that lastly that should ensure long-term benefits for society.

In ensuring benefits for society, various tools for implementing social sustainability range from internal socially responsible practices, policies or codes of conduct, to other external parties' standards and supplier development programmes (Huq *et al.* 2014:612).

For Konrad, Steurer, Langer and Martinuzzi (2006) an organisation should involve its stakeholders in social sustainability as a matter of urgency. This should include the organisation being transparent and participative; being prepared to learn as they monitor and evaluate their initiatives as well as being prepared to integrate the three pillars of sustainability. The three pillars of sustainability - powerful tools that assist in achieving the sustainability of a brand. All three pillars need to be balanced – if one is weak then the system as a whole is likely to be unsustainable.

O'Higgins (2010) differentiates four orientations to social sustainability regarding strategies of management adopted by various stakeholders. These are *sceptical*, *pragmatic*, *engaged* and *idealistic*. They argue that in both the *sceptical* and *pragmatic* orientations, organisations view themselves as assets that are in existence only to offer benefits to shareholders. In these orientations, social sustainability is deliberated only when it is a legal or business requirement and not seen as a value on its own.

O'Higgins (2010) postulates that in the *engaged* orientation, all organisations are engrained in a complicated system of multiple stakeholders who ought to be part of partnerships that collaborate and are equitable. As a result the partnership achieves more assets that are sustainable. Sustainability is viewed as a value associated with parity, welfare, and social development.

For O'Higgins (2010) when an organisation is oriented *idealistically*, it looks at social sustainability as integral to its vision and mission, as it pursues a world where organisations includes many of their stakeholders. They view serving society as the main purpose of the organisation and consequently they view the mission of the organisation as to serve stakeholders by addressing widespread current and upcoming common interest issues.

Galuppo *et al.* (2014) posit that when there is solid orientation towards sustainability, genuine key stakeholder management strategies which encompass initiating and leading multi-stakeholder consultation meetings and decision-making processes are employed (Galuppo *et al.*, 2014:690).

Galuppo *et al.* (2014) postulate that a multi-stakeholder perspective in this case infers complicated processes where multiple actors and people from different contexts and systems come together to find a common approach and solution to an issue that affects them all.

1.2.4 Corporate citizenship

Corporate citizenship is relevant and important for this study because some of the corporates interviewed in this study indicated that their broad approach towards CSR is corporate citizenship. This sparked interest in wanting to know more about corporate citizenship and where it falls within sustainability.

The term corporate citizenship has been used increasingly with reference to some aspects of corporate social responsibility. Moon, Crane and Matten (2005) posit that when corporate citizenship was introduced, it brought about important questions with regards to the role of corporations, particularly at a time when demands for a critical review of business institutions and society are high (Moon *et al.*, 2005:429).

The Economist (2008) defines corporate citizenship as going beyond philanthropy and being compliant to address the way companies are managing their social and environmental

impacts, as well as their contribution to the economy. Corporate citizens are also accountable to stakeholders such as consumers, suppliers, employees, local communities and society as a whole not just to their shareholders (Economist, 2008:6).

Although often confused with philanthropy, corporate citizenship is much more than simple charitable giving. Chalker (1998) argues that good corporate citizens have secure social values and a commitment to people - taking into consideration both a social as well as a profit-making responsibility for the communities they serve. Through corporate citizenship companies invest considerably in the community. As a result, corporate citizens often identify causes which are high on the social agenda, like schools, unemployment, health, charities and the environment. However, corporate citizens' like their programmes to always benefit employees at the same time improving relationships with suppliers and customers (Chalker, 1998:389).

The Economist (2008) highlights that corporate citizenship is becoming extremely significant to the sustainability of business. This is because it provides both tangible and intangible benefits. Tangible benefits include waste reduction and increased energy efficiency while the intangible benefits include improved employee productivity (Economist, 2008:4). The Economist postulates that many corporates view corporate citizenship as slightly more than public relations. However, a few are beginning to recognise its potential. Corporate citizenship can help with the improvement of the bottom line.

Corporate citizenship is renowned for charitable assistances and other corporate philanthropy forms carried out in communities. Carroll (1991) classifies "being a good corporate citizen" with philanthropic responsibilities - his fourth level of CSR. Corporate citizenship thus goes much further than the expectations of business to a choice to "give back" to society.

In contrast to corporates participating in charity activities just for the sake of it, corporate citizenship supports strategic philanthropy. For the corporate, corporate citizenship is normally regarded as compelled by self-interest. This includes knowing that social, environmental, and political environments that have stability safeguard profitable business.

Morgan, Ryu and Mirvis (2009:40) advocate that for the effectiveness of corporate citizenship, leadership is needed on all levels of an initiative. This lays new demands on Boards of Directors, the need to articulate and govern citizenship in companies and requests strong management teams and the establishment of organisms that integrate citizenship into the way a firm operates.

Mackey (2014) sees a good corporate citizen as a strategic philanthropist who not only gives with a purpose and meets the expectations of all stakeholders but as one who is also involved in a company's participation in democratic institutions through participation in government policy formation and also political party funding. Mackey (2014) furthermore postulates that corporate citizenship is seen through contributing to an economy through providing wages, profits and shares (Mackey, 2014:134).

1.2.5 Corporate social responsibility

Corporate social responsibility is relevant to this research as the research is under the CSR domain. The relationship between corporate donors and their NGO recipients plays out under CSR and decision-making is part of the CSR function. It is the CSR strategy that facilitates the start of the relationship with a potential NGO, and it develops and nurtures the relationship with NGO recipients.

There have been various definitions of corporate social responsibility (CSR) that have been developed and used over the years. Haski-Leventhal (2013) defines CSR as a view of the corporation and its role in society that adopts a responsibility to go after certain goals in addition to profit maximisation; and a responsibility among a firm's stakeholders to keep the firm accountable for its actions. For this study, this definition is preferred as it includes both the firm and the stakeholders seeking accountability. This demonstrates that social responsibility not only lies with the management of a corporation but also with its stakeholders, including NGO recipients.

CSR is about understanding that a company has a responsibility and a conscience toward many stakeholders. According to Freeman (1984), in Haski-Leventhal (2013), companies need to be clear about their key stakeholders and evaluate how goals and plans of action impact on these important stakeholders. This will assist in building partnerships as well as conflict resolution (Haski-Leventhal, 2013:114). Characteristic stakeholders include who own the businesses, personnel, investors, activists, clients, union bodies, contenders, legal entities, and various party-political groups (Ditlev-Simonsen & Midttun, 2011). Carroll (1979: 500) highlighted that the social responsibility of businesses not only comprises the economic, but also includes different components like the law, ethics, and what society expects of organisations.

On the other hand, for Porter and Kramer (2002) corporates can utilise their philanthropy to advance the quality of the business context they operate in. They postulate that when a corporate used charity to improve the environment they operate in, it puts social and economic goals in alignment and enhances the long-term business projections of a firm.

Other countries refer to CSR as corporate philanthropy. Ricks and Peters (2013:413) state that corporate philanthropy as the action of a business giving a portion of its resources towards a societal cause is a vital practice of business for some time now. He postulates that the concept has permeated academic research, marketing, competitive strategy, management and business ethics, giving it both popularity and an evolution of new subject for scholars.

Ricks and Peters (2013:414) argue that corporate philanthropy pays attention to three key dimensions: time, target and motive. Under motive they highlight the following reasons:

- **Self-interest** - where the company's gives mainly to promote its financial self-interest. The giving is without any plan or a way to measure, monitor and evaluate if this giving was responsible for financial results.
- **Normative** - where the company's giving is based on seeing its stakeholders as valuable and as a result commits itself in an altruistic manner to what it perceives to be its obligation to society.

- **Strategic** - where the company is committed to attending both to its own needs as well as societal needs and can monitor, evaluate and measure the strategic benefit of their giving.

Interestingly, Dahlsrud (2008) argues that modern organisations are looking for ways to develop CSR giving procedures that provide them with a competitive advantage and that CSR implementation through corporate giving to charity organisation can be developed as a dynamic capability. This, they argue, can provide the competitive advantage as organisations manage key external and internal stakeholder relationships in a more effective manner. This can provide benefits which could increase organisational productivity and the ability to see the execution of a more effective strategy.

Ricks and Peters (2013) posit that most companies are transitioning towards strategic CSR and this not only serves the interests of communities but the company's too. This translates to a company giving with a certain goal in mind and reaches this goal through its philanthropic initiatives. The only pre-requisite is for strategic philanthropy to equally provide benefits to society and the company (Ricks & Peters, 2013:418).

The Pyramid of Corporate Social Responsibility visually represents Carroll's four-part definition of CSR. According to Carroll (1991), society has economic, legal, ethical and philanthropic expectations of a corporation as indicated in the pyramid below.

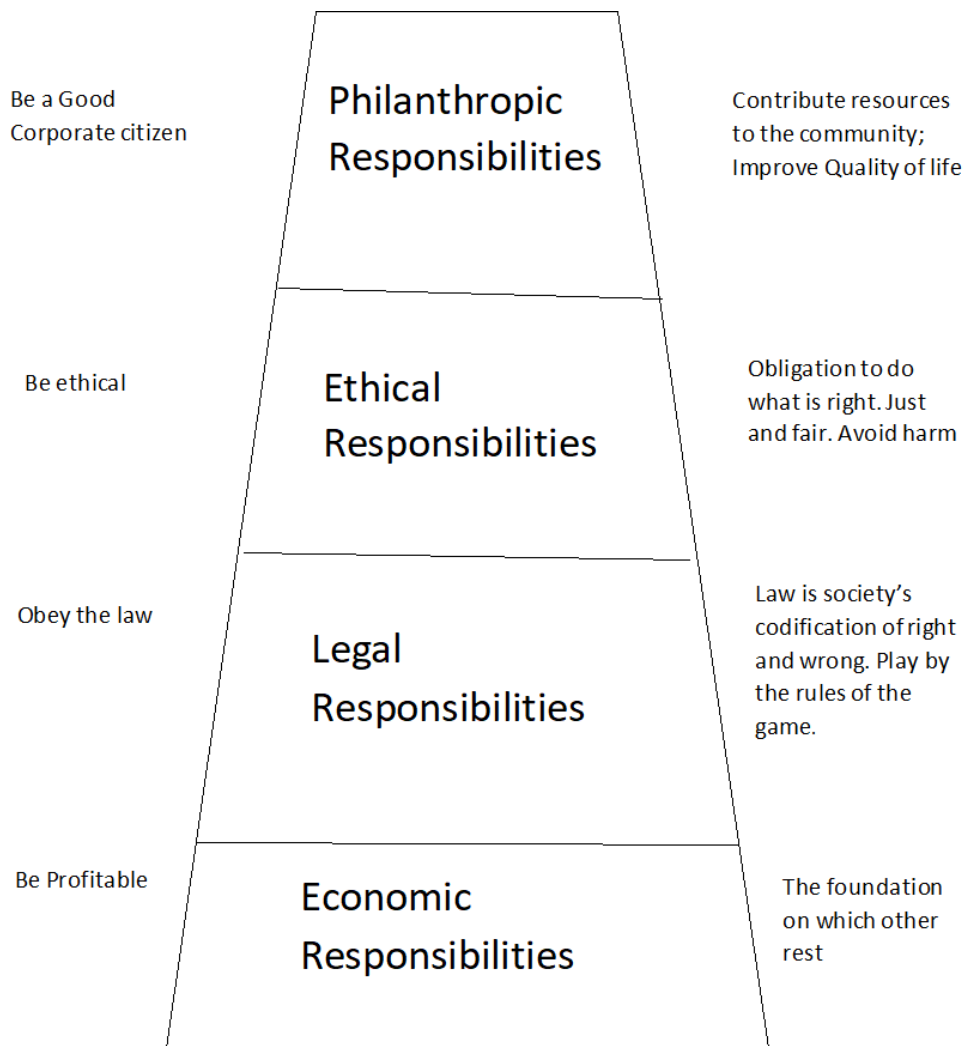


Figure 1: The Pyramid of corporate social responsibility (Carroll, 1991)

The pyramid shows the economic responsibility at the bottom, because it is the foundation on which all the other levels are secured, as society's first expectation of a corporation is that it will make a profit. Philanthropic responsibility is placed at the top of the pyramid. As much as society expects philanthropy from corporations, it is at the company's discretion whether it functions at this level or not.

While the economic responsibility is at the bottom of the pyramid, a CSR or stakeholder perspective sees the pyramid as one united whole. Companies are expected to fulfil their economic, legal, ethical and philanthropic responsibilities concurrently.

These responsibilities are relevant to this study as the study was also interested in finding out if this was true for the corporates interviewed. Some of the questions in the administered interview schedule pertain to these issues.

1.2.6 Corporate social performance

Corporate social performance (CSP) is very relevant for this study as it is how a business organisation organises principles of social responsibility, programmes, processes of social responsiveness and policies, as well as observable outcomes, in relation to the firm's societal relationships (Luth & Schepker, 2017:340). Luth & Schepker postulate that companies can participate in CSP as a function of resources that exist or as a way to develop and benefit from competitive advantage.

Wood (1991:692) sees the corporate social performance model as the fundamental common boundary between the principles of social responsibility, the process of social responsiveness, and the policies developed to address social issues. It also shows how competition could be incorporated into this framework. Wood (1991) postulates that to conduct an assessment on a company's social performance, one has to examine certain conditions including:

- the extent that social responsibility principles motivate actions taken on the company's behalf;
- the extent to which the firm utilised processes that respond to the needs of society;
- whether policies exist and where they do, determine what their nature is;
- programmes intended to manage the company's societal relationships; and
- the social effects of the company's activities, programmes and policies.

Corporate social performance is regarded as a strategic tool that companies utilise to increase performance. Companies also differ in their notches of corporate social performance due to pressure from key stakeholders (Luth & Schepker, 2017:341).

The following four dimensions of corporate social performance (CSP) are related to four key questions which this study is concerned about. These are listed below.

- Economic Performance: Is it profitable?
- Ethical Performance: Is it responsible?
- Legal Performance: Is it legal?
- Political Performance: Is it legitimate? (Peery, 2008:816)

1.2.7 Corporate social investment

Some of the corporate donors interviewed for this study practiced corporate social investment (CSI) as their strategy towards social sustainability and working with society.

For Cooke (2011), CSI is the apportionment of corporate resources for the good of society. According to Hinson and Nhdlovu (2011), CSI is a South African phenomenon, in which CSR activities were at first interpreted as corporate or strategic philanthropy. The CSI activities mostly catered for education and health care. They postulate that, even if CSI comes from one per cent of companies' profits, CSI in South Africa has the potential to change drastically the way businesses can take part in the radical transformation of an economy, HIV/AIDS, and welfare at both local and national levels.

Cooke (2010) argues that, within the domain of CSI, allocated resources take on many forms including assisting financially, managerial expertise, having access to use the infrastructure of the company as well as fulfilling other community needs directly to the community or through NGOs.

1.2.8 Shared value

Shared value is relevant for this study as it is one of the vehicles that corporates use to deliver their sustainability strategy towards society. Porter, Hills, Pfitzer, Patscheke, and Hawkins (2011:1) submit that shared value in companies is created through coming up with profitable business strategies that bring tangible benefits to society.

Porter and Kramer (2011) define shared value as policies and operating practices that add to the competitiveness of a company, while at the same time progressing the social and economic situation of societies it operates in. They postulate that through the identification and growing the connections between the progress of society and progress of the economy, shared value creation is enhanced.

Porter *et al.* (2011) caution that companies cannot know how much shared value they are generating if they are not measuring their headway on social intentions especially since social performance is said to improve the economic value of a business.

Porter and Kramer (2011:7) share three key ways that companies can use to create shared value opportunities by:

- reconceiving products and markets;
- redefining productivity in the value chain; and
- aiding the development of local clusters.

Porter and Kramer (2011) argue that the purpose of companies have to be restructured to create shared value and not only profit. As a result innovation and productivity will grow in the universal economy and remodel free enterprise as well as the company relationship with society at large.

For Høvring (2017) the primary idea of creating shared value is that the short-term economic perspective that only dwells on creating corporate value has to be replaced by a wider societal standpoint that creates shared value, both for society and the company. He postulates that shared value is about the growth of economic and social value and not about personal values or “sharing” the value that was preciously created by companies.

Interactions of shared value go beyond what is agreed upon in contracts to a deeper commitment to positively changing society. NGOs, donors, and communities need to share a vision for change which will facilitate them to agree on “successful” development intervention.

Table 2: Business and social results by level of shared value. Source: Porter *et al.* (2011)

LEVELS OF SHARED VALUE	BUSINESS RESULTS	SOCIAL RESULTS
<p>Reconceiving product and markets:</p> <p>How targeting unmet needs drives incremental revenue and profits</p>	<ul style="list-style-type: none"> • Increased revenue • Increased market share • Increased market growth • Improved profitability 	<ul style="list-style-type: none"> • Improved patient care • Reduced carbon footprint • Improved nutrition • Improved education
<p>Redefining productivity in the value chain:</p> <p>How better management of internal operations increases productivity and reduces risks</p>	<ul style="list-style-type: none"> • Improved productivity • Reduced logistical and operating costs • Secured supply • Improved quality • Improved profitability 	<ul style="list-style-type: none"> • Reduced energy use • Reduced water use • Reduced raw materials • Improved job skills • Improved employee incomes
<p>Enabling cluster development:</p> <p>How changing societal conditions outside the company unleashes new growth and productivity gains</p>	<ul style="list-style-type: none"> • Reduced costs • Secured supply • Improved distribution infrastructure • Improved workforce access • Improved profitability 	<ul style="list-style-type: none"> • Improved education • Increased job creation • Improved health • Improved income

1.2.9 CSR Communication

Crane and Glozer (2016) argue that responsible corporations ought to engage with their stakeholders on CSR issues, and regularly communicate about their CSR programmes, products, and impacts with concerned stakeholders. They see the purpose of CSR communication to include stakeholder management, image enhancement, legitimacy and

accountability, attitude and behavioural change, sense-making, and identity as well as meaning creation. For Podner (2008:75), CSR communication is a process of anticipating stakeholders' expectations, articulation of CSR policy and managing of different organisation communication tools designed to provide true and transparent information about a company or a brand's integration of its business operations, social and environmental concerns, as well as interactions with stakeholders.

Elving, Golob, Podner, Ellerup-Nielsen and Thomson (2015:119) highlight that CSR communication has increasingly gained importance and as a result, this has increased organisations' efforts to practice CSR. They postulate that this together with higher stakeholder expectations has raised the suspicions of the public towards corporate CSR messages as the public feels that CSR is meant to be something good for society and not something one only uses as a PR stunt.

In unison, Du, Bhattacharya and Sen (2010) argue that beyond awareness, the next crucial challenge of CSR communication is how to reduce stakeholder scepticism because as much as stakeholders claim they want to know about the good deeds that corporates are doing, they also quickly become suspicious of the CSR motivations when companies aggressively promote their CSR efforts. They postulate that stakeholders attribute corporates' CSR motives to be either extrinsic, where the corporate is seen as trying to increase its profits; or intrinsic, in which it is viewed as acting out of a genuine concern for the issue at hand. As a result, they stress the importance of managers to have a deeper understanding of key issues related to CSR communication. These include questions surrounding what to communicate (i.e. message content), where to communicate (i.e. message channel), as well as an understanding of the company- and stakeholder-specific factors that impact the effectiveness of CSR communication.

To add to this, Christensen, Morsing and Thyssen (2013:2) highlight the term *aspirational talk* which they refer to as communication of corporates, which announces ideals and intentions rather than reflect actual behaviours. They postulate that although aspirational talk *may* lead to pretence and deceit they argue that under certain circumstances,

aspirational talk has the potential to produce positive developments within the field of CSR. For them, communication and action are intimately linked in all processes of organising, because saying is doing and because actions inevitably 'speak'. In light of this, Elving *et al.* (2015:122) puts forward that organisations will use all the communications they have to portray themselves as sustainable and responsible, but this portrayal is not necessarily related to actual behaviour or actions.

Morsing and Schultz (2006) present 3 strategies of CSR communication that shows how managers inform, engage with and involve important stakeholders.

The first is the stakeholder information strategy where communication is always one-way, from the organisation to its stakeholders and it is viewed as the organisation telling and not listening and thus runs the risk of self-promoter's paradox (Morsing & Schultz, 2006:336). Christensen and Cornelissen (2010) critique this strategy as they argue that for strategic conversations to be effective, they must explicitly involve both talking and reflective listening by all participants.

The second one is the stakeholder response strategy, which is centred on the 'two-way asymmetric' communication model. In this strategy, the organisation does not change as a result of the feedback it gets from the stakeholders, but it is mostly one-sided with the company intending to convince the stakeholders of how attractive it is (Morsing & Schultz, 2006:327).

The third strategy is a stakeholder involvement strategy towards CSR communication which assumes a dialogue with its stakeholders. For this strategy, communication is centred on making sure that a two-way dialogue takes place. The strategy mainly aims to foster mutual understanding, rational agreement or consent (Morsing & Schultz (2006:328).

Wang and Huang (2018) puts forward that organisations often communicate with their stakeholders through the company intranet, company website and social media. Company accounts or official pages on social media are another important source for organisation-stakeholder communication on social media. For Coombs and Holladay (2014), the

increasing growth and importance of social media has generated intense practitioner and academic interest surrounding online communication. Common types of social media include social networking sites, discussion boards, blogs, content sharing sites, and micro-blogs. This is supported by Golob, Verk, Ellerup-Nielsen, Thomsen, Elving and Podnar (2017:166), who argue that in a globalised society, organisations are witnessing an extraordinary increase in information circulation where information has taken a more centre-stage role than before. They postulate that organisations need to accept the importance of communication as the process which contributes the most to balancing different interests related to CSR, societal expectation and stakeholder interests in CSR. They further argue that societal expectations (in general) and stakeholder interests in CSR have also contributed to the increased value of the communicative logic towards CSR.

1.3 PROBLEM STATEMENT AND RESEARCH QUESTIONS

As the competition for corporate funds donated to NGOs increases, the need to know corporates' communicative decision-making processes, leading to who they fund and why as well as how their decisions are communicated to recipients, increases. Research into the corporates' giving strategies and decision-making criteria is crucial to NGO fundraising efforts as NGOs need to know how corporates reach their decisions on donations and partnerships. Funds raised are often the lifeblood of NGOs and the latter can save time and resources if they knew how corporates arrive at their decision on who to fund; which corporates are most likely to fund them; and how donors communicate their decisions about the funding to recipients.

1.3.1 Purpose statement

The main purpose of the study is to investigate communicative decision-making processes in the relationship between corporate donors and NGO recipients. The study also seeks to determine the perceptions of corporates towards NGOs they fund and vice-versa.

1.3.2 Primary research question

The following primary research question will guide the research: How does communicative decision-making take place in the relationship between corporate donors and NGO recipients?

1.3.3 Secondary research questions

The secondary research questions are as follows:

- RQ1: What is the nature of the relationship between corporate donors and their NGO recipients?
- RQ2: What factors contribute towards a good relationship between corporate donors and their NGO recipients?
- RQ3: How important is corporate reputation and NGO reputation in the relationship between the corporate donor and their NGO recipients?
- RQ4: What are the criteria for communicative decision-making when corporate donors fund NGOs?
- RQ5: What are the communicative decision-making processes/procedures that corporates follow when funding NGOs?
- RQ6: What communicative decision-making structures do corporates use in deciding which NGOs to fund?

1.4 CONCEPTUALISATION

According to Maxwell (2009:222) “the conceptual framework of a study is the system of concepts, assumptions, expectations, beliefs, and theories that support and inform research”. Maxwell (2009) views the conceptual framework as a formulation of the researcher’s thoughts of what is occurring with the phenomena he/she is studying — a tentative *theory* of that which is happening and why. He argues that for a theory to be useful, it needs to tell an informative story about some phenomenon, as well as give new understandings and increase the way the phenomenon is understood.

As was stated in the problem statement, the interest of this study is in knowing how corporates make their decisions to fund or not to fund NGOs. An initial literature review showed certain concepts as being important in the communicative decision-making process that corporates go through before they fund NGOs. The themes that came up included:

- legal considerations;
- decision-making;
- processes;
- structures;
- relationship;
- stewardship;
- trust;
- communication management;
- stakeholders;
- reputation.

From the concepts above, secondary research questions were formulated for both corporates and NGOs as the interest was in the nature of the relationship between the two parties and how corporates arrive at the decision to fund or not to fund NGOs.

The researcher wanted to dig deeper with empirical research to find out how this plays out in the corporates' communicative decision-making processes and then to compare it to the literature.

1.5 RESEARCH DESIGN AND METHODOLOGY

This study uses the qualitative strategy of enquiry. According to Leedy and Ormrod (2010:94), qualitative research looks at characteristics, or qualities, that are not easily reduced to numbers. Saunders, Lewis and Thornhill (2009:13) postulate that qualitative data are based on meanings that are expressed through words.

Yin (2011:7) puts forward five features of qualitative research indicated below:

- studying the meaning of people's lives under real world conditions;
- representing the views and perspectives of the people interviewed;
- covering the contextual conditions within which people live;
- contributing insights into existing or emerging concepts that may help to explain human social behaviour; and
- striving to use multiple sources of evidence rather than relying on a single source alone.

This research contains both factors that Leedy and Ormrod (2010:135) see as common to qualitative approaches as it focuses on both phenomena that occur in natural settings and it involves studying the phenomena in all their complexity.

Further, qualitative research is phenomenological, as it sets out to understand the participants' standpoints and views of social realities (Leedy & Ormrod, 2010:108). Phenomenology is viewed as a philosophy, a research method and a perspective for qualitative research (VanScoy & Evenstad, 2015:339).

The term phenomenology refers to one's insight of the meaning of an event, and not the event itself, as the event exists outside the person (Leedy & Ormrod, 2010:141).

The phenomenological approach was used, as the study aimed to investigate communicative decision-making in the relationship between corporates and their NGO recipients. The goal of studies conducted through the phenomenological approach is to be able to explain the essence of experiences lived by the participants (Gliner, Morgan & Leech, 2017:115).

Bastug, Ertem and Keskin (2017) argue that phenomenology aims to attain a deep appreciation of our daily experiences and the nature thereof. The experience is “investigated at first hand in phenomenological studies - data are collected from the people who have lived or are living the experience” (VanScoy & Evenstad, 2015:340).

This research design investigates how related phenomena are experienced and tries to describe what all participants’ experiences of the phenomena are. In this study, the participants were both corporate practitioners and NGO practitioners. The phenomenon in this study is communicative decision-making and how it manifests in the relationship between corporate donors and their NGO participants.

Phenomenology sees the starting point as the intuitive experience of phenomena. It also tries to extract the crucial features of experiences and the essence of what is experienced. According to VanScoy and Evenstad (2015:339), this “insider perspective” is characteristic of the methodology of phenomenology.

VanScoy and Evenstad (2015:340) state that the phenomenological tradition has two variants: “descriptive” and “interpretive”. Pure phenomenological research sets out to describe instead of explaining, and it begins from a perspective that does not have hypotheses or research with preconceptions (VanScoy & Evenstad, 2015:340).

The research takes a socio-constructivism approach. As a paradigm of qualitative research, constructivism looks at social reality as subjective and co-constructed through people’s

experiences. It emphasises the role of qualitative methods as a means to interpret, explore and discover new concepts and constructs (Chandra & Shang, 2017:92).

The following below are appropriate descriptors that best describe the broad research design of the proposed study.

- Empirical study - The study is an empirical study as the researcher collected and analysed primary data.
- Applied research – Leedy and Ormrod (2010:41) assert that applied research can inform human decision-making about practical problems and that occasionally applied research involves addressing questions with the goal of solving an ongoing problem. This research is taken to inform decision-making regarding the funding of NGOs in the South African context.
- Exploratory study - Robson (in Saunders *et al.*, 2009:139) defines an exploratory study as a valued way of finding out what is occurring; to search for new insights; to probe questions; and to assess phenomena in a new light.
- Cross-sectional research – The study is cross-sectional. Cross-sectional research is the study of a particular phenomenon at a particular time (Saunders *et al.*, 2009:155). The study also focuses on corporates and NGOs that are in a funding and beneficiary relationship over a specific period of time, although the study itself will not have longitudinal characteristics.
- Primary data - Primary data refers to data that are collected specifically for a research project being undertaken (Saunders *et al.*, 2007:607). The study collected primary data through 16 individual semi-structured administered interviews. Eight of the interviews were with eight corporate members who are involved in the function of funding NGOs. The other interviews were with NGO Programme Managers who have received funding from the corporates interviewed.

- Qualitative data – Qualitative data refer to non-numerical data and can also refer to data other than words, such as pictures (Saunders *et al.*, 2009). The data collection method used for this study is administering a set of questions in individual interviews, in order to collect qualitative data.

1.6 IMPORTANCE AND BENEFITS OF THE STUDY

The findings from the study will assist in understanding the role of communication in the decision-making processes of corporates in their funding relationship with NGOs and will as such contribute to the body of knowledge of the discipline of Communication Management.

The findings will contribute to the sustainability of NGOs as they are informed by corporates' decision-making processes so that the NGOs can implement winning fundraising strategies.

The methods used in this study and the findings of the study provide a valuable contribution to the current field of knowledge. The study uses a new theory (integrative strategic management theory) as a meta-theory which, therefore, brings a new perspective/solution to an old problem.

The study furthermore highlights the importance of partnership and that NGOs are corporates' key stakeholders; and as such they are affected by the decisions of a corporate; their decisions may also affect the corporate.

The findings of this study will contribute towards CSR as it highlights that NGOs are co-creators together with corporates and this will contribute towards CSR strategy.

The findings also highlight that NGOs do not just simply receive corporate funding, but that they also go through thorough selection- and strategic decision-making processes to determine which corporates to receive funding from.

The findings also show that NGOs are perceived as experts in the development field and in working with communities; this qualifies them to bring their expertise in a partnership with corporates who realise they need the NGOs and together they can meet their own goals.

The findings from the study will contribute towards educating NGOs - this information can be used by NGO bodies to inform their members to enable them to have better success with their corporate fundraising.

The study highlights the importance of both NGOs and corporates conducting research on each other before entering into a partnership as the findings from that research will be used for decision-making on whether to partner with the other or not.

The research can be used to empower NGOs in that they can be active partners and collaborators in the value creation process together with corporates; and for them to know that they also have power.

The research can also be used by corporates to obtain insight into their relationships with NGOs and how they can improve these relationships for better partnerships.

The findings also contribute to the field of CSR as they show the importance of CSR communication needing to be based on dialogue, conversations and two-way symmetrical communication.

This research has some implications for academia, practitioners, teaching and learning.

1.7 DELIMITATIONS

The research has several delimitations related to the context, constructs and theoretical perspectives of the study. Contextually, the research was conducted on eight corporates and eight NGOs who are in a partnership. The sample does not represent all the corporates and all NGOs in South Africa.

Though the NGO sector and context is wide, the research chose to focus on fundraising as it is the lifeblood of NGOs. The NGOs interviewed had to have been in partnership with the corporate for over a year, which excluded other NGOs who had just partnered with corporates.

Although the constructs explored in the study have been identified during the literature review - there could have been some that have not been included that could also have been important for this study.

The research is limited to communicative decision-making in the relationship between corporates and their NGO funding recipients. The concept communicative decision-making was investigated because of the nature of the relationship between the corporates and their NGOs. Literature revealed that the traditional view of the relationship between corporates and NGOs is that of donor and passive recipient. New views, however, indicate that stakeholders like NGOs can be active participants and collaborators in the value creation process, as well as co-creators of solutions with a wide range of private-public-social enterprises.

1.8 ASSUMPTIONS

According to Leedy and Ormrod (2010:6), an assumption is a condition that is taken for granted, without which the research project would be pointless. For this study, the following assumptions apply:

- the information extracted from the literature is accurate and represent valid and reliable research.
- the questions asked are suitable measures for the emphasis of this study.
- the techniques used to collect and analyse data are suitable for this type of research.
- the results achieved from the analysis are entirely accurate to the best of the researcher's knowledge.

- the participants interviewed were answering the questions from their own perspective and experience.
- the researcher was influenced by her situation and thus all knowledge is also situated.
- the people interviewed have a fair understanding of the questions asked in the administered interview schedule.
- the corporates and NGOs interviewed were truthful and honest in answering the questions.
- the corporates interviewed practiced good corporate governance.

1.9 DEMARCATION OF THE CHAPTERS

Chapter One is an introduction to the study detailing the research question and what is covered in the research. This chapter also discusses the problem statement and the research design.

Chapter Two provides the first part of the related literature review focusing on the theoretical framework, and theories on which the research is based.

Chapter Three is a continuation of the literature review and focuses on the relationship between corporate donors and their NGO recipients. This chapter introduces the role of civil society, the role of corporates and the different types of roles that corporates play in the relationship between them and NGOs. It highlights the relationship between corporate donors and their NGO recipients.

Chapter Four focusses on critical components of communicative decision-making. The chapter defines and unpacks the elements that enable communicative decision-making and the actions that lead to this phenomenon.

Chapter Five discusses the research methodology that is used to gather the data for the study. The chapter begins with highlighting the primary research question, followed by the

secondary research questions. This is followed by a discussion of the research design and then a discussion of the sampling and a justification of the methods used to collect data in the study. A copy of the administered interview schedule is also included. The chapter then details the data analysis method, using the content analysis model and the Leximancer data analysis tool used for this study.

Chapter Six is a discussion of the results. This entails discussing results from the concept notes generated by the Leximancer data analysis software detailing the number of hits and prevalence of each theme generated. The concepts generated are also discussed.

Chapter Seven is a discussion of the findings using the literature review, theories and empirical results. Thereafter, conclusions are drawn and discussed.

1.10 SUMMARY

This chapter introduced the study and outlined the background of the thesis. The chapter showed how NGOs are key stakeholders in the relationship between corporates and NGO recipients of their funding and the importance of the Two-way Symmetrical Communication model in fostering the relationship. Trust is mentioned as an important element in the relationship and decision-making criteria and structures are also introduced.

The chapter touches on value creation and sustainable business and social sustainability and argues that companies must lead in reuniting business and society. This leads into a discussion on the various ways that corporates reaches out too society through corporate social responsibly, corporate social investment, corporate social performance, shared value and corporate social performance programs. The chapter also highlights the importance of CSR communication through dialogues and conversation and discusses how NGOs are seen as co-creators in their partnership with corporate donors.

The problem statement was stated and both the primary and secondary research questions were discussed. Thereafter, the conceptualisation and operationalisation of the study were

deliberated. This was followed by an insight into the research design and methodology used for the study. The chapter also looks into the importance of the study, delimitations and assumptions. Finally, the demarcation of chapters was presented.

CHAPTER TWO: THEORETICAL FRAMEWORK

2.1 INTRODUCTION

This chapter covers the theories that underpin the research. It details a theoretical framework and discusses in detail the different theories and how the conceptualisation of the study was conducted. The meta-theoretical approach to the study is the Integrative Strategic Communication Management Theory and the primary domain of the study is communication science.

As the study cuts across three academic disciplines of corporate communication, business management and business/corporate law, the chapter provides deeper insights into each of the disciplines, as well as the academic fields of strategic communication management, corporate social responsibility and corporate governance that the study is embedded in.

Theories discussed include Systems Theory, Stakeholder Theory, Decision Theory and Legitimacy Theory. The Co-orientation Model and the Two-way Symmetrical Communication Model are also discussed.

The conceptualisation highlights the key concepts and constructs that the research is based on are also discussed in the chapter.

2.2 THEORETICAL FRAMEWORK

Theory is defined as models, frameworks or a body of knowledge (Gregor, 2006:614). For Weber, Gill and Johnson (2002, in Saunders *et al.* 2009:36) it is a formulation regarding the cause and effect relationships between two or more variables. The theoretical framework provides an explanation to the employed theories in the research. The theoretical framework which shows the meta-theoretical and theoretical conceptualisation of the study is presented in the table below.

Table 3: Theoretical framework of the study

Meta-theoretical approach	Integrative strategic communication management theory		
Primary domain	Communication Science		
Disciplines	Corporate Communication	Business Management	Business/Corporate Law
Academic fields	Strategic Communication Management	Corporate Social Responsibility	Corporate Governance
Paradigms	Reflective paradigm, Social-constructivism,		
Theories	Systems Theory Strategic constituency theory Relational Theory Negotiation theory	Stakeholder Theory Decision Theory: <ul style="list-style-type: none"> • Normative and descriptive Decision Theory • Narrative-based Decision Theory • Evidence based Decision Theory • Game Theory 	Legitimacy Theory
Models	Co-orientation Model Two-way Symmetrical Communication Model		
Concept 1	Relationship between corporate donors and their NGO recipients		
Construct	Corporate and NGO reputation	Good relationship factors	Nature of the relationship
Items in semi-structured	Dialogue Brand	Societal needs Stakeholder engagement	Laws/policies Principles in King 3 and

administered interview schedule	Monitoring of reputation	Commitment Listening	King IV Integrated Reporting Balanced scorecard report Funding Accountability
Concept 2	Communicative decision-making		
Constructs	Communicative decision-making processes	Decision-making structures	Policy criteria
Items in semi-structured administered interview schedule	Channels of communication Type of communication Frequency of communication Transparency Information Sharing Integrated Sustainability Reporting system	Decision Communication Participatory decision-making Decision-making structures	Communication flow Implementing decisions Decision-making processes Coordination

2.2.1 *Meta-theoretical approach*

i. Integrative Strategic Communication Management Theory

The Integrative Strategic Communication Management Theory was used as a metatheory for the research. De Beer (2014) defines this theory as an integration mechanism for the communication cycle and the business cycle in the organisation.

The elements of the framework can be used in the development of any corporate or corporate communication strategy (De Beer, 2014:462).

De Beer (2014) argues that the integrative power of communication plays a vital role in processes leading from decisions to action and strategy implementation. She posits that the Integrative Strategic Communication Management Theory goes beyond the Excellence Theory which emphasises strategic management, to also consist of sustainability and governance stances in the conceptualisation of strategic communication management. She postulates that it provides guidance for the management of communication, particularly on a societal and organisational level, but also on a functional and programme level.

De Beer (2014:ii) highlights that the Integrative Strategic Communication Management Theory demonstrates the core considerations in the communicative sphere of the organisation as it functions in the triple context environment. The Integrative Strategic Communication Management Theory underscores the importance of the concepts that sparked the interest in this research as discussed in Chapter One. The relevant concepts are: sustainability, corporate governance, strategy, communication, stakeholder relationships, stewardship and corporate reputation.

2.2.2 Primary domain and disciplines

The primary domain for this research is communication science, which in this case highlights the management of the organisation's communication.

Corporate Communication: Corporate communication is a management function that offers a framework for the effective coordination of all internal and external communication for the purpose of establish and maintaining good reputations with all stakeholders (Cornelissen (2014:5).

Butschi and Steyn (2006), expands on this definition and argue that if corporate communication is a management function, it needs to value and quantify its employed resources against objectives vis-à-vis efficiency and effectiveness.

Goodman (2006) views corporate communication as the term used to refer to various strategic management functions. De Beer (2014:18) takes this further and her view of corporate communication which broadly encompasses public affairs, customer relations, internal communication and investor relations.

Corporate communication is wide and varied and takes different forms depending on the organisation. It includes public relations, crisis and emergency communication, corporate citizenship, reputation management, community relations, media relations, investor relations, employee relations, government relations, marketing communication, management communication, corporate branding and image building, and advertising (Goodman 2006:197). For Elving *et al.* (2015), corporate communication functions as a specific way of thinking that pervades and shapes many different types of organisations.

Business management: Cronje, Du Toit and Motlatla (2000) define business management as processes of activities conducted by managers to aid the business to achieve its goals and objectives with the use of human and material resources. Business management is relevant to this study as the corporate participants interviewed from this study are CSI Managers in business setting who are implementing the corporates' CSR goals

Business Law: Business Law is a discipline included in this research as it is interested in the legal considerations and corporate governance which are a big component of this study. Corporate governance is seen as the body of principles and rules which guide and limit the actions of directors (Bonnafeous-Boucher, 2005:37). Corporate governance also involves honesty and transparency (Jamali *et al.*, 2008:444). These are positive attributes in a partnership relationship such as corporate donors and their NGO recipients who are the participants in this study.

2.2.3 Academic fields

The academic fields within which this study is conducted are: strategic communication management, corporate social responsibility and corporate governance, as discussed below.

Strategic communication management: Strategic communication management according to Verwey and Du Plooy Cilliers (2002) is the strategic planning of communication in order to safeguard effective internal communication, consequently enabling the organisation to achieve its short- and long-term goals (Verwey & Du Plooy Cilliers, 2002:4). Butschi and Steyn (2006) view strategic communication as the key that unlocks the boardroom. They see it going far in generating the awareness required to set right present criticisms and to construct an appreciation of the value that corporate communication can enhance. For Faulkheimer (2014:) strategic communication is a multidisciplinary field of knowledge, defined as a critical organisational management communication that an organization plans and executes to fulfil its overall mission in relation to different internal and external stakeholders. He postulates that the overall aim of strategic communication is to enforce, shape or defend legitimacy inside organisations (between managers and co-workers) and between organisations and society.

Corporate Social Responsibility: Haski-Leventhal (2013) views corporate social responsibility as characterising a view of the corporation and its role in society that undertakes a responsibility among companies to chase goals over and above profit maximisation and a responsibility between a firm's stakeholders to keep the firm accountable for its actions. This definition is preferred for this study, as it includes both the firm and the stakeholders seeking accountability. This demonstrates that social responsibility does not only lie with the executive leadership of a corporation but also with its stakeholders, including its employees.

Corporate governance: Corporate governance as an academic field is the study of the system which controls and directs companies (King III Report, 2009). In the private sector the corporate governance movement began in the 1990s supported by Stakeholder Theory (Flanagan *et al.*, 2005: 6). One important mechanism of the corporate governance system is the role of the board of directors who are responsible for decision-making and for determining the corporate's overall strategy (Abor & Fiado, 2013:201).

2.2.4 Theories

The theories that underpin this study will be discussed below. These fall under the disciplines of corporate communication, business management and business law on which the study is grounded. These provide insight into the study.

i. **Corporate communication: Strategic communication management**

In the corporate communication discipline, specifically related to strategic communication management, the Systems Theory, Strategic Constituencies Theory, the Relational Theory and Negotiation Theory, provide some guidance and insight into corporate communication as detailed below.

Reflective paradigm

According to Holmström (2000), the reflective paradigm is a theoretical model developed to understand the conditions of existence for late modern organisations and the function for public relations. Rensburg and De Beer (2011) argue that the reflective paradigm analytically defines phenomena like the triple bottom-line (people, planet, profit), multi-stakeholder dialogue, symmetrical communication and ethical accounts.

The reflective paradigm is relevant for this study as, according to Holmström (2005), it analyses the function of public relations in relation to changing forms of societal coordination and social relations. This is appropriate for this study as the study looks at CSR as public relations function coordinating social relations in the corporate's interaction with NGOs and society at large.

This paradigm is "engaged in constructing society by making sense of situations, creating appropriate meanings out of them and looking for acceptable frameworks and enactments" (Van Ruler & Verci, 2005:266)

Holmström (1996, cited in Steyn, 2009), sees the purpose of public relations as *reciprocal strategic reflection*, containing both a reflective and expressive task. Steyn (2009) advocates that the strategic role of public relations is *strategic reflection* and that the 'reflective strategist' acts as the mechanism that coordinates the organisation (business, government

or non-profit) and environment, and provides management with an external (societal) perspective, aiding them to reflect on the organisation's position in the larger setting with the aim of balancing organisational goals with the welfare of society. For Steyn (2009) the 'reflective strategist' advocates on behalf of key stakeholders by clarifying their points of view to management, making the latter aware of the impact of their behaviour, organisational policies and strategies on key stakeholders and interest groups in society.

It is important to highlight Rensburg and De Beer's (2011:155) argument that the reflective paradigm is established on two analytical assumptions:

- social systems have a capability to reflect; and
- there is an evolution concerning the societal coordination which triggers learning processes with regards to reflection as a common feature of social processes.

Social-Constructivism paradigm

This study takes a social-constructivism paradigm as it focuses on funding that corporates are giving to NGOs for the benefit of society in a social context. Allen (2016:12) sees social-constructivism as a useful guiding theoretical framework for understanding communication's role. He postulates that it emerged from sociology and communication to examine the processes underlying the development of our jointly constructed understanding of the world (Allen, 2016:12).

Social constructivism views all meaningful reality as dependent on human practices, being constructed in and out of the interactions of human beings and their world. This interaction is viewed to be developed and transmitted within a social context (Alemu, Stevens & Ross, 2012:40). During these interactions, people set up or construct the environment with which they are interacting. Here the emphasis is not on the individuals constructing reality but on society (Kingsley, 2011:324).

According to Soma and Reynold (2014:254), a social constructivist perspective implies that cultural data are in fact social constructs made on the basis of the participants' own cultural thought patterns and the concepts and categories to which they are socialised.

Systems Theory

The Systems Theory is relevant to this study because the study is about the relationship between corporates and NGOs that they partner with to be able to work together in communities to meet societal needs and to meet their CSR goals. From a Systems Theory perspective, organisations forge linkages with other organisations because they depend on these components within the system to enable them to survive and to reach goals (Baldwin *et al.*, 2004:295). Systems theory emphasises how a system is a set of integrated and interacting parts that together create a larger whole (Allen, 2016:149).

Systems Theory highlights the boundaries between organisations and their environments, and also between subsystems within the organisational system as well as between subsystems and the organisational whole (Grunig, 1992:71). As a result, the performance of any single subsystem will impact on the entire system.

A system, as the ordered composition of elements into a unified whole, can be the size of an individual's mind or as large as a nation. It refers to a set of interrelated parts of a group and the way materials are used to *meet goals* [own emphasis] (Baldwin, Perry & Moffitt, 2004:31). For Gregory (2000), the Systems Theory is one of the principal theoretical thinking behind communication management. Luhmann (1997, cited in Holmström, 2002) developed Systems Theory into a theory of self-referential social systems which argues that all social relationships are only possible via social systems and that a social system arises when two or more people's actions are connected.

The Systems Theory approach thus stands for the earliest type of organisational communication understanding, and allows a fuller comprehension of how basic internal and external mechanisms interact with each other and how organisations relate with each other (Baldwin *et al.*, 2004:293 & 295) including corporates and NGOs.

According to Gregory (2000) Systems Theory posits that mechanical, organic and social systems (including organisations) can be defined by the way they interact with their

environment. Three main systems perspectives are usually applied in the business context – mechanistic, organismic and adaptive (Gregory, 2000:266).

This study takes the adaptive perspective of the Systems Theory which is mainly associated with the open system approach. It provides a framework for analysing an organisation in context and makes organisations examine outside forces as well as internal processes and structures (Gregory, 2000:269).

In open systems, units inside an organisation affect other units and in turn also get affected by other units. The organisation as a whole is also responsive to external change from the outside environment (Gregory, 2000:267). Katz and Khan (1978), argue that organisations are open social systems with emphasis on system character where movement in one part leads to movement in other parts in an anticipated manner. As a result, they are constantly in a state of change.

Gregory (2000) argues that the adaptive Systems Theory perspective leans largely towards the two-way symmetrical model of communication as it permits dialogue and feedback from stakeholders. Gregory (2000) postulates that the open-systems mode empowers communication professions to fulfil a management role where they plan and manage communication programmes in a systematic way, counsel and are part of the dominant coalition, making policy decisions.

As highlighted by White and Dozier (1992, in Grunig, 1992) the dominant coalition requires information to assist them to make decisions and that information is often provided by boundary spanners who gather, refine and communicate information from the environment to decision-makers in the dominant coalition. The communication professionals are usually part of the boundary spanning team.

Strategic Constituencies Theory

The Strategic Constituencies Theory is important for this study as it relates to a corporate's stakeholders, including NGOs that the corporate partners with. Some of the NGOs are

activists that can threaten the corporates' reputation and some are key stakeholders that have a large influence on the survival of the corporate. As a result, the strategic constituencies theory is important to the study as it focuses on the sections within the environment that most threaten the organisation instead of the whole environment (Grunig, 1992:76). From a communication management viewpoint, this indicates that the legitimate interests and expectations of stakeholders are considered in business decision-making (Institute of Directors, 2009:9).

Similar to the Systems Theory, it focuses on interdependencies. Grunig (1992:76) postulates that strategic constituencies represent the groups that are seen as life-threatening to the organisation in terms of their potential to back the organisation or for antagonistic action. These groups represent the organisation's strategic stakeholders. The groups can include NGOs that are funded, as this also impacts on the corporate's reputation.

Relational Theory

The relational theory is relevant for this study as it speaks to the relationships between corporate donors and their NGOs recipients. The study also talks about the relationship between the corporates and their different stakeholders, which include the NGOs and communities among others.

Ryan and Blois (2016) argue that there is increasing attention on the relational perspective on sponsorship; the motivation for a relationship perspective on sponsorship recognises that sponsorship is an intricate and fundamentally relational phenomenon with many stakeholders.

According to Lozano (2005), the relational corporation refers to a corporate that shifts its tactic to link with its stakeholders, and moves from relationship management to relationship building. The Relational Theory posits that the stakeholder approach involves enunciating, expressing, analysing and comprehending corporate relationships (Lozano, 2005:63). Stakeholder relationships should not be seen as isolated or individualised relationships – but as networks the organisation is a part of (Lozano, 2005:68).

For Fiske (2004), the Relational Theory suggests that all forms of social relationships are moulded according to only four elemental models since they argue that people relate to each other in just four ways. These four ways are market pricing, authority ranking, equality matching and communal sharing. These four models are argued to provide the scripts or schemata that allow people to relate to the behaviour of others. The theory assumes that people are innately sociable and that as a result the relational models are not merely cognitive capacities - they are inherently motivating (Ryan & Blois, 2016:35).

Lozano (2005) posits that only when the company stops regarding itself as the centre of the world, can it participate in relationships that are inter-dependent within its relationship network.

Lozano (2005) furthermore advocates for a dialogue perspective that exceeds plain talk to become a powerful form of mutual understanding and action that is creative. For Lozano (2005), instead of influencing or coercing, dialogue will focus on profound empathetic listening, unmasking assumptions, common interests and looking for conceptual breakthroughs.

For Lozano (2015), this relationship must catalyse change and shifts from reactive stances, to proactive, to interactive engagement with stakeholders. This shift also recognises power relations and interdependence i.e. moving towards a more systemic comprehension of the relationships that are in existence amongst organisations and their stakeholders in societies, which is viewed as particularly vital in any type of relationship or process of engagement (Lozano, 2005:69). Through this process, trust and commitment are fostered and the misunderstandings and conflicts that affect stakeholder relationships are confronted and dealt with.

Accountability is part of how stakeholder relationships are built. A reflective organisation should discuss different spheres of accountability depending on the relationship and the dialogue with each stakeholder (Lozano, 2005: 70).

For this kind of relationship to flourish, it needs leadership. McCullum and O'Connell (2008) view leadership as a relational process that takes place between the leader and his team. This relationship is determined by the context. For leadership to be effective, leaders need to show their team members that they are credible and legitimate and develop a relationship through needs identification and what motivates their team. Leaders also need to be willing to provide resources to get the best out of the team in order to meet set goals. This means leaders need to accept change, motivate and inspire followers to travel in a desired direction (McCullum & O'Connell, 2008:152).

Building a communicative dialogue-based relationship is a long-term progressive process which needs commitment, energy, a readiness to own up to mistakes and ability to shift when problems come, in addition to taking into consideration of the softer, subjective facets of relationship building (Lozano, 2005:70).

McCullum and O'Connell (2008) argue that a responsible leader acts as a "weaver of stakeholders and as a broker of social capital" as they reach for responsible change. They define social capital as the goodwill available to individuals or groupings which has its source in the structure and content of the actor's social relations. Its effects flow from the information, influence, and cohesion it makes available to the actor.

For Hamrin, Johansson, and Jahn (2016), communication is linked to the enactment of leadership which aligns with Barge and Hirokawa's (1989:172, in Hamrin *et al.*, 2016) opinion, who posit that leadership occurs through the process of interaction and communication. Johansson, Miller and Hamrin (2014) define a communicative leader as one who engages employees in dialogue, actively shares and looks out for feedback, practices participative decision-making, and is open and engaged.

Ryan and Blois (2016) point out that a relationship outlook on sponsorship is the recognition that sponsorship is complicated and essentially relational and it is characterised by various stakeholders acting within a network that has several objectives, as well as different opinions as to what makes up sponsorship value within the network itself. The approach advocates for a shift in language from exploitation to relationships and those aligned with it.

Negotiation Theory

Negotiation theory is relevant to this study as it is part of the partnership process. Corporates and their NGO partners negotiate how they will work together as partners and as each other's stakeholder.

Gulliver (1979:79, in De Moore and Weigand, 2004) defines negotiation as a process in the public arena where two or more parties, with different types of supporters set out to reach a joint decision on disputed issues. For Alfredson and Cungu (2008) negotiation is a vehicle of communication and stakeholder management which is defined as a process of connecting positions that are in conflict into one common position, under a unified decision. They postulate that negotiation has been shown in different events including diplomatic negotiations, mechanical reflections of comparative power, and weighted interactions between personality types or rational decision-making processes.

For De Moor and Weigand (2004), negotiation is a process in which players present their goals at a bargaining table, give information strategically, and look for other possibilities that are mutually beneficial.

It is important to take into account, Alfredson and Cungu's (2008) argument that negotiation is only possible through communication. They provide seven vital elements of principled negotiation which are: interests, people, alternatives, options, criteria/legitimacy, commitments and communication. They furthermore postulate that good communication can alter attitudes, stop or be triumphant over an impasse and misinterpretations and aid in improving relationships. Moreover, good communication skills are essential to clearly relay your message, and to really comprehend the message of the other side.

Integrative approaches emphasise how vital it is to share information to uncover interests and to assist parties to discover common problems or threats. Listening also provides vital information about the opposite side and shows that you are paying attention to the other side's thinking and showing respect for their concerns (Alfredson & Cungu, 2008:24).

ii. **Business management: Corporate social responsibility**

Under the Business management discipline and corporate social responsibility in particular, Stakeholder Theory, Decision Theory and Game Theory will be discussed.

Stakeholder Theory

Stakeholder theory is relevant to this study as it sheds light on the relationship between corporates and their NGO recipients as they are each other's key stakeholders.

Hult, Mena, Ferrell and Ferrell (2011:44) highlight the beginning of contemporary Stakeholder Theory in management and that it can be found in the development of an all-inclusive and integrated comprehension of the stakeholder concept. They emphasise the need for companies to actively deal with many constituent groups besides shareholders and scrutinise whatever these relations mean for modern business practices. As a result, the stakeholder approach looks to widen management's view of its responsibilities past just maximising profit to include the issues pertinent to non-stockholding groups. Stakeholder Theory in particular deals with the nature of the relationships between corporates and their numerous stakeholders - particularly in relation to the processes and end results for corporates and their stakeholders.

According to Freeman (1994:40) a corporate's stakeholders include individuals and groups who benefit from or are harmed by the corporates and whose rights are desecrated or valued by corporates' actions. NGO recipients of corporate funds are part of this group. Freeman (1994) postulates that stakeholders are stockholders, who have a special claim of the company and have a right to claim certain actions by management. Stakeholder Theory reflects and directs how managers operate (Freeman *et al.*, 2004:364).

The focus of Stakeholder Theory is enunciated in two core questions (Freeman, 1994). Firstly, it seeks to question what the purpose of the firm is. This motivates managers to express the shared sense of the value they create, and that which brings its key stakeholders together. Secondly, Stakeholder Theory seeks to know the responsibility that management has to stakeholders as this forces managers to communicate how they want to conduct their

business. It specifically forces managers to explain what types of relationships they will need to craft with their stakeholders in order to fulfil their purpose (Freeman *et al.*, 2004:364).

It is the role of managers to develop relationships, inspire their stakeholders, and produce communities where everyone endeavours to give their best to deliver the value the companies promise. Companies that value their shareholders and profitability also see the importance of values and relationships with stakeholders as a critical part of their on-going success. They have found enthralling solutions to the two core questions posed by Stakeholder Theory above, which highlight the moral premises of managing - they are about purpose and human relationships (Freeman *et al.*, 2004:364).

In addition, Freeman *et al.* (2004) suggest the following as important to Stakeholder Theory:

- the goal of maximising shareholder value as it is pro-stakeholder;
- maximising shareholder value provides incentives that are appropriate for managers to shoulder entrepreneurial risks;
- having more than a single objective function will make it hard to govern, if not impossible;
- it is less difficult to make shareholders out of stakeholders than the other way round; and
- in a case where there is a breach of contract or trust, stakeholders, compared with shareholders, are protected through contracts and the legal structures.

Friedman (2006) posits that there are two popular stakeholder theories, namely Normative and Descriptive.

- *Normative Stakeholder Theory* comprises of theories on how stakeholders or managers are supposed to act and to see the purpose of the organisation, based on some ethical principle.
- *Descriptive Stakeholder Theory* is concerned with how managers and stakeholders actually act and how they see and interpret their actions and roles.

The core assumptions of Stakeholder Theory are listed below, as stated according to Jones and Wicks (1999), Savage *et al.* (2004) and Phillips *et al.* (2010, in Mainardes, Alves and Raposo, 2012).

- Organisations engage in relationships with numerous groups that both influence and are influenced by stakeholders. NGOs that corporates fund also fall in this category as they are influenced by corporates and they in turn also influence corporates.
- The theory centres on these relationships in terms of processes and results for both the firm and the stakeholder.
- The interests of all legitimate stakeholders are of fundamental value and no set of interests succeeds over all others.
- The theory focuses on decision-making at management level.
- The theory detects how stakeholders influence decision-making processes in organisations, so that they honour their own needs and what is important to them. NGOs also need to influence corporates in terms of what corporates can and should fund.
- Organisations should endeavour to understand, resolve and balance the different member interests (Mainardes,*et al* 2012:1863). This also includes the different NGOs' funding interests.

Decision Theory

Decision theory is very relevant and pertinent as the relationship between corporates and the NGOs they fund is based on the decisions made to fund or to reject funding proposals.

Decision Theory is a theory about how decisions are made. According to De Almeida and Bohoris (1995), Decision Theory offers a logical framework for resolving real-life problems. It is about identifying an action expected to offer full benefits to the decision-maker.

Benefits of Decision Theory, as highlighted by De Almeida and Bohoris (1995), are given below.

- The decision-maker's best course of action is based on his/her objectives and understanding of the problem.

- The decision-maker communicates to the others the best approach and justifies why the selected action is the best.
- A framework is provided and with it, the decision-maker's ideas can be assessed in a critical manner and amended, especially if fresh information is to be assimilated or other shared decisions have to be made (De Almeida & Bohoris, 1995:39).

Normative and Descriptive Decision Theory

Two popular decision theories are Normative and Descriptive Theories. The distinction between them is, theoretically, very simple. A Normative Decision Theory is a theory about how decisions ought to be made in order to be rational, and a Descriptive Theory is a theory about how decisions are in fact actually made (Hansson, 2005:1). Both of them are important for this study as they shed light on the process of decision-making and how decisions are made.

Narrative-based Decision Theory

From a deeper strategic view point on this, according to Rutten, Dorée and Halman (2013:186), Narrative-based Decision Theory's view of decision-making is constructed on the perception that decision-makers' current narratives have a core role in decision-making. They streamline it so that decision-makers' current narratives are the stories they consciously and unconsciously tell about what transpired both in the past and what is currently happening in the present. According to the Narrative-based Decision Theory, decision-making is "the act of evaluating the desirability of the forecasted future and, when it falls short of our values and preferences, choosing appropriate interventions to ensure that the actual future is more desirable than the forecasted future" (Rutten *et al.*, 2013:186).

This theory is relevant as it shows how the participants from the corporates responded to the questions on how decisions to fund NGOs are determined in their organisations.

Evidence-based Decision Theory

In Evidence-based management, a theory of evidence offers a set of dimensions against which evidence can be evaluated.

This includes methodological fit, contextualisation, replicability, transparency, and consensus. The theory uses evidence to make informed decisions (Baba & HakemZadeh, 2012:835).

This is relevant to this study as both corporates and NGOs conduct due delligent exercises on the other and they use the evidence gain to make decisions on whether to partner with the other organisation or not.

Game Theory

According to Turocy and Stengel (2001), Game Theory is the formal study of conflict and cooperation which provides a language to analyse, understand, formulate and structure strategic settings. They postulate that Game Theory is the formal study of decision-making where a number of players make choices that can affect the interests of the other players. Games may be thought of as decision-making scenarios where two or more decision-makers contemplate other's decisions to maximise some gain or minimise some loss.

The gains or losses may be their own or someone else's (Grunig, 1992:278). For Sanfey (2007), Game Theory is a compilation of strict models trying to comprehend and articulate conditions in which decision-makers have to interrelate with one another. Game Theory provides behavioural tasks and data for the analysis of social exchange. Although these tasks are simple, they require sophisticated reasoning on the motivation of other players.

Sanfey (2007) posits that although most classical theories argue that self-interested players make decisions to reach results where none of the players can advantage themselves, actors rarely play according to these strategies. In reality however, decision-makers are generally more strategic and less selfish than the model predicts and also value social factors like interchange and fairness.

It is important to highlight that Turocy and Stengel (2001), discusses two types of Game Theory – Cooperative and Non-cooperative. Cooperative Game Theory investigates games

regarding the levels of power held by various players. On the other hand, Non-cooperative Game Theory is concerned with the analysis of strategic choices.

This theory is very poignant for the study as it highlights the decision-making process both corporates and NGOs go through before they enter into partnerships with one another.

iii. Law: Corporate Governance

Under the law discipline and governance in particular, Legitimacy Theory will be discussed.

Legitimacy Theory

According to Lanis and Richardson (2012) Legitimacy Theory is an explanation for increased levels of environmental CSR. They postulate that Legitimacy Theory provides a lens for understanding CSR reporting. According to Eugénio, Lourenço and Morais (2013:571) Legitimacy Theory originated from the notion of a “social contract” between organisations and society. They postulate that a company’s performance is legitimate when it is deemed to be impartial and worthy of support - when it is socially acceptable. However, gaps in legitimacy occur when societal expectations of the corporate’s behaviour differ from societal perceptions.

For Lanis and Richardson (2012) Legitimacy Theory posits that when there is a difference between corporate actions and societal expectations, management send out disclosure communication such as annual reports in order to ease what they perceive to be community concerns. They postulate that the inclusion of CSR information in these reports is anticipated to lessen the public concern and convey that corporate is meeting community and societal expectations.

In addition, Newson and Deegan (2002) posit that Legitimacy Theory advocates the claim that to implement its social responsibility, corporate should provide CSR information as part of its dialogue and interactions with society.

According to Branco and Rodrigues (2006:237), Legitimacy Theory studies suggest that corporates in highly visible sectors are expected to show a desire to improve their corporate image. This is because corporate image can influence sales and thus the bottom line.

