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Harnessing Impact Investing: A Transformative Strategy for CSR in Namibia

Dissertation by

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Table of Contents

List of Figures

List of Tables

List of Acronyms and Definitions

Acronyms

AIFIB	The African Investing for Impact Barometer
B-BBEE	Broad-Based Black Economic Empowerment
C3	The Catalytic Capital Consortium
CBO	Community-based Organisations
CSR	corporate social responsibility
CSI	Corporate Social Investment
CSO	Civil Society Organisation
DFI	Development Finance Institution
EED	Entrepreneurship and Enterprise Development
EMPEA	Emerging Markets Private Equity Association
ESG	environmental, social and governance (factors_
FBO	Faith-based organisations
GIIN	The Global Impact Investing Network
GRI	Global Reporting Initiative
HPP	Harambee Prosperity Plan (Namibia)
IFI	Investing for Impact
IPPR	The Institute for Public Policy Research of Namibia
MNC	multi-national corporation
MOC	multi-national oil companies
MPI	Multidimensional Poverty Index
MSME	micro, small and medium enterprises
NASDAQ	The National Association of Securities Dealers Automated Quotations
NDP	National Development Plan (Namibia)
NEEEB	National Equitable Economic Empowerment Bill
NEEEF	New Equitable Economic Empowerment Framework
NHIES	The Namibia Household Income and Expenditure Surveys
NICG	The Namibia Institute of Corporate Governance
NID	Namibia Institute for Democracy
NSA	The Namibia Statistics Agency
NSX	Namibian Stock Exchange
OPHI	The Oxford Poverty and Human Development Initiative
PPP	public-private partnership
RI	responsible investment
SDGs	Sustainable Development Goals
SME	small and medium enterprises
SOEs	state-owned enterprises
SSA	Sub-Saharan Africa
SSE	sustainable stock exchanges
UNDP	United Nations Development Programme

Definitions

Blended finance	The use of catalytic capital from public or philanthropic sources to increase private sector investment in developing countries to realise the Sustainable Development Goals (SDGs). Blended finance is a structuring approach, not an investment approach (Convergence, 2024, p. 6).
Charity	Often a synonym for philanthropy. Typically refers to the act of donating (even insignificant amounts) money, food, or other kinds of assistance to people who are poor, sick, or marginalised by society. For the purposes of this paper, the term ‘philanthropy’ is used throughout.
Corporate Social Investors	Encompassing corporate foundations, impact funds, CSR and corporate citizenship teams (Impact Europe, 2024, p. 11).
Entrepreneurship	Refers to the process that creates or enhances an idea of business relevance into economic value through innovation. Involves an individual or a small group of individuals. “Entrepreneurship is associated with economic wealth, growth, and innovation” (Rosário & Figueiredo, 2024, p. 1).
ESG	The systematic integration of environmental, social and governance (ESG) factors into investment analysis, valuation and decision-making based on appropriate research sources and metrics (Giamporcaro et al., 2022).
Gini coefficient	Is a statistical distribution of welfare indicators commonly used to measure inequality, such as income or consumption. It ranges between 0 and 1 (or 100), where 0 means perfect equality and 1 (or 100%) perfect inequality.
Gross national income	Measures the income a nation receives from all the country's producers and any income from abroad (normally employee compensation and property income).
Harambee	Is a Kiswahili word which means “pull together in the same direction” (Nanyeni, 2016, p. 46). Its

	aim is to call for unity and encourage all to work hard in order to reach their common purpose.
Investing for impact	Is a way to describe a range of investment strategies. These strategies include ESG Integration, Investor Engagement, Screening, Sustainability-themed Investment, and Impact Investment (Giamporcaro et al., 2022).
Impact investment	Is an investment made to generate positive, measurable social and environmental impact alongside a financial return. A sub-set of responsible investment.
MSME	In Namibia, a micro enterprise is an enterprise that has a number of up to 10 employees with up to N$ 300 000.00 in annual turnover. A small enterprise is an enterprise that has between 11 and 30 employees with up to N$3 000 000.00 in annual turnover. A medium enterprise is an enterprise that has between 31 and 100 employees with up to N$ 10 000 000.00 in annual turnover. Any business exceeding these criteria is regarded as large. These definitions are to be seen as a guidance only. In the event of an enterprise falling under two categories, the final categorisation will be of the appreciation of the appraiser, and additional information might be required to determine the category of the given enterprise (National Policy on Micro, Small and Medium Enterprises in Namibia, 2016).
Multidimensional Poverty Index	Is a multidimensional measure of poverty by assessing the simultaneous deprivations that are experienced by people in a society, based on several identified dimensions of poverty in a particular setting (Namibia Statistics Agency, 2021).
Philanthropy	An individual or organisation's desire to contribute to the welfare of others. For the most part, expressed by the generosity of giving money to good causes. The rationale for giving and how it is done is very much influenced by culture and geography.

Philanthropic capital	Is philanthropic corporate capital aimed at generating social impact, provided either as a direct gift with no expectation of financial return or as an asset yielding a below-market-rate return on investment (ROI).
Responsible investment	An active investment strategy which aims to generate both financial and sustainable value. It consists of a set of investment approaches (or sub strategies, impact investing being one) that integrate environmental, social and governance (ESG) and ethical issues into financial analysis and decision-making.
Seed capital	Is the money raised to begin developing an idea for a business or a new product. It is also called seed money or seed financing – is referred to as such because it is money raised by a business in its infancy or early stages.
Startup	A company undertaken by an entrepreneur to seek, develop, and validate a scalable business model. These are enterprises that are aimed at making a positive impact on social or environmental issues, balancing profit with purpose.
Strategic philanthropy	Represents the shift from charity-oriented giving to strategically-managed giving underpinned by (i) clearly defined goals commensurate with resources, (ii) strategies for achieving the goals explicitly set out in a business or strategic plan, (iii) strategies that are evidence-based, meaning there should be a clear "theory of change" that links programs to outcomes, based on existing research, and (iv) feedback to keep the strategy on course, with an emphasis on quantitative measures and impact evaluation (González, 2016).
Sustainable business	This comprises business practices that require present needs to be met without compromising the ability of future generations to meet their needs (Institute of Directors Southern Africa, 2009).

Sustainable entrepreneurship	Is a “business concept combining sustainable development principles with entrepreneurial activities” (Rosário & Figueiredo, 2024, p. 6).
Sustainability-themed investment	An investment made along the themes of environmental sustainability and sustainable development (Giamporcaro et al., 2022).
Ubuntu	Is a worldview held by Southern-African Bantu-language speaking people groups. Its definition is tied to the African proverbs - “a person is a person through other persons” or “I am because we are; we are because I am” (Winston & Ryan, 2008, p. 217).

Declaration of Authorship

I, Nguvitjita Kamenjono, declare that this thesis:

"Harnessing Impact Investing: A Transformative Strategy for CSR in Namibia"

and the work presented in it are my own and have been generated by me as the result of my own original research.

Further, I declare:

1. I am presenting this dissertation in full fulfilment of the requirements for my degree;
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Signed: Signed by candidate

Date: 17 February 2025

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Abstract

Impact investing is a powerful tool for amplifying positive social and environmental impact that Namibian companies can use as a transformative avenue to fulfil their CSR commitments. This innovative strategy empowers companies to drive positive social impact, strengthen brand equity, and foster stakeholder engagement, all while addressing critical socio-economic challenges such as inequality, unemployment, and poverty. However, the intersection between CSR and impact investments in Namibia remains unexplored.

This study used an inductive qualitative research approach to understand the existing CSR practice with a particular focus on entrepreneurship support in Namibia. Thereafter, understanding the extent to which the participants engage in impact investing strategies for CSR spending while examining the challenges and barriers to the adoption of these strategies. Semi-structured, in-depth interviews were conducted with 11 CSR managers or equivalents across 11 different organisations in Namibia, revealing several key findings.

The findings revealed national priorities as a prime driving factor for entrepreneurship development and support in CSR practice, being the third most CSR-supported area. The findings also exposed a limited understanding of impact investing in corporate Namibia despite the keen interest strongly displayed by most research participants. Additionally, the most frequently cited barriers to engaging in an impact investing strategy included the lack of bona fide and proper entrepreneurs, collaboration, and appropriate expertise within the organisation.

This study contributes to impact investing and CSR in practice and theory by providing a theoretical praxis model that envisages the relationship between these constructs in practice in a meaningful way. The attempt at a praxis model outlines practical steps to effectively mobilise CSR funds towards national priorities while bridging the funding gap in the impact investing market in Namibia.

KEY WORDS:

CSR, Impact Investing, Entrepreneurship, Social Entrepreneurship, Innovation, Strategic Philanthropy, Namibia

Chapter 1 Introduction

1.1 Setting the Research Scene

"Give a man a fish and you feed him for a day. Teach him how to fish and you feed him for a lifetime." – A Chinese Adage

"We are often told that the poor are grateful for charity. Some of them are, no doubt, but the best amongst the poor are never grateful. They are ungrateful, discontented, disobedient, and rebellious. They are quite right to be so. Charity, they feel to be a ridiculously inadequate mode of partial restitution, or a sentimental dole, usually accompanied by some impertinent attempt on the part of the sentimentalist to tyrannise over their private lives. Why should they be grateful for the crumbs that fall from the rich man's table? They should be seated at the board and are beginning to know it."

– Oscar Wilde in "The Soul of Man Under Socialism"[1]

"People can change their own lives, provided they have the right kind of institutional support. They are not asking for charity; charity is no solution to poverty."

– Muhammad Yunus (The Nobel Peace Prize, 2006a)

Against its German colonial rule and apartheid regime legacies, present-day Namibia is faced with pressing social and economic challenges. These are challenges that neither the government nor civil society alone can wholly address with their limited resources. Notably, the giving culture of the Namibian corporate community in support of impending national challenges has been around for a long time; however, events such as the COVID-19 pandemic have shown that corporations can do even more.

[1] https://www.marxists.org/reference/archive/wilde-oscar/soul-man/

Corporate Namibia's corporate social responsibility (CSR) culture is largely influenced by the African indigenous concepts of *harambee* and *ubuntu* which is the foundation of corporate philanthropy for reform and redress ideologies. The growing pool of well-intentioned CSR capital in Namibia is largely fragmented and not ambitious enough, and there is a need for an efficient and effective strategy of such capital for greater impact. Although Namibia has a sophisticated financial sector, local entrepreneurs are faced with limited access to early-stage finance (Desai et al., 2016). Alternatively, innovative financing leverages a full range of financial and philanthropic tools to foster the growth of enterprises, initiatives, and entrepreneurs and when existing tools prove insufficient, it develops new ones to address specific needs (Bertha Centre, 2016, p. 3). Against this context, could Namibian corporations, including corporate philanthropic foundations, leverage impact investments as an innovative tool to support market-based solutions that address some of the country's most pressing socio-economic challenges?

Over the past few decades, CSR has evolved from a mere public relations tool to a strategic component of business operations and investment decisions (FasterCapital, 2024). CSR initiatives have become more expansive, sophisticated, and deeply embedded in corporate operations (Impact Europe, 2024). While early CSR efforts focused on philanthropy, such as charitable donations or local event sponsorships, businesses increasingly recognise the necessity of aligning CSR with their core strategies. This shift is driven by the growing urgency of global social and environmental challenges, underscoring the connection between long-term business success and societal and environmental well-being (FasterCapital, 2024; Impact Europe, 2024). Systemic long-term thinking, multistakeholder collaborations and audacious risk-tolerant capital is what is needed to achieve inclusive and sustainable economies (Heitmann et al., 2020).

Impact investments, which are investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return, have emerged as a meaningful avenue for companies to manifest their CSR commitments (FasterCapital, 2024). CSR encompasses a company's dedication to managing the social, environmental, and economic impacts of its operations in a responsible manner that aligns with societal expectations. In contrast, impact investing is an investment approach aimed at achieving both financial returns and measurable positive social and environmental outcomes. This approach represents a significant departure from traditional investment strategies by prioritising social value alongside financial value. Impact investing presents investors with a compelling alternative to charity by offering such investors an opportunity to invest and measure social and environmental impact (Viviers et al., 2011). The intersection of CSR and impact investing enables companies to advance societal well-being while strengthening their brand and fostering stakeholder engagement (FasterCapital, 2024). This synergy is achieved through strategic CSR initiatives that reflect a company's core values and business objectives while addressing pressing global challenges (FasterCapital, 2024; Impact Europe, 2024).

Additionally, corporate innovation departments are increasingly prioritising the development of solutions and business models that tackle urgent social and environmental challenges, underscoring the role of social innovation in advancing corporate impact initiatives (Impact Europe, 2024). Furthermore, corporate social investors, including CSR teams, are shifting from traditional philanthropic approaches to more entrepreneurial practices (Impact Europe, 2024). They are increasingly adopting venture philanthropy methods, such as tailored financing, providing non-financial support, and implementing robust impact measurement and management system (Impact Europe, 2024).

From this narrative, CSR holds a unique position between the non-profit and the business sector to identify and invest in transformative social solutions with potential business relevance (Heitmann et al., 2020). Since CSR investments do not seek (at least not primarily) financial returns, it can provide the risk-tolerant and patient capital needed to incubate and test innovations by leveraging impact investing strategies (Heitmann et al., 2020). However, systematic understanding of how impact investing contributes to CSR practice is still lacking. The intersection between CSR and impact investments remains unexplored in Namibia. Namibia's high unemployment rate and limited financial access – particularly for micro, small, and medium enterprises (MSMEs) – and significant income inequality underpins the critical demand for impact capital (Desai et al., 2016).

This research set out a rationale and method to develop a praxis model for Namibian corporations and corporate foundations that wish to engage an impact investing strategy in order to achieve more with their CSR capital by solving the societal challenges while still achieving their brand equity and business objectives. This bridging of impact and business through impact investing is referred to as corporate impact investing (Impact Europe, 2024). Despite gaining traction in the global north, the relatively young corporate impact investing field remains largely unexplored in Africa, and more specifically in Namibia.

There is little literature on the intersection of CSR and impact investments. This research will broadly benefit the developing impact investing field within the corporate responsibility context and its limited literature.

1.2 Research Objectives

This study set out to explore the intersection between CSR practice and impact investing in the Namibian context by demonstrating how corporations or corporate foundations can more deliberately leverage the use of impact investing strategies to address Namibia's inequality, unemployment and poverty. The ultimate purpose of this study was to answer the research question: *How might CSR more deliberately provide seed capital for impact investing? More specifically, what are the factors that advance or restrict the adoption of impact investing strategies for CSR in Namibia?*

This study aimed to achieve this, firstly by understanding the ground practice of CSR in Namibia to establish the extent to which Namibian corporations support entrepreneurship development initiatives, startups, or related projects. Secondly, to assess the extent to which Namibian corporations understand impact investing, the extent to which they have engaged impact investing, and the possible barriers to engaging such strategy while gauging the appetite for future engagement within the context of CSR. The objective of understanding the existing CSR practice in Namibia was for context setting and broadly unpacking the potential role of these corporations in addressing social and environmental challenges through entrepreneurship support. From this contextual position, the limited or non-existent impact investing experience of the research participants and deployment hurdles were studied. Finally, practical steps were developed as a guide for the design of an impact investing strategy for CSR commitments for corporate Namibia.

1.3 Overview of Methodology, Findings and Contributions

This study was exploratory in nature. The study investigated how impact investing and CSR can intersect to provide better outcomes for communities. Using an inductive qualitative research approach, the data for this study was collected using semi-structured interviews and secondary sources to understand the views and experiences of CSR representatives from 11 Namibian organisations.

The findings revealed the government agenda as a key driver of the focal areas of support in CSR practice in Namibia. This includes the support of entrepreneurship development, being the third most CSR-supported area in terms of resource allocation. The findings also showed a limited understanding of impact investing in corporate Namibia despite the keen interest strongly expressed by most research participants. Moreover, the most frequently cited barriers to engaging in an impact investing strategy included the lack of bona fide and proper entrepreneurs, collaboration, and appropriate expertise within the organisation.

The study contributes to the limited scholarship on the intersection impact investing and CSR. Furthermore, it contributes to the nascent field of impact investing. The theoretical proposition of this research study is that the relationship between CSR and impact investments is plausible where the barriers to engaging an impact investing strategy, such as lack of bona fide and proper entrepreneurs, collaboration, and appropriate expertise, are effectively addressed. The practical steps outlined in Chapter 5 on designing an impact investing strategy through the lens of CSR offer CSR practitioners in Namibia with a small leap to making this theoretical proposition a reality.

1.4 Dissertation Structure

The overall structure of the dissertation takes the form of six chapters, including Introduction, Literature Review, Research Methodology, Research Findings, Discussion of Findings and Conclusion.

Chapter 1 establishes the context, background and the motivation for the study by stating the problem statement and research question. Further, it positions the study, highlights the main concepts and ideas, methods, findings and contributions of the study. Finally, it provides an overview of the dissertation structure. This is followed by the literature review which is outlined in Chapter 2. Firstly, Chapter 2 illuminates the social transformation context of Namibia, including highlighting the CSR and impact investing landscapes. Additionally, the key concepts and ideas highlighted in Chapter 1 are elaborated in more detail in Chapter 2. Chapter 3 describes the research methodology of this study. Chapter 3 neatly presents the research strategy, approach, design, sample selection process, data collection and data analysis, limitations, and the ethical considerations underpinning this research. The research findings are outlined in Chapter 4. Chapter 5 discusses the study's findings in relation to the existing literature and the conclusion and recommendations are provided in the final chapter.

Given the context of the study, the words CSR and CSI (corporate social investment) are narrowly used interchangeably despite the nuanced differences, which are outlined in Chapter 2, due to similarities in terms of the overarching purpose. Additionally, throughout this dissertation, the term impact investing was used to refer to those activities focused on the deployment of capital into purpose-driven enterprises that addresses a social or environmental (or, both) challenge with the intention of having a positive impact by applying market-based strategies as opposed to aid-based solutions (Freireich & Fulton, 2009; Viviers et al., 2011).

Chapter 2 Literature Review

2.1 Introduction

This study has aimed to answer the research question concerned with how corporate social responsibility might more deliberately provide seed capital for impact investing in Namibia. This was achieved by obtaining an understanding of the current practice of CSR and exploring its role in the emerging field of impact investing to develop a praxis model that envisages the relationship between these two constructs in practice.

The literature review is organised as follows: firstly, the literature review provides an overview of poverty and inequality as the dominant social ills in Namibia, which underpins the reality of developmental challenges to illuminate the urgency of effective interventions – the need to effectively mobilise impact capital to address these challenges. The section also highlights the role of national governmental policies, civil society organisations (CSOs) and businesses under the banner of CSR in Namibia's development agenda which not only shed light on the current interventions but highlight the gaps inherent in these interventions. Finally, this section of the literature review closes off with a highlight of the Namibian impact investing landscape. In establishing the context of the study, a significant portion of this review was sourced from grey literature, including research publications by the government, agencies, and research centres such as Namibia Statistics Agency, The World Bank, The Global Impact Investing Network (the 'GIIN') and The Institute for Public Policy Research in Namibia, amongst others.

Secondly, this review explores the literature on the conceptualisation of CSR as a global phenomenon and its historical context including the evolution of strategic corporate philanthropy as a branch of CSR in Africa. This section also examines the overlaps between CSR, sustainable development and social entrepreneurship. Additionally, this section of the literature further outlines the connexions between CSR and corporate social innovation with the intention of highlighting the already existing relationship between corporates and startup funding through open innovation.

Thirdly and finally, the review discusses in detail the literature on venture philanthropy and impact investing broadly, while establishing the ground for corporate impact investing. The discussion on corporate impact investing emanates from nascent practitioner literature on the potential role of corporations in the field of impact investing. For these sections of the literature review, social science academic electronic databases were used encompassing a broad base of peer-reviewed journal articles.

2.2 Landscape of Social Reform: Namibia

> *"Like slavery and apartheid, poverty is not natural. It is man-made and it can be overcome and eradicated by the actions of human beings. And overcoming poverty is not a gesture of charity. It is an act of justice. It is the protection of a fundamental human right, the right to dignity and a decent life. While poverty persists, there is no true freedom."* – Nelson Mandela

2.2.1 *Overview of poverty and inequality in Namibia*

Namibia (formerly South-West Africa), a former German colony, gained independence from South Africa in 1990. However, post-independence, the legacies of the German colonial rule and the apartheid regime continue to shape society and the economy, where the economic advantage remains in the hands of the white minority, further perpetuating the unequal distribution of resources (The World Bank Group, 2021).

Namibia is one of the few countries on the African continent categorised as an "upper middle income" country by the World Bank. Further, the World Bank (2021) reports that Namibia has the advantage of being one of the least densely populated countries, with a population of 2.5 million as of 2020. Despite its feature as sparsely populated and high-income status, poverty and inequality are still dominant features of the Namibian society. According to another report by the World Bank, Namibia ranked as the second most unequal country in the world from among 164 countries in the World Bank's global poverty database following South Africa in the Southern Africa region – the ranking is based on Gini coefficients of consumption (or income) per capita (Sulla et al., 2022).

The World Bank (2009) defines poverty as "pronounced deprivation in wellbeing" with a focus on whether households or individuals have sufficient resources to meet their needs. However, the most widely accepted definition of absolute poverty strictly measures poverty in economic terms — earning less than USD1.25 a day according to Target 1.1 of the Sustainable Development Goal 1. Nevertheless, measuring poverty is not as straightforward at the country level, given the unique dynamics of each country.

For this research study, consumer spending, as opposed to income, is observed as a measure to determine the welfare of a household – "by recording how many things a household buys over a period of time, we can learn something about the standard of living it enjoys" (Schmidt, 2009). This is because it is challenging to measure household income in developing countries like Namibia where many people do not have formal jobs with salaries but make a living from selling services or goods in the informal market. The Namibian government has been conducting the Namibia Household Income and Expenditure Surveys (NHIES) since independence in order to determine the so-called poverty line (commonly referred to as a poverty threshold). The NHIES is a household-based survey designed to collect data on households' income and expenditure patterns. It is the sole source of information on income and expenditure in the country. (Namibia Statistics Agency, 2018)

Based on the NHIES data, the poverty lines for each adult were estimated at N$105 per month in 1993/94, N$263 per month in 2003/04, N$378 per month in 2009/10 and N$521 per month in 2015/16 (the 4th and last NHIES conducted by the Namibia Statistics Agency as of 2022). In 2004, the proportion of households that were poor stood at 27.6%. This figure has since fallen to 17.4% in 2016. Similarly, the proportion of severely poor households has fallen from 13.8% to 10.7% over the abovementioned timeframe. (Namibia Statistics Agency, 2021, p. 5)

In 2008, nearly two decades after independence, the Institute for Public Policy Research (IPPR) of Namibia conducted a study on what happened to poverty and inequality in post-independence Namibia. It found that the number of people living in poverty in Namibia had decreased from 58% of individuals in 1993/94 to 38% in 2003/04 (Schmidt, 2009). Despite the rapid decline in the country's poverty, these figures are still high for the country's level of development (The World Bank Group, 2021).

Coinciding with the NHIES report for the respective periods, the Gini coefficient for Namibia over the three survey periods 2003/2004, 2009/2010 and 2015/2016 is 0.60 (60%), 0.58 (58%) and 0.56 (56%) respectively. The Gini coefficient is a statistical distribution of welfare indicators commonly used to measure inequality, such as income or consumption. It ranges between 0 and 1 (or 100), where 0 means perfect equality and 1 (or 100%) perfect inequality. Namibia's Gini coefficient is calculated on every household member's adjusted per capita income. The figures per the NHIES report show that inequality in the distribution of income has decreased, albeit incrementally. This also displays the positive relationship between poverty and inequality in Namibia. Despite this decline, however, the level of inequality in Namibia remains among the highest in the world (Sulla et al., 2022). The COVID-19 pandemic exacerbated this inequality gap although this was offset by the social protection programmes rolled out as mitigation measures (The World Bank Group, 2021).

