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Corporate Social Responsibility (CSR): A Panacea for Sustainable Socio-Economic Development of Mining Communities in Zimbabwe

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Abstract:

The majority of developing countries in Africa are struggling to get their vast mineral resources to significantly contribute to sustainable socio-economic development of their economies in general and rural communities that host mining companies in particular. The situation where countries that have vast mineral wealth but the citizenry remains very poor has become known as the "resource curse". In Sub-Saharan Africa this situation obtains in countries such as Angola, Democratic Republic of Congo, Zambia, Mozambique and Zimbabwe, to name but a few. With a focus on Zimbabwe, the purpose of this study is to ascertain the extent to which Corporate Social Responsibility programmes of mining companies contribute to the socio-economic development of communities that host mining operations. Government leaders, community leaders and members of mining communities in Zimbabwe are clamoring for a bigger share of revenue deriving from mineral extraction in their areas in an effort to achieve a level of socio-economic development that is commensurate with the level of mineral wealth in their area and to mitigate the paradox of very poor rural communities that host very large prosperous mining firms. Meanwhile, Zimbabwe mining companies strongly believe that through their Corporate Social Responsibility programmes, they are significantly contributing to sustainable socio-economic development of the rural communities that host their mining operations. This scenario presents a gap and a conflict which prompted the researcher to embark on this study. The researcher used a mixed methods approach in the collection and analysis of data where questionnaires and interviews were employed. The research findings confirmed the hypothesis as community leaders and members of the mining communities stated that there must be more investment by mining companies in areas like roads, water infrastructure, health facilities, schools, etc. To the contrary, all the major mining companies surveyed confirmed their strong belief that their Corporate Social Investment is more than adequate. With a view to solving this glaring problem and to foster harmony between key stakeholders in the mining industry in Zimbabwe, the researcher concluded his study with a recommendation to the effect that a minimum Corporate Social Investment threshold based on a percentage of revenue be set and applied uniformly across the mining industry in Zimbabwe. Further, each mining entity must make an annual Corporate Social Responsibility report showing the attainment of the set minimum annual Corporate Social Investment target. This is set to solve the problem and bring uniformity, predictability and transparency in the Corporate Social Responsibility programmes of mining companies in Zimbabwe, with the level of socio-economic development reflecting the level of mineral endowment and extraction in the mining communities.

Keywords: *Corporate Social Responsibility (CSR), Corporate Social Investment (CSI), mining community, resource curse*

1. Introduction

Considering the history of mining activities in Zimbabwe, the industry has played an instrumental role in the development of communities in rural areas. There are many towns that have developed around mining in Zimbabwe, for instance, Hwange, Kadoma, Shurugwi, Zvishavane, Bindura and Mhangura among others, which is a clear testimony to what is achievable if mines have a desire and are encouraged and incentivised to do more corporate social investment (CSI) which can result in tangible community development. The development of these centres took place as a result of the commitment by mining entities and their willingness to cooperate with government and local authorities over the years.

2. Background

Zimbabwe has a significant and diverse mineral resource base. The Zimbabwe Geological Survey of 1990 lists no fewer than 66 base and industrial minerals that can be commercially mined in the country. It is estimated that there are 40 minerals which are currently being commercially exploited in Zimbabwe. These include nickel, calcite, gold, coal, iron ore, black granite, copper, tungsten, manganese, emeralds and lithium, just to mention a few. According to the Zimplats newsletter of 2010, Zimbabwe has the second largest reserves of platinum in the world after South Africa. The bulk of the resource is on the great dyke which hosts about 2.8 billion tons of platinum group metals ore. The Great Dyke is a layered

igneous geological complex extending north-south for about 550 kilometres (Zimbabwe Ministry of Mines Mineral Potential Publication January 2018). The significant and diverse mineral resource base for Zimbabwe represents a comparative advantage which can be strategically leveraged to develop the country from the minerals mentioned above and to develop mining communities from effective CSR programmes.