This theory is pertinent to the study as it is part of the communicative process that corporates go through in their relationships with NGOs and other stakeholders as they share information that communicates their CSR efforts.

2.2.5 Models

i. Co-orientation Model

The Co-orientation Model is important for this study as it offers a framework for identifying relationships among various groups involved in a communication process, including corporate donors and their NGO recipients.

Co-orientation provides a uniting structure for determining the nature of the relationships between the stakeholders in a communication process (Brønn & Brønn, 2003:292). The model stresses the importance of mental models as it believes that for any communication process to be effective, these models need to be oriented properly. Brønn & Brønn (2003) argue that Stakeholder Theory contributes to the Co-orientation Model and provides a way to discover the relevant participants in the communication process who must be included in the Co-orientation Model.

Dozier and Ehling (1992, in Grunig, 1992:180) suggest four co-orientation states between the organisation and its stakeholders: a state of true consensus, a state of dis-sensus, a state of false consensus and a state of false conflict. These are discussed below:

- True consensus occurs when the parties know that they both agree on how they view or evaluate an issue.
- Dis-sensus arises when the parties have views that are conflicting and they know the differences.

- A false consensus happens when the organisation is of the belief that the stakeholder is in agreement with them on a specific policy, action or issue when, in fact, they are not and vice versa.
- A state of false conflict occurs when the parties think that they disagree on an issue, policy or action, when in fact they do agree.

Dozier and Ehling (1992) express that the four co-orientation states enables us to clearly see how crises can occur and how opportunities can be missed as a result of the parties having false assumptions about each other in the communication process. When corporate donors and their NGO recipients are aware of these states, they can use them to check their relationships.

ii. Two-way Symmetrical Communication Model

The Two-way Symmetrical Communication Model strives to attain balance by altering the relationship between organisations and publics and by concentrating on dispute resolution to negotiate mutually beneficial outcomes. Two-way communication exchanges information through dialogue (Grunig & Grunig, 1992.) In the study, the use of two-way communication between the corporates and their NGO recipients opens up dialogue and feedback so that they can negotiate mutually beneficial outcomes.

2.3 SUMMARY

This chapter reviewed the theoretical framework that underpins the study to show the theories that inform and ground the research. The theoretical framework of the study was visually presented in a table format showing the meta-theoretical and theoretical conceptualisation of the study. The chapter further discussed in detail the different theories and how the conceptualisation of the study was conducted. The integrative strategic communication management theory is the metatheory and the primary domain of the study is in communication science.

Since the study cuts across three academic disciplines of corporate communication, business management and business/corporate law, the theories discussed also pertain to all three disciplines. The chapter provides deeper insights into each of the disciplines, as well as the academic fields of strategic communication management, corporate social responsibility and corporate governance that the study is embedded in.

The chapter further fully discussed theories that support the study. Theories discussed include the reflective paradigm, social constructivism paradigm, Systems Theory, Game Theory, Strategic Constituencies Theory, Relational Theory, Negotiation Theory, Stakeholder Theory, Decision Theory, Game Theory, Legitimacy Theory, Co-orientation Model, and the Two-Way Symmetrical Model.

The next chapter regards the literature review, focusing on the relationship between corporate donors and their NGO recipients and highlights what is currently known about the research topic.

CHAPTER THREE: RELATIONSHIP BETWEEN CORPORATE DONORS AND THEIR NGO RECIPIENTS

3.1 INTRODUCTION

In Chapter Two, a theoretical framework was introduced and the theories that support the study were expanded on. This chapter and the next concentrate on the literature review. Gill and Johnson (2002, in Saunders, Lewis & Thornhill, 2009:59) assert that the literature review is essential as it demonstrates awareness of the current state of knowledge in the subject of study, its limitations and how the research fits in this wider context.

Gliner *et al.* (2017:29) argues that of all the steps in the research process, reviewing the literature is one of the most significant due to it being the fundamental step that can ensure a rigorous and meaningful research design and results. Research reviews are necessary in the research process for a number of reasons, including identifying gaps in the literature, helping to select appropriate methods for the specific topic and describing conclusions that have emanated from past research (Gliner *et al.*, 2017:29).

This chapter focuses on literature that highlights the nature of the relationship between corporate donors and their NGO recipients, showing the roles that corporates and NGOs assume in their relationship as they work together towards sustainability. Corporates consider NGOs key stakeholders who are affected by, or can affect, their work or its outcomes.

Reichel and Rudnicka (2009) emphasise how the business sector view NGOs as valued partners who play a significant role in uniting them with society and that consequently business tries to establish long-term relationships with NGOs that are mutually satisfying.

This chapter and the next will demonstrate familiarity with the topic of research; show the path of prior research; integrate and summarise what is known in the area of research; will learn from others and stimulate new ideas.

3.2 RELATIONSHIP BETWEEN CORPORATES AND NGOs

Gray, Bebbington and Collison (2006), describe NGOs as independent, campaigning and self-governing organisations that do not make any profit and whose attention is on the welfare of others. They are categorised as organisations that exist to promote environmental and social goals, instead of protecting economic power or political power through the electoral process (Gray *et al.*, 2006:322).

For Johansen and Nielsen (2011), the role of NGOs is to shield society from corporations that do harm. NGOs enter into dialogue with various corporations and their dialogue ranges from influencing the way corporates do business, representing their organisation and their members' interests, to getting a better understanding of different sides of the debate. They do this in order to attain results that can only be attained by working as partners with private corporations.

Molina-Gallart (2014) argues that while NGO–corporate partnerships have been around for some time, a revitalised enthusiasm in engagement between NGOs and business has been hastened by the economic crisis that was experienced globally and the need for NGOs to broaden their horizons and increase their fund-raising activities (Molina-Gallart, 2014:42). Corporates and NGOs have become important players in global governance, together with governments.

For Reichel and Rudnicka (2009), relationships among various stakeholder groups are professionalised, and stakeholder relationship management has become popular to ensure competitive advantage and to reduce the risk of unpredictable circumstances which may affect negatively on the image of the organisation and its performance. They postulate that non-profit organisations like NGOs can potentially influence the enterprise and consequently, it is critical for both the corporate sector and the NGO sector to learn how to create valuable relations that are mutually satisfying.

For McIntosh and Thomas (2002), NGOs' popularity in dialogues that welcome civil society and their relationship with governments and markets has increased. Nelson (2007) argues that NGOs have started to influence corporate reputation, risk management, costs, revenues and social licences to operate the emergence of new business models, corporate accountability mechanisms, and changes in the public policy environments under which some industries operate.

It is important to note how Yaziji and Doh (2009) highlight that NGOs have become critical players in the global political, social, economic and business environment with NGOs like Greenpeace, CARE, Amnesty International, Save the Children Oxfam, World Wide Fund for Nature and many others designing campaigns with the purpose of pushing specific causes forward. They postulate that through their advocacy and service delivery, NGOs work on numerous issues, including: fighting hunger, curbing human rights abuses, opposing environmental degradation and improving health care. More and more, corporations come across NGOs as the scope of activities among governments, businesses and non-profits interact.

To highlight NGOs' relationship with corporates, Reichel and Rudnicka (2009) argue that business organisations regard NGOs as valued partners who can play a big role in bringing society and business together. As a result, they try to establish long-term relations with non-profit organisations.

To show that NGOs are valued, Beaudoin (2004) argues that for management decisions to be effective, it is necessary to include NGOs as players in the market place — no matter what the markets are for. The markets could be for products, shares, services or labour. They also need to consider opinions when shaping decisions. In general, NGOs have been integrated into the business agenda through Stakeholder Theory; whereas the managerial business perspective has chiefly been engrossed on the identification of key stakeholders (Laasonen, 2010:528).

With the on-going escalation in NGO–corporate relations, the engagement is widespread.

Molina-Gallart, (2014:44) posits that these can, however, be largely categorised as:

- **funding/philanthropy:** donations from corporates to NGOs;
- **partnerships:** combined delivery of goods or services to advance value chains or facilitating research and development; and
- **NGO–corporate campaigning:** to uncover the harmful effects of corporate activities (Molina-Gallart, 2014:44). In this occurrence, NGOs have also been regarded as activists who are also key stakeholders to corporates.

3.2.1 Stakeholder management

Stakeholders are defined as: individuals or groups who are affected by, or can affect, the work or its outcomes (Bourne & Walker, 2008; Bourne, 2011:1004). NGOs also fall in this category as stakeholders. The Stakeholder Circle, developed by Bourne (2005), offers a five-step process to identify, prioritise, visualise, engage and communicate with key stakeholders and monitor how effective the information is.

The five steps direct the team in all crucial activities needed to identify the “right” stakeholder throughout the lifecycle of the work to be carried out. The steps also assist in developing the best communication strategies for engaging these key stakeholders (Bourne, 2011:1004). The five steps are detailed below:

- identify the entire cohort of stakeholders and capturing their expectations
- prioritise
- map the existing stakeholder community, detailing every stakeholder’s position in terms of how important, powerful and influential they are
- engage by comprehending every stakeholder’s attitude to the activity and create communication that targeted to each stakeholder and
- monitor how effectiveness the communication is.

Mitchell *et al.* (1997, in Bourne, 2011) cautions against one methodology claiming to be a “boiler-plate” for stakeholder management and argues that the most effective methodology would be structured but flexible, and would also have the features of various methodologies included in it.

The theories of legitimacy, urgency and power are important for the identification of key stakeholders. Also of importance is centrality and density for recognising and showing the power and communication ties within the stakeholder community (Bourne, 2011:1004).

Freeman (1984) contributed the concept of stakeholder legitimacy by defining stakeholders as an esteemed class in any organisation. 'Organisational wealth' can be formed (or destroyed) through relationships with different stakeholders. Consequently, stakeholder relationship management for mutual benefit is critical for corporate success (Post & Sauters-Sachs, 2002:1, in Bourne 2011:1003).

From this perspective, Lamberg, Savage, and Pajunen's (2003) 4 stage analytical framework includes:

- identifying key stakeholders and their interests;
- classifying the relationships amongst these stakeholders as well as their relationships with the corporate;
- picking apt generic strategies for management of the different stakeholder relationships; and lastly
- developing precise strategies for changing stakeholder relationships.

Methodologies established to comprehend and manage key relationships with stakeholders need to offer support for the all-inclusive view of the stakeholders (Savage *et al.*, 1991, in Bourne, 2001). Mainardes *et al.* (2012) argue that the stakeholder management approach takes place across three levels: identifying stakeholders, the development of processes that take into consideration their relevant needs and interests, and the establishment and development of relationships with them and with the overall process, taking cognisance of organisational objectives. As a result, stakeholders develop expectations, experience the impact of their relationship with the organisation, evaluate the obtained results and act appropriately as determined by their evaluations, thus strengthening their links (Mainardes *et al.*, 2012).

Clarkson (1995, in Mainardes *et al.*, 2012) sees stakeholder groups as a wide range of stakeholders that interact with the company and divides these groups into two, as can be seen below.

- i. Primary groups: those whose relationship is formally contractual. These include suppliers, employees, clients, and shareholders, among others; and
- ii. Secondary groups: those who are not under any contractual agreements like governments and communities, for example. In this regard, a company is seen as a network of “explicit and implicit” relationships that straddle both the internal and external environments (Mainardes *et al.*, 2012:1863).

Table 4: Typology of Stakeholder Salience Model stakeholders (Mainardes *et al.*, 2012:1866).

Stakeholder type	Classification options
<p>Latent stakeholders (in possession of only one attribute, probably receiving little company attention)</p>	<p>Dormant stakeholder. Groups and individuals with the power to impose their wills on the organisation but lack either legitimacy or urgency. Hence their power falls into disuse with little or no ongoing interaction with the company. Nevertheless, company management needs to be aware and to monitor this stakeholder and evaluate its potential to take on a second factor.</p> <p>Discretionary stakeholder. Groups and individuals with legitimacy but that lack both the power to influence the company and any urgency. In these cases, attention should be paid to this stakeholder under the framework of corporate social responsibility as they tend to be more responsive.</p> <p>Demanding stakeholder. When the most important attribute is urgency. Without power or legitimacy, they do not demand greatly of the company but require monitoring as regards their potential to</p>

	gain a second attribute.
Expectant stakeholders (in possession of two attributes resulting in a more active posture both from the stakeholder and from the company)	<p>Dominant stakeholder. Groups and individuals that hold influence over the company guaranteed by power and legitimacy. Correspondingly, they expect and receive a lot of attention from the company.</p> <p>Dangerous stakeholder. When there is power and urgency but stripped of any legitimacy. The coercive stakeholder (and possibly violent) may represent a threat to the organisation.</p> <p>Dependent stakeholder. Groups and individuals that hold attributes of urgency and legitimacy but which however depend on another stakeholder for their claims to be taken into consideration.</p>
	Definitive stakeholder (whenever the stakeholder holds power, legitimacy and urgency with managers therefore giving immediate attention and prioritising this stakeholder).
	Non-stakeholder (when groups and individuals neither hold any influence nor are influenced by organisation operations)

3.2.2 Stakeholder management and sustainability

Worldwide, society's demands on businesses and government to share the responsibility to ensure that economic development does not compromise the capacity of future generations to meet their own needs is increasing (Ackers & Eccles, 2015:515). As a result, some corporations voluntarily heed this society call as the "right thing to do" for responsible corporate citizens (Ackers & Eccles, 2015:516).

Marx and van Dyke (2011) argue that when companies provide transparent CSR reports and give information that is correct, relevant, trustworthy and reliable the trust and confidence of stakeholders in corporate disclosures are boosted. Companies provide CSR performance

reports to take advantage of their increased credibility, larger transparency, enlarged legitimacy and better reputation. With no guarantee, CSR reports may however provide stakeholders with unverified claims put forward by a company (Jenkins, 2001; Utting, 2005, in Ackers & Eccles, 2015:516). As a result, it is important for corporates to have a good, transparent and truthful relationship with their stakeholders, including NGOs.

3.2.3 Reasons for NGO engagement

NGOs have increasingly become key stakeholders for corporations who partner with them to address social or environmental community needs (Hansen & Spitzeck, 2011:415).

Traditionally, the relationship between corporates and NGOs is that of donor and passive recipient, but new stances argue that, with access to the internet, stakeholders like NGOs can be active participants and collaborators in the value creation process. They can also be co-creators of solutions with many private-public-social enterprises (Ramaswamy, 2011:39).

Co-creation is about:

- engagement with stakeholders that are inclusive, creative and meaningful;
- mutual expansion of value;
- experiences that are human-centric;
- a strategic architecture of engagement platforms across the business-civic-social ecosystem; and
- transparency, access, dialogue and reflexivity (Ramaswamy, 2011:39).

McIntosh and Thomas (2002) indicate that more and more, NGOs are playing significant roles in forming and developing civil society's response to globalisation changes. They postulate that these roles could encompass constructive engagement and embracing globalisation as a social revolution and look towards a civil society that is self-contained.

Molina-Gallart (2014) notes that though motivations for different types of relations are many, the reasons why NGOs engage with the corporates can generally be considered under the following terms: funding, realpolitik, credibility, outreach, and change.

i. Funding

Molina-Gallart (2014) sees funding as the most common reason NGOs engage with the private sector. She argues that NGOs still see funding as the top yard stick used by NGOs to evaluate the value of partnerships and it is the chief driver for philanthropic relations.

It is also essential for the partnership type of NGO–corporate relationships. NGOs’ receive funding from many sources including governments, private foundations, membership donations, big institutions, and corporations among others. NGOs use different funding sources as this reduces the risk of a funding catastrophe, and at the same time offers independence. As much as corporate funding is usually a very small percentage of total NGO funding, this is fast changing (Molina-Gallart, 2014:44). Although corporates normally contribute financially to the partnership, NGOs offer the necessary expertise and reputation (Hansen & Spitzack, 2011:415).

ii. Realpolitik

Realpolitik, the recognition of the political power of multinational corporations (MNCs) is seen as present in all relationships between NGOs and corporates. Its relevance has increased with increased NGOs awareness of the role MNCs play as important economic and political players in globalisation (Molina-Gallart, 2014:44). She (Molina-Gallart, 2014:44) highlights how some MNCs greatly contribute to the gross domestic product (GDP) of some countries in the developing world and that they also yield political power both locally and overseas.

iii. Credibility

Molina-Gallart (2014:45) sees credibility as integral in partnership relationships. It is mostly based on value encouraged by the present Conventional Development Model which sees the private sector as driving economic growth. Large MNCs have become a source of credibility for NGOs who can claim that the efficiency of their business models has improved through partnering and association with large businesses (Molina-Gallart, 2014:45). For McIntosh and Thomas (2002), NGOs have risen to become important leading organisations

that educate and publicise key issues relating to social, environmental and economic development which has earned them credibility. .

iv. Outreach

Molina-Gallart (2014) advocates that outreach as a propeller is also behind the NGO–corporate relations partnership where the two parties capitalise on each other’s ability to engage with constituencies that they would otherwise not engage with. The nature of this relationship can range from joint NGO–corporate advocacy correspondence to enlarge their reach; to using the company’s supply chain expertise to the distribution of NGO services. This is significant, as it highlights the sharing of competencies and cultures that yields benefits for both parties (McIntosh and Thomas, 2002:45).

v. Change

NGOs partner with corporates for many reasons. Molina-Gallart (204) sees corporate campaigns’ main thrusts as geared towards the need to change corporate behaviour. Coupled with funding, changing corporate behaviour is seen as one of the most common reasons why NGOs enter into partnerships with corporates (Molina-Gallart, 2014:45).

3.2.4 Organisational relationships

For Yaziji and Doh (2009) NGOs and corporates play vital roles in big institutions moulding our society, yet they often have very different agendas. They see this relationship as both *conflictual* and *collaborative*.

i. Conflictual relationship

In some cases, the relationship between NGOs and corporations can be antagonistic and filled with conflict. NGOs, through campaigns aimed at corporations, are exerting pressure on companies to meet social expectations and legal requirements, but also to change

expectations about corporate responsibility and government regulations (Yaziji & Doh, 2009:xiii). McIntosh and Thomas (2002) agree that this has not been easy for some corporates as their relationship with other NGOs have been antagonistic and hostile.

NGOs can be very powerful. Through undermining the firm's legitimacy with key stakeholders, NGOs can end up destroying a company's market value, ruining its brand, weaken employee morale. This they can achieve by using a wide range of tactics including advocacy, activism, policy, demonstrations, education, raising awareness with different audiences (Yaziji & Doh, 2009:xiii).

ii. Collaborative relationship

Selsky and Parker (2005, in Dahan *et al.*, 2010:330) argue that corporate-NGO collaboration for cross-sector relationships differ, and include social partnerships, social alliances, inter-sectoral partnerships, issue oriented alliances as well as strategic partnerships.

According to Dahan *et al.* (2010) collaborations between non-profit organisations and MNEs can open opportunities for the MNE to provide developing markets with their products or services which would not have been as successful without the partnerships. This is because NGOs often have a more informed understanding of social problems. This in turn allows them to assist corporates in coming up with more encompassing strategies and setting bigger and more achievable goals. The advantage of a collaboration is that together their efforts may yield more ground-breaking solutions to different social problems (Reichel & Rudnicka, 2009:133).

At the same time, NGOs and corporates are also developing more collaborative relationships, assuming that these networks can produce benefits for both the corporate and NGO participants, as well as the general welfare of NGO beneficiaries (Yaziji & Doh, 2009:xiii). This shows that there is power in synergy.

Reichel and Rudnicka (2009) argue that collaboration is not itself without risk as one partner's good image can be damaged by another partner's unforeseen and irresponsible

behaviour. As a result, taking time to build trust and reaching agreement between partners is paramount.

Warner and Sullivan (2004:132, in Reichel & Rudnicka, 2009) postulates that this process should be built on the following principles:

- mutual understanding and meaningful communication;
- focus on satisfying the interests of all partners;
- finding more new options attributed to joint problem solving; and
- coming to agreement that adds value for all partners.

According to Dahan *et al.* (2010), leveraging corporate and NGO strengths through collaboration can enable the MNE and NGO partners to each reach their individual organisational goals wholly. They highlight the areas below as situations that NGOs and corporates can collaborate in to both achieve their organisational goals.

3.2.4.1 Corporate/NGO contributions to market research

Dahan *et al.* (2010) argue that most NGOs that work on social issues in developing countries have resources and staff in that local setting. The staff would have direct experience of the local context and would know the real situation on the ground in terms of the local culture, community living conditions, and any infrastructure challenges that may exist. They postulate that NGOs are clued up on country populations, economic and social needs, as well as familiar with pertinent social issues. As a result, they can pick out potential local markets and products. Collaborating with NGOs with these understandings can enable corporates to come up with products or services that are more suited to the local market environment.

3.2.4.2 Corporate/NGO contributions to product research and development

Dahan *et al.* (2010) put forward that in NGO and corporate collaborations, corporates are usually involved in research and development (R&D) areas - while the NGOs get involved in the market part of the process. This can involve needs assessments and giving feedback on

the different options being considered by the corporates. This can be through their deep comprehension of what is needed locally or through testing the market and provide feedback before a launch (Dahan *et al.*, 2010).

3.2.4.3 *Corporate/NGO contributions to procurement and production*

While corporates have the buying power, skills and resources, NGOs can assist with access to in-expensive labour in particular, and can usually train and develop the local labour force (Dahan *et al.*, 2010:333).

3.2.4.4 *Corporate/NGO contributions to distribution*

According to Dahan *et al.* (2010:333) NGOs and corporations complement each other with distribution abilities in that corporates can provide internal distribution systems and NGOs, can distribute locally because they know the local markets well and are able to gain access. The 'co-branding' between corporates and NGOs makes the corporate's product more credible and this increases the perceived value of its offering Dahan *et al.*, (2010:334).

3.3 ATTRIBUTES OF NGO AND CORPORATE RELATIONSHIPS

3.3.1 Dialogue

Laasonen (2010), states that the activist role that NGOs are traditionally know has paved the way for a collaborative relationship between business and NGOs. He postulates that this is closely related to dialogue and interaction from the time companies realised the strategic value of dialogue for public relations and for the purpose of managing risk. The terms related to dialogue have different meanings, including consultation, participation engagement, collaboration, bargaining and partnership. Dialogue is in the end about opinion and information exchanges, influencing one another towards certain directions, in other words: about dialoguing (Laasonen, 2010:529).

According to Johansen and Nielsen (2011), form and script features of stakeholder dialogue are conditioned on the nature of the stakes held by different stakeholder groups. They posit that the stakes and interests are associated to roles allotted to stakeholders qua their generic stakeholder relationship to an organisation. This includes consumers, employees, investors, NGO partner and suppliers.

Rensburg and De Beer (2011) explicate that on-going dialogue among organisations and their stakeholders is the best approach in managing complicated issues that are characteristic of contemporary society.

Nelson (2007:26) furthermore postulates that NGOs and corporate leadership are starting to identify opportunities for cooperating and working together proactively and constructively to enrich one another's performance and learning. These relationships provide corporates with access to different resources, skills and competences than those they usually have at their disposal internally or within other partnerships with profit organisations.

Molina-Gallart (2014) posits that NGOs have diversified what they bring to their engagements with corporates, including advice on how to improve value chains and advice that brings a positive impact to development, as well as research partnerships to facilitate the development of new products, among others. As a result, these partnerships present new opportunities for NGOs.

Molina-Gallart (2014) postulates that for NGOs are to develop mutually beneficial relationships with business that benefit both them and the communities they work with, they must upgrade their systems and policies to make sure that these are current with the new realities.

3.3.2 NGO contributions

Molina-Gallart (2014) puts forth that a more widespread approach to corporate engagement needs to be adopted by NGOs. The approach would not only be used to evaluate the risks of a funding relationship or corporate campaigning, but also to:

- have a more refined comprehension of the role the private sector plays in development and the potential impacts it can have – both positive and negative;
- recognise the different aspects of actors involved in the broad category of ‘private sector’; and
- have cognisance of the positions of power of NGOs and corporations (Molina-Gallart, 2014:43).

Taking these factors into account will assist NGOs to improve their engagement with corporations and to form strategic relationships that end in positive results for both NGOs and the communities they serve.

3.3.3 Power imbalances

Molina-Gallart (2014) indicates that power imbalances are the initial risks that NGOs are faced with in their relationship with corporates as NGOs and corporates positions of power are poles apart. These include positions of social, economic, financial, and political power, which become problematic when corporates and NGOs become partners.

De Renzio and Mulley (2006) posit that power tends to be greatly slanted toward the donor. This is exacerbated by the limited resources especially in developing countries where the needs of NGOs have a tendency to be larger than the available funding. This enables donors to select their grantees from a huge pool of eligible applicants (Molina-Gallart, 2014:48).

Molina-Gallart (2014:51) argues that NGOs should start by addressing the following key questions listed below.

- Does the company have a good track record on human rights, social and labour standards, and the environment in developing countries?

- Is the company in compliance with key principles of development effectiveness, such as alignment to national development goals and strategies, support to technology transfer, employment of local citizens, and local business development?
- Is the company involved in tax evasion or tax avoidance?
- Do the company's procurement practices favour developing-country providers in the context of their investments in poor countries in order to maximise local companies' business opportunities in global value chains?
- Is the company lobbying official policy processes?

Frequently, leading NGOs have been invited to share platforms with important decision-makers at different forums. This chance for dialogue and consultation shows that NGOs have progressed from mere commentators to participants (Mcintosh & Thomas, 2002:45). These NGOs are corporate stakeholders that need to be managed like any other stakeholders. These NGOs are competing with many others to get funding from corporates.

3.3.4 Five Forces Framework

NGO are under great pressure and competition for funding from corporates especially as they are vying for the same resources. Porter's (1980) Five Forces Framework is used to appreciate how NGOs, compete and their reactions within the sector. The five competitive forces show the depth of the competition within a sector and are seen as the beginning of strategy formulation (Schwenger *et al.*, 2014:12). The dimensions include:

- customers forcing prices down and bargaining for better quality or more services (bargaining power of buyers);
- suppliers wielding bargaining power by raising prices or reducing the quality of the resources on offer (bargaining power of suppliers);
- new competitors introducing new capabilities and bidding down existing prices (threat of new entrants);
- alternative products or services that can perform the same function as the products on offer or services in the sector (threat of substitutes); and
- price competition and advertising wars among current competitors (rivalry among existing companies).

In this context, suppliers, customers, potential entrants are all considered to be competing and might be essentially dominant depending on the circumstances in the sector. Competition can, then, be viewed as rivalry that is extended (Schwenger *et al.*, 2014:12).

The competitive forces are illustrated in the figure below.

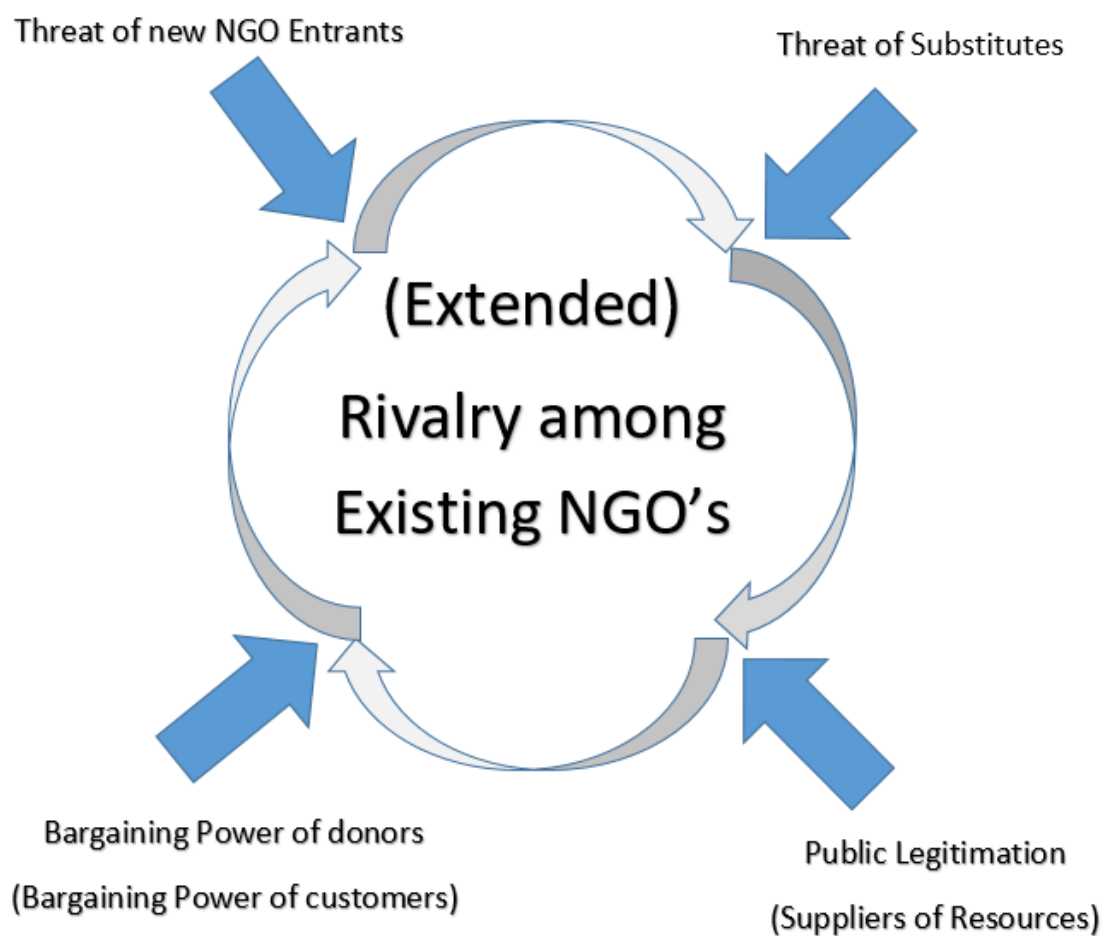


Figure 2: Competitive forces within NGOs - Schwenger *et al.*, 2014:12.

3.3.5 Competition in the NGO sector

Schwenger *et al.* (2014:12) argue that because the NGO sector is experiencing high levels of competition, NGOs need to find approaches (that are in line with their own morals) to overcome the competition. They postulate that NGOs need to come up with strategies that

invest in their main expertise and create knowledge and skills that cannot easily be emulated; form coalitions with other NGOs; share resources; and co-create value with corporates; as well as intensifying fundraising initiatives.

i. Donors' bargaining power

Donors, who represent those buying the services of NGOs, have bargaining power regarding their funding decisions. They are able to insist on prices that are lower as well as service that is better. This has become widespread, especially since the financial and economic crises, which lowered government budgets for official development aid. When private donors reduce their donations and decrease corporate funding, it also impacts the sector (Schwenger *et al.*, 2014:13).

ii. Resource suppliers' bargaining power

To uphold its entrepreneurial capacity and its "license to operate" the private sector desires the trust of their stakeholders as well as the public (Porter & Kramer, 2006). It is very critical for NGOs to have trust and social legitimacy as they are regarded as high in morals. This moral credibility is what enables them to get the support of the public for the causes they stand for as well as to attracting funding from the private sector and other institutions (Schwenger *et al.*, 2014:13).

iii. Threat of substitutes

Substitutes are regarded as services or products offered in other sectors. They generate an occasion for clients looking for a better price-performance proportion to change to other options (Schwenger *et al.*, 2014:13).

iv. Threat of new entrants

Traditional NGOs can feel threatened when new entrants of other NGOs who may perform better than them with regards to efficiency and budget start operating in the same sector.

In such cases, the United Nations (UN)' Millennium Development Goals standardise global development goals for all NGOs that are involved. This in turn minimises barriers of entry for the new NGOs (Schwenger *et al.*, 2014:13).

v. Rivalry among existing competitors

Rivalry happens in the event that competitors try to strengthen their own position, particularly when the NGO sector is growing slowly or when stakes and exit barriers are high. Even though rivalry might be small, the growth of the NGO sector is faster than other sectors. Ultimately, because of the growth of the NGO sector, this becomes attractive for others to who end up wanting to also join the sector (Schwenger *et al.*, 2014:13).

3.4 CORPORATE IMAGE AND REPUTATION

From a social constructivism perspective, Aula and Mantere, (2013:341) define reputation as a continuously developing set of evaluative narratives, beliefs, and expectations, built and modified in dialogical communication between the target organisation and its publics over time. They postulate that reputations are constructed, reconstructed and also destroyed through dialogical communicative actions between an organisation and its stakeholders, given that there are at least as many identity, image and reputation attributions to any organisation as there are participants and stakeholders in it.

Reputation and credibility are terms that have been interchanged in some literature. According to Markwick and Fill (1997:398), the term reputation is often used interchangeably with image, which can be confusing to others. Corporate image is the whole impression exuded by an entity, while corporate reputation is seen as the evaluation or esteem in which an organisation's image is held (Markwick & Fill (1997:398). They postulate that the two elements are closely associated and that one is necessary for the other to be developed.

Senior executives of large corporates and multinational companies see protecting their company's reputation as very important and regard it as a strategic objective. Reputations are largely assessments of organisations by stakeholders. They are stakeholders' perceptions of an organisation's capability to meet their expectations. These stakeholders could be interested in the company for various reasons including buying the company's products, being an employee, or an investor, among others (Cornelissen, 2012:3).

Abdullah (2009) argues that since organisations have many stakeholders who have different objectives, backgrounds and levels of dependency, it cannot be expected that they will all have a single, uniform and consistent image of a company. Actually, these stakeholders would have different images of the same company which are all influenced by how differently they have been exposed to the identity indications the company has presented to them at different occasions.

For Rensburg and De Beer (2011), communication has a pivotal role in growing stakeholder identification with the organisation – an element of corporate identity and therefore corporate reputation. Gotsi and Wilson (2001, as cited in Rensburg and De Beer, 2011) posit that corporate reputation mirrors a stakeholder's overall assessment of an organisation and is based on the stakeholder's first hand experiences with it. Reputation is built inside an organisation's stakeholder network (Rensburg & De Beer, 2011:160).

Abdullah (2009) views reputation management as a new and emerging role of corporate communication, which needs to be measured by observing the 'bottom-line behaviours' of specific constituencies; and observing 'organisational goals' as being used as tactical and managerial roles within an organisation. Fombrun and Van Riel (2004:5, as cited in Abdullah, 2009) argue that reputation should be seen as "a key source of distinctiveness" to achieve competitive advantage in the shifting business environment.

CSI can offer benefits to corporates, by increasing the corporates' reputations, thus maintaining that the corporates remain credible and legitimate, contributing towards corporate citizenship through the corporate's social responsiveness and involvement, and by empowering the community at large (Hinson & Ndhlovu, 2011:340).

For Porter *et al.* (2011), reputation measurement fundamentally differs from shared value measurement. They postulate that many corporates use perception surveys and reputation metrics to consider how their philanthropic and social responsibility determinations improve their reputation and brand.

As van Riel and Fombrun (2007:35&36, cited in Vesala-Varttala & Varttala, 2010) emphasise, all corporate communication ought to be grounded on sound communication policy guidelines. They point out that common corporate communication guidelines assist organisations in building an image that is distinct, a brand that is strong, eventually, a reputation that is attractive.

Figure 3 demonstrates van Riel and Fombrun’s notion of corporate communication as a holistic system:

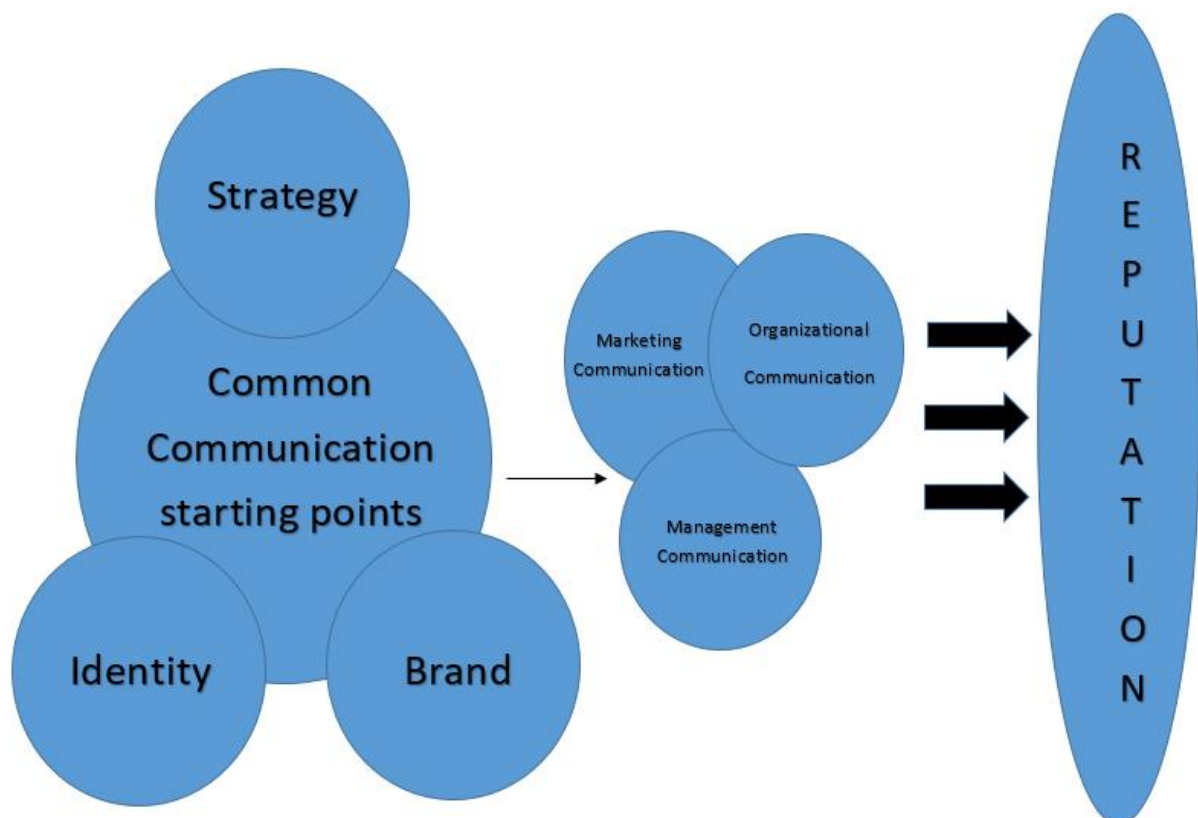


Figure 3: Corporate Communication System - Vesala-Varttala & Varttala, 2010:8

Van Riel and Fombrun (2007, cited in Vesala-Varttala & Varttala, 2010:8) see the guidelines which provide the basis for the organisation and implementation of successful corporate communication as:

- *corporate identity* (i.e. what the company is, stands for, and desires to be);
- *corporate image* (i.e. what the company 'looks like' to its audiences, a set of features that people attach to it in their minds);
- *corporate strategy* (i.e. a systematic plan of the overall competitive position and aims of a company and of the ways in which these aims are to be achieved);
- *corporate brand* (i.e. the distinctive and value-creating images, perceptions, and even comprehensive systems of understanding associated with the company as a whole by its different audiences).

Van Riel and Fombrun (2007, cited in Vesala-Varttala & Varttala, 2010:8) maintain that if companies would really want to build corporate brands to gain a competitive advantage, they are presently challenged as never before to come up with a clear communication system.

3.5 CORPORATE GOVERNANCE

Corporate governance is the '*system* by which companies are directed and controlled'. In the private sector, the corporate governance movement emerged in the 1990s supported by the Stakeholder Theory (Flanagan *et al.*, 2005:8).

Flanagan *et al.* (2005) postulate that the key issue in governance is who decides on a particular course of action? From an economic perspective, who decides that a course of action is clearly related to maximising added value to the organisation and its members? They further question who, from an accountability perspective, decides that the definition of accountability adopted should or should not be an accurate reflection of the values of the organisation's participants and those of the communities that it affects.

3.5.1 Emergence of corporate governance in South Africa

Malherbe and Segal (2001:3) assert that by the late 1980s South African corporate practices had lagged behind international norms, as had associated laws and regulations. They attribute the situation to the political isolation and the financial sanctions of the apartheid era which shielded South African companies from international competition.

Gstraunthaler (2010:146) argues that the state of the economy and the structure of shareholders in South Africa have changed significantly since the reopening of the economy. He postulates that in the early 1990s only a few dominant companies controlled the JSE, in which great levels of ownership and cross-shareholding were evident (Gstraunthaler, 2010:146).

Activities to entice international investors to South Africa encompassed the revision of corporate governance codes in South Africa. The first *King Report on Corporate Governance for South Africa* (King I) (IOD, 1994) came out in 1994 and is recognised internationally as influential on corporate governance. The King I report went further than the financial and regulatory features of corporate governance in that it advocates for an integrated approach to good governance, encompassing the promotion of interests of a wide array of stakeholders. It was the first report on corporate governance universally that welcomed the concepts of stakeholder engagement, ethics and environmental management (Rossouw *et al.*, 2002:300, in Barac & Moloi, 2010:19).

3.5.2 Responsible corporate governance

In South Africa, the King Committee on Corporate Governance, headed by former High Court judge, Mervyn King S.C., published the King Report on Governance (King I) in 1994. This report included a Code of Corporate Practice and Conduct. It was ground-breaking and a first in South Africa and its goal was to promote the highest standards of corporate governance in South Africa. King I promoted an integrated approach to corporate governance, in addition to the financial and regulatory aspects. This was also emphasised in the 2002 King II Report on Governance as well as the 2009 King III Report on Governance.

Ackers and Eccles (2015) argue that adopting good governance practices, like King III and King IV, provides an outstanding instrument to improve the legitimacy of corporates amid stakeholders by facilitating the pre-emptive projection of a good corporate image, which in turn will improve corporate reputation and legitimacy.

For Elkington (1997) companies should report on the “triple bottom line” and also measure environmental, social and ethical impacts of how they operate. Companies are no longer just accountable to shareholders for a good financial return on their capital investment, but they are increasingly also required to be responsible to their larger stakeholder base (Reuvid, 2007:163).

Ackers (2009) postulates that globally, companies are starting to account for their impact on stakeholders. This includes economic, social and environmental impacts. In this context, stakeholders include government, society at large, employees, customer-owners, financiers and suppliers.

3.5.3 King 111 Principles of Corporate Governance

The King Code of Governance for South Africa of 2009 (King III) is voluntary for South African organisations to increase larger stakeholder accountability including the improving transparency and reliability of non-financial disclosures that are related to CSR activities (Ackers & Eccles, 2015:216).

In spite of King III being a voluntary governance code, all companies listed on the Johannesburg Stock Exchange (JSE) are required by the JSE regulations to apply the King III principles. It has consequently become a standard mandatory prerequisite for all JSE-listed companies, even though it is on an “apply or explain” basis. This regulation has enabled South Africa to be one of the pioneer countries calling for certain companies to not only disclose their CSR-related performance, but to provide independent assurance as well (Ackers & Eccles, 2015:216).

3.5.3.1 *Principle 1: The corporate governance framework*

This principle addresses the need for the legal and regulatory framework within which State-Owned Enterprises (SOEs) function to safeguard that market competition is there in order to avoid distortions in the market. Howard and Seith-Purdie (2005) advocate that effective governance must guarantee systems development for monitoring so that such governance frameworks can be effective.

3.5.3.2 *Principle 2: Key ownership functions*

Thomas (2012) asserts that this principle has awareness of government's management, as the owner or majority shareholder of SOEs, and advises that SOEs should have autonomy to operate in order to achieve their objectives which are defined and monitored by government. In this regard, Howard and Seith-Purdie (2005) stress that it is crucial to appoint board members to ensure a sound level and combination of skills. Van der Walt *et al.* (2006, cited in Thomas, 2012) propose that the composition of the board is dependent on the life stage of the organisation, the strategic environment it operates in, as well as the type of ownership structures and their requirements for governance and performance.

3.5.3.3 *Principle 3: Equitable treatment of shareholders*

This principle advocates the rights of all shareholders that they are all treated equally and ensures that their access to corporate information is equal. Advocating for transparency, and stressing that the importance of communicating with all shareholders, the principle also advocates for stakeholders that are in the minority to also participate. Lu *et al.* (2009, cited in Thomas, 2012) note that treating shareholders in this manner, will promote and encourage them to participate in key decisions and will encourage them to easily ask questions, maintaining their right to pertinent information that could influence their decision-making.

3.5.3.4 *Principle 4: The role of stakeholders*

Thomas (2012) argues that stakeholders are a group broader than shareholders and they should be recognised by SOEs as having a legitimate concern in the business of the organisation.

Ferrell (2004) refers to a stakeholder as any identifiable group or person that the organisation is dependent on for its survival. Shareholders, investors, employees, customers and suppliers are largely regarded as primary stakeholders (Clarkson, 1995, in Thomas, 2012) to which Clarkson (1995, in Mainardes *et al.*, 2012) adds that the public stakeholder grouping comprises of governments and communities.

3.5.3.5 Principle 5: Disclosure and transparency

This principle deals with matters such as the requirement for annual reporting, sound accounting and auditing standards, an annual independent external audit and full disclosure of risk factors (Thomas, 2012:453).

3.5.3.6 Principle 6: Responsibilities of the board of directors

The major functions of the board include being accountable to government, the annual appraisal of its functioning, ensuring that all shareholders are treated fairly, monitoring of management, providing objectivity and independence of judgment, acquiring information that is not biased, the authority to appoint and dismiss the CEO, and to establish specialised committees to assist the board in its functions (Thomas (2012:454)

Balasubramanian (2009) posits that the effectiveness and objectivity of a board is measured by taking note of the members that are not aligned to any ideological party. Dalton and Dalton (2006:6) emphasise the need for “independence of spirit” and structural independence. The function of the board has been scrutinised for its leadership composition, internal control and audit responsibility, as well as responsibility for risk management (Thomas, 2012:453).

3.5.4 Legal considerations/policy

(Ackers & Eccles, 2015:524) argues that as much as compulsory legislation and regulations can force companies to up their disclosure levels, some companies will only give minimum (tick-box) disclosures so that they comply, without in fact giving stakeholders any significant value.

Without suitable legislation and regulations, various South African organisations are voluntarily adopting the principles of the King Code of Governance in order to improve their governance practices and showcase how their accountability has increased (Marx & van Dyk, 2011). Effective CSR however, should extend beyond merely showing compliance of legislation and regulations to also include behaviour that is both moral and ethical and to be considerate of the expectations society has of business (Ackers & Eccles, 2015:524).

Legal considerations are a huge part of why some corporates are involved in CSR. To address the inequalities of apartheid, the South African government put some laws and policies into place. The King Reports unambiguously address the need for corporates to acknowledge all stakeholders and to adopt a “triple-bottom line” approach.

For Gstraunthaler (2010), some corporates give through CSR/CSI projects so they are compliant with Black Economic Empowerment (BEE) legislation, which compels companies based in South Africa to take all stakeholders into consideration when performing their operations both internally and externally. This is geared toward eradicating social and economic inequalities carried over from the apartheid era and to assist different groups that were previously disadvantaged in the apartheid era to participate actively in the economy of the country. Companies that do not comply with the BEE scorecard can get bad ratings, thus risking not being able to operate fully.

i. B-BBEE Scorecard metrics, guidelines and policies

Over and above the corporate governance code, there is great demand from politicians for companies to disclose their active engagements in transforming South African society through, for example, BEE (Gstraunthaler, 2010:146). The pressure, across the economy, for companies to achieve adequate BEE ratings is mounting. To get this rating, companies that would want to carry out some business with government would need a qualifying BEE score.

The B-BBEE Act of 2003 is an all-inclusive regulatory framework which pools together various Affirmative Action tools in South Africa. It contains various legal and regulatory

measures as well as verification and certification mechanisms. Big challenges facing B-BBEE include inefficiencies in the certification process (Chahoud, Kneller, Krahl, Rieken, Riffler & Wendinger, 2011:7).

Chahoud *et al.* (2011) posit that with regard to application, the B-BBEE Act infers that the Codes are binding for all parts of government and public entities, and are used for decision-making in the following areas:

- Licensing, concession or other authorisations.
- Procurement.
- Sale of State Owned Enterprises.
- Public-Private Partnerships.

Even though B-BBEE is not legally binding for private companies, the B-BBEE status is however necessary when applying for government tenders, applying for certain licences, and through the supply chain (Chahoud *et al.*, 2011:8).

3.5.5 Stakeholder governance

The term governance is frequently brought up with reference to the development of governing styles “in which boundaries between and within public and private sectors have become blurred” (Short & Winter, 1999:617).

The past years have seen the rise of private governance initiatives that link various stakeholders around the world through addressing sustainability problems. This ‘global megatrend’ began in the 1990s and grown incredibly over the past 10 years and is set to continue in the future (Schouten, Leroy & Glasbergen, 2012:42).

Schouten and Glasbergen (2011) posit that a specific form of global private governance is the ‘Roundtable’ - private engagements that aim to improve the sustainability of a global commodity chain. These platforms comprise various stakeholders where both NGOs and corporates have decision-making power (Schouten *et al.*, 2012:42).

Dingwerth (2007) highlights three different approaches to democracy of governance beyond the state, which are: Constitutional approach, pluralist approach and deliberative approach. For Freeman (1990), constitutional democracy for all political authority originates from the sovereign people who are considered equal, who use their constituent power to make and define the type and parameters of political authority.

The pluralist approach calls for power to be dispersed among various united players and the balancing of diverse social interests. Dryzek (2010) puts forward that while recognising the pluralist nature of multinational governance, deliberative democracy approaches emphasise communication and reflection in decision-making; “Deliberation is based on arguing and persuasion as non-hierarchical means of directing to achieve a reasoned consensus rather than a bargaining compromise” Risse (2004), in Schouten *et al.*, 2012:43).

3.5.5.1 Shareholder versus stakeholder

Carney, Gedajlovic and Sur (2011) argue that corporate governance theories normally use either the agency/shareholder or stakeholder/socio-political approach to take care of problems relating to performance and efficiency. They postulate that the agency or shareholder-centric approaches concentrate on questions that relate to the incentives and allotment of decision rights among management and capital providers and their concern is in addressing a slight range of agency problems arising from that relationship.

3.5.5.2 Elements of deliberative capacity

Dryzek (2009) defines deliberative capacity as the magnitude with which political systems possess structures that host deliberations that are authentic, inclusive and consequential.

Rensburg and de Beer (2011) promote the inclusive stakeholder approach to corporate governance which advocate for the engagement of stakeholders in the strategic decision-making processes of an organisation.

3.5.5.3 Inclusiveness

Deliberative capacity's first element – inclusiveness – is about the diverse interests and discourses present in governance (Dryzek, 2009). Inclusiveness in terms of interests is about

the degree to which stakeholders participate with regards to the scope and the quality of participation (Dingwerth, 2007).

3.5.5.4 *Stewardship*

The shared value contracts include stewardship of donor funds by NGOs and other beneficiaries. Stewardship is defined as the conducting, supervising, or managing of something, especially the careful and responsible management of something entrusted to one's care (Webster Online Dictionary, 2018).

According to Delisle, Hatcher Roberts, Munro, Jones and Gyorkos (2005), the World Bank defines NGOs as private organisations that carry out activities to alleviate suffering, promote the interests of the poor, protect the environment, provide basic social services, or carry out community development. NGOs have participated in and contributed to the development of society universally and are crucial partners of multiple governments and corporates. They look for resources in numerous forms, including cash, membership fees, gifts in kind, by volunteer work, and complimentary use of equipment and facilities.

Fafchamps and Owens (2009:295) put forward that the rising of NGOs is in part a result of not being satisfied with government performance in public service delivery. Consequently, international NGOs, bilateral and multilateral donors, increasingly want to partner with local NGOs so that the NGOs are conduits of development funding. Donors may not want to channel their entire funding assistance via government agencies because of corruption, instability, ideological and political differences (Fafchamps and Owens (2009:295).

NGOs are accountable to their various stakeholders, who include beneficiaries and communities, government, donors, the public, private sector organisations, staff, volunteers and boards. For Ebrahim (2004), NGOs “upwardly” account to funders and patrons, “downwardly” they account to clients and communities, and “internally” to their own missions and staff including the board. Likewise, donors are accountable to government agencies, elected officials, board members, voters, and NGOs, among others (Ebrahim, 2004:5).

Trust is highly significant in the relationships between donors and the people they serve. Trust building is at the core of accountability, and ought to commence from the onset of any project or programme. NGOs are looking for relationships with donors that are open and trusting as much as donors like to have confidence that their resources are spent in an effective and efficient manner.

For Ebrahim, 2004:5, accountability is regarded as a chain that starts with shared values, a vision, and goals among stakeholders. It includes results with a mission and vision and needs a truthful reflection of how results can inform the mission. This can be through reports, online publications, multi-media as well site visits among others (Ebrahim, 2004:5).

Acknowledgement of the funds or gift to the donors is very important as is a letter from the NGO to express thanks. Reporting to donors on how impactful their gifts have been to the mission of the organisation is also important. This involves demonstrating financial accountability; wise investment and spending in line with the expectations of the donor.

Reporting falls into two broad categories:

- Qualitative, which is a narrative that confirms to the donor that investing into the NGO was a sound decision, as through this support the NGO is making a difference to their mission and vision; and
- quantitative, which verifies the implementation of fiduciary responsibility. This is usually in the form of financial support.

3.6 INTERNATIONAL INTEGRATED REPORTING

Rensburg and Botha (2014) assert that globally, corporate reporting is going through drastic changes as stakeholders' increase their demands on companies and as resources have increasingly become restricted. Companies are being compelled to analytically evaluate how they can communicate financially, and transparently to all their stakeholders. Integrated Reporting (IR), as directed by the King Reports on Corporate Governance for South Africa,

promote combining the reporting of financial and non-financial performance elements in a manner that upholds corporate strategy (Rensburg & Botha, 2014:144).

An Integrated Report is communication that shows how over the short, medium and long term, an organisation's strategy, governance, performance and prospects can create value (IIRC, 2013:2). For Eccles & Saltzman (2011:57), an integrated report presents and explains how a company has performed, financially, non-financially environmentally, socially, and its governance (ESG) performance. The motivation behind the integrated report comes from the *King Report on Governance for South Africa, 2009 (King III)* that was discussed earlier. *King III* was created to maintain South Africa's leadership in standards and practices for corporate governance (Eccles & Saltzman, 2011:57).

In South Africa, the Companies Act of 2008 was effective in 2011, replacing the 1973 Act. It mandates aspects of governance and discusses the need for the establishment of sustainability and audit committees in certain companies. Formed in May 2010 under the chairmanship of Professor Mervyn King, the Integrated Reporting Committee (IRC) of South Africa was tasked with developing and promoting guidance on good practices in integrated reporting.

Despite it being voluntary, the Johannesburg Stock Exchange (JSE) has a requirement for all listed companies to apply the King III and King IV principles, as well as provide independent CSR assurance (Ackers & Eccles, 2015:515).

It is a requirement for all companies that are listed on the stock exchange to issue a financial performance report at least annually. These reports are premised on accounting standards, such as International Financial Reporting Standards or US Generally Accepted Accounting Principles. The standards define the information detailed in a company's income statement, balance sheet, and notes to the financial statements.

Increasingly, many companies are generating sustainability or corporate social responsibility reports voluntarily. These normally comprise information on a company's environmental,

social and governance performance. In other cases, they also contain information on the company's charitable and community activities (Ackers & Eccles, 2015:518).

For Solomon and Maroun (2012:7), integrated reporting combines information on an organisation's strategy, governance, performance and prospects to reflect the commercial, social and environmental setting it operates in. It succinctly presents how an organisation demonstrates stewardship and how it creates value. Integrated reporting pools together information that is currently reported in separate reports (financial, management commentary, governance and remuneration, and sustainability) into one coherent document and further shows how they are all connected. It also explains how the different reports affect the ability of an organisation to create and sustain value in the short, medium and long term (Solomon & Maroun, 2012:7).

Reuvid (2007) argues that corporate responses to stakeholder pressures for improved CSR reporting practices may therefore simply extend the conventional reason of why business exist - profit maximisation (Eccles & Saltzman, 2011;57).

The aim of CSR assurance is to function as a bridge between the credibility gap coming from a lack of confidence in the CSR data in the report and the sincerity of the companies doing the reporting (Ackers & Eccles, 2015:518).

3.6.1 Benefits of Integrated Reporting

Eccles and Saltzman (2011) argue that although integrated reporting is new, it is still possible to detect three classes of benefits – internal benefits, external market benefits and managing regulatory risk.

A series of benefits arising from integrated reporting have been summarised as follows by the IIRC (2011:21):

- better positioning of information being reported on with investor needs;
- availability of more precise non-financial information ;
- greater levels of trust with key stakeholders;

- better allocation of resources, including cost reductions;
- improved risk management;
- improved identification of opportunities;
- better engagement with investors and other stakeholders and
- reduce reputational risk as a result of the improved disclosure.

3.6.2 Challenges of Integrated Reporting

Eccles & Saltzman (2011:57) argue that integrated reporting is not a cure-all for improving resource allocation decisions or the only way to solve current problems with financial and nonfinancial reporting, particularly because it is still a new phenomenon. Challenges that companies interested in implementing integrated reporting are faced with include:

- the fact that there is no globally accepted framework stipulating what comprises an integrated report;
- that there are no globally established set of standards for measuring and reporting nonfinancial information (Eccles & Saltzman, 2011:57);
- not having a format and standards for nonfinancial information makes it difficult for the comparison of the performance of different companies; and
- that there is only a small number of corporates that are truly committed to integrated reporting.

3.7 SUMMARY

The chapter focused on the relationship between corporate donors and their NGO recipients, highlighting the role of corporates towards sustainability through the different types of corporate philanthropy. The chapter also highlights the different roles NGOs take in their relationship with corporates as they contribute towards societal needs through CSR/CSI initiatives.

The chapter also discusses stakeholder management as NGOs are seen as corporates' key stakeholders. Reasons for NGO engagement and attributes of corporate and NGO relations focusing on power imbalances and dialogue were also discussed.

The chapter furthermore discusses corporate image and reputation and how this is very important to an organisation and how the risk of partnering with an NGO raises reputational issues as one partner's reputation affects the other partner.

Corporate governance, legal consideration and B-BBEE and the King reports were also discussed as contributing to why corporates have to consider previously disadvantaged communities and how this impacts on how they conduct their CSR and other activities including procurement.

The importance of stewardship on the relationship between NGO and corporates was also discussed as very crucial to the credibility of the relationship. The chapter ends with a look at integrated reporting.

CHAPTER FOUR: STRATEGIC AND COMMUNICATIVE DECISION-MAKING

4.1 INTRODUCTION

This chapter focuses on the strategic and decision-making processes that have been put in place by corporate organisations to determine which NGO recipients to fund. The chapter defines and unpacks the elements that enable communicative decision-making and the actions that lead to this phenomenon. Against this background, it is key for the Communication Department to stress its role as well as the role of the senior management team when communicating with stakeholders. This includes corporate communication and communication with NGOs. The commitment of senior management is, furthermore, integral to success, and unless the position of communication is brought up on the senior management agenda, it will be difficult to make it effective (Quirke, 1996:67). Høvring (2017) advocates for a communicative approach to CSR in which CSR communication is viewed as a complex process of continuous meaningful negotiation.

The chapter also explores the central role that information plays in communicating the decisions made, and argues that for the purpose of this study, communicative decision-making takes place in the context of business. This decision-making also applies to decisions that corporates make on funding NGOs through CSR initiatives.

Steyn (2007:137) highlights that strategic communication provides a huge contribution to the success of the organisation by building sustainable and mutually beneficial relationships with its stakeholders. It is vital for all organisations, of all sizes and sectors as well as societies, to obtain ways to successfully begin and nurture relationships with their stakeholders. It is on these stakeholders that these organisations are economically and socially dependent (Cornelissen, 2012:12). Steyn (2007) furthermore postulates that to enable communication practitioners to make a real contribution to organisational

effectiveness, they need to become experts in using communication to eliminate the barriers to organisational success (Steyn, 2007:167).

Stakeholders of an organisation are broken down into primary or secondary stakeholder groups. Freeman (1984) sees primary stakeholders as including employees, customers, the competition, shareholders, investors, suppliers; and secondary stakeholders as including interest groups, media and governments. Grunig (2006) furthermore identified eight categories of stakeholders for which organisations developed specialised programmes. These are: media, investors, employees, customers, members of associations, government and donors (Grunig, 2006:169).

Cornelissen (2012:10) regards the *stakeholder* concept as central within corporate communication and that organisations are realising the need for an 'inclusive' and 'balanced' stakeholder management approach that entails actively communicating with every stakeholder groups, not only shareholders or customers. Such awareness emanate from high-profile cases where unwarranted attention to certain stakeholder groups led to crises and severe damage for the organisations concerned (Cornelissen, 2012:10).

For these processes to be successful, they also have to be strategic.

4.2 STRATEGIC MANAGEMENT

The term 'strategy' flourishes in discussions of business. The key issue uniting all discussions of strategy is a clear sense of an organisation's objectives and an understanding of how it will achieve these objectives. Porter (1996) argues that strategy is about achieving competitive advantage through being different – bringing a unique value added to the customer; having a clear view of how to locate oneself exclusively in the industry.

A strategy is viewed as a pattern in the organisation's major decisions and actions, and contains some key areas which distinguishes one firm from others (Digman, 1986 in Nooraie

2012:406). Nooraie (2012) sees strategy as a purposeful action, whereas Mintzberg (1973) regards it as a plan, a ploy, a pattern, a position, and a perspective (five Ps).

Strategic management can be viewed as decisions and actions resulting in the formation and implementation of strategies made to attain the objectives of an organisation (Pearce II & Robinson, 1985 in Nooraie 2012:12). It is, furthermore, characterised by its emphasis on strategic decision-making. As an organisation expands and become more multifaceted with higher degrees of uncertainty, decision-making also becomes more complicated and difficult.

According to Eisenhardt and Zbaracki (1992) strategic decisions can be classified as follows:

- important decisions;
- rare decisions;
- decisions made by an organisation's principal leaders;
- decisions with a powerful effect on the course of an organisation's actions and on its survival;
- complex decisions involving many different people;
- decisions with uncertain consequences;
- decisions about issues involving people with diverging interests; and
- decisions made when a limited quantity of information is available.

4.3 DECISION-MAKING

Decision-making is one of the most crucial processes that managers take part in, in different organisations. Strategic decision-making is a complicated process that needs to be understood entirely before practicing it effectively (Nooraie, 2012:405). Corporates also apply strategic decision-making in the way they decide which NGOs to fund.

Most decision-makers, be they individual or organisational, are concerned with discovering and selecting satisfactory options. They are only concerned with discovering and selecting

optimum option only exceptional cases only. As a result strategy must deal with choosing the alternative that appears to satisfy a basic set of criteria (Vasilescu, 2011:105).

According to Nooraie (2012), the most essential models of decision-making are defined as follows:

- the rational or classical model, based on quantitative disciplines;
- the organisational model, based on both behavioural and quantitative analysis; and
- the political model, almost totally behavioural (Nooraie, 2012:423).