More recently, in 2021, Namibia launched its official national Multidimensional Poverty Index (MPI). It published its first MPI report intended to "serve as a strategic tool to inform budgeting and policymaking, whilst also providing baseline data for measuring progress towards eliminating poverty in all its forms" (Namibia Statistics Agency, 2021, p. 4). The MPI is a multidimensional measure of poverty developed by the Oxford Poverty and Human Development Initiative (OPHI) at the University of Oxford. The index assesses the simultaneous deprivations experienced by people in a society based on several identified dimensions of poverty in a particular setting, including 'Living Standards', 'Health' and 'Education' (Namibia Statistics Agency, 2021). While monetary poverty analysis from NHIES focuses solely on consumption, the MPI provides more detail on the nature of people's poverty, the differences between demographic groups and regions, and the overlapping and interlinked deprivations experienced across Namibia. The 2021 national MPI was constructed using data collected through the NHIES 2015/16 (Namibia Statistics Agency, 2021). The Namibia MPI Report states the following:

> The multidimensional poverty incidence (H) is reported at 43.3 per cent, meaning that 43.3 per cent of the population of Namibia is multidimensionally poor. The average intensity (A) is 44.0 per cent, meaning that poor people in Namibia experience, on average, 44.0 per cent of the weighted deprivations. The Multidimensional Poverty Index (MPI), which is the product of H and A (H*A), is 0.191, therefore the poor in Namibia face 19.1 per cent of the possible deprivations if everyone was poor and deprived in all the indicators included in the index. (Namibia Statistics Agency, 2021, p. 7)

While poverty reduction and inequality are principal priorities of the Government of Namibia (Eita & Ashipala, 2010), the above figures are representative of effective policy interventions toward improving the livelihoods of ordinary Namibians (Namibia Statistics Agency, 2021). Despite these efforts, the Namibian unemployment rate has increased relatively post-independence. The high unemployment figures remain undoubtedly one of the significant macroeconomic evils of the country, which has been characterised by a persistent upward trend (Namibia Statistics Agency, 2021). In terms of the broad national definition of unemployment which includes both unemployed people who are looking for jobs and those who are not looking for jobs, the unemployment rate increased from 19% at independence in 1990 (Akanbi & Sunde, 2015) to 33.4% in 2018 (Namibia Statistics Agency, 2019), being the latest published figures by the Namibia Statistics Agency. Based on a report by the World Bank (2021), in 2018, “unemployment among the youth reaches 69.6 per cent (age 15 to 19) and 57.0 per cent (age 20 to 24)” (p. 17).

This research dissertation does not discuss the various determinants of these social ills elaborately but only highlights that they exist, immensely so, and remain on the rise despite the interventions at a national level and the societal progression of the country. This information on poverty and inequality informs and guides policy interventions to eradicate poverty as stipulated in the National Development Plans, Vision 2030, the Harambe Prosperity Plan, the African Union Agenda 2063, and the Sustainable Development Goals (SDGs) at country-level.

2.2.2 *National policies and reform frameworks to address poverty and inequality*

Namibia is committed to eradicating poverty and inequality as outlined in Vision 2030. The overriding development priority of the Government of the Republic of Namibia to be a prosperous and industrialised country is well articulated in Vision 2030 and implemented through its successive medium-term development plans such as the National Development Plans (NDPs), and the Harambee Prosperity Plans (HPPs). Vision 2030 is the policy framework for long-term national development to improve the quality of life of the people of Namibia to the level of their counterparts in the developed world by 2030. This unified vision guides the country's five-year development plans as the implementing strategies – from NDP 2 to NDP 7. All the NDPs have the reduction of poverty and inequality among their topmost objectives. According to the Namibia Multidimensional Poverty Index Report (2021), "the concept of sustainable development takes centre stage during national development planning in Namibia … anchored towards the upliftment of both current and future generations and responds to the SDGs" (p. 5).

HPPs are targeted action plans to accelerate development in areas where progress is insufficient to complement Vision 2030 and the NDPs. The plans are to ensure prosperity for all underpinned by five pillars, namely effective governance, economic advancement, social progression, infrastructure development, and international relations and corporations. The action plans are divided into HPP I (2016-2022) and HPP II (2021-2025).

> The Government of Namibia has also expressed its commitment to ensure effective implementation and achievement of regional and global agreements such as the Agenda 2030 with its 17 Sustainable Development Goals, Agenda 2063, Paris Agreement on Climate Change, and Addis Ababa Action Agenda on financing for development. (Ferede & Brown, 2019, p. 12)

The achievement of these national, regional and global goals remains a function of financing. Namibia has not achieved a significant budget surplus in the past 10 years. Noteworthy, access to external finance is a challenge for Namibia due to its upper-middle income status and as a result of foreign commercial funding becoming expensive. Furthermore, in 2021, Namibia launched the Namibia Revenue Authority (NAMRA) under its Ministry of Finance (MoF). This is the first-ever autonomous tax administration agency of the country.

The Addis Ababa Action Agenda on financing, which requires alignment of development finance to national priorities, recognises the importance of finance diversification for ensuring sustainable development through innovative financing and private resources, amongst others (Ferede & Brown, 2019). Furthermore, the Development Finance Assessment Report (2019) emphasises that sustainable development in Namibia is imperatively dependent on the expansion of domestic finance and the achievement of significant improvements in the efficiency of public enterprises.

The development co-operation landscape has been undergoing change both globally and locally which includes but is not limited to

> the limited role of conventional funding mechanisms following Namibia's classification as an upper middle-income country, the increasingly important role of the private sector and growing participation in regional economic partnerships, the emergence of new partners (e.g. foundations, social impact investors, philanthropists, South-South cooperation, etc.), increased diversification of financing sources for development (e.g. climate finance, global funds, etc.) and complex development cooperation architecture. (Ferede & Brown, 2019, p. 15)

Furthermore, in January 2018, Namibia ratified the Africa Continental Free Trade Area Agreement (AfCFTA). AfCFTA seeks to create a unified market by enhancing economic integration across Africa by reducing tariffs on a majority of goods, and facilitating the movement of capital and people. This offers Namibia opportunities for economic diversification and value chains development and expansion, as a means to economic transformation (Republic of Namibia, 2021).

In its second VNR Report (2021) to the World, which predominantly highlights the progress that the country has made in the past three years, Namibia commits itself to diversifying sources of development finance by fortifying the Namibia Investment Promotion Development Board (NIPDB) and the mobilisation of access to relevant non-financial sources of development cooperation, such as skills and technology transfer, and innovative development finance as strategies on the way forward.

2.2.3 *Civil society in Namibia*

Pre-independence, the Civil Society Organisations (CSOs) in Namibia had a limited and unrecognised presence because they were neither supported by the colonial regime nor endorsed by the liberation movement (Höhn, 2010). More than three decades later, the country has an established and vibrant civil society. By the end of 2020, 220 active CSOs were listed on the CIVIC +264 website (Hopwood et al., 2021), a voluntary association that serves as a central database of active civil society organisations in Namibia. The 3rd Edition of the Guide to Civil Society in Namibia (2018) published by the Namibia Institute for Democracy (NID) highlights the role of CSOs to primarily include "a wide range of concerns, including basic grassroots activism, faith-based organisations (FBO), community-based organisations (CBO), civic associations, development fora, media–print, radio, TV & social media, unions, and NGOs, as well as trusts and foundations" (p. 3). These institutions are backed by Article 17 of the Namibian Constitution, which encourages and promotes democracy through citizen participation (Marowa & Hishoono, 2018). Enshrined in Article 17(1) of the Namibian Constitution is the following:

> All citizens shall have the right to participate in peaceful political activity intended to influence the composition and policies of the government. All citizens shall have the right to form and join political parties and, subject to such qualifications prescribed by law as are necessary for a democratic society, to participate in the conduct of public affairs, whether directly or through freely chosen representatives.

Salient features of the CSOs eco-system in Namibia include: 1) dependency on foreign donors with strict funding requirements (Höhn, 2010; Hopwood et al., 2021); 2) lack of legislation and enforcement (Hopwood et al., 2021; Klins et al., 2010); 3) limited organisational capacity (Hopwood et al., 2021); and 4) lack of financial stability (Hopwood et al., 2021). The lack of core funding has led most Namibian CSOs to operate on a project-by-project basis, which is unsustainable, while the most visible and established CSOs are not necessarily representative of the majority of the civil society groups (Höhn, 2010; Hopwood et al., 2021). Lastly, although the government support for civil society has been limited, collaboration between CSOs and the government will go a long way in ensuring Namibia's Sustainable Development Goals are realised (Hopwood et al., 2021; Marowa & Hishoono, 2018).

2.2.4 *Analysis of corporate sustainability and responsibility in Namibia*

According to Visser et al. (2010), ethics and the cultural context are some of the few factors at the core of the CSR discourse and its research in Africa. In Namibia, this is firmly embedded in the African indigenous concepts such as 'Harambee' and 'Ubuntu' which inspire CSR activities in medium and large companies, to solve challenges faced by communities that the government otherwise cannot wholly address given their relative wealth in comparison to the poverty of the society in which they operate (Klins et al., 2010). Harambee is a Swahili concept that values mutual assistance and doing things collectively, which embodies mutual responsibility. In contrast, Ubuntu stems from an African Proverb "a person is a person through other persons" (Winston & Ryan, 2008, p. 217). The King IV Report on Corporate Governance (2014) further elaborates on this idea of interdependency between organisations and society stating that the concept of ubuntu also implies that corporate endeavours should be driven by a purpose that is centred on service to humanity. Winston and Ryan (2008) found that the social and environmental context in which an organisation operates plays a significant role in the organisation's CSR activities in the Sub-Saharan Africa (SSA) region. As such, these activities are not necessarily aligned with the organisation's core business activities.

While the policy and legal framework on CSR in Namibia remains ambiguous and underdeveloped, its corporate governance practice draws principally from South Africa (Harris, 2021; w & Kakujaha-Matundu, 2019). In an embryonic development stage, corporate governance in Namibia was institutionalised in 2014 with the adoption of the Namibian Code of Corporate Governance Report (the 'NamCode') following the release of the King III Code in South Africa (Harris, 2021). The NamCode is the contextualisation of the King III Code of South Africa for Namibia prepared by the Namibian Stock Exchange (Muswaka-Zinatsa & Chilunjika, 2020). Antecedents of governance before 2014 in Namibia are King I and King II reports (Muswaka-Zinatsa & Chilunjika, 2020). Following the introduction of the King IV report of 2016 ("King IV") in South Africa, Namibia has not released an updated governance Code; however, a NamCode directive on social, ethics and sustainability committee was gazetted in January 2022. The directive instructs institutions which subscribe to the NamCode to appoint a social, ethics and sustainability committee in recognition of the importance of environmental, social and governance (ESG) factors for various stakeholders.

The NamCode is an advanced framework for stewarding good corporate governance practices in the country and it is applicable to all companies incorporated in terms of the Companies Act or any other legislation applicable in Namibia (Harris, 2021; Muswaka-Zinatsa & Chilunjika, 2020). According to the 4th edition of the Deloitte Corporate Governance Survey for Namibia (2020), a majority of the respondents adopted the NamCode when compared to the adoption of other corporate governance frameworks such as the King IV report and to those that have not adopted any corporate governance framework. This warranted the establishment of the Namibia Institute of Corporate Governance (NICG) in 2016 as a national institution with a vision of promoting sound corporate governance practices for the benefit of Namibian society (NICG, 2016).

In addition, Muswaka-Zinatsa and Chilunjika (2020) elaborated, stating that good corporate governance is a function of effective ethical leadership. While effective and ethical leadership is the foundation of the King IV report, there are other key concepts that underpin the report such as corporate citizenship and sustainable development. In this context, although distinct from CSR, the concept of corporate citizenship has emerged enormously from literature and practice as the motive for CSR activities. Being a good corporate citizen is, among other things, being socially responsible (Institute of Directors Southern Africa, 2009). An extension of the CSR theory is the triple bottom line concept, which maintains that the ultimate reason for a business's existence is to create value through a commitment to social, economic and environmental performance, which contextually would translate to people, profit and planet respectively (Institute of Directors Southern Africa, 2009). Furthermore, King IV, which follows an 'apply and explain' approach, underscores that value creation is the central theme of the 2030 United Nations Sustainable Development Goals, the Africa 2063 Agenda and the National Development Plan 2030 and thus a fundamental concept to the King IV Code. Further, the United Nations Agenda for Sustainable Development highlights the importance of corporate engagement in sustainable development challenges including poverty eradication, amongst others, which is adequately covered by corporations' CSR initiatives (Medina-Muñoz & Medina-Muñoz, 2020).

Transformation and socio-economic empowerment policies and legislation propositions such as the New Equitable Economic Empowerment Framework (NEEEF) may pave the way to the institutionalisation of CSR initiatives for corporate Namibia. Like the Broad-Based Black Economic Empowerment (B-BBEE) framework in neighbouring South Africa, NEEEF was introduced to redress apartheid and colonial social ills through affirmative actions and skills development. NEEEF's chief objective is to promote all Namibians' economic empowerment and accelerate the transformation process to achieve more significant equity as envisaged by the Government of the Republic of Namibia. The NEEEF aims to promote transformation in business through five empowerment pillars: Ownership, Management Control and Employment Equity, Human Resources and Skills Development, Entrepreneurship Development and Community Investment. The NEEEF, through its community investment pillar, recognises that CSR has become part and parcel of the modern business environment, and that good corporate citizenship requires social investment in communities. NEEEF is set to require businesses above a specific size to devote at least 1% of after-tax profits (at a maximum of 2% of after-tax profits) to community investment. In turn, businesses will be rewarded for establishing operations in needy communities. This legislation will go a long way in the institutionalisation of corporate philanthropy and ultimately increase the availability of CSR capital in Namibia (National Equitable Economic Empowerment Bill, 2015).

The government initially introduced it as the Transformation Economic and Social Empowerment Framework in 2008 under Article 23(2) of the Namibian Constitution to ensure a balance redistribution of wealth and resources in the country. Article 23 (2) empowers the Namibian Parliament

> to enact legislations providing directly or indirectly for the advancement of persons within Namibia who have been socially, economically or educationally disadvantaged by past discriminatory laws or practices, or for the implementation of policies and

programmes aimed at redressing social, economic or educational imbalances in the Namibian society arising out of past discriminatory laws or practices.

Furthermore, CSR-related activities and projects are primarily associated with corporate social investment (CSI), which South Africa's BBBEE defines as ‘an enterprise’s contributions to society and a community that are extraneous to its regular business activities and hence include initiatives in the areas of development, health, education, training, environment, arts and culture and sport’ (Klins et al., 2010).

2.2.5 *Impact investing landscape in Namibia*

One of the areas that receives relatively less attention in the broad CSR scholarship as it has advanced in developing countries is the role of small and medium enterprises (SMEs), despite SMEs being recognised as significant contributors to job creation and poverty alleviation (Jamali et al., 2017). Access to funding is a significant problem experienced by SMEs in Namibia (Räty, 2010). Although small, Namibia has a sophisticated financial sector with eight licensed banks and several microfinance institutions; however, access to credit remains difficult for many, given 22% of Namibian adults, ages 16 and older, are financially excluded (Namibia Statistics Agency, 2017). Bank finance falls short in financing SMEs and start-ups.

The Global Impact Investing Network (GIIN) proposes that impact investing can provide alternative finance for Namibian SMEs (Desai et al., 2016). Additionally, clean energy, food supply, tourism or ecotourism, and aquaculture sectors were emphasised to present enormous opportunities for impact investments in Namibia (Desai et al., 2016). The GIIN defines impact investments as investments made to generate positive, measurable social and environmental impact alongside a financial return. Namibia’s combination of the high unemployment rate, scarce access to finance and massive income inequality indicates a solid need for impact capital (Desai et al., 2016). Desai et al. (2016) highlighted the landscape for impact investing in Namibia stating that the country has seen 46 known impact investments in total amounting to USD 24.9 million at the date of the report of which a majority are attributed to development finance institutions (DFIs) in support of financial services and infrastructure. This illuminates the low local participation in the impact investing space in Namibia and it is worth noting that the acceleration of progress of sustainable development significantly depends on the expansion of domestic capital participation as well as the realisation of substantial improvements in the efficiency of public enterprises (Ferede & Brown, 2019). Furthermore, the pension fund regulations of Namibia have increased the minimum domestic asset allocation from 40% in 2018 to 45% 2019 which may contribute to the limited domestic participation of non-DFI impact investor activities.

Namibia is also not new to sustainability-themed investments, which are distinguished from impact investing as "investments made along the themes of environmental sustainability and sustainable development" (Giamporcaro et al., 2022, p. 3). Bank Windhoek, one of eight licensed banks in Namibia, a wholly Namibian-owned commercial bank issued its first Green Bond on the Namibia Stock Exchange (NSX) in December 2018 – the first commercial bank to do so in the Southern African region then – a significant milestone for Namibia given its compliance with the Sustainable Stock Exchanges (SSE) Initiative (Bank Windhoek, n.d.). In 2021, Bank Windhoek joined the National Association of Securities Dealers Automated Quotations (Nasdaq) Sustainable Bond Network to attract foreign investors to both Bank Windhoek and Namibia (Bank Windhoek, 2021). The fixed capital from the Green Bonds is aimed at financing or re-financing eligible green financially feasible projects in Namibia. *Figure 1* outlines the common investing for impact strategies briefly discussed above.

Figure 1: Investing for impact strategies

IFI Strategies	**Description**
ESG Integration	The systematic integration of environmental, social and governance (ESG) factors into investment analysis, valuation and decision-making based on appropriate research sources and metrics.
Sustainability-themed Investment	Investments made along the themes of environmental sustainability and sustainable development.
Impact investment	Investment intentionally aimed at generating measurable positive Environmental and/or social impact alongside a financial return.

Adapted from Giamporcaro et al. (2022)

2.3 The Evolution of Corporate Social Responsibility (CSR)

2.3.1 *CSR: A global historical context*

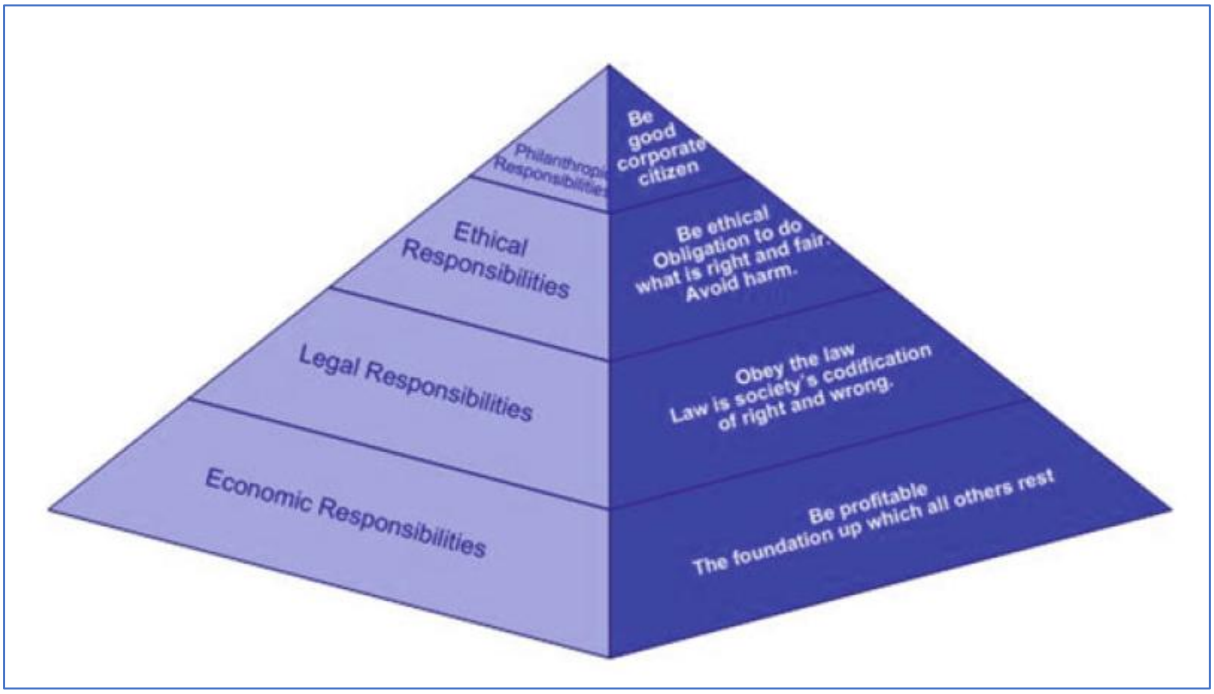
Gonzales (2016) suggested that the literature on CSR seeks to address two questions: (i) what is the impact of CSR? With a particular focus on the relationship between CSR and the company's financial performance, and (ii) what are the determinants of CSR? For the first question, empirical research studies (Aupperle et al., 1985; Mcguire et al., 1988; Mcwilliams & Siegel, 2000; Mikołajek-Gocejna, 2016; Orlitzky et al., 2003; Peterson et al., 2021; Ullmann, 1985) over time have shown inconclusive evidence of the relationship between CSR and a company's financial performance. To the second question, context plays an important role.

It is difficult to locate when CSR as a concept began to develop and its development has been uneven (Gond & Moon, 2011; Yevdokimova et al., 2018). The uneven evolution of CSR in various contexts, coupled with its varied and ever-changing definitions, illuminates the complexities and nuances of the concept and has led the phenomenon to be understood as 'dynamic, overlapping, and contextual' (Gond & Moon, 2011). CSR has received even more attention in the second decade of the 21st century than in the 20th century when the concept emerged as a management and academic concept (Gond & Moon, 2011). According to Carroll (2016), much of the CSR literature and its ideological foundations began in the United States. The near exclusion of Africa from the conceptualisation of CSR is clear – given "CSR literature is less represented in Africa than other regions" (Hinson & Ndhlovu, 2011, p. 333).

The modern formulation of the social responsibility phenomenon in academia in the 1950s was signified by Howard R. Bowen's book 'Social Responsibilities of the Businessmen' published in 1953 and the book also signified its shift from practice to academia (Gond & Moon, 2011; Visser, 2010). Bowen's broad reference to CSR entailed the expectation that business, through a lens of accountability, is responsible for society (Gond & Moon, 2011). Prior to this point, between the 1800s and 1930s, CSR was characterised by industrial paternalism or philanthropy influenced by the works of Andrew Carnegie and John D Rockefeller grounded in religious beliefs (Gond & Moon, 2011). In the book 'Social Responsibilities of the Businessmen', Bowen (2013) asked: What responsibility to society may businessmen reasonably be expected to assume?

The doctrine of social responsibility, which is the bedrock of CSR, has come a long way in influencing the paradigm shift in the responsibilities of corporations to go beyond pure economic obligations – that is, beyond “the production of goods and services at a profit” (Buchholz, 1991, p. 19). In the 1970s, Carroll’s CSR four-part definitional framework provided a comprehensive description of various aspects of CSR, encompassing economic, legal, ethical, and discretionary (philanthropy) depicted in the form of a pyramid (Carroll, 1979). Carroll’s CSR pyramid, as seen in *Figure 2*, is the most well-known CSR model (Lockett et al., 2006). In *Carroll’s pyramid of CSR: taking another look*, Carroll (2016) revisits the pyramid of CSR to provide clarity and emphasises the characteristics of the model.

Figure 2: Carrol's CSR Pyramid



Reproduced from Carroll (1991) and Wendt (2015).

Open dialogues on the subject of social responsibilities of business led to the famous ‘Friedman Doctrine’. It was Milton Friedman’s (1970) contention that a corporation, which is an artificial person, cannot be said to have social responsibilities, and the exercising of such responsibilities by the corporate executives on behalf of corporations is a cloak that is motivated by self-interest which he referred to as ‘hypocritical window dressing’. Friedman's doctrine posits that a business's social responsibility is to use its resources and engage in activities designed to increase its profits (Friedman, 1970). This traditional view of corporate social responsibilities implied that whatever social responsibilities corporations have as economic institutions are exhausted by marketplace performance (Buchholz, 1991).

A counter-paradigm that critiques Friedman's argument puts it this way: “the exercise of social responsibility in business suffers no diminishment in meaning or merit if the executive and his employers both understand their mutual interest to include a proactive social role and cooperate in undertaking that role” (Mulligan, 1986, p. 266). Among others who joined this academic debate earlier is Harvard Professor E. Merrick Dodd in the eminent Berle-Dodd dialogue (Cochran, 2007). While Columbia professor Adolf A. Berle held the same view as Friedman, Dodd argued that corporate managers have social responsibilities, given that modern corporations are encouraged by law mainly because they service communities rather than because it is a source of profit to their owners (Cochran, 2007). Dodd “posited that corporate managers were responsible to the public as a whole, and not just to shareholders” (cited in Cochran, 2007, p. 449).

Changes in social values over time asserted more social pressure on corporations, to which they needed to respond pragmatically as public image bearers to remain relevant and viable institutions. This level of social responsiveness will later demand that a corporation be viewed as a social institution apart from its economic role in society (Buchholz, 1991). This level of responsiveness becomes the precedence upon which the stakeholder theory comes to be and the basis for the assertion that firms have corporate social responsibilities. Although a widely used concept, the definition of CSR inside and outside academia remains a contested term. The 1990s witnessed the institutionalisation of CSR on the non-academic initiatives front through standards and guidelines such as ISO 26000 and Global Reporting Initiative (GRI) guidelines although these international standards do not always perfectly fit local needs (Rampersad & Skinner, 2014). Hamann et al. (2005) further postulated that this bulging tension between international standards and norms for CSR and the local national priorities is increasingly becoming an important conversation within the CSR scholarship. Furthermore, CSR from non-academic sources is characterised by environmental practices, trade practices (including fair trade), corporate governance, and responsible investment.