Historically, the mining industry has been perceived to be focused on profit maximization, paying little or no attention to its negative impact on communities and the environment. The only contribution to society and the environment has been largely discretionary and philanthropic and mainly about reputation management. It is therefore important that Corporate Social Responsibility/Investment (CSR) projects should be employed in ways that enhance socio-economic development of communities. This points to the need to employ CSI strategies that do not compromise the profit maximization objectives of mining companies, also known as strategic CSR (Olirtzky et al., 2011). However, the challenge is on how to conceptualise and implement such strategies that are mutually profitable to mining companies and host communities.

With a view to meeting the growing expectations for meaningful socio-economic development of communities that host mining companies in Zimbabwe through Corporate Social Investment (CSI), virtually all mining companies designed and implemented corporate social responsibility programmes over the years. The CSR programmes and the level of investment vary from company to company as each firm has a different approach and level of commitment to socio-economic development of host communities. Consequent upon the disparate CSR programmes of the different mining houses, the impact on the socio-economic development of the various mining communities is also varied as there are no significant uniform standards (Maphosa, 1997).

3. Need and Rationale of Research

On one end, the country is in a very dire state of economic distress and on the other, the country sits on a valuable and vast amount of mineral wealth. If CSR is utilised as a tool for socio economic empowerment, it can occasion a dramatic shift in the fortunes of the country. It is therefore necessary to unlock the developmental capability of CSR and leverage on the existing mineral wealth to address the various economic challenges facing mining communities in particular and the entire economy in general.

4. Statement of the Problem

In Zimbabwe, there is a disagreement between communities that host mining companies and Government on one hand and mining companies on the other, pertaining to the level of effectiveness of CSI by mining companies in the socio-economic development of host communities. Mining companies believe, very strongly, that they are adequately investing in host communities through their CSR programmes.

Globally however, contradictory interpretation and thoughts on CSR also exist. Now that CSR has become wide spread and is practiced by most corporate firms, currently the debate among researchers is whether these firms engage in CSR initiatives as responsible citizens or use it as a publicity stunt to spruce up the image of their organisations in the face of mounting scrutiny from various stakeholders. Dijken (2007) suggests that CSR works well if it creates a "win-win" situation where a company performs well by virtue of operating in a socially responsible way. Baker (2001) cited by Hemingway (2002) argues that CSR is not simply philanthropy, suggesting that CSR initiatives should be tactical and strategic. Thus CSR requires a number of enabling factors in order to generate sustainable development impact as part of overall long term strategy. However, it is complex to formulate a broad development plan based on CSR (Frynas, 2005). Against all these complex nuances, the fundamental task of the researcher in this study is to assess the extent to which CSR has been a vehicle of sustainable socio-economic development.

5. Objectives of the Study

Research Objectives	Research Questions
To establish whether community share ownership trusts exist in the various mining host communities in Zimbabwe and to examine CSR projects since their launch after capitalisation by mining companies in Zimbabwe to 2018	To what extent do community share ownership trusts exist in the mining industry in Zimbabwe and how has their CSR work contributed to socio-economic development of host communities?
To assess the corporate social investment by mining companies (dependent) and its impact on socio-economic development of host communities according to the mining companies themselves.	What is the state and level of corporate social investment by mining companies and its impact on socio-economic development of host communities according to the mining companies themselves?
To investigate and establish the views and aspirations of Government and community leaders on the contribution of CSI by mining companies to socio-economic development of host communities.	What are the views and expectations of government and community leaders with regard to socio-economic development of host communities through CSR programmes of mining companies in Zimbabwe?
Basing on the findings, the researcher gave recommendations as to how CSR can be implemented for sustainable economic development of mining communities to the expectations of the key stakeholders such as Government, host communities and mining companies.	What recommendations can be given to policy makers, mining companies and host communities with regards to CSR in the mining industry

Table 1: Objectives of the Study

6. Significance of the Study

6.1. Theoretical Justification

As highlighted in the statement of the problem, there is a disagreement on the effectiveness of CSR programmes in enhancing socio-economic development of mining communities among key stakeholders in the mining industry. The disagreement is among many stakeholders including government, host communities, civil society organizations and the mining companies.

There is a conflict of ideas among scholars on whether companies should be involved in CSI projects from a profitability, ethical or sustainability perspective. There is therefore an interest on the part of the researcher to try and investigate and find out what the exact nature of CSI in terms of mode and extent of being integrated with the overall strategy and the contribution or extent thereof, to socio-economic development of communities, for the mining sector in Zimbabwe at least.