Pearce II and Robinson (1989, cited in Nooraie, 2012), highlight that decision-making is unavoidable, because to blatantly avoid making a decision is, in itself, making a decision. These decisions however need to be strategic.

4.3.1 Reflective decision-making

Reflection is identified as vital in decision-making, although it is considered as subjective. Schön (1983, in Walger, De Dea Roglio & Abib, 2016) defines reflective thinking as the type of thinking that entails going over a subject in one's mind and considering it seriously and consecutively. Two forms of reflection are suggested - reflection-on-action and reflection-in-action. The former happens subsequent to the action occurring or during a careful consideration. Reflection-in-action takes place during the action, without interrupting it (Schön, 1983) in (Walger *et al.*, 2016:657).

The effect of reflective practice on decision-making processes is pertinent as organisations get challenged by complicated and fast changes that bring up unexpected and uncertain situations for management in their pursuit for organisational competitiveness. Gosling and Mintzberg (2003, in Walger *et al.*, 2016) share the challenges of managers in that they live a paradox between acting fast and reflecting on different scenarios and likely responses in decision-making.

They postulate that it is not unusual to have decision-makers who either know how to execute but are unable to reflect; or those that reflect, but do not act quickly enough.

Consequently, it is imperative for management to find a point where reflective thought and practical action because meet as “action without reflection is thoughtless and reflection without action is passive” (Gosling & Mintzberg, 2003:56, cited in Walger *et al.*, 2016).

4.3.2 Participatory decision-making

Participatory decision-making has been defined as the involvement and influence of a group of individuals in decision-making processes which are customarily the prerogative or responsibility of a different group of individuals (Pollock & Colwill, 1987:7). For Carmeli *et al.* (2009), participatory decision-making refers to a management style that includes a high level of employee and supervisor participation in decisions that affect their work. This is done in teams and seen as a power sharing practice among team members which empowers them to partake in strategic decision-making.

4.3.3 Factors affecting decision-making processes

There are different models of strategic decision processes, which reflect different notions of organisation that have been suggested by various literatures (e.g. Mintzberg, 1973; Chaffee, 1985; Lyles & Thomas, 1988; Hart, 1992, all cited in Nooraie, 2012). These models differ significantly in terms of their fundamental assumption(s) about the context of the decision as well as characteristics of decision processes which are usually influenced by different factors. The factors that affect strategic decision-making stages and processes can be classified into the following four major categories:

- decision-specific characteristics;
- internal organisational characteristics;
- external environmental characteristics; and
- management team's characteristics (Nooraie, 2012:407).

4.3.4 Decision specific characteristics

Papadakis (1998) argues that managers in whether in different organisations or in the same organisation may have different perceptions of see the same internal or external problems.

As a result, the nature of the decision itself is important and can influence the strategic decision-making processes (Nooraie, 2012:407).

Nooraie (2012) lists 5 items as decision specific characteristics, as seen below.

- *Decision's familiarity* - the extent that the decision problem is clear to the decision-maker.
- *Decision's Magnitude of Impact* - the magnitude to which the decision impacts several portions of the organisation.
- *Threat/crisis or Opportunity* - positively related to the extent of decentralisation in the decision-making process. When decisions are construed as threats, versus opportunities, actions taken in strategic decision-making are characterised by better understanding (Papadakis, Lioukas and Chambers, 1998).
- *Risky Decisions* - decisions that have great impact on the effectiveness of the organisation. These decisions are as costly and hard to undo.
- *Decision's Complexity* - positively related to the degree of centralisation in the decision-making process.

4.3.5 Internal organisational characteristics

- **Organisational structure:** Organisational structure is defined as the extent of formalisation, integration and centralisation in an organisation.
- **Organisational size:** Organisational size is an element that influences strategic decision-making process.
- **Organisational performance:** The performance of the organisation on different levels.
- **Organisational slack:** Organisational slack, defined as a resource that assists organisations to cope with environmental changes and unforeseen events (Nooraie, 2012:412).

For decision-making to be successful, it needs to be strategic.

4.4 STRATEGIC DECISION-MAKING

For Vasilescu (2011) a decision can be defined as the act of attaining a conclusion or making up one's mind, or a position or opinion or judgment arrived at after consideration. Strategic decisions are selected alternatives that affect important factors which determine the success of an organisation's strategy. Strategic decisions that are effective and efficient are hard to achieve as they require improvements that modify the organisational structure and senior management decision-making styles. Furthermore, effective decisions need a solid understanding of realities and the social environment (Vasilescu, 2011:101). This includes understanding the social environment where corporate funding can be channelled through NGOs.

For Nooraie (2012) strategic decisions are long-term, very unstructured, complicated, and fundamentally risky and very impactful on the organisation's future and require a huge amount of organisational resources

Mintzberg, Raisinghani and Theoret (1976:246, cited in Vasilescu, 2011) regard a strategic decision as one that is important, with regards to the actions taken, the committed resources, or the precedents set. Quinn (1980) submits that these decisions define the overall direction of the firm. The resources here can also include the funding, in cash or in kind, that is channelled through NGO funding to the communities. In line with this, Eisenhardt (1989) defines strategic decisions as those which:

- Include strategic positioning;
- have high stakes;
- include many of the company's functions; and
- can be deemed as representing the process of how major decisions are made at the company (Eisenhardt, 1989:546).

Eisenhardt and Zbaracki (1992:17) add that strategic decisions are those rare decisions made by top management and they affect organisational wellbeing and survival. Strategic decisions are also dependent on the issues identified as strategic.

According to Schwenk (1988) strategic decisions are not structured properly, not routine, but are key to the company. Top management usually play a central role in strategic decisions. They see strategic decision-making as increasing and inter-reliant, moulded by various contextual influences from the past, present and perspectives of the future. Gamble and Thompson (2009, cited in Nooraie, 2012) assert that a company's strategy usually contains competitive interchanges and approaches that management developed to appeal to and to keep clients happy, carry out operations, achieve business growth, and attain performance objectives.

Since top management play a central role in strategic decision-making, these decisions influence the organisation's direction, administration, and structure. Strategic decisions not only affect the organisation in which they are taken but also the society (Nooraie 2012:406). For the purpose of this study, this includes the community projects that corporates fund through local NGOs

4.4.1 Mintzberg's decision-making model

According to Mintzberg, the modes of strategic decision-making are entrepreneurial, adaptive and planning.

i. Entrepreneurial mode

In this mode, the formulation of strategy is conducted by only one person, usually the founder whose vision directs the strategy. The attention is on opportunities and the process is characterised by bold decisions.

ii. Adaptive mode

This mode of decision-making is referred to as "muddling through". It is characterised by responsive solutions rather than proactively searching for fresh prospects.

iii. Planning mode

This mode of decision-making entails a systematic gathering of information for situational analysis, coming up with alternative strategies and choosing the best appropriate strategy.

The combination of stakeholders' position and importance determines their behaviour. NGOs are also included as part of these stakeholders. Although formal, discretionary or voting power is crucial to co-determine the result of decisions, the people authorised to make the ultimate decision do not finalise in isolation, but take the interests of the other stakeholders into consideration (Stokman *et al.*, 2000:137). This is part of the strategic decision-making process.

4.4.2 Strategic decision-making process

Papadakis *et al.* (1998) describe the strategic decision-making process as a system of steps, phases or routes towards a decision.

For Vasilescu (2011), there are four factors that affect decision-making processes. These are:

- the definition of the problem;
- the existing rules;
- the order in which alternative options are presented and considered; and
- all that affects aspirations and attention.

Within the above framework, four concepts were developed, as listed below.

- *Quasi-resolution of conflict*: Organisations function with substantial hidden conflict of interests but do not essentially resolve that conflict overtly.
- *Uncertainty avoidance*: Even if organisations make an effort to forecast the future as best they can, they also try to restructure their working environment with the intention of minimising their dependence on anticipation of the uncertain future.
- *Problemistic search*: The search within an organisation is inspired mostly by problems and how to solve those problems.
- *Organisational learning*: Adopts the view that organisations learn from their own experiences as well as others' experiences (Vasilescu, 2011:106).

Snowden and Boone (2007) posit that the Cynefin framework aids leaders in determining the dominant operative context so that they can make suitable choices as indicated below:-

- *Complex*: probe, sense and respond.
- *Simple*: sense incoming data; analyse data and respond.
- *Chaotic*: act quickly and resolutely; sense responses to that action and respond.
- *Complicated*: sense data that is coming in; categorise it and respond.

Fredrickson and Mitchell (1984) contend that comprehensiveness measures how thoroughly and inclusive organisations are when seeking alternative options in making and integrating strategic decisions.

For Vasilescu (2011) some prerequisites for making a good decision include:

- clearly identifying the objectives or desired outcome;
- gathering as much information as you can to assess your options;
- elaborating on several possible choices (in accordance with your values, interests and abilities) of each course of action and weigh its acceptability;
- making a brief list of pros and cons, along with what you take to be very important/important/less important issues; and
- learning from previous experience and asking opinions of those who have experienced a similar situation (Vasilescu, 2011:101).

The decisions taken must be consistent with the organisation's broader interests and the organisation must encourage this by:

- providing standard operating procedures;
- creating a culture that promotes a rational set of values and norms within the organisation;
- establishing an official hierarchy of authority for announcements and communications;
- establishing training programmes for new members;

- controlling access to information; and
- dividing work among members and/or subunits (Vasilescu, 2011).

It is important to note that the dynamics of decision-making mainly occur because stakeholders make efforts to come up with decisions that are as close as possible to their own position. Final decision-makers will shift their positions, to choose a decision that is as close as possible to their own position (Stokman *et al.*, 2000:137).

Three processes that come before formal decision-making and that affect the final positions of the stakeholders involved, include a) firstly, position changes at times occur because stakeholders receive or provide new convincing information rather than take other positions; b) secondly, in some situations, stakeholders feel challenged to change their positions because the losses from losing a challenge like that are larger than the losses to be incurred by defending their position; c) finally, stakeholders may change their positions when they see possibilities to create win-win situations through exchanging (Stokman *et al.*, 2000:132).

In management of meaning processes, convincing information plays a dominant role (Stokman *et al.*, 2000:137). The position and importance of a stakeholder are connected to their particular incentive structure. They postulate that the more directly an issue is connected to the central higher ordered objectives of a stakeholder, and the more an issue is seen as an important condition for its realisation, the more important it is to the manager. The manager's position on the issue then corresponds to the outcome of the decision that they see as best for meeting their objectives.

It is not important what these objectives are or where they come from. In some cases they are related to the goals of the organisation the manager represents or they may be related to their own personal goals, like status and behavioural confirmation, or to some of these at the same time (Stokman *et al.*, 2000:137). This depends on the factors affecting the decision-making process.

4.4.3 Strategic issues

Strategic issues are defined as events, trends and developments, that have could possibly impact an organisation's strategy (Dutton & Duncan, 1987). These issues can be seen as problems or opportunities by decision-makers. They are essential because they affect an organisation's capability to accomplish its goals or objectives (Dutton & Duncan, 1987).

Decision-making on strategic issues is regarded as a strategic decision and therefore deserves to be considered as strategic management. According to Pearce II & Robinson (1994, cited in Nooraie, 2012) strategic issues typically have the following characteristics, as they:

- need a large portion of the firm's resources;
- in most cases affect the firm's long term wealth;
- focus on the future;
- usually have ramifications on many organisational functions;
- necessitate the firm to consider its external environment; and
- require top-management decisions.

The first critical step in a strategic decision-making process should be to specify the problem in question with regards to a limited number of issues on which decisions have to be made. Every issue can be seen as a major controversial point for decision-making. Decisions of the stakeholders should determine the basis of the chosen solution (Stokman *et al* 2000:133).

Stokman *et al.* (2000) view collective decision-making as a fundamental process in society. They postulate that collective decision-making is hard when stakeholders take different positions and express different preferences with respect to the outcome. In that scenario, the diverse positions would need to be tolerated. Consequently, in decision-making process although only one outcome can be chosen, the stakeholders push to have their position adopted.

An external and internal SWOT analysis is important for identification and prioritisation of strategic issues. After identifying the issues, the stakeholders, and the different positions on the issues, the next step in a strategic decision analysis entails the specification of three characteristics of each stakeholder in relation to each issue. These are capabilities, salience and positions of the stakeholders (Stokman *et al.*, 2000:134).

4.5 STAKEHOLDER APPROACH TO STRATEGIC MANAGEMENT

A stakeholder approach stresses the importance of building relationships with the different groups that have a stake in the firm. The stakeholder approach to strategic management, posits that managers need to put in place and effect processes which are satisfactory to all stakeholders. The most important action in this process is to take care of the relationships and interests of all stakeholders as well as incorporate them in a way that guarantees the long lasting success of the company. The stakeholders can include employees, customers communities shareholders, suppliers, and other groups. A stakeholder approach highlights *active* management of the business environment, relationships and promoting shared interests (Freeman & McVea, 2008). Heugens, Van Den Bosch, and Van Riel (2002, in Polonksy and Scott 2005) highlight the importance of “generic strategies” for dealing with stakeholders and recommend that strategies that are targeted correctly could upsurge organisational learning and organisational legitimacy.

For Jagersma (2009), sustainable stakeholder management is an approach in which corporates strive to build long-lasting and intimate partnerships with stakeholders or different stakeholder segments so that they can encourage them to concentrate on an extremely high share of their value with them.

Freeman and McVea (2008.) argue that the stakeholder approach to strategic management consists of a number of related characteristics that distinguishes it. These are discussed below.

- A stakeholder approach makes available one *strategic framework* and deals with environmental shifts.

- A stakeholder approach is a *strategic management* process and not a strategic planning process.
- A stakeholder management requires an *integrated* approach to strategic decision-making. Instead of setting strategy one stakeholder at a time, management need to find ways to ensure that many stakeholders are satisfied at the same time (Freeman & McVea, 2008).

4.5.1 Stakeholders' influence on decision-making

Ackers and Eccles (2015) assert that CSR reporting credibility and CSR assurance are raised when stakeholders can identify the assurance provider and the type of assurance engagement. Currently, CSR reporting guidelines are not prescriptive of corporate boundaries, but defer the defining and interpretation to reporting companies and their stakeholders (Archel, Husillos, Larrinagan & Spence, 2009) through engaging stakeholders effectively.

One way of improving the quality of the integrated reports would be for the companies to seek the views of their key stakeholders concerning the social, environmental and ethical information they report on and to include these opinions in the reports (Solomon & Maroun, 2011:52).

For decision-making to be successful, information plays an important role as it is crucial to reaching a decision.

4.6 THE ROLE OF INFORMATION IN STRATEGIC DECISION-MAKING

The availability of relevant information internally and externally is essential in the strategic decision-making process. With the invention of the internet, more information has become available and companies use the internet to source information. This availability and acquisition of information through the internet led to a 'third industrial revolution' (Smith, 2001, cited in Citroen, 2009).

Schwab (2006) argues that a ‘fourth industrial revolution’ was recently added. This refers to the unlimited possibilities of having countless people across the globe being connected via mobile devices giving rise to extraordinary processing power, storage abilities and access to knowledge.

Information of interest to decision-makers such as markets, environments impacting on the company like the society, competition, markets and technologies show the effects of the possible alternatives for the decision to be made. This information plays an important role in attaining the strictures of these alternatives. (Citroen 2009:11). For this information to be useful, it needs to be strategic.

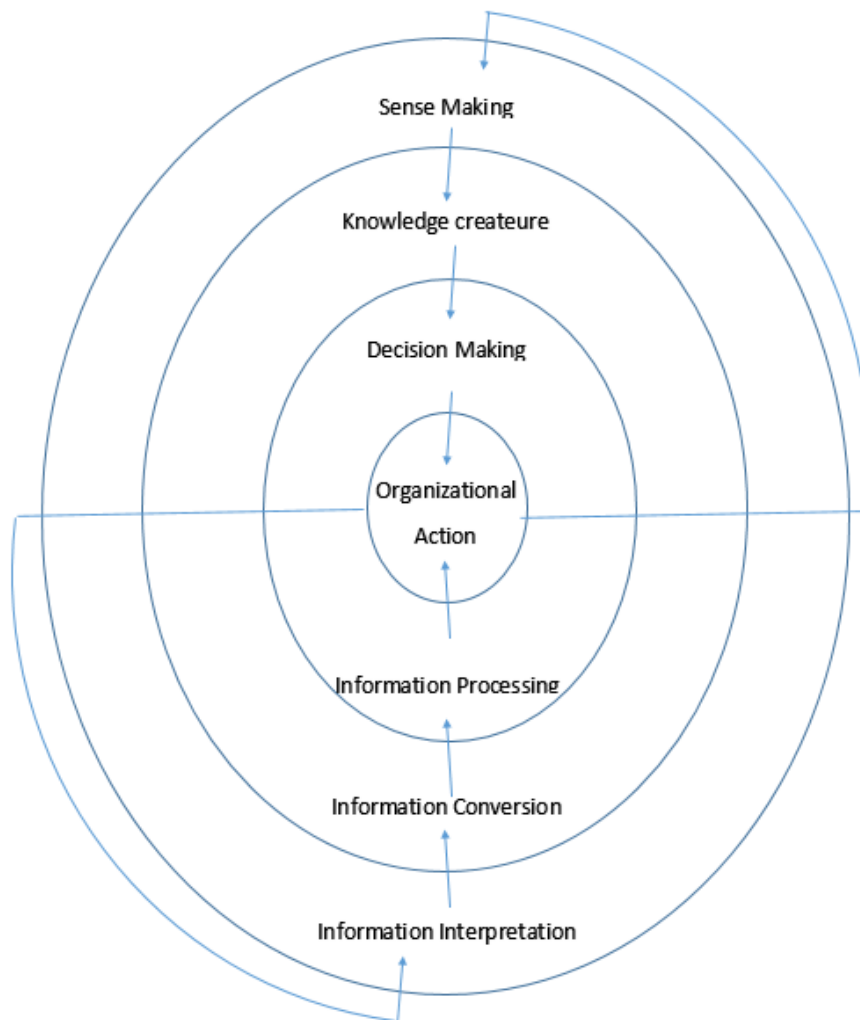


Figure 4: Strategic role of information – Citroen 2009:51

4.6.1 Strategic role of information

The beginning of the World Wide Web and other communication technologies significantly shifted how information is accessed, the amount of information available, and the cost of obtaining that information. Business as well as individuals entities equally collect and interpret information in their decision-making activities and use this information personally or for economic gain (Shinnick & Ryan, 2008).

Rensburg and De Beer (2011) posit that, compelled by information technology and social media in particular, organisations are starting partnerships and joining social networks – even networks of networks. They postulate that stakeholder engagement and communicating enables the identification of stakeholder concerns and allows the organisation to set objectives and crucial performance for each stakeholder group. They argue that the adoption of corporate dialogue would enable multi-directional flows between the stakeholders and engaging them in communication through the contribution of content, comments, tagging etc.

Technological advancements have formed opportunities to do this by creating information systems that can support business decision-making activities. Such decision support systems are playing a progressively crucial role in defining the efficiency of businesses and business opportunities through designing and implementing such systems for other markets and businesses (Shinnick & Ryan, 2008).

The following are some of the ways that Citroen (2009) puts forward in which information can be regarded as strategic in decision-making:

- executives that make decisions rationally, collect and use sufficient information in a decision-making process that is structured;
- information plays a crucial role in lowering uncertainty and assessing other options;
- an emphasis on the quality of information to be used by the board;
- the acquisition of new information and the methods used to analyse the information, like the use of the internet, is now public knowledge; and lastly

- with more pertinent information available, negotiations by the board on issues that affect the choices and options in decision-making can now managed controlled in a better manner and rational decision-making is consequently enabled.

Three components, highlighted by scholars of communication, illuminate the phenomenon of the strategic contribution of communication to corporate governance from different perspectives. These are listed below.:

- The contribution of communication to define and diffuse corporate strategies and guiding values.
- Analysing and interpretation the context of the organisation.
- The initiation of symmetric relationships with company stakeholders (Invernizzi & Romenti, n.d.:14)

Strategic activities are the communication activities which publicise the company strategy and crucial corporate decisions to internal and external key stakeholders. These stakeholders include NGOs that are funded by the corporates. The communication activities concentrate on what to communicate so that the desired effect is obtained (Stroh, 2007, cited in Invernizzi & Romenti, n.d.).

Where internal stakeholders are concerned, communicating strategic company decisions channels combined energy towards a common goal, in line with the mission and values of the company. For external stakeholders, strategic communication activities are critical to shaping one company position that is clear in the minds of its stakeholders, and to develop a solid long-term reputation (Cornelissen, 2012). Communication with NGOs can also be regarded as strategic.

Communication roles in strategic decision-making include:

- boundary spanning;
- environmental scanning;

- the role of sense-making, which entails pointing out in advance the communicative features of decisions taken; the strategic options the organisation has at its disposal; as well as the strategic objectives of the organisation (Holtzhausen, 2002);
- beginning symmetrical relationships with stakeholders; and
- communication professionals taking the role of activists and facilitate communication (Holtzhausen, 2002).

Wilson and Murby (2010) explicate that stakeholders like corporate NGO recipients are empowered through social networks such as social media platforms, where they share and access information fast. This includes roles such as idea-sharing, scanning, broadcasting and replicating. These new networks are highly-powered and supercharged by their speed of transmission; together with a fluid exchange of ideas across many media platforms; including a variety of channels and voices not limited by language or location (Wilson & Murby, 2010:34). These networks include NGOs who look for information on how corporates fund NGOs and how they communicate their decision-making about the funding.

4.7 CORPORATE COMMUNICATION

The study of corporate communication came out of public relations and wasn't successful in strategy development and execution (Barnes & Walker, 2010:23). On the other hand, Goodman (2012) expands that communication activities are more than just "public relations" and that traditional public relations, like press conferences and press releases, cannot solve their challenges and hindrances.

Cornelissen (2012) see corporate communication as a management function that is responsible for managing and coordinating the work done by communication professionals in various specialist disciplines, for example, media relations, public affairs and internal communication.

Goodman (2012:197) views corporate communication as a description of a variety of strategic management functions. Depending on the organisation, corporate communication

includes functions such as: public relations; corporate citizenship; crisis and emergency communication; community relations; reputation management; investor relations; media relations; government relations; employee relations; management communication; marketing communication; image branding; advertising and corporate branding.

Cornelissen (2012) goes further, stating that corporate communication is set up to establish positive corporate images and reputations with all the organisation's stakeholder groups. This will, in turn, cause the stakeholder groups to act in a way that ensures success for the organisation. Because of the positive images and reputations, the outcome is that customers will buy products and services, whilst members of the community will also appreciate the organisation's presence in their environment. Investors will release financial resources, etc. Cornelissen (2012) further postulates that this objective to build, maintain and protect the company's reputation is actually the core task of corporate communication professionals.

For Johansen and Nielsen, (2011) corporate identity is central in corporate communication as it focuses on the strategic, integrated communication sent out by an organisation to create and maintain relationships with various stakeholders.

Goodman (2012) however points out that the practice of corporate communication has weighty consequences for professional development programmes globally. He postulates that recent studies confirm corporate communication as a strategic management function has the following challenges:

- the need for trust building all internal and external audiences;
- the burden put on them by the organisation to accomplish more with less resources;
- the call to build a universal corporate culture that is responsible and accountable as reaction to a hostile environment;
- the way the corporate communication executive is viewed as as "counsel to the CEO"; and
- the function that manages the company's reputation.

Corporate communication can be seen as a management framework that guides and coordinates marketing communication and public relations.

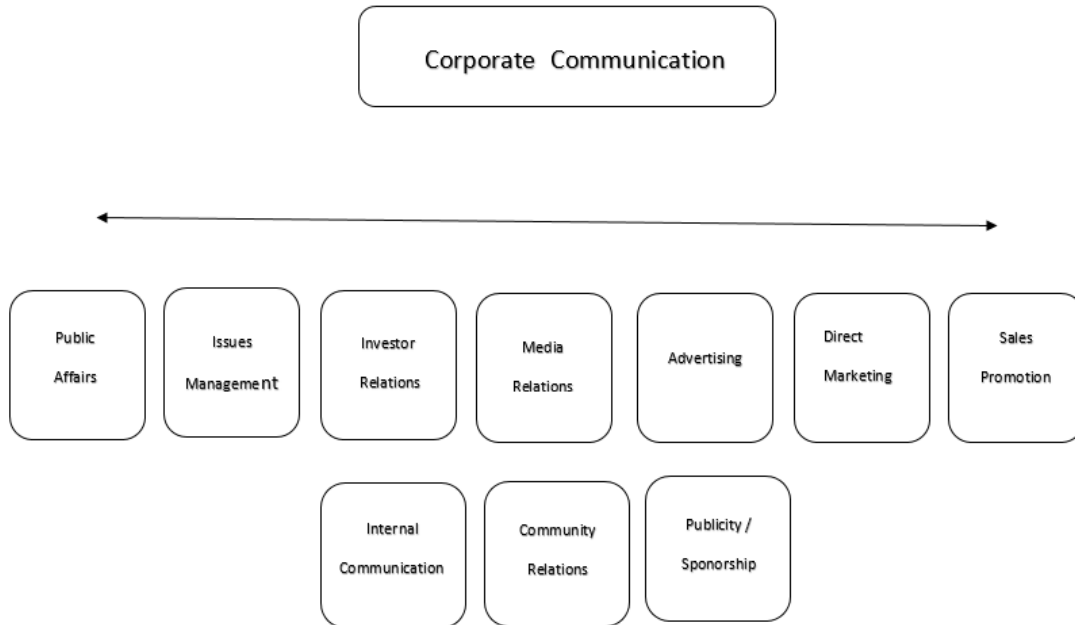


Figure 5: Corporate Communication as an integrated framework for managing communication

From the framework, we can see that decision-making and coordination take place among professionals from different disciplines of marketing communication and public relations displayed towards the left in the figure above.

As van Riel and Fombrun (2007:35 & 36) emphasise, all corporate communication ought to be based on sound communication policy guidelines. They go on to emphasise that common corporate communication guidelines assist organisations to build a unique image, a strong brand and, in the end, an appealing reputation. For corporate communication to be effective, it also needs to be strategic.

4.7.1 Communication in the organisation

Dawkins (2004:109, in Moreno & Capriotti, 2009) see communication as the missing link in corporate responsibility practice. For Lewis (2003:361, in Moreno & Capriotti, 2009) many companies are committed to carrying out their social responsibilities but however, fail to communicate this actively enough to convince anyone of it.

Hamrefors (2010:141) defines communication as all that communicates in the context of organisations and sees the purpose of communication as to establish and develop the communicative ability of the whole organisation instead of dealing with traditional communication activities. For them, communicative ability strengthens the foundation of the organisation and at the same time stimulates a variety of activities (Hamrefors, 2010:150).

Hamrefors (2010) postulated that to influence the communicative ability of the organisation, a communicator needs to participate in the management of a wider range of activities than a traditional communication professional does. They identified four major areas in which a communicator needs to grow in namely: structures, social interaction, processes, and organisational-wide relationships.

i. Processes

Communicators need to be active in the design of processes and not just accept the status quo. They need to develop an environment where information is accessible at the right time and in the right way. For this environment to exist, the communicator needs to be conversant in new technological advancements as well as how to operate them and to provide information in real time (Landqvist & Hamrefors, 2006, in Hamrefors, 2010).

ii. Structure

With the absence of transparency in organisational structure people cannot easily understand it as a whole. This affects the way the mission of the operation area perceived.

For the physical structure it is important to develop transparency, which supports communication from a holistic view of the organisation (Hamrefors, 2010).

iii. Social interaction

Hamrefros (2010) posits that social patterns in society are duplicated in the organisation and that the communicator must know how to use certain words as part of social action. Communicators themselves are usually part of the process that develops specific words and concepts meant to inspire progress and development in organisations (Hamrefors, 2010:143).

iv. Organisational-wide relationships

The way the organisation gains understanding of and influence towards others in both its internal and external environments affects its communicative ability (Hamrefors, 2010:144).

4.7.2 Communicative leadership

Communicative leadership asserts that leaders who are communicative are not merely communicating but that they are good communicators (Johansson *et al.*, 2014:148), and achieve better results than leaders who are not very communicative (Hamrin, Johansson & Jahn, 2016:216).

For Eriksen (2001), the unique feature of communicative leadership is that it is focused on legitimacy, which is attained through “rational conducted deliberation” which is aimed at problem solving and conflict resolution. According to Moreno and Capriotti (2009:162), any responsible corporate initiative taken on by corporations for legitimacy and to gain the confidence of the public needs to be complemented with a capacity to communicate and respond to stakeholder demands. They explicate that as much as many companies are committed to fulfilling their social responsibilities, they fail to communicate this actively enough to convince anyone about it.

Hamrin *et al.* (2016) argue that communication is inseparably linked as part of performing the leadership role. Barge and Hirokawa (1989:172, in Hamrin *et al.*, 2016) emphasise that leadership transpires through the process of interacting and communicating. They see leadership having the responsibility to develop and communicate and to ensure that the organisation performs effectively with directly related partners in the network (Hamrefors, 2010:143).

Hamrin *et al.* (2016) explicate that communicative leadership includes a set of communicative principles and practices, which could establish leader/co-worker relationships and reflect core values. For Eriksen (2001) though, not all forms of power imbalance, 'irrationality' or disturbance need to be removed for communicative leadership to be effective as it is necessary to develop a professional attitude with regard to negotiation and decision-making.

There are four imperative requirements that influence the communication behaviour of leaders. These are communication awareness, acquaintance, attitude and ability (Johansson *et al.*, 2014:156).

Johansson *et al.* (2014) argues that communicative leadership only been used to deliberate the role of communication departments within organisations, and how communication professionals contribute to external effectiveness through their participation in leadership (Hamrefors, 2010). However, the use of the concept focuses on the communicative behaviours leaders address in their daily responsibilities (Johansson *et al.*, 2014:148).

4.8 ROLES OF A COMMUNICATIVE LEADER

Johansson *et al.* (2014) define a communicative leader as a person who through dialogue, engages others, shares and seeks feedback, carries out participative decision-making, and is open and involved. Hamrefors (2010) points out that the ability to lead others is based, to a large extent, on the ability to communicate. For Zerfass and Sherzada (2015), leaders need

to understand that personal communication is extremely vital for their organisations as this emphasises their communicative role.

The following communicative leadership behaviour acknowledges the important role of communication (Johansson *et al.*, 2014):

- initiating structure - in terms of expectations and goal clarification, planning and allocation of tasks, selecting and sense making);
- facilitating work – with regards to coaching and training, feedback given on the results, problem solving, and encouraging of self-management;
- managing relationship dynamics – in terms of creating space for openness, being supportive, and conflict management); and
- representing – in terms of representing the team, the unit, or the organisation; and actively monitoring, networking and providing resources.

There are four sub-roles that constitute the role of the communicator as a contextual leader. Hamrefors (2010) argues that the role played by a communicator must be a combination of all four of these skills sub-roles. These are System Designer, Mediator, Coach and Influencer (Hamrefors, 2010:146). These roles are relevant, although they vary in prominence in different situations.

- The *System Designer* role's focus is on the communicator as a participant in designing organisational processes and structures.
- The role of *Mediator* focuses on generating shared understanding, or sense-making.
- The role of *Coach* entails the communicator to work as an educator in order to develop the communication skills of others.
- The role of *Influencer* needs the communicator to deal with social processes in an elegant manner by facilitating conceptual changes (Hamrefors, 2010:146).

4.9 STRATEGIC COMMUNICATION

Communication is strategic when it aids an organisation to attain its goals. Strategic communication is viewed as “the strategic planning of communication in order to ensure

effective internal communication”, in so doing, it enables the organisation to attain its short- and long-term goals (Verwey & Du Plooy Cilliers, 2002:4).

Communication within an organisation can be regarded as a strategic management function that also works towards the management of organisational relationships. These relationships impact the company’s mission, goals and objectives (Holtshauzen, 2007:28). Strategic communication contributes to organisational success by building sustainable and mutually beneficial relationships with its stakeholders (Steyn, 2007:137). Steyn (2007) postulates that if communication professionals are to make a substantial contribution to organisational effectiveness, they need to become experts in using communication to remove the barriers to organisational success (Steyn, 2007:167).

Strategic communication entails the identification of strategic stakeholders and including their needs into organisational goals so as to build mutually beneficial relationships with these key stakeholders (Steyn, 2007:139). Grunig *et al.* (1992:81) state that the quality of these “strategic” relationships should be measured in important outcomes like trust, openness, credibility, legitimacy, mutual satisfaction and mutual understanding.

Strategic communication is practised not only in the private sector, but also in the development sector. The Development Communication Division of the World Bank believes that strategic communication can help privatisation and private sector participation programmes work better and be more socially and politically sustainable (Calebresse, 2008:2). She postulates that when effectively utilised, strategic communication can increase political and social sustainability significantly by creating space for dialogue and stakeholder participation in the decision-making process.

Grunig (2006) views strategic communication not only as a collective noun but as a theory of corporate communication. According to Grunig (2006:153), strategic communication is a general theory that explains how the public relations and communication role should be structured and managed to offer the utmost value to organisations, society and stakeholders. The theory addresses the following:

- how communication adds value to the organisation;

- how an empowered public relations/communication function makes a unique contribution to strategic management and consequently distinguishes it from other organisational functions;
- techniques that communication managers can use to fulfil their strategic management role;
- the critical role of relationships in the planning and evaluation of public relations/communication programmes;
- different models for communication and the most effective strategies for cultivating relationships;
- the incorporation of ethics into the strategic role of communication and public relations; and
- how the theory can be applied globally (Grunig, 2006:154).

4.10 COMMUNICATIVE DECISION-MAKING

Brunsson (1982, in Huebner, Varey & Wood, 2008) define strategic decision-making as embedded in organisational discourse and communication and argue that the company is continuously built in communication. To participate in strategic decision-making, communication professionals need to enact communicating as an effective management process, applying it as a support process to inform stakeholders about decisions. From this perspective, the only decisions that matter are those that are communicated (Huebner *et al.*, 2008).

Huebner *et al.* (2008), identify three critical fields of action for effective communication and strategy implementation. These are facilitated by the communication function in an organisation. The three fields are indicated below.

- Giving decisions a voice - communicators need to be conscious of the people that need to be involved in facilitating voice for ideas and strategies.
- Facilitating the legitimisation process for decisions through the communicator facilitating networks where people can share ideas such as communities of practice.

As a result, communication professional need to establish communicating as an effective management process.

- Developing other ways of decision implementation.

From the above discussion, communicative decision-making can be defined as the two-way strategic communication flow of the strategic decisions made by management that affect all stakeholders. This starts when deciding what to communicate to the stakeholders and how to communicate effectively, in such a way that the reputation of the company is not affected, and relationships with the stakeholders are maintained both internally and externally.

4.11 DECISION COMMUNICATION

Decision communication is about implementing decisions, following up and getting feedback on how the decisions are accepted and what kind of impact they have (Mykkänen, 2014:134).

Mykkänen (2014:132) argues that decision communication's role in organisations can be considered as being much more important and significant than just communicating the outcomes of every decision. He cites Luhmann's (2003) Organisation Theory that decision communication can be seen as the force around which organisations are formed. Decisions are confirmed through decision communication and transformed for new premises for organisational decisions. Organisations as systems have a need for communicative action and organisations live in communicative rationality. Decision-making is therefore a social action and needs communication.

Communication facilitates coordinated social action. As Leeper (1996, in Mykkänen, 2014) argues, communication is needed as an organisational process that contributes to decision-making. This eventually leads to an understanding among an organisation's publics.

Decision communication is traditionally meant to communicate how decisions' criteria are met or satisfied. From the Luhmannian perspective (2003), it can be used in communication related to decision-making, where it has a significant role. For instance, scanning issues from the environment, gathering information and introducing alternatives. It can also be considered as the process of selecting the best alternative. If decision communication is seen as decision-related communication, the whole decision-making process could be considered as decision communication (Mykkanen, 2014:135).

Stakeholders can be approached in the ways listed below, using communication strategies that take into account the contextual and dynamic features of specific communicative frames.

- The stakeholder information strategy (one-way communication) is practised when organisations want to transmit factual information about their business to stakeholders with the aim of informing as objectively as possible about organisational issues.
- The stakeholder response strategy (two-way asymmetrical communication) is practised when organisations try to engage stakeholders in actions and decision-making with the aim of obtaining external endorsement through market surveys, opinion polls and the like.
- The stakeholder involvement strategy (two-way symmetrical communication) is practised to achieve dialogue with stakeholders. The idea behind the involvement strategy is that organisations should not only try to influence their stakeholders, they should also learn from them.
- Learning is a matter of taking in stakeholder advice and putting it into practice “in order to explore mutually beneficial action – assuming that both parties involved in the dialogue are willing to change.”
- Information and response strategies are sender oriented and view stakeholders as passive receivers; the involvement strategy invites stakeholders to become active participants. However, stakeholder involvement in CSR issues differs based on the nature of the stakes held by specific stakeholder groups. Consequently, focus now

turns to the key stakeholders addressed within CSR scholarship, i.e. NGOs, consumers, investors, suppliers and employees (Johansen & Nielsen, 2011:207).

4.12 COMMUNICATIVE ACTION

Habermas (1984:86) define communicative action interaction that happens between at least two subjects who can speak and act who establish an interpersonal relationship. The actors desire to reach an understanding about the action situation and their plans of action in order to coordinate their actions by way of agreement (O'Donnell, 2004:300).

4.12.1 Strategic vs communicative action

Decision-making inside organisations represents strategic action and is oriented towards successful problem solving (Mykkänen, 2014:132). Strategic action is a special form of instrumental action oriented towards success. In the case of strategic action an actor tries to influence the decisions of the other party in order to achieve a specific outcome (Habermas, 1984: 86).

The action is thus not oriented towards understanding but towards influencing others. Language in strategic action is aimed at convincing others to do something, and the action is characterised by the communication (Elving *et al.*, 2015:120). Habermas (1984:288) also states that when someone uses the language strategically it would mean that he or she manipulates the language as well as instrumentalises the listener for his own advantage. In reference to CSR and CSR communication, language is a medium of communication aimed at achieving understanding about social and environmental issues and the different ways to address them (Elving *et al.*, 2015:120)

In contrast, the concept of communicative action promotes cooperation. The aim is not to pursue one's own goals but to seek a common comprehension and to coordinate actions through agreement (Habermas, 1984:86).

4.13 SUMMARY

This chapter focused on the strategic and decision-making processes of corporates in deciding which NGO recipients to fund. The chapter defined and unpacked different elements that enable communicative decision-making and the actions that lead to this phenomenon. Decision-making and the different types of decision-making including reflective and participatory decision-making were discussed. Furthermore, factors that affect decision-making and decision specific characteristics were also discussed.

The chapter also looked at strategic decision-making focusing on strategic issues and strategic decision-making and structures that support decision-making. The stakeholder approach to decision-making was also discussed.

The chapter also explored the central role that information plays in communicating the decisions made and demonstrated that communicative decision-making takes in the decisions that corporates make on funding NGOs through CSR initiatives.

Communicative leadership, communicative action and the role of a communicative leader were also discussed.

CHAPTER FIVE: RESEARCH METHODOLOGY

5.1 INTRODUCTION

This chapter builds on the research topics discussed in Chapter One, where the problem statement, research questions, conceptualisation of the study, research design and methodology were briefly introduced. The chapter broadly describes how the study was planned and implemented to answer the research questions. It focuses on the research design, sampling selection, data collection (using an administered interview schedule) and data analysis, (using the content and thematic model of analysis). Braun and Clarke (2006:78) insist that thematic analysis ought to be seen as a foundational method for qualitative analysis.

Leximancer 4.5 was used as a data analysis tool. It is particularly well suited to exploratory research as it can be used to analyse the content of collections of textual documents and to visually display the selected information (Smith & Humphreys, 2006).

The study is qualitative in nature and involves interviews with eight CSR Managers from selected companies in Johannesburg, South Africa; as well as eight Programme Managers from NGOs in the same city. The NGOs that participated are typically in a funding partnership with the eight corporates interviewed. The NGO and the corporate must have been in a relationship for at least one year.

5.2 RESEARCH DESIGN

A research design can be defined as the series of rationales and decisions that form strategies to produce valid and reliable research results by answering the research questions of the study (Cavana *et al.*, 2001).

For Vaismoradi, Turunen and Bondas (2013) qualitative methodologies comprise of the philosophical perspectives, postulates, assumptions and approaches that researchers engage to open their work up to critique, analysis, repetition, replication and/or adaptation, and to choose suitable research methods for the study.

A qualitative strategy of enquiry was used for this study. Qualitative research entails observing characteristics, or qualities that cannot easily be reduced to numerical values (Leedy & Ormrod, 2010:94). Qualitative data are based on meanings conveyed through words (Saunders *et al.*, 2009:13). The substance of qualitative research is the reconstruction of reality, which is reconstructing the reality of the subjects with regards to their social world (Khalid, 2009:81). Qualitative approaches have a similar objective in that they purpose to arrive at an understanding of a particular phenomenon from the perspective of those experiencing it (Vaismoradi *et al.*, 2013:398)

Yin (2011:7) argues that instead of trying to get to a singular definition of qualitative research, it may be better to consider five features of this type of research as detailed below:

- learning the meaning of people's lives, under real world conditions;
- representing the perspectives and views of the people interviewed;
- covering the contextual conditions within which people live;
- contributing insights into existing or emerging concepts that may assist in explaining human social behaviour; and
- using many sources of evidence rather than counting on a single source alone.

Kingsley, Phillips, Townsend and Henderson-Wilson (2010:5) postulate that qualitative research explores perceptions, interpretation, and beliefs of a particular population to comprehend a particular issue from the viewpoint of a group of participants. Qualitative methodologies are not just one research approach, but other epistemological perspectives and pluralism have produced a range of approaches like phenomenology, ethnography, grounded theory, narrative analysis, action research, and discourse analysis. (Vaismoradi *et al.*, 2013:398).

The phenomenological approach was used for this study. The qualitative research is phenomenological as it attempts to understand participants' perspectives and views of social realities to investigate communicative decision-making in the relationship between corporates and their NGO recipients (Leedy & Ormrod, 2010:108). The term phenomenology refers to a person's perception of the meaning of an event, as opposed to the event itself, as it exists external to the person (Leedy & Ormrod, 2010:141). This research focuses on both phenomena that occur in natural settings and involve studying the phenomena in all their complexity. These are two factors that Leedy and Ormrod (2010:135) see as common to qualitative approaches.

Bastug *et al.* (2017) argue that phenomenology aims at obtaining a deep comprehension of our day-to-day experiences and their nature and it brings individuals' perceptions and experiences from their own perspective to the forefront. In this case, the daily experience and phenomenon is 'communicative decision-making in the relationship between corporate donors and their NGO recipients.

Phenomenology takes the intuitive experience of phenomena as the starting point and attempts to remove from it the essential features of experiences and the essence of what is experienced. Phenomenology has been conceptualised as a philosophy, a research method, and an overall perspective for qualitative research (VanScoy & Evenstad, 2015:339).

There are two variants in the phenomenological tradition: "descriptive" and "interpretive" or hermeneutic phenomenology. Pure phenomenological research's aims to describe rather than explain, and to begin from a perspective that does not have hypotheses nor one that is preconceived research (VanScoy & Evenstad, 2015:340). This study follows the tradition of interpretive phenomenology. The experience is investigated at first hand and data are collected from the people who have lived or are living the experience.

The following listed below are appropriate descriptors that best describe the broad research design of the proposed study.

- **Empirical study:** The study is an empirical study as the researcher has collected and analysed primary data.
- **Applied research:** Leedy and Ormrod (2010:41) assert that applied research can inform human decision-making about practical problems; and that at times applied research addresses questions with the goal of solving a continuing problem. This research is taken to inform decision-making regarding the funding of NGOs.
- **Exploratory study:** Robson (in Saunders *et al.*, 2009:139) defines an exploratory study as a valuable way of finding out what is happening; to search for new insights; to ask questions; and to assess phenomena in a new light.
- **Cross-sectional research:** The study is cross-sectional. Saunders *et al.* (2009:155) define cross-sectional research as the study of a particular phenomenon at a particular time. It also focuses on corporates and NGOs that are in a funding and beneficiary relationship over a specific period of time, although the study will not have longitudinal characteristics.
- **Primary data:** Primary data are data collected particularly for a research project being undertaken (Saunders *et al.*, 2007:607). This study collected primary data through 16 individual interviews, with eight corporate participants who are involved in the funding of NGOs and eight participants from NGOs who have received funding from the identified corporates.
- **Qualitative data:** The data collection method used for this study is individual interviews, in order to collect qualitative data. For Saunders *et al.* (2007) qualitative data refer to non-numerical data. It can also refer to data other than words, such as pictures.

5.2.1 Sampling

Sampling is the process of selecting part of a larger group of participants with the intent of generalizing from the sample to the population (Gliner *et al.*, 2017:137). The purposive sampling method has been adopted in this study. Saunders *et al.* (2010:237) argue that purposive sampling assists one to use their judgement to choose cases that will best allow them to answer their research questions and to meet their objectives. For Kin (2011), the goal of purposive sampling is to include those participants that will produce the most

relevant and ample data, given the topic of study; as well as those that will give the widest range of information and perspectives on the subject of study.

Maxwell (2009:235) argues that purposive sampling can be used to record sufficiently the heterogeneity in the population. He advocates that purposive sampling is used to attain “representativeness” or “typicality” of the settings, individuals, or activities selected and that a small sample that has been systematically selected for “typicality” and relative homogeneity, provides far more confidence that the conclusions sufficiently represent the average members of the population, than does a sample of the same size that incorporates substantial random or accidental variation.

Limitations of purposive sampling include that it is non-probability sampling and consequently the chances of the sample being representative of the total population is low, although it is dependent on the researcher’s choice.

The sampling decisions for this study were not made in isolation from the rest of the design. It took into account the researcher’s relationship with study participants; the feasibility of data collection and analysis; validity concerns; as well as the goals of the study.

5.2.2 Target population

The target population for this study is corporate funders who have funded NGO projects; and NGOs who have received funding from the same corporate organisations. As the research problem investigated the relationship between corporate donors and their NGO beneficiaries, both parties were interviewed. The representatives from corporate donors that were interviewed were CSR managers; while the representatives from NGOs that were interviewed were programme managers responsible for raising funds and reporting to the relevant corporate donors. According to Muller *et al.* (2014:5), anecdotal and scholarly evidence propose that corporate philanthropy decisions are not entirely calculative decisions made in isolation by corporate leaders who are rationally minded but that they are also associated with the mutually shared empathic need of employees to respond to the needs of others outside the organisation. Interviewing these employees therefore provided

insight into the decision-making processes taking place in the relationship between corporate donors and their NGO recipients.

5.2.3 Sample size

The sample comprises of 16 field studies. Field Studies 1 to 8 represents corporate organisations; while Field Studies 9 to 16 represents NGOs. Eight CSR managers, who have been involved in the decision-making processes to fund NGOs, were interviewed individually, after which eight representatives from eight NGOs who have received funding from the eight corporates were also interviewed. The sample size is therefore made up of sixteen individuals comprising eight from corporates and eight from NGOS. The corporates were from various sectors, including: financial, construction, scientific and manufacturing sectors. The NGOs were established; have been operating for more than three years; and are in a relationship with one of the corporates interviewed.

5.2.4 Participants

The table below shows the participating organisations and their field of work.

Table 5: Field studies 1 to 8 – Corporates

Field Study	Corporate Type
Field Study 1	Bank
Field Study 2	Multinational chemical company
Field Study 3	Property company
Field Study 4	Bank
Field Study 5	Food and beverage company
Field Study 6	Financial services/Insurance company
Field Study 7	Financial services/Insurance company
Field Study 8	Packaging company

Table 6: Field studies 9 to 16 - NGOS

Field Study	Corporate Type
Field Study 9	Early childhood development
Field Study 10	Feeding children
Field Study 11	Telephone counselling
Field Study 12	Youth empowerment
Field Study 13	Early childhood development
Field Study 14	Mathematics development
Field Study 15	Science centre that supports mathematics, science and technology
Field Study 16	Environmental, ecotourism, education and youth development

5.3 DATA COLLECTION

The first phase of the research involved the design of an administered interview schedule which was used to guide the collection of data in interviews. Semi-structured interviews involved talking to the participants and asking questions in conversation, with minor divergence, for more probing, to answer the question fully. The research interview, one of the most important qualitative data collection methods, has been extensively used in carrying out field studies (Qu & Dumay, 2011:238).

According to Qu and Dumay (2011) there are many decisions that must be carefully taken into account with regards to the interview design process. The decisions include how many interviewees will be required; who to interview; the type of interview to conduct; and how the interview data will be analysed (Qu & Dumay, 2011:238).

Eight essential questions were developed from the literature review. Extra probing questions were also developed to be used in the event that the initial questions do not

reveal all that is required. The probing questions were used throughout the interviews to develop the discussion. The interviews were not constrained by the interview guide – rather, the researcher allowed the participants to lead the way. Flexibility in questions was also used to explore other issues. The time length of the interviews varied from one to two hours.

Tull and Hawkins (1990: 393) explicate that individual in-depth interviews are especially appropriate for detailed probing of an individual's behaviour, need or attitude, particularly when the subject-matter is confidential or emotionally charged and where a highly detailed step-by-step comprehension of decision-making patterns is required and the interviews are conducted with professional people. The in-depth interviews gave the participants an opportunity to express themselves and to discuss some sensitive issues where applicable. The interview schedule was semi-structured and gave the participants the opportunity to participate in open-ended discussions. The interview questions acted as a guide which focused the discussions.

The questions in the administered interview schedule for which data collection was used, were derived from the literature review. The questions focused on asking about the participant's experience of the communicative decision-making process in the relationship between corporate donors and NGO recipients. Eight main questions were asked; while sub-questions were used as probing and follow-up questions. The participants were asked questions on how they experience the relationship in terms of the criteria indicated in the table below.

Table 7: Administered interview schedule used in data collection

ITEMS	PROBING QUESTIONS
How do you view your broad philosophy or your approach towards CSR?	<ul style="list-style-type: none"> • Is it CSR/CSI/Corporate Citizenship/Corporate Performance/Shared value?
What legal considerations, if any, do corporates in SA consider when deciding	<ul style="list-style-type: none"> • Are there any laws/policies that you take into account when funding?

<p>who to fund; and what legal considerations do NGOs follow when they consider who to accept funding from?</p>	<ul style="list-style-type: none"> • Do you consider the B-BBEE Act in your funding decisions? • How do you address the principles in King III and King IV? • Do you have an Integrated Sustainability Reporting system that you follow?
<p>What are the strategic decision-making processes that companies follow when deciding who to fund or to accept funding from in the case of NGOs?</p>	<ul style="list-style-type: none"> • What factors affect your funding decision-making processes (the definition of the problem, the existing rules, the order in which alternatives are considered, and anything that affects aspirations and attention)? • How do you clearly identify the objectives or outcome you want to achieve in your decision-making? • Do you do any research on the NGOs/corporate you want to fund/be funded by to gather as much information you can to assess your options? • Do you elaborate on several possible choices in accordance with your values, interests and abilities regarding each course of action and how do you estimate if it's acceptable to fund a certain NGO? • Do you make a brief list of pros and cons, along with what you consider to be very important/important/less important when deciding which NGOs to fund? • Do you learn from previous experience and ask for opinions from other corporates who had a similar situation to contend with?

	<ul style="list-style-type: none"> • Do you take societal needs into consideration when determining your giving strategy? • Do you have long-term partnerships with NGOs/corporates, and if so, what determines your decision whether to have short-term or long-term relationships? • Does your company have the responsibility to bring business and community together? • When making decisions to fund NGOs, what internal and external factors do you consider? Does the management team's characteristics also affect these decisions? • Are your decisions to fund or receive funding consistent with the organisation's broader interests?
<p>How does strategic decision-making take place in the relationship between corporate donors and their stakeholders (including NGOs)?</p>	<ul style="list-style-type: none"> • How do you decide which causes to fund and which not to fund? • What structures do you have in place that support your strategic decision-making? • Who decides which NGOs to fund? Is it a person, committee, or department? • In making your decisions, do you use previous experience, intuition or empiric common sense? • Do your relationships with NGOs provide corporations with access to different resources, competencies and capabilities? • What processes do you have in place to establish and build relationships with NGOs? • Are you deliberate about putting into place approaches that put emphasis on

	<p>communication and reflection in your decision-making?</p>
<p>In what ways do corporates expect NGOs to demonstrate stewardship of funds donated to them?</p>	<ul style="list-style-type: none"> • Is stewardship of donor funds a contractual obligation? • In your stewardship, who are you accountable to – donor, beneficiaries, community, board, mission, staff, public and other stakeholders etc.? • What expectations are there from both parties in terms of stewardship and how are they communicated? • What types of reports do you generate regularly to share with your stakeholders to communicate your progress and sustained success other than financial reporting? • Do you keep a balanced scorecard report? • How important/significant is trust in this partnership?
<p>How is the communication between corporates and NGOs and other stakeholders managed?</p>	<ul style="list-style-type: none"> • Through which channels do you communicate with potential beneficiaries and current beneficiaries about your funding e.g., print website, magazines, SANGONET, other networks? • Which type of communication reaches more of the people that you are targeting? • How often do you communicate with your beneficiaries? • What role does convincing information play in your communication processes?

	<ul style="list-style-type: none"> • Do you treat all your beneficiaries/donors the same or do you treat your strategic partners better, depending on the level of investment?
<p>In what ways do corporates manage the relationship with their stakeholders (including NGOs) and <i>vice versa</i>?</p>	<ul style="list-style-type: none"> • Does your organisation have sound communication policy guidelines? • In what ways do you encourage dialogue between yourself and the NGOs you fund? • Which dialogue methods listed below do you use: consultation, engagement, participation, collaboration, partnership, or bargaining? • Do you take feedback from NGOs into account in your decision-making process so that you can negotiate mutually beneficial outcomes? • How transparent are you with your stakeholders? • What information do you share with your stakeholders and how is the decision made to share this information? • What communication channels do you use when engaging your stakeholders? • Do you have an Integrated Sustainability Reporting system that you follow? • How are decisions on communication with different stakeholders made in terms of what to communicate; how to communicate effectively to the different stakeholders in such a way that the reputation of the company is not affected; and in terms of how relationships with the stakeholders are being maintained both internally and externally?

	<ul style="list-style-type: none"> • Do you involve your stakeholders in the decision-making process? If so, how? • Is mutual understanding and meaningful communication important in your relationship with the NGOs you fund? If so, how? • Is it important to you to focus on satisfying NGO partners' interests? • Are you involved in any joint problem-solving with the NGOs you fund? • Do you strive to reach agreements that add value for all your partners? Is this important to you? • Do you think that if NGOs are to develop relationships with the private sector that are beneficial for both of them, and the communities they work with, that they must bring their systems and policies for private sector engagement up to date with the new realities? • What new realities are emerging in the relationship between NGOs and corporates? • What do you think those systems and policies to engage the private sector are? • Is it important for NGOs to have a more sophisticated understanding of the role the private sector plays in development, as well as its potential impacts – both positive and negative? • Are you acknowledging the diversity of actors included within the broad category of the 'private sector'?
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	<ul style="list-style-type: none"> • Do you have an awareness of the different relative positions of power of NGOs and corporations, and if so, what are those? • Is your communication frequency and depth of information shared differently depending on the power relationship you have with the stakeholders? • Are your communication methodologies to your stakeholders dependent on a focus on the situation and the issues at hand? If so how?
<p>How important is reputation to a corporate when choosing which NGOs to strategically partner with and <i>vice versa</i>?</p>	<ul style="list-style-type: none"> • Has giving to NGOs improved your brand? • How do you reduce/mitigate risk when deciding on which NGOs to partner with? • Are power imbalances between corporates and NGOs a risk faced by NGOs? • Do NGOs and corporates have different relative positions of financial, economic, social, and political power? • Do you have anyone in your company who monitors your reputation by following how third parties view your company? • Do you consider protecting your company's reputation to be 'critical' and do you view it as one of your most important strategic objectives? If so, how? • Do you think your philanthropic and social responsibility efforts improve your reputation and brand?

5.3.1 Research procedures

The following section describes the research procedures that were taken into consideration by this research. It details the different thinking and steps that the researcher took to ensure that the research is sound.

5.3.1.1 Pilot testing

Before using the interview schedule to collect data, a pilot test interview was done. The purpose of the pilot test was to refine the interview schedule to ensure that participants will have no problems with answering the questions and also that there will be no problems with recording the data. In addition, this also enabled the researcher to obtain some assessment of the questions' validity and the reliability of the data to be collected (Saunders *et al.*, 2009:394).

The pilot testing was used to determine the following as suggested by Bell (2005) (in Saunders *et al.*, 2009:394).

- How long the interview took to complete?
- The clarity of instructions.
- Which, if any, questions were unclear or ambiguous?
- Which, if any, questions the participants felt uneasy about answering?
- Any other comments.

5.3.1.2 Data collection time frame

The collection of data from all 16 individual interviews took five months from November 2016 to April 2017. Appointments were made depending on the availability of the participants, after which the interviews were conducted.

i. Data recording and storage

During the interviews, data were audio recorded and notes were also taken. To ensure that no data were lost, the data were transcribed verbatim and stored on the computer, on a backup external hard drive, on email, as well as on a server.

ii. Accuracy and completeness of data

Accuracy and completeness of data were checked through qualitative triangulation. Yin (2011:81) argues that triangulation can be applied throughout a study although the practice is usually associated with a study's data collection phase, where different kinds of sources can be used. The literature review and data from the individual interviews, as well as the recording of the interviews (with the participants' consent) contributed to the accuracy and completeness of data.

iii. Confidentiality and consent

The principles of confidentiality and consent have been explained to the participants. The researcher explained to them in the in-depth interviews that their participation is voluntary and that they can withdraw at any stage. She furthermore explained the confidential nature of the research and asked the participants to sign a consent form. She also explained that data will be maintained in a way that prevents inappropriate disclosure of participants' identifiable information.

iv. Bias errors

Bias can be defined as when the comments, tone or non-verbal behaviour of the interviewer influence the manner in which the participants respond to the questions being asked (Saunders *et al.*, 2009:326). This could be as a result of the interviewer imposing his/her beliefs and attitudes through the questions asked. Alternatively, bias can also result when the participants see the interviewer in a certain light and give him/her information they think he/she wants to hear.

To reduce these bias errors, the interviewer was aware that she needed to be self-aware and ensure that her non-verbal behaviour did not affect the participants. The researcher also needed to explain to the participants that they needed to be honest and say what they really mean and not what they think the interviewer wanted to hear as it was their experience that was needed.

v. Reliability

Reliability is the consistency with which a measuring instrument produces a certain result when the entity being measured has not changed (Leedy & Ormrod, 2010:29). For Kapoulas and Mitic (2012:362), the challenge of replicating qualitative research insights is mostly linked to the issue of the reliability of qualitative research; reliability testing is the most unclear area in qualitative studies. Reliability of qualitative research can be safeguarded through systematic operation at the level of research design through continuous awareness and reference to the existing theoretical research models and concepts; and a detailed account of the research steps taken as a reference for future replication (Kapoulas & Mitic, 2012:362).

The researcher kept the notes that were taken during the interviews, as well as the transcribed material, and made notes relating to the chosen research design and reasons for choosing this strategy so that any other researcher will be able to reanalyse the data.

vi. Validity

Saunders *et al.* (2009:157) argue that validity's concern is on whether the findings are about what they may appear to be about. For Leedy and Ormrod (2010:29), the validity of a measurement instrument reflects the extent to which the instrument measures what it intends to measure. The researcher was aware of possible factors that could threaten validity, such as history, maturation and ambiguity, and had asked more leading questions to make sure that what the participants meant was recorded.

vii. Trustworthiness

Anney (2014:272) posits that qualitative researchers consider dependability, credibility, transferability and confirmability as trustworthiness criteria to ensure the rigour of qualitative findings. Elo, Kääriäinen, Kanste, Pölkki, Utriainen and Kyngäs (2014:1) posit that the aim of trustworthiness in a qualitative inquiry is to support the argument that the inquiry's findings are worth paying attention to.

For the evaluation of the rigour of this study, Guba's (1981:80) Model of Trustworthiness was used at different levels of the study, including the way data was collected and the selection of the most appropriate data collection method for ensuring credibility of the content analysis and by reporting the process of content analysis accurately and in detail.

viii. Triangulation

Saunders *et al.* (2009:146) define triangulation as the use of different data collection techniques within one study in order to make certain that the data are saying what one thinks it is saying. Triangulation in this case was done by comparing the literature review and the in-depth interviews. This has also reduced bias.

5.4 DATA ANALYSIS

This study follows the thematic analysis model using the Leximancer data analysis tool. Before obtaining the final Leximancer results, the data were also analysed manually to make sure that the themes from the literature review are included in the analysis.

Vaismoradi *et al.* (2013) argue that qualitative content analysis and thematic analysis are both frequently used approaches in data analysis, but differences between the two have not been clearly specified as they are often used interchangeably.

Both content analysis and thematic analysis share the same objective of analytically examining narrative materials from life stories by breaking the text down into fairly small units of content and putting them under descriptive treatment (Vaismoradi *et al.*, 2013:400).

5.4.1 Thematic analysis

According to Braun and Clarke (2006:78) thematic analysis ought to be seen as a foundational method for qualitative analysis. It also provides core skills that can be valuable for carrying out other forms of qualitative analysis and provides an accessible and theoretically adjustable approach to analysing qualitative data.

Braun and Clarke (2006:79) postulate that thematic analysis is a technique for identifying, analysing and reporting patterns (themes) within data that minimally organises and describes the data set in detail.

According to Aronson (1995), the foremost step in thematic analysis is to collect the data. Thereafter to study the session of an ethnographic interview, audiotapes should be collected. From the transcribed discussions, patterns of experiences can be noted. This can either be taken from quotations taken directly from the interview or by rephrasing common ideas.

Aronson (1995) postulates that the next step to a thematic analysis would be to identify all the data that relate to the patterns already categorised. All parts of the interview that fit under the specific pattern are identified and placed with the corresponding pattern. Thereafter, the analyst would join and put related patterns into sub-themes. Themes are defined as units taken from patterns, for instance, vocabulary, conversation topics, meanings, feelings, recurring activities, or folk sayings and proverbs (Taylor & Bogdan, 1989:131, in Aronson, 1995). Themes are identified by compiling together components or fragments of ideas or experiences, which are normally meaningless on their own (Leininger, 1985:60, in Aronson, 1995).

Emerging themes from the participants interviewed are patched together to form a complete image of their collective experience. The logic of ideas is with the analyst who has cautiously scrutinised how different ideas or components fit in a meaningful manner when linked together. Aronson (1995) argues that it is easy to see patterns emerging when collecting sub-themes to get a complete view of the information. Thereafter, the analyst would need to build up a valid reason for selecting the themes by going back to the literature review. This offers the analyst with information that lets him/her make extrapolations from the interview.