One of the pioneering features of CSR was corporate philanthropy which has been studied as part of CSR (Cochran, 2007). The corporate social responsibility dimension of philanthropy is the most widely published literature within management and administration journals (González, 2016). The economic models of altruism and philanthropy are a natural springboard for the scholarship on the evolution of corporate philanthropy, which works on the assumption that corporations are self-interested (González, 2016). Philanthropy, which is conceptualised as a prosocial behaviour in the social psychology literature, is concerned with the act of charitable giving while altruism speaks to the intention or motivation of this giving. While there is no consensus on the exact definition of philanthropy, a commonly used definition is the private provision of public goods or a private gift for a pure public good (González, 2016; Wong, 2021). Much acknowledgement is given to Becker (1974) in the economic literature of altruistic giving to charitable causes. Individuals or corporations' giving towards charitable causes may be driven by altruistic motives, amongst others. There is a large body of literature across a range of disciplines on the determinants of philanthropy which is beyond the scope of this research study.

Academic literature on corporate philanthropy has undergone a tremendous transformation – from the conceptualisation of philanthropy as giving to charity to philanthropy as an investment with social returns (González, 2016). Accordingly, Gonzales (2016) highlighted that "perhaps the first step towards conceptualising philanthropy as an investment was what was called "strategic philanthropy", published initially within the corporate social responsibility literature" (p. 37).

In the discourse of strategic philanthropy, empirical literature presents it as "cause-related marketing" or other charitable donation that would raise the company's public profile – perceived mainly as a form of marketing (González, 2016). Porter and Kramer (1999) argued that strategic philanthropy goes beyond marketing and public perception by redefining it as value creation. Wendt (2015) took it a step further as 'shared value' which is comparable to the concept of blended value – defined as "asking a company to concentrate on the quadrant that maximises economic, environmental and social value by investing capital and is about leveraging core activities and partnerships for the joint benefit of the people in the countries where the company operate". The critique advocates for doing what any good business plan should do: identify a unique value proposition that underlies strategy and operations (González, 2016).

The conceptualisation and operationalisation of strategic philanthropy continued to evolve. Brest and Harvey (2008) distilled this into an approach mainly underpinned by (i) clearly defined goals commensurate with resources, (ii) strategies for achieving the goals explicitly set out in a business or strategic plan, (iii) strategies that are evidence-based, meaning there should be a clear "theory of change" that links programmes to outcomes, based on existing research, and (iv) feedback to keep the strategy on the course, with an emphasis on quantitative measures and impact evaluation. Further, according to González (2016), this shift from a charity-oriented to a more institutionalised strategic philanthropy within the corporate sector is partly attributed to the overbearing effects of inequality which saw the poor engaging in criminal activities that ultimately grossly disadvantaged corporations. This response to the impact of inequality is representative of philanthropy as a tool for wealth redistribution.

Strategic corporate philanthropy can also be recognised as an extension of entrepreneurial philanthropy as an evolved field through the lens of corporations rather than individuals (Saiia & Schwartz, 2022). Entrepreneurial philanthropy is "the pursuit of transformational social goals through philanthropic investment in projects animated by entrepreneurial principles" (Harvey et al., 2021, p. 33). This approach to philanthropy is grounded in neo-liberal principles aimed at driving transformational change, and "underpinning this transformational intent is the conviction that open markets and entrepreneurs offer a better solution to economic and social development problems than governments and bureaucrats" (Harvey et al., 2021, p. 46). Further, arguments over strategic philanthropy encompass social entrepreneurship (Shaw et al., 2021).

The next section of this literature review hones into the realities of CSR in the African context and what would be considered strategic philanthropy within that corporate context.

2.3.2 *CSR: An African context*

The CSR realities and dynamics on the African continent in contrast to the Western conceptualisation further reinforce the context-dependence and multi-faceted nature of CSR. Kuhn et al. (2018) posited that the African CSR in approach and its antecedents are substantially different from the Western CSR. Further, there are various studies (Amaeshi et al., 2016; Hamann et al., 2005; Kolk & Rivera-Santos, 2018; Kühn et al., 2018) that support the notion of CSR as highly contextual.

The earliest development of CSR on the continent was witnessed through community development activities credited to multinational corporations (MNCs) and multi-national oil companies (MOCs) with a particular focus on oil and petro-chemicals issues in Nigeria and ethical investment issues related to apartheid in South Africa covering areas such as fair labour issues, education, HIV/AIDS, and child labour (Hinson & Ndhlovu, 2011; Kühn et al., 2018; Lockett et al., 2006; Rampersad & Skinner, 2014). Kolk and Rivera-Santos (2018) convincingly argued that the widespread poverty on the African continent inherently dictates an important setting for research on CSR. In a systematic review of key international journals to understand the state of research on the Africa context in Business and Management by analysis of topic, Kolk and Rivera-Santos (2018) found CSR including responsible investment to be the most published topic. However, the extant scholarship on CSR in Sub-Saharan Africa is barely sufficient (Nyuur et al., 2014). Further, the scholarship is only beginning to understand the impact of the specificities of the African context on CSR (Kolk & Rivera-Santos, 2018; Kühn et al., 2018).

The conceptualisation of CSR and CSI in South Africa for example stems from government interventions at an institutional level to redress the social ills of apartheid (Hinson & Ndhlovu, 2011; Rampersad & Skinner, 2014). Hinson and Ndhlovu (2011) further detailed the manifestation of these interventions through two themes: 1) corporate citizenship (i.e. through King Report on Corporate Governance), and 2) affirmative action and skills development (i.e. through broad-based black economic empowerment (B-BBEE)). South Africa has emerged as a leader on the African continent in the CSR field (Rampersad & Skinner, 2014).

While CSR and CSI are interchangeably used in practice in the Southern African region, the two concepts are different (Mueller-Hirth, 2016). CSI is one manifestation of CSR which is also referred to responsible investment (Institute of Directors Southern Africa, 2009). CSI, originally a South African phenomenon aimed at getting corporations involved in radical transformation on an institutional level, was initially interpreted as corporate or strategic philanthropy but can be defined as externally directed investments by a corporation (Hinson & Ndhlovu, 2011; Mueller-Hirth, 2016).

Geoffrey et al. (2017) contended that CSI originated from philanthropy when the enhanced reputation it creates for the organisation is recognised. CSI functions as subcomponent or branch of CSR specifically concerned with uplifting and safeguarding communities, whereas CSR is associated with the triple bottom-line matters, the 3 Ps – People, Planet & Profit (Geoffrey & Maria, 2017). CSR can be distinguished from CSI, as a company's internal value system for its business and operations while CSI is rather focused on the company's contribution to its people, community, and other organisations (Geoffrey & Maria, 2017). Hinson and Ndhlovu (2011) also propound that the term "investment" in CSI implies a return both in terms of social upliftment for the expansive transformation agenda and for the business itself is expected, and the delivery of the anticipated social returns is a function of measuring and evaluating the impacts of the CSI initiatives.

Finally, while scholar definitions distinguish between CSI and CSR, the fundamental principle is the same – that is, a company's responsibility to extend itself beyond its profit motive of shareholders for the benefit of other stakeholders (Geoffrey & Maria, 2017). The practice and discourse of CSR in Namibia has scholarly been neglected (Marenga & Kakujaha-Matundu, 2019). Furthermore, there is little evidence of the impact of CSI on society upliftment in Namibia (Geoffrey & Maria, 2017).

The next section of this literature review further discusses the relationship between CSR, sustainable development, and the social entrepreneurship scholarship.

2.3.3 *CSR, sustainable development, and social entrepreneurship*

The paucity of government funding, particularly in smaller African countries, demands that corporations play a key role in the transformation process channelled through CSR activities (Rampersad & Skinner, 2014). The increasing burdens on governments to provide all-inclusive social services due to globalisation pressures are changing the basis on which corporations are expected to contribute to the public good (Hinson & Ndhlovu, 2011). The confluence of government and the private sector efforts to address developmental issues presents organisations with novel conundrums in the way they deliver their CSR practice. Understandably, in SSA, where institutional and governance structures are weak, the private sector continues to play a part in the development of social, economic, and environmental conditions which drives the propensity of corporations as development agents (Kühn et al., 2018). Thus, for CSR to be meaningful in the wake of significant challenges of poverty and inequality it needs to engage with developmental goals (Mueller-Hirth, 2016). Further, the African continent is witnessing a shift from the practice of localised CSR to collaborative governance for sustainable development (Rampersad & Skinner, 2014). This may be attributed to institutional and global pressures towards global developmental agendas such the United Nations' SDGs.

Kuhn et al. (2018) noted that it is worthwhile examining the impact of CSR on socio-economic development, particularly in SSA given the inclination of companies in this region to focus on philanthropic engagements, whereas environmental and broader social issues are of lesser importance. For example, while social entrepreneurship has the potential to alleviate poverty there is a persistent lack of financial support. Studies of social enterprises and social entrepreneurship are centred on non-academic literature with classic examples such as the Grameen Bank of Bangladesh – a pioneer in the field of microfinance. The literature on microfinance was be reviewed for this research dissertation. However, it is necessary to highlight that the conceptualisation of social enterprises is characterised by what is known as the 'double bottom line' that is social (including environmental) and economic areas or the creation of 'blended value' (González, 2016).

Heitmann et al. (2020) stated that very few corporations who have changed their CSR to demonstrate commitment to the United Nations' SDGs have translated this commitment into sufficient business practices due to a lack of ambition. Additionally, Urmanaviciene et al. (2020) found that, compared to other community development and philanthropic considerations, CSR practices towards social entrepreneurship development are far less and argue that "there is a need to use more innovative models of using CSR activities to maximise the benefits for both corporations and society" (p. 28). In their study *The Effective Methods* *and Practices for Accelerating Social Entrepreneurship Through Corporate Social Responsibility* conducted in Estonia, which by population fairly compares to Namibia, it was found that venture capital funds are one of the most effective methods and practices of influencing social entrepreneurship development through CSR activities (Urmanaviciene & Arachchi, 2020).

Similarly, an empirical study in South Africa found that companies can spend their CSI on entrepreneurial and small and medium enterprise development, and although the amount of money disbursed was not large, it did make a significant difference in the growth of these businesses (Swanepoel et al., 2010). Wider Sense (2016) argued that conventional CSR tools are not sufficient to solve current development challenges. Urmanaviciene and Arachchi (2020) put a suggestion forward, "corporations could financially support or make investments below the market rate as their CSR practices; it would be beneficial for a broader group of vulnerable people or the environment" (p.34). Additionally, Visser (2010) in his argument for CSR 2.0, stated that the way we talk about, and practise CSR needs to change in embracing the future – proposing the new CSR to acknowledge its roots in both environmental and social activist movements. CSR 2.0 which is underpinned by four principles (Connectedness, Scalability, Responsiveness, Duality and Circularity) "… imply such a radical shift from the current model of CSR that they beg the question: do we need a new model of CSR?" (Visser, 2010).

The next section further explores CSR in the context of corporate social innovation and its role in the startup eco-system.

2.3.4 *CSR and corporate social innovation*

Social innovation (SI), an important global strategy, is among the most discussed in the field of innovation, and despite the growing interest in the field, the literature remains under-explored (Dionisio & de Vargas, 2020; Samidi et al., 2021). Social innovation refers to new ways of meeting social needs through ideas, methods, processes, and outcomes that the existing government, enterprises, non-government organisations (NGOs), and civil society have failed to address (Samidi et al., 2021). SI also reduces unemployment and increases consumption of economic services (Samidi et al., 2021). In contrast, Samidi et al. (2021) defined corporate social innovation as "new products, methods, and practises that serve society by solving social problems while also benefiting the economy and improving corporate performance" when explored in the context of non-profit organisations. Thus, this concept of corporate social innovation addresses social concerns while also considering shareholder value (Samidi et al., 2021). It remains key to highlight that corporate social innovation is closely associated with CSR and the creation of shared value (CSV) when observed in literature:

> CSR has been more focused on philanthropic or generic initiatives aimed at responding to external pressures and improving multinationals' reputation, whereas CSI represents a strategic investment that companies manage, applying their full assets and expertise through deeper collaboration across functions within a firm and external parties (NGOs, Governments) to co-create something new addressing social needs in a long-term way. (Samidi et al., 2021, p. 197)

In contrast, CSV is focused on shared value which is based on mutually positive economic and social benefits relative to costs for the ability to compete in the long-term (Samidi et al., 2021, p. 198).

> The concept of Corporate Social Innovation (CSI) was created in 1999 and proposed the development of strategic alliances between companies and the social sector, producing profitable and sustainable changes for both sides based on the principle that applying energies to solve the chronic problems of society powerfully stimulates the business' own development. (Dionisio & de Vargas, 2020)

Capgemini Consulting (2018; Samidi et al., 2021) maintained that in order to create an innovation system and corporate culture that brings competitive advantages, companies must establish new revenue streams as well as a stronger sense of social responsibility. The history of corporate innovation tells us that the practice has witnessed a shift from an R&D-only focus as a strategic asset in the 1960s to the digital disruption and the use of open innovation in the 1990s (Capgemini Consulting, 2018). The exploration of innovative solutions that can solve social problems as a business need through external sources of innovation, such as startups or intrapreneurship, is one of the fast-growing sources of innovation (Capgemini Consulting, 2018) – also referred to as 'open innovation'. Blank & Dorf (2012) defined startup as "*a temporary organization designed to search for a repeatable and scalable business model*" (Blank & Dorf, 2012, p. 52). And Capgemini Consulting (2018) defined intrapreneurship to refer "*to when employees with an entrepreneurial mindset and who are passionate about starting their own innovative projects are supported by the firm*." This innovation source takes on many forms, such as "*companies build incubators/accelerators to help early-phase startups convert their ideas into real products, or create corporate venture capital programs to invest in small existing companies*" (Capgemini Consulting, 2018, p. 13). Kanter (1999) described this practice of innovation as a new way for companies to approach the social sector – as opposed to traditional charity and volunteerism – with activities that are focused on results, seeking measurable outcomes and demonstrated change.

Due to their smallness, startups lack both tangible and intangible resources to reach scale and thus, the practice of open innovation is crucial for the success of startups (Spender et al. 2017). Furthermore, Spender et al. (2017) stated that venture capital (VC) and corporate venture capital are the most frequent financing options for funding open innovation in startups to overcome economic constraints. In fact, according to Mastrostefano et al. (2020), it has been proposed that CSR funds and corporate foundations of companies formerly targeted to charity activities be transferred to engage in CSI and provide venture capital for social enterprises to increase focus on social impact, thus moving from philanthropy to innovation. Additionally, large corporations are well positioned to collaborate with the start-ups' eco-system, thereby enabling start-ups to acquire knowledge that they do not otherwise possess (Mastrostefano et al., 2020). According to Dionisio and de Vargas (2020), start-ups' ecosystems "*are groups of organizations (including new ventures, universities, VCs, public administrations, and others) interacting to create and facilitate the success of startup companies*. (p. 10)."

Lastly, one of the suggested and highlighted areas of future research is "*the development of tools to measure the social impact of corporate social innovation activities and how they connect the company's strategies*" (Dionisio & de Vargas, 2020, p. 10). As global social and environmental challenges intensify, CSR efforts have evolved significantly over the past decades, becoming larger, more sophisticated, and more integrated within business strategies (Impact Europe, 2024). Additionally, progressively corporate innovation departments now include a focus on developing solutions and business models that address pressing social and environmental challenges, accentuating the potential of social innovation to accelerate the corporate impact journey (Impact Europe, 2024).

The next section expands on the scholarship of nascent field of impact investing and its extension into the corporate context as an innovative strategy

2.4 The Role of Corporations in the Field of Impact Investing

2.4.1 *Impact investing as the "New" venture philanthropy*

Impact investing has emerged as one of the new tools and ideas with roots in venture philanthropy, and it is gaining momentum as an innovative way to build social value (Grossman et al., 2013). Venture philanthropy was an ambitious innovation in the field of philanthropy. Venture philanthropy refers to then (mid-to the late 1990s) a 'new model of grantmaking' intended to serve as an approach to distributing philanthropic capital in the non-profit sector (Moody, 2008). The academic literature on venture philanthropy is limited primarily due to the description of the approach. However, it is more beneficial to examine it in the context of the literature on social enterprises and social entrepreneurship (González, 2016).

The model applies the same principles as venture capital funding to invest in start-up, growth, or risk-taking social ventures. Notably, this model arose mainly because of a growing public impression that traditional financing mechanisms rarely assisted non-profit organisations, or other socially beneficial industries build capital (Letts et al., 1997). Venture philanthropy is used to describe an approach to philanthropy that is modelled on venture capital investments. Venture philanthropy is a strategic approach to philanthropy for private foundations and community foundations where "grants are investments, donors are investors, the impact is called social return, the grant review process is called due diligence, and a grant list is an investment portfolio" (González, 2016, p. 44). While the emerging impact investing concept was only formalised in the late 2000s, it has its roots in venture philanthropy and "has been referred to by previous scholars as 'cause-based investing', 'targeted investing' and ‘community investing’” (McCallum & Viviers, 2020, p. 2). The concept was coined by the Rockefeller Foundation in 2007 in the attempt to drive momentum for the positive social and environmental investing practice more strategically in the United States (Nicholls, 2016). The Emerging Markets Private Equity Association (2015) puts it this way, “impact investing is a lens through which investors consider investment options across asset classes, such as bonds, listed equities, and private equity” (p. 564).

The GIIN defines impact investments as investments made to generate positive, measurable social and environmental impact alongside a financial return. Unlike venture philanthropy, which only seeks a social return on investments – impact investments seek both social and financial returns. The key elements of impact investing are intentionality and measurability of impact. Another key element often overlooked is the theory of change (Jackson, 2013). The theory of change is integral to the achievement and measurement of impact.

Globally, impact investing is one of the fast-growing responsible investment strategies and it is under-researched in emerging markets (McCallum & Viviers, 2020). Furthermore, emerging markets specifically battle to attract institutional capital for impact investments (EMPEA, 2015). The 2020 Global Impact Investing Network (GIIN) Annual Impact Investor Survey shows Sub-Saharan Africa (SSA) as the slowest-growing region of impact investments at a compound annual growth rate of 7% between 2015 and 2019 (Hand et al., 2020). According to this Survey (2020), the SSA aggregate impact assets under management amounted to US$12,8 billion in 2019. A 2015 United Nations Development Programme (UNDP) report (2015) that reviewed the overall state of impact investing in Africa “…noted that low-income countries, the majority of which are located in Africa, will require US$342-355 billion annually to deliver on the SDGs” (p. i).

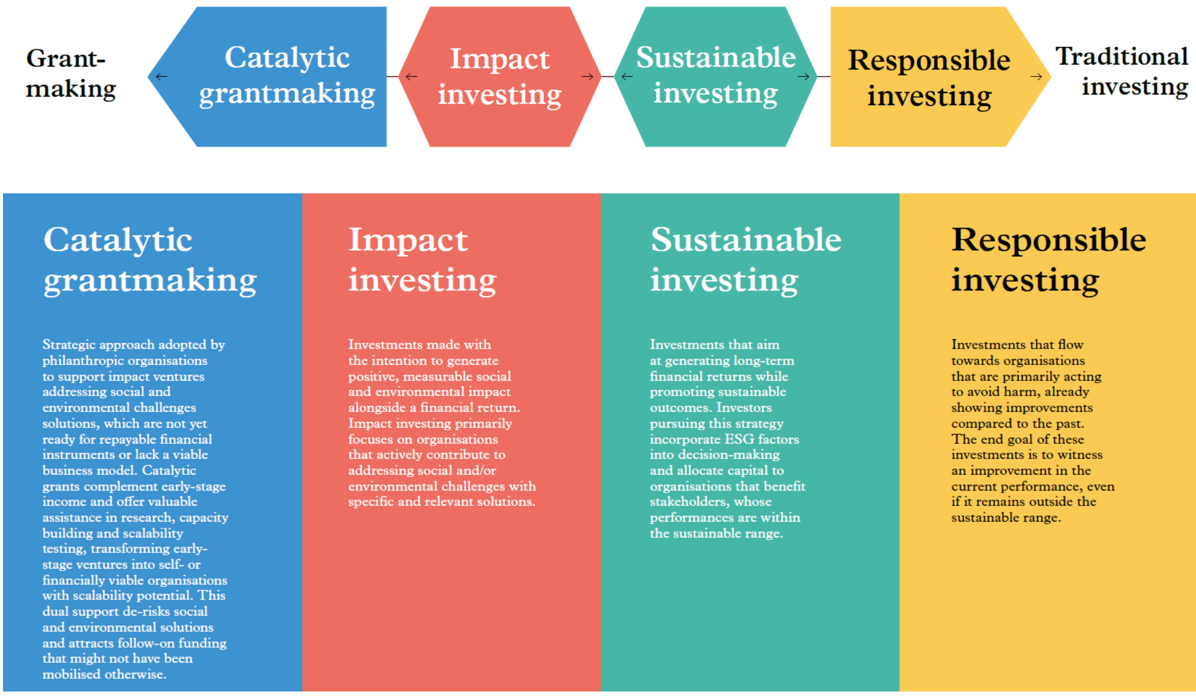
The 6th edition of the African Investing for Impact Barometer (AIFIB) report (2022) published by the Bertha Centre for Social Innovation and Entrepreneurship in partnership with RisCura sustains that impact investing and sustainability-themed investing attract the least amount of assets relative to other Investing for Impact (IFI) strategies despite showing the most potential for palpable impact in Southern Africa for USD 613.1 billion (Giamporcaro et al., 2022). The other IFI strategies include environmental, social and governance integration, investor engagement and screening. The objective of the AIFIB is to display a spectrum of the growing IFI market and strategies on the African continent. Further, the GIIN's recent *Sizing the Impact Investing Market* report (2022) estimates that the current assets under management for impact investments stand at USD 1.164 trillion of which SSA represents 2% while the achievement of the 2030 SDGs falls short of funding at a staggering USD 4.2 trillion. This begs institutional investors, particularly corporations in the emerging markets – specifically in SSA – to closely explore their role in this emerging responsible investment strategy.

2.4.2 *Corporate impact investing*

While corporations are increasingly becoming relevant in the field of impact investing, they remain overlooked in literature – despite their potential as capital providers and insider expertise (Fernandez, 2015). While impact investing strategies can be adopted by philanthropic foundations to leverage impact (Hand, 2018), these strategies are commonly practised through venture capital investment models managed by venture capital fund managers as these models are seen to be more appropriate models to create scalable social impact. Corporate foundations established in line with CSR strategies and funded by CSR budgets have key restrictive features including restricted operating models by law to apply resources for public benefit, limited mission scope, and issuing only grants as opposed to debt or equity (Heitmann et al., 2021). These restrictions present opportunities to enhance strategy implementation (Wong, 2021). Notwithstanding these limitations, corporate impact strategies are gaining momentum as a driving force for systematic change, and corporates are looking to alternative structures to mobile corporate resources more strategically – one such alternative structure is that of a 'corporate impact fund' (Heitmann et al., 2021; Macpherson et al., 2021).

Corporate impact investing is still a nuanced concept given its limited practice. It "is still a nascent field with more validation points and definition likely to come in the years ahead" (Macpherson et al., 2021). The escalating need for catalytic capital drives the petition for corporate impact investing. The Catalytic Capital Consortium (C3) – a strategic partnership between The Rockefeller Foundation, Omidyar Network, and the MacArthur Foundation – defines catalytic capital as a subset of impact investing that addresses capital gaps left by mainstream capital in pursuit of impact for people and planet that otherwise could not be achieved. Further, this capital accepts disproportionate risk and concessionary return to generate a positive impact and enable third-party investments that otherwise would not be possible. A 2019 report by Tideline (2019) highlighted the seeding role of catalytic capital as instrumental to social enterprises in overcoming early-stage challenges. Corporate impact investing in a seeding role offers organisations an excellent opportunity to scale societal solutions while elevating their inclusive and sustainable business strategies. *Figure 3* below provides an overview of impact investing on the continuum of capital. Moreover, Impact Europe in its *How To Do Corporate Investing* Report (2024) highlights 'adopting an innovative and holistic strategy', 'collaborating with new stakeholders' and 'balancing impact and profit' as the main drivers to engaging in corporate impact investing.

Figure 3: Impact investing on the continuum of capital



Reproduced from Impact Europe (2024).

2.5 Conclusion

Despite its upper middle-income status, Namibia has significant social and developmental challenges such as high inequality and relatively high poverty which need urgent attention and solutions. The efforts and interventions of Namibia's development agenda will require more than those of the government, civil society organisations and the business community. The lack of or limited legislation and enforcement thereof in the civil society organisations' eco-system stifles agency and urgency. Further, the delay in enacting the National Equitable Economic Empowerment Bill (NEEEB) leaves the practice of CSR to an act of volunteerism and self-regulation which further undermines the urgency of the development agenda. Despite this, the Namibian business community engage in CSR activities as influenced by their values, practice of good governance and globalisation.