6.2. Applied Justification of the Study

The study will be of importance to the generality of Zimbabweans as it will provide an insight into the impact of CSR activities on socio-economic development of mining communities to date.

This study will also inform the corporate world in Zimbabwe, in particular the mining industry, if their CSI is achieving the set objectives and is perceived to be effective by host communities and enable them to realign their activities so as to benefit society in a more tangible way.

In addition, the study will help all mining companies in initiating and implementing their CSR projects in a more effective way. These research findings will therefore be of importance to the mining investors in deciding, funding and implementing CSR projects in the communities in which they operate. The mining companies will be in a position to establish if they get value for their investment.

The host communities of mining companies will also benefit from the research findings as the study will present detailed evaluation of how they benefit from the mining companies' CSR activities and how best they can improve the companies' CSR programmes as key stakeholders (beneficiaries).

Government at both national and local level will be more informed on how CSR of mining companies impacts the socio-economic development of mining communities which informs effective policy formulation and implementation.

7. Review of Related Literature

7.1. Theoretical Framework

Theories underpinning the study described below.

7.1.1. The Stakeholder theory

The stakeholder theory points to the fact that organizations have numerous parties who are affected, or who affect their operations, named stakeholders. While some stakeholders have a direct interest in a firm's operations (shareholders), others have an indirect interest (community members). As such, the theory proposes that management ought to recognise the importance of these stakeholders to company operations. Woodward et al. (1996) revealed the importance of a company to a bigger social system and other groups being more influential than others such as employees and shareholders. Corporate social responsibility and the disclosure and reporting of such company activities is said to be affected by company characteristics, namely, company size, company age and type of industry (Bayoud et al, 2012). However, there are other factors which may promote the decision to engage in CSR, disclosure and reporting. Political and social contexts have been revealed to be the major determinants of the decision to engage in CSR disclosure and reporting (Roberts, 1992; Williams, 1999). Company characteristics are used along with the stakeholder theory to show their effect on corporate social accounting disclosure practices.

Bayoud et al. (2012) mention that larger firms consider the importance of socially responsible behaviour when compared to medium to small firms. Moore (2001) and Branco and Rodrigues (2008) particularly illustrated that large firms disclose a larger amount of information on their socially responsibility initiatives as they seek to portray a corporate citizenship within the community. The effect of industry type cannot be ignored in determining the level of engagement in social responsibility initiatives. Delaney and Huselid (1996) showed that companies in the extractive industry and mining which has severe impacts on the environment are generally expected to give back to the communities in order to promote the welfare of community members. By so doing, they go beyond their general mandate of wealth generation for the owners and expend company resources for the benefit of other stakeholders, particularly the host community.

On industry type, some type of industry is seen to be disclosing more on some categories than the others. Bayoud et al, (2012) gives an example of the oil sector disclosing much on environmental issues and the manufacturing sector reporting so much on the safety of workers. Therefore it can be seen that, company size, company age and type of industry play an important role to affect levels of social accounting disclosure through the stakeholder's pressure (Bayoud et al, 2012). Furthermore, there are pressures from major institutional investors who seem to prefer companies that are conscious of the environment and community they are operating in (Hodgkinson, 2009). The situation in different countries can be linked to the level of regulatory and societal attention, (Najaar 2005).

7.1.2. Shareholder wealth maximization theory

The traditional argument is that shareholders are the legal owners of a company and so their interests should be prioritised. The objective of profit seeking companies should thus be to maximize shareholder wealth. Theoretically shareholder value is best improved by increasing the present value of future long term cash flows. In practice many companies translate this into a short term focus on profit. Shareholders are generally concerned with the following: current earnings, future earnings, dividend policy and relative risk of their investment. All of these are concerned with financial performance (ACCA 2008).

In addition, ACCA (2008) states that non-financial issues, ethical and environmental issues in many cases overlap, and have become of increasing significance to the achievement of primary financial objectives such as the maximization of shareholder wealth. Furthermore, most companies have a series of secondary objectives that encompass many of these issues. ACCA (2008) also explains that the objective of private sector companies is often stated to be the maximization of the wealth of its shareholders. This view suggests that company management have obligations limited to enhancing growth of the wealth of the company owners. With this view, mining companies are freed from the requirement to take part of company owners' investment to sponsor activities that advance the welfare of community members. Sternberg (2008) affirms the shareholder wealth maximisation perspective by discouraging the use of corporate resources in a manner that is inconsistent with wealth generation for the company owners. The argument is that businesses are other people's investments, therefore spending money on CSR is tantamount to depriving the owners of their rightful property.