5.4.2 Data analysis process

Gebauer, Tang and Baimai (2008) highlight that when people organise text in line with a pre-set classification system, non-automated content analysis occurs. However, a computer typically conducts automated content analysis.

The data that were analysed for this study were analysed by means of both non-automated (manually) and automated content analysis, for which Leximancer software was used. Following the qualitative data analysis model provided by Braun and Clarke (2006), the data analysis was conducted using the following six phases of thematic analysis:

1. Familiarisation of the data;
2. generating initial codes;
3. searching for themes;
4. reviewing themes;
5. defining and naming themes' and
6. producing the report.

5.4.2.1 Phase 1: *Becoming familiarised with the data*

For this research, the data were collected through in-depth interviews that were recorded. The researcher used concepts in the theory to help formulate items for the interview schedule. As a result, the researcher came to the analysis with some prior knowledge of the data as well as some initial analytic interests or thoughts based on the literature review.

The study takes a deductive approach to data analysis. The deductive approach provides key themes and patterns to search for in the data. As suggested by Saunders *et al.* (2009:502), the researcher carried out research and conducted analysis through attaching units of data to categories, and then examining these for emergent patterns.

In order to conduct the thematic analysis, the interviews were transcribed verbatim into written text and the data were cleaned to make sure that there were no spelling errors and that it was accurate, as this would impact on the quality of the data. To ensure accuracy, the recorded interviews were played as the transcribed data were read to make sure any errors

were corrected. Transcribing all 16 interviews offered another opportunity to become familiar with the data and a deeper understanding of the data was gained through having the researcher transcribe it herself. The researcher then read and re-read the data actively to familiarise herself with the data set and to search for meanings, patterns and trends. This took place in the early stages of the analysis.

5.4.2.2 Phase 2: Generating initial codes

Braun and Clarke (2016) highlight that Phase 2 begins when the analyst has read and familiarised him/herself with the data and created a preliminary list of ideas about what is in the data that which is of interest to him/her.

The administered interview schedule for this study was based on literature and theory. As a result, the researcher approached the data with specific research questions in mind that she wished to code around (Braun & Clarke, 2006). During this phase, the concepts and themes from literature were used for initial manual coding to see if what she acquired from the interviews was the same as what was found in the literature review.

5.4.2.3 Phase 3: Searching for themes

When Phase 3 began, all data had been primarily coded and collated and a list of different codes had been identified from the data set. This phase re-focused the analysis at the wider level of themes, rather than codes; involved sorting the different codes into potential themes; and ordered all the relevant coded data extracts within the identified themes (Braun & Clarke, 2006). This was done before using the Leximancer 4.5 data analysis tool.

5.4.2.4 Phase 4: Reviewing themes

Phase 4 began when the researcher devised a set of candidate themes, and the refinement of those themes (Braun & Clarke, 2006). For this phase, Leximancer 4.5 was used. Leximancer automatically removes conjunctions, pronouns and two-letter words from the analysis, and provides users with the option of merging or taking out words as necessary (Robson, Farshid, Bredican & Humphrey, 2013:527).

When running the interviews through Leximancer, the software generated its own themes. The researcher verified the themes to see if they were relevant to the study. She had to clean some of the auto-generated terms that were unrelated to the research and that may have been used regularly by the participants (depending on the person being interviewed and how they used certain words and phrases e.g. “you see”, “for example”, “actually”, “probably”, “suppose” etc.) Some of these words would form a theme in some of the interviews. Such themes were deleted as they were meaningless to the research, and were thus excluded from the thematic concept analysis.

Another manual intervention entailed merging similar words into singular preliminary concepts. For example, the terms “decision”, “decisions”, “decide” and “decided” all embrace a similar concept and were therefore merged into one word. In some cases different auto-generated themes were also collapsed into one as the participants had used the words interchangeably or they meant the same. An example would be “corporates”, “firms” and “companies”. These were all collapsed into one word: “corporates”.

The researcher would check if the seven themes from literature that were included in the administered interview schedule were also included in the auto-generated themes. If any of these themes were not included, the research would use the “user-generated” option provided by the Leximancer software to manually add some of them so that all the interviews could be analysed using the same themes.

5.4.2.5 Phase 5: Defining and naming themes

At this point, the researcher defined and further refined the themes that were uploaded for analysis, and analysed the data within them. Define and refine (Braun & Clarke, 2006) refers to identifying the “essence” of what each theme is about and determining what aspect of the data each theme captures.

Concept maps were then generated using Leximancer 4.5, from which a detailed data analysis of the concept maps was conducted. This included identifying the story told by each theme, as well as relating the relationships between the themes.

5.4.2.6 Phase 6: Producing the report

According to Braun and Clarke (2006), Phase 6 begins when a set of fully worked-out themes is now available. It also entails the final analysis and write-up of the document. In this study, the data analysis is detailed in Chapter Six where each theme, and how it is related to the other themes on the concept maps, are discussed.

The software was instructed to generate a concept map which showed the themes as well as the relationships between the themes. The themes and concepts were represented visually using cognitive mapping. The broad themes and concepts, including the meaning of words, were then further explored, after which the concept maps were interpreted and analysed.

The Leximancer 4.5 concept maps show the theme depicted by a circle - within each theme there are concepts that make up that theme. The concepts assisted in refining the themes during the data analysis phase.

5.4.3 Leximancer 4.5

Leximancer, a data-mining content analysis software package that finds key objects and/or words in texts based on how often they are mentioned, as well as on the spatial proximity between those words, was chosen as a data analysis tool above others. Leximancer was chosen mainly because it aids the researcher to manoeuvre the complex text more flexibly and is more analytically wide-ranging than its competitors (Robson *et al.*, 2013). Leximancer was also preferred because it is particularly well suited to exploratory research with widespread mental models, and also because it facilitates the reliable and reproduces extraction of concepts and thematic clusters. Leximancer was also chosen because it can be used to analyse the content of collections of textual documents and to visually display the selected information (Smith & Humphreys, 2006).

The programme searches for context and goal-dependent models of meaning in texts as well as whether these meanings are altering over time. It creates word lists by assessing the contextual co-locations of words through “term-occurrence information, for instance co-

occurrence, positions and frequencies of nouns and verbs” in text, suggesting clusters of meaning centred on word grouping (Crofts & Bisman, 2010:187). It computes the frequency with which each term is used, after discarding text items that do not have any research relevance (such as 'a' or 'the'), but does account for every available word in the final list.

Leximancer can easily manage large volumes of data text that is not structured. Unlike other simpler analysis tools, Leximancer can pick up ‘concepts’ within the text rather than just keywords, and delivers focus on developmental ‘discovery’ and not just ‘data exploration’ (Robson *et al.*, 2013). The ‘discovery’ element is vital to ‘true meaning’. Furthermore, the use of “interconnectedness and co-occurrence” inside the software drastically increases the understanding of the study within its context (Robson, *et al.*, 2013).

Leximancer produces themes by aggregating concepts. Aggregation levels differ to gain larger insight on the interconnection between concepts (Crofts & Bisman, 2010). During a Leximancer qualitative analysis the following apply:

- coding is performed to condense text collection to categories (i.e. concepts);
- the analyst can seed concept or find out concepts during analysis; and
- concepts and their relationships form the foundations for pull-out meaning.

According to Dutot, Galvez, and Versailles (2016:373) the Leximancer programme performs the following functions:

- populates a ranked list of terms using indirect and semantic extraction from the text;
- utilises these terms to propagate a thesaurus builder that forms classifications from “iteratively extending the seed word definitions” in an intelligent manner (Smith, 2006:4) beyond the connections of just two keywords;
- depicts weighted term classifications as concepts that constitute a concept index; and
- generates concept maps that contain a third hierarchical classification through applying co-occurrence matrices and clustering (Dutot *et al.*, 2016:373).

This software carries out both thematic and relational analysis of the text based on the Bayesian theory and learns at the same time as analysing the text. The outcome from the analysed text is a concept map, which displays the main themes from the analysed content, linked by clusters of related concepts (Beninger, Parent, Pitt & Chan, 2014:173).

Concepts that are physically closer in proximity or overlapping on the map are closer linked in the text, and darker circles on the map indicate the larger importance of that theme (Robson *et al.*, 2013; Campbell *et al.*, 2011).

At the end of the day, the programme's function discovers and organises the words that are most common in any body of text. As soon as Leximancer identifies a concept, words that are closely related to that concept are established; this process produces themes around particular groups of concepts. As a result, Leximancer permits common themes and concepts to be extracted and defined through how they are related to other words comprised in the text. The approach to this analysis is to mention that individual words from the text will not be referred to as 'themes'; but will be referred to as 'identifiers'. Themes will be shown through the 'theme maps' generated by the software, that include a representation of multiple 'words' or 'identifiers' (Robson *et al.*, 2013; Campbell *et al.*, 2011:527).

The output generated by Leximancer is a 'concept map' or a 'theme map' that visually portrays the major concepts and themes as well as the link between them. It portrays the comparative significance of concepts and themes through the size of the circle, colour-coding of the circles and the space between themes. The exceptionally important themes to the content analysed are illustrated by huge, luminously colourful circles. Over and above that, Leximancer utilises space to portray the relationships between concepts and themes. The components that occur closely and near to one another have a close relationship while those items that are separated by some distance are less closely related (Robson *et al.*, 2013; Campbell *et al.*, 2011:527).

Big circles connote important themes from a document, and dots represent concepts. Brighter (lighter-coloured) and larger theme circles and concept dots signify larger

importance within the text. Concepts that are close together or overlap in the map mean they also appear close together in the text. Concepts that are directly related, but not necessarily strongly semantically linked, are shown far apart on the concept map, while concepts that are strongly semantically linked will be close to each other on the concept map (Rooney, 2005, in Campbell, Pitt, Parent & Berthon, 2011:92). Thus, concepts that occur in very similar semantic contexts will form clusters. The researcher can then use the map to show an overall representation to guide interpretation.

Leximancer's algorithm is founded on Bayesian theory. As evidence mounts, the level of belief in a relationship or hypotheses shifts. When this is used on text, the words in a sentence predict the concepts that come up and can be discussed. The tool automatically learns which words predict which concepts including large numbers of concepts in large volumes of documents. A vital component of these concepts is that they are pre-defined using just a small number of seed words, or even just one word (Rooney, 2005, in Campbell *et al.*, 2011:92).

The concepts are more than key words—they are best considered as collections of words that “travel together.” The extracted concepts are demonstrated on a map that details the relative importance of concepts, and the strengths between them (Campbell, Pitt, Parent & Berthon, 2011:92).

Leximancer was used for exploring ‘communicative decision-making in the relationship between corporates and NGOs’, as well as the relationships and links between other themes and concepts derived from the literature review.

5.4.3.1 Strengths of Leximancer

Leximancer has various strengths as an analysis tool. It is flexible and it's an easy and quick program to learn and use. This software can be used by researchers who do not have much experience in qualitative research.

One of the advantages of Leximancer is that pronouns and conjunctions are automatically excluded from the analysis. This is because the tool builds concepts and does not just

rigorously count words. Another advantage is its skill to manage all formats of text, including the short and grammatically flawed comments characteristic of the ones posted to sites like YouTube (Campbell *et al.*, 2011).

Leximancer has been utilised for both conceptual and relational analyses of textual data and has proved that it is effective and accurate. It is suitable for exploratory research of widespread mental models as it facilitates the reliable and “reproducible” extraction of concepts and thematic clusters (Smith & Humphreys, 2006).

5.4.3.2 *Limitations of Leximancer*

Specifically, automated content analysis can result in better reliability of the findings, and a greater ability to manage large amounts of text. However, as Gebauer *et al.* (2008) point out, automated content analysis is restricted in its ability to show the communicative intent of word usage or symbolic meanings of words (Robson *et al.*, 2008).

Constraints include:

- The amount of words chosen per block of text, as well as the relative frequency that terms are used.
- Homography is problematic in that individual words can have many literal meanings. Context is a problem as the theoretical meaning of a word may be changed by the presence or absence of other words (Hobolt & Klemmensen, 2005:387, in Crofts & Bisman, 2010:192).
- The valuation of the concept maps is interactive. This valuation of the concept maps is a limitation of the study, as it is integrally subjective in nature.
- Qualitative research tools are characteristically subjective, and rely on people’s interpretation to get meaning from the data (Campbell *et al.*, 2011:92).
- Another limitation of Leximancer maps is that the maps are essentially just snapshots in time. They capture the essence of the text at a particular time that it is copied and pasted into the tool for analysis, not as it might have been before, nor as it might be at some point in the future (Campbell *et al.*, 2011).

5.5 SUMMARY

The chapter explored the research design of the study, which is qualitative with a phenomenological approach. Purposive sampling was discussed expanding on the target population of the study (corporate funders who have funded NGO projects; and NGOs who have received funding from the same corporate organisations). The sample size, made up of sixteen individuals comprising eight from corporates and eight from NGOs, was discussed.

Furthermore, the data collection tool being an administered interview schedule was discussed from its design to its administration in the interviews. The chapter further discussed how data was analysed using both manual methods and the Leximancer 4.5 software. The chapter concludes with a discussion on the strengths and limitations of the Leximancer 4.5 software.

CHAPTER SIX: RESEARCH RESULTS

6.1 INTRODUCTION

Chapter Six documents the results from the 16 field studies – eight corporate organisations and eight NGOs that have received funding from the corporates. To obtain the results, the researcher transcribed all the interviews and then used the Leximancer data analysis tool to analyse the data. The results were generated from Leximancer.

Results from the Leximancer analysis reveal the most common themes and concepts that both corporates and NGOs use to describe their experience of the relationship between them. A Leximancer theme map was created for each of the interviews held.

Field Studies 1 to 8 depict results from interviews with corporate participants and Field Studies 9 to 16 from NGOs.

6.2 FIELD STUDY 1

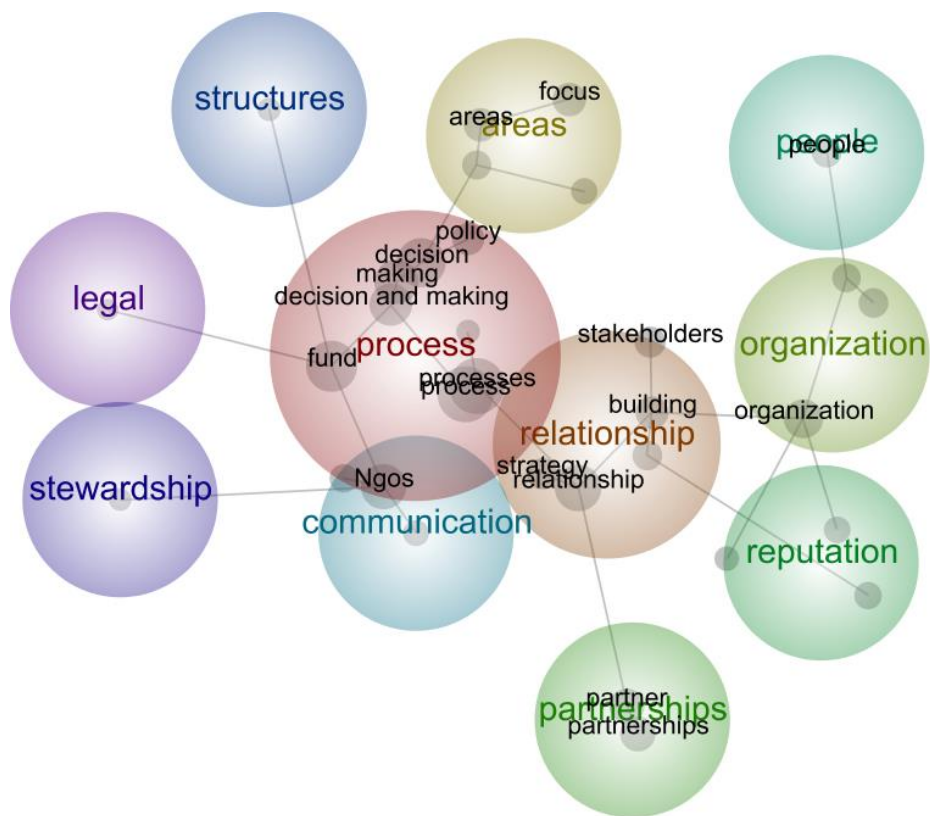


Figure 6: Field Study 1 Concept Map

Table 8: Shows Field Study 1 concept map results

No	Theme	Number of hits	Relevance	Concepts
1	Process	78	74%	Process, processes, fund, decision, NGOs, making, decision-making and policy
2	Relationship	40	69%	Relationship, building, stakeholders, strategy
3	Organisation	29	83%	Organisation
4	Partnerships	17	49%	Partnerships, partner
5	People	15	43%	People
6	Areas	15	31%	Focus, areas
7	Reputation	11	31%	Reputation
8	Communication	7	20%	Communication
9	Structures	5	14%	Structures
10	Legal	4	11%	Legal
11	Stewardship	4	11%	Stewardship

This particular corporate's sustainability philosophy is *corporate citizenship*.

6.2.1 Theme 1: Process

The Process theme received 78 hits, which were the most for this theme; it has 74% relevance in relation to the rest of the themes. From the concept map above, it has the biggest and the darkest circle showing the importance of the theme.

This shows that process is a very central theme in this organisation and it links to all the other themes identified.

Internal links/relationships

The Process theme has the following concepts embedded in it - *process, processes, fund, decision, NGOs, making, decision and making and policy*. This shows that for this organisation, process, processes, fund, decision, NGOs, making, decision and making, and policy are vital concerns in decision-making between this organisation and its NGO funding recipients.

The decision-making processes undertaken by this organisation include developing a policy which guides them on who they can fund.

External links/relationships

Process as a theme is directly linked to 6 other themes. These are: Relationship, Areas, Communication, Structures, Legal, and Stewardship. This shows that for this organisation, processes are important and engrained in their decision-making process to fund NGOs.

Process is important in determining whether or not the corporate and the NGO have a relationship before funding, as well as a continued relationship after funding. It is also important in determining the focus areas the organisation follows in its corporate citizenship strategy. The link to the Communication theme also shows that communication processes are important in the decision-making process when deciding who the corporates fund. The link to the Structures theme shows that process is vital in their structures in the decision to fund. The link to the Legal theme shows that this corporate considers legal guidelines in their decision to fund. The link to the Stewardship theme shows that the stewardship process is important and will impact on the decision-making to fund.

Within the Process theme, the *fund* concept is inter-linked to the Communication theme through the *NGOs* concept which shows that there is a strong link and that communication is important for the funding of NGOs to happen. The Fund theme is also linked directly to the Legal theme and the Structures theme, which shows that funding to the NGOs is impacted on by the structures in the organisation, as well as legal considerations.

The Fund concept in the Process theme is related to the Stewardship theme via the Process theme's sub-theme NGOs, which shows that funding that goes through NGOs need to be accounted for through stewardship.

The Process theme overlaps into the Communication theme and the Relationship theme. This shows that the processes of decision-making, funding and policy can take place through relationships and communication.

6.2.2 Theme 2: Relationship

The Relationship theme had 40 hits, which is the second highest in this concept map; and it has 69% relevance in relation to the rest of the themes.

Internal links/relationships

The Relationship theme has the following concepts: *relationship*, *building*, *stakeholders* and *strategy*, which show that this corporate values building relationships with its stakeholders and its strategic partners. Strategy is also important to this corporate.

External links/relationships

The Relationship theme is related to five other themes, namely: Process, Communication, Partnerships, Reputation and Organisation.

The link to the Process theme is very strong, as part of the Relationship theme is actually embedded in the Process theme, and *vice versa*. This shows a very strong relationship between the two and that relationships are built through processes.

The link to Communication is very strong, almost intertwined. This shows that relationships are built through communication.

The link with *partnerships* shows that through the *relationship* between corporates and NGOs, a partnership forms.

The link with the Reputation theme shows that the relationship between corporates and NGOs will impact on each other's reputation. As a result, it is vital that the organisations do their due diligence before they partner with each other.

The link with Organisation shows the importance of the relationship between the organisations concerned.

6.2.3 Theme 3: Organisation

The Organisation theme had 29 hits and 83% relevance in relation to the rest of the themes. The Organisation theme refers to the NGOs that the corporate partners with.

Internal links/relationships

The highlighted concept here is *organisation*, as well.

External links/relationships

This theme is directly related to three other themes, namely: Relationship, People and Reputation.

The link to the Relationship theme shows the importance of relationships to this organisation. Through the Relationship theme, the Organisation theme is linked to the Partnership and Process themes, which show that the organisation forms partnerships with NGOs through relationships and relationship concepts, i.e. *stakeholders*, *relationship building*, and *strategy*. Through the same concepts again, Organisation is linked to Process, which is made up of: *processes*, *fund*, *decision*, *NGOs*, *decision-making* and *policy* as concepts.

The link with the People theme shows that the organisation is not just made up of processes and buildings but also of people. It is only through this link with organisations that people are linked to the other themes.

The link to the Reputation theme shows the importance of reputation to the organisation.

6.2.4 Theme 4: Partnership

The Partnership theme received 17 hits and 49% relevance in relation to the rest of the themes. Partnership refers to the partnership between the corporate and the NGOs it funds.

Internal links/relationships

The concepts in the Partnership theme are: *partnership* and *partner*.

External links/relationships

Partnership is directly linked to the Relationship theme. This shows that partnerships are formed through relationships. These are formed through the Relationship concepts, namely: *relationship building*, *stakeholders* and *strategy*.

Through Relationships, Partnerships is related to Processes, Reputation and Organisation themes.

6.2.5 Theme 5: People

The People theme received 17 hits and 49% relevance in relation to the rest of the themes.

Internal links/relationships

People refers to the people that this corporate works with. The People theme has *people* as a concept as well.

External links/relationships

The People theme links to all other themes via the Organisation theme. This shows that all the interactions with people take place through the organisation. Without the organisation, people wouldn't be able to relate to any of the other themes.

6.2.6 Theme 6: Areas

The Areas theme had 15 hits and 31% relevance in relation to the rest of the themes. The Areas theme is about the areas that this corporate's corporate citizenship programme focuses on.

Internal links/relationships

The theme has *focus* and *areas* as concepts. Together the concepts refer to the funding areas this corporate focuses on when funding NGOs.

External links/relationships

This theme is linked to other themes through *policy* and *decision-making* under the Process theme. Through the *fund* concept, it is linked to the Structures theme. From this it can be deduced that the focus areas of corporate are determined by the structures in corporate. Through *fund* in the Process theme, the Areas theme is linked to the Legal theme. Through *fund* and *NGOs* concepts, it is linked to Stewardship.

Through the Process theme, it is linked to the Relationship theme and Relationship links it to the Partnership, Reputation and Organisation themes. Organisation then links it further to the People theme.

6.2.7 Theme 7: Reputation

The Reputation theme received 11 hits with 31% relevance in relation to the rest of the themes. This refers to corporate image and how the corporate is viewed by stakeholders and others.

Internal links/relationships

The Reputation theme has *reputation* as a concept.

External links/relationships

This theme is directly linked to the Organisation theme as well as to the Relationship theme. This is because when the organisations are linked, the reputation of one organisation will impact on the other's reputation.

6.2.8 Theme 8: Communication

The Communication theme received 7 hits and has 20% relevance in relation to the rest of the themes. This refers to the communication between the corporate donor and its NGO recipients.

Internal links/relationships

The Communication theme has *communication* as a concept.

External links/relationships

Part of the Communication theme is embedded in the Process theme; and the NGO concept in the Process theme is embedded in the Communication theme. This shows that for this organisation, communication with and about NGOs is a big part of the *decision-making, policy* and *fund* processes that impact on *NGOs* - these are concepts found in the Process theme.

Communication with stakeholders goes through processes (*process, processes, fund, decision, NGOs, making, decision-making and policy*) first, which shows that this corporate has guidelines and a strategy for communicating with stakeholders, and relationship building is part of their communication with stakeholders.

For this organisation, Communication is linked to other themes, namely Stewardship, Structures, Areas and Relationship, via the Process theme.

The Communication link to People, Organisation, Reputation, and Partnership is through Relationships, via the Process theme. This shows that processes and the relationship are

both integral parts (channels) of communication, as communication flows through both of them in this organisation.

6.2.9 Theme 9: Structures

The Structures theme received five hits and has 14% relevance in relation to the rest of the themes. This refers to the different corporate structures, like the board and other committees who sit to decide where funding will be channelled.

Internal links/relationships

The Structures theme has *structures* as a concept.

External links/relationships

This theme is directly related to the Process theme. The Structures theme speaks to the decision-making structures in this corporate, which decide on the NGOs to fund. These structures include the board and other committees. As a result, Structure is directly linked to the Process theme, and it is through Process that it is linked to the other themes.

Structures is linked to the Communication theme through *fund* and *NGOs*, which shows that the decision-making structures determine which NGOs to fund, and this then reaches the NGOs and maintains the relationship through communication.

The Structures theme is linked to the Legal theme through *fund* in the Process theme. Both Legal and Structures meet at the *fund* concept. This means that both the decision-making structures and legal consideration determine the decision to fund.

The Structures theme links to Stewardship via *fund*, and then NGOs in the Process theme. This shows that the decision-making structures decide which NGOs to fund, after which the NGOs must show stewardship of the funds.

The Structures theme is linked to the Areas theme through the Process theme with its concepts of *fund*, *decision-making* and *policy*. This shows that the decision-making

structures through decision-making processes determine the focus areas they will concentrate on, which then becomes policy.

The Structures theme is connected to the Relationship theme through the concepts *fund*, *decision-making*, *processes* and *strategy*. This shows that the relationship between corporates and NGOs only develops when the structures endorse it through their decision-making processes and strategy.

Through Process and then Relationship, the Structures theme is linked to the themes of Partnerships, Reputation and Organisation, ultimately linking to People.

6.2.10 Theme 10: Legal

The Legal theme received three hits and has 11% relevance in relation to the rest of the themes. This refers to the legal considerations that this corporate has to adhere to in their funding strategy.

Internal links/relationships

This theme has *legal* as a concept.

External links/relationships

Legal is directly related to the Process theme through the Process *fund* concept. Through the *fund* concept, it then links to *decision-making*, then *policy* towards the Areas theme. This shows that funding is determined by legal considerations, as the decision to fund is determined by legal considerations and policy, which links to the focus areas determined by the organisation.

The other pathway links to Communication via the Process theme concepts of *fund* and *NGOs*.

Legal connects to Stewardship via the concepts of *fund* and *NGOs*, which shows that the funding of NGOs can be determined by legal considerations and thereafter, stewardship must be demonstrated by the NGOs.

6.2.11 Theme 11: Stewardship

The Stewardship theme had four hits and 11% relevance in relation to the rest of the themes. This refers to how NGOs account for the funds received from the corporate donor.

Internal links/relationships

It has *stewardship* as a concept.

External links/relationships

This is directly linked to the Communication theme through the *NGOs* concept which is embedded in both the Communication and the Process themes. This shows that it is the NGOs that communicate with corporate on how they have used the funds received from corporate.

The Stewardship theme is linked to the Legal, Structures, Areas and Relationship themes via the Process theme.

To get to the Legal and Structures themes, the Stewardship theme links with the concepts of *NGOs* and *fund*. This is related because it is the legal considerations and structures that determine whether funds get awarded to the NGOs in the first place.

Through the Relationship theme, Stewardship is linked to Partnerships, Reputation and Organisation, and ultimately to People through the Organisation theme.

6.3 FIELD STUDY 2



Figure 7: Field Study 2 Concept Map

Table 9: Shows Field Study 2 Concept Map results

No	Theme	Number of hits	Relevance	Concepts
1	Corporate	56	72%	NGOs, communication, reputation,

				stakeholders
2	Funding	40	100%	Funding, strategy, objectives
3	Decision	24	55%	Decision, processes
4	Need	13	45%	Need
5	Organisation	12	41%	Organisation
6	Goals	10	34%	Goals
7	People	10	34%	People
8	Partnerships	7	24%	Partnerships
9	Legal	3	10%	Legal

This corporate's sustainability philosophy is *corporate citizenship*.

6.3.1 Theme 1: Corporate

The Corporate theme received the most hits, 56, with a 72% relevance in relation to the rest of the themes. This theme refers to the corporate that has been interviewed.

Internal links/relationships

Within the Corporate theme, the highlighted concepts are: *NGOs, communication, reputation* and *stakeholders*. This shows that for this corporate, communicating with NGOs and other stakeholders is very important for both them and their reputation.

External links/relationships

The Corporate theme is linked to the Decision theme through the *communication* concept, as it is through decision-making processes and communication that the corporate makes a decision to fund or not to fund an NGO.

The Corporate theme is linked to the Funding theme via the Decision theme through the decision-making processes that the corporate goes through before it can decide which NGOs to fund or not to fund.

Through the *NGOs* concept, the Corporate theme is linked to the Stewardship and Goals themes. For Stewardship it shows that it is the NGOs' stewardship of funds that is required and for Goals it shows that their funding goals are executed through the *NGOs* they partner with.

The Corporate theme is linked directly to the Partnership theme, with the map results showing that the link is through the *reputation* concept. This shows that reputation is very important for this multinational company and that this is a huge consideration for the partnerships they enter into.

6.3.2 Theme 2: Funding

The Funding theme had 40 hits. Though this was the second largest number of hits, it had 100% relevance in relation to the rest of the themes. This theme refers to the funding that the corporate gives to different NGOs.

Internal links/relationships

The concepts in this theme are: *funding*, *strategy* and *objectives*. The *processes* concept, though mostly in the Decision theme, is also a part of the Funding theme. It is under funding that the funding strategy and objectives are determined through the decision-making processes to fund.

External links/relationships

Funding is directly related to the Decision theme as this corporate goes through decision-making processes that determine the funding.

The Funding theme is also directly linked to the Need theme via the *objectives* concept, which shows that the funding objectives are also determined by the need in society. The direct link to Organisation relates to organisations that get funding, as well as other stakeholders that this corporate interacts with. The link to Legal shows that the funding is also determined by the legal considerations that the corporate has to adhere to.

6.3.3 Theme 3: Decision

The Decision theme, which had 24 hits and 55% relevance in relation to the rest of the themes, is a central theme for this multinational organisation. The Decision theme refers to the decision-making processes that the corporate goes through to determine which NGOs to fund.

Internal links/relationships

This theme has *decision* and *processes* as concepts. It is in the theme that decision-making is conducted through the decision-making processes which include a Global Fund which allocates funds to the regional Head Quarters in Dubai. Thereafter, meetings with the Executive Committee members of the multinational company who determine the funding strategy are held. The strategy is then communicated to the country teams who will make their own funding decisions in the parameters of the strategy.

External links/relationship

The Decision theme is central for this organisation as the largest two themes, i.e. Corporates and Funding link through the Decision theme. This shows that for this corporate to get to fund an NGO, they first have to follow their decision-making processes.

The Decision theme is linked to every theme via other themes. It is linked to the Need theme, which depicts the need of the society via Funding. It is linked to Partnerships through Communication and Reputation. It is linked to Stewardship through Communication and NGOs. It is also linked to Legal through Funding.

6.3.4 Theme 4: Need

The Need theme received 13 hits and had 45% relevance in relation to the rest of the themes. The theme refers to the need of the communities that the corporate funds.

Internal links/relationships

The Need theme has *need* as a concept.

External links/relationships

This is directly related to Funding as it contributes to the determination of which NGOs funding is channelled to. Need is related to decisions via funding, as it influences the decision of what the funding is directed towards.

6.3.5 Theme 5: Organisation

The Organisation theme received 12 hits and 41% relevance in relation to the rest of the themes. Organisation in this case refers to other organisations outside this particular corporate.

Internal links/relationships

The theme has *organisation* as a concept.

External links/relationships

The Organisation theme's only direct link is with Funding as the funding is provided to other organisations, in this case NGOs.

The Organisation theme is linked to the Decision theme through the Funding theme, as it is through the decisions that funding is made to other organisations.

Organisation is also linked to *NGOs* and other stakeholders through the Funding and Decision themes and the concept of *communication* in the Corporate theme.

6.3.6 Theme 6: Goals

The Goals theme had 10 hits and relevance in relation to the rest of the themes of 34%. It refers to the funding goals of the corporate.

Internal links/relationships

The theme has *goals* as a concept.

External links/relationships

This is directly related to the Corporate theme via the *NGOs* concept. The goals here refer to the goals that determine the funding strategy of this organisation. These goals determine how the corporates relate to the NGOs and how decisions to fund are determined.

6.3.7 Theme 7: People

The People theme received 10 hits and 31% relevance in relation to the rest of the themes. This refers to people in the population in general.

Internal links/relationships

The People theme has *people* as a theme

External links/relationships

This theme is directly related to Partnerships as it is through partnerships that these people are brought into the corporate relationship. Through the Corporate, Decision and Funding themes, the People theme is introduced to the whole decision-making process between this corporate and the NGOs it funds.

6.3.8 Theme 8: Partnerships

The Partnerships theme received 12 hits and has 24% relevance in relation to the rest of the themes. This theme refers to the partnerships that the corporates form, mostly with NGOs and other stakeholders.

Internal links/relationships

The Partnerships theme has *partnerships* as a concept.

External links/relationships

The Partnerships theme is directly related to the People and Corporate themes. It is related to the Corporate theme through its *reputation* concept, because for this corporate, it is important to partner with NGOs and other organisations that have a good reputation.

The Partnership theme flows through the concept of *communication* to link Decision and then Funding.

6.3.9 Theme 9: Legal

The Legal theme received three hits and has 10% relevance in relation to the rest of the themes. This refers to the legal considerations in the decision-making process to fund, as well as legal recourse if an NGO does not deliver on the agreement with the corporate.

Internal links/relationships.

The Legal theme has *legal* as a concept.

External links/relationships

The Legal theme is directly linked to Funding which has *funding, strategy* and *objectives* as concepts. This shows that for this corporate, legal considerations determine the funding strategy, as well as the funding objectives. The theme is also linked to the Decisions theme through the Funding theme as the legal considerations determine the strategy, and through the strategy and decision-making processes, a decision to fund is reached.

6.4 FIELD STUDY 3

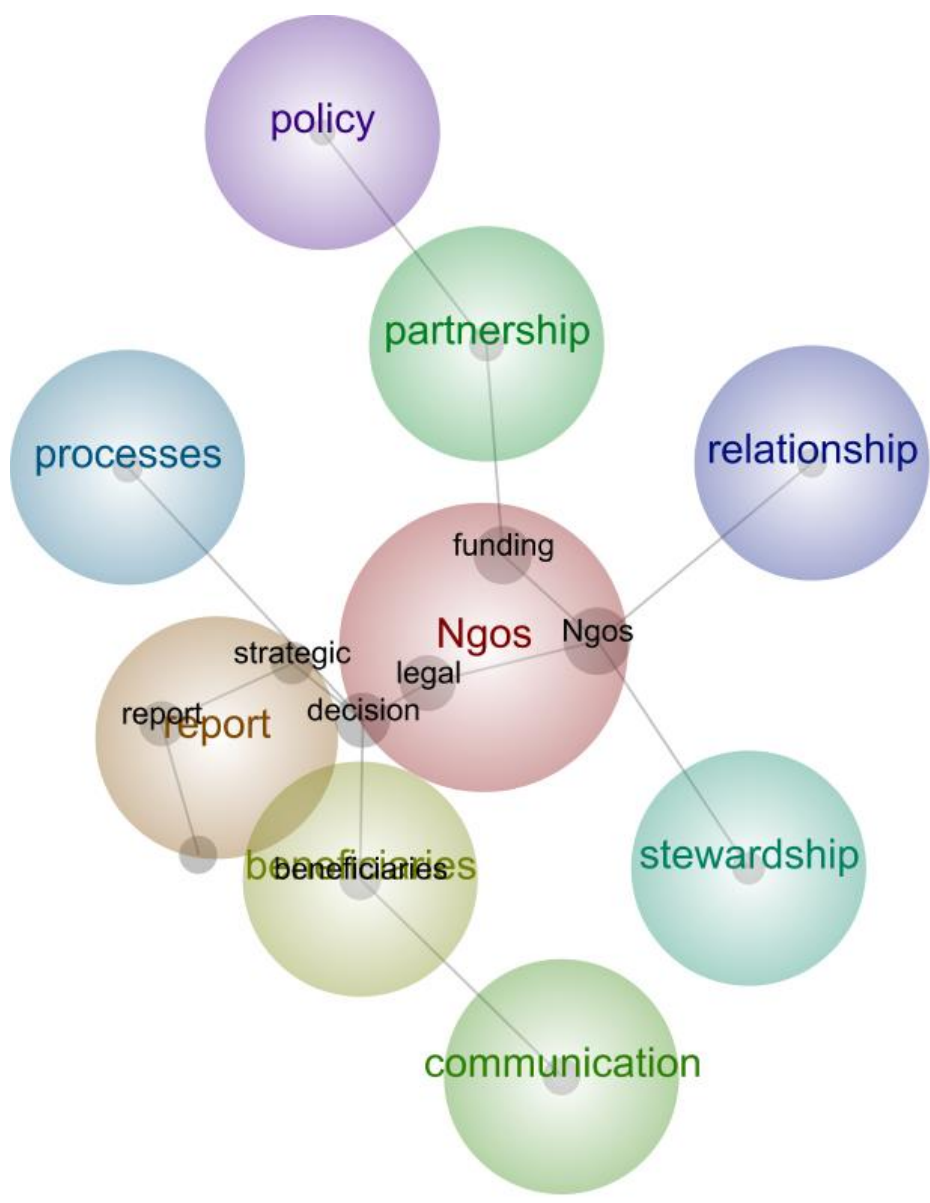


Figure 8: Field Study 3 Concept Map

Table 10: Shows Field Study 3 Concept Map results

No	Theme	Number of hits	Relevance	Concepts
1	NGOs	50	100%	NGOs, funding, legal, decision

2	Report	25	57%	Report, strategic, structures
3	Communication	12	43%	Communication
4	Beneficiaries	11	39%	Beneficiaries
5	Partnership	9	32%	Partnership
6	Policy	7	25%	Policy
7	Stewardship	7	25%	Stewardship
8	Processes	6	21%	Processes
9	Relationship	5	18%	Relationship

This corporate's sustainability philosophy is *CSR*.

6.4.1 Theme 1: NGOs

The NGO theme had 50 hits and 100% relevance in relation to the rest of the themes. The theme is about the NGOs that this corporate funds and the legal considerations it takes into account before it can fund an NGO, as well as the strategic decision-making processes that the corporate follows when deciding which NGO to fund.

Internal links/relationships

The NGOs theme has *NGOs, funding, legal* and *decision* as concepts.

External links/relationships

The NGO theme is a central theme that links directly to six other themes. It links directly to the Report theme, because this is where the decision-making structures make strategic decisions about which NGOs to fund or not.

The link to the Partnership theme is through the *funding* concept as once the corporate has funded an NGO, they form a partnership.

The link to the Relationship theme is through the NGOs theme as the corporate puts different communicative processes in place to build a relationship with the NGOs they fund.

The link to the Processes theme is through the *decision* concept, as decision-making is part of the processes.

The link to the Beneficiaries theme is through the *decision* concept, as it is through the decision-making processes that the corporate decides which beneficiaries it will reach by supporting the NGOs. The Beneficiaries theme refers to the people that the NGO serves.

Through the Beneficiaries theme, the NGO theme is linked to the Communication theme. This is because the communication between the NGO and the corporates includes how the NGO is serving the beneficiaries in the community and how they have used their funds to serve the beneficiaries. The NGO itself is also a beneficiary.

The link to the Stewardship theme reflects that the NGOs have to report to the corporate through narrative and financial reports as a way to account for the funds entrusted to them.

6.4.2 Theme 2: Report

The Report theme had 25 hits and 57% relevance in relation to the rest of the themes. The Report theme is about feedback from the NGOs to corporate in terms of how the funds are being spent. For this corporate, reporting takes place on a quarterly basis to the board.

Internal links/relationships

The Report theme has *report*, *strategic* and *structures* as concepts, as this is where the *strategic* decision-making structures make decisions to fund NGOs.

External links/relationships

The Report theme links to the NGO theme through decision as discussed under the NGO theme above.

The link to the Processes theme is through the *strategic* concept, as the decision-making structures and decisions made include processes that are put in place to enable the decisions to be made. These include meetings, vetting the NGOs and following legal considerations and policy.

The link to the Beneficiaries theme is through the *decision* concept as the decision-making structures and processes decide on the beneficiaries.

6.4.3 Theme 3: Communication

The Communication theme had 12 hits and 43% relevance in relation to the rest of the themes. This refers to the communication processes and channels that the corporate uses to communicate and build a relationship with the NGOs. The channels include emails, telephonic communication and face-to-face meetings.

Internal links/relationships

The Communication theme has *communication* as a concept.

External links/relationships

The Communication theme is linked to all the other themes, through the Beneficiaries theme. This is because communication takes place with the beneficiary NGOs. Through the Beneficiaries theme the Communication theme is linked to the NGOs theme, which represents the NGOs they fund and communicate with, about the decisions to fund or not to fund. Through the NGOs theme, the Communication theme is linked to the Relationship theme, as it is through the communication with the NGOs they fund, that a relationship is built between this corporate and the NGOs.

6.4.4 Theme 4: Beneficiaries

The Beneficiaries theme had 11 hits and 39% relevance in relation to the rest of the themes. The theme refers to NGO beneficiaries that have been funded by the corporate.

Internal links/relationships

The theme has *beneficiaries* as a concept.

External links/relationships

The Beneficiaries theme is directly linked to the Communication theme as communication takes place with the NGO beneficiaries. The communication includes communicating the expectations of the relationship, as well as solving problems and making decisions together on some aspects of the implementation.

The link between the NGOs theme and the Beneficiaries theme is via the *decision* concept, as decisions are made by the corporate to fund the NGOs and their beneficiaries.

The pathway between the Report theme and the NGOs theme goes via the *decision* and *strategic* concepts as it is through these that NGOs and their beneficiaries report.

6.4.5 Theme 5: Partnership

The Partnership theme had nine hits and 32% relevance in relation to the rest of the themes. This refers to the collaborative partnership between the corporate and its NGO partners, as well as factors that this corporate considers before partnering with an NGO, since the partnership could impact badly on the corporate. This includes vetting the NGO before they partner with them to make sure that they don't have a questionable reputation. They also consider the capacity of the NGO as a partner.

Internal links/relationships

This theme has *partnership* as a concept.

External links/relationships

The Partnership theme is linked directly to the Policy theme as the corporate has a policy that includes vetting the NGO before they partner with them to make sure they have capacity and also that they have a good reputation.

The link to the NGOs theme is through the *funding* concept as the funding policy and funding focus will determine which NGOs get funded, as it has to be those that align with what the corporate funds.

The link to the Relationship and Stewardship themes is through the *funding* and *NGOs* concepts of the NGOs theme, which shows that the relationship and stewardship of funds only happens because of the funding to the NGOs.

6.4.6 Theme 6: Policy

The Policy theme had seven hits and 25% relevance in relation to the rest of the themes. This refers to the different policies the corporate has in place, including the internal skills policy which has guidelines that state that the corporate has to consider previously marginalised populations, as well as the B-BBEE laws.

Internal links/relationships

The Policy theme has *policy* as a concept.

External links/relationships

The Policy theme is linked to the Partnership theme, as policy determines which NGOs qualify to partner with the corporate based on the different policies.

The Policy theme's link to the NGOs theme is through the NGOs *funding* concept. This is because the policy determines the funding of the NGOs.

6.4.7 Theme 7: Stewardship

The Stewardship theme had seven hits and 25% relevance in relation to the rest of the themes. This refers to accountability taken for funds received by the NGO, through narrative and financial reports that are submitted to this corporate, as well as regular meetings where the NGO reports in person.

Internal links/relationships

The Stewardship theme has *stewardship* as a concept.

External links/relationships

This theme is linked directly to the NGO theme as it is the NGOs that have to demonstrate their stewardship of the funds. This further links to the Relationship theme as good stewardship builds trust between the corporate and the NGO and thus a good relationship forms between the two parties.

This theme is also linked to the Partnership theme via the *NGOs* and *funding* concepts in the NGOs theme.

6.4.8 Theme 8: Processes

The Processes theme has six hits and 21% relevance in relation to the rest of the themes. This refers to the different processes the corporate is involved in as part of the relationship with the NGO beneficiaries. It includes two-way communication processes like meetings and seminars where the corporate meets with their NGO beneficiaries to get their feedback and to problem-solve together, as well as using different communication channels like emails, newsletters, telephone and face-to-face report meetings. This also includes decision-making processes that the decision-making structures in the board put in place to make decisions on which NGOs to fund. Part of this is a vetting process where they vet the NGO to see if they are legally registered, if they have capacity to manage the funds and what their reputation is before they partner with them.

Internal links/relationships

The Processes theme has *processes* as a concept.

External links/relationships

This Processes theme is directly linked to the NGOs and Report themes via the *strategic* and *decision* concepts because the processes described above are part of the strategic decision-making processes.

The link to Communication is through the Beneficiaries theme, as communication processes are put in place between the NGO beneficiaries that corporate is building and maintaining a partnership relationship with.

6.4.9 Theme 9: Relationship

The Relationship theme had five hits and 18% relevance in relation to the rest of the themes. For this corporate, this theme refers to a relationship with the NGO based on transparency and trust, the NGO's level to deliver, open communication, joint problem-solving and common goals in the partnership.

Internal links/relationships

The Relationship theme has *relationship* as a concept.

External links/relationship

The Relationship theme is linked to the rest of the themes via the *NGOs* concept of the *NGOs* theme because the relationship is primarily with the NGOs that they fund.

Through the *NGOs* concept link, the *NGOs* theme links to the Stewardship theme, as demonstrating good stewardship of the funding will show that the NGO is able to deliver. This will strengthen the relationship with the corporate and give the NGO a better chance of having their funding renewed.

The link to the Partnership theme is through the *NGOs* and *funding* concepts, as the partnership relationship is a business relationship based on the funding the NGOs receive from the corporate, which links to the Partnership theme.

The relationship to the Report theme is through the *decision* concept, then the *strategic* concept. This shows that the relationship is deliberate and strategically managed through the decision-making structures.

Through the NGO theme and the *legal* and *decision* concepts, the pathway follows the Beneficiaries theme, continuing to the Communication theme. The link with the Beneficiaries theme is in that the relationship is with the NGO beneficiaries and through them there is a link to communication because the relationship with the beneficiaries is nurtured and fostered through communication.

6.5 FIELD STUDY 4

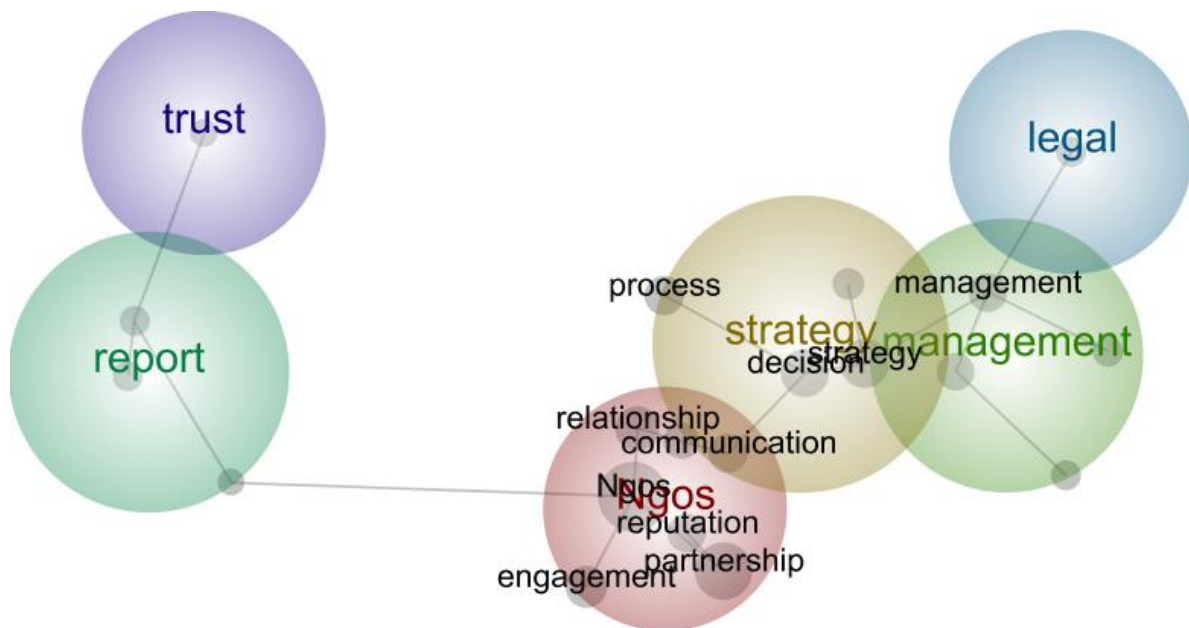


Figure 9: Field Study 4 Concept Map

Table 11: Shows Field Study 4 Concept Map results.

No	Theme	Number of hits	Relevance	Concepts
1	NGOs	61	100%	NGOs, partnership, relationship, engagement, communication, reputation
2	Strategy	34	52%	Strategy, decision, process
3	Management	19	32%	Management, fund
4	Report	10	32%	Report
5	Legal	7	23%	Legal
6	Trust	6	19%	Trust

This corporate's sustainability philosophy is *CSI*.

6.5.1 Theme 1: NGOs

The NGOs theme received the most hits, totalling 61, with a 100% relevancy for this financial institution. This refers to the NGOs that have the potential to be funded and those that are actually being funded by this corporate.

Internal links/relationships

This theme has *NGOs, partnership, relationship, engagement, communication and reputation* as concepts. Within the NGOs theme, the *partnership* concept has the biggest dot and is therefore very important. Within the theme, NGOs is linked to partnership via reputation, which shows the importance of reputation in the partnerships this corporate takes up. The *engagement* concept is also linked to relationship and communications through the NGOs concept.

External links/relationships

The NGOs theme is strongly related to the Strategy theme, as it is partially embedded in the Strategy theme. The *communication* and *relationship* concepts are embedded in both themes. The NGO theme is also directly linked to the Report theme.

6.5.2 Theme 2: Strategy

The Strategy theme had 34 hits and 52% relevance in relation to the rest of the themes. This refers to the funding strategy of this corporate.

Internal links/relationships

The Strategy theme has *strategy, decision, and process* as concepts.

External links/relationships

The Strategy theme is directly embedded in both the NGO theme (as discussed under the NGO theme) and the Management theme. This shows that strategy is very central in, and very important to, this corporate.

The *communication* concept within the NGO theme is a direct link between the Strategy theme and the NGO theme. This shows how communication is the two-way link to Strategy decided upon through the decision-making processes about the NGOs.

6.5.3 Theme 3: Management

The Management theme had 19 hits and 32% relevance in relation to the rest of the themes. Management in this case also refers to the management of the relationship between corporate and the NGOs they fund; and also refers to the management of strategy and how it is communicated to NGOs and other stakeholders; as well as the management of communication with the NGOs.

Internal links/relationships

The Management theme has *management* and *fund* as concepts.

External links/relationships

The Management theme is strongly linked to the Strategy and Legal themes and it is partially embedded in both themes. The link is through the Strategy theme's *decision* concept as it is management that makes the decisions in this organisation.

The link to the NGO theme is through the Strategy theme, specifically through the *decision* and *communication* concepts.

6.5.4 Theme 4: Report

The Report theme received 10 hits and 32% relevance in relation to the rest of the themes. This refers to the reports given to the corporate to demonstrate stewardship by the NGOs, as well as integrated reporting done by the corporates to meet the King III and King IV integrated reporting requirements. Report also refers to the communication reports that are done to determine the reputation risk of the organisation in the external environment.

Internal links/relationship

The Report theme has *report* as a concept.

External links/relationship

The Report theme is linked directly to the NGOs theme and the Trust theme. Through the reports that NGOs give the corporate as part of their stewardship process, trust is developed.

The Report theme is linked to the *reputation* concept in the NGO theme as good management of funds will lead to a good reputation for the NGOs, which will meet one of the requirements for the corporate to partner with the NGO.

6.5.5 Theme 5: Legal

The Legal theme received five hits and had a 23% relevance in relation to the rest of the themes. This refers to the legal considerations that must be met before an NGO can be funded by this organisation. For this organisation, it is important that the NGOs they fund are compliant and do not in any way contravene legal statutes of the country; that they are solid, sound and registered; that they generally have a Section 18 A certificate; and that they are of good tax standing.

Internal links/relationships

The Legal theme has *legal* as a concept.

External links/relationships

The Legal theme is strongly related to the Management theme and is partially embedded in it. It is related to the other themes in the concept map through the Management theme. Through the Management theme, the Legal theme links to the Strategy theme.

6.5.6 Theme 6: Trust

The Trust theme generated six hits and 19% relevance in relation to the rest of the themes. This is referring to the trust between the corporate and NGO recipients.

Internal links/relationships

The Trust theme has *trust* as a concept.

External links/relationships

Trust is related directly to report as it is developed as NGOs report to corporates to demonstrate how the funds have been used. Trust is linked to the NGOs theme where it will impact on reputation.

6.6 FIELD STUDY 5



Figure 10: Field Study 5 Concept Map

Table 12: Shows Field Study 5 Concept Map results.

No	Theme	Number of hits	Relevance	Concepts
1	Organisations	34	100%	Organisations, beneficiaries
2	NGOs	32	92%	NGOs, fund
3	Communication	16	50%	Communication, report
4	Decision	14	58%	Decision
5	Need	10	42%	Need
6	Trust	10	42%	Trust
7	People	9	38%	People
8	Feeding	9	38%	Feeding

9	Board	8	33%	Board
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This corporate's sustainability philosophy is *CSI*.

6.6.1 Theme 1: Organisation

The Organisations theme received 34 hits and has 100% relevancy in this corporate. This refers to organisations that are beneficiaries of the corporate's funding.

Internal links/relationships

The Organisations theme has *organisations* and *beneficiaries* as concepts.

External links/relationships

The Organisations theme is directly linked to the Communication, Need and Board themes. The link to the Communication theme is through the *beneficiaries* concept which shows the importance of communicating with beneficiary organisations.

Through the Communication theme, the Organisations theme links to the Trust and People themes. The Organisations theme is also directly linked to the Need theme as the funds that go to them are determined by societal needs.

The Organisations theme is also linked directly to the Board theme. This refers to taking beneficiary organisations on board as part of the NGOs to be funded.

The Organisations theme is also linked to NGOs via the funding they receive and the funding they receive is based on the decisions taken, thus linking to the Decisions theme through NGO funding.

6.6.2 Theme 2: NGOs

The NGOs theme generated 32 hits and has 92% relevance in relation to the rest of the themes. This refers to NGOs that are funded and those that have a potential to be funded by the corporate.

Internal links/relationships

The theme has *NGOs* and *fund* as concepts.

External links/relationships

The NGOs theme has a direct relationship with the Decision theme as it is through decision-making that the NGOs will be funded or not.

The NGOs theme also has a direct relationship with the Board theme because for this corporate, their board of trustees makes the ultimate decisions on which NGOs to partner with based on their strategy.

The NGO theme is linked to the Trust theme through the *reporting* concept in the Communication theme. Through good stewardship demonstrated through reporting and a good relationship through communication, trust will develop.

6.6.3 Theme 3: Communication

The Communication theme generated 16 hits and it had 50% relevance in relation to the rest of the themes. This refers to the communication between the corporate with its NGOs and other stakeholders through different communication channels.

Internal links/relationships

The Communication theme has *communication* and *report* as concepts. The *report* concept refers to the different reports used as a medium of communication between the corporate and the NGOs they fund, as well as other stakeholders they interact with.

The theme is linked directly to the Organisations theme through the *beneficiaries* concept. This shows that communication with the beneficiary organisations is important and a priority.

This theme is also directly linked to the Trust theme through the reports generated for the corporates and reports generated by the corporates. The beneficiary organisations communicate the progress of the funded projects and the corporate also communicates and reports on its successes with all stakeholders.

The theme is also directly linked to the People theme, as this communication takes place with people who are different stakeholders.

The Communication theme is furthermore linked to the Decision theme via the Organisations, Board and NGO themes and lastly, the *fund* concept.

6.6.4 Theme 4: Decision

The Decision theme received 14 hits and had 58% relevancy. This refers to the decision-making processes in corporate that decide whether funding to NGOs and beneficiary organisations should be awarded.

Internal links/relationships

The Decision theme has *decision* as a concept.

External links/relationships

The Decision theme is very closely related to the NGOs theme and to the *fund* concept as it is through decision-making processes that the decision to fund or not to fund NGOs is determined. Through funding NGOs, the Decision theme is linked to all the other themes.

6.6.5 Theme 5: Need

The Need theme generated 10 hits and 42% relevance in relation to the rest of the themes. This refers to the societal need which the corporate is responding to through funding NGOs.

Internal links/relationships

The Need theme has *need* as a concept. This theme is directly linked to the Feeding theme which is the need that the corporate is meeting in society through the NGOs and other organisations that they fund.

The theme is also directly linked to the Organisations theme as these are the beneficiary organisations that this corporate is meeting the need through.

6.6.6 Theme 6: Trust

The Trust theme generated 10 hits and 42% relevance in relation to the rest of the themes. This refers to the trust between the corporate and the NGOs they fund that is built through a good relationship, dialogue and communication.

Internal links/relationship

The Trust theme has *trust* as a concept.

External links/relationship

This theme is directly linked to the Communication theme and only through communication is it linked to other themes. This shows how important communication is for this organisation and how it develops trust for them.

The Trust theme links to the People theme and to the Organisations theme through the Communication theme. This shows that trust plays a role in the relationships with beneficiary organisations and people who are the other stakeholders.

6.6.7 Theme 7: People

The People theme generated nine hits and had 38% relevancy. People refers to people in general and from the people pool the corporates get their stakeholders and customers.

Internals links/relationships

The People theme has *people* as a concept.

External links/relationships

The People theme is directly related to the Communication theme and to other themes through the Communication theme.

6.6.8 Theme 8: Feeding

The Feeding theme generated nine hits and 38% relevance in relation to the rest of the themes. This refers to the need that the corporate is responding to through the beneficiary organisation. The corporate funds NGOs to implement feeding projects to feed poor needy children. These children are from poor communities.

Internal links/relationships

The Feeding theme has *feeding* as a concept.

External links/relationships

The Feeding theme is linked directly to the Need theme, as feeding is a need identified by the corporate. It links to the Organisations theme, which then links to the Communication theme.

6.6.9 Theme 9: Board

The Board theme generated eight hits and 33% relevance in relation to the rest of the themes. This refers to the board of directors who make the ultimate decision on which NGOs get funded based on their strategy.

Internal links/relationships

The Board theme has *board* as a concept.

External links/relationships

The Board theme is embedded in the Communication theme. This is because the communication from this corporate has to be approved by the board. The Board theme is linked directly to the Organisations theme, as it is related to the NGOs that the corporate funds.

6.7 FIELD STUDY 6



Figure 11: Field Study 6 Concept Map

Table 13: Shows Field Study 6 Concept Map results

No	Theme	Number of hits	Relevance	Concepts
1	NGO	68	100%	NGO, fund, decision, structures, processes
2	Communication	37	40%	Communication, partners, information
3	Organisation	26	25%	Organisation, CSI

4	Reports	12	25%	Reports
5	Education	11	23%	Education
6	Need	8	17%	Need

This corporate's sustainability philosophy is *CSI*.

6.7.1 Theme 1: NGO

The NGO theme generated 68 hits, which are the most hits recorded for this corporate, and it has 100% relevance. This theme refers to the strategic decision-making processes and structures that are used to decide which NGOs to fund.

Internal links/relationships

The NGO theme has *NGO, fund, decision-making structures and processes* as concepts.

External links/relationships

The NGO theme is directly linked to the Communication theme, which has *partners* and *information* as concepts. This shows that the decision to fund NGOs, using the structures and the decision-making processes that are in place, are communicated to partners through the regular information communicated them by the corporates.

The theme is also directly related to the Need theme as these decisions and decision-making processes are influenced by societal needs.

Also directly linked to the NGO theme is the Reports theme. This theme refers to various reports, including the reports that are submitted to the decision-making structures to enable them to make decisions, as well as reports submitted by the NGOs as part of demonstrating their stewardship and how they have used the funds. This in turn is linked to the Organisation theme, which refers to the organisation who implements the CSI strategy.

The NGO theme is linked to the Education theme via the Reports theme and then the Organisation theme. This includes the organisation's CSI strategy that directs funding for education programmes. It has also been decided through the relevant decision-making structures and processes that education is determined as a focus area for funding.

6.7.2 Theme 2: Communication

The Communication theme generated 37 hits which has relevance of 40%. This refers to communication and information communicated with NGO partners, employees and external stakeholders through different communication channels.

Internal links/relationships

The Communication theme has *communication*, *partners* and *information* as concepts.

External links/relationships

This is linked to the Need theme via decisions whether to fund or not, made through the various decision-making processes.

The theme is also linked to reports through the decision-making structures and processes, as reports are also shared with different committees who make decisions to fund, to continue funding or not to fund.

6.7.3 Theme 3: Organisation

The Organisation theme generated 26 hits and a relevance of 25%. The theme refers to the corporate as an organisation, and CSI projects they fund as an organisation. This also refers to the strategy of the organisation; the policies and guidelines of the organisation; and the reputation of the organisation that is improved by its CSI efforts.

Internal links/relationships

The Organisation theme has *organisation* and *CSI* as concepts.

External links/relationships

The Organisation theme is directly linked to the NGO theme, which shows that the organisation's CSI focus on NGOs is determined through the decision-making processes and structures that make decisions on funding priorities based on societal needs and the strategy of the organisation.

6.7.4 Theme 4: Reports

The Reports theme generated 12 hits and has relevance of 25%. This refers to reports from the funded NGO partners in the form of narrative and financial reports.

Internal links/relationships

The Reports theme has *reports* as a concept.

External links/relationships

The Report theme is strongly linked to the NGO theme as the reports are sent from the NGO to the corporate. This is clearly very important for this corporate.

This theme is also linked to the Communication theme through the *NGOs* concept as it is the NGOs that are communicating with the corporate through reports.

The Reports theme is also connected to the CSI strategy of the organisation through the NGO theme.

6.7.5 Theme 5: Education

The Education theme generated 12 hits and a relevance of 23%. This refers to education as a focus area that the corporate funds. This particular corporate only funds projects that are associated with education, whether financial education, consumer education or formal education.

Internal links/relationships

This theme has *education* as a concept.

External links/relationships

The Education theme is linked directly to the Organisation theme and the *CSI* concept, as the organisation's CSI focus is education. Through the Organisation theme it is linked to the NGO theme. The NGOs will implement the education projects through the decision-making structures and processes that were also used to decide on education as a focus area.

6.7.6 Theme 6: Need

The Need theme generated eight hits and has a relevance of 17%. Need refers to societal need that the corporate funding is responding to.