The literature review illuminates the CSR discourse as broad and nuanced such that CSR has no one accepted definition both in academia and practice. The CSR literature extends to corporate philanthropy. Corporate philanthropy literature further explicates the evolution of philanthropy from charitable giving to strategic philanthropy as a more effective way of doing corporate philanthropy. Strategic philanthropy is conceptually framed as an investment with social returns and the management of such investment for the benefit of both the organisation and the community beneficiary. For the context of this study, which is set in Namibia, the common language used to refer to this is strategic philanthropy. There is no literature on the practice of strategic philanthropy as a subset of CSR in this context and thus, CSR was broadly explored in this study.

The complexity of the social and developmental issues highlighted in this literature review demanded a review of an emergent approach, impact investing, as a new and innovative tool to solve these issues within the context of CSR. The review observed impact investing as an extension of venture philanthropy. While impact investing is a nascent field, there is an elaborate amount of practitioner literature on a global scale advocating for corporate impact investments in which corporate philanthropic capital can serve as catalytic capital to make investments that would otherwise not be possible. Finally, there is no literature on impact investing in Namibia apart from a GIIN report published in 2016 on the landscape of impact investing in Namibia.

Observing the gaps in the literature highlighted above, this research aimed to understand the convergence of CSR and impact investing in a meaningful and deliberate way through shared characterisation and practice in the local context. The goal was to build on the extant scholarship on corporate philanthropy by exploring impact investing as one of the appropriate approaches to CSR in practice and its potential to maximise transformational change. This research will also benefit the developing impact investing field and its limited academic literature in Namibia.

Chapter 3 Research Methodology

This chapter outlines the research methodology of this study. It explains the research strategy, approach, design, sample selection process, data collection and data analysis, limitations, and the ethical considerations underpinning this research.

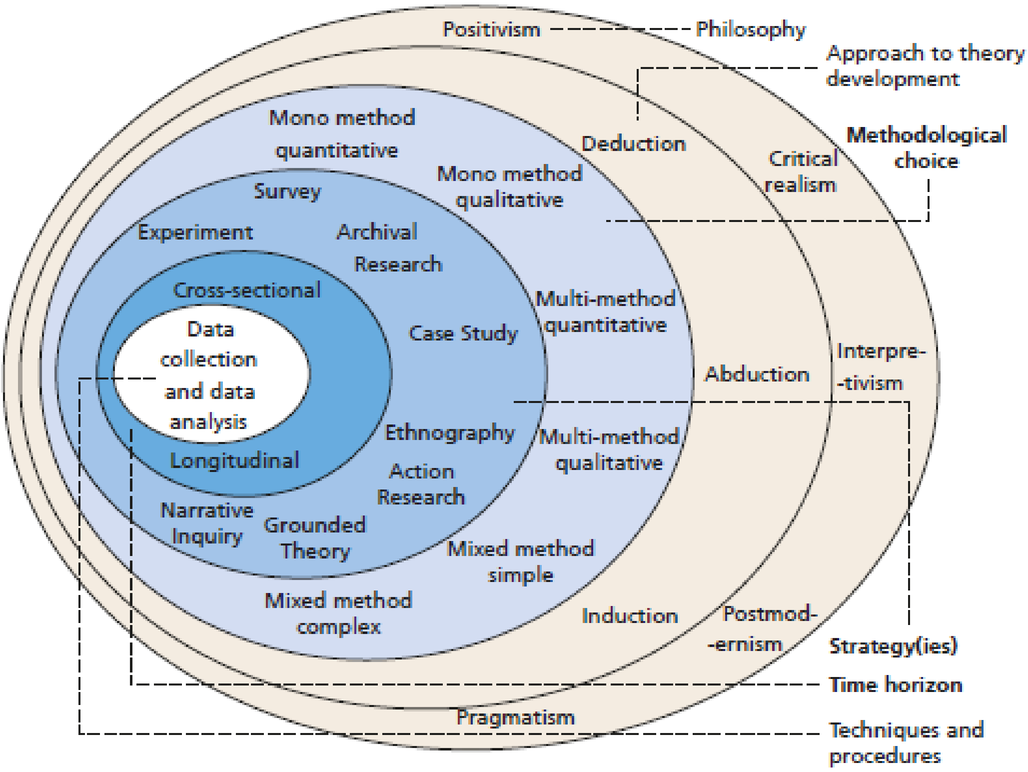
The purpose of this research study was to answer the research question: *How might CSR more deliberately provide seed capital for impact investing?* The following sub-questions elucidate the main research question:

1. To what extent do corporations utilise CSR funds to support impact investing in Namibia?
2. What is the involvement and appetite of these corporations in impact investing through their practice of CSR?
3. What are the barriers these corporations face or may face in allocating CSR funds towards impact investing?
4. What role do these corporations play or may play in the local impact investing market through their practice of CSR in Namibia?
5. How might this role address the social ills of poverty and inequality in Namibia?

The objective was to explore the intersection between CSR practice and impact investing in the Namibian context by demonstrating how corporations or corporate foundations can more deliberately leverage the use of impact investing strategies. This was achieved by developing a praxis model that envisages the relationship between these two constructs in practice.

The research methodology of this study as outlined in this chapter was guided by the "research onion" (*Figure 4* below) which was used to explain the various elements of the research process.

Figure 4: The Research 'Onion'



Adapted from Mark Saunders, Philip Lewis and Adrian Thornhill (2012).

3.1 Research Philosophy

A researcher makes assumptions in their work and these assumptions may be described as 'philosophies' or 'paradigms' – a worldview. According to Saunders et al. (2012), a paradigm is "a set of basic and taken-for-granted assumptions which underwrite the frame of reference, mode of theorising and ways of working in which a group operates" (p. 140). Creswell (2003) further emphasised that, philosophically, a researcher sets a knowledge claim about what is knowledge (ontology), how the researcher knows it (epistemology), what values go into it (axiology), how the researcher writes about it (rhetoric), and the processes for studying it (methodology). *Figure 4* above outlines various philosophical paradigms in the outer layer of the 'Onion' but for this study that explored the CSR in relation to impact investing as a responsible investment strategy, constructivism, often combined with interpretivism, was the lens through which the study was undertaken.

This research employed a social constructivism paradigm which emphasises an inductive development theory from subjective, varied, and multiple meanings derived from people's lived experiences (Creswell, 2003). Given the subjectivity in the application and practice of 'responsibility' in CSR, as this is generally left to the discretion of the corporation (Crane et al., 2013), this study enabled each participant to provide a unique account of the practice of CSR. According to Charmaz (2006), constructivism fosters reflexivity throughout the research process. The researcher relied as much as possible on the views of the participants of the phenomena being studied in order to draw subjective meanings of their experiences.

3.2 Research Approach

Given the exploratory nature of this study, an inductive approach, which allows for potential theory generation through inductive reasoning, was used (Creswell, 2003). Further, an inductive approach in research is used "to inform practice … and find solutions … to … societal problems that will result in increased effectiveness" (Patton, 1990, p. 412). An inductive approach was well suited for this exploratory study that systematically sought to answer a research question for which there is little empirical evidence (Eisenhardt, 2021).

3.3 Research Method

In order to explore the research participants' views on their understanding of CSR and impact investing synergistically, and inductively extracting these viewpoints to draw conclusions, a qualitative mono method was followed using in-depth semi-structured interviews. A qualitative research design was deemed appropriate for this empirical inquiry as it allowed the researcher to systematically understand the meaning that the participants ascribe to a social problem in a natural, 'organisational setting' (Creswell, 2003; Langley, 1999). Furthermore, a qualitative method was well suited for this study given its exploratory nature and its small sample (Terre Blanche et al., 2010).

3.4 Research Strategy

A general inductive approach was followed with the aim of building up clear connections between research objectives and research findings (Liu, 2016).The primary purpose of this inductive approach was to condense extensive and varied raw text data into a brief summary format, establish clear links between the research objectives and the summary findings and to develop a model about the underlying structure of experiences, processes or perceptions that are evident in the text data (Thomas, 2006). The research design of this study had the same purposes.

This approach was useful for this research study given it “ensure the transparency, but also the defensibility of the research design” (Liu, 2016, p. 130).

3.5 Research Design, Data Collection and Data Analysis – techniques and procedures

3.5.1 *Research design*

A research design is a general plan of how to go about answering the research question (Saunders et al., 2012). Against the purpose and objectives of this research study highlighted above, the research design is outlined below.

From the outset of the research, the research design was developed from an existing framework which informed the semi-structured interview guide for the study, implying a deductive approach (Hand, 2018; Thomas, 2006). However, the purpose of this research was to attempt to discover new empirical insights that can be used to develop a new model or theory that will be useful to Namibian organisations seeking to innovatively amplify their societal and environmental impact from their philanthropic capital through impact investing in contrast to a priori, a theoretical orientation (Creswell, 2007; Thomas, 2006). This was achieved by understanding how people are experiencing the intersection of these phenomena from their contextual practice “as opposed to deducing testable hypotheses from the existing theoretical frameworks” of CSR (Charmaz, 2006, p. 4). Thus, although the findings would be influenced by the research objectives, findings arose directly from the analysis of the raw data (Thomas, 2006).

The research design was developed to make use of semi-structured interviews with CSR managers (or, the equivalent) of the research participant organisations in Namibia. This design was selected to achieve the research objectives in the following ways: the semi-structured interviews were conducted to understand the contextual practice of CSR practice of Namibian corporations, to appreciate their understanding of impact investing, and their appetite to engage an impact investing strategy in the future. The semi-structured interview guide was developed to aid the interviews, in-person and virtual, for all participants, respectively.

3.5.2 *Data collection*

Purposive sampling technique

The participants were purposively selected because of its usefulness to 'inform emerging theory' (Saunders et al., 2012, p. 284). Further, to this study, "the purpose of sampling is … to pursue theoretical lines of enquiry rather than to achieve representativeness" (Saunders et al., 2012, p. 186). The selection criteria for the research participants were established from the onset of the study. With purposive sampling, also known as "judgemental sampling," the researcher used judgement to select cases that best enabled the researcher to answer the research question and meet the objectives of the research (Saunders et al., 2012). The sampling technique is ideal for exploratory research, and it is often used when working with very small samples that are particularly informative (Neuman, 2014). The researcher specifically applied the heterogeneous purposive sampling strategy in order to uncover key themes from sufficiently diverse participants of the research interest (Saunders et al., 2012). As a result, the criteria for the selection of participants were reduced to organisations across various sectors faced with institutional pressure for CSR evidenced by a CSR policy or those with committed annual budgetary allocations towards CSR activities (Crilly et al., 2012). The unit of analysis for this research was at the level of the organisation.

The sample size is dictated by the point at which the fieldwork effectively addresses the research question, and the research objectives are achieved. Thus, the study's number of participants was dependent on whether theoretical saturation had been reached (Saunders et al., 2012). This is the point at which data from additional participants only confirms what has already been established; thus, the model is fully saturated (Creswell, 2007; Saunders et al., 2012) or put otherwise, the data collection and analysis have led to the "generation of a contextually based theoretical explanation" (Saunders et al., 2012, p. 186). Initially, it was anticipated that theoretical saturation would be reached from approximately 25 participants. This was because the population of organisations from which the sample was drawn is heterogeneous – thus, 25 interviews were expected to be sufficient in ensuring that data saturation for the study had been reached (Creswell, 2007; Saunders et al., 2012).

The researcher reached out to 30 Namibian organisations including CSR foundations to increase the probability of achieving at least 25 interviews. However, only eleven of the 30 organisations consented to be part of the study and thus were interviewed, three of the organisations declined involvement in the research study while no response was received from the remaining 16 organisations upon multiple follow-ups. However, with the 11 participant organisations, the researcher was able to reach “generation of a contextually based theoretical explanation” (Saunders et al., 2012, p. 186). This is further explored under the Data analysis section (Section 3.5.3).

Table 1 overleaf presents an overview of the participants’ informant profiles.

Table 1: An overview of the participants' profile

TABLE 1	**Participant Profile**			
Participant no. (P)	*Industry*	*Separate Vehicle for CSI or CSR Operations*	*Position of Informant*	*Years of experience in Position*[2]
1	Telecommunications	No	Corporate Communications Specialist	More than 6 years
2	Financial Services	Yes[3]	Foundation Coordinator	3 months
3	Financial Services	No	Chief Financial Officer	22 months
4	Financial Services	No	Head of Marketing, Communication, and CSI	4 years
5	Mining	No	CSI Manager	7 years
6	Tourism	Yes[4]	Chair of Trustees	7 years
7	Financial Services	No	Head of Corporate Communications & Transformation	4 years
8	Financial Services	No	Marketing and Communications Manager (Assistant)	3 months
9	Oil & Gas	No	Communications & Public Relations Specialist	13 years
10	Financial Services	Yes[3]	Regional Head: Namibia	More than 1 year
11	Maritime	Yes[4]	Social Investment Fund: Working Committee Chairperson	8 years

[2] This represents the relevant work experience period of the informant within the participant organisation only although some of the informants have worked for the participant organisation for longer than the said period albeit in different roles or functions of the organisation.
[3] A non-profit association incorporated under Section 21 of the Companies Act of Namibia (28 of 2004).
[4] A trust under the Trust Moneys Protection Act (34 of 1934).

Primary data: Semi-structured interviews

Given the data analysis was based on semi-structured interview transcripts, the study conducted 11 semi-structured interviews with different CSR managers (or the equivalent) of the participant organisations in Namibia. As opposed to structured interviews, semi-structured interviews were undertaken in order to provide "sufficient opportunity for clarification and additional questioning, in a way that facilitate[s] an in-depth understanding of the CSR context" (Amaeshi et al., 2016, p. 390). A list of the interviewees for all participating organisations and foundations is provided in Appendix D.

Part A of the interview guide which focused on understanding the ground practice of CSR of Namibian corporations was developed based on Trialogue (2021)'s framework and *Part B* of the interview guide which focused on their understanding of impact investing, the extent of engagement and appetite to engage in such strategy was developed based on the insights and the framework from Urquhart et al. (2010) and Dean (2018).

This interview guide was shared with the interviewees well ahead of the interviews once a positive response had been received with respect to the letter requesting permission to conduct research which was shared with prospective research organisations that were contacted. The interview guides are provided in Appendix A, while the letter requesting permission is provided in Appendix C.

The study relied on both in-person and virtual approaches to data collection. The interviews were conducted from January 2023 to May 2023. The use of the interview guide on the day of the interview varied from interview to interview to accommodate the organisational context of the participant (Saunders et al., 2012). This means that some questions from the guide were omitted in certain instances. In other instances, additional questions were added to best explore the research objectives in light of the natural setting of the participant (Saunders et al., 2012). All interviews lasted roughly an hour each. Interviews (virtual or in-person) were recorded, and copious notes were maintained throughout the fieldwork period.

CSR managers (or the equivalent) were chosen because of their proximity to the decision-making process of CSR-related practices. In this study, CSR-related practices were narrowed to “including investment decisions, operations, incentives, and learning” (Crilly et al., 2012, p. 1433).

All collected and recorded interview data was transcribed verbatim using Otter.ai software. The transcripts were also triangulated with other documents and texts, such as publicly available annual reports and company publications on their websites (Amaeshi et al., 2016).

3.5.3 *Data analysis*

The analysis of *Part A* of the interview used a general inductive approach to identify themes in the text data that were related to the research objectives. This is discussed in much detail below. From the onset of the study, *Part B* of interview guide was developed from existing literature and that was used as an analytical framework for studying the data collected from the fieldwork for that part of the interview. The interview guide driven by the research questions for both parts is provided in Appendix A.

According to Thomas (2006), the inductive analysis in terms of the general inductive approach follows five steps, which this study adopted, namely (also depicted in *Figure 5* below):

1. Preparation of raw data files (data cleaning): each interview transcript.
2. Close reading of text: initial reading of text data and identification of specific text segments related to the objectives.
3. Creation of categories: labelling the segments of the text to create categories.
4. Overlapping coding and uncoded text: reducing overlap and redundancy among the categories.
5. Continuing revision and refinement of category system: to creating a model incorporating most important categories.

The coding process established above was employed iteratively and simultaneously throughout the fieldwork using the Delve software. Ultimately, this data analysis stepped process was aimed at identifying patterns to evidence emerging constructs (Edmondson & Mcmanus, 2007) and to then "develop a framework of the underlying structure of experiences or processes that are evident in the raw data" (Thomas, 2006, p. 237).

Using the Delve software, the researcher initially broke down the interview transcripts into excerpts *'slices-of-Data'* and the researcher repetitively read through all the excerpts to establish the initial codes evident in the excerpts. This initial process of coding was difficult due to the open-ended nature of the questions in the interviews which gave participant informants leeway to provide elaborate and context-specific responses. During this coding process, the researcher eventually grouped excerpts of shared properties into codes or the 'conceptual categories' (Urquhart et al., 2010).

Figure 5: The coding process in inductive analysis

The Coding Process in Inductive Analysis

Initial reading of text data	Identify specific text segments related to objectives	Label the segments of text to create categories	Reduce overlap and redundancy among the categories	Create a model incorporating most important categories
Many pages of text	Many segments of text	30 to 40 categories	15 to 20 categories	3 to 8 categories

Reproduced from Thomas (2006).

Furthermore, memo writing was used during data analysis on Delve to capture the reflection on thoughts and ambiguities within the data, which served as analytic notes through which categories during coding could be explicated (Charmaz, 2006). This was mainly useful where the emerging themes in the codes did not perfectly overlap.

Refer to *Table 2* below for the codes that emerged from the initial coding stage. A code is a label, word or phrase, the smallest unit of analysis, which captures something interesting in the data, which is potentially relevant to the research question, that the researcher assigns to categorise such segment of data mostly by topic (Clarke & Braun, 2015). These were the codes established when no additional 'slices of data' resulted in new 'conceptual categories' (Urquhart et al., 2010). For the generation of these initial codes, the researcher used both semantic and latent codes in order to retain the voices of the participants while exposing analytic properties inherent in the data through the worldview of the researcher.

Table 2: Semi-structured interview (*Part A*) – Initial coding table

Code No.	**Code name/Conceptual category**	**Number of excerpts/frequencies**	**Code description**
1.	Collaboration	8	Collaboration amongst companies, between companies and their beneficiaries, and between companies and the government.
2.	National impact	21	A common goal across organisations and an eminent driver for a chosen focal development area which is mainly inspired by national or government objectives.
3.	Corporate citizen	4	A key motivating factor for the practice of CSR.
4.	Government and public sector	17	"The national issues are beyond the government resources" (P4)

5.	Partnerships	26	"Positive change cannot be achieved in isolation" (P2)
6.	Brand	19	An inherent component the practice of CSR. Brand cannot be separated from CSR.
7.	Competition	5	A great hindrance to collaboration in CSR practice.
8.	MSMEs, startup and entrepreneurship development	41	A dominant focal area of CSR funding.
9.	Sponsorship	19	A synonym for CSR in use of language by most informants.
10.	Expertise	5	Organisations are not always the experts or do not always have the expertise for projects or initiatives they engaged in.
11.	Innovation	7	Pioneer capacity of the CSR practitioners in the context of CSR practice.
12.	Skills and mentorship	12	Funding alone is not sufficient because of the grassroots nature of the entrepreneurs.
13.	Sustainability	19	Sustainability as a proponent for entrepreneurial initiatives.
14.	Value creation	11	A stakeholder approach in practice.

15.	Sustainable Development Goals (SDGs)	8	The practice of CSR and the selected focal development areas are to align with SDGs.
16.	Reporting	26	A driver of accountability for CSR practice.
17.	Outcome (s)	4	A determinant of funding renewals.
18.	Impact (making)	37	A pre-investment and pre-engagement condition.
19.	Monitoring & evaluation	8	Another dominant feature of CSR in practice which feeds into reporting.
20.	Measurement	14	The lack of uniformity in the approaches to impact measurement.
21.	ESG	9	The unavoidable new "buzzword" word.

Subsequently, the researcher compared these initial codes or categories to establish the relationships that exist between these categories (borrowing from the constant comparison process from the grounded theory methodology). This process required a great amount of time given the reflexive nature involved. The researcher achieved this by careful analysis of the number of excerpts per code and the overlap that exists between these initial codes which is tabulated in *Table 3* and *Table 4* below respectively. *Table 3* shows the number of interview transcript excerpts per code as outlined above.

Table 3: Number of excerpts per participant for each code *(Part A)*

Table 3	**# of snippets in transcripts**										
Code No.	*P1*	*P10*	*P11*	*P2*	*P3*	*P4*	*P5*	*P6*	*P7*	*P8*	*P9*
1		1	5	2							
2	2	2	2	3		6	1	2	2	1	
3		1						1	1		1
4	3	1		5		3		3	1	1	
5		5	2	2	1	3	3	3	5		2

6	1		7	1		5		1	4		
7		1	1			2			1		
8	6	14	3	5		1	2	2	6	2	
9	3		3	1	1	3	2	2	2		2
10		1		3			1				
11	2	2			1				2		
12	2	1		2	1		1	3			2
13	1	2	1	5		1	3	4			2
14	3	2	1	3		1			1		
15		1	1	2			2	1	1		
16		2	4	7	2	1		3	5		2
17			1		2	1					
18	2	5	3	7		5	2	8	2		3
19	2	1	1	1		1					2
20		2	4	2		2	1	1	1		1
21	3	3			1	1		1			

Additionally, *Table 4* below displays the overlaps between the initial codes that enabled the researcher to understand the relationship that exists between the codes while “exposing analytic properties to rigorous scrutiny” (Urquhart et al., 2010, p. 369). *Table 4* shows the overlaps between the initial codes by cross displaying the codes on the adjacent outlines of the table (bolded) in the same number order as seen in the tables above.

Table 4: Number of overlaps between initial codes *(Part A)*

Table 4	**# of Overlaps Between Codes**																				
Code No.	***1***	***2***	***3***	***4***	***5***	***6***	***7***	***8***	***9***	***10***	***11***	***12***	***13***	***14***	***15***	***16***	***17***	***18***	***19***	***20***	***21***
1				1	3	2	1								1			1			
2				5	1			4	1				1		2			1			1
3				2																	
4	1	5	2					1	1												
5	3	1						3	1	1		2	2		1	1		3			
6	2						2		2					1					1		
7	1					2															
8		4		1	3				1		1	2						3	2		
9		1		1	1	2		1													
10					1							1		1							
11								1													
12					2			2		1									1		
13		1			2									1	1	1		7			1
14						1				1			1			1	1	1			
15	1	2			1								1			1		1			1
16					1								1	1	1		1	1	2		
17														1		1					
18	1	1			3			3					7	1	1	1				6	2
19						1		2				1				2					
20																		6			
21		1											1		1			2			

Theme identification (Part A)

Following the inductive coding analysis, several themes were identified. In developing the themes, consideration was given to the study's research questions as well as the codes that emerged after analysis of all the data sets. More than eight major themes in inductive coding can be viewed as incomplete – in this case, some of the categories needed combining, or the researcher had to make hard decisions about what was more important and less important in the data (Thomas, 2006).

Through the inductive process of analysis, the relationships highlighted above were rigorously explored, the researcher deduced the categories to the four thematic areas below within which the findings were then further analysed in the findings chapter (Chapter 4). The thematic areas are the following:

1. Collaboration
2. MSMEs, Startup and Entrepreneurship Development
3. Sustainability & ESG
4. Reporting

These themes provided the structure for organising and giving an account of the researcher's analytic observations (Clarke & Braun, 2015). Furthermore, *Part B* of the interview transcripts was analysed within the frame themes of the theoretical framework used to develop the interview guide. *Table 5* shows the codes against questions in the interview guide under *Part B* and its corresponding reference in the literature.

Table 5: Semi-structured interview coding table *(Part B)*

No.	Semi-structured interview question	Coding theme	Reference to the literature
	PART B: Impact Investing Strategy for Corporations and Corporate Foundations		
1	How would you describe your current understanding of impact investing? Good Fair Poor	Establishing context	
2	What is your organisation's current position on impact investment strategies for the organisation's assets or initiatives? Fully engaged in this strategy Actively seeking to introduce this strategy Open but not actively seeking Would consider under unique/specific circumstances No plans to consider this strategy	Establishing context (likelihood of engaging an impact investing strategy)	(Hand, 2018)
3	Has your organisation worked collaboratively with another corporate or an impact investor to jointly fund a particular initiative under the strategic philanthropic investments banner? Yes No	Collaboration	(Hand, 2018) (Business & Sustainable Development Commission & Convergence, 2017)

	If 'Yes', please can you briefly share the circumstances.		
4	What role can strategic philanthropy play in impact investing in Namibia?	Context setting	
5	What opportunities does impact investing present for strategic philanthropy in Namibia?	Opportunities (fostering factors for an impact investing strategy)	(Hand, 2018)
6	What do you believe are the barriers to corporate impact investing within the context of strategic philanthropic investments?	Barriers (limitations of engaging an impact investing strategy)	(Hand, 2018)

The findings emanating from the analysis of *Part B* of the interview transcripts are elaborated in Chapter 4.