7.1.3. Legitimacy Theory

Legitimacy theory relates to the extent and types of corporate social disclosure in the annual report to be directly related to management's perceptions about the concerns of the community. The legitimacy theory is crucial in the analysis of corporate behaviour (Gray, Kouhy and Lavers, 1995). Constraints imposed by social norms and values and reactions to such constraints provide a focus for analysing organizational behaviours taken with respect to the environment.

The legitimacy theory argues that organizations seek to ensure that they operate within the bounds and norms of society (Tilt, 1999). Society's expectations have changed to expect businesses to make outlays to repair or prevent damage to the physical environment, to ensure the health and safety of consumers, employees, and those who reside in the communities where products are manufactured and wastes are dumped (Tinker & Niemark, 1987:84). Legitimacy can be considered as a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs and definitions (Suchman, 1995:574).

To this end, organizations attempt to establish congruence between the social values associated with or implied by their activities and the norms of acceptable behaviour in the larger social system of which they are part. This is particularly important for mining companies who have to establish trust and good relations with their host communities. Put differently, mining companies need a social licence to operate in the community.

7.2. Corporate Social Responsibility

The idea of corporate social responsibility (CSR) started way back. It can be traced back into the philanthropic work of wealthy business owners, John D. Rockefeller and Andrew Carnegie. Steiner and Steiner (2006) note that these business people used to give away millions of dollars to social causes. Some scholars like Blowfield and Frynas (2005) argue that "the modern precursors of CSR can be traced back to nineteenth-century boycotts of foodstuffs produced with slave labour". However, all authors agree that a better understanding of corporate social responsibility was formed in the last half of the twentieth century. Steiner and Steiner (2006) argue that the concept of CSR was first introduced in 1954 when Howard Bowen published his book "Social Responsibilities of the Businessman". According to the theory of legitimacy, managers also have ethical duties to consider the broader social impacts of their decisions. Companies failing to uphold the broad social contracts are not legitimate, Bowen (2006). Bowen (2006) further argue that it is in the enlightened self-interest of business to improve society, as voluntary action could potentially avert the formation of negative public opinions and unwanted regulations (Steiner & Steiner, 2006). This second argument is supported by the fact that near the beginning of the 20th century, early forms of CSR is one of the things that kept Americans from becoming unreceptive towards large companies (Micklethwait & Wooldridge, 2005).

7.3. Corporate Social Investment and the mining sector

Corporate Social investment (CSI) has been described as a component of CSR which has its origins in corporate charity initiatives which enhanced the recognition of the firm's existence in a community while also contributing towards an improvement in its reputation. Traditionally, CSR and CSI used to have a similar application, but now the contemporary business world separates the two. According to Arvanitis and Wörter (2013), CSR is now regarded as an overall term encompassing a company's cumulative responsibility for its operating environment. On the other hand, CSI is regarded as a crucial sub element of CSR in the quest for uplifting communities through an improvement and safeguarding of their quality of life. CSI initiatives often come in the form of sports development, social entrepreneurship development, health and disaster management, agriculture and food security, education development and environment management amongst other initiatives. Put differently, it is the part of CSR focusing on the outlay of financial resources on the identified socio-economic needs of society/communities.

Studies show that companies and other non-profit making organizations are investing in human capital development through contribution towards the education of community members (Aggarwa, 2011; Caligiuri & Tarique, 2012; Harteis, 2012). This is an endeavour targeted at capacitating and empowering community members while also increasing the pool of human resources from which the company may have a wide selection if vacancies arise in future. In

the case of mining companies, improving the educational status of community members would mean an increased labour pool from which competitive human resources can be obtained in future. Ultimately, this kind of CSI is for the mutual benefit of the mining company and the host community.