Internal links/relationships

The theme has *need* as a concept.

External links/relationships

The Need theme links directly to the NGO theme, as this is assessed through the decision-making structures and processes to determine whether they qualify for funding.

6.8 FIELD STUDY 7

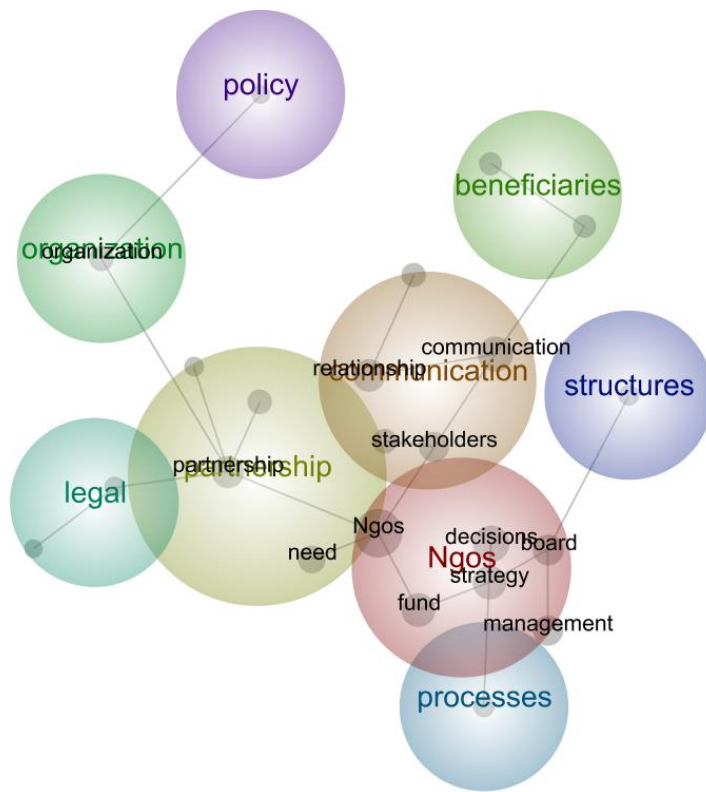


Figure 12: Field Study 7 Concept Map

Table 14: Shows Field Study 7 Concept Map results.

No	Theme	Number of hits	Relevance	Concepts
1	NGOs	88	100%	NGOs, decisions, fund, strategy, board, management
2	Communication	52	63%	Communication, relationship, stakeholders
3	Partnership	35	48%	Partnership, need
4	Organisation	17	37%	Organisation
5	Beneficiaries	11	24%	Beneficiaries
6	Processes	6	13%	Processes

7	Legal	6	13%	Legal
8	Structures	5	11%	Structures
9	Policy	4	9%	Policy

This corporate's sustainability philosophy is *CSR*.

6.8.1 Theme 1: NGOs

The NGOs theme received the most hits for this organisation. It generated 68 hits with a relevance of 100%. The NGOs theme refers to the NGOs that are funded by this corporate. The NGOs theme encompasses the decision-making processes and structures, such as management meetings and board meetings, where strategy is set and policies and decisions are made on which NGOs to fund and which to partner with. For this organisation, the board and management are very involved and hands-on in the decision-making process.

Internal links/relationships

This theme has *NGOs, decisions, fund, strategy, board, and management* as concepts.

External links/relationships

The NGOs theme is so central to this financial services institution that it is partially embedded in the Communication, Processes and Partnership themes. It is embedded in the Communication theme and the *stakeholders* concept, as the decision to fund, as well as strategies and policies developed in these structures, will be impactful and communicated to stakeholders (including NGOs).

The theme overlaps with the Processes theme, as the determination of strategy, policy, management meetings and decision-making are part of the decision-making processes that take place in order to decide which NGOs to fund.

The theme overlaps with the Partnerships theme as the decision-making that takes place in this theme will determine which NGOs will become partners.

This theme is also directly linked to Structures and Processes as it is through structures and processes that the board and the management team make decisions to fund or not to fund NGOs.

Lastly, this theme is also linked to the Beneficiaries theme via *stakeholders* and *communication* concepts, which shows that communicating with stakeholders and beneficiaries is important for this organisation.

6.8.2 Theme 2: Communication

The Communication theme generated 52 hits and 63% relevance. The theme is about managing the relationship with stakeholders, including NGOs, through different communication channels.

Internal links/relationships

This theme has *communication*, *relationship* and *stakeholders* as concepts.

External links/relationships

This theme is intertwined with the Partnership and NGOs themes, as it is critical for this organisation to communicate with partners and about partnerships, as well as about the decisions made by the board and the management team. Through communication, the relationship with partners is built and maintained.

6.8.3 Theme 3: Partnership

The Partnership theme generated 35 hits with a relevance of 48%. This refers to the partnership between the corporate and the NGOs they fund.

Internal links/relationships

The theme has *partnership* and *need* as concepts.

External links/relationships

This Partnership theme is directly linked to the NGO theme. This is because for this organisation, strategy is set by the board so all their partnerships with NGOs are guided by the strategy and they have to make sure that the outcomes and the impact are driven by the strategy. As a result, when they implement a project in partnership with any NGO, those objectives need to be understood and the corporate has to make sure that they have mutual understanding on any project before commencing on it.

The Partnership theme is also linked to the Legal theme. This is because before this corporate can enter into a partnership, the NGO partner has to meet all the legal requirements.

The Partnership theme is furthermore linked directly to the Organisation theme as the partnerships are between the organisation and the NGOs.

6.8.4 Theme 4: Organisation

The Organisation theme generated 12 hits and 37% relevance. The Organisation theme refers to the organisations that this corporate partners with.

Internal links/relationship

The Organisation theme has *organisation* as a concept.

External links/relationship

The Organisation theme is directly linked to the Policy and Partnership themes. The link to the Policy theme is because before the NGOs can be funded by the corporate, the corporate has to adhere to policies such as B-BBEE, as well as internal policies.

Organisation links to the Partnership theme because it is through a partnership that the NGO becomes a strategic stakeholder.

The NGO theme is linked to the decision-making structures in this corporate through partnership as it is only when they are being considered as potential partners and when they become partners that the decision-making structures and processes impact upon them.

6.8.5 Theme 5: Beneficiaries

The Beneficiaries theme generated 11 hits with a relevance of 24%. This refers to the NGO beneficiaries that receive funds from this corporate and enter into a partnership with the corporate.

Internal links/relationships

The Beneficiaries theme has *beneficiaries* as a concept.

External links/relationships

The Beneficiaries theme is linked to the NGOs theme via the Communication theme, as it's the NGOs that are (and have) beneficiaries with whom the corporate communicates. The link to the *needs* concept is because the funding strategy to fund the NGO beneficiaries is also determined by societal needs.

The Beneficiaries theme is linked to the Communication theme as beneficiaries are stakeholders and through communication, the corporate has a relationship with them.

Through the Communication theme and the *stakeholder* concept, the Beneficiaries theme is linked to the NGO theme.

6.8.6 Theme 6: Processes

The Processes theme generated six hits and 13% relevance. This refers to the decision-making and communication processes the corporate goes through in the decision to fund or not to fund NGOs.

Internal links/relationships

The Processes theme has *processes* as a concept.

External links/relationships

The Processes theme is intertwined with the NGO theme where decision-making processes to fund take place through strategy set by the board and implemented by management.

6.8.7 Theme 7: Legal

The Legal theme generated six hits with a relevance of 13%. It refers to the legal considerations that have to be taken into account before corporate can partner with an NGO; the legal agreements that corporate enters into with the NGO; as well as the legal obligations of the partnership included in a financial and narrative report of how the funds were spent.

Internal links/relationships

The Legal team has *legal* as a concept.

External links/relationships

The Legal theme is intertwined with the Partnership theme because legal considerations are crucial as they determine whether the partnership starts or not and whether the partnership continues or not.

Through the Partnership theme, the Legal theme is linked to the NGO theme where the decision-making is done by the board. The link to the management theme is based on the strategy and policies as well as legal considerations.

6.8.8 Theme 8: Structures

The Structures theme generated six hits and a relevance of 11%. This refers to the structures that are in place and that support this corporate's strategic decision-making.

Internal links/relationships

The Structures theme has *structures* as a concept.

External links/relationships

The Structures theme links to the NGO theme which contains the concepts *board, management, strategy, NGOs* and *decision* and clearly shows that the structures include the board that sets the strategy, as well as the management team.

6.8.9 Theme 9: Policy

The Policy theme generated six hits and a relevance of 9%. This refers to the different policies that this financial institution has to take into consideration in determining who to fund. These policies include BEE requirements, the King III and IV reporting guidelines, as well as internal policies e.g. they cannot make payment to an NGO beneficiary unless there is a signed contract between the two entities.

Internal links/relationships

The Policy theme has *policy* as a concept.

External links/relationships

The Policy theme is linked directly to the Organisation theme as these policies influence on the decision to fund or not to fund NGOs. Policy is also linked to the Communication theme through the Partnership and Organisation themes, as this organisation has a policy on how it communicates with its stakeholders and beneficiaries.

Through the Organisation theme, policy impacts on partnerships, strategy and the decision-making by the board and management.

6.9 FIELD STUDY 8



Figure 13: Field Study 8 Concept Map

Table 15: Shows Field Study 8 Concept Map results.

No	Theme	Number of hits	Relevance	Concepts
1	Structures	35	100%	Structures, decision, making, partnership, stakeholders, NGOs, processes
2	CSI	12	57%	CSI
3	Legal	11	33%	Legal, fund
4	Partnership	9	43%	Partnership
5	Communication	7	33%	Communication

6	Need	6	29%	Need
7	Strategy	5	24%	Strategy
8	Stewardship	4	19%	Stewardship
9	Reputation	4	19%	Reputation

This corporate's sustainability philosophy is *CSI*.

6.9.1 Theme 1: Structures

The Structures theme generated 35 hits which were the most hits generated and had 100% relevance. Structures here refer to the *decision-making* structures, *partnership structures*, *decision-making processes*, decisions to communicate with NGOs and other *stakeholders*, and the meetings that are used as a vehicle for communication and for building a relationship with the NGO.

Internal links/relationships

The Structures theme has *structures*, *decision*, *making*, *partnership*, *stakeholders*, *NGOs* and *processes* as concepts.

External links/relationships

The Structures theme is closely related to the Partnership theme as the decision-making that happens at the Structures level determines whether or not the corporate enters into partnerships with the NGOs.

This theme is directly related to the Communication theme because all the decisions made at the structures level have to be communicated to the partner NGOs through communication.

The Structures theme is also closely related to the Legal theme which also has *legal* and *fund* as concepts, because this organisation has legal considerations that impact on the decisions to fund NGOs.

The Structures theme is related to the CSI theme (via the Legal and Strategy themes) as the decision-making structures in the corporate are the ones who determine the CSI strategy.

6.9.2 Theme 2: CSI

The CSI theme generated 12 hits and 57% relevance. The theme refers to the corporate's philosophy to sustainability and philanthropy.

Internal links/relationships

The CSI theme has *CSI* as a concept.

External links/relationships

CSI on the map above is linked directly to the Strategy and Need themes. It's linked to Need because it is through CSI projects that the corporate addresses societal needs. The link to Need and to the Strategy theme illustrates that CSI is a strategy that this organisation uses to meet community needs.

6.9.3 Theme 3: Legal

The Legal theme generated 11 hits and 33% relevance. Legal refers to legal considerations that the corporate takes into consideration before they can fund an NGO, as well as legal considerations they have to adhere to as a corporate.

Internal links/relationships

The Legal theme has *legal* and *fund* as concepts.

External links/relationships

The Legal theme is linked to the Structures theme through the *fund* concept as the corporate's decision-making structures have to take legal considerations into play when making decisions to fund NGOs.

The link to the Strategy theme shows that the strategy has to be legal and the link to the Reputation theme shows that reputational risk has to be assessed legally.

6.9.4 Theme 4: Partnership

The Partnership theme generated nine hits and has relevance of 43%. Partnership refers to the partnership between the corporate and the NGO and other partners they affiliate with. This refers to how the partnership is managed and viewed by both parties.

Internal links/relationships

The Partnership theme has *partnership* as a concept.

External links/relationships

The Partnerships theme is intricately linked to the Structures theme, as the decision-making structures determine whether the corporate should enter into partnership with the NGOs or not.

Through the Structures theme, the Partnership theme is linked to the Legal, Communication and Stewardship themes. The link to the Legal theme is because the partnership with the NGOs is a legal matter, as a contract is signed.

The link to communication is because the decision-making structures need to communicate about the partnership with the NGOs and with other stakeholders.

The link to the Stewardship theme illustrates that the partnership entails stewardship and reporting by the NGOs to the corporates.

6.9.5 Theme 5: Communication

The Communication theme generated seven hits and 33% relevance. This refers to how the communication between the corporate and NGOs and other stakeholders is managed, as well as communicating the decisions made to stakeholders (including NGO partners).

Internal links/relationships

The Communication theme has *communication* as a concept.

External links/relationships

The Communication theme is mainly related to the Structures theme and links to other themes through this theme. It's related to this theme, as communication with stakeholders and NGOs is about the decisions made regarding funding, as well as the communication taking place in the structures and processes behind the decisions.

6.9.6 Theme 6: Need

The Need theme generated six hits with 29% relevance. Need refers to the need in communities and society at large.

Internal links/relationships

The Need theme has *need* as a concept.

External links/relationships

The Need theme is directly linked to the CSI theme, as the CSI in this organisation responds to societal needs. Through the CSI theme, the Need theme is related to the Strategy theme. This is because CSI is the giving strategy of this corporate.

6.9.7 Theme 7: Strategy

The Strategy theme had five hits and 24% relevance. It refers to the company strategy, as well as the giving strategy of the company. The giving strategy of this organisation is determined by the organisational strategy.

Internal links/relationships

The Strategy theme has *strategy* as a concept.

External links/relationships

The Strategy theme is directly linked to the CSI and Legal themes. Its link to the CSI theme illustrates that the corporate's CSI focus is determined by the company strategy. The CSI strategy is their giving strategy that determines the focus areas they fund.

The link to the Legal theme illustrates that legal considerations determine their giving strategy as it has to take place within legal parameters.

6.9.8 Theme 8: Stewardship

The Stewardship theme had four hits and 19% prevalence. This refers to the stewardship of donor funds that is expected to go to corporate through reports.

Internal links/relationships

The Stewardship theme has *stewardship* as a concept.

External links/relationships

The Stewardship theme is linked directly to the Structures theme as it is through these structures that the stewardship reports need to go. Management needs to read them and the board will be informed about how the projects are doing. After reading the reports, the decision-making through organisational structures will also determine whether the partnership should carry on or end.

6.9.9 Theme 9: Reputation

The Reputation theme generated four hits and 19% relevance. This theme refers to the reputation of both the NGO and corporate, which can be enhanced or ruined once there is a partnership.

Internal links/relationships

The Reputation theme has *reputation* as a concept.

External links/relationships

For this organisation, reputation is critical. The Reputation theme is linked directly to the Legal theme as reputational issues can have legal repercussions.

6.10 COMBINED CORPORATE FIELD STUDIES



Figure 14: Combined Field Studies 1 to 8 Concept Map

Table 16: Shows combined Field Studies 1 to 9 Concept Map results.

No	Theme	Number of hits	Relevance	Concepts
1	NGOs	387	100%	NGOs, partnership, relationship
2	Decision	280	55%	Decision-making, fund,

3	Communication	245	48%	Communication, corporate, stakeholders
4	Stewardship	163	45%	Stewardship, beneficiaries
5	Organisation	125	48%	Organisation
6	Strategy	95	36%	Strategy
7	People	69	26%	People
8	Process	58	22%	Process
9	CSI	57	22%	CSI
10	Board	53	20%	Board
11	Focus	39	15%	Focus
12	Legal	27	10%	Legal

6.10.1 Theme 1: NGOs

For the combined response from all eight corporates, the theme with the most hits was the NGOs theme. This theme generated 387 hits with 100% relevance. The theme refers to the NGOs that the corporates have a relationship with.

Internal links/relationships

The NGOs theme has *NGOs*, *relationship* and *partnership* as concepts.

External links/relationships

This theme is partly embedded in the Communication theme, as NGOs are strategic stakeholders that need to be communicated with strategically. Communication is also the vehicle to the *relationship* and *partnership* concepts in the NGOs theme. The NGOs theme also has a direct link to the Decision theme where *decision-making* is a concept. It is in this theme that decision-making of whether to partner with the NGO or not takes place.

Through the Communication theme, the NGO theme is linked to the Stewardship theme where communication with the beneficiaries takes place. This is because stewardship takes place in the form of reports, which is one of the ways that NGOs communicate with corporates. Through stewardship, the relationship is enhanced or it can be compromised.

Through communication, the NGOs theme's *relationship* and *partnership* concepts are linked through a pathway to strategy and through *strategy* and *fund*, it is linked to the *decision-making* processes.

6.10.2 Theme 2: Decision

The Decision theme generated 280 hits and had 55% relevance. This is the second most relevant theme in the research. The theme refers to decision-making processes, structures and policies, which are internal and external factors that determine the decision to fund NGOs.

Internal links/relationships

This theme has *decision-making* and *fund* as concepts.

External links/relationships

The Decision theme is linked to every one of the themes in the concept map, some directly and some indirectly. This theme overlaps with the Strategy and Processes themes as both of them are an integral part of decision-making. This is crucial as decision-making structures meet and set in motion decision-making processes that lead to decisions that determine which NGOs the corporates fund or do not fund.

The strong relationship to the Strategy theme shows that the corporates' organisational strategies as well as their giving strategies impact on the decision to fund.

Through the Strategy theme, the Decision theme is linked to the Board theme as the board determines the strategy to fund.

6.10.3 Theme 3: Communication

The Communication theme generated 245 hits and 48% relevance. The theme is about managing communication between the corporates and their stakeholders (including NGOs), the communication processes and guidelines on how to communicate, as well as communication channels with stakeholders, including NGOs. It's about using corporate communication to communicate with the stakeholders.

Internal links/relationships

The concepts in this theme are *communication, corporate* and *stakeholders*.

External links/relationships

The Communication theme is central to the research, which is demonstrated by how it links to all the other themes.

The strongest links to this theme are from the NGOs, Strategy and Stewardship themes, which all overlap with the Communication theme. The link with the NGOs theme shows how, through communication, corporate builds a relationship and a partnership with the NGOs.

The link to the Strategy theme is about communicating the funding strategy to the stakeholders, including NGOs seeking funding, to build the relationship and the partnership with these stakeholders (including NGOs).

The link to the Stewardship theme illustrates communicating with the beneficiaries about reports that they have submitted, as this is the way beneficiaries demonstrate their stewardship. The Communication theme also links directly to the Organisation theme, which includes NGOs as well as the corporate interviewed.

This, in turn, links the Communication theme to the CSI theme, which illustrates the intervention of the corporates in response to societal needs. Through the Strategy theme, the Communication theme links to the Board, People and Focus themes.

Through the communication strategy, the focus areas determined by the board, are communicated to the people.

6.10.4 Theme 4: Stewardship

The Stewardship theme generated 163 hits and 45% relevance. Stewardship is about accounting for the funds that the NGO receive from corporates as part of the partnership. This also includes the progress reports (in the form of financial and narrative reports) that NGO beneficiaries send the corporate donors. The beneficiary's concept refers to both NGO beneficiaries and the beneficiaries of the NGOs that have been funded by the corporates.

Internal links/relationships

This theme has *stewardship* and *beneficiaries* as concepts.

External links/relationships

The Stewardship theme overlaps with the Organisation and the Communication themes. Stewardship therefore takes place in NGOs, as well as in the corporate organisation.

The link with the Communication theme is formed because stewardship, through reports or site visits, includes communication that takes place between the NGOs and the corporate donor organisations. Through the Communication theme, the Stewardship theme is linked to the NGO theme, as it is the NGOs who have to demonstrate their stewardship to the corporate donors by means of communication. Stewardship is normally a contractual obligation, which is part of the contract or agreement between the corporates and their NGO partners.

6.10.5 Theme 5: Organisation

The Organisation theme generated 125 hits with 88% relevance. The Organisation theme is about the NGOs the corporates fund as well as the corporates themselves when they refer to themselves as an organisation. This theme is important, as the relationship and partnership is organisation to organisation and not to individuals.

Internal links/relationships

The Organisation theme has *organisation* as a concept.

External links/relationships

The Organisation theme is closely related to the Stewardship and CSI themes. The link to the Stewardship theme illustrates that the stewardship of the funds is reported from one organisation to the other. The link with CSI shows that CSI is the philanthropic approach to sustainability for most of the eight corporates interviewed.

The Organisation theme also has a direct link to the Communication theme through the *corporate* concept, as communication takes place between the two partner organisations, as well as with other stakeholders. Through the Communication theme, the Organisation theme is linked to the NGOs theme and specifically with its *relationship* concept.

Through the Communication theme, the Organisation theme is linked to the Strategy theme, as the communication team must communicate with potential and current NGO partners about the funding strategy.

6.10.6 Theme 6: Strategy

The Strategy theme generated 95 hits and 36% relevance. Strategy refers to the giving strategy e.g. CSI/CSR/Corporate citizenship strategy of the corporates.

Internal links/relationships

The Strategy theme has *strategy* as a concept.

External links/relationships

The Strategy theme is central to the Communication, Decision and Board themes and overlaps with all three themes.

The relationship with the Communication theme illustrates that the strategy has to be communicated to the beneficiaries and other stakeholders using different channels and media. On the website, communication on what the corporates fund, needs to be prevalent.

The relationship with the Decision theme illustrates that the decision to fund or not to fund is dependent on the funding strategy, therefore, strategy will influence the decision to fund or not to fund.

The relationship with the Board theme demonstrates that the board determines the company strategy, which then informs the funding strategy.

6.10.7 Theme 7: People

The People theme generated 69 hits and a relevance of 26%. This theme refers to people in society at large.

Internal links/relationships

The People theme has *people* as a concept.

External links/relationships

This theme is directly related to the Board and Focus themes and it also links to other themes through these two themes.

6.10.8 Theme 8: Process

The Process theme generated 58 hits and 22% relevance. This refers to the decision-making process that takes place starting with when a proposal is received, to the point where a decision is made to fund or not to fund the NGOs.

Internal links/relationships

The Process theme has *process* as a concept.

External links/relationships

The Process theme is strongly related to the Decision theme and partly overlaps with that theme, as the decision-making processes that the corporates go through about funding, lead to decisions.

The Process theme is linked to the Strategy theme via the Decision theme as the corporates' giving strategies determine the decision-making processes that ultimately determine which NGOs to fund.

6.10.9 Theme 9: CSI

The CSI theme generated 56 hits and 22% relevance. This is referring to the philosophy of the giving strategy and the vehicle that the corporate funds go through. This is linked to the Organisation theme, as CSI is delivered by an organisation to other organisations.

Internal links/relationships

The CSI theme has *CSI* as a concept.

External links/relationships

Through the Organisation theme, the CSI theme is linked to the Communication theme, as communication about the CSI goals and focus of the organisation takes place with the different stakeholders. The CSI theme follows a pathway through the Organisation and Communication themes, to the Strategy and Decision themes. This is because the CSI strategy, as well as the decision on the NGOs to be funded under the CSI strategy, is communicated to the NGOs and other stakeholders. Communications on CSI spend, CSI focus areas, CSI partnerships, and CSI application deadlines, among others, also need to be communicated.

6.10.10 Theme 10: Board

The Board theme generated 53 hits and 20% prevalence. The Board theme talks about the board and sub-board structures that are used to make decisions that impact on which NGOs will be funded or not by corporates.

Internal links/relationships

The Board theme has *board* as a concept.

External links/relationships

The Board theme overlaps with the Legal and the Strategy themes. It is closely related to the Legal theme, as the board is a legal structure in corporates that make decisions on behalf of the corporates. The board also takes legal considerations into account when making decisions. The strong relationship with strategy is because the board determines the corporates' strategy, which then determines the funding strategy. This strategy must then be communicated to all stakeholders on different platforms.

6.10.11 Theme 11: Focus

The Focus theme generated 29 hits and 15% prevalence. This theme refers to the focus areas that the corporates channel their funds towards. These include education, feeding of children, HIV/AIDS, and financial literacy.

Internal links/relationships

The Focus theme has *focus* as a theme.

External links/relationships

The Focus theme is directly linked to the People theme, as the corporates' focus areas are the areas through which funding is channelled, which address the needs of the people in society. The People theme links the Focus theme to the Board theme and the Strategy theme, as the focus areas are determined by the funding strategy which is decided on by the board. This, in turn, leads to the communication theme, as the focus areas have to be communicated to the stakeholders and beneficiaries.

This also leads to decisions to fund, as the NGOs that are funded have to qualify under the focus area criteria.

6.10.12 Theme 12: Legal

The Legal theme had 27 hits and 10% prevalence. This refers to the legal considerations that corporates consider when making a decision to fund or not to fund an NGO.

Internal links/relationships

The Legal theme has *legal* as a concept.

External links/relationships

The *relationship* concept in the NGOs theme follows a pathway to the Decision theme through the *fund* concept, as legal considerations determine the decision-making in the area of funding. The Legal theme is also linked to the Board theme, as the board of directors has to adhere to legal considerations in determining the corporates' strategy, as well as the funding strategy, which have to be adhered to in making decisions to fund NGOs.

Field Studies 9 – 16 are from NGO recipients, and follow below.

6.11 FIELD STUDY 9

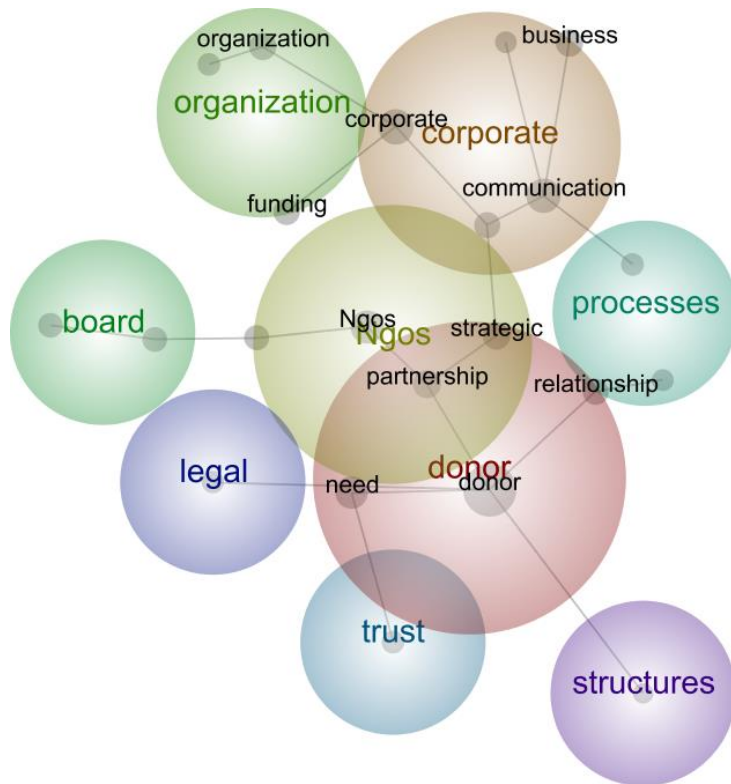


Figure 15: Field Study 9 Concept Map

Table 17: Shows Field Study 9 Concept Map results.

No	Theme	Number of hits	Relevance	Concepts
1	Donor	93	100%	Donor, need, relationship
2	Corporate	57	36%	Corporate, communication, business, decision
3	NGOs	36	27%	NGOs, partnership, strategic
4	Organisation	23	18%	Organisation, funding

5	Board	11	14%	Board
6	Trust	7	9%	Trust
7	Processes	6	8%	Processes
8	Legal	5	6%	Legal
9	Structures	3	4%	Structures

This is an NGO that focuses on *early childhood development*.

6.11.1 Theme 1: Donor

The Donor theme generated 93 hits and 100% relevance for this NGO. The theme speaks to the corporate donors that have partnered with this NGO through funding to meet a societal need. This partnership is maintained through a relationship between the two entities that is based on the funding and on trust.

Internal links/relationships

The Donor theme has *donor*, *need* and *relationship* as concepts.

External links/relationships

The Donor theme has such a close relationship with the Trust and NGOs themes that it overlaps with both these themes. The link to the NGOs theme is through *partnerships*, which is a concept in the NGOs theme. This shows a close relationship between the donor and the NGOs, including with this particular NGO.

The Donor theme overlaps with the NGOs theme, which shows the strong relationship and partnership between this NGO and its corporate donor. The two themes share the *partnership* and *strategic* concepts, which shows that this NGO has strategic partnerships with its donors.

The Donor theme is also linked to the Trust theme, as this NGO realises that for the relationship to work, there needs to be trust between the donor and them as an NGO. The

Trust theme is furthermore part of the donor relationship, as this also overlaps with the Donor theme.

The Donor theme is linked directly to the Processes theme through the *relationship* concept, as these are processes that the NGO has put in place to maintain the relationship between them and the donor.

The link to the Structures theme shows the structures that the NGO has put in place to communicate with the donors. These are from vetting the donors to see if they are good donors to partner with; up to the time when they need to report, together with the donor, to demonstrate their stewardship.

The Donor theme is also linked directly to the Legal theme. This is because there are legal considerations this NGO has to take into account before it can partner with the donors. These include the 18A certificates that they issue to donors. An 18A Certificate is a certificate that an NGO gives to a corporate for donating funds. Corporates use this certificate to get a tax rebate. Because this NGO works with children, it also has to adhere to other legal obligations not to partner with certain dubious corporates, as they need to know that the funds they have received have been acquired in a legal manner.

The link from the Donor theme to the NGOs theme continues to the communication concept (Corporate theme) and the Processes theme. One reason for this is because the processes are communication processes between the NGO and the corporate. These communication processes include face-to-face meetings, reports, presentations and application proposals.

6.11.2 Theme 2: Corporate

The Corporate theme generated 57 hits and 36% relevance. This theme is about communicating with the corporates and whether or not this NGO considers feedback from corporates in their decision-making; and whether or not they involve corporates in their decision-making. It also addresses how this is communicated.

Internal links/relationships

The concepts in this theme are *corporate, communication, business* and *decision*.

External links/relationships

The Corporate theme is strongly related to the NGO theme with which it overlaps. It is linked to the NGOs theme through the *strategic* and *partnership* concepts. This is because the NGO's communication with the donors is strategic and builds the partnership relationship.

This theme is linked directly to processes as these processes are communication processes that are used to develop and maintain the relationships with donors.

The *communication* concept is linked to donors through the NGO theme, as the communication takes place between the NGO and the donor through different channels like emails, face-to-face meetings, reports and over the telephone.

The *communication* concept is linked directly to the Organisation theme via the *funding* and the *organisation* concepts. This is because the organisation represents potential corporate organisations that the NGO can receive funding from. These are organisations that NGOs consider when taking funding, based on legal considerations and their own internal policies.

6.11.3 Theme 3: NGOs

The NGOs theme generated 36 hits and 27% relevance. This theme refers to the NGO in its relationship with the donors and how they are looking for a strategic partnership with the donor, as opposed to only receiving funds from them.

Internal links/relationships

The NGOs theme has *NGOs, partnership, and strategic* as concepts.

External links/relationships

The NGO theme has a strong relationship with the Donor theme through the *partnership* concept. The two themes also overlap to a great extent. It's all about the relationship with the donors and as such the strategic partnership with the donors.

The NGOs theme is also closely linked to the Corporate theme as communication (concept) is the vehicle that develops and maintains the strategic partnership with the donors.

The NGOs theme is furthermore directly linked to the Board theme. This is because for this organisation, their board plays a very big role as ultimately the responsibility of how funds are managed lies with their board. Their board is also very involved in fundraising. The fundraising staff report to the board and they are accountable to the board.

6.11.4 Theme 4: Organisation

The Organisation theme generated 23 hits and 18% relevance. This refers to potential organisations that the NGO can receive funding from. These are organisations about which the NGO is deciding on whether to take funding from them, based on legal considerations and their own internal policies. These includes organisations they cannot take funding from (such as those that produce alcoholic beverages) as well as organisations they decide to send proposals to.

Internal links/relationships

The Organisation theme has *organisation* and *funding* as concepts.

External links/relationships

The Organisation theme is mostly related to the Corporate theme through the *organisation* concept, as well as through funding and to the rest of the themes through communication. Through communication it is also linked to processes as these are the decision-making processes on whether or not to receive funding from these organisations.

6.11.5 Theme 5: Board

The Board theme generated 11 hits and 14% relevance. The theme refers to the board of the NGO, who, in this NGO, is ultimately responsible for how donor funds are managed and stewardship is executed through reporting.

Internal links/relationships

The Board theme has *board* as a concept.

External links/relationships

This is directly linked to the NGO theme, as it is the NGO board that is predominantly referred to.

Through the NGOs *partnership* concept, a pathway links the Board theme to the Donor and the Legal themes. It is linked to the Donor theme, as the board is ultimately responsible and accountable to the donors through the NGO. The legal connection is because the board has to follow legal considerations in the relationship between the NGO and the corporate funders.

The Board theme links to the Structures theme through the NGOs and Donor themes, as the board is one of the structures involved in the decision-making process.

6.11.6 Theme 6: Trust

The Trust theme generated seven hits and 9% relevance. The Trust theme is about the importance of trust and credibility in the relationship between this NGO and its corporate donors.

Internal links/relationships

The Trust theme has *trust* as a concept.

External links/relationships

The Trust theme is strongly related to the Donor theme as it overlaps with the Donor theme, which also overlaps with the NGOs theme. This shows the importance of trust in the relationship between this NGO and the corporates that fund it.

Through the Donor theme, the Trust theme is linked to the NGO theme through the *partnership* concept; and to the Processes theme through the *relationship* concept.

6.11.7 Theme 7: Processes

The Processes theme generated six hits and 8% relevance. This is referring to the processes that the NGO has in place to establish and build relationships with corporate donors. These processes include phone meetings, face-to-face meetings, and emailing the donor, among others.

Internal links/relationships

The Processes theme has *processes* as a concept.

External links/relationships

This theme is closely linked to the Donor theme through the *relationship* concept, as the processes are used to establish and build relationships with donors. The Processes theme links indirectly to the *partnership* and *strategic* concepts in the Donor theme, which shows that it is strategic to build the partnership with donors.

The Processes theme is also directly related to the Corporate theme through the *communication* concept. This is because the processes include communication channels used in maintaining and building the relationship with corporate donors.

The Processes theme is linked to the NGOs theme through the pathway to the *partnership* concept in the Donor theme. This shows that the communication processes are between the NGO and its corporate donors.

6.11.8 Theme 8: Legal

The Legal theme generated six hits and 8% relevance. The Legal theme relates to the legal compliance that the NGO has to adhere to, including the issuing of an 18A certificate to the donors, as well as legal considerations the NGO has to take into account before it can accept funding from a corporate.

Internal links/relationships

The Legal theme has *legal* as a concept.

External links/relationships

The Legal theme is linked to both the NGOs and the Donor themes. This shows that since this is a partnership, both partners need to adhere to legal considerations before they can fund or receive funding.

Through the Donor theme, the Legal theme is linked to the Structures theme because when the decision-making structures make decisions, they bear in mind the legal considerations.

The Legal theme links to the Trust theme through the Donor theme, showing that, although legal considerations are important, the relationship is based on trust. Both sides of the partnership need to do their due diligence and there must be trust that both parties will deliver on their end of the bargain, without having to take legal action.

6.11.9 Theme 9: Structures

The Structures theme generated three hits and 4% relevance. This theme is about the different structures that exist in the relationship between the NGO and its corporate donors. These include decision-making structures, like the board and other decision-making committees that are in place, and communication structures that ensure that communication deliberately happens with donors.

Internal links/relationships

The Structures theme has *structures* as a concept.

External links/relationships

The Structures theme is linked directly to the Donor theme as decisions about the relationship with the donor are made through decision-making structures that are also used to communicate to establish and build relationships with the donors. Through the *partnership* concept of the Donor theme, the Structures theme, is linked to the NGOs theme, as the communication processes show that this is two-way communication that takes place between the two parties.

Through the Donor and NGO themes, the Structures theme is linked to the Corporate theme (communication concept) and also to the Processes theme. This shows that the structures and processes include communication between the NGO and the donors.

6.12 FIELD STUDY 10

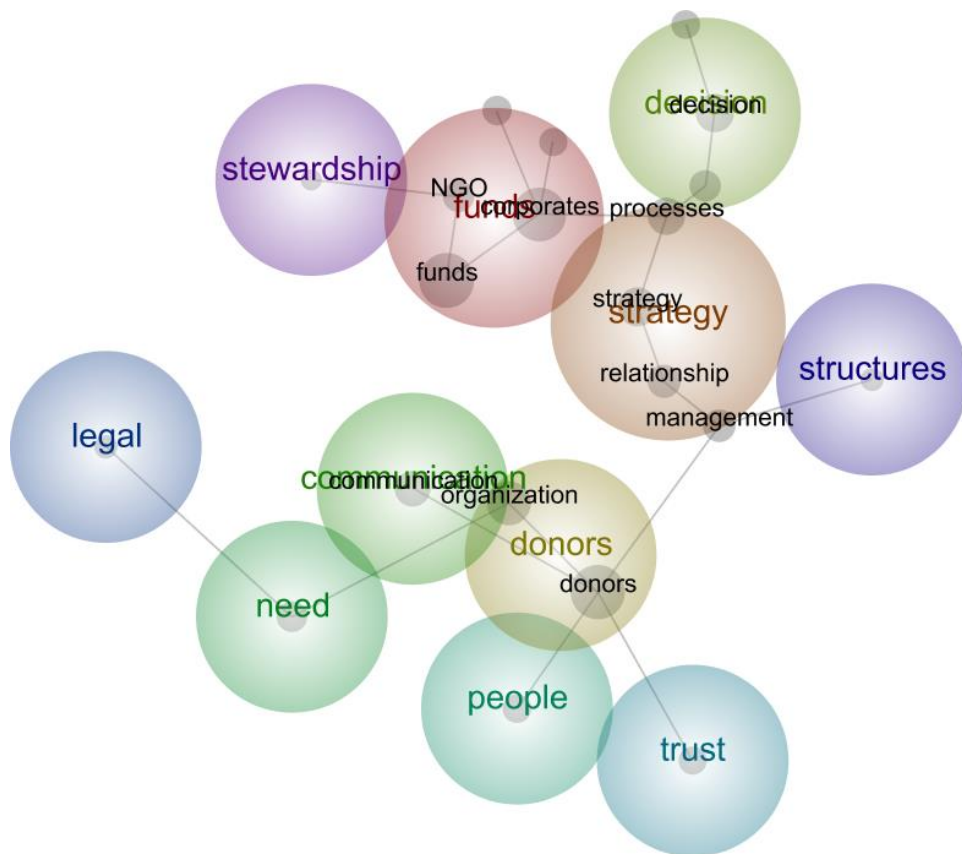


Figure 16: Field Study 10 Concept Map

Table 18: Shows Field Study 10 Concept Map results.

No	Theme	Number of hits	Relevance	Concepts
1	Donors	58	100%	Donors, organisation
2	Funds	49	82%	Funds, corporates, NGO
3	Strategy	29	32%	Strategy, processes, relationship, management
4	Communication	21	55%	Communication
5	Decision	15	39%	Decision

6	Need	13	34%	Need
7	Trust	12	32%	Trust
8	People	11	29%	People
9	Legal	6	16%	Legal
10	Structures	4	11%	Structures
11	Stewardship	2	5%	Stewardship

This is an NGO that focuses on *early childhood development* and *feeding children*.

6.12.1 Theme 1: Donors

The Donors theme garnered the most hits – 58 hits and 100% relevance. This shows the importance of donors to this organisation. The theme refers to the donor organisations that fund this NGO to carry out its mission of feeding children.

Internal links/relationships

The theme has *donors* and *organisation* as concepts.

External links/relationships

This theme is closely related to the Communication theme, to the extent that part of it overlaps with the Communication theme. This shows that this organisation has great and regular communication with its donors.

The Donors theme is also directly related to the Strategy theme where the communication strategy to build the relationship with the donor lies.

Through the Strategy theme, the Donor theme is linked to the Decision theme where the decision-making regarding receiving funding from corporate donors happens.

Through the *management* concept in the Strategy theme (which includes the *processes* concept), the Donors theme links to the Structures theme. This pathway represents communication channels in the relationship with the donors.

The Donors theme also links directly to the Trust and People themes, as the relationship with the donors needs to be based on trust.

6.12.2 Theme 2: Funds

The Funds theme generated 49 hits and 82% relevance.

Internal links/relationships

This theme has *funds*, *corporates* and *NGO* as concepts. The theme is about how the NGO manages the funds; report on the funds; how a corporate's reputation impacts on its own reputation; as well as the importance of trust between the NGO and the corporate funders.

External links/relationships

The Funds theme partly overlaps with the Strategy theme, which deals with *processes*, *strategy*, *relationship* and *management*, as these are the factors that the NGO has to juggle in establishing and maintaining the relationship with the funders. Through the processes concept, this theme links with the Decision theme, as the decision-making processes regarding the funding take place here.

The Funds theme is also directly linked to the Stewardship theme, as stewardship refers to being accountable for the funds received from corporate donors through financial and narrative reports.

6.12.3 Theme 3: Strategy

The Strategy theme generated 29 hits and 32% relevance. The Strategy theme here refers to how the relationship between this NGO and its corporate donors is managed. This is where all the strategic communication, management and strategic decision-making processes are determined and executed.

This NGO has a customer relationship management process in place. They have a system for recording data about every single donor that they have. They also have a very strong

management team across finance, operations and logistics that are involved in managing the relationship between the NGO and the corporate donors.

Internal links/relationship

The Strategy theme has *strategy, processes, relationship, and management* as concepts.

External links/relationships

The Strategy theme is strongly interrelated with the Funds theme as this goes hand in hand with managing the funds from corporate donors. The *management* concept in the Strategy theme compliments how the funds are managed and how this is communicated to the corporate donors.

The direct link to the Decision and the Structures themes shows that *management* processes include *strategic* decision-making processes; and refers to the management structures which are also strategic decision-making structures.

The link to the Donors theme shows that the *strategy* is directed at the corporate donors who fund this NGO to enable it to carry out its mission.

The pathway between the Communication theme and the Strategy theme goes through the Donors theme, as communication with the donor takes place through their customer relationship management process as well as through other channels of communication and contributes to the strategy of the NGO.

The link to the Stewardship theme is through the Funds theme as stewardship takes place in the reporting on how the NGO has utilised the funds.

6.12.4 Theme 4: Communication

The Communication theme had 21 hits and 55% relevance. For this NGO, communication refers to communicating with the corporate donors through their customer relationship management process. It also refers to the different ways of communicating and the

different styles of communicating, as not all donors want to be communicated with regularly and in the same manner.

Internal links/relationships

The Communication theme has *communication* as a concept.

External links/relationships

The Communication theme is interrelated with the Donors theme, as the communication mainly takes place with the corporate donors. Through the Donors theme, the Communication theme is linked to the People and Trust themes. Communication and transparency in the relationship with the corporate donors will lead to trust between the two partners.

Through communication, the NGO also reaches out to people who are other stakeholders in society. Through communicating with donors the Communication theme links to the Strategy theme where communication processes and decision-making processes are carried out. It also links with the Need theme and then with the Legal theme, which illustrates the importance of considering the needs of society from a corporate citizenship perspective.

6.12.5 Theme 5: Decision

The Decision theme had 15 hits and 39% relevance. This theme refers to the decision-making process that the NGO goes through in determining what to communicate with corporate as well as how to implement their projects.

Internal links/relationships

The Decision theme has *decision* as a concept.

External links/relationships

The Decision theme is linked closely to the Strategy theme, as the organisational strategy determines how the NGO will operate and manage their organisation, projects and the relationship with their corporate donors. The decision-making processes are carried out in

the Strategy theme as well as the Decision theme; and through the Strategy theme, the Decision theme is linked to the Structures theme that support the decision-making.

6.12.6 Theme 6: Need

The Need theme had 13 hits and 34% relevance. This refers to societal needs that the NGO responds to through their projects.

Internal links/relationships

The Need theme has *need* as a concept.

External links/relationship

The Need theme is strongly related to the Communication theme, as it partially overlaps with the Communication theme. It links to the Donor theme via the Communication theme which illustrates that the NGO communicates with the donor about its needs. It is also directly related to the Legal theme.

6.12.7 Theme 7: Trust

The Trust theme had 12 hits and 32% relevance. This relates to the trust relationship between the NGO and its corporate funders, which develops as their relationship develops.

Internal links/relationships

The Trust theme has *trust* as a concept.

External links/relationships

The Trust theme is linked directly to the Donors theme as this NGO works hard at building relationships with corporate donors and at demonstrating stewardship to build and maintain that trust.

Through the Donors theme, the Trust theme is linked to the Communication theme as it is through transparent and strategically communicating with donors that trust is built and maintained.

Through the Donors theme, the Trust theme is linked to the People theme because for this NGO, people are also donors. For one of their big strategic corporate partnerships, the public contribute towards funding this NGO by buying their donor's product - so there also needs to be trust from the public that funds will be used wisely.

6.12.8 Theme 8: People

The People theme had 11 hits and 29% relevance. For this NGO, this theme refers to the general public who also donate to the organisation through one of their strategic partners. When people buy the corporate's product, there is an option for them to add a small amount of money that would go to this NGO.

Internal links/relationships

The People theme has *people* as a concept.

External links/relationships

The People theme is strongly linked to the Donor theme, as for this NGO, people (the general public) are part of the donors that contribute to this NGO. This is because their main corporate partner is a food chain corporate that asks people if they want to donate through a small donation that they give when they purchase the donor's product.

Through the Donor theme, the People theme is linked to the Communication theme because communication must still be directed at the people. The link to the Trust theme is due to the fact that both the NGO and the corporate need to build trust with the people in the public arena since they are also donors in a sense.

6.12.9 Theme 9: Legal

The Legal theme had 6 hits and 16% relevance. For this NGO, the Legal theme refers to legal considerations the NGO has to take into account before partnering with any corporates. They need to establish the legality of a corporate, as well as to enter into a legal agreement/contract before they partner with the corporate.

Internal links/relationships

The Legal theme has *legal* as a concept.

External links/relationships

The Legal theme is linked directly to the Need theme because the societal need they respond to is feeding children. Because their beneficiaries are children, this NGO cannot enter into a partnership with certain corporate partners whose products are harmful to children. Examples include corporates that manufacture alcoholic beverages or cigarettes.

6.12.10 Theme 10: Structures

The Structures theme had four hits and 11% relevance. This refers to structures that the NGO has in place to support its strategic decision-making. This includes different committees and the board.

Internal links/relationships

The Structures theme has *structures* as a concept.

External links/relationships

The Structures theme is linked closely and directly to the Strategy theme through the *management* concept, as it is the management that make the strategic decisions and sit on these structures in this NGO. The board sets the strategy and management structures implement the strategy.

Through the Strategy theme, the Structures theme is linked to the Decision theme as decisions are supported in the decision-making structures.

6.12.11 Theme 11: Stewardship

The stewardship theme had 2 hits and 5% relevance.

Internal links/relationships

This theme has *stewardship* as a concept.

External links/relationships

For this NGO, this theme refers to being accountable for the funds from corporate donors through narrative and financial reports and communication.

Stewardship is closely linked to the Funds theme, which has *NGO*, *funds* and *corporate* as concepts. This is because the NGO acts as steward for the funds received from corporate funders since the funds are entrusted to the NGO.

6.13 FIELD STUDY 11



Figure 17: Field Study 11 Concept Map

Table 19: Shows Field Study 11 Concept Map results.

No	Theme	Number of hits	Relevance	Concepts
1	Corporate	43	95%	Corporate, relationship, communication
2	Funding	42	100%	Funding, decision, processes
3	Funder	27	68%	Funder, trust

4	Organisation	21	38%	Organisation, NGO
5	Need	17	42%	Need
6	People	9	22%	People
7	Report	9	22%	Report
8	Stakeholders	7	18%	Stakeholders
9	Business	7	18%	Business
10	Policy	5	12%	Policy

This NGO offers 24-hour telephone *counselling services*.

6.13.1 Theme 1: Corporate

For this NGO, the Corporate theme received the most hits, that is, 43 hits and 95% relevance. For this NGO, the corporate theme refers to the different processes the NGO engages in when building and maintaining a relationship with corporate donors through communication. This is very important for the NGO, as it's the way they build partnerships with corporates who fund their projects.

Internal links/relationships

The Corporate theme has *corporate, relationship* and *communication* as concepts.

External links/relationships

This theme links directly to the Funder theme through the *trust* concept, as the relationship with the Funder needs to be based on trust. The funder needs to understand the societal needs as they both need to be on the same page on this, hence the link to the Need theme through the Funder theme.

The Corporate theme is also linked to the Organisation theme through the *NGO* concept, as the NGO refers to an organisation that the corporate donors partner with to meet societal needs.

6.13.2 Theme 2: Funding

The Funding theme had 42 hits and 100% relevance. For this NGO, funding is very important and refers to decision-making processes that the NGO follows when deciding who to accept funding from and which causes to receive funding for.

Internal links/relationships

The Funding theme has *funding*, *decision* and *processes* as concepts. This refers to the funding that the NGO receives from corporate partners.

External links/relationships

The Funding theme links directly to the Policy theme as the funder's policy determines the funding that this NGO gets. The Policy theme also includes the funder's legal considerations on whether or not this NGO gets funding. So their chances of getting funding depends entirely on the corporate donor's policy.

The Funding theme has a direct link to the Corporate theme as the funding being referred to come from corporate donors through building a relationship based on communication.

6.13.3 Theme 3: Funder

The Funder theme had 27 hits and 68% relevance. For this NGO, this relates to trust between the NGO and the funders. Based on this trust, the funder will support the social issues that the communities are encountering. This also refers to the funder's trust that the NGO will spend the money as they are supposed to. This trust is important and should not be doubted at all between the two parties.

Internal links/relationships

The Funder theme has *funder* and *trust* as concepts.

External links/relationships

The Funder theme overlaps with the Corporate theme, as the funders being referred to are corporate funders whose relationship is based on *trust*. Communication is also important to the NGO.

The Funder theme is related to the Business theme as business is interchanged with corporate funders in this NGO.

The Funder theme is related to the Need theme as funding takes place in response to societal needs in communities.

6.13.4 Theme 4: Organisation

The Organisation theme had 21 hits and 38% relevance. For this NGO, this relates to the NGO as an organisation and the way it sees itself in the relationship with its corporate partners.

Internal links/relationships

The Organisation theme has *organisation* and *NGO* as concepts.

External links/relationships

The Organisation theme is closely related to the Corporate theme because as an NGO the corporate funders, through their funding, keep their organisation going.

Through the Corporate theme, the Organisation theme is linked to the Funding theme, as the funding is provided by the corporate to the NGO.

6.13.5 Theme 5: Need

The Need theme had 17 hits and 42% relevance. For this NGO, this refers to societal needs that the NGO responds to. This theme has a close relationship with the Funder theme, as the funder funds the NGO to be able to respond to these needs.

Internal links/relationships

The Need theme has *need* as a concept.

External links/relationships

The Need theme is also directly related to the Report theme, as the NGO needs to show how it has met the needs that the corporate funders funded them for and has to be accountable for the funds through reports.

The Need theme also links directly to the Stakeholders theme, which links to the People theme. This is because need refers to the need of the NGO's stakeholders who are people in the communities.

6.13.6 Theme 6: People

The People theme had nine hits and 22% relevance. For this NGO, this relates to people in the community and the general public who phone through to use their counselling services.

Internal links/relationships

The People theme has *people* as a concept.

External links/relationships

The People theme links directly to the Stakeholders theme as it is from the people pool where this NGO's stakeholders come from as their beneficiaries are the general public. This in turn links to the Need theme as, through their mandate, this NGO is meeting the need of the people who phone in for counselling. This in turn links to the Funder theme as the funders address the need of the people through the NGO.

6.13.7 Theme 7: Report

The Report theme had nine hits and 22% relevance. The Report theme refers to the reporting the NGO does to the corporate funder to demonstrate their stewardship. The reports are in narrative and financial form and are provided at the time when an audit

report is required. The NGO also reports to their board so the board is aware of what is going on.

Internal links/relationships

The Report theme has *report* as a concept.

External links/relationships

The Report theme is linked directly to the Need theme. Through the Need theme, it then links to the Stakeholders and Funder themes. From this one can deduct that reports to funders contain information on how the needs of stakeholders have been met.

6.13.8 Theme 8: Stakeholders

The Stakeholders theme had seven hits and 18% relevance. It has *stakeholders* as a concept. This theme refers to the NGO's stakeholders and is directly related to the People and Need themes. Through the Need theme it links to the Report and Funder themes.

Internal links/relationships

The Stakeholders theme has *stakeholder* as a concept.

External links/relationships

The Stakeholders theme links to the People and Need themes, to indicate that stakeholders are identified from people in general and they have specific needs.

6.13.9 Theme 9: Business

The Business theme had seven hits and 18% relevance. For this NGO, this theme refers to the business plan, which is used as part of the proposal to seek funding.

Internal links/relationships

The Business theme has *business* as a concept.

External links/relationships

This theme is closely linked to the Funder theme, as it is due to the business plan and proposal that the NGO is funded by the corporate donors.

6.13.10 Theme 10: Policy

The Policy theme had five hits and 12% relevance. For this NGO, this theme refers to the funder's policy that determines the funding that this NGO gets. Policy also includes the funder's legal considerations on whether or not this NGO gets funding. So this NGO sees the funding that they get as depending entirely on the corporate donor.

Internal links/relationships

The Policy theme has *policy* as a concept.

External links/relationships

This theme links directly to the Funding theme where decision-making processes to fund this NGO occur.

6.14 FIELD STUDY 12



Figure 18: Field Study 12 Concept Map

Table 20: Shows Field Study 12 Concept Map results.

No	Theme	Number of hits	Relevance	Concepts
1	Corporate	62	100%	Corporates, funders, stakeholders, decision, making, legal
2	Structures	16	38%	Structures
3	Need	15	36%	Need
4	Organisation	11	26%	Organisation
5	Board	10	24%	Board

6	People	9	21%	People
7	Strategic	9	21%	Strategic
8	Communication	9	21%	Communication
9	Brand	9	21%	Brand, policy

This NGO focuses on improving the lives of young people through the *prevention of HIV infection and holistic youth development*.

6.14.1 Theme 1: Corporates

The Corporates theme had 62 hits and 100% relevance. For this NGO, the corporate theme focuses on decision-making processes that the NGO follows when deciding which corporates to accept funding from and the steps they take until they receive funding from corporate donors. It also includes legal considerations that the NGOs take into account.

Internal links/relationships

The Corporates theme has *corporates, funders, stakeholders, decision, making and legal* as concepts.

External links/relationships

This theme is inter-related with the Communication theme because communication takes place both with the funders and other stakeholders, including the beneficiaries of the NGO's projects. The link between the Corporates theme and the Structures theme shows how important structures are in facilitating the decision-making processes in corporate organisations.

The link to the Strategic theme shows the strategic nature of the decision-making.

6.14.2 Theme 2: Structures

The Structures theme had 16 hits and 38% relevance. For this NGO, the Structures theme refers to the respective entities in both the NGO and the corporate who sign off on the

partnership on both sides. In this NGO's case it would be the board, the CEO supported by the CFO who also sits on the board, and the Senior Executive Manager for operations, who oversees the programmes.

Internal links/relationships

The Structures theme has *structures* as a concept.

External links/relationships

The Structures theme is linked directly to the Board theme because the board is one of the decision-making structures in this organisation.

This theme is inter-related to the Strategic theme, as decision-making structures like the board informs strategy, which filters down to the other structures and to the rest of the organisation through different departments.

The link to the Corporates theme is due to the decision-making processes that are carried out by the different structures of the funder, including the board and management committees.

The Structures theme is also linked to the Organisation theme, as these are organisational structures that make decisions that bind the NGO.

Through the *funder's* concept in the Corporates theme, the Structures theme is linked to the Communication theme. The communication that takes place is with *corporates, stakeholders* and *funders*.

6.14.3 Theme 3: Need

The Need theme had 15 hits and 36% relevance. This refers to the societal needs that the NGO meets through its mandate.

Internal links/relationships

The Need theme has *need* as a concept.

External links/relationships

The Need theme links directly to the Corporates theme through the Corporates theme's *stakeholders* concept. This is because the NGO meets the community stakeholders' needs.

6.14.4 Theme 4: Organisation

The Organisation theme had 11 hits and 26% relevance. For this NGO, this refers to both the NGO itself and the other organisations they work with.

Internal links/relationships

The Organisation theme has *organisation* as a concept.

External links/relationships

The Organisation theme is directly linked to the Brand theme, as the way this NGO operates, enhances its reputation and brand.

It is also directly linked to the Structures theme as the structures are organisational structures that make decisions about the NGO. Through the Structures theme, this theme is then linked to the Strategic theme, as the structures make decisions and implement the strategy of the organisation.

6.14.5 Theme 5: Board

The Board theme had 10 hits and 24% relevance. The Board theme refers to the board as a decision-making structure that makes strategic decisions and sets the strategy of the NGO.

Internal links/relationships

The Board theme has *board* as a concept.

External links/relationships

The Board theme is directly related to the Structures theme as the board is an organisational structure that makes decisions about whether or not to receive funding from a corporate.

Through the Structures theme, the Board theme is linked to the Strategic and Organisation themes. The link to the Strategic theme is because the board structure makes strategic decisions that inform the strategy and focus of the NGO. The link to the Organisation theme through the Structures theme is because the board is a structure in the organisation that represents the organisation and which makes decisions that impact on the NGO.

The Board theme is linked to the Corporates theme via the Structures theme as it is in the Corporates theme where the *decision-making* processes take place, which is then communicated to the *stakeholders* and *funders*.

6.14.6 Theme 6: People

The People theme had nine hits and 21% relevance.

Internal links/relationships

The People theme had *people* as a concept. For this NGO, people refers to the young people who are the NGO's beneficiaries.

External links/relationships

The People theme links directly to the Brand theme through the Brand theme's *policy* concept, since people are affected by the brand positioning of the NGO.

6.14.7 Theme 7: Strategic

The Strategic theme had 19 hits and 21% relevance. For this NGO, the Strategic theme refers to the strategy of the NGO and the strategic decision-making that the different structures, like the board, make on behalf of the NGO.

Internal links/relationships

The Strategic theme has *strategic* as a concept.

External links/relationships

The Strategic theme overlaps with the Structures and the Corporates themes. The strong relationship with the Structures theme is because strategic decision-making takes place in decision-making structures like the board and management committees.

The link with the Corporates theme is through the *strategic, decision* and *making* concepts that occur in the Corporates theme (which refers to the NGO) and that relates to potential corporate funders, as well as current corporate funders.

Through the Corporates theme, the Strategic theme is linked to the Communication theme where communication about the decisions made takes place with the funders and the stakeholders.

Through the Structures theme, the Strategic theme also links to the Board theme as the board of directors sets the strategy and makes strategic decisions that determine the focus of the NGO.

6.14.8 Theme 8: Communication

The Communication theme had nine hits and 21% relevance. The Communication theme relates to how the communication between the NGO and corporate stakeholders, including their corporate donors, is managed.

This includes the channels of communication used; mediums of communication; and types of communication; how regularly communication takes place; what to communicate and how to communicate effectively so that the reputation of the NGO is not tarnished.

Internal links/relationships

The Communication theme has *communication* as a concept.

External links/relationships

The Communication theme overlaps with the Corporates theme, as the communication function communicates the decisions made (and other communication) to the corporate funders, as well as to the NGO's stakeholders and beneficiaries.

The Communication theme relates to all the other themes through the Corporates theme, which has *Corporates, funders, stakeholders, decision, making and legal* as concepts.

6.14.9 Theme 9: Brand

The Brand theme had nine hits and 21% relevance. For this organisation, its brand is important. This refers to managing the brand externally to assess what the general public feels about it, as well as obtaining general buy-in from the community about the brand and creating brand value. This also includes the reputation of their NGO. The organisation furthermore has a policy about how to manage the brand.

Internal links/relationships

The Brand theme has *brand* and *policy* as concepts.

External links/relationships

The Brand theme links directly to the Organisation theme, as it refers to the organisation's brand. In managing the brand, any feedback that is received is used to strengthen the organisation. The Brand theme also links directly to the People theme as it is the feedback on the brand from the general public and their stakeholders that this NGO is interested in.

6.15 FIELD STUDY 13

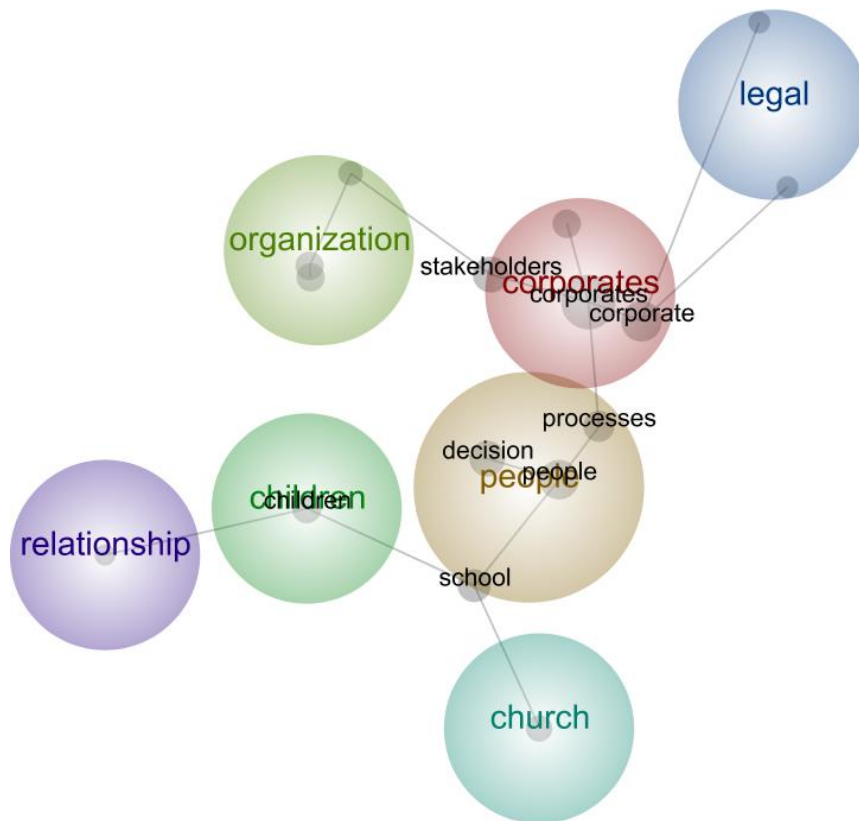


Figure 19: Field Study 13 Concept Map

Table 21: Shows Field Study 13 Concept Map results.

