

**Exploring the Social Innovation Orientation of
Corporate Social Responsibility Practitioners**

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Abstract

The purpose of this study was to conduct a qualitative examination which explored the Social Innovation Orientation (SIO) of Corporate Social Responsibility (CSR) practitioners as part of a broader contribution towards developing an augmenting and or an alternative mechanism to address the challenges faced by CSR practitioners and companies in fulfilling societal expectations in developing countries. The study sought to answer the question: In what ways are CSR practitioners building an SIO? The study also aimed to answer questions on whether any profound change or challenge was posed by CSR practitioners to the current systems through basic routines, authority flows, beliefs and resources (Westley and Antadze, 2010). The status of CSR advancement by companies was also explored. These questions were answered in the context of a developing country, more specifically South Africa. In order to set a relevant contextual background, the literature review covered two main broad variables, CSR and social innovation, as well as a detailed description of an SIO through four facets, namely: social experimentation, collaboration and inclusivity, scale mind-set, and institutional impact.

The sample comprised CSR practitioners who met the sampling criteria. Information was gathered from these CSR practitioners using a semi-structured interview protocol. An analysis of the data gathered led to the description of the patterns which emerged, which presented across a continuum both narratively and graphically those

CSR practitioners who were making the strides on the SIO continuum and those that were not.

The study found that even with the CSR practitioners' strong desire to be viewed as delivering results, they needed to manage the expectations of stakeholders, particularly within their own companies, regarding what success was and what it was not. It was discovered that being more deliberate contributes to the building of an SIO. Through a focus on not repeating past mistakes while still working together with stakeholders in a manner which is proactive instead of defensive, CSR practitioners could be building an SIO. The results showed that fostering a participatory and inclusive environment from an early stage was beneficial in the development of an SIO. Another discovery was that the size of an intervention was of less importance than the significance of its potential impact.

Practical contributions are proposed for companies and CSR practitioners as a result of this research, some of which are: a support approach to existing mechanisms, a component to be used in recruitment and performance appraisal, and a view to understanding social innovation and what it can mean for the company-centric perspective.

Overall, the study revealed that CSR practitioners are building an SIO. Social experimentation, and collaboration and inclusivity were found to be more prevalent than the scale mind-set and institutional impact. SIOs were not void of the latter elements. These two elements should not be discarded. Whilst the SIO elements

have been positioned as non-linear, it was revealed that some categorical features and linearity did exist.

Acronyms

Brazil, Russia, India, China and South Africa	BRICS
Broad-Based Black Economic Empowerment	BBBEE
Chief Executive Officer	CEO
Corporate Responsibility	CR
Corporate Social Investment	CSI
Corporate Social Responsibility	CSR
Corporate Social Value	CSV
Department of Basic Education	DBE
Global Reporting Initiative	GRI
Information Technology	IT
International Standards Organisation	ISO
Non-Profit Organisation	NPO
Research and Development	R&D
Social Innovation and Entrepreneurship Research Centre	SIERC
Social Innovation Exchange	SIX
Social Innovation Orientation	SIO
Triple Bottom Line	TBL
United Nations	UN
United States of America	USA

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Introduction

Research Area and Problem

It is becoming increasingly evident that society is demanding more and more of its stakeholders (Visser and Tolhurst, 2010). Companies are no exception (D'Amato, Henderson and Florence, 2009). Current measures adopted by companies are not being met with favourable responses (Tansey, 2011 and Porter and Kramer, 2011). What has become clear is that business needs to do more (Porter and Kramer, 2011). Significant amounts have been spent by large companies to assist in alleviating social distress (The CSI Handbook, 2010 and The CSI Handbook, 2014). These reactions have been directed towards the public and private sectors. In the main, the interventions have resulted in some improvements but have done little to address the systemic challenges underlining the social woes of developing countries (Mulgan, 2006 and Mulgan, Tucker, Ali, and Sanders, 2007). Given the global attention on developing countries and emerging markets, the social issues in these countries and the role that business is expected to play in doing good, Kanter (1999) argues that there is an opportunity for companies to learn from social issues to identify unmet needs and to develop solutions that create new markets.

These types of opportunities require social innovation, or at least thinking that recognises the systemic interconnectedness of the current environment and the need to shift current mind-sets (Phillis, Deiglmeier, and Miller, 2008). The literature

suggests that there is viable social and economic opportunity through maximising returns on Corporate Social Responsibility (CSR) efforts by applying CSR best practice (Kotler and Nancy, 2005) or going further and integrating social needs into core business (Kramer and Porter, 2011).