7.4. Benefits to the Participating Companies

A study at the Harvard University has found that, companies that give back to people, showed four times the growth rate and eight times employment growth when compared to companies that focused only on shareholders and profit maximisation. Also, a corporation reflected as socially responsible can benefit both by its improved reputation with the public, as well as its reputation within the business community, increasing a company's ability to attract capital and trading partners. A 1997 study at Boston College found that companies that engage in CSR are more likely to improve on sales and customer relations. Similar findings were made by Masuku (2012) whose study suggests that engaging in CSR improves corporate image and reputation.

Companies with strong CSR commitments often find it easier to recruit employees, particularly in tight labour markets. Retention levels may be higher too, resulting in a reduction in staff turnover and associated recruitment and training costs. Contrary to the assertion however, Baker (2008) has it that, when investigations are carried out of the respected business personnel, such as Bill Gates of Microsoft, Jack Welch of General Electric, who have not achieved their world class status by giving back through CSR, it is not always the case.

7.5. Benefits of CSR to the community

Corporate social responsibility can result in several benefits to the host community. According to Perry and Towers (2013), business that are truly concerned with the community should have their CSR initiatives driven by the desire to deliver benefits to the whole of society. Gołaszewska-Kaczan (2009) found out that business engagement in CSR with the community at heart creates better ambiance in its surroundings. Host community members benefitting from a business' CSR activities are happier and benefit from a higher standard of living. Carrol and Buchholtz (2008) notes that organizational philanthropic activities generate benefits for the least advantaged, assisting those in need as well as increasing trust. Recognising that a company cares for the community's good makes everyone feel safer and significantly decreases corruption within society.

CSR may inspire fair competition amongst businesses, Arnold (2010). This will not only benefit businesses as the community benefits from better quality products. Mullerat (2010) argued that as businesses endeavour to comply with CSR regulations, they eliminate all the defects during manufacturing in order to reduce the amount of complaints and increase customer satisfaction. Carrol and Buchholtz (2008) also notes that customers benefits from lowly priced goods as CSR changes in a company may lead to cost reduction. This makes it easier for low income earners to access more products might they would otherwise not be able to access.

7.6. Limitations of CSR

In spite of the touted benefits of CSR to host communities, the approach has been criticised for its limitations. There is a school of thought that proponents of CSR benefits to both the company and the host community uses it to realise long run improvement in financial performance (Banerjee, 2007). CSR actions of such nature are not truly 'social'. While corporates purports to be socially responsible, they corporatize social behaviour for a financial gain.

Business organisation have been accused of hypocrisy. While professing to embrace CSR, such companies in reality indulge in numerous corporate abuses, such as "environmental destruction, complicity with repressive regimes, exploitative labour conditions, inadequate product and process safety standards, relocation of polluting industries to regions with weak environmental protection regimes, destruction of local livelihoods, violence against indigenous communities" (Banerjee, 2007:168). Therefore, such hypocrisy involve the businesses creating an illusion of adhering to social responsibility behaviour yet that will only be integrated into their public relations campaigns, while abusing their corporate power. Similar sentiments were echoed by Mullerat (2010) who notes that companies twist CSR and uses it as a PR tool. Thus CSR provides a chance for businesses to, ".....feel good about themselves, while communities crumble, ecosystems collapse and economies descend into chaos".

There is also a challenge of how the actual impact of CSR implementation can be measured, Moon (2014). The lack of indexes that can be used to assess the success of CSR endeavours makes its assessment subjective. This goes on to include the difficulty of measuring an appropriate form of investment which is deemed appropriate by both the community and the investing company. Given that CSR is often in return for successful operations in a community, it is problematic to peg a level of CSR investment commensurate with the benefit attained by an organization.

8. Methodology

8.1. Research Methods

In this study, the researcher made use of qualitative data obtained from semi structured interviews and document analysis. In addition, quantitative data will be collected through survey method. Employees, community and government authorities were approached to identify the solutions for the proposed research questions. Selection of these mixed data collection methods was inspired by the nature of research objectives as well as the setup in which data is to be collected. Surveys are appropriate for answering the question "What" while on the other hand interviews are ideal for answering the questions "How". Additionally, the question "Why" is addressed by a combination of both quantitative and qualitative methods (Yin 1994).