No	Theme	Number of hits	Relevance	Concepts
1	People	25	63%	People, decision, school, processes
2	Corporates	22	100%	Corporates, corporate, stakeholders
3	Church	8	42%	Church
4	Children	7	37%	Children

5	Organisation	4	4%	Organisation
6	Relationship	2	11%	Relationship
7	Legal	2	11%	Legal

This NGO is a *pre-primary educational institution* for under privileged children that is run through a church.

6.15.1 Theme 1: People

The People theme received the most hits, 25, and 63% relevance. For this NGO, this theme refers to people at large, including corporates who want to fund the NGO; and the decision-making processes they enter into to decide who to receive funding from.

Internal links/relationships

The People theme has *people, decision, school* and *processes* as concepts.

External links/relationships

The People theme is strongly related to and partially overlaps with the Corporates theme, as the decisions made here are about the relationship between this NGO and the corporates that fund it. It is also through the Corporates theme that the relationship with the corporates is built and maintained through two-way communication processes.

The People theme is linked directly to the Church theme through the People theme's *school* concept, as the church helps this school to make decisions based on their principles, values and policies.

The People theme also links directly to the Children theme via its *school* concept as the NGO has children as beneficiaries of the funding.

6.15.2 Theme 2: Corporates

The Corporates theme had 22 hits and 100% relevance. This refers to how communication between the NGO, the corporate funders and other stakeholders is managed.

Internal links/relationships

The Corporates theme has *corporates*, *corporate* and *stakeholders* as themes.

External links/relationships

The Corporates theme is strongly related to and partially overlaps with the People theme. The direct link to the People theme is via the *processes* concept.

The Corporate theme is also linked to the Organisation theme through its *stakeholders* concept and to the Legal theme through its *corporates* concept. The link to the Legal theme shows the importance of the legal considerations the NGO has to take into account when deciding whether to receive funds from corporates.

6.15.3 Theme 3: Church

The Church theme had eight hits and 42% relevance. This refers to the specific church, as it is an integral part of the NGO. The Church also funds the NGO school and houses the school as it provides space for the school on the church premises.

Internal links/relationships

The Church theme has *church* as a concept.

External links/relationships

The Church theme is directly linked to the People theme through the school concept as the church plays a great part in the school's decision-making processes.

Through its *school* concept, the Church theme is linked to the Children theme as the children are the beneficiaries of the school that the church houses. Via the Children theme,

the Church theme is linked to the Relationship theme, as it is through the school that the church has a relationship with the children.

The Church is linked to the Corporates theme through its *school* concept via the People theme.

6.15.4 Theme 4: Children

The Children theme had seven hits and 37% relevance. This theme refers to the children that are the beneficiaries of this NGO through the nursery school.

Internal links/relationships

The Children theme has *children* as a concept.

External links/relationships

This theme is closely linked to the People's theme through the *school* concept, as the children who attend the school come from people in the neighbourhood. The NGO exists to serve the children, so their communication with the corporates focuses on building a relationship that will benefit the children.

The Children theme is linked to the Corporates theme via the People theme's *school*, *people* and *processes* concepts.

6.15.5 Theme 5: Organisation

The Organisation theme had four hits and 4% relevance. This refers to the NGO/nursery school as a functioning organisation in the community.

Internal links/relationships

The Organisation theme has *organisation* as a concept.

External links/relationships

The Organisation theme is closely linked to the Corporates theme via the *stakeholders* concept as the interaction, communication and relationship with the corporate funders and the stakeholders are all facilitated through the NGO as an organisation.

Through the Corporates theme, the Organisation theme is linked to the Legal theme because both the NGO and corporates as organisations have to adhere to legal considerations before they can accept or give funds.

Through the Corporates theme the Organisation theme is also linked to the People theme, which has *people, decision, school* and *processes* as concepts.

The pathway between the Organisation theme and the Church theme goes through the Corporates theme and the People theme, as the church is part of the decision-making structures of the NGO.

6.15.6 Theme 6: Relationship

The Relationship theme had two hits and 11% relevance. This refers to the relationship between the NGO and the corporate funders. For this NGO, it is very important that the children are part of the relationship with their corporate funders, as they want the corporates to be aware of what the children are going through and how their funding impacts on the children. This is depicted in the map above - the Relationship theme is closely related to the Children theme.

Internal links/relationships

The Relationship theme has *relationship* as a concept.

External links/relationships

The Relationship theme is directly related to the Children theme and links to other themes through the Children theme. The Children theme is linked to the People theme where decision-making and communication processes take place. These decision-making processes

and communication are with the corporate funders and other stakeholders including the church (through the *school* concept).

6.15.7 Theme 7: Legal

The Legal theme had two hits and 11% relevance. This refers to the legal considerations that this NGO has to take into account before it can receive funds from a corporate, as well as the legal laws that the NGO has to abide by, like being registered, filing taxes etc.

Internal links/relationships

The Legal theme has *legal* as a concept.

External links/relationships

The closest link to the Legal theme for this NGO is to the Corporates theme, as the legal considerations mainly entails vetting which corporates they can partner with. This is mostly because of their close alliance with the church; they do this as a way of maintaining their reputation and the church's reputation.

Through the Corporates theme the Legal theme links to the People theme through the *processes* concept and ultimately to the Children and the Church themes through the *school* concept.

6.16 FIELD STUDY 14

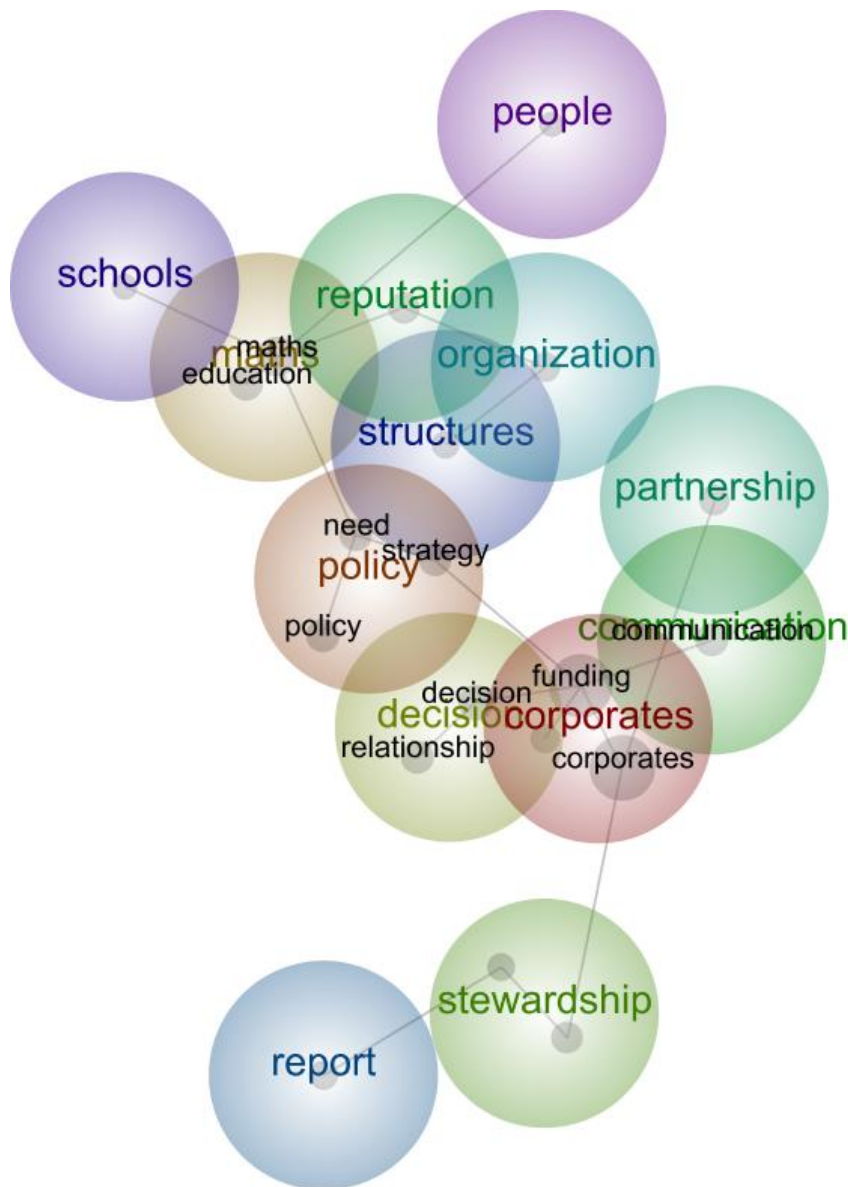


Figure 20: Field Study 14 Concept Map

Table 22: Shows Field Study 14 Concept Map results.

No	Theme	Number of hits	Relevance	Concepts
1	Corporates	58	100%	Corporates, funding
2	Decision	18	20%	Decision, relationship

3	Maths	18	27%	Maths, education
4	Policy	15	14%	Policy, need, strategy
5	Communication	10	20%	Communication
6	Stewardship	10	20%	Stewardship
7	Partnership	9	18%	Partnership
8	Report	8	16%	Report
9	Reputation	7	14%	Reputation
10	Organisation	5	10%	Organisation
11	School	4	8%	School
12	Structures	3	6%	Structures
13	People	2	4%	People

This NGO focuses on the *education* of South African children and young people through improved quality teaching and learning of mathematics as well as through public awareness activities.

6.16.1 Theme 1: Corporates

The Corporates theme had 58 hits and 100% relevance. This focuses on the corporate donors from whom the NGO seeks and gets funding.

Internal links/relationships

The Corporates theme has *corporates* and *funding* as concepts.

External links/relationships

The Corporates theme is strongly inter-related to and overlaps with both the Decision and Communication themes. The Decision theme refers to decision-making processes, including whether to received funding from corporate donors, as well as how to communicate with the donors to enable them to build and maintain a relationship with the corporate donors.

The inter-relatedness with the Communication theme refers to the communication this NGO undertakes with corporates about funding and the relationship it builds with the corporate.

The Corporate theme links to the Policy theme directly through its *funding* concept and the Policy theme's *strategy* concept.

6.16.2 Theme 2: Decision

The Decision theme had 18 hits and 20% relevance. The theme is about the decision-making processes, decision-making structures, communication structures as well as communication channels that this NGO uses in making decisions about funding and in building a relationship with their corporate funders. Decision-making processes include meetings they hold internally and with the corporates. The structures include the board, advisory committee and a management committee. The communication channels include emails and telephone.

Internal links/relationships

The Decision theme has *decision* and *relationship* as concepts.

External links/relationships

The Decision theme is inter-related to and partially overlaps with the Corporate and Policy themes. The link to the Corporates theme is due to its decision-making processes and structures, as well as the communication processes that support the *relationship* with corporate donors.

The relationship with the Policy theme is because the decisions made and the communication processes are based on the strategy and policy of the organisation.

The link to the Communication theme is through the *funding* concept of the Corporates theme and from there it links to the Partnerships theme.

6.16.3 Theme 3: Maths (Mathematics)

The Maths theme had 18 hits and 27% relevance. This theme refers to the mathematics education that the NGO is using to develop the skills of their beneficiaries who are young people in South Africa.

Internal links/relationships

The Maths theme has *maths* and *education* as concepts.

External links/relationships

The Maths theme is strongly inter-related to the Schools, Structures and Reputation themes and overlaps with all three themes. The relationship with the Schools theme is because this NGO work with schools to reach the young people that they are training in mathematical skills.

The link to the Structures theme is because the structures are mathematics related structures where decisions are made on mathematics related issues. An example of these structures is the Advisory Committee on Mathematics.

The link to the Reputation theme is because the work this NGO does as a national organisation is very important and they need to keep a good reputation for their work to be reputable and professional. Through the Reputation theme, the Maths theme also links to the People theme, as they need to keep a good reputation with people in the general public.

6.16.4 Theme 4: Policy

The Policy theme had 15 hits and 14% relevance. The Policy theme refers to policies that the NGO wants to be able to influence as part of what they do, especially when their good reputation spreads.

Internal links/relationships

The Policy theme has *policy*, *need* and *strategy* as concepts.

External links/relationships

The Policy theme is inter-related to and partly overlaps with the Decision and Structures themes, as it is in the decision-making structures that decisions on policy are made.

The Policy theme links directly to the Maths theme, as this NGO wants to convince government that they are doing great work in the maths arena with young people, which will enable them to influence policy at government level.

6.16.5 Theme 5: Communication

The Communication theme had 10 hits and 20% relevance. This theme refers to communication processes, channels, guidelines and how often the NGO communicates with the corporate donors.

Internal links/relationships

The Communication theme has *communication* as a concept.

External links/relationships

The Communication theme is inter-related to and overlaps with the Corporates and Partnership themes. The relationship with the corporates is because the communication is targeted at the corporate donors in building and maintaining their relationship. The link with the Partnership theme shows the closeness of the relationship between this NGO and their corporate funders, as they regard themselves as being in a partnership with their corporate funders.

Through the Corporates theme, the Communication theme is linked to the Decision theme, as the communication function is the one that communicates the decisions to the corporates that fund them.

6.16.6 Theme 6: Stewardship

The Stewardship theme had 10 hits and 20% relevance. This refers to the reports that the NGO has to submit to the corporate funders as a demonstration of their stewardship. This also includes financial statements and auditing reports for this NGO.

Internal links/relationships

The Stewardship theme has *stewardship* as a concept.

External links/relationships

For this NGO, the Stewardship theme is closely related to the Report theme as the stewardship to their corporate funders is demonstrated in the form of reports.

There is also a close direct link to the Corporates theme as the stewardship is demonstrated to the corporate funder in how the NGO has utilised the funds entrusted to them in the partnership.

Through the Corporates theme, the Stewardship theme links to the Communication theme, then to Partnership theme, as the stewardship of the corporate's funds is demonstrated in the communication about the progress in the partnership between the NGO and the corporate funders.

Through the Corporate theme, the Stewardship theme is also linked to the Decision theme via the *funding* and *decision* concepts, as the quality and level of stewardship will determine whether the corporate will decide to renew the funding or not.

6.16.7 Theme 7: Partnership

The Partnership theme had nine hits and 18% relevance. This refers to the partnership relationship that the NGO has with its corporate funders. This NGO prefers not only to see a corporate as a funder, but also as a partner. For this NGO, it means that if someone is a partner, you will engage with them regarding your outcomes, activities and challenges.

Internal links/relationships

The Partnerships theme has *partnership* as a concept.

External links/relationships

This theme is inter-related to and partially overlaps with the Communication theme because for the partnership to be successful, there has to be great communication between the two partners. The theme's link to the Corporates theme through the Communication theme shows that the communication is good for a partnership.

Through the Communication theme the Corporates theme, links to the Stewardship theme as the partnership is maintained by good stewardship of corporate donor funds by the NGO.

6.16.8 Theme 8: Report

The Report theme had eight hits and 16% relevance. This theme refers to the different reports to the corporate funders as well as reports to their board. These include quarterly reports, annual reports as well as reporting at quarterly meetings.

Internal links/relationships

The Report theme has *report* as a concept.

External links/relationships

The Report theme is directly and closely linked to the Stewardship theme as the reports are a vehicle of demonstrating stewardship to the corporate donors. Through the Stewardship theme, the Report theme links to the Corporates theme as the reports go to the corporate funders.

6.16.9 Theme 9: Reputation

The Reputation theme has seven hits and 14% relevance. For this NGO, the theme is about their credibility as an NGO; their success rate in terms of managing programmes; and their capacity to deliver.

Internal links/relationships

The Reputation theme has *reputation* as a concept.

External links/relationships

Reputation is so important for this NGO that it is quite centrally placed and inter-related to and overlaps with the Maths, Structures and Organisation themes. This is because this NGO represents the country as a maths body, and as such, their reputation is important for them to retain their status. The organisation also sees the structures that determine their policy and strategy as upholding the reputation of the organisation.

6.16.10 Theme 10: Organisation

The Organisation theme had five hits and 10% relevance. This theme refers to the NGO itself as an organisation.

Internal links/relationships

The Organisation theme has *organisation* as a concept.

External links/relationships

The Organisation theme is strongly related to and partially overlaps with the Reputation and Structures themes. This is because reputation and the structures that make decisions are very important for this organisation to operate.

The Organisation theme also slightly overlaps with the Partnership theme, as it is the NGO that enters into a partnership with the corporate funders.

6.16.11 Theme 11: Schools

The Schools theme had four hits and 8% relevance. This refers to the schools that the NGO works with as its beneficiaries.

Internal links/relationships.

The Schools theme has *schools* as a concept.

External links/relationships

The Schools theme overlaps with the Maths theme and links to all the other themes via the Maths theme. This is because this NGO works with schools to improve the maths skills of the students.

6.16.12 Theme 12: Structures

The Structures theme had three hits and 6% relevance. This theme refers to the decision-making structures in the NGO, which include the board and other committees.

Internal links/relationships

The Structures theme has *structures* as a concept.

External links/relationships

The Structures theme partially overlaps with the Policy, Maths, Reputation and Organisation themes. The link to the Policy theme is because this NGO's decision-making structures determine its policy.

The link to the Maths theme is because this NGO's decision-making structures make decisions about maths in South African schools.

The link to the Reputation theme is because the decision-making structures are very concerned about keeping a good reputation for the NGO.

The link to the Organisation theme is because the structures operate within the NGO.

6.16.13 Theme 12: People

The People theme had two hits and 4% relevancy. The theme refers to the people that the NGO works with as beneficiaries in the different schools they work in.

Internal links/relationships

The People theme has *people* as a concept.

External links/relationships

The People theme is linked to the Maths theme via the Reputation theme.

6.17 FIELD STUDY 15

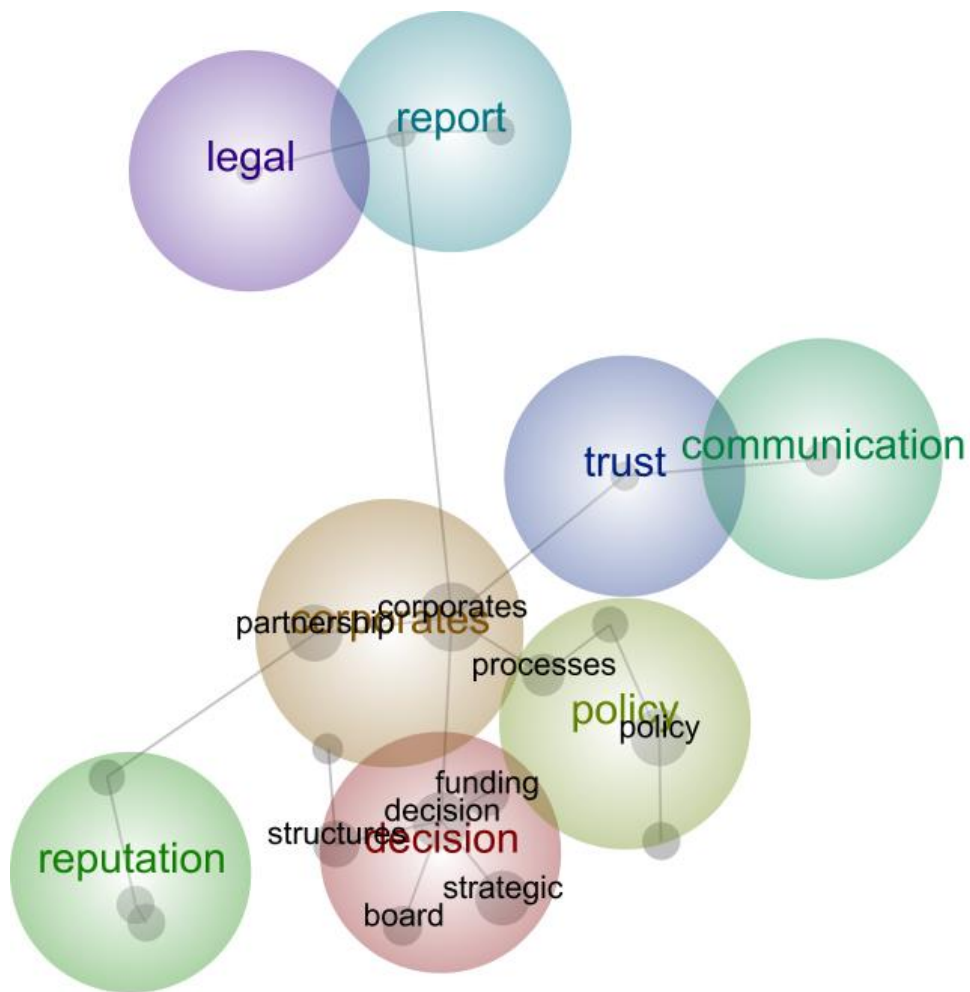


Figure 21: Field Study 15 Concept Map

Table 23: Shows Field Study 15 Concept Map results.

No	Theme	Number of hits	Relevance	Concepts
1	Corporates	31	100%	Corporates, partnership
2	Decision	29	58%	Decision, strategic, structures, funding,

				board
3	Policy	22	95%	Policy, processes, CEO
4	Communication	9	47%	Communication
5	Report	5	26%	Report
6	Reputation	5	26%	Reputation
7	Legal	3	16%	Legal
8	Trust	2	11%	Trust

This NGO *supports Maths, Science and Technology Education* and offers innovative, dynamic learning experiences that contribute to building South Africa’s science, engineering and technology capacity.

6.17.1 Theme 1: Corporates

The Corporates theme had 31 hits and 100% relevance. This theme refers to the corporates that fund this NGO and the importance of a partnership with the right corporate funders.

Internal links/relationships

The Corporates theme has *corporates* and *partnership* as concepts.

External links/relationships

The Corporates theme is the strongest theme for this NGO. It partially overlaps with the Decision theme through the *funding* and *decision* concepts.

The theme is also closely related to the Policy theme through the *processes* concept. This shows that policy is part of the important processes in this NGO.

The Corporates theme is directly linked to the Reputation theme, as the corporates’ reputation will also impact on this NGO’s reputation.

The Corporates theme is also directly linked to the Trust theme as trust is important for the relationship between this NGO and its corporate funders. The link with the Trust theme shows the importance of a partnership relationship based on trust for this NGO, which then links to the Communication theme as the relationship between the NGO and corporate funder is built through regular communication.

The Corporates theme is also directly linked to the Report theme, as this illustrates how the relationship is sustained through demonstrating stewardship of the funds through reports.

6.17.2 Theme 2: Decision

The Decision theme had 29 hits and 58% relevance. This theme is about the strategic decision-making that happens in this NGO and the decision-making structures in this NGO. These include the board, and board sub-committees such as ethics, finance and procurement committees that make decisions which impact on the NGO, including whether or not to receive funding from corporate donors and whether or not to have a relationship with strategic corporate donors.

Internal links/relationships

The Decision theme has *decision, strategic, structures, funding* and *board* as concepts.

External links/relationships

The strongest link is with the Corporates theme where it and the Decision theme overlaps. The pathway is through the *decision* and *funding* concepts as the decision-making is mostly around the strategic relationship with the corporate funders.

The Decision theme also slightly overlaps with the Policy theme. This relationship is strong because this organisation has policies that they have to adhere to when making decisions.

6.17.3 Theme 3: Policy

The Policy theme had 22 hits and 11% relevance. This refers to the Policy that governs the NGO.

Internal links/relationships

The Policy theme has *policy*, *processes* and *CEO* as concepts.

External links/relationships

The Policy theme is strongly related to the Decision theme with which it partially overlaps. The close relationship is due to the decision-making structures that are in place, like the board and sub-board committees who set the policy.

The Policy theme is also closely linked to the Corporates theme as the policy impacts on the communication and relationship with the corporates that fund the NGO.

Through the Corporates theme, the Policy theme is also linked to the Reputation theme, as the policies of the NGO ensure that the NGO's reputation is kept intact. This includes a policy on who the NGO cannot receive funding from, which includes tobacco companies and alcoholic beverage companies, as these conflicts with its focus of educating the youth.

6.17.4 Theme 4: Communication

The Communication theme had nine hits and 47% relevance. It refers to regular communication with the corporate donors, communication guidelines on how to communicate with the donors, as well as channels this NGO uses to communicate with their corporate donors.

Internal links/relationships

The Communication theme has *communication* as a concept.

External links/relationships

This Communication theme is strongly related to the Trust theme and it partially overlaps with the Trust theme. This is because the more this NGO communicates effectively with its corporate donors, the more the corporate donors can trust them with their money and they can also trust them to deliver on the contractual agreement. Communication builds trust.

Through the Trust theme, the Communication theme is linked to the Corporates theme where the partnership relationship with the corporate funders is cultivated and maintained.

Through the Corporates theme the Communication theme is linked to the Reputation theme. As an educational NGO, communicating what they are doing to the corporate donors, other stakeholders and the public fosters a good reputation for this NGO.

6.17.5 Theme 5: Report

The Report theme had five hits and 26% relevance. This theme refers to the NGO's reporting to the corporate on how it spent the funds entrusted to them as well as how the project implementation went, and it includes the monitoring and evaluation reports.

Internal links/relationships

The Report theme has *report* as a concept.

External links/relationships

The Report theme is directly linked to the Legal theme and it partly overlaps with it. This is because for this NGO, reporting is part of the legal contract between it and its corporate donors and its legal office goes through all the contracts before they are signed to make sure that everything is legal.

The Report theme is directly linked to the Corporates theme as the reporting is done to the corporate funders. The link to the Decision theme is through the *funding* concept in that reporting to the corporate donor determines whether the NGO gets funding again or whether the funding is reduced or stopped.

6.17.6 Theme 6: Reputation

The Reputation theme had five hits and 26% relevance,

Internal links/relationships

The Reputation theme has *reputation* as a concept.

External links/relationships

For this NGO, reputation is very important as they are in youth education and they have to be careful who they partner with as they run the risk of losing out on other relevant partnerships if its reputation is damaged.

This theme is linked directly to corporates through the partnerships they engage in, as the partnerships would impact on their reputation.

6.17.7 Theme 7: Legal

The Legal theme had three hits and 16% relevance. This refers to the legal aspects of the partnership, including the legal contract the two parties enter into; the legal offices that go through all their legal contracts; as well as legal considerations the NGO takes into account before it can partner with a corporate donor.

Internal links/relationships

The Legal theme has *legal* as a concept.

External links/relationships

This Legal theme is closely related to the Report theme (as reporting is part of the legal contract between the two parties) and then to the rest of the themes.

6.17.8 Theme 8: Trust

The Trust theme had two hits and 11% relevance. This refers to the trust between the NGO and its corporate funders. The more the corporate can trust the NGO with their money and trust them to deliver, the more the relationship and the funding can increase.

Internal links/relationships

The Trust theme has *trust* as a concept.

External links/relationships

The Trust theme is linked closely to both the Communication and Corporates themes because the more the NGO communicates openly with corporate funders and develops a relationship with them, the more the corporates trust the NGO.

6.18 FIELD STUDY 16

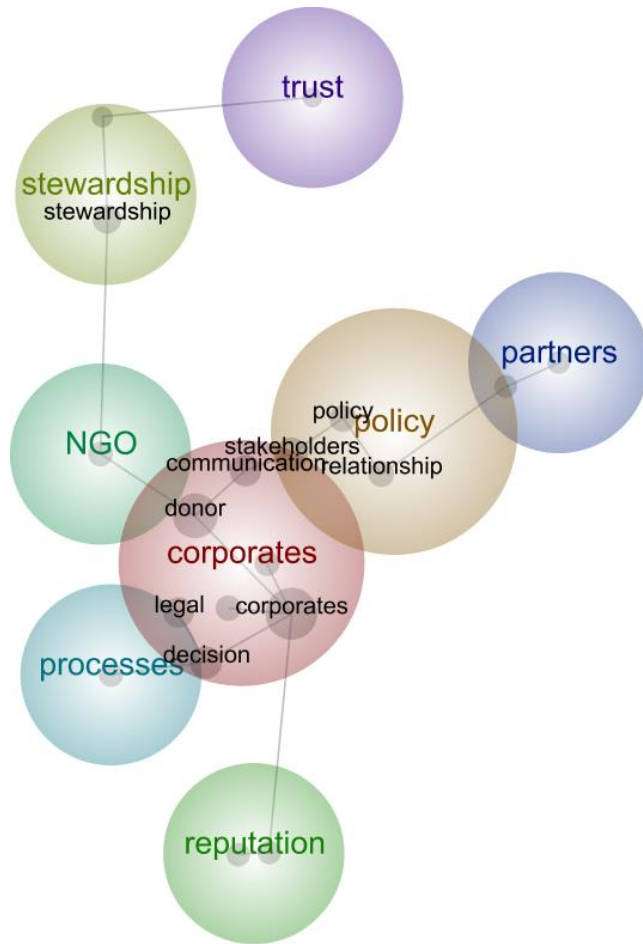


Figure 22: Field Study 16 Concept Map

Table 24: Shows Field Study 16 Concept Map results.

No	Theme	Number of hits	Relevance	Concepts
1	Corporates	36	100%	Corporates, donor, stakeholders, decision,

				communication, legal, strategy
2	Stewardship	11	38%	Stewardship
3	Policy	6	17%	Policy, relationship
4	Partners	5	17%	Partners
5	Processes	5	17%	Processes
6	NGO	5	17%	NGO
7	Reputation	5	17%	Reputation
8	Trust	3	10%	Trust

This NGO implements effective *environmental, ecotourism, education and youth development programmes* throughout South Africa.

6.18.1 Theme 1: Corporates

The Corporates theme had 36 hits and 100% relevance. This theme refers to the corporate donors that fund this NGO and the legal considerations, as well as the NGO strategy, that influence the decision to receive or not to receive funding from the different corporates.

Internal links/relationships

The Corporates theme has *corporates, donor, stakeholders, decision, communication, legal* and *strategy* as concepts.

External links/relationships

The Corporates theme is very central to this NGO. It partially overlaps with the Processes, NGO and Policy themes. The link to the Processes theme is through the *decision* concept, as the processes are part of the decision-making process and communication processes.

The link to the NGO theme is through the *donor* concept, as the relationship is between the corporate donors and the NGO.

The link to the Policy theme is through the *donor*, *communication* and *stakeholders* concepts, as this refers to researching the corporate donor policy to determine their funding policy and focus areas so that the NGO can align with those focus areas.

6.18.2 Theme 2: Stewardship

The Stewardship theme had 11 hits and 38% relevance. This refers to stewardship by the NGO to the corporate funder to account for the donated funds in the form of narrative and financial reports and in some cases, audit reports.

Internal links/relationships

The Stewardship theme has *stewardship* as a concept.

External links/relationships

The Stewardship theme is directly linked to the Trust theme, as one of the ways in which trust can be built between the NGO and its corporate donors is through reporting and being accountable for the funding.

The Stewardship theme is also linked to the NGO theme, as the NGO is the one that demonstrates stewardship to the corporate donors.

6.18.3 Theme 3: Policy

The Policy theme had six hits and 17% relevance. For this NGO, this refers to the corporate donor's strategy and policy that it researches before approaching the corporate for funding; as well as the NGO's communication policy when building the relationship between them and their corporate donors.

Internal links/relationships

The Policy theme has *policy* and *relationship* as concepts.

External links/relationships

The Policy theme is linked to the Corporates theme through the *donor, communication* and *stakeholders* concepts, as this refers to the corporate donor's giving strategy and policy. The other link is through the *relationship* concept to the Partnership theme. This represents the communication policy that guides the NGO's communication with its stakeholders and partners, including corporate donors.

6.18.4 Theme 4: Partners

The Partners theme had five hits and 17% relevance. This theme refers to the corporate partners that the NGO partners with.

Internal links/relationships

The Partners theme has *partners* as a concept.

External links/relationships

The Partners theme is strongly related to the Policy theme and partially overlaps with it. In this NGO, there are policy guidelines to follow when fostering a relationship with corporate partners. This includes communication guidelines regarding how the NGO communicates with its corporate partners.

The link to the Corporates theme is through the Policy theme via the *relationship, stakeholders* and *communication* concepts. Through the Policy theme and the *donor* concept in the Corporates theme, the Partners theme links to the NGO theme.

6.18.5 Theme 5: Processes

The Processes theme had five hits and 17% relevance. This theme refers to the processes that are in place to establish and build relationships with this NGO's corporate donors; communication processes with the corporate donor; decision-making processes the NGO has to follow when receiving funding; and decision-making processes it has to follow in the relationship with corporate donors.

Internal links/relationships

The Processes theme has *processes* as a concept.

External links/relationships

This theme is partially embedded in the Corporates theme, as the processes described above are also part of the processes happening in the Corporates theme.

Through the Corporates theme, the Processes theme links to the Reputation theme as the decision-making and communication processes the NGO follows will impact on its reputation. An example is deciding not to accept funding from a certain donor as this could impact the NGO's reputation negatively.

6.18.6 Theme 6: NGO

The NGO theme had five hits and 17% relevance. This theme refers to this NGO and its function in the relationship between itself and a corporate donor, based on the funding it receives and the accountability to the donor regarding those funds.

Internal links/relationships

The NGO theme has *NGO* as a concept.

External links/relationships

The NGO theme is directly linked to the Stewardship theme, as the NGO has to demonstrate its stewardship by reporting to the corporate donor to account for the funds. The Stewardship theme links the NGO theme to the Trust theme, as good stewardship will in turn build trust between the NGO and its corporate funders.

The link to the Corporates theme is through the *donor* concept, so the relationship starts with the funds donated to the NGO by the corporate donors.

6.18.7 Theme 7: Reputation

The Reputation theme had five hits and 17% relevance. For this NGO, this refers to the risk the NGO can be opened up to if they partner with the wrong corporate, as this can impact on their image and reputation with the public and other stakeholders.

Internal links/relationships

The Reputation theme has *reputation* as a concept.

External links/relationships

The Reputation theme links directly to the Corporates theme as it is in partnering with corporates that the risk can arise. The link is extended to the NGO theme through the *donor* concept because once a corporate becomes a donor, they are now a partner and their reputation can impact the NGO's reputation.

6.18.8 Theme 8: Trust

The Trust theme had three hits and 10% relevance. For this NGO, this theme refers to the trust relationship between the NGO and its corporate funders.

Internal links/relationships

The Trust theme has *trust* as a concept.

External links/relationships

The Trust theme links directly to the Stewardship theme, as good stewardship of the funds from the corporate donors is a way of building trust between the NGO and the corporate donors.

The link through the NGO to the Corporate theme through the *communication* concept also shows transparent communication as one of the ways trust is built and maintained in the relationship between the NGO and its corporate donors.

6.19 COMBINED NGO FIELD STUDIES 9 TO 16

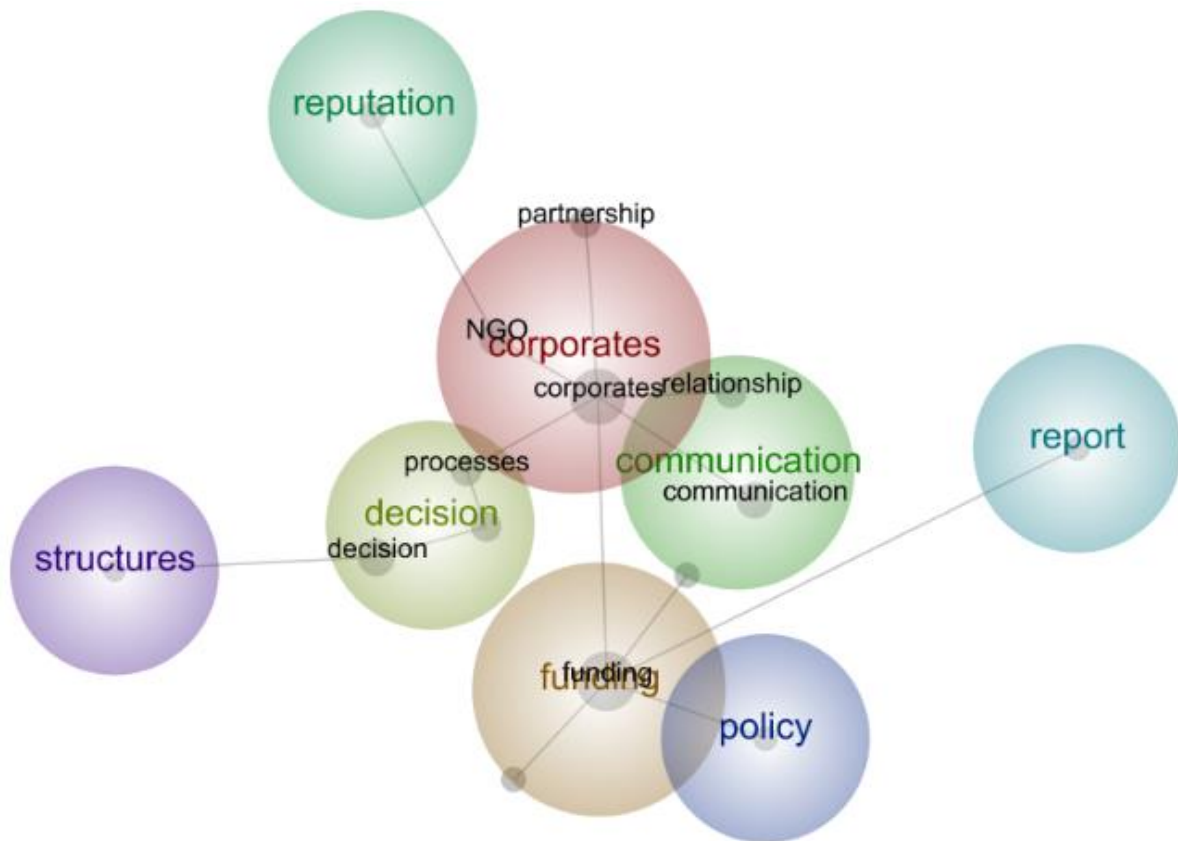


Figure 23: Combined Field Studies 9 to 16 Concept Map

Table 25: Shows Combined Field Study 9 to 16 Concept Map results.

No	Theme	Number of hits	Relevance	Concepts
1	Funding	329	100%	Funding
2	Corporates	284	67%	Corporates, NGO, partnership
3	Communication	140	28%	Communication, relationship
4	Decision	114	27%	Decision, processes
5	Reputation	43	13%	Reputation
6	Report	42	13%	Report
7	Policy	19	0.6%	Board
8	Structures	9	0.3%	Structures

6.19.1 Theme 1: Funding

The Funding theme had 329 hits and 100% relevance. This refers to funding that the NGOs are seeking and funding that NGOs have received from corporate donors.

Internal links/relationships

The Funding theme has *funding* as a concept.

External links/relationships

Partially overlapping with the Funding theme is the Policy theme, which refers to the policies the NGOs adhere to when deciding which corporates to receive funding from, as well as the policies that the corporates who fund them adhere to before they can fund NGOs.

The Funding theme is linked closely to the Communication theme, which also has *relationship* as a concept. This link shows how a relationship based on communication can increase the chances of getting funding, especially at the vetting stage when the NGO has to be transparent with all the information needed by the corporates to make a decision. Communicating about the progress of the project as well as how the money is being spent are also relevant here.

The direct link to the Report theme highlights that reporting on the progress of the project, as well as being accountable for the funds, will increase the chances of getting more funding from the current donor, as well as from other future donors, as good reporting improves the NGO's credibility.

The direct link to the Corporates theme illustrates the funding the NGOs are seeking; the funding they receive from corporates; and the partnership they develop with the corporates that fund them. Through the Corporates theme, the Funding theme links to the Reputation theme (among others, through the *NGO* concept). This is because once an NGO is in partnership with a corporate, that corporate's reputation will impact on them. As a result,

NGOs working with young people in the education sector cannot partner with corporates in the alcohol and tobacco industries, as this is not good for their reputation.

Through the Corporates theme, the Funding theme links to the Decision theme. This is because before the funding is received, decision-making takes place, that determines the decision on whether to receive the funding or not, based on the NGO's policy.

6.19.2 Theme 2: Corporates

The Corporates theme had 284 hits and 67% relevance. This theme refers to the partnership relationship between the NGOs and its corporate funders and the relationship dynamics like power relations, trust, and integrity.

Internal links/relationships

The Corporates theme has *corporates*, *NGO* and *partnership* as concepts.

External links/relationships

The Corporates theme is closely related to the Communication theme and it partially overlaps with the Communication theme. This shows that communication is the vehicle that is used to build and maintain this partnership.

Another close relationship is with the Decision theme through the *processes* concept.

The link to the Reputation theme shows that the partnership with corporate will impact on the NGOs' reputation.

The direct link to the Funding theme illustrates the fact that the corporate donors provide the funding to the NGOs as part of the partnership.

6.19.3 Theme 3: Communication

The Communication theme had 140 hits and 28% relevance. This theme refers to the deliberate emphasis on meaningful communication (based on trust) with the corporate

donors to build, improve and maintain a relationship with them. This will in-turn assist the NGOs to also effectively communicate with their community beneficiaries.

Internal links/relationships

The Communication theme has *communication* and *relationship* as concepts.

External links/relationships

The Communication theme is closely linked to the Corporates theme. It partially overlaps with the Corporates theme, as communication takes place between the corporate funders and the NGOs.

The Communication theme has a direct relationship with the Funding theme, as the relationship that the communication is fostering is based on the funding received from the corporate donors. The communication externally is also about the funding received from the corporate donors.

The link to the decision-making processes and structures is through the Corporates theme, because the communication is strategic and uses the decision-making processes and structures and communication guideline provided by the structures, to decide who from the NGO can communicate with the corporate donor, how to communicate, and how often to communicate with the corporate donor.

The link from the Communication theme to the Reputation theme is via the Corporate theme, as the NGOs' reputation are impacted by the reputation of the corporates they enter into partnership with. It is the communication in the relationship between the NGO and the corporates (on the NGO website, newsletters, internal meetings, stakeholder meetings, community meetings, annual reports etc.) that will improve or tarnish the reputation of the NGO, as in order for people to know about the relationship, it has to be communicated.

The link from the Communication theme to the Report theme goes through the Funding theme because the reports from the NGOs to the corporates on how the funding was spent

is done in the form of narrative, financial, audit, and monitoring and evaluation reports which are based on the funding that was received.

6.19.4 Theme 4: Decision

The Decision theme had 114 hits and 27% relevance. This theme refers to the decision-making processes that occur before the NGOs can receive funding from the corporates; the decision-making to involve corporates in decision-making and joint problem-solving; the decision-making to gather data to influence the decisions; and the decisions on how to implement the projects in partnership with the corporates.

Internal links/relationships

The Decision theme has *decision* and *processes* as concepts.

External links/relationships

The Decision theme is closely related to the Corporates theme and partially overlaps with it, as the decision-making processes and decisions are primarily about the relationship with the corporate donors and how to nurture the partnership to have a win-win outcome for both partners.

The link to the Communication theme is through the Corporates theme, as the communication that goes out is about communicating decisions made by the corporates, as well as well as decisions made by the NGOs about the corporates. The communication is also sent by the decision-making structures like the boards, the committees and fundraising teams.

The Decision theme also links directly to the Structures theme as it is the decision-making structures like the board and the committees that make the decisions.

The link to the Reputation theme is through the Corporates theme, as once the decision to partner with the corporates has been made, it will impact on the reputation, whether it is positively or negatively.

6.19.5 Theme 5: Reputation

The Reputation theme had 13 hits and has 14% relevance.

Internal links/relationships

The Reputation theme has *reputation* as a concept.

External links/relationships

The Reputation theme refers to the reputation of the NGOs based on the corporates they choose to partner with or not. It also includes a function in the NGOs that monitor the reputation of the organisation, as well as protect the reputation.

This is directly linked to the Corporates theme through the *NGO* concept, because of the partnership between the NGOs and the corporate funders, as the reputation of one partner will impact on the reputation of the other.

The Reputation theme's link to the other themes is through the Corporate theme. The link to communication is based on the communication about the partnership that will lead to improving or tarnishing the reputation, as described in the Communication theme above.

The link to the Funding theme is also via the Corporates theme and the Communication theme because through communicating about the funding to the NGO, the reputation effects arise, whether positive or negative.

The link to the Report theme is also via the Corporates, Communication and Funding themes, as an NGO's reputation can be enhanced or tarnished depending on whether or not they report well to the corporate donors - this can determine whether they get more funding from these and future potential donors.

6.19.6 Theme 6: Report

The Report theme had 42 hits and 13% relevance. This theme refers to the stewardship reports that go to the corporate donors that show the NGOs' accountability for the funds received from the donors. The different reports include narrative, financial, audit, monitoring and evaluation, as well as photographs showing before and after scenarios.

Internal links/relationships

The Report theme has *report* as a concept.

External links/relationships

This theme directly links to the Funding theme and links to other themes via this theme. The link to the Funding theme is based on showing accountability and demonstrating good stewardship of the funding given to the NGOs by corporate funders as part of the partnership.

The link to the Communication theme is because a report is an integral part of communicating with the corporate donor, as it shows progress and how the funds were accounted for. It's one of the major communication channels an NGO uses to communicate with a corporate donor.

The link to the Corporates theme is in that the report demonstrates the partnership between the NGOs and the corporate donors on paper and documents the partnership and the progress, as well as impact the partnership is having on the ground.

The link to the Reputation theme was discussed in the Reputation theme section above.

6.19.7 Theme 7: Policy

The Policy theme had 19 hits and 0.6% relevance. This refers to the policies the NGOs have in place or are working towards (or do not have in place) to guide them in their relationship with corporate about whether or not to receive funding from certain corporates; or

communication policies and guidelines to communicate with stakeholders (including their corporate donors) about their partnership.

Internal links/relationships

The Policy theme has *policy* as a concept.

External links/relationships

The Policy theme is strongly related to the Funding theme and partially overlaps with the Funding theme. It links to the other themes through the Funding theme. The link to the Funding theme shows the direct relationship between Funding and Policy in that the funding is influenced by the policies in place that will determine whether or not to accept funding.

The link to the Communication theme shows how the funding policy is communicated; and how the communication policy and guidelines are used with the corporate funders and other stakeholders, as well as with the public.

The link to the Corporates theme (through the Funding and Communication themes) shows that the policy is about whether or not to receive funding from the corporates and how that should be treated. The link to the Decision theme shows that the policy is decided on through the decision-making processes and the structures in the NGOs, such as the board.

The pathway to the Reputation theme shows that the funding policy can protect the NGO's brand or it can contribute towards tarnishing the NGO's reputation.

6.19.8 Theme 8: Structures

The Structures theme had 19 hits and 0.3% relevance.

Internal links/relationships

The Structures theme has *structures* as a concept. This theme refers to internal structures that support the NGO's decision-making processes. These include boards, sub-committees,

finance committees, ethics committees, procurement advisory committees, fundraising teams, and management teams, among others, that make decisions on behalf of the NGOs.

External links/relationships

The Structures theme is strongly linked to the Decision theme and to other themes through the Decision theme. The link to the Decision theme illustrates that the decision-making structures listed above, function as part of the decision-making process and their purpose is to make decisions on behalf of the NGOs.

6.20 ANALYSIS OF CORPORATES AND NGO RESULTS

This section of the results looks at how the various ideas between the responses from corporates and the responses from the NGOs link with each other across field studies and maps corporate results next to NGO results to see how they overlap/differ and highlights any other observations that were found.

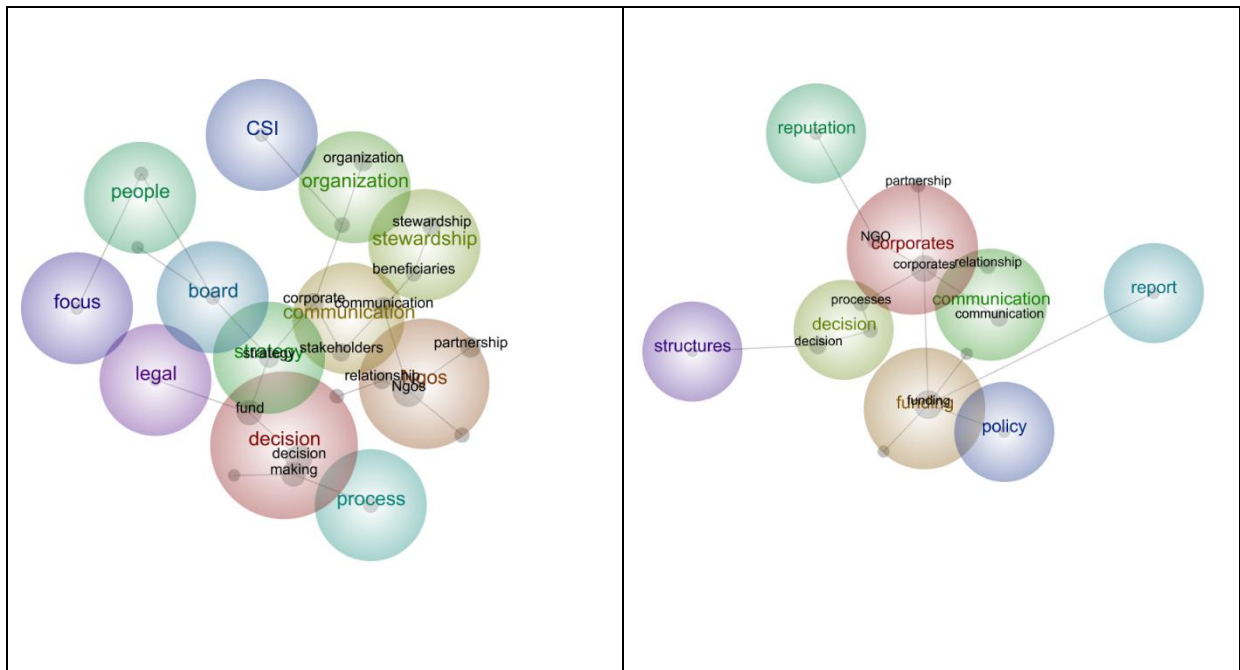


Figure 24: Combined corporates concept map next to combined NGOs concept map

Table 26: Shows combined corporates concept map next to combined NGOs concept map

No	Theme	# of hits	Relevance	Concepts
1	NGOs	387	100%	NGOs, partnership, relationship
2	Decision	280	55%	Decision-making, fund,
3	Communication	245	48%	Communication, corporate, stakeholders
4	Stewardship	163	45%	Stewardship, beneficiaries
5	Organisation	125	48%	Organisation
6	Strategy	95	36%	Strategy

No	Theme	# of hits	Relevance	Concepts
1	Funding	329	100%	Funding
2	Corporates	284	67%	Corporates, NGO, partnership
3	Communication	140	28%	Communication, relationship
4	Decision	114	27%	Decision, processes
5	Reputation	43	13%	Reputation
6	Report	42	13%	Report
7	Policy	19	0.6	Board
8	Structures	9	0.3	Structures

7	People	69	26%	People
8	Process	58	22%	Process
9	CSI	57	22%	CSI
10	Board	53	20%	Board
11	Focus	39	15%	Focus
12	Legal	27	10%	Legal

Similarities

The Decision theme is important to both corporates and NGOs. For corporates the Decision theme comes up as the 2nd most important theme, with 55% relevancy and for NGOs it's the 4th most important theme, with 27% relevancy. For corporates, the Decision theme has *decision-making* and *fund* as concepts and for NGOs the Decision theme has *decision* and *processes* as concepts. This highlights the different ways that corporates and NGOs focus when making-decisions. For corporates, the decision-making culminates in decisions on which NGOs to fund or not to fund. For NGOs, the decision-making is around processes like research, which culminates in the decision on which corporates to receive funding from.

The Communication theme is equally important to both corporates and NGOs at it is the 3rd most important theme for both. While the Communication theme for corporates has 248 hits, 48% relevance with *Communication*, *corporate*, and *stakeholders* as *concept*, the Communication theme for NGOs has 140 hits and 28% relevance with *communication*, and *relationship* as concepts. Although the concepts are not exactly alike, they both have communication as a common concept and the other concepts of *stakeholders* and *relationship*, both talk about the relationship between the corporates and NGOs which is that they are stakeholders and the communication is stakeholder communication, which enhances the relationship between the two stakeholder groups.

Another similarity is that for corporates, the Communication theme is strongly related to and embedded in the NGO theme and for NGOs, the Communication theme is strongly related to and embedded in the corporates theme. Both of them are related through the *relationship* concept.

Differences

The differences indicated below highlight the differences between corporates and NGOs in the relationship between corporates and their NGO recipients.

- The Stewardship theme shows up in the corporates' results but not in the NGOs results. This shows that corporates value stewardship of their funds and their decision to fund an NGO is also dependent on which NGOs would be good stewards of their funds.
- The top theme for corporates is NGOs, whereas the top theme for NGOs shows up as funding. This is because for corporates their CSI/CSR investments in the communities are channelled through NGOs and for NGOs, the survival of their organisation is dependent on funding from corporates and other funding sources.
- For the corporates, decision-making processes are so important that they have a separate Process theme on its own, whereas for NGOs *processes* is a concept within the Decision theme.
- The corporates have Strategy as an important theme which is linked directly to the Board theme, the Decision theme and the Communication theme. This is because the corporate's strategy made by the board affects the decision-making and the strategy needs to be communicated to potential NGO recipients. For NGOs however, they have the Policy theme which is directly related to funding. This is because the NGO policies will enable or inhibit the NGO receiving funding from corporate donors. This is very important to NGOs as getting funding from the wrong corporate can affect their reputation

Reputation

It is interesting to note that the Reputation theme is the 5th important to the NGOs with 43 hits and 13% relevance whereas this does not feature at all in the combined corporate map. As much as reputation is important to corporates, NGOs see their reputation as very crucial. This is very important for them in the decision-making to determine which corporates to

partner with because if they partner with the wrong corporate, it will not only cost them their reputation but it can impact of their ability to get funding from other potential funders in the future.

Co-Creation

Co-creation between the corporates and NGOs come out in that NGOs is the highest relevance to the corporates with a 100% relevance while funding has the highest relevance to the NGOs with 100% relevance. This shows that corporates need NGOs for them to meet their goal of working with communities and NGOs also need the corporates for funding in order for them to meet their goals of working with communities and making a positive difference in communities.

Partnership

Partnership comes up strongly in both the corporates and the NGOs results. The corporates have NGOs as a theme and in that theme it has *NGOs, partnership and relationship* as concepts, which shows that the corporates view NGOs as partners they are in a relationship with. On the other hand, the NGOs also have Corporates as a theme and this theme has *corporates, NGOs and partnerships* as concepts, showing that the NGOs also regard the corporates as partners they are in partnership with.

Communicative Stakeholder Relationship

Both the corporates and the NGOs have the Communication Theme as the 3rd highest in relevance. For corporates, the Communication Theme has *communication, corporates and stakeholders* as concepts while the NGOs have *communication and relationship* as concepts. This shows the communicative nature of the relationship between the corporate donors and their NGO recipients. Dialogue is very important for the relationship.

6.21 Summary

In this chapter, the research results were outlined. The interviews were recorded then transcribed. The transcribed documents were analysed using Leximancer 4.65 software and this chapter highlighted what these results were.

The chapter shows the results in 18 concept maps – 8 for the corporates interviewed, 8 for the NGOs interviewed and one each for the combined corporates and NGO results.

Each concept map is analysed and explained in detail in terms of the themes and concepts generated and what they mean, as well as the relationships among them.

An analysis and comparison of the corporates' and NGO results was also carried out.

CHAPTER SEVEN: FINDINGS

7.1 INTRODUCTION

This chapter addresses the results of the six research questions for the study using literature from the literature review, theories that explain the literature, as well as empirical results from the study. Relevant quotations from the interviewees are presented for referencing and discussion purposes, and are expanded upon in the chapter that follows.

Since the phenomenological approach was used for this study, the research questions attempt to understand the participants' perspectives and views of social realities to investigate communicative decision-making in the relationship between corporates and their NGO recipients (Leedy & Ormrod, 2010:108).

The findings bring the participants' perceptions and experiences from their own perspective to the forefront. Through answering the research questions, the daily experience and perspectives of the participants were highlighted.

7.2 RESEARCH QUESTIONS

A literature study was compiled to provide a theoretical answer to the research questions, and participants provided their perceptions of the questions there after. Theory and practice were the compared. Research Questions One to Three (RQ1-RQ3) address findings on the relationship between corporates and their NGO recipients and Research Questions Four to Six (RQ4-RQ6) address findings on communicative decision-making. The findings discussed are from both the corporate and NGOs interviews.

7.2.1 Research Question 1

RQ1: What is the nature of the relationship between corporate donors and their NGO recipients?

According to Reichel and Rudnicka (2009), business organisations view NGOs as valuable partners that play a role in joining business with people in communities, which is the reason they establish long-term relations with non-profit organisations.

From the findings of this study, it is clear that the nature of the relationship between corporate donors and their NGO recipients has many different layers and takes different forms. Molina-Gallart (2014) asserts that although it is important to note that the motives for different forms of relationships are varied and that drivers for engagement do overlap, the reasons for NGO engagement with the corporate sector can be largely categorised under funding, credibility, realpolitik, change and outreach. Selsky and Parker (2005, in Dahan *et al.*, 2010) argue that the terminology for these cross-sector relationships in NGO-corporate collaborative initiatives includes, amongst others: social alliances, social partnerships, issues management intersectoral partnerships, strategic partnerships and alliances. For Katsoulakos and Katsoulacos (2007: 55) the need for a proactive role by business and civil society in development has motivated three interlinked business movements - corporate social responsibility, corporate sustainability, and global reforms on corporate governance.

From the empirical findings of the study, it seems to be that funding is the main reason for the corporates interviewed being in a relationship with their NGO recipients. Molina-Gallart (2014) views funding as conceivably the most mutual driver for NGO engagement with the private sector and argues that funding is still the leading measurement used by NGOs to gauge the value of partnerships. It also remains the main propeller for philanthropic thrusts (Molina-Gallart, 2014:44).

Empirical data show that the nature of the relationship between corporates and NGO recipients is a **contractual** one. In the **agreement** or **contract** between the two parties is where the nature of the relationship is outlined in terms of expectations, responsibilities of both parties, deliverables, amount funded, activities to be carried out, time frames, outcomes, public relations activities, corporate recognition and the project budget, among other factors. It is the basis of the relationship and both parties will refer to the agreement to enquire about the nature of the relationship. This makes the NGO a primary stakeholder of the corporate. This practice is supported by Clarkson (1995, in Mainardes *et al*, 2012) who advocates that a company's major stakeholders have formal or official contractual relationships with the company. In this manner, a company is thought of as a network of explicit and implicit relationships covering both the internal and external environments (Mainardes *et al*, 2012:1863).

Findings indicate that all the corporate donors interviewed, entered into an agreement or contract with their NGO recipients, which denotes each as a primary stakeholder to the other. This is in alignment with Reichel and Rudnicka's (2009) views, explicating that the process of building trust and agreement between partners is vital and that this process should be built on the following principles:

- mutual understanding and meaningful communication;
- focus on satisfying partners' interests;
- finding new options on account of joint problem solving; and
- reaching agreements that add value for all partners.

Mutual understanding and meaningful communication are important factors for the relationship between the corporates and their NGO recipients and they are both valued when present in the relationship. This aligns with the social constructivism paradigm, which examines the processes underlying the development of the jointly constructed understanding of the world (Allen, 2016:12). Findings highlight that one of the NGO recipients interviewed for this study indicated that "it is one of the most important things because in the past, NGOs were so used to just asking and receiving and now it's much more

a question of understanding what the donor wants, and you can actually fulfil their expectations. So it has to be meaningful communication”.

For another NGO, mutual understanding is very important hence there are guiding documents, such as MOUs and service level agreements, so that both parties understand what the relationship is about. For them, it is just good business practice.

Findings of this study indicate that it is to the benefit of corporates to develop relationships with NGOs, which emphasises the importance of investing in relationships with stakeholders. Freeman and McVea (2008) regard the corporates’ principal task in this process as the management and integration of relationships and stakeholder interests in a manner that safeguards the long-term success of the firm.

The findings of this study are in line with literature that NGO recipients can be treated as **stakeholders** - individuals or groups who are impacted by, or can impact, the work or its outcomes - in the relationship between corporate donors and their NGO recipients (Bourne & Walker, 2008; Bourne, 2011:1004). This agrees with Freeman’s (1984) stakeholder Legitimacy Theory, which defines stakeholders as an important class in any organisation. ‘Organisational wealth’ can be formed (or damaged) through relationships with all types of stakeholders, therefore “managing relationships with stakeholders for mutual benefit is a critical requirement for corporate success” (Post & Sauter-Sachs, 2002:1, in Bourne, 2011:1003). Usually, NGOs have been included in the business agenda through Stakeholder Theory, where the managerial business perspective has principally focused on classifying key stakeholders (Laasonen, 2010:528). For Ryan and Blois (2016), there is mounting focus on the relational perspective on sponsorship and the motivation for a relationship perspective on sponsorship recognises that sponsorship is a complicated relational notion with many stakeholders.

Literature indicates that the **power relations** between corporates and NGOs are real, as the corporates are usually perceived to have more power because they provide funding. Findings furthermore show that corporates acknowledge that they are aware of these power relations, and that they have the upper hand because they are providing the funds. One corporate, however, highlighted that ‘when a corporate selects an NGO partner they

would also have to look at the extent to which the NGO brings expertise to the relationship'. It was indicated that NGOs 'play in a space' that corporates don't have expertise and experience in. Although corporates know that they want to add value in education, for example, they are not teachers and lack the expertise to work in the community. As a result, they appreciate that the partner NGO brings a certain level of expertise and experience to the space which normalises and balances the power dynamics, as both partners have their role to play, that the one cannot accomplish without the other's contribution. According to Turocy and Stengel (2001), cooperative Game Theory explores coalitional games with respect to the relative amounts of power held by various players. For McIntosh and Thomas (2002), more and more leading NGOs are invited to forums where they are on the same platforms with important business decision-makers. These opportunities for dialogue and consultation show that NGOs are increasingly moving from being commentators to being participants. This suggests power sharing.

One corporate indicated that the corporates need to be aware of **unequal power relations** so that they do not find themselves in a position where they can be construed to be bullying NGO recipients. This would not bode well for a good relationship. For Lozano (2015), the relationship between corporates and NGOs must cause change and shifts from reactive standpoints, to proactive, to interactive engagement with stakeholders. This shift also acknowledges power relationships and interdependence, that is, moving to more systemic comprehension of the relationships that are in existence among organisations and their stakeholders in societies, which is viewed as particularly vital in any kind of relationship or engagement process (Lozano, 2005:69).

Twenty five per cent of the corporate participants mentioned that they see power relations playing out with large NGOs, who are well-known, when the latter exert their power to get more funding than the smaller NGOs, despite the fact that they are not necessarily delivering social outcomes.

All the NGOs interviewed expressed their awareness of the different levels of power between them and the corporate donors, as they felt they had less power than the corporates and if they exerted their power, they may lose their funding. One NGO described

this as a continuum from a hierarchical boss and servant relationship where a corporate funder wants to dictate, through to the other end of the continuum where there is a partnership and the corporate and the NGO are meeting at the table and addressing problems as true partners.