This dissertation examines the views and opinions of CSR practitioners in order to explore the extent to which this group is adopting a social innovation orientation (SIO). For the purposes of this research, CSR practitioners refer to individuals typically in the employ of a company who work with, or have worked with, CSR. SIO refers to the characteristics which reflect the inclination towards realising social innovation. An SIO is comprised of four elements, namely: social experimentation, collaboration and inclusivity, scale mind-set, and institutional impact. These elements will be defined in detail in a later chapter. This research was aimed at contributing to the knowledge within the CSR management area as well as the body of knowledge on social innovation. Specifically within CSR, it makes a contribution to the body of knowledge pertaining to the human resource aspect of CSR by exploring the positions of individuals working with CSR.

A scanning of the field of study revealed that there is information available on CSR and social innovation broadly and independently, but not much information is available on the interconnectivity of the two terms. Very little qualitative research was available on the views and opinions of those working with CSR in companies, especially those in developing countries. Most information points to CSR development based on quantitative research. It is of significance to explore and build knowledge on the views of CSR practitioners, because they are the people who are

tasked with turning company requirements into interventions which meet company expectations and manage the expectations of society at large. CSR practitioners are advantageously located to share deeper insights on social change progression and approaches than can be achieved by an investigation of a company's CSR or sustainability report and/or an investigation rooted in a quantitative research approach. CSR practitioners also engage directly with internal and societal stakeholders. Societal stakeholders would include Non-Profit Organisations (NPOs), government and beneficiaries of the company's efforts to be socially responsible. For this research, a qualitative inductive research methodology was used. Open-ended interviews were conducted to obtain the views and opinions of CSR practitioners. The details of the research methodology are laid out in the research methodology section.

In bringing together CSR and social innovation the definitions of these terms in the context of this research were as follows:

CSR for the purposes of this research is defined as "The formal and informal ways in which business makes a contribution to improving the governance, social, ethical, labour and environmental conditions of the developing countries in which they operate, while remaining sensitive to prevailing religious, historical and cultural contexts (Visser and Tolhurst, 2010).

Social innovation is defined as "a complex process of introducing new products, processes or programs that profoundly change the basic routines,

resource and authority flows, or beliefs of the social system in which the innovation occurs.” (Westley and Antadze, 2010, p.2).

The major difference between CSR and social innovation is that social innovation is concerned with change which is transformational, addressing more than the superficial causes or effects of social problems. The call for companies to engage in CSR reflects the fact that a superficial approach is no longer adequate, and without a deeper level of change, the mismatch between company efforts and stakeholder perceptions will continue.

In the latter part of the last century, social innovation has emerged in various forms and has been called by different names (Phillis *et al.*, 2008). Social innovations seek to bring about more sustainable change to the social status quo (Westley and Antadze, 2010). In the current environment social innovation is understood to constitute solutions to unmet needs that work better than previous solutions (Phillis *et al.*, 2008 and Mulgan, 2006). Some literature goes further to state that social innovations not only meet needs but challenge the very system that created them (Westley and Antadze, 2010). The latter consideration implies systemic change. If social innovation addresses social issues not only at a superficial but at a systemic level, and if a significant aspect of the CSR efforts of companies operating in developing countries is to address social issues, this combined with the acknowledgement that prior approaches have not been optimal, points to the merit in exploring the role of social innovation in CSR. A branch to this exploration includes exploring the SIO of those working with CSR in developing countries. Typically in South African companies the implementation of CSR is carried out by the Corporate

Social Investment (CSI) department or foundation. The individuals in these departments are tasked to build and improve the societies in which their respective companies operate in. These individuals are tasked to find solutions

Specifically for developing countries Mulgan *et al.* (2007) suggested that it is the separation of CSR from mainstream business that limits the propensity for social innovation. Mulgan *et al.* (2007) also points to the separation of CSR from mainstream business priorities as the reason behind why there are only a few companies which have brought CSR into their mainstream business priorities. Mulgan *et al.* (2007) mention that BP, TNT and Salesforce are examples of the small number of companies that have been successful in narrowing this separation. Mulgan *et al.* (2007) adds that:

Despite the major contribution of business skills to the social sector surprisingly few CSR projects have had much influence on the big systems of health, education or welfare. One reason may be that the aim of making projects attractive in reputational terms leads some CSR projects to be gold-plated, which in turn makes them too expensive to be replicated by a cash strapped public sector. (p.31)

Mulgan (2006) and Mulgan *et al.* (2007) maintain that, as Kanter (1999) did, that companies are still a viable option for generating social innovations. The number may be small but there is room for it to grow. As the world looks to the bottom of the pyramid as a source of commercial interest, unmet needs in these populations present themselves largely as social needs. This could mean that the separation

between commercial strategy and product or service development, and on the other hand social engagement through CSR, may require repositioning.