8.2. Research Design

This study is based on a mixed method approach which combines qualitative and quantitative research design which will assist in getting a better understanding of how corporate social responsibility can be done for sustainable socio-economic development of mining communities in Zimbabwe. It involves activities of 'collecting and analyzing data, developing and modifying theory, elaborating or refocusing the research questions, identifying and addressing validity threats' (Maxwell 2005: 2). In this study, the research design covers several aspects. These include the selection of participants and inducting them into the research processes, introducing the participants to the interviews, undertaking the interview and obtaining feedback on the interviews for validity, and facilitating data collection using questionnaires and document analysis. Thus, there will be methodological triangulation which will enhance the validity and reliability of the research findings.

8.3. Population of Study

The target population for this study is all adults living in mining communities, mining workers and government officials. An estimated target population of 1200 which includes about 60 managers and other key informants, 350 middle cadre staff and about 790 community people. An adult in this context refers to an individual who has attained the legal age of majority which is eighteen years. The researcher got some of the official records of people living in the respective survey communities from Zimstats as well as the Zimbabwe Electoral Commission (ZEC).

8.4. Sample and Sampling Procedure

In this study sampling took two forms with executive workers of mining companies, executive workers from rural district councils officials, community heads, executive members from community share ownership trust and government officials being purposively sampled while the rest of the respondents from the communities and mining workers were randomly selected using systematic random sampling to give each of them a chance of being part of the study. The objective of sampling was to get a sample size of 400 based on related studies conducted by Sollymossy (1998). Anticipating a high response rate of 90% as the subject generates interest from expectant respondents from mining communities, the researcher distributed 400 questionnaires and conducted 45 interviews.

Category Of Staff	Target Sample Size	Questionnaire Distributed and Interviews Conducted
Managers and other key informants	20	45 interviews 20 questionnaires
Medium level cadre staff	100	100 questionnaires
Community people	280	279 questionnaires
Total	400	444 respondents

Table 2: Sample size

8.5. Tools Used and why Choose those Tools

The data for the study was collected using the following instruments:

- Questionnaires
- Interviews
- Document Analysis

8.6. Primary Data

Primary data basically consists of information and knowledge which is not presently available but is required to meet the objectives of a project. This data is collected specifically for the research problems at hand from respondents using questionnaires and interviews. The primary sources of data will be workers from mining industries, people from the mining communities including community leaders, mining workers and government officials. These groups of people will be engaged as they have first-hand knowledge of the CSR programmes in their communities.

Survey method	Instruments	Design	Target group	Purpose
Face-to-face interview	Interview guide	Random sampling And purposive sampling	Key informants, city fathers, senior government workers and community leaders	Gather information on CSR policies and patterns
Questionnaire	Questionnaire guide	Multi-stage sampling	Workers from the mining companies, city fathers, people in mining communities	Historical trends in CSR activities, current systems and perspectives
Focus group discussions		Cluster sampling	Local people with a historical background of the area	Trends in CSR activities.
Field Observations	Photographs,	Systematic observations	Project sites (mining communities)	Build a record of current status

Table 3: Research Design and Research Instruments

9. Research Findings

In empirical studies, the various data is collected to address the demands of a specific set of research objectives. Typically the various objectives should be aligned to specific entries in the survey questionnaire for the purposes collecting data. This follows that the findings will be able to talk directly to the different research objectives. The research objectives are in turn connected directly to the research problem in the sense that the study objectives are smaller pieces of the study problem around which data is collected. This linkage is very important for the purposes of data interpretation and also for the purposes of generating the conclusions which should be aligned to that empirical structure. It is thus vital to restate the various research objectives in order to put the conclusions into perspective.

- To establish whether community share ownership trusts exist in the various mining host communities in Zimbabwe and to examine CSR projects since their launch after capitalisation by mining companies in Zimbabwe to 2018
- To assess the corporate social investment by mining companies and its impact on socio-economic development of host communities according to the mining companies themselves.
- To investigate and establish the views and aspirations of Government and community leaders on the contribution of CSI by mining companies to socio-economic development of host communities.
- Basing on the findings, the researcher gave recommendations as to how CSR can be implemented for sustainable socio-economic development of mining communities to the expectations of the key stakeholders such as Government, host communities and mining companies.