One of the NGOs interviewed referred to NGOs as being in the position of a beggar, as the NGO is not equated as a partner on the same level. This happens because the latter is standing in a position of begging or asking for assistance, which should not be the case.

One NGO has a corporate donor who provides the bulk of its funding. The NGO can feel its power because the corporate is aware that it provides the bulk of the funding and even when they come through, the NGO's systems are often not respected. One NGO puts it this way:

“Yes, we are very conscious of power. It's a big issue. And so with some of our projects, we even do power mapping, if we feel it's appropriate. Power mapping is a social ecological survey of influence, trying to figure out who has the most influence related to a particular issue or risk between, us, corporates and government”.

Findings show that **corporates value their NGO recipients** and try to establish long-term relations with non-profit organisations. Because they see them as partners, they take time to do research about the potential partner and to conduct due diligence before they enter into a partnership with the NGO. From this perspective, the active management of relationships and promotion of shared interests show an intentional understanding and valuing of the relationship between corporates and their NGO recipients.

Findings of the study do not agree with Molina-Gallart's (2014) view that the private sector has become a source of credibility for NGOs who – implicitly or explicitly – can claim that their business models are more efficient through their relationship with large corporations. What the findings of this study reveal is that both the private sector and the NGO sector see their partnership as impacting on each other's reputation. As a result, they both conduct a thorough due diligence process on each other before they enter into a partnership.

Both the corporates and NGOs conduct their **due diligence** as a way to reduce the risk of partnering with the wrong organisation. All the participants indicated that the reputation of their organisation is very important. Some went as far as to say that “reputation is everything”. This is supported by Reichel and Rudnicka (2009) who indicate that collaboration is not itself a “business” without risk, as a positive image can be injured by one partner who behaves in an unanticipated and irresponsible way. This is why the process of building trust and agreement between partners is crucial.

In the findings, **trust** emerged as a vital part of the relationship between corporates and their NGO recipients. All the participants interviewed mentioned trust as an important part of the relationship, which agrees with Grunig *et al.* (1992:81), who claims that the quality of “strategic” relationships should be measured in important outcomes like trust, credibility, mutual legitimacy, openness, mutual satisfaction and mutual understanding.

The findings also agree with Molina-Gallart (2014) who advocates that outreach is behind the partnership type of NGO–corporate relations and that it is a **sybiotic relationship** whereby the two parties complement each other’s ability to reach out to constituencies that could not otherwise be reached. This is also true for this study. Both the corporates and the NGOs interviewed indicated that their partnership enables both parties to reach more people and to be more effective. NGOs cannot implement projects without funding and the corporates cannot implement projects without the NGOs’ skills, know-how and credibility in communities. The advantage of a **collaboration** approach is that it can produce innovative solutions to different social problems (Reichel & Rudnicka, 2009:133).

This is in line with Dahan *et al.*’s (2010) view, who acknowledge that collaborations between NGOs and corporates can offer opportunities for the corporate to participate in projects they would otherwise be less likely to participate in, or less successful in. They argue that this is because NGOs normally have a deeper appreciation of social problems, which enables the latter to help companies develop more comprehensive strategies and set more ambitious and attainable goals. At the same time, the NGOs and corporates are also developing more collaborative relationships on the assumption that these connections can

produce benefits for both the corporate and NGO participants, as well as the general welfare of the people that NGOs are concerned with (Yaziji & Doh, 2009:xiii).

Findings of this study do not agree with Molina-Gallart's (2014:45) view that the desire to change corporate behaviour is the main driver behind corporate funding campaigns, though the findings do agree that funding is possibly one of the most common drivers for NGO engagement with corporates. What the results show is that, for the majority of the corporates interviewed, social responsibility is a strategic goal, as well as a legal consideration under the B-BBEE policy. The two parties then come together as they have mutual goals to develop society. Since the corporates do not have the skills and know-how, they partner with NGOs, whose responsibility it is to implement community projects. This approach is supported by Yaziji and Doh (2009) who postulate that NGOs and corporates, two very different types of organisations, are playing an increasingly vital role in moulding our society, yet they often have very different agendas. They argue that this relationship is both conflictual and collaborative.

Findings furthermore indicate that the relationship between corporates and their NGO recipients is **not antagonistic**. This disagrees with Yaziji and Doh's (2009) view, who posit that in some instances, the relationship between NGOs and corporations is antagonistic, as NGOs, through campaigns, target corporations and push companies to meet existing social expectations. For Johansen and Nielsen (2011) the role of NGOs is to protect society from corporations doing harm. The research found that by the time the corporates partner, or enter into a contract with the NGO, they would not be antagonistic but would agree on clear goals and outcomes. The antagonism may be with other NGOs who are not necessarily their partners or recipients.

Findings also show that **dialogue** is a very important part of the relationship between corporates and their NGO recipients. For Johansen and Nielsen (2011) NGOs' interest in dialoguing with corporations ranges from influencing business practices; representing their organisation and members' interests; retaining legitimacy and operability; to gaining a better appreciation of the other side of the debate in order to achieve results that can only be reached by working in partnerships with private companies. Findings also show different

ways that corporates encourage dialogue, including: face-to-face interactions, online interactions, as well as written interactions. Face-to-face dialogue takes place through meetings, site visits, collaboration workshops, stakeholder engagement meetings and hosting stakeholders and NGOs on corporate social investment (CSI) days. According to Rensburg and De Beer (2011) reflective paradigm defines, analytically, occurrences such as the triple bottom-line (people, planet, profit), multi-stakeholder dialogue, symmetrical communication and ethical accounts.

Dialogue, through relationship building interactions, include encouraging NGOs to feel free to communicate with the corporates at any time; consulting with the NGOs; communicating the importance of the partnership; engaging the NGO on project issues; encouraging participation and calling the NGOs; and encouraging them to feel free to call corporate to discuss anything they wish to. This includes: online interactions, social media discussions and feedback, online reports which allow feedback from stakeholders, as well as online forums. This agrees with Rensburg and De Beer's (2011) statement, who argue that on-going dialogue between organisations and their stakeholders offer the best method for the management of multifaceted issues that characterise contemporary society. This also aligns with De Beer (2014) who argues that the Integrative Strategic Communication Management Theory provides guidance for the management of communication, particularly on a societal and organisational level, but also on a functional and programme level.

Nelson (2007) argues that NGOs and corporate leaders are beginning to find opportunities for working together proactively and constructively to improve each other's learning and performance. These relationships offer corporations access to different resources, capabilities and competencies other than those that are otherwise available within their organisations or that might result from associations with other for-profit organisations. Whilst the corporations usually contribute financially to the partnership, NGOs provide the necessary know-how and reputation (Hansen & Spitzeck, 2011:415). According to Reichel and Rudnicka (2009), collaboration faces different barricades and obstacles from the communication processes between partners that range from the cultural diversity of organisations, to the trust and accountability of the collaborative.

From the empirical results it is clear that **dialogue, mutual understanding and joint problem solving** with NGOs are important for the corporates. These are ways of building relationships and discussing issues that come up during projects – together they work on these issues while serving the beneficiaries and building their own relationships. This agrees with Grunig's (1992) Two-way Symmetrical Communication Model which endeavours to achieve balance by regulating the relationship between organisations and its key stakeholders and by concentrating on dispute resolution to negotiate mutually beneficial outcomes. This aligns with negotiation theory. Gulliver (1979:79, in de Moore and Weigand, 2004) defines negotiation as a process in public in which two parties, with supporters of various types, try to reach a joint decision on issues under dispute through dialogue. From the findings, it is clear that communication methods used with the corporate donors include meetings, consultation, engagement, participation, collaboration, and partnership are used by NGOs, but not bargaining, as they want a partnership type of relationship.

All NGOs interviewed expressed the importance of dialogue between them and their corporate donors and were willing to be open, to be approachable and to get to know the donor better. Most of them indicated that their donors know that they can reach them anytime, including weekends, using their cell phone, and even WhatsApp; "They know for instance that they can phone me over the weekend if they need to".

One NGO expressed that:

"for us it is about making our donors' lives easier in terms of their expectations from their bosses and for their board. If they want us to do a presentation and it's a last minute thing, we will do it. We will make it happen, even if it means postponing our own holiday for instance. If a donor needs to check something over the weekend, they have got my cell phone [number]. So we are accessible. Most of our big corporates we have on WhatsApp, so it's that type of relationship".

The NGOs welcome **feedback** from the corporates throughout the implementation of a project and they use the information to improve themselves. For Grunig (1992), corporates' use of the two-way communication between themselves and their NGO recipients opens up dialogue and feedback so that they can negotiate mutually beneficial outcomes.

The type of information the NGOs communicate with their corporate donors includes information about the NGO and the project. The findings indicate that regular communication with NGO recipients is a vital part of the nature of the relationship between them and the corporates.

Both corporates and NGOs need to communicate for the relationship to be successful. Since this is a partnership, they share information about projects like meeting dates, report dates and feedback on the meetings and reports. The monitoring and evaluation process also came up as an important communication process and as one of the communication tools NGO recipients use to communicate with their corporate partners. This kind of communication contributes towards building relationships.

One NGO indicated that as much as some corporates are interested in engaging and in building relationships with the NGOs, others are just interested in ticking the boxes and getting their B-BBEE points and “don’t want to be bothered by communication”. Results show that corporates convey different information to their NGO partners, including project information and information about the corporate itself. They would communicate about how much they have invested in philanthropic projects in a particular year and how many beneficiaries they have impacted during that year. This practice is supported by Holtshauzen (2007), who puts forward that communication inside an organisation is a strategic management task that contributes towards the management of organisational relationships. Rensburg and De Beer (2011) postulate that engaging and communicating with stakeholders to find out what concerns them allows the organisation to set objectives and strategic measures of performance for each of the stakeholder groups.

When asked whether they treat all their NGO recipients the same, most corporates indicated that as much as they value all their partners, the level of communication and involvement differs depending on the level of investment. This aligns with Lamberg *et al.*'s (2003) four stage analytical framework which includes:

- Identifying key stakeholders and their interests;

- classifying the relationships among these stakeholders, in addition to their relationships with the firm;
- choosing appropriate generic strategies for managing different stakeholder relationships; and lastly
- developing specific strategies for changing stakeholder relations.

As a result, they classify the NGOs into different levels depending on the funding. This determines the level of the relationship, and the strategy of engagement for the relationship. This is also supported by Mainardes *et al.* (2012) who explain how different stakeholder groups interrelate with the company, and the different ways the company treats them. Clarkson (1995), acknowledges that these groups may be divided into two: the primary stakeholders - those who have formal or official contractual relationships with the company, such as suppliers, clients, shareholders, employees, among others; and the secondary stakeholders - those who do not have contracts, like the local communities and the government for example. (Mainardes *et al.*, 2012:1863).

This supports the strategic-constituencies theory which concentrates on the segments within the environment that most threaten the organisation rather than on the total environment (Grunig, 1992:76). Grunig (1992:76), postulates that strategic constituencies represent the groups that are thought to be most critical to the organisation. These groups can include NGOs that are funded, as this also impacts on the corporate's reputation.

During the interviews of this study, the corporates communicated about the kinds of projects that they initiated during a specific year and what their employees did to make a difference in those projects. They shared marketing materials, annual reports, and integrated reports, amongst others. Information about a project is regarded as important communication between the NGO recipients and their corporate funders.

In these interviews, corporates indicated that **communication with their NGO recipients is a strategic process**, as they don't communicate the same information in the same way to all the recipients. Communication is dependent on the level of the partnership. Some of the partnerships are flagship partnerships where millions of rands have been invested. Others

are much smaller partnerships where only thousands of rands have been invested. Some of the partnerships are also at different levels in the life cycle of the project and as a result need different frequencies of communication.

This agrees with Bourne's (2011) five steps, which direct the team through all important activities to identify the "right" stakeholder f at all times in the lifecycle of the work to be covered, and to come up with the most appropriate communication strategies to use the for engagement of these key stakeholders. The steps are (Bourne, 2011:1004):

- identify all stakeholders and capture their expectations;
- rank according to importance;
- map the current stakeholder community, detailing each stakeholder's relative:
 - importance, power and influence;
- engage through comprehending each stakeholder's attitude to the activity and
 - cultivate targeted communication; and
- monitor how effective this communication is.

Steyn (2007:137) posits that strategic communication contributes to the success of the organisation by developing sustainable and mutually beneficial relationships with stakeholders, which include identifying strategic stakeholders and incorporating their needs into organisational goals in order to build mutually beneficial relationships with them (Steyn, 2007:139). This supports the Stakeholder Circle, developed by Bourne (2005), that offers a five-step process as: identifying, prioritising, visualising, engaging and communicating with stakeholders that matter, and then to monitor the effectiveness of that communication.

Findings furthermore show that corporates and NGOs are **strategic** in their communication with each other. This strategic communication adds to a good relationship in the partnership. This aligns with De Beer (2014) who posits that the integrative power of communication plays a vital role in processes leading from decisions to action and strategy implementation.

It is important corporates operating in diverse sectors and societies, to discover means to successfully establish and nurture relationships with their stakeholders as it is upon these stakeholders that organisations are economically and socially dependent (Cornelissen, 2012:12). According to the Development Communication Division of the World Bank, strategic communication can help privatisation and private sector participation programmes work better and be more socially and politically sustainable (Calabresse, 2008:2). Cross (2008) postulates that when used effectively, strategic communication can meaningfully escalate political and social sustainability by allowing space for dialogue and stakeholder participation in the decision-making process.

Strategic communication is seen as “the strategic planning of communication in order to ensure effective communication”, thereby enabling the organisation to achieve its short- and long-term goals (Verwey & Du Plooy Cilliers, 2002:4). For the corporates interviewed for this study, the goals that are achieved through their partnership with NGO recipients need to be accounted for in their integrated annual report, as well as in their annual sustainability report. These goals also help the corporates to attain their B-BBEE points as recorded on their B-BBEE scorecard.

Molina-Gallart (2014) postulates that as NGO–corporate relations continue to rise, the different types of engagement have become widespread. They can be broadly categorised as listed below:

- **Funding/philanthropy:** Donations from the private sector straight to NGOs.
- **Partnerships:** Joint delivery of goods or services for the improvement of value chains or facilitation of research and development.
- **NGO–corporate campaigning:** Exposing the harmful development effects of corporate activities. In this instance, NGOs have been seen as activists who are key stakeholders to companies (Molina-Gallart, 2014:44).

7.2.2 Research Question 2

RQ2: What factors contribute towards a good relationship between corporate donors and their NGO recipients?

For the corporates and their NGO recipients to have a good relationship, they both have to see the other's role, as well as the need to work together, as important. Corporates and NGOs have realised that they need one another to fulfil each other's missions. Molina-Gallart (2014) explains that although NGO–corporate partnerships are not new, there has been increased engagement between the two sectors due to the global economic crisis and the need for NGOs to differentiate and strengthen their fund-raising efforts. The global economic crisis as well as government corruption, have also created the need for services that NGOs can provide, specifically regarding their involvement in development efforts.

Fafchamps and Owens (2009) argue that donors may wish to channel their funds through NGOs to avoid channelling all their support through government agencies due to corruption, instability, along with ideological and political differences. This is because NGOs have been defined by the World Bank as “private organisations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, or undertake community development” (Delisle *et al.*, n.d.). Thus, NGOs contribute to the development of communities around the world and are important partners of many governments and corporations.

Fafchamps and Owens (2009) postulate that the growth of NGOs is partly as a result of being dissatisfied with the performance of government on the delivery of public services. Accordingly, international NGOs and bilateral and multilateral donors, as well as corporates, are progressively seeking to channel development funding through local NGOs. NGOs have been categorised as organisations whose purpose is the promotion of environmental and/or social goals, rather than the achievement or protection of economic power in the market place, or political power through the electoral process (Gray *et al.*, 2006:322). McIntosh and Thomas (2002:27) highlight that NGOs have become “common currency” in conversations

that welcome civil society and the relationship between this sector, governments and markets.

From the findings of this study it is clear that there are different factors that contribute towards a good relationship between corporate donors and their NGO recipients. These factors are not the same for all corporates. Though some factors are common, others are unique to the different organisations. Some of them will be discussed below.

The main outcome and basis of the relationship between corporates and their NGO recipients, is **funding**. All the corporates and NGOs interviewed for the study were in a relationship because of funding received from the corporates. This concurs with Molina-Gallart's (2004) view that funding is possibly one of the most common drivers for NGO engagement with corporates, and that NGOs obtain resources in an assortment of ways, including raising funds in cash, financial grants, and membership fees. The empirical results indicated that the different types of funding included money, gifts in kind, services, volunteering time, complimentary use of equipment and facilities, as well as discounts on property rentals. Corporates furthermore ask NGOs to submit 18A certificates, confirming that they have received a certain amount of funding from them. They will, in turn, use these certificates to obtain a tax rebate.

Findings express that NGO **acknowledgement** of/to the corporate donor for the funds or gifts received, and thanking the donor in writing for the funds, are part of the relationship between the corporates and the NGO recipients. All the NGOs interviewed mentioned this as an important and integral part of the relationship, as the NGOs want to acknowledge the funds so that the corporates know that the funds have been received. Some NGOs request proof of payment from the corporates as this is required to allocate the funds, and it is needed for tax purposes.

Some of the corporates interviewed for the study see their relationship with NGOs as a **partnership**. This aligns with Delisle *et al.*'s (n.d.) position that NGOs contribute to the development of communities around the world and are vital partners of many governments and corporations. Corporates problem-solve jointly with NGOs in matters related to joint

projects. Examples from practice include: joint problem-solving to come up with a revised budget for funds unspent; as well as joint problem-solving to solve an issue with violence at a school. Reichel and Rudnicka (2009) sees joint problem-solving as an important part of the trust building and agreement between partners. NGOs seem to have a large potential to influence the enterprise. It is, therefore, becoming crucial to focus on how to create valuable relations that will be mutually satisfying (Reichel & Rudnicka, 2009).

Empirical results show that corporates use *engagement, collaboration, and partnership* as ways of engaging with NGOs. This is supported by Dahan *et al.* (2010), who argue that collaborations between non-profit organisations and MNEs can provide opportunities for the MNE to aim for developing markets with product or process innovations that are more likely to fail without the partnerships.

During the interviews, one of the corporates mentioned bargaining as a way to enter into **dialogue** with the NGOs. When others were asked about this, they indicated that they do not bargain with their partners, but prefer negotiation and a partnership approach. This is supported by Risse (2004) who asserts that deliberation should be based on arguing and persuasion to achieve a reasoned consensus, rather than a bargaining compromise. Laasonen (2010), furthermore supports this by highlighting that the old-style activist role of NGOs has opened the road to a more collaborative notion of business-NGO interaction, which is closely linked to the dialogic dimension of interaction. In layman's terms, dialogue is "ultimately about exchanging opinions, about influencing each other into a certain direction, about informing each other, in other words: about dialogue" (Laasonen 2010:529). This is however contrary to the Negotiation Theory, which views negotiation as a process where each participant brings their goals to a bargaining table (De Moor and Weigand, 2004). This theory advocates for bargaining.

Although most corporates indicated in their interviews that they did not need to communicate convincing information to NGOs, as they were the ones funding the project, a small portion of the corporates did indicate that they needed to communicate convincing information to NGOs and other stakeholders. One of these corporates indicated that they share many reports from relevant research studies conducted with their NGO recipients, so

that the NGOs can be made aware of the research. They refer to the research as a way of negotiating what they will be doing in the next two to three years, as part of the project partnership. To them, it is useful because they need to provide their NGO partners with credible information so that they can be on the same page. This shows a co-operative relationship among companies whose reliance is on neither market nor hierarchical mechanisms of control (Huybrechts, 2013:132).

For one corporate interviewed, the **convincing information** is sent to their stakeholders and their customers. This is because “we are in a country where a lot has happened and a lot has gone missing so people don’t necessarily believe in what you are doing or trying to do”. They need to convince stakeholders that they feed 100 000 children and that they have reached over 150 000 beneficiaries. “That’s communication that we have to enforce all the time. And even when you do, they don’t necessarily believe you”. This aligns with Elving, *et al.* (2015:119), who argue that raised stakeholder expectations have elevated the suspicions of the public towards corporate CSR messages as the public feels that CSR is meant to be something good for society and not something one only uses as a PR stunt. This also agrees with Nielsen’s (2011) argument, who asserts that form and script are characteristics of stakeholder dialogue and are conditioned based on the nature of the stakes held by other different groups of stakeholders. The stakes and interests are connected to particular roles assigned to stakeholders based on their generic relationship to an organisation as investors, consumers, suppliers, employees or NGOs.

One corporate indicated that it is not about convincing people, as much as it has to do with a policy decision when the corporate decides that it is no longer funding HIV/AIDS for example, but instead it is funding enterprise skills. They would share that decision with the NGOs who could then either work in that field, or if they cannot, the corporate would part ways with them, as they would no longer be able to serve them. This agrees with Podner (2008:75), who sees CSR communication as a process of anticipating stakeholders expectations, articulation of CSR policy and managing of different organisation communication tools designed to provide true and transparent information about a company’s or a brand’s integration of its business operations, social and environmental concerns, and interactions with stakeholders.

Molina-Gallart's (2014) observation, who indicates that the first risks NGOs encounter are power inequalities where power tends to be heavily slanted towards the donor. They postulate that NGO needs incline to be greater than the available funding, thus permitting donors to select their grantees from a large pool of qualifying candidates.

The relationship between corporates and their NGO recipients develops over time. Molina-Gallart (2004) asserts that businesses and NGOs have become significant players in global governance, together with governments (Molina-Gallart, 2014:42). In the findings, the NGOs indicated that they use some of the methods below to build the relationship.

- Provide the corporates with regular updates, via email.
- Invite the corporates to events that are programme related.
- Ask corporates' staff to be engaged and volunteer on the projects the corporates fund.
- Provide corporates with newsletters showing them what they have been doing and how the project has been going.
- Invite corporate partners to meetings that they have with beneficiaries so that they are able to relate to and put questions to the beneficiaries, as opposed to just giving them reports (it is always good to speak to a beneficiary so that corporates can understand how the project has changed the lives of the beneficiaries).
- Invite them to some of their strategic meetings, so that they are kept updated about everything the NGO does.
- Invite them to social gatherings that the NGO might have.
- Make sure that they don't see the relationship as just a give-and-take but more of a "we value your donation".

This shows a deliberate strategic approach towards communicating with the partner to build a relationship. This is supported by Steyn (2007:137), who highlights that strategic communication contributes to the success of the organisation by building sustainable and mutually beneficial relationships with stakeholders.

The agreement/contract between the corporates and NGOs includes **stewardship** of donor funds by NGOs. For the Webster dictionary, stewardship is conducting, supervising, or managing something; especially, the careful and responsible management of something entrusted to one's care (Webster Online Dictionary, 2018).

Findings present that stewardship of funds is part of every agreement signed between the corporates and their NGO recipients. All the corporates and NGOs interviewed indicated that stewardship of funds is important in the relationship between corporates and their NGO recipients.

From the findings, site visits were also mentioned as a way for NGOs to demonstrate stewardship. These would entail the NGOs taking the corporate donor to where they implement their projects to show them the progress, as well as for them to meet the beneficiaries, to interact with them, and to be free to ask them any questions about the project. The corporate donor is also interested in making sure that what has been contracted is actually being delivered. This finding is supported by Ebrahim (2004), who argues that accountability needs an honest look at how results can enlighten the mission. This, they argue, can be through site visits, reports, online publications, as well as multi-media (Ebrahim, 2004:5). One of the corporates indicated that for their flagship projects, where they fund extra Mathematics and Science lessons for 920 students, they expect to receive the names of every single one of those learners, their mid-year results and their final year results, as part of demonstrating stewardship.

Stewardship is an **accountability** measure of the NGO towards the corporate donor. Findings show that some of the NGOs are not only accountable to the donor but also to the board; the NGO governing structures; their beneficiaries; and the communities they serve. This supports Ebrahim (2004), who argues that NGOs are accountable to many actors, including: communities, beneficiaries, donors, governments, the public, private sector organisations, their own membership, staff, volunteers and boards. Ebrahim (2004) posits that NGOs are accountable both upwards and downwards. Upwards they refer to funders and patrons, and downwards they refer to communities and clients. Participants also added a different dimension, which argues that internally NGOs are also accountable to their own

missions and staff. Ebrahim (2004:5) furthermore asserts that similarly, donors are accountable to government agencies, elected officials, board members, voters, and NGOs, among others. This stakeholder approach is supported by Grunig (2006), who identified the following eight categories of stakeholders: media, employees, investors, customers, government community, donors and members of associations (Grunig, 2006:169).

Findings furthermore show that corporates, on the other hand, are accountable to their board, shareholders and stakeholders. They publish an annual report, which is accessible and available to their stakeholders, including NGO recipients, as well as the public. This is normally printed and also made available on their website. For Ebrahim (2004:5) accountability is a chain that starts with shared values, vision, and goals among stakeholders and that it joins the measurement of results with the mission and vision.

More recently, corporate reporting includes integrated reporting, as influenced by the King III and King IV Reports on Corporate Governance for South Africa. Companies are being compelled to critically re-evaluate how they communicate financial results as openly as possible, to all their stakeholders (Rensburg & Botha, 2014:144). Elving *et al.*, (2015:119) highlight that CSR communication has increasingly gained importance and as a result, this has increased organisations' efforts to practice CSR. This also aligns with De Beer's (2014) Integrative Strategic Communication Management Theory which demonstrates the core considerations in the communicative sphere of the organisation as it functions in the triple context environment.

Half of the corporates interviewed for the study indicated that they keep a balanced scorecard where they record their CSR and B-BBEE activities. The other half do not have to keep record thereof, so they do not. While the NGOs are accountable to the corporates, the corporates are also accountable to legislation in terms of how they have spent their CSI/CSR funds. The B-BBEE Act of 2003 is a comprehensive **regulatory framework** which contains a variety of legal and regulatory measures as well as specific verification and certification mechanisms (Chahoud *et al.*, 2011:7).

Reporting is a vital part of the relationship between corporates and their NGO recipients. Findings emphasise that NGOs report on how they have spent the donated money and whether or not they have met the deliverables outlined in the agreement or contract. The report is usually two-fold: both narrative and financial.

All the corporates and NGOs who were interviewed expressed that corporates expected NGOs to demonstrate stewardship through reporting regularly via a narrative and financial report to the corporate donor. This, they said, is part of the legal contract between the two parties. The corporates draw up a legal contract with the NGO and they set out very clear expectations for both parties, also regarding a project plan and a project roll-out plan. Reporting will be done on what was agreed upon in the contract, as well as the progress on the roll-out of the project plan.

The NGOs that were interviewed highlighted that the type of reports they submit are dependent on what the corporate donor's specific requirements are. The frequency of the reports also depends on how often the corporate donor would like the NGO to report. Some corporate donors require monthly reports; some quarterly reports; some a report bi-annually; and some want annual reports, depending on the level of the partnership. Frequency in reporting will increase with the bigger investments, compared to the smaller ones.

One of the corporates interviewed indicated that reporting is so important that they only sign an annual contract with their NGO beneficiaries, pending the report. An NGO reports annually and if the corporate is happy with the report, then the NGO can submit a new proposal for the following year, detailing how the funds will be spent during the year. If they agree, they will sign a new Memorandum of Understanding (MOU) for the year and funds will then be disbursed for the new year.

Findings also show other stewardship measures, including the NGO's audited reports; receipts of all payments the NGO made; an operations report showing the operations of the NGO; and face-to-face reporting. This is supported by Thomas (2012:453), who argues for the principle of disclosure and transparency, including the requirement for regular annual

reporting; sound accounting and auditing standards; an annual independent external audit; and full disclosure of risk factors.

Findings furthermore express that some corporates prefer not only to hear from the NGO recipients, but also from the beneficiaries. The reports can, therefore, include success stories from beneficiaries with before and after photographs showing the difference the interventions are making. Monitoring and evaluation reports are also used as stewardship measures. In some cases the corporates require face-to-face reporting where the NGOs have to present the report to them in person. At times the corporates like to go for site visits where they can interact with the beneficiaries on the ground so that they can verify what the NGOs have written in their reports. This is supported by Ebrahim (2004), who sees reporting accountability as requiring a truthful consideration of how results can inform the mission, which can take place through site visits, reports, online publications, as well as multi-media (Ebrahim, 2004:5).

7.2.3 Research Question 3

RQ3: How important is corporate reputation and NGO reputation in the relationship between the corporate donor and their NGO recipients?

Goodman (2006) views corporate communication as a variety of strategic management functions. He asserts that depending on the organisation, corporate communication includes **reputation management** among other roles. Van Riel and Fombrun (2007) maintain that, if companies really want to build corporate brands and use them as a competitive advantage, they are currently challenged to develop a clear communication system.

Markwick and Fill (1997:398) assert that **reputation and credibility** are often used interchangeably in some literature and the term reputation is often used in a synonymous manner with **image**. They see corporate image as the full impression an organisation makes; and corporate reputation as the “evaluation or esteem” in which a company’s image is held. They postulate that there is certainty that the two are closely associated elements and that one is necessary for the other to be developed.

Empirical findings from this study show that, when asked how important reputation is to the corporate when choosing which NGOs to partner with, all the corporates interviewed indicated that **reputation was important** - they cited various reasons for this. This supports Cornelissen’s (2012) view that senior executives of many large organisations and multinationals these days consider protecting their company’s reputation to be ‘critical’ and they see it as one of their most important strategic objectives.

The corporates interviewed indicated that reputation was important because it is at the base of the business’s support and if a business loses its reputation, they lose everything. This is supported by Abdulla (2009), who views reputation management as a new and emerging function of corporate communication, which needs to be measured by observing bottom-line behaviours.

Reputation is also important because the organisations interviewed wouldn't want to partner with an organisation that would **tarnish their corporate's image**. This is championed by Van Riel and Fombrun (2007), who see corporate image as what the company 'looks like' to its audiences; a set of features that people attach to it in their minds. As a result, the corporate wouldn't want to tarnish this image. Corporates did not want to associate themselves with NGOs that have **questionable reputations**, which is advocated by Cornelissen (2012), who puts forward that companies do not want to be in a position where they have to repair a damaged reputation. As a result, they would prefer to stay away from such potentially compromising situations.

From the findings, one of the corporates interviewed indicated that "**reputation is everything**" especially by way of saying "we are in a partnership". This aligns with Fombrun and Van Riel (2004:5, cited in Abdullah, 2009), who assert that reputation should consequently be seen as "a key source of distinctiveness" to gain competitive advantage in a changing business environment.

Findings furthermore show that one of the corporates interviewed indicated that:

"I acknowledge that the NGO is an extension of me. It's an **extension of our brand** and anything and everything they do, positive and negative shall always come back to me and it could very well be good as a reputational builder [image answer] or it could eat away at my reputation and image."

This agrees with Beaudoin's (2004) view, who sees the impact of NGOs on public opinion as strongest when it depends on an extensively recognised product or corporate brand. As a result, both the corporates and NGOs can use the strength of a partner's brand to convey their own messages to the public (Beaudoin, 2004:367).

All the NGOs interviewed in the study stressed the importance of reputation when an NGO is looking to partner with a corporate. This concurs with Molina-Gallart's (2014) position, who posits that before partnering with a corporate, NGOs need to start finding out whether

the corporate has a good track record as the category 'NGO' has legitimacy in society (Beaudoin, 2004:367).

From the findings, NGOs indicated that they want to be associated **with reputable businesses** as partnering with the wrong corporates can jeopardise future funding. Abdullah (2009:398) disagrees and posits that since organisations have many stakeholders, each with an assortment of backgrounds, levels of dependency and objectives, it cannot be expected that there will be one consistent and uniform image. In reality, these stakeholders have different images of the same organisation, all shaped by their particular exposures to the identity cues presented.

NGOs interviewed prefer to receive funding from corporates with a **good corporate business conscience** in everything that they do. These include responsible, ethical corporates who do good in an area where they are seen, but who also do not exploit the environment in their daily business operations. This is in line with Beaudoin's (2004) argument, that management can therefore not ignore the 'opinion factor' in decision-making any more, nor is there are need for them to disregard opinion inclinations which NGOs represent.

For NGOs, the issue of **integrity** is very important when partnering with corporates. One corporate indicated that "when you have integrity - a good record - the way you conduct your financial management will entice any corporate to give you funding in the event you ask for that". This is supported by Molina-Gallart (2014) who argues that NGOs should start by finding out whether the company has a good track record on social and labour standards, human rights, and the environment in developing countries, as well as whether they are involved in tax avoidance or evasion.

Findings show that NGOs see reputation as very important, and as a result they do not seek funding from certain types of corporates as that would **ruin their reputation**. NGOs that are education entities indicated that they would not partner with companies dealing with alcohol as this is contrary to their own educational values. This is supported by Cornelissen (2012), who postulates that corporate communication is equipped towards building positive

corporate images and reputations with all of an organisation's stakeholder groups, so that the groups can act in a manner that is beneficial to organisational success.

As illustrated in the empirical results, one of the NGOs indicated that their members wouldn't be happy if they took funding from a corporate that has a **bad reputation**. Therefore, for consideration for their partners and their own reputation, they would not take funding from certain corporates. This is upheld by Cornelissen (2012), who cites stakeholder pressure as a factor of reputation management (Cornelissen, 2012:10). Reputations are overall assessments of organisations by their stakeholders.

When the corporates were asked how they **reduce/mitigate risk** when deciding on which NGOs to partner with, they indicated that they go through a strict process to root out the NGOs that may expose them to reputational risk - this would influence their decision-making whether to fund the NGO or not. How the corporates reduce/mitigate risk when deciding which NGOs to partner with, will inform their decision-making. The process includes: putting the NGO through a **vetting process**; looking at the support of other peer organisations; conducting a background analysis to see how they are perceived in the media; finding out what the community thinks of the NGO; carrying out a careful selection process of the NGO, that involves determining their expertise and track record; finding the right champion in the NGO; carrying out annual reviews in-house and externally; conducting reference checks with the NGOs' current and past funders; meeting with other corporates who are funding a particular NGO to talk about the programme and what they are getting out of the programme, as well as what their challenges are; assigning the internal risk management team to identify the risks and how they recommend dealing with the risks; and forensic audits. This aligns with Rensburg and De Beer's (2011) statement that reputation is built inside the stakeholder networks that are surrounding organisations (Rensburg & De Beer 2011:160).

Both the corporates and NGOs conduct their **due diligence** and they go through a vetting process as a way to reduce the risk of partnering with the wrong organisation. All the participants indicated that the reputation of their organisation is important. Some went as far as to say that "reputation is everything". This is supported by Reichel and Rudnicka

(2009), who argue that collaboration is not “risk averse” as one partner can ruin the favourable image of another.

Findings highlight that the criteria that the NGOs respond to when determining the corporate’s reputation, included:

- the corporate’s compliance to the different laws and regulations of doing business in South Africa;
- the corporate’s reputation in the industry; and
- the corporate’s sector in relation to the NGO’s mission. Most of the NGOs working with children indicated that they do not partner with corporates in the alcohol and tobacco fields.

Ways in which the NGOs reduce/mitigate the risk of partnering with the wrong corporates include:

- going through a vetting cycle;
- conducting due diligence research;
- doing the homework on the corporate to find background information about them;
- looking at the corporate’s reputation in the industry;
- undergoing a process of really understanding the corporate and what they are trying to achieve;
- understanding the people who have responsibility in the organisation and to determine whether or not they have real influence in the organisation;
- finding out if the people from the corporate are just ticking boxes or are actually an integral part of the funding process;
- determining who will have an impact on and can influence the decision-making process;
- being transparent and honest because corporates talk and they know each other as they do business together; and
- using transparent communication.

This is in line with Molina-Gallart's (2014) opinion, who argues that the assessment that NGOs carry out usually consider a wide range of issues, including:

- due diligence research conducted to verify the claims or accusations against the company. This process include internal sign-off processes and external peer-reviews by experts;
- legal checks to minimise legal risks;
- ensuring that communities in the impacted areas, or workers from the relevant company, are not put at risk, and assessing whether company's retaliation could put broader NGO operations at risk;
- inspecting potential direct or indirect associations with the company that could potentially compromise the ethical reputation of the NGO;
- checking how the anti-corporate tone of a campaign could potentially have an impact on the profile and external perception of the NGO; and
- assessing opportunities for changing the company behaviour.

Molina-Gallart (2014) asserts that NGOs should weigh the different roles played by corporations in the development arena, finding out which of the functions they intend to impact or engage with by appraising which private sector roles are more pertinent for the NGO's intentions, and how the NGO can increase value.

When asked if they had anyone in their company who monitors the **corporate's reputation**, all the corporate participants indicated during the interview that they had someone monitoring the corporate reputation (even if for some it was an external party) as this was very important to them. This shows that managing reputation is very important to the corporates. Functions that monitored the reputation included:

- Social Media Team who monitor social media for any reputational risks;
- external consultants hired to monitor the reputation;
- Marketing Team;
- representatives at group level;
- Research Team;
- Stakeholder Engagement Team; and

- Stakeholder Relations Team.

Most of these functions fall under corporate communication in corporate organisations. As van Riel and Fombrun (2007, cited in Vesala-Varttala, & Varttala 2010) emphasise, all corporate communication should be grounded on sound communication policy guidelines. They go on to point out that common corporate communication procedures help organisations build a unique image, a sturdy brand and, finally, an attractive reputation.

This is backed by Cornelissen (2012), who asserts that the objective of establishing, preserving and protecting the company's reputation is the principal function of corporate communication professionals.

All the corporates interviewed consider **protecting their company's reputation** to be critical and view it as one of their most important strategic objectives. For one corporate, protecting their reputation is so important that they report on a quarterly basis to their board on how, for example, CSI projects are aligned to the corporate's strategic objectives in relation to media and marketing, which is one of their core strategic objectives. This is in alignment with Goodman's (2006) view that current studies confirm corporate communication as a strategic management role centred on managing the company's reputation, among other challenges.

Corporates view reputation as important **because building that reputation** would have taken a long time and they would not want to ruin it by partnering with the wrong NGO. They would only want to partner with NGOs who are also in very good standing in society and whose reputation is also in good standing. In this way, the partnership can benefit from each other's reputations.

Two of the corporates interviewed indicated that **protecting their reputation** is so important that they would end a relationship with an NGO that threatens their reputation, as a way of protecting their own reputation. One of these corporates indicated that if an NGO does something contrary to what they said they would do, they can be struck off the roll. They even went as far as saying that if an NGO partner is seen to make comments that

are not in line with who they are as a corporate, they would engage with them to ask them if they realise what they are doing, and if it continues, the consequences may very well be that they pull out of the partnership, which they have actually done in the past. This is supported by Aula, and Mantere (2013:341), who argue from a social constructivism perspective that reputations are constructed, reconstructed and also destroyed through dialogical communicative actions between the organisation and its stakeholders.

One of the corporates in the financial sector indicated **that protecting their reputation** was critical because they understand that if they get a bad reputation, it would impact on their business and they would not be able to make money. This would then mean that they would give out less funding to people. Protecting their reputation is therefore very critical, which is why they have to do thorough investigations of the NGOs they are funding and the kind of activities they are involved in, as well as the kind of reputations they are linked to.

One of the corporates who have a cause-related marketing campaign and receives small amounts of support from its customers (that then gets passed on to feeding children), indicated that, if for example, an NGO “ran away with their money”, the public would associate them with that act and wouldn’t want to donate to the cause. As a result, they **protect their brand ferociously**. For Beaudoin (2004), NGOs can use the power of a brand to convey their own messages to the public.

Findings show that when asked if they have anyone in their organisation that **monitors reputation**, all the **NGOs** indicated that they had different functions in the NGOs that monitor this function. These include:

- the CSR team to a certain extent, as it impacts directly on fundraising;
- the board;
- Marketing and Communications Manager;
- the Communication Officer;
- the NGO Director;
- National Director;
- brand managing external consultants;

- Media and Communication Officer;
- CEO;
- Communications Department; and
- Human Resources Manager.

The functions indicated above show the importance of reputation in the NGO sector, as it demands attention and input from different functions in the NGO, including levels as high as the board and the CEO.

This shows that **protecting the reputation** of the NGOs is very critical, and as much as NGOs have shortages of resources, they would still designate the management of the reputation to someone specifically, as it is vital for its survival. If the reputation is ruined, it jeopardises the chances of getting future funding and current partners may also consider separating themselves from the tarnished NGO.

As one NGO puts it, “reputation is what determines the level of trust and credibility in the organisation. And that’s a major decision-making criterion for any funder as to whether to fund” one NGO as opposed to another NGO.

One NGO indicated that managing and building the reputation of their NGO helps and also builds the reputation of the NGO industry in general. In this way, NGOs would still be considered ethical, and will be trusted to implement projects for the benefit of the communities in partnership with the funders. This agrees with Beaudoin’s (2004) view that NGOs present themselves to the public as the protectors or promoters of the general interest and common good as have in the past been perceived as the disinterested voice of ethics in society. Beaudoin (2004) postulates that because of this perception, NGOs are considered legitimate when they express ‘the public’s’ judgment on any issue’. This is a key component of the NGO’s brand.

For one of the NGOs, **managing their reputation** is critical because “reputation is something that can easily be **damaged** and if not managed properly it can become a perception and a

perception can become an association – how people associate your brand”. All the corporates interviewed agreed that their corporate philanthropy efforts **improve their reputation** and brand, as it make them look like good companies interested in societal needs. For Porter *et al.* (2011) reputation metrics differ from shared value measurement. From this perspective they posit that many companies use perception surveys and reputation metrics to find out how their charitable and social responsibility labours advance their reputation and brand.

The corporates who practice corporate citizenship explained that their corporate citizenship efforts **improve their reputation and brand**, as they want to be seen as a citizen of this world that is progressive, that advances humanity, but that does this in a manner that is not destructive. Without the stakeholders - without the communities in which they do business - they would have no business to do and no people to employ in the future, if they do not invest in society now. All NGOs interviewed agreed that corporate philanthropy does improve the brand of an organisation. As a result, when corporates participate in CSR activities, it can improve their brand with communities, NGOs, the business sector, government and the general public.

Porter *et al.* (2012) supports this position, as they argue that while **brand value** influences business value, those approaches show the overall perception of a company on many levels. Some may be swayed by the particular societal engagement undertakings the company is involved in (Acker & Eccles, 2015:516).

In the findings of the study, a corporate practising CSI, highlighted that research showed that people like to support corporates or organisations that they believe are doing a good job. They expanded that it is not just about the stakeholders, but that reputation issues also have an effect internally, as employees also have a perception of the company - and the ideal company that they want to work for - especially as they like to work for corporates who give back to the community.

Another corporate practicing CSI highlighted that research showed that people like to support corporates or organisations that they believe are doing a good job. However,

without some form of assurance, CSR reports may provide stakeholders with limited value, and may represent unverified assertions of company management. Stakeholder trust and confidence in corporate disclosures are increased when companies offer transparent CSR reports and give credible, relevant, reliable and accurate, information (Marx & van Dyk, 2011).

7.2.4 Research Question 4

RQ4: What are the criteria for communicative decision-making when corporate donors fund NGOs?

Communicative decision-making can be described as the communication flow for strategic decisions made by management about stakeholders. This includes deciding what to communicate to stakeholders and how to communicate effectively, in such a way that the reputation of the company is not affected and relationships with the stakeholders are maintained both internally and externally.

According to Mykkanen (2014), organisations as systems need communicative action, because they reside in a communicative rationality. They see decision-making as a social action that needs communication; as well as a strategic action in organisations, which is focused on successful problem-solving. Findings of this study show that the criteria for communicative decision-making, when corporate donors fund NGOs, are varied. It specifically varies among corporates, depending on their corporate and funding strategy.

Findings of this study indicate that most corporates **communicate** with their NGO recipients **through their CSI/CSR representative**. They choose how often to communicate and which channels of communication to use - emails were the most used channel. This aligns with Hamrin *et al.*'s (2016) position, which refers to communicative leadership, as a positive element to leaders' communication capabilities and expresses that communicative leaders are superior communicators and attain better results than leaders who are not very communicative (Hamrin *et al.*, 2016:216). Although these roles are relevant, their importance differs in different situations. Johansson *et al.* (2014) view the following four important individual prerequisites as influencing the communicative behaviour of leaders:

- communication awareness;
- communication acquaintance;
- communication attitude; and
- communication ability (Johansson *et al.*, 2014:156).

Hamrefors (2010), on the other hand, highlights the following four sub-roles that together constitute the role of the communicator as a contextual leader: System Designer, Mediator, Coach and Influencer (Hamrefors, 2010:146).

From the findings, it is clear that NGOs communicate what is stipulated in **the contractual agreement** between them and their corporate funders. The communication takes place through the **Programme Managers** who hold the relationship with the corporate donors. This aligns with Freeman *et al.*'s (2004) point, stressing that managers are required to develop relationships, enthuse their stakeholders, and produce communities where everyone works hard to give their best to provide the value the company promises (Freeman *et al.*, 2004:354). Johansson *et al.* (2014:149) view a communicative leader as a person who enters into dialogue with employees gives and invites feedback, carries out participative decision-making, and is open and participative.

Data from the study show that corporates **manage the communication** with their NGO stakeholders by setting expectations upfront and regularly communicating what they expect from them. They also regularly state what the NGOs can expect from them, so that they "are all on the same page". This aligns with Alfredson and Cungu's (2008) statement that good communication can prevent or overcome deadlocks and misunderstandings; change attitudes; and help to improve relationships. They furthermore postulate that good communication skills are crucial to clearly convey a message, and to comprehend the message of the opposite side.

Findings show that corporates set an annual **funding strategy** which aligns with the larger organisational strategy; from where they will determine the focus areas that their giving will focus on. Corporates also need to assign a **budget** to the focus areas and allocate funds per focus area. After decisions have been made on these allocations, they communicate this to potential NGO beneficiaries. This also aligns with Mykkänen's (2014) position, which sees decision communication as meaning to communicate how decisions' criteria are met or satisfied. Mykkänen (2014) further argues that if decision communication is thought of as

decision-related communication, the entire decision-making process could be regarded as decision communication.

Empirical findings show that corporates go through a process to **set CSR goals and objectives** that they want to achieve so that the NGOs they partner with will help them achieve these goals and objectives. This decision is then communicated to the NGOs. This approach aligns with Mykkänen's (2014) statement that decision communication can be seen as the force which generates a buy-in for organisations' strategies and goals. This also aligns with Christensen, Morsing and Thyssen (2013:2), who highlight the term aspirational talk which they refer to as communication of corporates which announces ideals and intentions rather than reflect actual behaviours.

One of the insurance companies interviewed for the study focuses on education and they highlighted that as an insurance company, a number of their insurance policies are about education and ensuring that their customers and clients have enough money for their children's education in the future. They need specialised skills for the insurance industry - to get into this industry one needs Mathematics and Science. As a result, they employ chartered accountants and actuaries, as well as a number of employees with a commerce background. Funding education in Mathematics and Science is therefore a way of recognising that they need to be strengthening the number of South Africans who are finishing school with the right skills. This corporate sees this as a process of feeding back into their pipeline to equip potential employees to eventually be able to work for them and also to strengthen the financial services sector overall within South Africa.

Organisations also practice employee volunteerism and indicated that they ask whether funding a specific NGO would meet their funding requirements and whether they will be able to involve employees. They also ask themselves whether funding this particular NGO would count for them as a company, particularly on their Black Economic Empowerment score card. If a project would generate some media benefits and if it aligns with their goals, the chances of funding that project increase. Data show that corporates mostly align with the organisational vision, mission, strategy, as well as organisational needs, by clearly

identifying the objective or outcome they want to achieve in the decision to fund. This is also evident in the identified projects that corporates fund.

Table 27: Shows the main focus areas of the beneficiaries of the corporates that were interviewed for the study

Corporate	Main Focus area	Beneficiaries
Corporate 1	Education – financial and formal	Youth
Corporate 2	Education - Science, Technology, Engineering and Mathematics	Youth
Corporate 3	Enterprise development, investment, economic empowerment, sustainability	Community at large
Corporate 4	Education	Youth
Corporate 5	Feeding	Children
Corporate 6	Education	Youth
Corporate 7	Education, health, disability and sports development	Youth
Corporate 8	Education and hospice care	Youth and sick people

For the NGO, their strategy determines the focus areas they work in, as illustrated in the table below.

Table 28: Shows the areas the NGOs focus on in their work with community beneficiaries

NGO	Focus Areas
NGO 1	Early childhood development
NGO 2	Early childhood development and feeding
NGO 3	Counselling
NGO 4	Youth and HIV/AIDS
NGO 5	Early childhood development nursery school
NGO 6	Education – Mathematics
NGO 7	Education
NGO 8	Environment

Corporates that were interviewed indicated that part of the decision-making processes for funding includes **deciding priorities**. Some of the corporates indicated how they had diverted some of their funds to the #FeesMustFall movement as a response to the need for fees from university students.

NGOs indicated that although they treat all their corporate donors well, the distinguishing factor is that they are more involved in their **strategic partners'** business than in the business of their secondary partners and therefore the communication and attention they give these corporates are more than they would give to smaller donors. As a result, they engage more in two-way communication and reflective situations with strategic donors, than they would with the smaller donors. This favours Mykkänen's (2014) view that decision communication is about implementing decisions; following up and getting feedback on how decisions have been accepted; and the kind of effect they have.

Another NGO that was interviewed mentioned that their pyramid dictates how **they treat the different donors**, which is neither better nor worse, but just differently. Although they must communicate with all their donors, this NGO pays more attention and have more frequent communication with their larger strategic donors at the top of their pyramid, as

opposed to the smaller ones at the bottom. The frequency and the intensity of communication is also different. The NGO indicated that they needed to take into account the donor's desires and their needs. Some do not want to receive much communication and they respect that. Insisting on communicating with donors is seen as spam in their email, which becomes an annoyance to them. This aligns with Stakeholder Theory, which asks for the responsibility of management to stakeholders? It also forces managers to detail how they want to conduct business — in particular, what types of relationships they want and need to establish with their stakeholders to enable them to deliver on their purpose (Freeman *et al.*, 2004:354).

From the findings, corporates indicated that one of the requirements for communicative decision-making between corporate donors and their NGO recipients include **receiving written proposals** from NGOs seeking funding. Some proposals are submitted in response to **requests for proposals** and some are **unsolicited proposals**. From the proposals received, a short list is compiled of proposals that align with the giving strategy of the corporate. This imperative is an initial step in the decision-making process and is supported by Mykkänen (2014:132), who posits that decision communication's function in organisations can be deemed more vital and noteworthy than just communicating the outcomes of every decision.

Findings show that the internal CSI team conduct **meetings to review proposals** where decisions are made based on the organisation's criteria for funding and the social need that the NGO is proposing to meet. The decisions made by the review team are later communicated to the NGOs. This concurs with Hamrin *et al.*'s (2016) view that communication is inseparably linked to leadership and that leadership happens through interaction and communication. They postulate that leadership is responsible for developing and communicating the intangible platform of the organisation, in this instance relating to funding.

Once the NGO recipients have been selected at the review meetings; they are put through a **vetting process**. Two of the corporates interviewed indicated that they go through the Theory of Change process to vet the NGOs.

Vetting the NGO's reputation is one of the processes the corporate goes through. This is done so that they do not end up in a partnership with an NGO that has a bad reputation, as this will tarnish the corporate's reputation as well. The corporate also wants to vet how much funds the NGO has received and how they have managed those funds.

This enables them to see if the NGO can handle the amount of money they would like to provide them with. Some of this information is easily accessible. Shinnick and Ryan (2008) posit that the dawn of the World Wide Web and other communication tools considerably changed the manner that information is retrieved; the volumes of information that is accessible, in addition to the price of gaining access to that information.

Though the NGOs are the ones receiving funds, they also follow strategic decision-making processes, which include:

- conducting research on a corporate to determine what projects they fund and whether it aligns with what they do; and
- conducting research on the corporate to see what type of corporate it is and what their reputation is to determine if they are aligned with that corporate with regards to their mission, vision, strategy and values.

The vetting process and gathering information on a potential partner is supported by Shinnick and Ryan (2008), who postulate that individuals and businesses both gather and deduce information in their decision-making activities and utilise this information for economic or personal gain. They argue that technological advancements have aided this access to information and generated opportunities by generating information systems that can support business decision-making activities.

For the corporates that were interviewed, the **frequency of communication** depends on the type of project, as well the level of investment in the partnership. This ranged from once a week to once a year depending on the partnership. Flagship projects with more funding investment require more communication than the NGOs who have received once-off funding and less funding, as there is a higher expectation in terms of returns and

deliverables from a project that has received more funding. One financial sector corporate indicated that they communicate with their NGOs “as and when the need arises, but very often”. This is upheld by Johansen and Nielsen (2011:207), who argue that though the involvement strategy requests stakeholders to be active participants, stakeholder involvement is different based on the nature of the stakes held by particular stakeholder groups as the focus turns to key stakeholders. The Co-orientation Model provides a framework for identifying the relationships between groups in a communication process (Brønn & Brønn 2003:292). It provides a uniting framework for identifying the nature of the relationships between stakeholders or actors in a communication process.

Findings furthermore show that unlike corporates, NGOs use a lot of convincing information to assure their corporate donors and potential corporate donors of the importance of their work, as well as their capability to handle the job and to deliver on agreed deliverables. NGOs indicated that they use convincing information at the beginning of the relationship, as well as when they are requesting larger amounts of funding. This is supported by Stokman *et al.* (2000), who argue that in management of meaning processes, **convincing information plays a dominant role** and that the more directly an issue is connected to the central higher ordered objectives of a stakeholder, the more it is seen as an important condition for its realisation. This aligns with stakeholder involvement strategy towards CSR communication, which assumes a dialogue with its stakeholders. For this strategy, communication is centred on making sure that a two-way dialogue takes place and the stakeholders aim to convince one another. The strategy mainly aims to foster mutual understanding, rational agreement or consent (Morsing & Schultz (2006:328).

One NGO expressed that convincing information gives the corporates confidence in the NGO and they consequently trust the NGO with their money; they trust them to accomplish the task at hand; and they trust them to deliver. This shows corporate donors that the NGO has the capacity and the capability to deliver. For this NGO, “good communication is the basis to giving your partner the confidence and to allow them to come back.” In terms of convincing information, Stokman *et al.* (2000) argue that the manager’s position on an issue should correspond with the outcome of the decision - this they see as best for the realisation of their objectives.

Other types of **convincing information** mentioned by NGOs include providing factual information, up-to-date statistics and the science behind the emotions. This should be communicated to donors, because this is really what is convincing them that their projects are worthwhile causes. The NGOs also provide convincing information on the needs in society and communities; the NGO's capability to meet these societal needs and to deliver on them; and the impact that the NGO has in meeting societal needs. Credibility of the NGOs came up as one of the issues they have to convince corporates. This is supported by Leeper (1996, in Mykkänen, 2014) who argues that communication facilitates coordinated social action, which is needed in the organisational process of decision-making. Steyn (2009) calls this role "The 'reflective strategist' and argues that they act as advocates for important stakeholders by clarifying their views to management, making the latter aware of the impact of their behaviour/ organisational policies and strategies on key stakeholders and interest groups in society.

NGOs indicated that they are using the **same communication channels** that are used by corporates, as the direction of the communication is two-way. Some channels included: SMS, photographs snapped in the field, traditional post, newsletters, WhatsApp messages and social media. Wang and Huang (2018) put forward that organisations often communicate with their stakeholders through the company intranet, company website and social media. This is supported by Golob, Verk, Ellerup-Nielsen, Thomsen, Elving and Podnar (2017:166), who argue that in a globalised society, organisations are witnessing an extraordinary increase in information circulation where information has taken a more centre-stage role than before. They postulate that organisations need to accept the importance of communication as the process which contributes the most to balancing different interests related to CSR, societal expectations and stakeholder interests in CSR.

Empirical data indicate that one NGO uses a '**sales force system**' to **communicate with corporate donors**. They gave an example of how any donation that is received gets an acknowledgement. If a donation above a certain amount is received, it is sent to an assigned person in the NGO, who will then give corporate a personal call, or send a personal text message or email to that specific individual. If it's over a certain amount (for either an individual donation or cumulative for the year), it is sent to the Director. This would pop up

on the Director's desk as a task, after which he will phone the person to acknowledge receipt and to thank them for the funds. All the communication with the corporates is logged in a database, so that anybody who is going to communicate with them can see the communication history. This aligns with Shinnick and Ryan's (2008) view that decision support systems play an important role in deciding the competence of businesses, as well as recognising business opportunities.

One corporate who funds social infrastructure projects indicated that they have **regular site visits** to actually see the real work done on the ground and to observe the amount of stakeholder involvement that takes place in the project. This is backed by Hult *et al.* (2011) who explain that Stakeholder Theory deals with the nature of the relationships between the corporates and their various stakeholders — particularly in terms of the processes and their outcomes for the company and the stakeholders (Hult *et al.*, 2011:44).

NGOs furthermore indicated that they communicate with donors as often as they are required to by the corporate donors - this varies for the different NGOs and for different projects. One NGO indicated that they communicated with some corporates regularly as they have scheduled regular reporting dates, while with others it was on an as-needed basis. Dawkins (2004:109, in Moreno & Capriotti, 2009) highlight that communication is still the missing link in the practice of corporate responsibility. For Lewis (2003:361, in Moreno & Capriotti, 2009), many companies are really committed to achieving their social responsibilities, but they are unsuccessful in communicating this actively enough to convince anyone of it. This aligns with Hamrefors' (2010:143) view that an elementary capability of a communicator should be to understand how people function cognitively in their perceptions and perspective-making.

Another NGO indicated that their communication with corporates is very much dependent on donor behaviour and also 'donor year-ends'. Some donors do not like to receive much communication from the NGOs and the NGOs respect that. The NGO interviewed, also look at highlights on the donor's calendar and strive to put forward their communication during those periods of decision-making. This is supported by Hamrefors (2010:150), who sees the purpose of communication in an organisation as to establish and develop the

communicative ability of the whole organisation. For him, communicative ability strengthens the conceptual foundation of the organisation and at the same time stimulates a variety of activities (Hamrefors, 2010:150).

In the findings, telephone calls, emails, site visits, face-to-face meetings, reports, conferences, surveys, Skype, tele-conference calls, company websites, and social media were mentioned as channels of communication used between corporates and their NGO recipients. Telephone calls and face-to-face meetings were indicated as preferred channels of communication. One corporate indicated that **telephones** were a great way to **communicate**, as NGO Programme Managers are constantly in the field and can only read their emails when they are back at the office - phoning them on their cell phones would make them more accessible to provide feedback. Gregory (2000) argues that the adaptive Systems Theory perspective leans largely towards the two-way symmetrical model of communication as it allows dialogue and feedback from stakeholders. This concurs with Grunig and Grunig's (1992) view that two-way communication refers to exchanging information through dialogue. Corporates' use of the two-way communication process between themselves and their NGO recipients opens up dialogue and feedback so that they can negotiate mutually beneficial outcomes. This aligns with Hamrefors' (2010) view that in order to influence the communicative ability of the organisation, a communicator must be able to participate in the management of a much wider spectrum of activities than the ones covered only by traditional communication work. In this case, communication is defined as everything that communicates in an organisational context (Hamrefors, 2010:141).

Findings furthermore illuminate that corporates need to consider what "**mileage they can get**" in the media, as well as in employee volunteering, as this can determine which NGOs get funding. The corporates want to publicise their work and have their employees engaged in the partnership. Fifty percent of the corporates interviewed indicated that employee volunteering and engagement are some of the deciding factors for whether an NGO gets funding. This is supported by Johansen and Nielsen (2011), who argue that stakeholders can be approached using communication strategies that take into account the contextual and dynamic features of specific communicative frames. They postulate that the stakeholder response strategy (two-way asymmetrical communication) is practised when organisations

try to engage stakeholders in actions and decision-making with the aim of obtaining external endorsement.

7.2.5 Research Question 5

RQ5: What are the communicative decision-making processes/procedures that corporates follow when funding NGOs?

Nooraie (2012) argues that strategic management is categorised by its prominence on strategic decision-making. As an organisation grows larger and becomes more complicated with higher degrees of uncertainty, decision-making also becomes progressively complicated and hard. Strategic decisions have to basically deal with the long-term future of the organisation.

According to Henderson and Smith-King (2015), decision-making processes include formulating a strategy at a higher level, as well as implementing the strategy at managerial level.

Findings from the research showed that corporates follow **communicative strategic decision-making** processes when funding NGOs. These processes assist them to arrive at the decision about which NGOs to fund and how to communicate the decisions made. These decisions therefore set the precedence of which NGOs get funding from the corporates. This also aligns with Mintzberg *et al.*'s (1976) position of defining a strategic decision as one which is crucial with regards to resources committed, the actions taken, or the precedents established. Decision-making is one of the most imperative functions of managers in any type of organisation. Among different manager's decisions, strategic decision-making is an intricate process that needs to be totally comprehended before practicing it effectively (Nooraie, 2012:405).

This is also in alignment with Schön's (1983) **reflective decision-making** who argues that reflection is one of the subjective processes that has been identified as vital in decision-making. This supports Abib (2016), who defines **reflective thinking** as thinking that comprises of turning a subject over in the mind and giving it serious and uninterrupted consideration. Gosling and Mintzberg (2003, in Walger *et al.*, 2016) furthermore argue that

it is a requirement for management to find the point where reflective thought and practical action meet because action that does not include reflection lacks thoughtfulness and reflection that does not comprise action is passive.

The findings show that corporates **set criteria** for funding before they fund an NGO. They then need to ensure that the NGO is compliant with their criteria. This is backed by Vasilescu (2011), who posits that most decision-makers' strategy need to deal with choosing the option that seems to satisfy a basic set of criteria. They postulate that some preconditions for making a good decision include putting together as much information as possible to evaluate your options, in addition to clearly recognising the objectives or outcome you want to achieve.

This also aligns with normative Decision Theory which is a theory that explains how decisions should be made so as to be rational (Hansson, 2005:1). This also advocates Stokman *et al.*'s (2000) view that the first essential step in a strategic decision-making analysis is the specification of the problem at stake with regards to a limited number of issues on which decisions have to be made. Decisions of the stakeholders on the stated issues should define the outlines of the chosen solution (Stokman *et al.*, 2000:133).

Findings show that to ensure that the NGOs qualify under the **set criteria**, the corporates have to do some **research** to find information on the NGO. This information is used by the different structures to make the decision to fund or not to fund certain NGOs. This aligns with Smith's (2001, cited in Citroen, 2009) view, who argues that an important factor playing a role in the decision-making process is the information pertinent to the situation to be considered. They posit that with the accessibility of information, a revolution has recently taken place with the acquisition of new information and methods of analysis such as the Internet, often called the 'third industrial revolution', becoming common practice (Smith, 2001, cited in Citroen, 2009). This is also in agreement with Shinnick and Ryan (2008) who assert that information is strategic in decision-making as they see it playing a crucial role in reducing uncertainty and judging alternative options.