3.6 Limitations

For this study, the researcher interviewed 11 informants representing 11 participant organisations. Given that the study covered a limited number of organisations in Namibia, inferences from this research data cannot be representative of the practices of CSR in its widest establishment – context should be observed and emphasised.

Inevitably, the findings are shaped by the assumptions and experiences of the researcher, which emphasises that the theoretical propositions depend on the researcher's worldview. Therefore, the interpretation of this study's findings has, in part, been shaped by the researcher's biases (Creswell, 2003).

An inductive analysis focused the attention on specific aspects of the data as it relates to research objectives which "undoubtedly constrain the range of possible interpretations and outcomes" (Thomas, 2006).

3.7 Data Management

All data collected was securely stored and only available to the researcher. All the interviewees were assigned labels to protect their identities, and after the interviews had been transcribed, the audio files were deleted.

3.8 Ethics

The ethical considerations for this qualitative research were broadly embedded in the principles listed below (Hays & Singh, 2012, pp. 79–80):

- *Autonomy:* The right for individuals to choose
- *Nonmaleficence:* “Do no harm”
- *Beneficence:* “Doing good” for others
- *Justice:* Promoting good equally for individuals from various groups, circumstances, and statuses
- *Fidelity:* Being honest, being trustworthy, and acting with integrity
- *Veracity:* Being truthful to individuals we encounter, holding the relationship as a top priority.

Ethical approval was obtained from the UCT Ethics Committee before the commencement of the study, and this approval was obtained on 3rd October 2022. Formal consent from the organisations was obtained at the initial stage of the research (Halai, 2006). In most cases, a formal letter requesting permission from prospective participant organisations was shared with the prospective participant well ahead of the interview. This formal letter is provided in Appendix C. Further, informed consent through signed formal consent forms was secured from the interviewees, otherwise in the event of virtual settings consensus and approval were established before the interviews were conducted. The interviewee ethics consent form is provided in Appendix B. All participants were allowed to choose to withdraw from the research at any stage and this understanding was established in the communication ahead of the day of the interviews. Pseudonyms were used in the write-up of the dissertation (Halai, 2006). A list of all participating organisations and foundations is provided in Appendix D.

3.9 Conclusion

This chapter highlighted the reasons for the research design adopted for this research study. The next chapter takes the data analysis further and outlines the findings in great depth.

Chapter 4 Research Findings

4.1 Introduction

The purpose of this study was to answer the research question: *How might CSR more deliberately provide seed capital for impact investing?*

The methodology discussed in the previous chapter was designed and used to conduct the study. This chapter presents the research findings against the research objectives outlined in the two sections below:

a) Understanding the ground practice of CSR of Namibian corporations to establish the extent to which Namibian corporations support entrepreneurship development, startups, or related projects.

b) Assessing the extent to which Namibian corporations understand impact investing, the extent to which they have engaged impact investing as a strategy, and the possible barriers to engaging such strategy as well as the appetite for future engagement within the context of CSR.

This chapter outlines the findings that emerged from the analysis of the semi-structured interviews supported by excerpts from the interviews conducted throughout the research period. The data collection process comprised in-depth semi-structured interviews. Further, secondary data obtained from the participants' websites and publicly available annual reports was used to triangulate the interview transcripts. In developing the themes, consideration was given to the study's research question above as well as the codes that emerged after analysis of all the data sets. The methodology employed as discussed in Chapter 3 highlights how the study was conducted in much detail.

Firstly, this chapter highlights the context of the study by summarising the overview of participant organisations. Subsequently, the chapter elaborates on the four broad thematic areas that were outlined in Chapter 3 against the research study's objectives in Sections (a) and (b) above – while exploring the interplay between the sections. The details of the findings relating to the objective of Section (a) can be found *4.3.1* below. The thematic areas are as follows:

1. Collaboration – *(a)*
2. MSMEs, Startup and Entrepreneurship Development – *(a)*
3. Sustainability & ESG – *(a)*
4. Reporting – *(a)*

The findings relating to the objective of Section (b), the more exploratory body of the study, are outlined in greater detail under *4.3.2* of this chapter. The chapter then wraps up with the conclusion that reiterates the findings without discussing them in detail. Instead, the conclusion summarises the key findings of the study under *4.4*.

4.2 Overview of Participant Organisations

This section provides an overview of the 11 participant organisations interviewed. Five of the participants are listed on the Namibian Stock Exchange (NSX) whilst the remaining six are not listed on the NSX. Companies listed on the NSX have greater public accountability and their annual financial statements (AFS) were readily available online whereas the AFS of the unlisted companies were not readily available online except for two of these organisations. These are both state-owned enterprises (SOEs). A request was made to the other informants of the unlisted companies for the AFS but only one complied with this request and another one stated that they were not permitted to share them. The remaining unlisted companies did not share their AFS. Beyond the AFS, six of the participant organisations have published reports with respect to their CSR activities for the 2022/2023 financial periods. These reports hold titles such as 'Social Value Report,' 'Report to Society,' 'Impact Report' and 'Responsible'.

About five of the informants representing the participant organisations hold executive positions in their respective organisations, whereas six of the informants have position titles in the marketing, communications, and public relations domains. The executive position titles of the informants included a Chief Financial Officer, a Chair of Trustees, and CSI managers. The diversity in management levels, positions held and how long the position has been held provides a good balance in terms of insights and appreciation of the study context. This is tabulated in *Table 1* in Chapter 3.

Four of the organisations have had a CSR (or, the equivalent) in existence for longer than 21 years, three of the organisations between 16 and 20 years in existence, and another three of those between 11 and 15 years in existence, with the youngest CSR policy being in existence between five and 10 years. It is worthwhile noting that most of the participant organisations interchangeably named their policy as 'CSI' or 'CSR' for a specific period over the years as the concept landscape in this context evolved. Further, only four of the participant organisations operate their CSR function out of a separate legal entity from the main business operations of which two are registered as non-profit associations incorporated under Section 21 of the Companies Act of Namibia (28 of 2004), and the other two are registered as a trust under the Trust Moneys Protection Act (34 of 1934). The remaining participant organisations manage their CSR activities internally through either their marketing, communications, and public relations function or department within the organisation. Whether the CSR activities are carried out through a separate legal structure or from within the organisation illuminated the level of attention given to these activities. Additionally, the participant organisations that operate their CSR initiatives out of a separate legal structure such as a Section 21 company or a trust can ring-fence the funds invested in these structures and enjoy tax-exempt status.

All the CSR initiatives of participant organisations, whether managed through a department or separate legal structure, are funded through annual budgetary allocations which vary between a set % of profit after tax (PAT), fixed amount or discretionary spending of PAT (that is, the budget allocation varies year-on-year as justified) per annum. In terms of the separate legal structure setup, the above holds true with the holding or ultimate holding company donating the budget allocated accordingly. One of the participant organisations not only gets a budgetary allocation annually from the ultimate holding company but is also a shareholder of the local holding company which entitles it to dividends into perpetuity, expanding its pool of capital.

The nature in which the funds for CSR activities are deployed is either in-kind or grant form and this varies from project to project as justified. The top five supported development areas of the participant organisations include education and financial literacy, health and safety, environment, poverty alleviation and hunger, and entrepreneurship and micro, small and medium enterprise (MSME) development as depicted in *Figure 6* below. Education is a leading priority to the Government of Namibia which claims a quarter of the national budget (Desai et al., 2016). These areas of support are informed by the CSR strategy, which is guided by the national priorities (i.e. Vision 2030, NDPs, and HPPs), Codes of Corporate Governance (i.e. NamCode and King Code) and the SDGs. These guiding principles play a significant role in the outcome metrics and measurement approaches that these organisations undertake for reporting. *Figure 6* below displays the CSR focal development areas of the participant organisations as sourced from the secondary data collected and corroborated by the primary data conveying Entrepreneurship and MSME development is the 3rd most focused on area of the CSR budgets of the research participants.

Figure 6: CSR focal areas by frequency from research participant organisations (personal analysis and notes from secondary data)

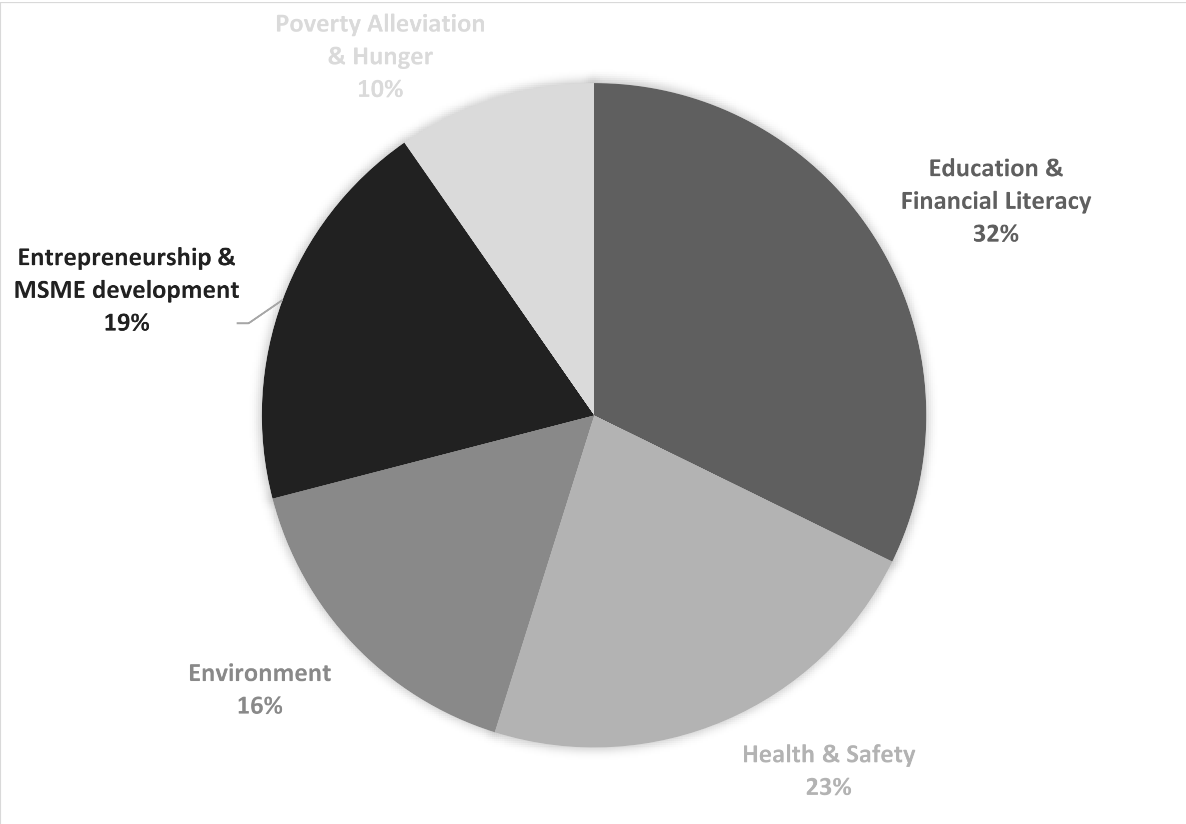


Table 6 overleaf presents a neat summary of the organisational data of each of the participant organisations interviewed extracted from the interview transcripts as well the annual reports and publications on their websites.

Table 6: Organisational data of participant organisations

TABLE 6	**Organisational data of participant organisations**						
Participant no. (P)	*Industry*	*Policy name*	*Policy years in existence*	*Listed on the NSX*[5]	*AFS published or available*	*Budget allocation basis per the policy*[6]	*Budgetary allocation for 2021 financial year (N$)*[7]
1	Telecommunications	CSI	21 years or longer	Yes	Yes	0.4% of annual PAT	7.5 million
2	Financial Services	CSR	21 years or longer	Yes[8]	Yes	1% of annual PAT	6.9 million
3	Financial Services	CSR	11 – 15 years	Yes	Yes	1% of annual PAT	0.45 million
4	Financial Services	CSI	21 years or longer	Yes	Yes	1% of annual PAT[9]	4.9 million
5	Mining	CSI	11 – 15 years	Yes	Yes	Discretionary	2.4 million
6	Tourism	CSI	5 – 10 years	No	No	1.5% of annual PAT[10]	0.619 million[11]
7	Financial Services	CSR	16 – 20 years	No	No	Discretionary	Not available
8	Financial Services	CSR	21 years or longer	No[12]	No	Discretionary	Not available
9	Oil & Gas	CSR	11 – 15 years	No	Yes	Discretionary	≥ 1 million
10	Financial Services	CSR	16 – 20 years	No	No	5% of annual PAT[13]	Not available
11	Maritime	CSI	16 – 20 years	No	Yes	Fixed Amount	3 million

[5] Listed companies, available at https://nsx.com.na/index.php/listed-co-brokers/listed-companies, accessed on 08 May 2023.
[6] Where a % is stated, it is not a hard rule but rather this represents a minimum of the budgetary allocation.
[7] The 2022 financial year reports were not all published at the time of this dissertation due to the varying financial year ends of the participant organisations.
[8] The CSR activities are operated out of a non-profit association incorporated under Section 21 for the group of companies' community activities with dedicated budgetary allocations to this association. The ultimate holding company, a local company, in the group is listed on the NSX.
[9] This is a voluntary allocation four times greater than that required by the Namibian Financial Services Charter (NFSC).
[10] Including the value of in-kind donations.
[11] Although not a listed entity, the participant availed their AFS report on request.
[12] The local company is not listed on the NSX. The ultimate holding in the group is listed on the NSX.
[13] 5% of annual PAT from the ultimate holding company in the group plus a dividend in perpetuity from the shareholding in the local holding company.

4.3 Findings

4.3.1 *The ground practice of CSR in Namibia*

This section outlines the thematic findings with respect to the practice of CSR from Part A of the interview guide. To resolve high unemployment rates, tackle the lack of job creation and improve the socio-economic landscape, not only is it possible for companies to spend some of their CSR budgets on entrepreneurship and MSME development including startups, but it is found to be highly effective (Swanepoel et al., 2010). Despite this understanding, the literature reveals that this area remains deeply unexplored, more from a context lens, against which the research question for this study was developed. Inherent in this research question is the assumption that resources are mobilised through the practice of CSR by Namibian corporations to support entrepreneurship development or related projects, including providing seed capital for startups albeit haphazardly. This necessitated the undertaking of this study so as to understand the ground practices in Namibia within this context to appreciate how such practices can best be positioned to provide seed capital for impact investing.

Based on the data analysis of the interview transcripts, the following thematic areas emerged:

- Collaboration
- SMEs, Startup and Entrepreneurship Development
- Sustainability & ESG
- Reporting

Chapter 3 has tables that show the number of the initial codes, the frequency of such codes as well as the frequency of those codes per each research participant. Moreover, *Table 4* presents the overlaps between those initial codes that formed the thematic areas outlined above and discussed in this section.

Collaboration

From the analysis of the transcripts, it was apparent that most of the informants see collaboration as a vital component of the day-to-day work they do in their CSR practice – whether this is collaboration between corporations or corporations and the government, or corporations and the respective communities in which they are involved. The initial code analysis showed a significant overlap between collaboration and partnerships where informants emphasised the importance of working with like-minded companies that share the same vision and values as theirs. For example, P2 commented that *"we have this thing of you know, being connectors of positive change that [we][14] don't work in isolation where possible, we want to partner with like-minded organizations that have the same vision mission as us that we can collaborate with."* P9 and P10 shared similar sentiments expansively, highlighting that partnerships through collaboration especially with the communities (including local authorities) in which they intend to carry out CSR activities or projects are the lifeline of impactful CSR operations. *"You need to collaborate, because of the funding, and the type of impact that we want to give."* P11

P5 emphasised that such partnerships are also another way of ensuring sustainability of initiatives such that if they were no longer in business, the work they have started continues:

> *"We also do this with like-minded partners, to reach out to ensure that there is that continuation, you know, eventually, Mines come and go. But if you have good responsible partners, also like-minded other corporates, then one can sort of now already work on strategies, that will, you know, make sure that the good work that we have started actually still continues."* P5

In practice, amongst others, informants elucidated that collaboration also means co-sponsoring and co-branding on initiatives or projects, particularly where a partnership has been established between companies. P11's position strongly supports this narrative "*I'm[15] all for pro sponsorship, pro collaboration, absolutely!"* Another of the informants, however, highlighted that this can become problematic in certain instances especially where strong brands from the same sector or industry are involved as this would be considered competition. Competition was underscored as a leading hindrance to collaboration and thus a barrier for greater impact initiatives.

[14] Words in these parentheses: […] are the researcher's; they are included to join phrases and to make sense of interviewees' descriptions in correct English.
[15] To maintain originality and credibility of data, contracted words 'that's, I'm, 'we'll', etc.' used by the informants are retained.

"One of the barriers that I wanted to add as well was that – I mean can we as banks not work together to drive one thing but now my competitors are trying to do this, I'm trying to do this. That's why we partner a lot with MTC in a lot of CSI initiatives, because I think we're not competitors, but we have the same vision in terms of bringing impact to the community." P4

On the contrary, P11 stressed competition as a non-issue because of the unique sector in which the organisation operates, and as long as there is brand alignment then collaboration is plausible.

Furthermore, the overlap between the collaboration and competition codes revealed that in practice some brands just do not work well together, even when the impact potential is far greater if the brands came together for a CSR initiative. The findings also revealed latent in the practice of CSR in Namibia and as an extension to the conversation on competition – the pursuit of brand equity as top priority when considering involvement in a particular CSR initiative or engaging in partnerships. Brand equity demands brand awareness and although a public relations or marketing matter, CSR in essence is seen as a strategic tool to build brand equity for organisations. P11 emphasised that "*it's all about brand building. And it's*[15] *all about establishing a brand and [we have]*[14] *been around for 10 years. So, in terms of supplementing our brand equity is having the Namport Social Investment Fund and CSR activities to increase our brand equity."* P4 further stated that brand positioning and brand warm within the CSR domain positively influence the financial returns of the organisation in the long run, and P7 complemented this by elaborating that CSR activities bring a personal story to the brand of the company in the long run. On the contrary, P6 explained that it was necessary to separate the two – branding and CSR.

"The Care Trust is a separate thing. That's[15] *also important to us is to keep it separate. It's separately audited, separately managed and governed, in terms of a board of trustees, which is also important to us, because the Gondwana Care Trust is not a branding and marketing exercise, that we have a branding and marketing department. This is this is more, probably more than the traditional, you know, CSI CSR."*

Apart from brand equity, corporate citizenry emerged as another common motivating factor for the practice of CSR (or the equivalent, such as CSI amongst others) in Namibia, as the findings reveal. This notion of being a corporate citizen also ties back to the participant organisations' empathy and patriotism for the government and the national agenda as alluded to in the findings above. P6 emphasised their fondness for the words 'corporate citizen' as this provides certain rights and obligations and some of these obligations allow it to go beyond business in what it does. P9 on the other hand stated that being a caring and responsible corporate citizen has allowed it to campaign for and strengthen its CSR activities when negotiating with its executive management. The findings bring to the fore how corporate citizenship dictates the extent of the impact that corporations seek and what they are prepared to invest in. For example, seeking impact that extends beyond the corporate itself to nation-wide matters. Revealed in the findings, is that to be a corporate citizen is something a corporate should be able to demonstrate not just through CSR practice but in paying taxes and its advocacy works. This demonstration of corporate citizenship ties in well with being accountable for funds disbursed and reporting on the spent including the impact or the outcomes of the initiative or project undertaken.

Off the back of corporate citizenry, the findings also showed cross-sector collaboration as a very distinct feature in the ground practice of CSR in Namibia. The informants emphasised that public-private sector collaborations play a much-need role while still highlighting that it still has a long way to go in the practice CSR in Namibia. From a majority of the interview transcripts, the researcher observed the interplay of roles between the government and private corporations in Namibia as it relates to social and economic upliftment. Patriotic sentiments as far as developmental matters are concerned resurfaced several times in the interview transcripts. These sentiments were observed across 10 of the 11 participant transcripts. The overall sentiments were positive. Of these 10 participant organisations, two are state-owned enterprises and thus have a national mandate and ultimately, a natural tendency towards aligning with the governmental agenda and national policies. P1 aptly stated that being a national entity has meant that their impact also needed to be of national relevance. Further, P6 added:

> *"My responsibilities first and foremost, obviously start with partially, identifying potential strategic sponsorships. Strategic could be a loaded word. So, if I was to*

unpack it, for example, opportunities where we could get involved to support national objectives, for example, and there are general government objectives around social upliftment, alleviating poverty, education, human empowerment, and entrepreneurship." P6

P4, P2 and P7 shared the same views respectively, *"we go back and also look at the national agenda from a presidential point of view and see like, where's the gap?"*, *"so, we remain relevant by also finding out what is the government doing ...*[16] *We see really the important role that corporate companies are playing, not to say that we're*[15] *taking away the government's job but we're*[15] *collaborating and being true to our values"* and *"we are passionate about supporting national objectives, about uplifting the people in our communities."* These sentiments also corroboratively echoed the impact or value creation reports of P4 and P7.

In a memo, I noted a slight tension between organisations that are for supporting the government in delivering on the national agenda and those that demand the government to do better in its own right, as such bringing to question the efficiency and effectiveness of the governance of state assets or public spending instead of relying on corporate support to fill its expenditure gaps. P1 highlighted that the *"government needs to start doing their part, our [part]*[14] *is only to compliment them."* And P4 likewise pointed out that *"the Government should also be smart in how they do their spendings as well."* Further, P10 emphasised the importance of doing something meaningful for Namibia such as continually supporting the government and its endeavours. P4's view connected with P10's point, stating that if the private sector does not play its part in driving the national agenda, the country will not move forward.

COVID-19 national efforts were highlighted as a great example of public-private collaboration while it remained illuminated as a unique one, but this was not without criticism. *"We directed a lot of our funds to COVID. Because that was something of national [impact]. So, we remain relevant by also finding out what is the government doing."* P2. The noble and proactive initiatives of the private sector to tackle socio-economic challenges and the eagerness to support the government could not be missed in the data collected; however, the lack of central

[16] This punctuation mark, ellipses, … is used to inform readers that some interviewees words have been omitted.

coordination on a national level was highlighted as a cause for inefficiencies and possibly a duplication of efforts. *"The chaotic example that I have [is]*[14] *COVID, and everybody was donating. There was a meeting here and nothing had been done in between. You don't*[15] *know whether you donated it to the right people or whether the thing was used for intended purposes."* P1

MSMEs, Startup and Entrepreneurship Development

Entrepreneurship and Enterprise development (EED) including MSMEs, and startup support was highlighted as the 3rd most focal area of the CSR initiatives of the participant organisations (refer to Section 4.2). On average, 19% of the CSR funds of participant organisations combined is mobilised towards entrepreneurship development – with reference to the secondary data in *Table 6* – approximately 19% of N$26.8 million (3 of the participant organisations' data was not available) of CSR monies for 2021 financial year amounts to approximately N$ 5 million towards the support of this focal area for that 12-month period.

The findings uncovered that this support manifests in various forms and approaches from grooming entrepreneurship skills through games in schools (i.e. embedded in education) to entrepreneurship skills training including incubation and acceleration programmes. This is mainly achieved through partnerships with accelerators or incubators, amongst others, grant funding as seed and pre-seed funding, SME support through procurement spend (which comes at no additional cost), and technical assistance and business advice through employee volunteerism.

> *"So, if you look at research at the moment, and especially in the micro, small, medium enterprise space, if you look at the percentage of business failures, it's very high. It's somewhere between 80 and 90%. So, the question is, if you had to consider that in the global context, or let's rather bring it home, that's in the African SADC region, what are the main reasons why these businesses [fail]*[14]*? And we say, its various things, obviously, but one of it is market access. But when you dig a little bit deeper, anybody can get up today and start a business. But if you have some level of training academically, then you've got a sort of solid foundation that it allows you some foresight, because you've learned about tax, you do know something about monthly*

reports, you do know something about economics, you do know something about tax …[16] *So that integration between entrepreneurship and you know, the academics, the training, that's how it comes together. So, we [are]*[14] *saying that we want not just to give money for people to start businesses, but we actually want it to be impactful. And when it's impactful, we [are]*[14] *saying it must be successful, it must be long term play, and that also feeds into our investment strategy."* P10

The findings also exposed varied approaches and philosophies in support of entrepreneurs, which are dependent on the available resources of each organisation and the alignment with their missions with respect to CSR (or, the equivalent).