The researcher used a mixed methods approach in the collection and analysis of data. The descriptive types of data was collected in alignment with objectives one and three while the qualitative data was collected using the second objective. The fourth objective is satisfied by the first and third research questions while the quantitative data was collected in alignment with research objective number two.

Independent Variables	Dependent Variable
Employment	CSR
Ecological Environment	
Social Infrastructure Development	
Empowerment	
Communication	
Community Participation	
Health And Safety	
Livelihood Support	
Sustainability	

Table 4: Design Matrix for Community Members

The CSR variable was coded as the dependent variable because of the broad questions about the nature of CSR policy in the various mining activities. The elements which are listed in the column of independent variables were categorized as such because they reflect the various dimensions in which the researcher sought to determine the impact of CSR on. Thus their impact on CSR can then be tested against the character of CSR in general.

The volume of data was quite overwhelming and so for the purposes of the summary, only that data which directly meets the requirements of the research objectives is presented while the rest of it remains in the fourth chapter should it be required.

The first objective was "To establish whether community share ownership trusts exist in the various mining host communities in Zimbabwe and to examine CSR projects since their launch after capitalisation by mining companies in Zimbabwe to 2018"

The first part of the question had to be addressed by the question "Do Community Share Ownership Trusts exist in your Area?" to which Some 90.1% of the respondents among the community members confirmed that community share ownership trusts existed in their area.

The second part of the objective was concerned about *determining the different types of projects which the corporations were doing*. A huge number of respondents (90.1%) of the respondents answered in the affirmative to the question "Is Sharing Mining Revenue between Local Authorities and Local Communities a good idea?" The other relevant statistics was the response to the question "Has the Trust done anything to Improve Infrastructure in your Area?" and to that 79.6% agreed while 20.4% said no. Among the leaders, 100% of them also agreed,

Other forms of CSR which were identified were "Provision of Social Infrastructure" and "Focus on Poverty reduction programs," "Provide Social Infrastructure like roads, water", "Provide training of community in vocational skills", "Provide microcredit schemes" and "Give cash donations to support community activities" to which 100% of the respondents agreed.

The community leaders made the following responses to the different selected questions which are relevant for this section.

The third objective was "To investigate and establish the views and aspirations of Government and community leaders on the contribution of CSI by mining companies to socio-economic development of host communities." The closest variable to meet the requirements of this research question was "Can Government use Mining Revenue for Economic

Growth and Financing Poverty Reduction Schemes?" to which 94.4% of respondents agreed while 5.6% said no. Among the leaders, 96% agreed.

Virtually all the independent variables (Employment; Ecological Environment; Social Infrastructure Development; Empowerment; Communication; Community Participation; Health and Safety; Livelihood Support and Sustainability) had mean scores of less than 3. This is based on the following scale.

Scale	Response	Mean Interval	Verbal Interpretation
1	Strongly disagree	1.00 – 1.49	Very low
2	Disagree	1.50 – 2.49	Low
3	Neutral	2.50 – 3.49	Moderate
4	Agree	3.50 – 4.49	High
5	Strongly Agree	4.50 – 5.00	Very High

Table 5: Details of Scale

The intervals are such that anything which lies in the range of '1 - 1.49' the respondent strongly disagrees; from '1.50 - 2.49' the respondents disagree; 2.50 - 3.49 means respondents have a moderate consensus; from '3.50 - 4.49' means they that they generally agree and finally from '4.50 - 5.00' means that they strongly agree to the statement.

The correlations for community leaders are as follows: (Employment - ($p=0.00<0.01$ at 99% confidence level; $r=0.754$); Ecological Environment - ($p=0.00<0.01$ at 99% confidence level; $r=0.802$); Social Infrastructure Development - ($p=0.00<0.01$ at 99% confidence level; $r=0.804$); Empowerment - ($p=0.00<0.01$ at 99% confidence level; $r=0.859$); Community Participation - ($p=0.00<0.01$ at 99% confidence level; $r=0.838$); Health And Safety - ($p=0.00<0.01$ at 99% confidence level; $r=0.815$); Livelihood Support - ($p=0.00<0.01$ at 99% confidence level; $r=0.861$).