Empirical findings of the study show that potential NGOs are also given paperwork to fill in in order to gain certain **information about the NGO's status**. This includes information about their funders and how much money they have received to determine whether they have experience in managing large funds. Information required from NGOs also include audited financial statements, registration documents, CVs of the board and the management team. This aligns with evidence-based Decision Theory which provides a set of measurements against which evidence can be evaluated, such as methodological fit, replicability, contextualisation, consensus and transparency. The theory utilises evidence to make decisions that are informed (Baba & HakemZadeh, 2012:835).

Data show that **interviews or meetings** with NGOs are also set up for the corporates in order to meet the NGO teams and to interact with them to determine whether they have the capacity to manage the funds as well as to find out if their values and culture would align with the corporates. It is also part of forming a relationship with the NGOs. This upholds Freeman and McVea's (2008) view that a stakeholder approach encourages management to generate strategies by searching externally from the firm and identifying, and investing in the relationships that will provide assurance for long-term success.

Empirical findings show that **site visits** by the corporates to see where the NGOs are operating from are also part of the communicative decision-making process. Corporates visit the premises where the NGOs operate from to see for themselves the authenticity of the NGO and to interact with their staff as a way of building a relationship with the staff. This helps them in making the decision whether to fund or not. This also aligns with Freeman and McVea's (2008) view that the stakeholder approach is about concrete "names and faces" of stakeholders rather than merely analysing particular stakeholder roles. As such, what is important is developing an understanding of the real, *concrete* stakeholders who are specific to the firm. This also supports Lozano's (2005) view that a relational corporation is one that shifts its approach to associations with its stakeholders, moving from managing relationships to building relationships. The Relational Theory argues that the stakeholder approach involves articulating, expressing, analysing and understanding corporate relationships (Lozano, 2005:63).

Findings furthermore show that corporates often **approach other corporates** who have funded a potential NGO recipient, to find out how the NGO is performing in terms of implementing projects and in delivering on them. This advocates Vasilescu's (2011) opinion, who argues that some prerequisites for making a good decision include learning from previous experience and asking for opinions from those who have dealt with a similar situation in the past.

Stokman *et al.* (2000) also agree with this view and suggest that there are three main processes through which a stakeholder changes position. These are:

1. receiving convincing information implying that another position reflects his incentive structure better;
2. feeling more or less forced to change position because others challenge his position;
or
3. being prepared to take another position in exchange for a favourable move by another stakeholder on another issue.

The findings also align with the Systems Theory perspective, which argues that organisations form linkages with other organisations because of their interdependence with these elements within the system to survive and to attain goals (Baldwin *et al.*, 2004:295).

Corporates that were interviewed indicated that they adhere to **integrated reporting** which is supported by the International Integrated Reporting Council (IIRC). The latter defines an Integrated Report as “a concise communication about how an organisation’s strategy, governance, performance and prospects lead to the creation of value over the short, medium and long term” (IIRC, 2013:7).

Findings also show that only one corporate, which is a multinational company, indicated that they do not adhere to **integrated sustainability reporting** as it is not a requirement of the New York Stock exchange where they are listed. This agrees with Ackers and Eccles's (2015) view, who posit that, despite its voluntary nature, the Johannesburg Stock Exchange (JSE) requires all listed companies to apply the King IV principles, including providing

independent CSR assurance. King III and King IV have accordingly made independent CSR assurance a *de facto* mandatory requirement, albeit on an “apply or explain” basis.

Besides the one corporate, the rest of the corporates interviewed produce an **integrated sustainability report** which is submitted to the Johannesburg Stock Exchange and shared with all stakeholders. This is also communicated on the company website. Rensburg and Botha (2014) advocate this as they highlight the radical changes that global corporate reporting practices are experiencing. This is brought about as stakeholders make growing demands on companies and as resources are becoming increasingly scarce. As a result, the companies are forced to re-evaluate how they can communicate financially (and as transparently as possible) to all their stakeholders. This does not align with Ackers and Eccles (2015) who argue that while compulsory legislature and regulations may compel companies to increase their levels of disclosure, some companies will always only provide minimal (tick-box) compliance, without honestly providing stakeholders with any considerable value. It, however, aligns with Crane and Glozer (2016), who argue that responsible corporations ought to engage with their stakeholders on CSR issues and regularly communicate about their CSR programmes, products, and impacts with concerned stakeholders. They see the purpose of CSR communication as bettering stakeholder management, enhancing image, legitimacy and accountability, attitude and behavioural change, sense-making and identity, as well as meaning creation.

An integrated report is one document that presents and explains a company’s financial and nonfinancial environmental, social, and governance (ESG) performance. The motivation behind issuing this document was the *King Report on Governance for South Africa 2009 (King III & IV)*, written by professor Mervyn King, whose recommendation was that companies and other organisations should generate integrated reports combining material, financial and sustainability information (Eccles & Saltzman, 2011:57).

NGOs interviewed indicated that, as part of their **due diligence**, they **research** the potential corporate funders as well. They research their funding criteria as well as other NGOs that have been funded by them before. This aligns with literature that corporate fundraising,

screening guidelines and risk assessments for specific corporate campaigns are probably the most common systems and policies used by NGOs to assess corporate engagements. This also aligns with Smith's (2001) position, who argues that an essential factor playing a role in the process of decision-making is the information on the internal and external environment of the organisation, relevant to the situation to be considered.

NGOs' policies guide them in terms of who they can or cannot receive funding from, but if they violate their own policies, it will not have legal consequences, though it may have reputational repercussions. This aligns with literature that argues that NGOs are developing new policies – ranging from guidelines for ethical procurement to internal policies for the ethical management of the financial services that they use – to ensure that their decisions are aligned with their policy, advocacy, and campaigning positions.

The **gift receiving policy** is another policy that was mentioned by participants. Some NGOs were not allowed by policy to receive funds from certain corporates. For example, one educational NGO could not accept funds from alcoholic or tobacco companies because its beneficiaries were school going children and the values of such corporates conflict with their own, as mentioned before. For the NGOs these were moral and ethical issues that would impact on their reputation, rather than legal issues. This aligns with Quinn's (1980) interpretation, who suggests that decisions determine the overall direction of the organisation. It also aligns with Vasilescu's (2011) prerequisite for making a good decision, which includes expounding several potential choices consistent with your values and interests.

Legal considerations are a big part of why some corporates that were interviewed, are involved in CSR. In South Africa, the government is trying to redress the inequalities of the apartheid era and as such has put some laws and policies into effect. The findings clearly show that all the corporates interviewed indicated that there were some legal considerations and policies on their side, and on the NGOs' side, that they had to adhere to before they can fund an NGO. These laws and policies are monitored and communicated in their sustainability report so that potential NGO recipients and other stakeholders can take note of them. These legal considerations are not negotiable, as violating them would put the

corporate in jeopardy. This is one of the most important considerations when funding NGOs and also agrees with De Beer's (2014) Integrative Strategic Communication Management Theory which she argues, consists of sustainability and governance stances in the conceptualisation of strategic communication management.

Corporates also use legal considerations as part of their **decision-making criteria** with regards to which NGOs they can fund or not. If the NGOs do not meet the criteria, they are eliminated from the start. This concurs with Vasilescu's (2011) view that most decision-makers are concerned with the discovery and selection of satisfactory alternatives. This finding also agrees with Mintzberg's (1973) planning mode of decision-making, which entails systematic information gathering for situational analysis, create alternate strategies and selection of the appropriate strategy.

The corporates indicated during interviews that they adhere to spending 1% and above of their profits on CSR projects and that the beneficiaries of these projects need to be previously disadvantaged people. This aligns with **the King III** (2009) report that highlights that although the South African Companies Act 61 of 1973 does not compel companies to engage in CSR projects, the country's Policy Document and the King II, III and IV reports address the need and significance for corporates to acknowledge all stakeholders and to adopt a "triple-bottom line" approach focusing on social, environmental and economic issues. The King reports' clauses are not mandatory, but they take a "comply/apply or explain" approach that compels corporations to apply CSR programmes or justify why they have not adopted them (King III Report, 2009).

Findings of the study also show that, as much as the corporates have to **abide by the legal considerations**, they still have leeway within those considerations to decide how they would like to invest their funds. For example, even though their funds have to go to 75% previously disadvantaged people, they decide which 75% they target as beneficiaries. This aligns with Vasilescu's (2011) view that one of the prerequisites for making a good decision includes elaborating on several possible choices in accordance with your values, interests and abilities. This applies to each course of action and estimate, if it's acceptable.

Other laws and regulatory frameworks that the corporates that were interviewed adhere to, were also identified. These depended on the sector that the corporates are operating in, which included the following:

- Organisation for Economic Co-operation and Development (OECD);
- United Nations Global Compact;
- financial services charter codes which are similar to the BEE codes; one of the big focus areas has to be in terms of what they call consumer education,
- which refers to providing financial education for disadvantaged individuals.

This favours Eisenhardt's (1989) observation, who argues that strategic decisions can be considered representative of the process by which major decisions are made at the firm (Eisenhardt, 1989:546).

Findings furthermore show that the corporates indicated that it is imperative that the NGO be **legally registered** and have a bank account before they can even consider it for funding. This aligns with Eisenhardt's (1989) view that strategic decisions involve strategic positioning.

Data also show that it is important for the NGO to have good governance structures and sound management systems in place, as this gives the corporates assurance and confidence that the NGO has good leadership that guides it and will guide the NGO to produce good results with their funding. This agrees with Eisenhardt's (1989) definition of strategic decisions as those which have high stakes.

The corporates interviewed also require that the NGOs comply with all tax regulations and that they should be willing to be audited in the event that the corporates request an audit. This is supported by Vasilescu (2011) who posits that one of the factors that affect decision-making processes includes existing rules. For the benefit of the corporate, the NGO needs to be able to issue an 18A tax certificate so that the corporates can claim tax for their donation

to the NGO. This aligns with Eisenhardt's (1989) view that strategic decisions involve many of the firm's functions.

Empirical findings show that the NGOs on the other hand adhere more to internal policies, though they had to make sure that the corporate is legal before accepting funds from it. This concurs with Vasilescu's (2011) view that decisions must be consistent with the organisation's broader interests.

Although corporates interviewed for the study include NGOs in decision-making about the projects they are implementing, they do not include them in decision-making about which NGOs to fund. This disagrees with Beaudoin (2004), who argues that effective management decisions must include NGOs as participants in the process and their opinions should be considered when shaping decisions. Lozano (2005) also disagrees, as he asserts that stakeholder relationships cannot be seen as segregated or two-fold relationships; an assumption that used to form the basis of many stakeholders theories (Lozano, 2005:68).

It is clear that although the NGOs interviewed for the study have focus areas that they focus on as an organisation, they are also willing to understand a donor's focus areas and then to fit their product with the corporates' products and the corporate's strategy. NGOs are quite flexible in the sense that they can adjust their fundraising policy to accommodate any individual corporate donor request. One NGO gave an example where they are now working with a donor that is in the mining industry who wants them to implement a project in Limpopo. Limpopo is not one of their key geographic focus areas at the moment, however, because of geographical flexibility, they are putting together a project to implement there. This upholds Nooraie's (2012) view that the factors affecting strategic decision-making, in particular the different stages and processes, include external environmental characteristics. This is also supported by Vasilescu (2011), who posits that there are factors that affect decision-making processes, which include the existing rules and anything that affect aspirations and attention. Vasilescu (2011) also clearly identifies prerequisites for making a good decision to include gathering as much information as you can to assess your options and focus on the objectives or outcomes you want to achieve.

All the corporates indicated that they were B-BBEE compliant - even the global companies. This is because if they are not BEE compliant, this would hamper them from doing business in different areas, including: procurement and government tenders; applications for licences; granting concessions; and the supply chain, among others, as indicated in the literature above. This aligns with Chahoud *et al.*'s (2011) opinion, who argue that some of the companies give through CSR/CSI/CC projects, so that they can be compliant with BEE legislation.

Internal skills and policies also came up in the findings as these were linked to the BEE scorecard, and as a company has to record how many of its employees gained new skills as part of the BEE scorecard. Chahoud *et al.* (2011) support this when they highlight that some challenges of B-BBEE are mismanagements in the certification process *vis-à-vis* various aspects of the scorecard weighting system which is measuring the B-BBEE compliance of companies. Companies also experience many difficulties regarding the general implementation process.

7.2.6 Research Question 6

RQ6: What communicative decision-making structures do corporates use in deciding which NGOs to fund?

If an organisation lacks transparency in structure, people cannot easily understand it as a whole. This will affect the way they perceive the mission of the operation. For the physical structure it is important to develop transparency, which supports communication from a holistic view of the organisation (Hamrefors, 2010). According to Henderson and Smith-King (2015), decision-making processes associated with social policy and planning may take place in frameworks that typically include task forces, committees, councils, executive boards, or boards of directors.

Findings from the research study show that strategic decision-making takes place through different structures in the organisation, as well as individually; to some extent using the information at their disposal. Decision-making includes self-governing structures, in which decision-making occurs through meetings of members or through informal, frequent interactions (Henderson & Smith-King, 2015:1547). They postulate that decision-making processes often reflect and are influenced by following rules or strategies of the organisation.

This supports de Almeida and Bohoris' (1995) view that Decision Theory provides a logical framework for solving real-life problems. Its concern is with the identification of an action which is expected to offer optimum benefits to the decision-maker. Game Theory applies in decision-making structures. For Sanfey (2007), Game Theory is a collection of laborious models endeavouring to comprehend and explain situations in which decision-makers must interrelate with one another. Stanfey (2007) postulates that Game Theory offers a rich source of behavioural tasks and data along with well-specified models to investigate social exchange.

Empirical findings highlight that both the NGOs and the corporates have **decision-making structures** where ultimately decisions are made. In line with this, Pollock and Colwill (1987) sees participatory decision-making as participation and influence of one group of individuals in decision-making processes which are the responsibility of a different group of people. This finding also aligns with Mintzberg's (1973) view that executives that follow a rational approach collect and utilise sufficient information in a structured decision-making process. Stokman *et al.* (2000) also support this view by stating that collective decision-making is one of the most important processes in society.

Findings show that all the decision-making structures in NGOs and corporates use information that has been researched and compiled for the structures to make decisions. This concurs with Shinnick and Ryan's (2008) view that information is strategic in decision-making. This is also de Almeida and Bohoris' (1995) view; that the benefits of Decision Theory include a framework within which the decision-maker's ideas can be critically evaluated and adjusted, particularly if new information is to be included or other than common decisions have to be made.

Empirical findings show that the most influential decision-making structure for corporates and NGOs is **the board of directors**. The board sets the policies and strategies which guide committees, management teams and individuals in their decision-making. This aligns with the view of Nooraie (2012) who argues that in strategic decisions, top management typically plays a central role in making the decisions. The **board** is therefore the structure that sets and decides the strategies and the policies that management implement. This upholds the view of Schwenk (1988), who says that strategic decisions are important to the firm, and this is evidenced though top management's central role in strategic decision-making. It also agrees with the view of Pearce II and Robinson (1994, cited in Nooraie, 2012), who argue that strategic issues typically require top-management decisions.

One of the corporates indicated that a board member represents each of their giving focus areas, for example, a professor represents the health focus, while another professor represents the education focus. This is consistent with the view of Gamble and Thompson (2009, in Nooraie, 2012) who found that a company's strategy contains competitive moves

and approaches that management has developed to conduct operations, grow the business, and achieve performance objectives.

Data shows that **board sub-committees** spend time breaking down issues and carrying out certain tasks. The sub-committees are divided along the lines of the **expertise of the board members**. They make full use of board members' expertise, time and commitment, and ensure diversity of opinions on the board. In this research, committees included the social and ethics committee, finance committee, and the procurement committee. This supports the view of Vasilescu (2011), who argues that effective strategic decisions are hard to achieve because they requires reforms that modify both senior leader decision-making styles and organisational structure. Game Theory also applies here. This applies in decision-making situations in which two or more decision-makers take each other's decisions into account to maximise some gain or minimise some loss where the gains or losses may be their own or someone else's (Grunig, 1992:278).

The **Executive Committee (Exco)** was also mentioned as a decision-making structure during interviews. An executive committee advises an organisation's board of directors to support its decision-making processes. The Executive Committee is appointed by the board and has the authority to act on its behalf. This aligns with the view of Vasilescu (2011), who posits that the decisions must be consistent with the organisation's broader interests and that if there are situations where a rational decision is preferable and must be endorsed by a higher level committee, the organisation must encourage such behaviour among its members by establishing a formal chain of command for announcement of authority and communications. This finding also advocates Hamrefors's (2010) observation, who posits that communication roles can no longer stay in their limited areas to only deal with traditional communication issues but that communicative leadership behaviour acknowledges the crucial role of planning; communication; and allocating tasks; solving problems; and representing the team, the unit, or the organisation (Hamrin *et al.*, 2016:216).

According to the data, **advisory committees** act as decision-making structures in corporates. The participants bring unique knowledge and skills which magnify the knowledge and skills

of the formal board of directors in order to more effectively guide the organisation. Their decisions are communicated to the board and to the lower level structures until it is communicated to the NGO recipients. This aligns with Mykkänen's (2014:134) views that decision communication is about implementing decisions, following up and getting feedback on how decisions are accepted and what kind of effect they have made.

One of the regional organisations indicated that, depending on the amount being requested, or the focus area being proposed, the proposal may have to be tabled at a **country committee** or at **regional level decision-making structures**. Smaller amounts may be available either at **provincial level** or **national level**. The deduction can be made that there are **different committees in place to deal with different mandates**. The decisions are also communicated to the different geographic internal structures so that they eventually get to the NGO recipients. This aligns with the Systems Theory, which emphasises the boundaries between organisations and their environments, as well as between subsystems within the organisational system and between subsystems and the organisational whole (Grunig, 1992:71). Ultimately the decisions of any single subsystem will affect the entire system.

Management committees were also brought up as a decision-making structure that determines which NGO gets funding and which ones do not. Management is involved because this is a strategic issue. This agrees with Dutton and Duncan's (1987) position, who posit that strategic issues can be defined as developments, events and trends having the potential to impact an organisational strategy. They argue that decision-making about strategic issues generally is treated as a strategic decision and therefore deserves strategic management consideration.

The **CSI/CSR Committee** was also mentioned as a decision-making structure by corporates. It reviews and monitors the corporate's CSR strategy, which includes making decisions on proposals to be funded. This committee is normally a board sub-committee and would feed information to the board. This is supported by Vasilescu (2011) who argues that if there are situations where a rational decision is preferable, work should be divided among members and/or subunits.

The decision to fund or not to fund starts when corporate receives a concept note or proposal from the NGO through the **individual** that it is directed to or who receives it. The person who receives the proposal makes the decision of whether or not the proposal qualifies to go to the next level, which is the CSI/CSR team meeting. This finding agrees with Stokman *et al.*'s (2000) assessment, that the dynamics of decision-making result mainly from the efforts of stakeholders to come to an outcome of the decision that is as close as possible to their own position. Decision-makers will also change their positions, resulting in a decision closer to their own position.

The CSI/CSR team receives the proposal and based on the focus areas and the corporate's funding criteria, the team determines whether the proposal qualifies to go to the next level or not. A regret will be communicated to those that are outside the focus areas of the corporate. This concurs with Hamrefors's (2010) understanding, who sees communicative leadership as focusing on the communicative behaviours leaders address in their day-to-day responsibilities. The proposal would then be recommended to the next level of decision-making.

If a proposal qualifies to go to the next level, it would then go to the **CSI/CSR committee** that would determine whether it goes to the next round or not. This also depends on the level of funding being requested. This approach aligns with participatory decision-making which Carmeli *et al.* (2009) see as a practice of sharing power among members of the team, and empowering them to partake in strategic decision-making.

The above also aligns with Nooraie's (2012) interpretation, who argues that managers in various organisations, or even within the same organisation, may view the same internal or external problem quite differently. The author lists risky decisions; the complexity of the decision; and the type of decisions, as decision specific characteristics that will determine who makes the decision and how the decision is made. Mykkänen (2014) posits that decision-making is a social action that needs communication and that inside organisations, decision-making is a strategic action oriented towards successful problem solving.

Empirical findings of the study show that **decision-making structures** meet at different times. Some meet monthly and some meet quarterly, depending on the organisation. The committees decide who they want to fund based on the alignment of the NGO and the proposal to the funding strategy criteria of the corporate, as well as the available budget. Committee recommendations are then submitted to the board with justification of why they are recommending funding for those particular NGOs. NGOs that are recommended to the board are those that meet the funding strategy and criteria of the corporates. The recommendations need to clearly justify how they qualify and should not just be personal recommendations of the committee members. This aligns with Pearce II and Robinson's (1994, cited in Nooraie, 2012) view, who argue that strategic issues typically require large amounts of the firm's resources. This includes time that the committees commit to meeting, up to making the decisions. Eisenhardt and Zbaracki (1992:17) add that strategic decisions are those infrequent decisions made by the top leaders of an organisation that critically affect organisational health and survival. This upholds Gosling and Mintzberg's (2003, in Walger *et al.*, 2016) view, who point out that managers live a contradiction between acting fast (on the basis of their knowing-in-action) and reflecting on different scenarios and possible responses in decision-making.

7.3 ADDRESSING THE PRIMARY RESEARCH QUESTION

How does communicative decision-making take place in the relationship between corporate donors and NGO recipients?

The research set out to investigate communicative decision-making in the relationship between corporate donors and NGO recipients. This has been achieved through the findings above.

Communicative decision-making can be described as the communication flow for strategic decisions made by management about stakeholders. From the findings it can be deduced that communicative decision-making in the *relationship* between corporate donors and NGO recipients takes place through the corporates that communicate the *criteria, processes* and *outcomes* of decisions that are made by corporate *decision-makers* (through their *decision-making structures*) to the NGO recipients.

Communication plays a vital role in communicative decision-making in the relationship between corporate donors and their NGO recipients. It is the glue that seals the relationship and the chain that links the two partners. Moreno and Capriotti (2009:162) posit that any initiative undertaken by corporations to gain legitimacy and the confidence of the public through responsible corporate behaviour must be accompanied by a capacity to communicate with – and respond to - the demands of stakeholders. The findings show that *communication* between the corporates and their NGO recipients is vital for their relationship to work. The communication was found to take place in different forms, including meetings, telephone calls, emails, site visits, reports, social media, websites, conferences, among others, and it is the vehicle used to advance the relationship. The findings also show that the communication in the relationship is two-way symmetrical, as both partners need to be communicative and can initiate communication depending on what they need, and they can give and receive feedback. For communicative decision-making to be effective, there needs to be conveyance and exchange of information throughout the decision-making process. This communicative decision-making needs to be effected by management, especially the CSR representative who is in contact with the

NGOs, as this reduces uncertainty and becomes a support process to inform about decisions.

The relationship between corporate donors and NGO recipients in how communicative decision-making takes place between them

To understand how the communicative decision-making takes place in the relationship between corporates and their NGO recipients, we first had to look at the nature of the relationship between the corporates and the NGO recipients. Through the findings, we learnt that the nature of the relationship between corporates and their NGO recipients is vital in the communicative decision-making process. The findings show that NGO recipients are treated as stakeholders - individuals or groups who are impacted by, or can impact, the work or its outcomes - in the relationship between corporate donors and their NGO recipients. It was found that the nature of the relationship is contractual, as the two parties have to sign a contract in terms of the role each party plays, as well as the expected deliverables. At this point in time, the relationship is mostly based on the funding given to the NGOs, as this is detailed in the contract. Because this relationship is contractual, certain aspects of the relationship, such as stewardship of the funds, not acting in a way that will jeopardise the reputation of the corporate, reporting guidelines etc. are detailed in the contract.

Through the empirical results it was determined that the nature of the relationship is strategic, depending on the level of investment in terms of funds. Both corporates and NGOs indicated that when valuing all their partners, the level of communication and involvement differs depending on the level of investment, with more communication and attention given to bigger investments. The bigger investments brought the level of the relationship to more of a partnership than just a relationship with stakeholders. The findings also showed that in partnerships, there is a symbiotic relationship, whereby the two parties take advantage of each other's skills, reputation and ability in a collaborative approach as they work together on mutual goals. This enables them to reach out to constituencies that could not otherwise be reached.

Before the corporates and the NGOs could trust each other, they first do a due diligence practice on each other through a vetting process to see the eligibility of a partnership. Once they are satisfied, they then go into a partnership.

Trust came up as a very important aspect of the relationship between the two parties, as corporates trusted the NGOs with their funds and trusted them to use the funds as intended, as well as to deliver in the partnership with them. NGOs also trusted corporates to meet their obligations and to also deliver on the contractual agreement.

Dialogue, mutual understanding and joint problem-solving with NGOs also came up as important to both corporates and NGOs. These provide ways of building relationships and deliberating issues that arise during projects.

The findings highlighted factors that contribute towards a good relationship between the corporate donors and their NGO recipients. These included stewardship, reporting, accountability, and convincing information.

Stewardship by the NGO shows use of the resources as they were intended to. The NGOs provide narrative and financial reports to the corporates and take the corporates for site visits for them to see for themselves what the NGOs are doing in the communities and for them to meet and interact with the beneficiaries. This is also an accountability measure. The findings furthermore show that corporates, on the other hand, are accountable to their board, shareholders and stakeholders.

Reputation came up in the findings as very important in the relationship between the corporate and the NGO recipients and something that can make or break a relationship. Both parties indicated that protecting their reputation was important to them; that their reputation was everything; and that they would protect it ferociously. Some corporates indicated that they see an NGO partner as an extension of themselves, so the NGO's reputation will impact on their own. It was important to both the corporates and NGOs not to enter into a partnership with an NGO or corporate that has a bad reputation. To mitigate this risk, they conduct thorough vetting before they partner with them. If the reputational

risk occurs during the partnership, some corporates indicated that they have terminated a partnership before to minimise the impact on their own reputation.

Protecting the reputation was so important to the corporates that most of them have a dedicated person monitoring their reputation through different avenues like print media, online media, social media, surveys etc.

A good reputation is so vital to the corporates that 100% of the corporates interviewed view their CSI/CSR initiatives as improving their corporate brand and image.

Communicative decision-making

From the findings about the relationship between corporates and their NGO recipients above, we learn that corporates perceive NGOs as valuable partners who may play a role in linking business with society, which is why they establish long-term relations with them. As a result, it is important for corporates to be transparent and communicative with NGOs and to provide information about the decision-making criteria, processes and structures, as well as the outcome of the decision-making processes – therefore, the final decision. Communicative decision-making includes deciding what to communicate, how to communicate effectively, as well as how often to communicate, in such a way that the reputation of the company is not affected and relationships with the stakeholders are maintained.

How communicative decision-making takes place in decision-making when corporate donors set criteria to fund NGOs

Communicative decision-making takes place through the corporates communicating the criteria required for the NGOs to be considered for the funding. From the findings of this study we learn that the criteria when corporate donors fund NGOs, are varied, depending on the corporate and funding strategy.

Findings show that communication about the criteria starts when the corporate communicates its criteria for receiving funding in terms of the focus areas they fund, the geographic locations they fund, the beneficiaries they fund, the type of organisations they

fund and the amounts they fund. These criteria are communicated on the company websites, on company publications as well as with the call for proposals or instances where a call for proposals is given. The process is communicative as it is giving information and in some cases a phone number and an email address is provided for people to follow up if they have any questions relating to this.

Findings also show that for communicative decision-making to be effective with the NGOs and vice-versa, there needs to be a dedicated representative from the corporate and the NGO who will communicate about the decision-making-process on behalf of each entity. For corporates it was mostly the CSR Manager/Representative and for the NGO it was the Programme Manager. This is the communicative leadership representing the two organisations. These two representatives are free to engage in a two-way communication process. For Hamrin *et al.*, (2016), communicative leadership can be ascribed to a positive notion regarding leaders' communication abilities and conveys that communicative leaders are better communicators and achieve better results than leaders who are not very communicative (Hamrin *et al.*, 2016:216). From the findings we see that part of how communicative decision-making takes place is through corporates managing the communication with their NGO stakeholders by communicating set expectations upfront and regularly communicating what they are expecting from the NGOs. They also regularly state what the NGOs can expect from them, so that they "are all on the same page".

Communicative decision-making also takes place through corporates setting an annual funding strategy, which aligns with the larger organisational strategy, and communicating it to prospective/potential NGO beneficiaries, and in some instances to current NGO beneficiaries who intend to apply for new funding. This includes the focus areas that their giving will focus on, as well as a budget assigned to each focus area. After decisions have been made on these allocations, they communicate this to potential NGO beneficiaries. This process is what Mykkänen (2014) refers to as decision communication, because it communicates how decisions' criteria are met or satisfied.

Empirical findings show that communicative decision-making also takes place when corporates go through a process to set CSR goals and objectives that they want to achieve

and when they communicate this to prospective NGOs so that the NGOs they partner with will help them achieve these goals and objectives.

From the corporates that were interviewed, findings indicated that part of how communicative decision-making happens in the relationship with NGOs is to decide on funding priorities and to communicate these to NGOs. Some of the corporates indicated how they had diverted some of their funds to the #FeesMustFall movement as a response to a more pressing need for fees for university students.

Findings also show that communicative decision-making takes place when corporates receive written proposals from NGOs seeking funding. Some proposals are submitted in response to requests for proposals and some are unsolicited proposals. Communicating the acknowledgement of receipt of these proposals and communicating the decision-making process regarding the proposals, and when NGOs can expect to hear back from the corporate with a decision, is also part of communicative decision-making.

From the research findings it is clear that communicative decision-making takes place by using different channels of communication between the corporates and the NGOs. Telephone calls, emails, site visits, face-to-face meetings, reports, conferences, surveys, Skype, tele-conference calls, company websites, and social media were mentioned as channels of communication used between corporates and their NGO recipients. Telephone and face-to-face meetings were indicated as preferred channels of communication. Gregory (2000) argues that the adaptive Systems Theory perspective leans largely towards the two-way symmetrical model of communication, as it allows dialogue and feedback from stakeholders.

Empirical results show that NGOs are using the same communication channels that are used by corporates, as the direction of the communication is two-way. Their communication with the corporate donors focuses more on follow-up to understand the criteria and strategy set by the NGOs, to enable them to include the relevant information in the proposals. The communication is also about following up on their proposals to find out where in the decision-making process it is and when they will know the final decision.

The study shows that after the NGOs become donor recipients, they communicate with donors as often as they are required to by the corporate donors, and as stipulated in the contract. This includes whether the corporate donors are involved in the implementation of the project, which varies for the different NGOs and for different projects.

How communicative decision-making takes place in decision-making processes/procedures that corporates follow when funding NGOs

Findings from the research show that communicative decision-making in the relationship between corporate donors and NGO recipients takes place through corporates following communicative strategic decision-making processes. These processes assist them in reaching the decision on which NGOs to fund and to how communicate the decisions to the NGO. These decisions therefore set the precedence of which NGOs are awarded funding from the corporates.

The study shows that communicative decision-making also takes place when corporates set criteria for funding before they fund an NGO, as they need to safeguard that the NGO is compliant with their criteria. The whole process of setting criteria in terms of the strategy, setting goals and objectives, identifying focus areas and communicating it to the NGOs described above, is one of the decision-making processes that a corporate goes through in communicative decision-making in the relationship between corporates and NGOs.

The research furthermore shows that communicative decision-making in this relationship is also conducted through the research undertaken by both the NGO and the corporate about each other, to find information about the organisation, its reputation and whether they are suitable partners. This information is utilised by the various decision-making structures to make the decision to partner, as well as to fund or not to fund certain NGOs. In this context, information is strategic and plays a crucial role in reducing uncertainty and ruling out some options. The decisions made based on this research will then be communicated to the NGOs.

Empirical findings of the study show that communicative decision-making takes place in the relationship between corporates and NGO recipients when potential NGOs undergo a vetting process by the corporates and are given paper work to complete in order to obtain certain information about the NGO's status that will be used for communicative decision-making.

Data show that communicative decision-making in the relationship between corporates and NGO recipients also takes place through interviews or meetings with NGOs that are arranged in order to meet the NGO teams and to interrelate with them to decide whether they have the capacity to manage the funds, as well as to find out if their values and culture would align with the corporates'.

Empirical findings show that communicative decision-making in the relationship between corporates and NGO recipients further takes place through site visits by the corporates to see where the NGOs are functioning from. Corporates visit the premises where the NGOs operate from to see for themselves the authenticity of the NGO, as well as to see what systems the NGO has in place to manage their funds.

Findings furthermore show that communicative decision-making also takes place through approaching other corporates who have funded a potential NGO recipient, to find out how the NGO is performing in terms of implementing projects. Delivering on them is part of how communicative decision-making takes places. The extent and success of the previous experiences and relationships with other corporate donors will help the corporate to make its own decisions on a particular NGO.

From the findings it can be deduced that another process in which communicative decision-making takes place is through integrated reporting - "a concise communication about how an organisation's strategy, governance, performance and prospects lead to the creation of value over the short, medium and long term" (IIRC, 2013:7).

Furthermore, communicative decision-making in this relationship also takes place through fulfilling certain legal considerations and policies set by the South African government to

redress the inequalities of the apartheid era. These include being B-BEE compliant as per the B-BEE laws, as well as the recommendations of the King II, III and IV reports for corporates to acknowledge all stakeholders and to adopt a “triple-bottom line” approach focusing on social, environmental and economic issues. These laws and policies are monitored and communicated in their sustainability report so that potential NGO recipients and other stakeholders can take note of them. NGOs also have to go through the process of fulfilling certain legal conditions like only being able to partner with corporates that have a certain B-BEE level of compliance.

In addition to this, the communicative decision-making takes place as the corporates go through the process of making sure that the prospective NGOs comply with all tax regulations; are legally registered; and that they have good governance structures and sound management systems, before they can enter into a funding relationship with them. In some cases when these are not met, it is communicated to NGOs who are then given a time frame to be compliant.

From the NGO’s side, their communicative decision-making takes place when they go through the process of adhering to legal considerations like partnering with B-BBEE corporates and making sure the corporate is legal. They also have to take the internal policies into consideration. NGOs’ policies guide them in terms of who they can or cannot receive funding from, but if they violate their own policies, it will not have legal consequences, though it may have reputational repercussions.

How communicative decision-making takes place in communicative decision-making structures that corporates use in deciding which NGOs to fund

According to Henderson and Smith-King (2015), decision-making processes related to social policy and planning may take place in frameworks that typically include task forces, committees, councils, executive boards, or boards of directors.

Results from the study show that communicative decision-making in the relationship between corporates and NGO recipients takes place through different structures in the organisation, as well as individually; to some extent using information at their disposal. This

information has been obtained through the criteria stage as well as through the decision-making processes discussed above. The decision-making structures meet at different times. Some meet monthly and some meet quarterly, depending on the organisation. These committees decide who they want to fund based on the alignment of the NGO and the proposal to the funding strategy criteria of the corporate, as well as the available budget.

The results show that communicative decision-making takes place through the different decision-making structures, starting when a proposal from the NGO is received by the corporate until a decision on the funding is finally made and communicated to the NGO. When the request for funding reaches a corporate, the initial decision is made by the individual who receives it as they review it to find out if it fits with the funding criteria. An acknowledgement of the proposal is communicated to the NGO, as well as an indication of the decision-making process and time it could take to know the decision. If the proposal does not meet the criteria, communication to reject the proposal is sent to the NGO with reasons why the proposal cannot be considered. The CSI team also comments before sending it to the CSI/CSR committee.

Only certain decision-making structures can approve certain levels of funding. In some cases, the approval of large amounts can only be made at board level.

After the CSI team reviews the proposals, those that fit the criteria are tabled for the CSI/CSR Committee (decision-making structure) who then reviews and monitors the corporate's CSR strategy, funding criteria and budget. This committee normally comprises of the CSR team whose head would sit on a higher level decision-making structure like the Executive Committee. Some proposals are not approved at this stage based on further interrogation; the competition on the focus areas they qualify under; as well as the budget. Some proposals are approved at this level, but some, depending on the money being asked for, have to go to higher decision-making structures.

Management committees were also brought up as a decision-making structure that determines which NGO gets funding and which ones do not. Management is therefore involved because this is a strategic issue.

The proposals that make it to the Executive Committee (Exco) decision-making structure will also be interrogated further based on Exco level questions, the strategy and budgetary implications. Exco advises the organisation's board of directors to support its decision-making processes. The Executive Committee is appointed by the board and has the authority to act on its behalf.

From Exco, the proposal (depending on the focus areas) can go to the relevant board sub-committees decision-making structure for further scrutiny. The board's sub-committee is divided along the lines of the board's expertise; they spend time breaking down issues and carrying out certain tasks. Certain problems may "fall off the agenda" at this stage while some need to go to the advisory committee.

The advisory committees is a communicative decision-making structure whose participants bring unique knowledge and skills which magnify the knowledge and skills of the formal board of directors in order to more effectively guide the organisation.

Ultimately, the recommended proposals reach the board of directors decision-making structure. At this point the decisions have gone through rigorous and thorough decision-making processes. Since the board sets the policies and strategies which guide committees, management teams and individuals in their decision-making, there is less interrogation for the smaller amounts and more endorsement of the decisions already made, but decisions will have to be made on the larger amounts.

7.4 ADDRESSING THE PROBLEM STATEMENT

The problem statement inspired the research and the questions in the interview schedule also addressed the research problem. This section addresses the problem statement by looking into it in detail and discussing what the study established.

The study's problem statement is stated below:

As the competition for corporate funds donated to NGOs increases, the need to know corporates' communicative decision-making processes, leading to who they fund and why, and how their decisions are communicated to recipients, increases. Research into the corporates' giving strategies and decision-making criteria is crucial to NGO fundraising efforts as NGOs need to know how corporates reach their decisions on donations and partnerships. Funds raised are often the lifeblood of NGOs and the latter can save time and resources if they knew how corporates arrive at their decision on which NGOs to fund; which corporates are most likely to fund them; and how donors communicate their decisions about the funding to recipients.

In terms of the first sentence - *As the competition for corporate funds donated to NGOs increases, the need to know corporates' communicative decision-making processes, leading to who they fund and why, and how their decisions are communicated to recipients, increases*, the study provides the answers to this problem and how NGOs can beat the competition. The study answers this problem by shedding light on the corporates' communicative decision-making processes on who they fund, why they fund them and how the decisions are communicated to the recipients. The study found that corporates' decision-making processes to determine which NGOs to fund include, firstly, deciding on funding strategy criteria about the focus areas that they will fund; the beneficiaries their funds will serve; the number of years their funds will be for; and a funding budget on how much they will fund certain focus areas for. Once the funding strategy criteria is in place, the corporates communicate this to their potential NGO recipients through different communication channels, including their websites, sustainability reports, integrated reports, annual reports, and requests for proposals, among others. The NGOs that have knowledge of the corporate's funding strategy criteria use this information to align their winning proposals accordingly and thus beat the competition from other NGOs.

Other corporates' communicative decision-making processes include conducting research on an NGO to vet its eligibility to get funding from them. This includes researching their reputation, their financial status, who else they have received funding from, the

competency of the NGOs' leadership team, whether the systems they have in place would be suitable to manage the funds if awarded. The outcome of the research will determine whether the NGO is eligible for funding or not. As a result, those NGOs who are aware that corporates conduct research on them would make sure that they correct any areas that they lack so that they qualify. A decision would be communicated to the NGO once the research is completed.

Corporates' decision-making processes include interviews and meetings with the NGO to find out if the NGO has the capacity and systems to manage the funds. If the NGOs are aware of what corporates are looking for in this regard, they would make sure they have the qualified staff in place, as well as invest in the necessary systems to manage the funds, so that when the corporates interview them, all is in order. The corporates will use this information in their communicative decision-making processes.

Site visits are also a decision-making process that the corporates use when deciding which NGOs to fund. Corporates go for site visits to see the project on the ground, to interact with beneficiaries and to assess the viability of the project. They will use information found during the site visit to decide on whether or not to fund the NGO implementing that project. When the NGOs are aware of this, they will go for dry runs before the corporates visit and make sure their operations in the communities are in order.

Some corporates indicated that part of their decision-making process is to approach other corporates who have funded the NGO in the past to determine how the NGO performed on a previous project. The information obtained here would contribute to the decision to fund the NGO or not. If the NGO is aware of this decision-making process, they would let corporates, who have funded them before, know that other corporates may approach them for a referral and request positive feedback about them to the corporate seeking the information. This will in turn reflect positively on them and could lead to the corporate deciding to fund them.

From the results it can be deduced that taking legal considerations into account is part of the decision-making process. NGOs are required by the South African government to pay 1%

of their profits towards CSR projects benefitting previously disadvantaged people. If the NGO is aware of this information, they would make sure to include previously disadvantaged people as their beneficiaries as this would meet the criteria. Corporates can only fund NGOs that are registered, therefore, knowing this will ensure that the NGOs are registered before they apply for funding, as this would put them in good standing to receive funds.

With reference to the second sentence of the problem statement - *Research into the corporates' giving strategies and decision-making criteria is crucial to NGO fundraising efforts as NGOs need to know how corporates reach their decisions on donations and partnerships*, the study provides the answers to this statement. The answer to this problem lies in the NGO knowing the funding strategy criteria of the corporate donor as described above. Findings from the research shows that to achieve this, the NGO needs to conduct intensive research on the corporate. They will need to come up with a research template for conducting due diligence research reports on corporates. The research findings highlighted an all-encompassing research process on the corporate, including the items below.

- What the corporate's nature of business is?
- The corporate's mission, vision, purpose and values.
- The corporate's strategy.
- The corporate's giving strategy.
- The corporate's leadership and their qualification.
- The corporate's geographical footprint.
- The corporate's focus areas in terms of CSI activities they fund.
- What other CSI/CSR activities the corporate has funded in the past?
- What other NGOs the corporate has funded in the past?
- What amounts/budgets the corporate has typically funded in the past?
- What is their current annual budget?
- Where the corporate aligns with the NGO with regards to values, focus areas and geographical focus?
- What the industry risk is?

- What reputation the corporate has on different levels, including areas that are important to the NGOs? For example, for an environmental NGO, it would be important to know the environmental touch points of the corporate and the impact their business has on the environment.
- Known or alleged ethical breaches/scandals.
- What the risks and opportunities of the NGO entering into a partnership with this corporate are?

The research findings show that the NGO can research this information from various media where it is communicated. This includes the corporate's website, integrated report, sustainability report, newsletters, meetings, workshops and papers presented at conferences, workshops, other events organised by the corporate and other publications where the corporate's CSI/CSR activities are highlighted.

The research findings also highlight how corporates reach their decision on donations and partnerships. This is through the decision-making processes and procedures undertaken by the decision-making structures to arrive at a decision, as well as how this decision is communicated.

From the findings, this part of the problem statement is addressed as it shows *how corporates reach their decisions on donations and partnerships*. Firstly, the research clearly shows that the corporates set the criteria for a funding strategy where they decide on the focus areas they fund, the geographical areas they fund, the type of beneficiaries to be funded, the budget allocated to each focus area and to CSI/CSR funding, as well as the duration of the projects to be funded. Therefore, if NGOs do research on the strategy of the corporate, they are able to see how a particular corporate reaches its decisions on donations and partnerships.

The findings furthermore show that conducting research on the NGO is part of the process that contributes to how corporates reach their decisions on donating and NGO partnerships. The corporates conduct research to determine the following:

- What the reputation of the NGO is like?
- Whether the NGO is legally registered?
- Whether the NGO can provide them with an 18A certificate?
- Whether the NGO has capacity to deliver on the projects in terms of expertise of staff and systems?
- Whether the NGO has implemented similar projects before and how successful those projects were?
- Whether the NGO has good relationships with the communities and beneficiaries they serve?
- Whether the NGO has previously successfully handled similar amounts of funding as they are applying for?

The corporates also put the NGO through a vetting process where they give them forms to complete and ask them for certain documents like financial statements of the past few years, for them to assess the competency and readiness of the NGO to successfully partner with them. Depending on what they discover, this will impact on the decision to fund and partner with the NGO.

From the findings, NGOs will know that face-to-face interactions such as interviews, meetings and site visits are also part of the processes that corporates go through in their decision-making to fund partnerships with NGOs. In these face-to-face interactions, the corporates will ask pertinent questions, make observations and verify information, and depending on the outcome of the meetings, this will contribute towards the decision to fund or not to fund the NGO.

Findings also show that part of the decision-making process includes corporates approaching other corporates who have funded prospective NGO partners to find out how the NGO performed; to determine whether there were any issues and how they were resolved; as well as how the corporates rate the NGO as a partner. The information they receive will also contribute toward their decision on whether or not to embark on a partnership with the NGO.

From the findings it is clear that corporates need to comply with legal considerations in their decision-making to fund partnerships with NGOs. They need to comply with B-BEE laws, as well as tax laws that only allow them to partner with NGOs who serve disadvantaged beneficiaries, as well as NGOs that are tax compliant. This contributes to the decision-making on whether a corporate can enter into a partnership with an NGO.

When NGOs know the processes above that corporates go through to decide which NGOs to fund and partner with, they can be more prepared, rectify where they need to and understand how the process works. NGOs that know the decision-making processes of a corporate and align their fundraising efforts with this, will give them an advantageous edge over other competing NGOs when they apply for funding and partnerships.

The third part of the problem statement is *funds raised are often the lifeblood of NGOs and the latter can save time and resources if they knew how corporates arrive at their decision on who to fund; which corporates are most likely to fund them; and how donors communicate their decisions about the funding to recipients*. The first part of this statement has been addressed above - this section will address the last part of the statement, which pertains to how donors communicate their decisions about the funding to recipients.

The findings show that corporates communicate their funding strategy and criteria on various media, depending on different stages of the decision-making process. From the beginning, corporates may put out a request for proposal document on their website, in print media or in their newsletter or magazines. This request for proposal documents will detail the criteria of how the decision-making on the proposals will be judged, as it gives the criteria of what projects, focus areas, beneficiaries, budgets, duration, and geographic focus areas among others.

From the findings it can be deduced that once the proposal is submitted, the corporates will communicate the acknowledgement of the proposal mostly via email. Most proposals are submitted online or via email. The acknowledgement will detail approximately when the

NGO should expect to hear the outcome of the decision from the corporate. When the corporate regrets a proposal, they also do so formally, via email.

Email is mostly used throughout the process, but findings show that when the proposal is being considered at a deeper level, other mediums of communication such as meetings, interviews and site visits are also used to communicate different levels of the decision-making process. At times, NGOs are told that they have qualified for the next round and they may be asked for more information. This is usually on email but at times this decision could also be over the phone.

In some cases, Skype is used for meetings between the corporates and NGOs and in that Skype meeting, some decisions can be communicated. The telephone was also included in the channels that corporates use to communicate their decisions to NGOs. Teleconference calls were highlighted as channels that corporates can use to communicate their decisions to NGOs, such as during a teleconference meeting.

From the findings, social media was also mentioned as a channel through which corporates can communicate their funding decisions. In this case, it could be in the form of congratulating the new partnerships through social media. In some cases, corporates would communicate decisions on their website and in their reports, but this is usually after those individual NGOs that have been awarded funding have been notified.

From the research findings, some decisions were communicated during face-to-face meetings where part of the meeting would include communicating the decision to the NGOs. This verbal decision is followed by a more formal written one, mostly via email.

The research findings furthermore indicate that in some cases, corporates communicate with NGOs who are in the field via SMS or WhatsApp. In some cases they communicate decisions in this way, although it is normally followed by written confirmation. In some cases it could be that because the NGO Programme Manager is in the field and cannot access his/her email, the corporate's CSR team can tell them the outcome of the decision over the phone, and then refer them to the email sent earlier or an email that will follow.

Depending on the decision that needs to be made, the corporate usually decides on the medium of communication used with the NGOs.

7.5 COMMUNICATIVE DECISION-MAKING IN THE RELATIONSHIP BETWEEN CORPORATE AND NGO RECIPIENTS AS NEW KNOWLEDGE

The study found that the relationship between corporates and their NGO is very important. The thesis revealed that in the relationship between corporates and their NGO recipients, NGOs are active stakeholders and co-creators of value and development solutions together with the corporates. This takes De Beer's (2014) integrative strategic communication management theory into account, which argues that strategic management in a triple context environment should focus on value creation in the form of communicative capacity development through communicative currency, capital, equity and value.

The study shows that NGOs bring value to the relationship. As much as corporates have the funds, they do not have the expertise to work with communities and this is where NGOs come in as valued partners with the relevant expertise to work with communities. This leads to the valued partnership which benefits society and also helps to achieve both the corporates and NGO's goals and objectives.

The study shows that corporates perceive NGOs as experts in working with society with different skill sets than themselves. As a result, they see NGOs as partners who can bring along their expertise and together they can work towards a common goal of uplifting communities.

For this partnership to be effective, the study found that the communicative aspect of the decision-making processes undertaken by corporate donors in the context of the relationship between corporates and NGO recipients is vital. From this study, it was discovered that communicative decision-making needs to happen at every step of the decision-making process - from communicating the criteria and funding strategy, to

communicating through the decision-making processes and structures and ultimately communicating the final decision.

When communicating the corporate's decision-making criteria and giving strategy, communicative decision-making not only communicates how decisions' criteria are being met or satisfied, but also obtains feedback on how the decisions were accepted and the kind of effect they have. All of this takes place through dialogue and conversations.

When communicating through the corporate's decision-making processes, communicative decision-making not only communicates with the NGOs, but facilitates learning between the partners through dialogue and incorporates learning from the dialogue into their decision-making.

Communicative decision-making is a two-way process in the social constructivist paradigm which values feedback and dialogue. Communicative decision-making as new knowledge in the relationship between corporate donors and their NGO recipients, seeks that communication about the decisions needs to be communicated through dialogue, conversations, co-creation, co-orientation and through two-way symmetrical communication in an integrated and strategic way.

7.6 MANAGEMENT IMPLICATIONS

The management implications highlight results from the study that will help NGO Programme managers and CSI managers execute their roles and relevant information better. These are listed below.

- Corporates can learn to be communicative with the NGOs throughout the whole decision-making process.
- NGOs can now enhance their fundraising efforts by learning that corporate donors' have set criteria and funding strategies that they follow when deciding which NGOs to fund. From this, the NGOs will learn the importance of researching the corporates'

giving strategy and criteria, as well as the focus areas that corporates assign their money to. These vary from corporate to corporate. When the NGOs know this, they will conduct research on the corporate to inform their proposals and make sure that their proposals align with the corporate's giving strategy and criteria for funding. The NGOs would then include the appropriate focus areas, serve the relevant beneficiaries in line with the corporates' beneficiaries of choice as well as target the same geographic areas as the corporates, as this would enhance their chances to get funding. The research also includes references to media where the NGOs can find information about the corporates, which includes the corporates' website, their integrated reports, sustainability reports, annual reports as well as in request for proposal documents.

- NGOs can be aware of the decision-making processes that the corporates follow in deciding which NGOs get funding, so that they can align or be compliant with what the NGOs look for. For example, the corporates vet the NGOs to make sure they are registered; and that they have good systems and qualified teams to manage the funds. If the NGOs are aware of this process through this study, they will make sure they sort out these elements so that they can qualify for funding.
- NGOs can become aware of the decision-making structures that make the decisions on whether their NGO gets funding or not. This will enable them to know that before they receive a response on their proposal, it has to go through various decision-making structures.
- NGOs can learn the importance of developing a relationship with the corporates before the funding, as well as after the funding, as NGOs implement their projects in partnership with corporate donors.
- Corporates can learn that as much as they can be committed to fulfilling their social responsibilities, they need to communicate their efforts enough to convince their NGO recipients, potential recipients, as well as other stakeholders.

- Corporates can learn to be communicative in their decision-making processes and communicate as well as give feedback to NGOs throughout the whole decision-making process, because information reduces uncertainty and it relates to power.
- From the research, corporates can see how NGOs view them in general and particularly in terms of power relations. As a result, the corporates can evaluate the way they relate to NGOs and change their behaviour to that of being a partner and being more collaborative.
- Some corporates can also learn the importance of setting a funding strategy and criteria; and most importantly, to communicate this to potential NGO recipients.
- Both NGOs and corporates can learn the importance of communication, as this will improve their relationship. It is also a way to share information for the benefit of improved implementation of the project and for better relationships.
- A contribution to CSR is that NGOs have a unique set of skills required by corporates to deliver their CSR initiatives. As a result, NGOs are coming to the same table with corporates as active stakeholders and co-creators of value and development solutions.
- The study also makes a contribution to CSR that highlights the importance of CSR communication through dialogue, conversations and co-creation between key stakeholders.

7.7 SUGGESTIONS AND IMPLICATIONS FOR FURTHER RESEARCH

This section addresses other research topics that can be explored further from this study. These are interesting aspects that were beyond the scope of the findings and that could be recommended for further study. The further research would be supported by this research or connect with it.

Suggestions for further research are listed below.

- Researching the different types of partnership relationships between corporates and NGO recipients. Going deeper into the partnership relationships and what this entails can be recommended for further study. This will help inform the different funding levels of the partnerships.
- Researching the sustainability of the funding of NGOs and whether funding creates dependency in NGOs. This would be a continuation of the research in terms of how far the corporate funding would go; how sustainable this model is; and how long the NGOs would need to keep getting funding to be able to help the communities. The notion of whether the funding creates dependency on the NGOs can also be explored.
- The measurement of the impact of the corporate funding of NGOs on society. This can be followed up by a study on what the NGOs activities typically are after receiving the funds and how effective the implementation is as part of stewardship.
- Investigating the triple bottom-line, the corporates' view on it and whether they embrace it or whether they practice it to tick the boxes. This would look at whether corporates have bought into the triple bottom-line or whether they are compelled by legislation to do it.

7.8 SUMMARY

This chapter discussed the findings of the study supported by literature. Firstly, findings from the six research questions were discussed by addressing the primary and secondary research questions. The chapter also highlights how the study answered the problem statement. The chapter furthermore discusses new knowledge gained from the research, as well as management implications, and offers suggestions and implications for future research. It ends with concluding remarks on the whole study.

The research set out to investigate communicative decision-making in the relationship between corporate donors and NGO recipients. The study answers the primary research question of the study, which is: *“How does communicative decision-making take place in the relationship between corporate donors and NGO recipients?”* To assist in answering the primary research question, six secondary research questions were drawn up. Three of the questions concentrated on the relationship between corporate organisations and the NGO recipients of their donor funding, while the other three focused on how communicative decision-making takes place within the relationship between corporates and NGO recipients.

The relationship between the corporate donors and the NGO recipients is unique as it becomes a collaborative partnership where one entity’s reputation will impact on the other. As a result, both corporate and the NGO go through a vetting process to ensure that they end up partnering with the right organisation. The nature of the relationship is contractual and based on a formal agreement, including expectations that the two parties hold, deliverables and stewardship reporting on how the funds were utilised.

Communication plays a vital role in communicative decision-making in the relationship between corporate donors and their NGO recipients. It is the glue that seals the relationship and the chain that links the two partners.

Communicative decision-making can be described as the communication flow for strategic decisions made by management about stakeholders. The research found that communicative decision-making in the relationship between corporate donors and NGO recipients takes place through structured processes that begin with the corporate

determining a funding strategy criteria and then communicating this to potential donors. The process follows certain steps that include researching and vetting the prospective NGO recipient, conducting face-to-face meetings, interviews and site visits to enable the corporates to interact more with the prospective NGO recipients in different environmental settings. Other processes include approaching other corporates who have funded the NGOs before to find out how the NGOs performed and whether other corporates would recommend them for funding. Legal considerations also play a big role in the processes as the corporate needs to be B-BBEE compliant by partnering with an NGO that serves previously disadvantaged groups, as well as an NGO that is tax compliant.

The decision-making happens within the corporate's formal decision-making structures that include individuals, CSR teams, CSR committees, management committees, board sub-committees, executive committees and the board of directors (being the highest level of the decision-making structures).

The heart of the study explores the communicative decision-making phenomenon as this asserts that the corporate donors communicate with the NGOs in every step of the decision-making process. Two-way dialogue is important in the communicative decision-making process and appropriate channels of communication are chosen for the different stages, as well as for the NGO contexts. The partnership relationship, decision-making and co-creation between the corporate donors and their NGO recipients are also enabled by the two-way dialogue through stakeholder involvement in CSR communication.

The research achieved what it has set out to investigate and the results will help many NGOs who are competing for funding to be able to write winning proposals, as the research provides them with knowledge on how they can determine the decision-making criteria and how they can use this to inform their proposals. This is the competitive advantage for the NGOs that is informed by this study.

The study also brought out some surprising elements that were not expected, such as the value and respect accorded to NGOs by corporates in the partnerships, as they see NGOs as co-creators of value and solutions.

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9.APPENDIX

APPENDIX A

Administered interview schedule used in data collection

ITEMS	PROBING QUESTIONS
How do you view your broad philosophy or your approach towards CSR?	<ul style="list-style-type: none"> • Is it CSR/CSI/Corporate Citizenship/Corporate Performance/Shared value?
What legal considerations, if any, do corporates in SA consider when deciding who to fund; and what legal considerations do NGOs follow when they consider who to accept funding from?	<ul style="list-style-type: none"> • Are there any laws/policies that you take into account when funding? • Do you consider the B-BBEE Act in your funding decisions? • How do you address the principles in King III and King IV? • Do you have an Integrated Sustainability Reporting system that you follow?
What are the strategic decision-making processes that companies follow when deciding who to fund or to accept funding from in the case of NGOs?	<ul style="list-style-type: none"> • What factors affect your funding decision-making processes (the definition of the problem, the existing rules, the order in which alternatives are considered, and anything that affects aspirations and attention)? • How do you clearly identify the objectives or outcome you want to achieve in your decision-making? • Do you do any research on the NGOs/corporate you want to fund/be funded by to gather as

	<p>much information you can to assess your options?</p> <ul style="list-style-type: none">• Do you elaborate on several possible choices in accordance with your values, interests and abilities regarding each course of action and how do you estimate if it's acceptable to fund a certain NGO?• Do you make a brief list of pros and cons, along with what you consider to be very important/important/less important when deciding which NGOs to fund?• Do you learn from previous experience and ask for opinions from other corporates who had a similar situation to contend with?• Do you take societal needs into consideration when determining your giving strategy?• Do you have long-term partnerships with NGOs/corporates, and if so, what determines your decision whether to have short-term or long-term relationships?• Does your company have the responsibility to bring business and community together?• When making decisions to fund NGOs, what internal and external factors do you consider? Does the management team's characteristics also affect these decisions?• Are your decisions to fund or receive funding consistent with the organisation's broader interests?
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<p>How does strategic decision-making take place in the relationship between corporate donors and their stakeholders (including NGOs)?</p>	<ul style="list-style-type: none"> • How do you decide which causes to fund and which not to fund? • What structures do you have in place that support your strategic decision-making? • Who decides which NGOs to fund? Is it a person, committee, or department? • In making your decisions, do you use previous experience, intuition or empiric common sense? • Do your relationships with NGOs provide corporations with access to different resources, competencies and capabilities? • What processes do you have in place to establish and build relationships with NGOs? • Are you deliberate about putting into place approaches that put emphasis on communication and reflection in your decision-making?
<p>In what ways do corporates expect NGOs to demonstrate stewardship of funds donated to them?</p>	<ul style="list-style-type: none"> • Is stewardship of donor funds a contractual obligation? • In your stewardship, who are you accountable to – donor, beneficiaries, community, board, mission, staff, public and other stakeholders etc.? • What expectations are there from both parties in terms of stewardship and how are they communicated? • What types of reports do you generate regularly to share with your stakeholders to communicate your progress and sustained

	<p>success other than financial reporting?</p> <ul style="list-style-type: none"> • Do you keep a balanced scorecard report? • How important/significant is trust in this partnership?
<p>How is the communication between corporates and NGOs and other stakeholders managed?</p>	<ul style="list-style-type: none"> • Through which channels do you communicate with potential beneficiaries and current beneficiaries about your funding e.g., print website, magazines, SANGONET, other networks? • Which type of communication reaches more of the people that you are targeting? • How often do you communicate with your beneficiaries? • What role does convincing information play in your communication processes? • Do you treat all your beneficiaries/donors the same or do you treat your strategic partners better, depending on the level of investment?
<p>In what ways do corporates manage the relationship with their stakeholders (including NGOs) and <i>vice versa</i>?</p>	<ul style="list-style-type: none"> • Does your organisation have sound communication policy guidelines? • In what ways do you encourage dialogue between yourself and the NGOs you fund? • Which dialogue methods listed below do you use: consultation, engagement, participation, collaboration, partnership, or bargaining? • Do you take feedback from NGOs into account in your decision-making process so that you can negotiate mutually beneficial outcomes?

	<ul style="list-style-type: none"> • How transparent are you with your stakeholders? • What information do you share with your stakeholders and how is the decision made to share this information? • What communication channels do you use when engaging your stakeholders? • Do you have an Integrated Sustainability Reporting system that you follow? • How are decisions on communication with different stakeholders made in terms of what to communicate; how to communicate effectively to the different stakeholders in such a way that the reputation of the company is not affected; and in terms of how relationships with the stakeholders are being maintained both internally and externally? • Do you involve your stakeholders in the decision-making process, and if so, how? • Is mutual understanding and meaningful communication important in your relationship with the NGOs you fund. If so, how? • Is it important to you to focus on satisfying NGO partners' interests? • Are you involved in any joint problem-solving with the NGOs you fund? • Do you strive to reach agreements that add value for all your partners? Is this important to you? • Do you think that if NGOs are to develop relationships with the private sector that are
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	<p>beneficial for both of them, and the communities they work with, that they must bring their systems and policies for private sector engagement up to date with the new realities?</p> <ul style="list-style-type: none"> • What new realities are emerging in the relationship between NGOs and corporates? • What do you think those systems and policies to engage the private sector are? • Is it important for NGOs to have a more sophisticated understanding of the role the private sector plays in development, as well as its potential impacts – both positive and negative? • Are you acknowledging the diversity of actors included within the broad category of the ‘private sector’? • Do you have an awareness of the different relative positions of power of NGOs and corporations, and if so, what are those? • Is your communication frequency and depth of information shared differently depending on the power relationship you have with the stakeholders? • Are your communication methodologies to your stakeholders dependent on a focus on the situation and the issues at hand? If so how?
<p>How important is reputation to a corporate when choosing which NGOs to</p>	<ul style="list-style-type: none"> • Has giving to NGOs improved your brand? • How do you reduce/mitigate risk when deciding

<p>strategically partner with and <i>vice versa</i>?</p>	<p>on which NGOs to partner with?</p> <ul style="list-style-type: none"> • Are power imbalances between corporates and NGOs a risk faced by NGOs? • Do NGOs and corporates have different relative positions of financial, economic, social, and political power? • Do you have anyone in your company who monitors your reputation by following how third parties view your company? • Do you consider protecting your company's reputation to be 'critical' and do you view it as one of your most important strategic objectives? If so, how? • Do you think your philanthropic and social responsibility efforts improve your reputation and brand?
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