The separation also meant that CSR projects which could have been considered to be social innovations often do not have the influence to affect broader systems. Again, not much is known of the views of CSR practitioners and the extent of their efforts to approach their work in a manner which could result in social innovation. Their thinking and views on CSR can reveal a great deal about their SIO and the relationships between the theory and the practice of CSR. The literature review section provides the details to support the aforementioned positions.

The study was set in the strong body of knowledge that now exists on CSR as a recognised management practice, and bearing in mind that CSR is an integral part of doing business in our society today. CSR has become a normal cause of business operations. However, as mentioned before, there is still the niggling question about the effectiveness of CSR in addressing social woes. In some circles, the discussions continue on whether business should even play a role in this area at all (Hockerts and Morsing, 2008).

As the commercial world's focus expands to include opportunities in developing countries (Frynas, 2006) at a strategic and operational level, this focus includes consideration of the implementation of CSR as management practice in these countries (Prieto-Carrón, Lund-Thomsen, Chan, Muro, and Bhushan, 2006). Given that distinguishing factors between developing and developed countries include social issues, economics, legislation and ethics, CSR is an important management

practice because it touches on all of these factors. In developing countries, CSR efforts are skewed towards social interventions, whereas developed countries tend to emphasise environmental and climate change interventions (Visser and Tolhurst, 2010). Visser and Tolhurst (2010) suggest that the skewing can be attributed to the large inequalities in these societies, the shortfall on the part of governments to provide the required services, and because of an expectation by the citizenry of these countries that companies should make a contribution to social upliftment.

The current economic environment strongly suggests that a major cause of the current social and economic climate has been that the approaches adopted to complement various management practices have not been optimal (Tansey, 2011). This is also true of the CSR efforts on the part of companies which were meant to improve society. It is also widely acknowledged that the role of companies in society has changed (Bhattacharyya, 2010). The responsibility and expectation of companies to make a meaningful contribution to the improvement of society has grown exponentially in the last century (Prieto-Carrón *et al.*, 2006) It has been deduced that companies are increasingly overtly acknowledging that previously adopted approaches have not been as successful as was required.

The literature on CSR and the approaches to CSR showed a development from pure philanthropic giving to CSR efforts, which seek to bring about social change but also benefit the company and other stakeholders wherever possible (Frynas, 2006). The literature includes several different points of departure which present various considerations and perspectives. It was of value to do a review on the CSR literature not only because the topic and area of management for this research include CSR

but also because the sample was focused on those working in this space. The literature helped to better understand the context of their thinking. While most literature stemmed from the developed world, there was also merit in looking at the literature from developing countries. Some research has been conducted in academia to investigate CSR in developing countries and to learn their unique characteristics. In South Africa and a few other developing country environments, specific CSR initiatives have been developed. The research focused mainly on individuals based in South Africa and their efforts to bring about change in that environment.

The purpose of this research was to gain insight into the extent of the application of social innovation approaches, particularly amongst those who have worked or who are currently working with CSR. Through this exploration, an aspect of the connectedness between social innovation and CSR was also explored. The current thinking around CSR was also highlighted, and the primary approaches to addressing these challenges and the extent to which these were informed by SIO, were also included.

The significance of the research is that it contributes to the body of knowledge on CSR and social innovation, as well as the insights it provides to companies and academia. A primary contribution of this study is the identification of the key threads that run across or between every phase in the CSR journey. The study also identifies the possible components for CSR advancement, particularly for those firms seeking a deeper level of change or systemic influence. A secondary contribution for the

practice of CSR could be the identification of a logical process for a company to determine where it is in its CSR journey.

A primary contribution of this study is the development of SIO as a concept. Regarding an SIO, a primary contribution of the research is the provision of practical insights into how CSR practitioners wishing to grow in the direction of social innovation can do so, particularly in the developing country context. The study presents an exploration in a nuanced way of how an SIO does or does not express itself in current CSR practice.