"We call it MTC For Life, we take 20 popular skills or traits of vocations, which ranged from …[16] *salon technicians, your carpentry, your barbering, and all those and say, we identify over 50 Young Namibians. And then we're*[15] *going to provide them training, we're*[15] *going to provide them seed capital, and then we'll*[15] *provide them also a toolkit."* P1

"When you're talking about enterprise development and entrepreneurship, so we have a huge procurement spend already. And part of our drive a few years back was to develop a supplier database. And there's[15] *a lot of small suppliers who are SMEs. Yes, some of them are one-man shows done from the backyard, the garage, some shacks somewhere."* P7

"We lean more towards the positive impact. We don't[15] *really get any returns, but somehow you know there is this thing of shared value/blended value which links with this economic advancement focus – yes, where we, you know, we were giving training on entrepreneurs[hip]*[14]*, especially with Business Box."* P2

The two main forms of financial capital within the context of CSR noted from the transcripts are grant awards as seed capital for local entrepreneurs and corporate procurement spending on MSMEs. Doing CSR through procurement spending was a peculiar insight which P7 emphasised throughout the interview. Also, evident from the transcripts is that financial capital support alone is not sufficient for these entrepreneurs who are mostly micro business owners at grassroots level or aspirant entrepreneurs. Furthermore, as revealed in the transcripts, the actual and necessary support that these entrepreneurs receive beyond seed capital is business skills development and mentorship which ranges from skills transfer through employee volunteerism (including cross-border skills transfer in the case of multinational companies) to funding the training of these entrepreneurs through partnership, with appropriate eco-system players with the appropriate expertise and resources to deliver on such training. This is what P5 had to say about an initiative it co-delivered with a local incubator:

> *"there was one guy we used to call him the bakery man, you know, and he went through our program. And at the end of the day, he was supplying bread and products like that to the local communities to schools to hostels, hospitals. So that's amazing. That's the kind of stuff we want to see."*

These could also be corroborated through secondary data observed in impact or value creation reports (or, the equivalent) of the research participants. Informants emphasised that they are not always the experts or do not always have the expertise in projects or initiatives they support, which demand strategic partnerships or collaborations to ensure meaningful impact, particularly when it comes to entrepreneurship or startup development. P5 noted that *"across all these projects, we are not the experts. Firstly, the reason why we approved and why we funded was because we could see the expertise. This is now when you're*[15] *working with a third-party organization."* P2 similarly echoed that *"you will find that, okay, we may have the finances, but we don't*[15] *have the expertise."*

Another unique and common feature that emerged from the transcripts regarding entrepreneurship funding in CSR practice is the element of risk and the nuances it brings with it.

> *"The one thing that I must mention, and I've got a mandate for that, free to express myself on that is to say that there is an element, because we invest in businesses, there is an element of risk capital ...*[14] *I think when it comes to entrepreneurship, you cannot put an entrepreneur in a box. And that also comes with the risk of failure, that's business failure percentage for them, but of the N$ 50 million up [available to fund*

entrepreneurs][14] 30% is at risk. That's[15] the mandate. So, if things don't[15] work out, so yes, it will still take you through the process of completing the process. You pitched to me first, and you pitched to another committee, and then to the final committee. So, there's[15] that whole structure to make sure that we don't[15] land in that position." P10

Further, P3 contended that funding entrepreneurs through a CSR spending budget requires rethinking philanthropy in this context – especially when there is an expectation of a return. This approach will demand more active management of the funds to ensure that the return objective is effectively achieved, which is different from traditional CSR practice where risk is accepted from the outset, and money spent is essentially money lost. P3 commented that *"as soon as you expect [a][14] return that means it is a risk you need to manage. In other words, [I've][14] put $1 in now I need to try and get that dollar back."*

For the non-capital related risk, which is emphasised as higher than normal risk of failure affiliated with limited financial resources, the findings highlighted the lack of basic financial literacy of the entrepreneurs that need and seek the financial support from these corporations.

"You might have written the best proposal or business ideation with all your analysis and all your forecasting and anything else. The fact is that you do not have any experience how to use money. So, chances are you're[15] young, you're[15] [a][14] risk, I might give you NAD 200,000. And I'm[15] definitely pretty sure that you might just take the NAD 200,000 and go to Dubai [on a][14] holiday. So, we [are][14] then saying, okay, if the young people don't[15] have this profile, what is it that you can do to build that [credit][14] profile?" P1

P7 stressed that this also makes it hard for organisations to find bona fide entrepreneurs to support. This further illuminates a peculiar finding of limited human resources and time in CSR practice as it relates to the support of entrepreneurship development.

"One would be a lack of identifying bona fide proper entrepreneurs. You follow to say, if we were to run an ad, tomorrow in the newspaper, you're[15] [going to][14] get 5000 applications. But true ones will be about 10/20. Now getting to the 10 from the 5000 is

found [to be][14] a huge challenge. Because that would require a lot of time, require a lot of vetting."

Finally, what was also apparent from the findings was how aspirational some of the participant organisations are about being able to do more for local entrepreneurs. Inherently, this demands innovation in the practice of CSR, particularly as it relates to entrepreneurship support.

> *What we dream about is a pre-VC space, where we ...[16] would be likely to do work with the Angel Network and all the things that people pitch to us, entrepreneurs pitch to us. And that we will say one in the fifth, that we will back, but we back them in terms of becoming the first client or the biggest client, so we become the anchor client. So, [if][14] you know, someone [who][14] wants to come up with this innovative thing. And so, so we do twofold. We invest in the business as an equity partner, and we become a client. So, we really de-risk because we [are][14] also an equity side, we can help you to talk about entrepreneurship skills or all those things. So, we kind of de risk it from two sides.* P6

> *"The heart, and I think the story of foundation is to develop impactful entrepreneurs. So ultimately, that's our goal. So, we say at least for the next 10 years – that's my strategy – we want to be able to fund 20 students. So, we say that in 10 years from now, we would want that number to be closer to 100. And further from that, we're saying that in 10 years from now, we'd like to at least [see][14] 10 meaningful businesses that employ up to 10 people from that pool."* P10

Sustainability & ESG

Another recurrent thematic area that steadily emerged from the findings of the interview transcripts is the repetition and overuse of the word 'sustainability'. The notion of sustainability in the context and practice of CSR necessitated the gravitation towards supporting entrepreneurial activities as way to empower communities to sustain themselves. P11 stated that *"the mission ...[16] is [to create][14] sustainable value for stakeholders. So, we're[15] really becoming very conscious about that"* and P5 highlighted that sustainability is pre-requisite element to CSR investments *"...[16] the steering committee will then make a recommendation to* *the board, to the CSI board to say – yes, this is a good project, it falls within our criteria, there is sustainability involved here, we can have a look at it."*

The findings revealed that the most preferred support in this regard ranges from the establishment and sustenance of community gardens to supporting entrepreneurs and start-ups through training and grant prizes awarded often in collaboration with startup eco-system actors such as incubators and accelerators.

> *"That sustainability is very important, like we went to Tsumkwe, we planted this gardening thing so that they have food to eat. Part of our CSI, in partnership with the World Food Programme and the Africa Ambassadors, [as]*[14] *part of the Africa day. Now we need to know, are the fruits growing, are the veggies growing? Are they eating? How many people are eating from that garden? What else can we do? That's sustainability!"* P4

P6 aptly put it like this – *"we must think in terms of sustainable impact. And those two words are extremely important, sustainable impact. So don't*[15] *do things to people, [we]*[14] *do things with people."* The documented programmes and initiatives in value or impact reports and the websites of the participant organisations support these findings. Furthermore, and in contrast, the findings also illustrated that some of the participant organisations seek sustainability without necessarily supporting entrepreneurs or for-profit registered businesses. Nonetheless, the theme across was that sustainability considerations are important and thus play an important role in the practice of CSR. Phrases such as 'sustainable value' and 'sustainable impact' were used.

P2 highlighted sustainability as a key consideration during frequent site-visits and post-investment evaluation to ensure impact is sustained. Sustainability is also a necessary consideration for the longevity of CSR (or, the equivalent) vehicles and structures. In addition, P7 detailed *"we also physically go and visit the projects, and it's*[15] *part of my job, I go there literally meet the people go to one or two places, understand the impact. Listen to the stories of the people, of the beneficiaries, in the project."*

The findings revealed the strong and latent association of sustainability with value creation. While most of the research participants referred to the 'creation of sustainable value', 'sustainable impact' or 'value creation' for stakeholders, it culminates rather into an ideal sought after in the general CSR practice in Namibia. For example, P5 indicated that "*I'm fortunate, and I'm tasked with that duty, at the Mine, for the company to execute on that strategy, to make sure that we are reaching to communities in a sustainable manner."*

> *"Well, I wouldn't*[15] *really say it is embedded in our strategy. I mean, we do make mention of it -- we call it a shared value approach in our strategy. It somehow mentioned in there. I wouldn't say that we're*[15] *fully there where we sort of see the return on investment, but we focus more on return on objectives."* P2

Sustainability was also used synonymously with the UN Sustainable Development Goals in the use of language by the informants as was observed in the interview analysis. The SDGs were spotlighted as an ideal framework of measurement of impact which enables uniformity when contextualised. Several other participants accentuated the notion that the principles of the UN SDGs inform and guide their CSR (or, the equivalent) strategies, including the thematic focal areas of investment. On a national level, the SDGs also guide the national development priorities and policies that in turn is also a matter of CSR and its practice (or, the equivalent), which is covered at length in the *collaboration* thematic area above. P2 highlighted the following in this regard "*we link it to the SDGs, most of the SDGs. But then also, when you look at the Harambe prosperity plan, it's*[15] *sort of also viewed in or dives into the SDGs."*

Furthermore, P7, P5 and P2 all also emphasised that prospective beneficiaries who seek their support are required to specify the SDG(s) that their work align with during the application process. P7 put it this way:

> *"We'll*[15] *probably call it CSI. I wouldn't*[15] *even call it policies but they're*[15] *more principles. In other words, things that matter to us [are]*[14] *things that matter to our shareholders. And these CSI principles pretty much [align]*[14] *to the UN Millennium Goals, those 17 UN Millennium Goals, social upliftment, alleviating poverty, education, women, the environment, entrepreneurship, sustainability. So, they saw this*

principle, the SDGs, the principles pretty much speak to the SDGs. It's[15] *a question of contextualizing one or two, or three or picking as you're looking for."* P7

P11 elaborated that setting a national standard of impact to be attained by corporations, which aligns with the SDGs, and collaboration in the practice of CSR (or, the equivalent) will aid in better reporting in terms of the SDGs.

> *"And we could collaborate more, and we could actually set a standard. And especially when you set a standard, you can report better on the … United Nations [agenda]*[14] *in terms of the SDGs because they rate what is needed and [they provide]*[14] *education, the amount of money and you can say, this is our contribution as SOEs or as Triple P public private partnership."*

Another catchword closely associated with sustainability was ESG. In unpacking their understanding of what constitutes CSR in practice, the informants, especially those representing organisations listed on the NSX, could not resist referencing ESG. Both P1 and P10 were keen to draw parallels between social investments and ESG to emphasise the challenge with many words. Across these participant organisations, it was made clear that the Board of Directors are heavily invested in and focused on ESG and the integration of ESG factors in the business operations. The implementation and execution of an ESG strategy was well underway, if not already implemented. This too is the responsibility of those in charge of CSI or CSR within the organisation as was revealed by the findings.

The urgent and deliberate drive towards ESG observed from the transcripts has largely to do with the NamCode Directive on the Social, Ethics, and Sustainability (SES) Committee issued by the NSX on 14 January 2022. This NamCode directive (2022) emphasised the importance and recognition of environmental, social, and governance (ESG) factors for investors and issuing institutions – and was aimed at directing institutions that subscribe to the NamCode to appoint a social, ethics, and sustainability Committee as a standing Committee whose responsibilities amongst others will include:

- sustainable development;

- integrating ESG factors into business strategy, organisational culture, and operational practices in a way that supports the long-term profitability and viability of a company employing policies and practices; and
- oversight and management of ESG-related risks and opportunities.

Additionally, ESG was noted to play a part in impact reports. P4 highlighted that *"in the Report to Society, so we're coming with a whole ESG framework, which will fit under the CSI or SEE."* Both the drive towards sustainability and ESG integration appear to be ideals rather than an established standing practice; however, reporting also emerged as standard feature of CSR practice. Reporting as a thematic area is discussed below in greater detail.

Reporting

Informants underscored that there is no impact to refer to without monitoring and evaluating, and then ultimately reporting on each project or initiative implemented. About eight of the research participants referred to reporting and its inherent importance in their practice of CSR. In reference to reporting, P7 stressed:

> *"We deliberately drive that. Because it's[15] also important for us to [give][14] feedback [to][14] our boards and shareholders say, look, this is what we've done. This is what has been achieved. These are the challenges. This is [the][14] feedback we are getting; this is how we see this going forward."*

This includes reporting on the outcomes from the entrepreneurs or "jockeys"[17] supported, whether through training or funding. P6 highlighted:

> *"But again, we back the jockeys[17], we don't[15] take over their business, we back the jockeys[17]. And then we [have][14] very strict, very, very strict criteria in terms of supporting you, and the ongoing [support][14] as well, in terms of your reporting back.*

[17] The word 'jockey' is used to refer to the entrepreneur or venture creator in the 'jockey and horse' analogy in business. The analogy rests on the question, should investors bet on the jockey (the entrepreneur) or the horse (the startup idea)?

Again, it's[15] *not our money ... So [we need to]*[14] *report back, even if people don't always read it is so important."*

Further, the findings also illuminated that the inherent nature of reporting is an extension of effective governance structures which drive at a culture of accountability. Reporting is not without an accountability governance structure. *"They need to report quarterly, they need to report on when how they spent the funds, are there some sort of funds remaining, or some project, you'll*[15] *see that they haven't*[15] *spent everything, [and they ask for an extension at no cost]*[14]*."* P2. Meanwhile P11 added "*the idea of ...*[16] *just trying to streamline all of it, CSI and CSR into the working committee trustees, because we anyway have to report on it. So, let's report on everything then. But let's see what the outcome is."*

Reporting is especially critical in creating feedback loops which aid in substantiating the need for additional funding or extension of funding contracts, as highlighted by the informant above. A sub-code to reporting from the analysis of the transcripts is outcomes. The findings illuminated outcomes as key constituent of reporting in practice, which are often times predefined upfront during the due diligence process before the CSR (or, equivalent) initiative is approved. The researcher also noted an overlap and interchangeable use of 'outcomes' and 'impact' as markers or indicators of intended goal of undertaking a particular initiative or funding a particular project or entrepreneur. *"We need to make that impact, you know, we need to look at what sort of impacts are we creating? And we need to be aware of how we do [it]*[14]*, what sort of mitigation plans are we putting in place, and how does that empower the communities."* In support of this, P3 emphasised *"I think what, I think or how I perceive it is, is basically doing something but with a specific outcome in mind, that's*[15] *how I look at it, then I think the only caveat, but at the same time, it's*[15] *like, it also necessitates you to rethink philanthropy or CSR -- CSI?"*

While outcomes are concerned with short-term and medium-term results, impact is associated with long-term changes. Furthermore, whether a particular initiative or investment will have an impact was highlighted as a key consideration for the decision to undertake such initiative but also a component of CSR (or, the equivalent) by all the participants. Illuminating the ideal image of seeking out and only wanting to engage in projects or initiatives that will have real impact. Outcomes necessitate the need to perform a pre-investment assessment to better understand the need or ‘gap’ and its urgency as a way of gauging the magnitude of the impact of the investment. P4 specifically supported this position.

This does not negate the absolute need to measure the post-disbursement impact of CSR funds, which remains a challenge in this space. The findings further illuminated the nuances and challenges that CSR practitioners are faced with in practice when it comes to measuring impact, especially when impact remains loosely defined. *“So, that becomes a bit difficult to sort of like monetize, or find a critical value proposition, insofar as determining what is the impact in the community. The impact that is on the assumptions that you do something.”* P1. Further, P10 very interestingly rehashed it like this:

> *“So, we [are][14] saying that we want not just to give money for people to start businesses, but we actually, [we][14] want it to be impactful. And when it when it's[15] impact, we [are][14] saying it must be successful, it must be long term play, and that also feeds into our investment strategy …[16] And one of the critical questions that we, that people keep on debating last year, and this year I saw it was on the agenda, is how do we measure impact?”*

Furthermore, the findings support the notion that impact is a function of measurement. Measurement requires a measurement framework but a common or universal one does not exist in this context. CSR (or, the equivalent) policy defines the agenda and focal areas of investments. Thus, there is no uniformity in the approaches to impact measurement of the participant organisations, which makes impact measurement difficult in this practice. However, the importance of the measurement of impact for the participant organisations’ CSR or strategic philanthropic investments was rated as follows (informants could only select one option):

- Very important (n=8)
- Important (n=2)
- Fairly important (n=1)
- Slightly important

- Not important

Over 70% of the participant organisations rated impact measurement within the context of their CSR initiatives as very important. Several of the impact measurement techniques that emerged from the research study, which are largely brand-impact driven, included the following:

- Brand warmth or equity via surveys
- Social media or digital channel impressions on media posts of CSR activities
- Success rate of supported initiative (i.e. pass rates of supported students, failure rate of startups or entrepreneurs supported and funded within a 1-year period, how many of the entrepreneurs trained actually started a business, etc.)
- Number of units impacted (i.e. number of startups or entrepreneurs supported and funded, the number of individuals or families represented are employed by these entrepreneurs or startups, etc.). *"Yes, it's*[15] *good to give that person training that they have, you know, something to add to their CV, but how many of them are starting a business or being employed?"* P2

  "We're[15] *saying that in 10 years from now, we'd*[15] *like to at least [have]*[14] *10 meaningful businesses that employ up to 10 people from that pool. So, that is how we would measure that final impact, you know, that would like to actually [have]*[14]*, so from your candidate fellow into the association, and then finally, that impactful entrepreneur, so you measure it on the basis of at least employing 10 people and having a business."* P10

P4 is of the view that brand impact is important from a PR point of view especially in telling and keeping communities up to date with what CSR initiatives and which corporations are involved in. P11 corroborated this:

"So basically, what happens is that you have a media report that is created, and what the media report does, it will tell you okay, you did a press release on, on giving a building, an administration block for [a][14] *school, all those press releases that have been actually published, you can actually work out the press releases that have been published, you work*

out this the column rate of ABC received in the newspaper for free. That is how you measure your impact, how much return on investment."

The findings also revealed effective monitoring and evaluation as a function of reporting. Monitoring and evaluation are key features of the practice of CSR (or, the equivalent) in Namibia, as referenced by more than 50% of the participants in the interviews. This was highlighted as very important for a number of participant organisations, and includes the following:

- Monitoring and evaluating how the supported initiative or project impacts brand equity for a specific period.

  "And I think then we can become more intentional in terms of Namport, socially, as an entity giving back and then what we also do is monitoring and evaluation in terms of brand equity." P11

- Evaluating startups or entrepreneurs that have pitched in, selecting the appropriate jockeys[17] to support.

  "So yes, you go through all of the gimmicks, you do a pitch, there'll[15] be a formal evaluation, we'll[15] do our due diligence or whatever, to see whether this is actually something that is in a proper format. And if it's[15] not there, we're[15] also willing to assist you to get them [there][14]. So, it's[15] almost pre-seed, you know, it's[15] that whole range, that we're[15] willing to journey with you." P10

- Evaluation reports at the end of an initiative or a project.

  "So, we make sure when we get that evaluation report at the end, who was that, wherefrom? How did they get to know [about us][14]? How do they spread the word that this organization or this support exists so that people can know about this benefit as well that Standard bank is offering to the community." P4

Further, the importance of post-disbursement involvement in beneficiaries' causes or projects was ranked as follows (informants could only select one option) on the Likert scale for 9 of the participant organisations:

- Very important (n=6)
- Important (n=2)
- Fairly important
- Slightly important
- Not important (n=1)

Two of the informants did not respond to the question regarding the post-disbursement involvement and thus only nine informants, representative of the nine participant organisations, stated their position on the importance of post-disbursement involvement and support of beneficiaries whose cause or project they funded. Post-disbursement support plays a significant role in ensuring sustainability of initiatives or startups in the long run as was explained in the findings above.

4.3.2 *Current impact investing practice in corporate Namibia in the context of CSR*

The literature review reveals that while there is significant support from the business community for CSR programmes, economic transformation and employment equity, there is very little take-up of an investment approach to market-based solutions that address the social challenges Namibia faces. Further, the literature also highlighted the eminent funding gap within Namibia's impact investing market and the private sector's non-existent participation in this market by highlighting the dominance of DFIs in the known and recorded impact investments in Namibia (Desai et al., 2016). To bridge this gap, this study sought to determine the extent to which Namibian corporations understand impact investing as an emerging concept, the extent to which they have engaged an impact investing strategy and the barriers to engaging such a strategy as well as the propensity for future engagement within the context of CSR.

This section unpacks impact investing as a theme in the context of this study. It outlines the findings from the interview guide (Part B) that was developed based on the framework used by Hand (2018). The interview guide is provided in Annexure A. This semi-structured interview guide allowed for the exploration of additional questions to the specific context of the participant organisation and its circumstances to extract as much value as possible from the one-on-one interview session. Six of the participant organisations allocate a portion of their CSR funds towards entrepreneurship and MSME support. According to McCallum and Viviers (2020), high-impact CSR budgets provide impact investors with an opportunity for collaboration to support the lifecycle growth of MSMEs.

On a Likert scale of quality: *good, fair, poor*, the findings revealed that two of the informants have a good understanding of impact investing, while the remaining nine only have a fair understanding of impact investing. Of the nine informants with a fair understanding of impact investing, two acknowledged incorporating certain features of impact investing in their CSR (or, the equivalent) practices. The informants of these two organisations were careful to elaborate on their responses by confidently emphasising that impact investing, as defined for the purpose of the study, is being practised in corporate Namibia albeit in part. The researcher took it to mean that even if the language 'impact investing' is somewhat novel, its practice long precedes it – 'bits of it' or 'some elements of it'. P6 plainly pointed out that *"it is something we have been doing for many, many years, maybe not under the label of impact investing."* P7 shared the same sentiments as P6 –

> *"I think we are doing bits of it. We probably don't*[15] *call it that fancy word. And as I've*[15] *said [it]*[14]*, I believe a lot of corporates are already doing it. They probably just don't*[15] *call it that yet. But they certainly doing some elements of it. We're*[15] *certainly doing some elements of it."* P7

The three informants (2021 CSR or CSI budget collectively amounted to N$ 13 million) with a good understanding said they indeed are fully engaged in an impact investing strategy. Beyond the interviews with these three informants, no formal impact investing policy or strategy could confirm these organisations' practice of impact investing.

The 11 participant organisations' current position on an impact investing strategy is set out in *Table 7* below.

Table 7: Current position of participant organisations on an impact investing strategy

TABLE 7	**Current position of participant organisations on an impact investing strategy**				
Participant no.	*Fully engaged in this strategy*	*Actively seeking to introduce this strategy*	*Open but not actively seeking*	*Would consider under unique/specific circumstances*	*No plans to consider this strategy*
1	X				
2		X			
3			X		
4	X				
5				X	
6	X				
7	X				
8			X		
9			X		
10		X			
11			X		

Once an overview of the existing impact investing strategy position had been established, the participant organisations were asked a series of questions designed to establish what they believe to be barriers to not engaging such strategy and the likelihood of engaging such strategy in this practice going forward. Although the findings illuminated both the availability of CSR capital to support local entrepreneurs and up-and-coming local startups that are solving pressing social challenges of the country and the corporate community's willingness to engage in impact investing, the participant organisations highlighted the following as hindrances to innovation, which tends to be a huge enabler to novel sustainability strategies such as impact investing in the context of CSR:

- Culture shock to beneficiaries and civil society (n=1) *{P5}*
- Lack of bona fide and proper entrepreneurs to support (n=2) *{P1 & P7}*
- Competition and lack of collaboration (n= 2) *{P4 & P5}*
- Lack of diversity and limitations of the board of directors (n=2) *{P3 & P10}*
- Lack of appropriate expertise in impact investing (n=2) *{P5 & P10}*
- Legal structure of operation (n=1) *{P10}*
- Too many "buzzword" words – a cause for confusion *(n=3) {P2, P6 & P5}*

The frequently cited reasons for not engaging in an impact investing strategy were sourced from informants of all the participants' organisations whether they have engaged or have not engaged such a strategy. Furthermore, the reasons stated above are only representative of the informants who engaged in this question and responded to the question.

Table 7 above highlights the sentiments of the participants' openness to engaging in an impact investing strategy going forward. Two of the seven participant organisations not fully engaged in this strategy are actively seeking to introduce this strategy, while four are open to this strategy although not actively seeking to engage in it. Only one of seven of the participant organisations not fully engaged in this strategy would consider this strategy under unique or specific circumstances. These findings yielded a positive trajectory for impact investments in the corporate setting of CSR and its practice in Namibia.

Further, with respect to role of impact investing and the propensity to engage in an impact investing strategy within the CSR context in Namibia, five participant organisations (of which 3 are listed on the NSX) eagerly diverted the conversation to their 'integration of ESG principles', 'the integration of ESG factors' and 'the adoption of an ESG framework.' Understandably, ESG integration is one of the investing for impact strategies (Giamporcaro et al., 2022).