(Employment - ($p=0.00<0.01$ at 99% confidence level; $r=0.746$); Ecological Environment - ($p=0.00<0.01$ at 99% confidence level; $r=0.830$); Social Infrastructure Development; Empowerment - ($p=0.00<0.01$ at 99% confidence level; $r=0.822$); Communication - ($p=0.00<0.01$ at 99% confidence level; $r=0.830$); Community Participation - ($p=0.00<0.01$ at 99% confidence level; $r=0.763$); Health And Safety - ($p=0.00<0.01$ at 99% confidence level; $r=0.830$); Livelihood Support and Sustainability - ($p=0.00<0.01$ at 99% confidence level; $r=0.718$), Livelihoods, ($p=0.137>0.05$ at 95% confidence level; $r=0.312$).

The regression test results for community members showed that the following two variables have a causal relationship with the dependent variable. These are: (i) sustainability ($p=0.00<0.01$ at 99% confidence level and (ii) Community participation ($p=0.044<0.05$ at 95% confidence level).

The regression test results show that the following two variables have a causal relationship with the dependent variable. These are: (i) health and safety ($p=0.004<0.05$ at 95% confidence level and (ii) Community participation ($p=0.005<0.05$ at 95% confidence level).

The results show that across all the various categories, the negative responses on all variables have shown that there is a uniform view on the fact that there is low impact of CSR activities which is why the correlations and some regressions are showing a statistically significant relationship.

However, the qualitative results revealed that the community members are quite disgruntled with the rate at which the mining firms are contributing to their causes. The community members are more disgruntled than the community leaders. The most diametrically opposed view is from the mining corporations which feel that they are actually doing a lot of CSR work and are actually very proud of their CSI.

10. Conclusions and Recommendations

10.1. Conclusions

The findings of the data collected and analysed proved the following:

- 10.1.1. That the community leaders, who include chiefs, village heads, local authority officials and CSOT administrators, believe that mining companies must invest more in the host communities.
- 10.1.2. Ordinary members of the mining communities also believe that the CSI by mining companies in infrastructure like roads, water, clinics, training, etc is not adequate.
- 10.1.3. Both community members and their leaders believe that the host communities are entitled to a share of revenue from mining activities in their area through CSI.
- 10.1.4. Mining companies, on the contrary, believe that they are investing significantly in the socio-economic development of their host communities through their CSR programmes.
- 10.1.5. The levels of CSI differ from mine to mine as there is no set formula or amounts to be invested in CSR programmes.

The problem identified in the beginning was therefore confirmed by the research findings which necessitates recommendations to mitigate the problem.

10.2. Recommendations

In pursuit of a durable solution to the problem that was confirmed by the findings of the research, the following recommendations are proffered by the researcher:

- 10.2.1. That Government carries out a mining industry consultative process to come up with a CSR policy for all mines that stipulates a percentage of revenue that all mines are required to invest in the host community annually.
- 10.2.2. That all mines produce an audited Corporate Social Investment report showing CSR projects undertaken, impacts and the cost which must meet the minimum percentage set in 12.2.1 above.
- 10.2.3. There must be a community needs assessment and CSR projects prioritisation involving the mine, community leaders and community members annually.
- 10.2.4. The researcher proposes that for Government policy to be effective and benchmarked to international **best** practice, the policy review must be based on relevant and applicable aspects of the following guidelines:
- The International Council on Mining and Metals (ICMM) Sustainable Development Framework for the mining industry which was crafted to enhance transparency on CSR in mining communities.
 - The Extractive Industry Transparency Initiative(EITI)
 - OECD Guidelines for Multinational Enterprises(1976)
 - Global Reporting Initiative (GRI) (2000) – Sustainable Reporting Guidelines
 - United Nations Global Compact(2000)
 - Equator Principles (2003)
 - ISO26000 Guidelines on Social Responsibility (2010)

When these recommendations are adopted and effected, there will be clarity to mining investors with regards to what they are expected to invest in CSR. On the other hand, communities become aware of what to expect from the mining companies in terms of CSI. Overall, it becomes easier for Government to supervise CSR of mining companies using a set standard that can be verified through the audited annual reports.

This standard of CSR will result in socio-economic development of host communities that is commensurate with the size of the mines and level of extraction without the problem of stakeholder conflict.

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