Furthermore, participant organisations listed on the NSX subscribe to the NamCode, which requires them to establish a governance structure that fosters "integrating ESG factors into business strategy, organisational culture, and operational practices in a way that supports the long-term profitability and viability of a company employing policies and practices"(NamCode Directive on Social, Ethics and Sustainability Committee, 2022). ESG integration strategies are an impending requirement for these organisations and naturally the board of directors of these organisations are currently heavily pushing for this.

On the propensity of engaging an impact investing strategy in the deployment of CSR funds to local entrepreneurs in the future – while being cognisant of how relatively small CSR funds are in the face of amplified social challenges – public-private partnerships and cross-sector collaborations strongly emerged from the findings as key dependencies for the realisation of such a strategy. *"You need to collaborate, because of the funding, and the type of impact that we want to give."* P11. Further, according to P10 *"... they [the government]*[14] *need to become a partner for us to effectively implement our initiatives."*

A sub-theme that emerged from the transcripts was that for impact investing to be reality in Namibia, it require collective effort and collaboration. *"We'll*[15] *have to do it as a collective, not as standalone entities, and also the fact that we don't*[15] *have a centralized database."* P11 Notably, these findings also align with the gaps or limitations uncovered in the current CSR practice outlined under *4.3.1* above.

"Investing strategy has a role to play, of course, it has a role to play. I believe it will be more proactive in our intention, and it will be measurable, and measurable and could see the ROI, and not as standalone entities but as a as a community or as a forum or whatever you'd[15] *like to call it. And we could collaborate more, and we could actually set a standard."* P11

"It will need to involve more than one entity. I don't[15] *think one entity is enough …*[16] *but rather a couple of entities to develop the strategy. I would like to believe it will bring out collaboration between organisations because if you really think about it, yeah, you need to partner around… otherwise it's*[15] *just another CSI."* P3

4.4 Conclusion of findings

This chapter summarised the findings from the fieldwork carried out in the search to address the research question: *How might CSR more deliberately provide seed capital for impact investing?*

The findings were uncovered from questionnaires administered via personal interviews with 11 Namibian corporations. The corporate representatives were interviewed to understand the ground practice of CSR (or, the equivalent), specifically focusing on the fund allocations to entrepreneurship and enterprise development including grant capital support and skills training to establish context. The findings revealed entrepreneurship and MSME development is the third most supported area of participant organisations' CSR (or, the equivalent). Further, while the literature review reveals that there is significant support from the business community for CSR programmes, economic transformation and employment equity, which the findings of this study also corroborate, there is very little take-up of an investment approach to market-based solutions that address the social challenges Namibia faces. Thus, in looking to determine the extent to which Namibian corporations understand impact investing, the extent to which they have engaged in impact investing as a strategy, and the barriers to engaging such strategy as well as the appetite for future engagement within the context of strategic philanthropy within the broader CSR arena, findings revealed that a relatively small number of the participant organisations understand and fully engage such strategy. Furthermore, the findings also revealed that the majority of participant organisations that have not already engaged an impact investing strategy are open, although not actively seeking to engage it. Additionally, the following were the most frequently cited barriers to engaging an impact investing strategy: lack of bona fide and proper entrepreneurs; competition and lack of collaboration; lack of appropriate expertise in impact investing; and too many “buzzword” words – a cause for confusion.

Albeit conservatively so, the findings revealed the interest and appetite for engagement in impact investing by the participant organisations in the future. Such engagement will ensure deliberate and innovative mobilisation of CSR capital towards entrepreneurship empowerment and startup development in the form of seed capital and technical assistance as a force to address the social challenges that the Namibian nation faces.

Chapter 5 Discussion of Findings

> "People can change their own lives, provided they have the right kind of institutional support. They are not asking for charity; charity is no solution to poverty." – Muhammad Yunus (The Nobel Peace Prize, 2006a)

> "Almost all social and economic problems of the world will be addressed through social businesses. The challenge is to innovate business models and apply them to produce desired social results cost-effectively and efficiently." – Muhammad Yunus (The Nobel Peace Prize, 2006b)

> "Impact funds are emerging that leverage corporate seed capital and strategic partnerships to catalyze investments from additional stakeholders ... companies can become catalysts to scale solutions for our most pressing challenges." (Galan & Gilbert, 2023)

The findings on the current practice of CSR in Namibia unveil a correlation between CSR spending and government spending. There is a natural tendency for Namibian corporations to look to the national agenda and spending when deciding what causes to support their CSR budgets. Parallels should be drawn between the government budget allocations and the CSR focal areas of the participant organisations to synthesise this finding. An innate pursuit of impact in the practice was also richly evident. At the same time, the CSR policies did not shy away from supporting entrepreneurs and startups with initiatives ranging from incubation and business training to grant seed funding initiatives, including financing employees' 'side hustles'. The culmination of these insights supports and signifies the crucial role of corporations in combating poverty while empowering entrepreneurs.

The findings likewise revealed how the limited understanding of impact investing by CSR practitioners and the frailty of language significantly influence the potential uptake of impact investing as a strategy for the CSR capital targeted towards funding startups and local entrepreneurs in Namibia. The benevolent nature and size of the CSR monies limit current investments to grants. Furthermore, the findings demonstrate an interest and appetite for engaging an impact investing strategy by the participant organisations in the future within the context of CSR despite its benevolent disposition.

The findings further illuminate an indifference by the research informants to the use of language and its bearing on their understanding of what impact investing is and the extent of engagement. Additionally, revealing that the confluence of CSR and impact investing at the base level should be a function of smart partnerships and collaborations, including public-private partnerships (PPP), but also establishing a firm understanding of who is responsible for the developmental challenges of Namibia as a country and then taking a centrally coordinated approach to address the shortfalls. This is what inspires a praxis model of how corporations can be more deliberate in funnelling seed capital for impact investments through strategic positioning of their CSR practices.

This chapter discusses the following major categories in exploring the potential future of corporate impact investing in Namibia through the lens of CSR and in light of the findings of this research study:

i. Developmental Challenges: Who is responsible for funding them?
ii. High-impact CSR and Impact Investments - Two Sides of the Same Coin?[18]
iii. The Convergence of CSR and Impact Investments – a Praxis framework

5.1 Developmental Challenges: Who is responsible for funding them?

The solution to socio-economic challenges in the face of rising income and a flourishing private sector has increasingly become the government's responsibility, along with development aid and grant-driven non-profit organisations (Viviers et al., 2011). The principle of 'dynamics of interventionism' dictates that pure socialist economies do not exist, and that the role of the government is that of intervening when the markets have failed.

[18] The meaning of the 'two sides of the same coin' used is available at https://www.merriam-webster.com/dictionary/two%20sides%20of%20the%20same%20coin , accessed on 12 August 2023.

At the onset of the analysis of the data, a palpable question emerged from this study: Who is ultimately responsible for Namibia's developmental challenges? Is this the responsibility of the Government of the Republic of Namibia (GRN), global development agencies or the private sector? Providing economic security is one of the key functions of a government and its institutions and is central to the social contract between the government and its citizens (United Nations, 2021). In 2017, the GRN promulgated the Public-Private Partnership (PPP) Act to promote private-sector participation in the provision of public services through public-private partnership projects while recognising the importance of leveraging PPPs to deliver on its social objectives, which also includes building entrepreneurial capability, empowering MSMEs and achieving economic equality. The institutionalisation of PPP largely means that Namibia's most urgent developmental challenges are a shared responsibility of many, including governmental, intergovernmental, and cross-sectorial multi-national corporate organisations. The GRN mandate is carried out through state-owned enterprises that operate with or without a commercial intent. All SOEs (n=3) that participated in this study were those with commercial intent in critical sectors such as oil and gas, mining, maritime, and telecommunications.

Further, the findings not only revealed that government spending and the shortfalls thereof are the key drivers of CSR spending in Namibia but also that the enforcement of the practice of CSR is largely and merely influenced by the global acceptance of CSR, which in turn demands demonstrable engagement in CSR activities (Idowu et al., 2019). The responsibility of funding the developmental challenges in Namibia rests with the government, which is supported by the private sector, as revealed in the research findings. Namibian corporations leverage government spending behaviour to decide what areas warrant their CSR support. Observing *Table 8* below in comparison to *Figure 6* in the previous chapter (Chapter 4) confirms the positive correlation between the Namibian government spending and the Namibian CSR spending across the top three areas. Education ranks number 1 across both budgetary allocations, health and social services rank number 3 on the national budget and 2 on the CSR budgets. Lastly, entrepreneurship and MSME development rank number 3 on the CSR allocation ranking. It can be argued that national efforts for MSME support are embedded in the Finance and Public Enterprises sectorial allocation, which ranks number 2 on government budget allocation.

Table 8: Operational and development expenditure ranking by sector ministries

Table 8				
Operational and development expenditure ranking by sector ministries	**Actual 2020/21**	**Actual 2021/22**	**Revised 2022/23**	**Budget 2023/24**
Finance and Public Enterprises	2	2	2	2
Education & Higher Education	1	1	1	1
Health and Social Services	3	3	3	3
Gender Equality, Poverty Eradication and Social Welfare	5	5	5	4
Defence	4	4	4	5

Adapted from Hanns Seidel Foundation (2023)

In 2019, Namibia undertook a Development Finance Assessment exercise with the objective, amongst others, "*to provide the Government of Namibia with a full understanding of existing development finance flows*" and to then to develop recommendations that will guide the design of an integrated national financing framework which encompasses domestic and international development finance flows (Ferede & Brown, 2019, p. 12). One of the headline recommendations from the Namibia Development Finance Assessment Report was

> PPPs have the potential to mobilise additional sources of financing for investments in critical areas of the national development plan in order to spread risk between the public sector and private partners, and to stimulate greater private sector investment into priority socio-economic areas of the economy. (Ferede & Brown, 2019, p. 62)

Ultimately, achieving the Sustainable Development Goals is increasingly becoming critical and remains a function of how well and how soon the impending funding gap is closed, which underscores the urgency for additional sources of capital including the private sector. Blended finance, amongst others, holds much potential to help close this funding gap (Business & Sustainable Development Commission & Convergence, 2017). The strategic use of private capital from diverse actors through blended finance structuring allows for the mobilisation of additional funds towards SDG-related investments in developing countries (OECD, n.d.). CSR capital, a private capital source, are prime for investments in blended finance projects.

The next sub-section delves into the differences and similarities between impact investments and high-impact CSR investments while drawing from the insights of the study's findings.

5.2 High-impact CSR and Impact Investments - Two Sides of the Same Coin?

As illuminated in the literature, impact investments are made with the intentional priority of generating measurable social and environmental outcomes alongside financial returns. In contrast, CSR capital support initiatives that generate positive social and environmental outcomes by aligning with company sustainability objectives while enhancing their corporate reputation (Nishith Desai Associates, 2024). Underpinning both the practice of CSR and impact investing is the creation of positive social and environmental impact. Additionally, these impact goals are driven by various motivations. For example, in the context of a specific organisation, an environmental impact goal is the function of a legal requirement of being accountable as a corporate citizen for negative externalities resulting from its corporate action. In contrast, for another organisation this is tied to the "E" in ESG to remain a relevant and investable option on a stock exchange.

The Triple Bottom Line (the 3 Ps – People, Planet and Profit), SDGs, and ESG integration are among the current strategies organisations default to in order to achieve their social and environmental objectives in CSR practice. The practice of these strategies internally to the organisation does not demand impact, nor are they allied with any financial return, although sufficient literature shows that a plausible positive relationship does exist between CSR and the bottom line over an extended period; hence, often a sustainability strategy of choice for many companies (Charles Nwaneri, 2015). A question that surfaced from the reflection of the study's findings is, how different is CSR in practice from impact investing? And are corporations remodelling their existing CSR strategies for better social and environmental impact or outcomes?

The consequential impact of corporate actions on their stakeholders is either positive or negative – the adverse impact is known as corporate irresponsibility, which corporations are expected to avoid or where unavoidable, corporations are to alleviate the effect of their adverse impacts (Idowu et al., 2019). Inversely, to demonstrate a positive impact or to be socially and environmentally responsible, companies must avoid the adverse impact where avoidable and, where unavoidable, to diminish such adverse impact. Thus, CSR can be observed as either a 'social responsibility model' or an 'intervention model'. In contrast, impact investing is an 'investment model'. Could pursuing positive social and environmental impact through CSR policies or practices be seen as the 'impact' leg of impact investing? At the same time, will business be associated with the bottom line or financial impact?

More recently, the GIIN (2023), through its Corporate Impact Investing Initiative, released the *Corporates Deploying Impact Investing Strategies: Early Observations on Emerging Practice* paper in which it argues that companies have recently started looking to impact investing as a tool for tackling its social and environmental goals while still achieving shareholder and business objectives. The compelling case for corporate impact investing is the interconnectivity between an entity's brand, reputation and commitment to sustainability (Galan & Gilbert, 2023). Notably, all the case studies covered in this paper are of companies in the global north, leaving sufficient room for exploration of this within the African context. The GIIN (2023) also argues that impact investors and companies are ultimately addressing the same challenges. This points to potential inefficiencies; however, the barriers highlighted by the research participants further impel the exploration of synergistic impact through collaboration between impact investors and companies to overcome any limitations to ensure the amplification of impact, which otherwise would not be achieved. Massive potential exists for achieving social impact through strategic alignment between various startup ecosystem actors such as businesses, corporation foundations, impact funds, and accelerators (Heitmann et al., 2020).

In Namibia, CSR is largely synonymous with CSI ('corporate social investment'), although conceptually and historically, these two concepts are different, as revealed by literature. All benevolent activity in the corporate context is strongly associated with the practice of CSR or CSI, depending on the preference for the use of language, as revealed in the findings of this study. A few CSR practitioners in Namibia understand impact investments, with most corporations open to an impact investing strategy. However, they have yet to actively seek to engage in such a strategy. The nexus of modern-day innovative CSR and impact investments can be explained by neo-liberal principles aimed at driving transformational change, and "underpinning this transformational intent is the conviction that open markets and entrepreneurs offer a better solution to problems of economic and social development than do governments and bureaucrats" (Harvey et al., 2021, p. 46). Further, this added layer to corporate philanthropy also bears a discrete narrative to philanthropy as an advocate for social justice, widening the empowerment gap and restoring equal dignity for all people (Harvey et al., 2021). This account of the tension between philanthropy and the ideal of equality emanates – because inequality in all its forms, more specifically income inequality, perpetrates social injustice, which in turn perpetuates poverty (Harvey et al., 2021).

Also, a positive propensity exists amongst Namibia companies to embrace impact investing as a systematic tool alongside their ad hoc CSR or CSI initiatives. Impact investing should be viewed as complementary to other corporate sustainability strategies. There are multiple approaches to employing and engaging an impact investing strategy. While impact investors can raise capital from corporations for impact investments, manage impact investment funds on behalf of such corporations or invest alongside corporates as strategic partners, corporations can also act as impact investors by allocating their capital directly into impactful startups (Galan & Gilbert, 2023). This pleads the exploration of CSR capital as a funding source within such a strategy. In Namibia, and in general, where such CSR capital is housed, either in a Foundation or through a mere departmental budgetary allocation, largely dictates the asset class – historically, this has been grants. While impact investments as an asset class are generally synonymous with equity or debt investments (other than grants) and grants with philanthropy outrightly, corporate foundations are now exploring impact investing strategies to supplement their grant-making activities to boost their social and environmental impact (Galan & Gilbert, 2023).

An impact investing strategy can be seen to be more forward-looking and proactive in its quest to seek a positive and measurable social and environmental impact. At the same time, CSR compels companies to redress negative externalities resulting from their inherent business activities. However, positive impact in certain instances can be pre-empted. The research also shows that, generally, there is little intentionality behind CSR initiatives than a mere duty or obligation, which stifles innovation. Innovation and intentionality will be the main drivers of corporate impact investing. Impact investments seek risk-adjusted return, while CSR modestly seeks no financial return at first glance apart from brand equity. However, this brand equity has a positive bottom-line impact in the long run, achieved through loyalty and a well-cultivated trust with customers and prospective customers, respectively.

5.2.1 *Sustainable community-based projects versus scalable innovative startups*

Generally, there is no competition between impact investments and high-impact CSR budgets for the same number of limited projects, particularly due to the ticket size target of these two pools of capital (McCallum & Viviers, 2020). Impact investors target much larger projects or startups; therefore, while Namibian corporations welcome innovation and are enthusiastic about supporting local MSMEs or startups, the research data alludes to most corporations favouring 'sustainable' community-based project support over scalable and innovative startups. Two things signify the difference: 1) the extent of corporate involvement in the project (or startup), and 2) the level of resulting or required impact. Sustainable community projects require the limited involvement of an organisation. At the same time, scalable startups demand a hands-on approach, particularly through technical assistance, for which corporations often need more capacity or skills. Moreover, scalable startups have the potential to amplify impact compared to community-based projects, which are limited to specific communities and dependent on limited community resources, which pleads for heavy reliance on external aid to ensure sustainability. This inadvertently promotes a culture of dependency syndrome, which innately is unsustainable. Thus, despite the interest and appetite of potentially engaging in impact investments, the current behaviour in the practice of the research participant organisations needs to be more reflective of such a strategy. Furthermore, as highlighted in the findings, there was a pervasive fear among most informants that impact investing may be another 'buzzword' to the never-ending litany of words that describe the same thing.

One peculiar observation emanating from the findings is that while the practice of CSR in Namibia illuminates corporations' pledges towards skills development and grant funding towards startups or entrepreneurial activities, most of these corporations are also conscious of the high failure rate of startups in the region and globally because of the lack of market access, limited talent pool and skills deficit, among others, which with their limited resources there is not much they can do. This further exacerbates the need for a systematic and holistic approach, imperative to startup funding.

5.2.2 *Corporate impact investing education*

As stressed above, in Namibia, CSR is largely synonymous with CSI, although these concepts are conceptually different, as discussed in the literature. A carryover effect of these nuances could be observed from the interviews when the interviewees had to expand on their understanding of impact investments. If CSR or CSI serve as strategies that forge contributions towards social and environmental goals, which, as argued earlier through literature, do have a positive impact on the bottom line – a common concern expressed by a majority of the interviewees was why there is a need for 'impact investing' within corporate context when in fact it already exists?

Additionally, against the definition of impact investment, several participant organisations reasoned that their CSR programmes covered matters of social and environmental impact whilst business represented efforts in favour of financial returns, emphasising that practice of impact investing has been around in Namibia in the absence of such language – language is only now catching up. This illuminated the nuances within the nascent field of impact investing, which is still in its rudimentary stages. The definition of 'impact' in impact investing is unclear and remains broadly interpreted. There is no universally accepted methodology or framework for measuring such impact. These nuances are the launching pad for the interviewees' untenable position on impact investing and their understanding of practices.

In Namibia, as the findings exposed, most CSR practitioners do not understand impact investing, nor do they have sufficient skills to deliver impact investing strategies. For them to practically subsume such strategy in their already existing CSR programmatic plans will require a better comprehension of what impact investments entail and the value it holds against their mission and sustainability objectives. This dictates the need for corporate impact investing education in Namibia if this is the tool that local companies will aspire to in order to employ in their CSR practice of the future. Moreover, to reach a level of acceptance of such strategy for a given company is also a function of leadership and a board of directors that is open to innovation, and this research reflects that this is further a function of diversity in expertise, age, and experience, amongst others.

5.3 The Convergence of CSR and Impact Investments – a Praxis framework

Overall, the research findings reveal that most Namibian corporations have a limited understanding of impact investing, and most of these corporations are open to an impact investing strategy, albeit not actively seeking to do so. Furthermore, an enquiry that emerged from the interviewees was how different impact investing is from the current practice of CSR, given the ambiguity within the definitions of these concepts and, if such difference exists, what the confluence outlook of these two constructs holds. While CSR models have primarily and traditionally focused on their beneficiaries more often than not, externally, the convergence of these models with impact investing tools will impel companies to focus on both the beneficiaries and the company (internal and external stakeholders), creating a win-win scenario for all stakeholders (Impact Europe, 2024).

There are various and diverse approaches that companies and corporate foundations can adopt to engage in impact investing on the continuum of capital. Impact Europe's *How to Do Corporate Investing Report* (2024) neatly expands on the main engagement approaches that CSR practitioners can pursue to create these win-wins scenarios – shared benefits between what is good for business and what is good for positive impact on people and planet.

Table 9: Deployment of corporate impact investment approaches

Table 9	**Deployment of corporate impact investments**	
Approach	*(Through Corporation)* **Internal**	*(Through Corporate Foundation)* **External**
Description	Investments can be deployed directly by internal teams (sustainability or corporate venturing), an impact investment fund, the treasury department or indirectly through intermediaries.	Investments can be deployed directly by the programmatic side, an impact investment fund, investing part of the endowment or indirectly through intermediaries.

Adapted from Impact Europe (2024).

While there are multiple approaches to an impact investing strategy for corporations, the research findings serve as the genesis of the business case for impact investing to be added to the toolkit of companies wishing to innovatively advance their social and environmental goals. *Figure 7* summarises the difference between CSR and impact investing while illuminating the possible strategic overlaps that can be explored by corporations in support of such business case. These can be deduced to practical steps informed by the strategies currently deployed by the research participant organisations and best practices from the rapidly evolving practitioner literature advocating for corporate impact investing at the time of this research (Charlton et al., 2014; Galan & Gilbert, 2023; Heitmann et al., 2020; Wig et al., 2023).

1. *Define strategic value: Understanding impact investing for CSR practice*

   The core objective of CSR and impact investing is similar in that they both seek to address social and environmental challenges – apart from the financial return element which is strongly emphasised within impact investments. Defining the value of an impact investing strategy for CSR will require organisations to understand impact investing. Interviewees from this research study highlighted that some elements of impact investing are already embedded in their current CSR practice, which creates a natural springboard for intentionally engaging an impact investing strategy. However, the findings also revealed the limited understanding of impact investing by the informants. The researcher is of the view that this limited understanding of impact investments and the passive engagement by the CSR practitioners is the reason for the limited uptake of impact investing strategies. To this end, León and de Bienassis (2021) proposed the following interesting string of practical questions to organisations before exploring impact investing:

- Why do we want to do impact investing?
- What differentiator can we bring to impact investing?
- Does the foundation or organisation make grants to scale startups or MSMEs?
- Are there any of our beneficiaries who no longer need our funds because they have been able to generate revenue?
- Do we have the capacity to make impact investments?
- Does the legal framework allow us to make impact investments?
- What internal and external barriers do we face?

Moreover, impact investing is a complex tool with rigorous processes and intricate administrative procedures that demand assessing the organisation's knowledge base and skill set. In this regard, León and de Bienassis (2021) convincingly propose the following additional questions to determine the depth of preparation required:

- What does our organisation understand by impact investing?
- How much does our organisation know about impact investing?
- Do we know the impact investing ecosystem players in Namibia or beyond from whom we can learn?
- What financial instruments and impact investment strategies do we know, and how will we choose the tool(s) best suited to our context?

Companies and their strategic partners must explore and understand the nuances of aligning CSR and impact investing, as well as the potential drawbacks of such alignment. This is to ensure that, ethically and legally, this alignment does not create and amplify business benefits to the detriment of social impact. Ultimately, this strategic alignment exercise should be about finding the 'sweet spot' of impact and financial returns for all parties involved. Defining the strategic value is crucial to ensure the impact investing strategy is properly supported and fit for purpose (Impact Europe, 2024).

Lastly, an impact investing strategy for CSR can be observed at business, industry, thematic or non-material level as shown in *Figure 8* below based on the strategic alignment established by the organisation.

2. *Craft a theory of change: Designing an impact investment strategy*

Outlining the theory of change will descriptively enable companies to organise better and understand the outcomes and impact they wish to achieve over a defined period. The organisations' intended changes for people, systems and issues are to be articulated in the theory of change which is like a roadmap, and it also informs the design of the overall impact portfolio (Godeke & Briaud, 2020; León & de Bienassis, 2021). This will also neatly enhance the alignment of the impact they seek to achieve concerning the SDGs. It will bring measurement of impact into great perspective, which the current practice of CSR reveals to be very limited for most of the participant organisations. While no standard format for a theory of change exists, the common components of the theory of change include inputs, activities, outputs, outcomes, and impact while observing context-specific assumptions (Godeke & Briaud, 2020). Also, the 'Impact Management Project's (IMP) Five Dimensions of Impact' (see *Table 10* below) are generally used as a checklist to ensure the organisation has the targeted understanding of its intended impacts in relation to its impact investment strategy (Godeke & Briaud, 2020).

Table 10: Impact Management Project’s Five Dimensions of Impact

Table 10	Impact Management Project's Five Dimensions of Impact
What	What outcome(s) do enterprise activities drive? How important are the outcomes to the people (or, plant) experiencing them?
Who	Who experiences the outcome? How underserved are they in relation to the outcome?
How Much	How much of the outcome occurs? Does it happen at scale? Does the effect drive the outcome? Does it last for a long time?
Contribution	What is the enterprise contribution to what would likely happen anyway?
Risk	What is the risk to people and the planet that the impact does not occur as expected?

Reproduced Godeke and Briaud (2020).

Further, engaging in impact investing requires an investment strategy to be in place. According to the EVPA (2020), the following are the core elements of the investment strategy:

- The investment approach: which includes the social sector or geographic area in which the operations will focus.
- The type of social enterprise: size, type and stage of lifecycle.
- The type of financial instrument that is appropriate given the entity being invested in and the foundation’s or organisation’s objectives and needs. A wide range of financial instruments can be considered beyond grants such as debt, equity or other hybrid financial instruments. The choice of the type of financial instruments often determines the legal and fiscal structure of the foundation, and it is advisable to seek the help of a specialist before formalising the strategy.
- Co-investment policy: The foundation or organisation needs to decide on whether to invest alone or with other actors.
- Non-financial support: The foundation or organisation must decide what type, how much and who will provide non-financial support.
- Exit strategy: It is advisable for the foundation or organisation to think about how and what consequences on the target impact its disinvestment will have and to evaluate variables such as the duration of the investment and potential exit routes.

This step will also define the weighting attached to an investment's impact and financial returns.

3. *Put strategy into action: Determining the most effective approach of execution*

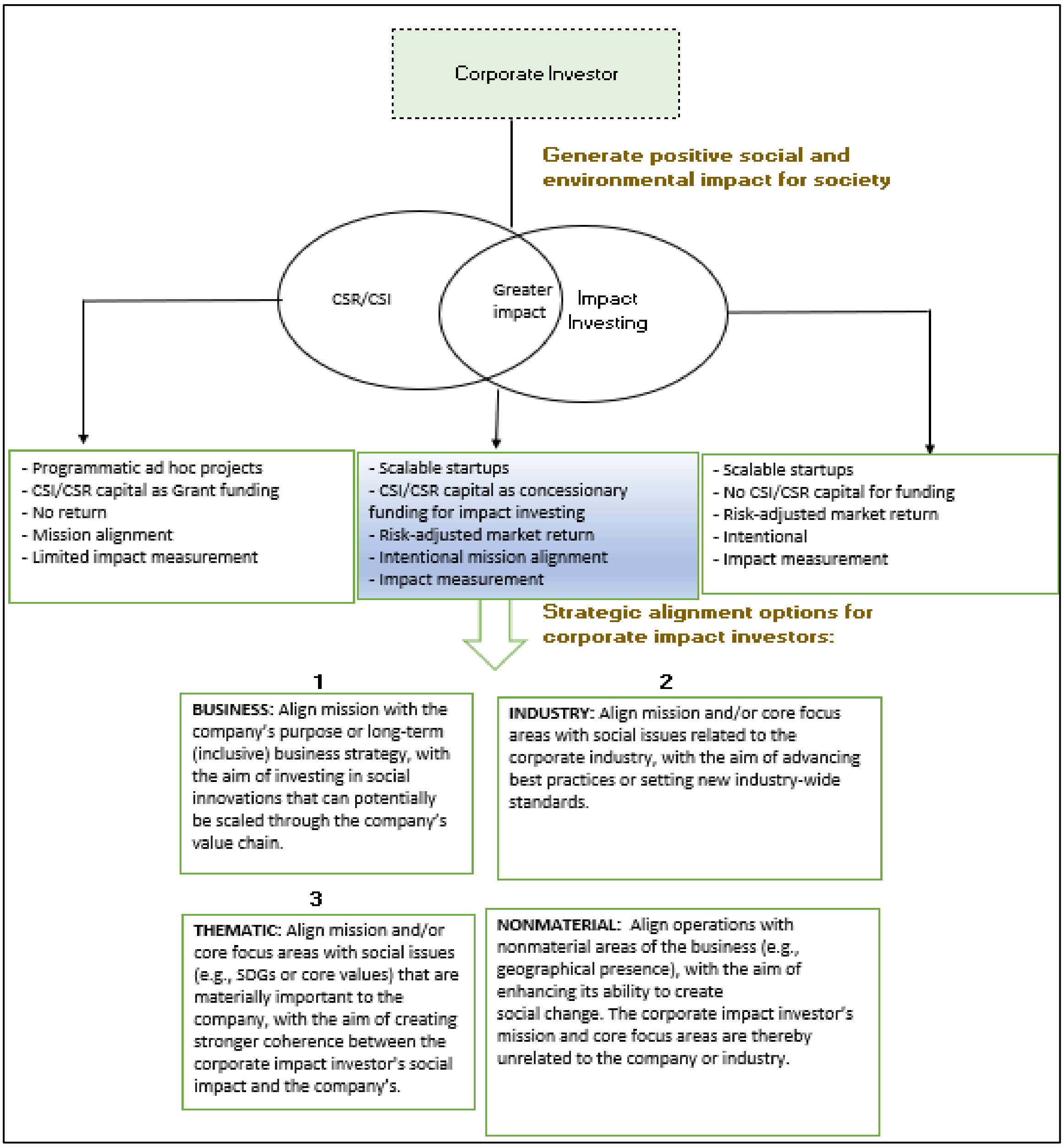
Broadly, various approaches can be observed in *Table 9*. The decision regarding the appropriate approach to adopt will be organisation-specific considering various factors. One of the barriers to impact investing that this research revealed was the lack of appropriate skills or expertise to implement such strategy within organisations. In this step, the companies will be confronted with either building internal capacity or forging intentional collaborations with appropriate strategic partners (i.e. other corporate foundations, impact funds, or accelerators). Additionally, the study's findings also revealed organisations' openness to collaboration more specifically as it pertains to skill deficits in CSR practice. However, this will ultimately be a business decision given the costs associated with each option in this regard.

Further, a company choosing to execute its corporate impact investing strategy either internally as a business case through its existing CSR function or through its already existing external vehicle such as a corporate foundation may put the company at risk of losing tax benefits it currently enjoys from its purely philanthropic and social agenda-driven activities. For example, section 16(1)(f) of the Tax legislation in Namibia dictates that the receipts and accruals of any company, society or association that is not permitted to distribute any of its profits or gains in terms of the constitution or statutes of such company are not subject to income tax. The purpose of this section is to exempt activities that are carried on without a profit motive and to the furtherance of the objectives of such institution. Companies need to take this into consideration and understand the impact of losing such tax benefits. If it can be demonstrated that all the philanthropic capital deployed and invested in startups are being recycled or re-invested once the investment has been exited, then it may be possible for such companies to legally retain their tax-exempt status as pertains to the Namibian tax legislation – however, consultation with the taxman is required.

While the findings also revealed that a significant portion of the study's participants monitor the national government agenda as a guide for their CSR strategies, very little is observed regarding government incentive schemes or national policies to mobilise private sector capital to support local entrepreneurs or startups. Thus, it will be a key stakeholder in the co-creation and exploration of impact investing within the practice of CSR. Before launching impact investing operations, it is important to involve a wide range of stakeholders to ensure that the implementation of an impact investing strategy is well-supported and aligned with the organisation's broader goals and objectives. The involvement of the specific internal and external stakeholders may vary depending on where impact investing is initiated and the chosen approach.

Additionally, to ensure the impact investing strategy is appropriately supported, organisations should put in place structures to establish effective governance, development of necessary expertise and the fostering of collaboration with the business (Impact Europe, 2024). Finally, the chosen approach has bearing on the impact measurement and management framework; however, the common responsibilities envisage deal screening, due diligence, investment decision and deal structuring, and active portfolio management (Impact Europe, 2024).

Figure 7: Corporate impact investors – corporations and corporate foundations



Adapted from Heitmann et al. (2020) and personal notes.

5.4 Conclusion

In summary, this chapter discussed the positive prospects of corporations in solving social and environmental challenges faced by Namibia by leveraging an impact investing strategy in their CSR practice. This chapter begins with the attempt to understand whose responsibility it is to resolve developmental challenges, then draws similarities and differences between impact investments and corporate social investments by observing language and demand-side nuances and finally, discusses the intersection of the fields of CSR and impact investing in a more meaningful way.

Of course, as was revealed in the findings from practice, this will require navigating various nuances and barriers such as the lack of bona fide and proper entrepreneurs, competition, and lack of appropriate expertise in the impact investing field. Collaborations and strategic partnerships, which are dominant features CSR in practice, also remain crucial in the potential convergence of these two constructs in practice.

This discussion suggests a convergence of CSR and impact investments by simply putting forward an attempt at a practical tool at best to be added to or leverage existing corporate sustainability strategies for organisations that wish to remain to be seen as responsible corporate citizens, while amplifying impact through supporting market-based solutions. This praxis model attempts to provide a simplified step-by-step process to adopting an impact investing strategy while fulfilling the mission and sustainability objectives of the organisation or corporate foundation in CSR practice.

Chapter 6 Conclusion

6.1 Overview of the Study

This study set out to answer the research question concerned with how CSR might more deliberately provide seed capital for impact investing in Namibia. This was achieved by obtaining an understanding of the current practice of CSR and then exploring its intersection with the emerging field of impact investing by developing a praxis model that envisages the relationship between these two constructs in practice. It is hoped that Namibian organisations, including corporate philanthropic foundations through their practitioners, can use this praxis model to leverage impact investing as a tool for market-based solutions that address some of Namibia's socio-economic challenges. This research was also intended to benefit the nascent and developing impact investing field and its limited literature.

The nascency of the impact investing field and its interplay with CSR lends this study to exploratory in nature, and it draws on an inductive qualitative research design. Exploratory interviews with organisational informants were used to collect the qualitative data for this study. More specifically, semi-structured, in-depth interviews were conducted with 11 CSR managers (or equivalent practitioners) from 11 different organisations in Namibia.

The findings answer the main research question. The findings illuminated certain key drivers and limitations of the current practice of CSR in Namibia with a particular focus on the support of local entrepreneurs. The overall sentiment of the need to support the Namibian government and national priorities, including the national sustainable development goals, emerged as a vital driver of corporate foundations' or organisations' CSR missions in this study. This was also highlighted as a key motivating factor for entrepreneurship development support, being the third most CSR-supported area, despite the limited uptake of an investment approach to the support these market-based solutions. Another key finding was that governance structures effectively drive or stifle innovation and the right behaviour regarding monitoring, evaluating, and reporting on post-disbursement of CSR funds.

Furthermore, the effort and impact of the current CSR practice are limited due to very little collaboration, which is hindered by competition and brand positioning amongst organisations. It was encouraging that although most research participants have a limited understanding of impact investments, most organisations are open to it. However, they must actively seek to engage in an impact investing strategy. These findings reveal Namibian organisations' openness and willingness to move beyond the traditional CSR practice innovatively.

6.2 Limitations

For this study, the researcher interviewed 11 informants representing 11 participant organisations. The researcher diversified the research participant pool by including for-profit organisations, not-for-profit organisations such as corporation foundations as well as state-owned for-profit organisations with a CSR policy and CSR spending history. Some of the participants are listed on the NSX. The participant organisations varied in industry, and the informants of the research participants had varied years of experience and positions. Nonetheless, inferences from this research data cannot be representative of the practice of CSR in its widest establishment in Namibia.

There were also limitations regarding the scope and time of the research. Adding a different group of research participants, such as the entrepreneurs or startups that have received CSR support from the participant organisations of this study may have yielded richer insights by either corroborating or refuting the data collected from the corporate participant organisations.

6.3 Recommendations for Future Research

Future research could be conducted with a more representative sample of organisations across Namibia to ensure that the results can broadly be generalised.

While this exploratory study focused on 'what could be' if the two constructs – CSR and impact investing – converge in practice, practitioners could benefit from a meta-analysis study that uses statistical methods on corporations that have adopted impact investing strategies in the context of CSR, particularly in the global south. This could help CSR practitioners make a firm business case for such strategies in contexts where these strategies are yet to be adopted. This will be immensely helpful to advance this initial research by providing an in-depth analysis of the role of CSR as impact capital.

Further, corporate support for MSMEs to drive socio-economic upliftment through corporate procurement spend presents an interesting twist to CSR. In contrast to the traditional external CSR activities and their interplay with impact investments, future research on this kind of CSR activity presents a rather peculiar opportunity for organisations after innovation and systems thinking. Finally, the governance of state assets and state-owned enterprise contribution to CSR and its role in enabling impact investing also presents a thought-provoking future research undertaking.

6.4 Conclusion

Impact investing allows CSR practitioners to utilise more CSR capital to achieve their broader mission to society. The design and implementation of an impact investing strategy will require strategic collaboration and ongoing consultations in the CSR arena amongst multiple stakeholders, including corporate organisations, civil society, the government and other relevant stakeholders. The government can play a significant role in reforming policies and financial regulations to encourage innovation and eliminate any barriers affecting private sector action for a better future.

A mission-aligned impact investment strategy for CSR funds allocated towards MSME and startup development will require organisations to challenge the traditional way of doing CSR to pioneer new ways to achieve the same objectives at a greater scale. The resultant praxis model of this research study seeks, at best, to start a positive conversation on this trajectory.

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Appendices

Appendix A - The Guide for the Semi-structured Interviews

<u>Introduction</u>

Welcome to this interview.

Thank you for agreeing to participate in this interview to assist in my research. Your participation will assist me to understand how CSR might more deliberately provide seed capital for impact investing in Namibia. Thank you in advance.

By way of background, I am a Master of Philosophy specialising in Inclusive Innovation student at the University of Cape Town's Graduate School of Business. I am conducting research on the practical experiences of Corporate Social Responsibly (CSR) and if those experiences have or could enable impact investments in corporate Namibia.

To assist in this research, your participation in this interview would be greatly appreciated.

You should note that this research has been approved by the Commerce Faculty Ethics in Research Committee of the University of Cape Town. Your participation in this interview is voluntary and as such, you can choose to withdraw from the research at any time. The interview should take about an hour to complete. You will not be requested to supply any identifiable information, ensuring the anonymity of your responses. Any specific information will be used on an aggregate basis to understand the sample composition. The data collected from this interview will be used for the purposes of this research only.

Questions to be asked after acquiring informed consent from the interviewee – See **APPENDIX B**.

Definitions for guidance

Corporate social responsibility (CSR): CSR is a broad and multidimensional concept that extends beyond philanthropy. It is the ownership that a company takes for its role in society, how it conducts its business and its impact on the environment.

Strategic philanthropy: Philanthropy is the private provision of public good motivated. Strategic philanthropy represents the shift from charity-oriented giving to strategically-managed giving underpinned by (i) clearly defined goals commensurate with resources, (ii) strategies for achieving the goals explicitly set out in a business or strategic plan, (iii) strategies that are evidence-based, meaning there should be a clear "theory of change" that links programs to outcomes, based on existing research, and (iv) feedback to keep the strategy on course, with an emphasis on quantitative measures and impact evaluation. This has morphed into the pursuit of transformational social goals (such as the United Nations Sustainable Development Goals) through philanthropic investment in projects animated by entrepreneurial principles.

This study explores this concept within the corporate context as a branch of CSR.

Theory of change: Is a method that explains how a given intervention, or set of interventions, are expected to lead to a specific development change, drawing on a causal analysis based on available evidence.

Impact investing: An investment strategy aimed at investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return. These investments are investments made into companies, organisations or funds. Impact investments seek both social and financial returns. The key elements of impact investing are intentionality, measurability of impact and the theory of change. The theory of change is integral to the achievement and measurement of impact.

Catalytic capital: It is a subset of impact investing that addresses capital gaps left by mainstream capital in pursuit of impact for people and the planet that otherwise could not be achieved. Further, this capital accepts disproportionate risk and concessionary return to generate a positive impact and enable third-party investments that otherwise would not be possible. Catalytic capital can play a seeding role that is instrumental to social enterprises in overcoming early-stage challenges.

PART A – Understanding the practice of Corporate Social Responsibility (CSR) in Namibia

1. How would you describe your responsibilities in your current role?
   - Prompt: How would you describe your day-to-day activities?

2. Does your organisation have a CSR policy?

   Yes
   No
   If 'Yes', please can you briefly how this policy enables strategic philanthropic investments within the organisation?

3. How long has such a CSR policy been in existence?

   Less than 5 years
   5 - 10 years
   11 - 15 years
   16 - 20 years
   21 years or longer

4. Does your organisation have or receive a periodic CSR budgetary allocation?

   Yes
   No
   If 'Yes', please describe the policy that informs this allocation (For example, a % of Profit After Tax goes towards CSR-related activities per annum)

5. What is your understanding of CSR investments from your experiential context?

6. Would you say your organisation practices strategic philanthropy within the broader spectrum of CSR?

Yes

No

If 'Yes', please briefly describe how your organisation practices strategic philanthropy.

7. How would you describe your approach to the practice of strategic philanthropy in the field of CSR?
    - Prompt: What operating model do you follow in the practice of strategic philanthropy?
    - Prompt: How is the practice of strategic philanthropy administered and managed?
    - Prompt: Have you considered any other models?

8. What prompted the organisation to engage in this practice of strategic philanthropy in the field of CSR?
    - Prompt: What thematic areas does the organisation intend to improve in terms of its mission or CSR policy?

9. From the CSR budgetary allocation, is there a portion set aside for entrepreneurial initiatives?

    Yes

    No

    If 'Yes', what is the percentage of the organisation's CSR budget that goes towards supporting entrepreneurial initiatives?

10. What is the percentage thematic breakdown of the direct expenditure (via grants excluding operational costs if any) of the monies set aside for the CSR philanthropic activities?

11. How would you describe the outcomes you wish to achieve from CSR philanthropic investments?
    - Prompt: How do you measure the impact of the organisation's CSR philanthropic investments?

12. How important is impact measurement for the organisation's CSR philanthropic investments?

    Very important
    Important
    Fairly important
    Slightly important
    Not important

13. How would you describe the organisation's involvement in the beneficiary's project or cause post-grant disbursement?

14. How important is post-grant disbursement involvement with the beneficiary's project or cause to the organisation?

    Very important
    Important
    Fairly important
    Slightly important
    Not important

15. How would you describe the approach you follow to reach or attract beneficiaries for your CSR funding in practice?

PART B – Understanding the practice of corporate impact investing and its (potential) interplay with CSR in Namibia

1. What is your current understanding of impact investing?

   Good
   Fair
   Poor

2. What is your organisation's current position on an impact investment strategy for the organisation's assets or initiatives?

   Fully engaged in this strategy
   Actively seeking to introduce this strategy
   Open but not actively seeking
   Would consider under unique/specific circumstances
   No plans to consider this strategy

3. Has your organisation worked collaboratively with a corporate or an impact investor to jointly fund a particular initiative in your practice of CSR?

   Yes
   No
   If 'Yes', please can you briefly share the circumstances.

4. How can impact investing effectively enable CSR practice through catalytic capital for your organisation?

5. What do you believe are the barriers to corporate impact investing within the context of CSR philanthropic investments?

Closing:

Thank you for your participation in this research. It is greatly appreciated. Please feel free to contact me should you have any questions regarding the research at any stage.

Appendix B – Ethics Consent Form

[On UCT Letterhead]

MASTER OF PHILOSOPHY IN INCLUSIVE INNOVATION

INTERVIEW CONSENT FORM:

Participant name: ....

I volunteer to participate in a research project conducted by **Nguvitjita Kamenjono** as partial fulfilment of the requirements for the MPhil Degree at the Graduate School of Business. I understand that the research is designed to gather information about *the practice of CSR while exploring its potential role in the emerging field of impact investing within the corporate world* and that I will be one of approximately *25* people being interviewed for this research.

Background and purpose of the research

This research is being conducted on the practice of corporate philanthropic investments while exploring their potential role in the emerging field of impact investing. Strategic corporate philanthropy as a branch of Corporate Social Responsibility (CSR) has evolved from the strategic management of corporate giving to philanthropic investments in entrepreneurial projects in pursuit of transformational goals such as the United Nations Sustainable Development Goals. Despite these developments, the extant scholarship has very limited empirical evidence and scant contextual relevance.

The study aims to answer the research question about how strategic corporate philanthropy might more deliberately provide seed capital for impact investing in Namibia. This will be achieved by obtaining an understanding of the practice of corporate social responsibility (CSR) and exploring its role in the emerging field of impact investing in order to develop a praxis model that envisages the relationship between these two constructs in practice.

Ethics approval

Ethical consent for the study has been approved by the *UCT Commerce Faculty Ethics in Research Committee*.

Participation and confidentiality

I understand that my participation in this research is voluntary, that I will not be compensated and that I may withdraw at any time.

The interview will take approximately 45 - 60 minutes to complete and will be audio recorded.

I understand that I will not be identified by name in any reports using information obtained from this interview and that my confidentiality as a participant in this study will remain secure. Subsequent uses of records and data will be subject to standard data use policies which protect the anonymity of individuals and institutions.

Consent

I consent to participate in this interview, based on the terms outlined above and subject to the following additional condition of my own (if any).

-------------------------------------- ---------------------------------

Signed by interviewee **Date**

....

Signed by Student   Date

Appendix C – Letter Requesting Permission

[On UCT Letterhead]

Att: Assoc Prof Jess Auerbach

MPhil Programme Director

The University of Cape Town

Graduate School of Business

9 Portswood Rd, Victoria & Alfred Waterfront

Cape Town

8002

Email: jess.auerbach@uct.ac.za

[Insert addressee details]

[Contact person]

[Organisation name]

[Organisation address]

[Date]

Dear Sir/Madam,

Re: Permission to conduct research at [insert organisation name].

My name is Nguvitjita Kamenjono.

I am studying for the Master of Philosophy specialising in Inclusive Innovation (MPhil) at the Graduate School of Business at the University of Cape Town (UCT). I am seeking permission to do research at [insert organisation name].

I am researching the practice of Corporate Social Responsibility (CSR) while exploring its potential role in the emerging field of impact investing in Namibia. CSR has evolved from the management of corporate giving to strategic philanthropic investments in entrepreneurial projects in pursuit of transformational goals such as the United Nations Sustainable Development Goals (SDGs). These strategic philanthropic investments are also referred to as Corporate Social Investment (CSI) initiatives or projects in certain instances. Despite these developments, the extant scholarship has very limited empirical evidence and scant contextual relevance.

The study aims to answer the research question about how strategic corporate philanthropy might more deliberately provide seed capital for impact investments in Namibia. This will be achieved by obtaining an understanding of the current practice of strategic corporate philanthropy and exploring its role in the emerging field of impact investing in order to develop a praxis model that envisages the relationship between these two constructs in practice.

A theoretical sampling technique is applied in selecting participant organisations. The criteria are reduced to Namibian organisations with a demonstrated commitment to the practice of strategic philanthropy evidenced by a CSR/CSI policy, and an annual budgetary allocation towards CSR/CSI activities. In this study, CSR/CSI activities are narrowed to philanthropic financial disbursements or grants in support of entrepreneurship-related activities. These entrepreneurship-related activities are embedded in various CSR/CSI focal areas including poverty alleviation, job creation, skills development and Small and Medium Enterprise (SME) development. This is why your organisation was selected.

The research will entail collecting data from the CSR/CSI manager (or the equivalent) due to his/her proximity to the practice and decision-making processes of related activities through a semi-structured interview. The interview will take approximately 45 - 60 minutes to complete and will be audio recorded (at your discretion and where possible).

The interviewee will also be asked to give their written or verbal consent before the interview begins. The responses will be treated confidentially, and identities (their name and the name of the organisation) will be anonymous unless otherwise expressly indicated. Individual privacy will be maintained in all published and written data resulting from the study.

The results will be communicated in the writing up of my dissertation.

As a research participant, your organisation will not be advantaged or disadvantaged in any way. Be reassured that the organisation's permission can be withdrawn at any time during this project without any penalty. There are no foreseeable risks in participating in this study. The participants will not be paid for this study.

All research data will be deposited and preserved in UCT's data repository. The data collected from this interview will be used for the purposes of this research only.

I, therefore, request permission in writing to conduct my research at your organisation. The permission letter should be on your organisation's headed paper, signed and dated, and specifically referring to myself by name and the title of my study.

Please let me know if you require any further information. I look forward to your response as soon as is convenient.

Yours sincerely,

Ms. Nguvitjita Kamenjono

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Appendix D – List of research participants

Reference (P)	Name of Participant	Informant
P1	Mobile Telecommunications Limited	Mr. John Ekondjo
P2	Capricorn Foundation (Namibia)	Ms. Veripura Muukua
P3	Namibia Asset Management Limited	Mr. Bulle Uisso
P4	SBN Holdings Limited	Mrs. Magreth Mengo
P5	B2Gold Namibia	Mr. Ignasius /Awaseb
P6	Gondwana Holdings Limited	Mr. Gysbert (Gys) Joubert
P7	Hollard Insurance Namibia	Mr. Sam Kauapirura
P8	Sanlam Namibia	Mr. Shittaa Mushakwa
P9	National Petroleum Corporation of Namibia (NAMCOR)	Mr. Utaara Hoveka
P10	Allan Gray Orbis Foundation - EBN (Eswatini, Botswana, Namibia)	Mr. Gavin Frey
P11	NAMPORT Social Investment Fund	Ms. Taná Pesat