As a secondary contribution, this research could serve as an addition to information on social innovation and how it relates to the practice of CSR, specifically in developing countries. Through its results and conclusions this research could serve as a contribution to the foundation for developing a tool-set for the CSR practitioner on SIO. Another contribution could be the possibility of it leading to further research exploring the link between CSR and social innovation in developing countries.

More generally, this research, through the literature review, fieldwork and interpretation thereof, increases awareness of social innovation as a current concept and construct for addressing social challenges, particularly in the developing country context. The research also adds to the information on doing business in developing countries from a CSR perspective.

Some literature suggests that social innovation is the next level of CSR (Phillis *et al.*, 2008). If it is the next level, then this research is made significant because it is

worthwhile considering what could be regarded as the requirements for social innovation and the characteristics conducive to social innovation for the CSR practitioner, particularly given their role as the implementer.

Research Questions and Scope

The research question and sub questions are restated below:

In what ways are Corporate Social Responsibility practitioners building a Social Innovation Orientation in South Africa?

Sub Questions:

- a. Are Corporate Social Responsibility practitioners thinking about new solutions which profoundly challenge or change day-to-day routines, authority flows and resource flows or beliefs, at a broader more inclusive level?
- b. Given the characteristics reflected by the CSR practitioner, where is the company in its CSR advancement?

Key words: social innovation, Corporate Social Responsibility, developing countries, Social Innovation Orientation, CSR practitioner.

Scope. The scope of this research was determined by first identifying the broad topics CSR and social innovation. The research was focused on a sample

based in South Africa. However the scope of project examples could include projects for developing countries outside South Africa.

The traditional human resources and performance management as management areas would not form part of the scope of the project. This was done to ensure objectivity and reliability. A qualitative study focused on performance management and matters of human resource management would have hindered the honesty and openness of CSR practitioners because there would be concerns that it would reflect poorly on their personal performance, given the study's interest in the personal interpretation of CSR practitioners. The implication of this exclusion was that SIO could not be neatly incorporated into a typical performance management process or job profile of a CSR practitioner. There is an opportunity for further research which explores how SIO can be incorporated and measured in practice. The nature of such a study would be different from the scope of this study.

The other sectors which typically make a social system (Westley and Antadze, 2010) also have a role to play in bringing about social change. For this reason there is merit in exploring their practitioners' SIO. The scope of this project was limited to the company-centric view, which implied that only CSR practitioners working for private sector companies would be required, because the research question concerns the views of these individuals and not the views of the social and public sector practitioners about private sector practitioners.

Practitioners working within the public and social sectors have a clearer role to play in addressing the social challenges facing society because of the nature of their core

operations and the expectations of their stakeholders both within and outside their respective organisations. In government there are officials specifically tasked to engage with the private and social sector on addressing social problems. For the Government of South Africa this would typically refer to officials in the Departments of Education, Social Development, Health or Trade and Industry, whose mandate is specifically partnerships or the strengthening of relationships with other sectors to bring about social change or improvement. In the social sector, this would relate to individuals who work for NPOs that focus on engaging with the public and private sector to identify or design social solutions for obdurate social problems. The scope of this research did not overtly include individuals from these sectors.

Research Assumptions and Ethics

Ethics. In order to guide the ethics approach for this research, the framework for research ethics as suggested by the ethics guidebook was used. These guidelines draw specific attention to the viability of the research as well as careful attention to the participants in the research (The Research Ethics Guidebook, 2014). The application of ethical practices should come across throughout the research. The research methodology chapter particularly illuminates the ethical deliberation for the participants in the research.

Participants were made fully aware what they were agreeing to when participating in the research. All participants participated on a voluntary basis. The confidentiality of the participants was important, therefore it was included in the confidentiality agreement with the participants that no names of individuals or their respective employers would be divulged during presentation of this research, irrespective of

whether it was verbal or written communication. It was agreed that CSR practitioners' industries could be stated, and whether the companies were local South African or multinational companies. This information is included in the appendix which contains a list of the participants, their respective industries and company type.

Research assumptions. The exploration was primarily on the nuances of CSR approaches and opinions in companies that are perceived to be socially responsible and ethical. It was assumed that the CSR practitioners in their individual capacity were also behaving in a responsible and ethical manner. This assumption was supported by the strict governance practices that CSR practitioners and their companies have to adhere to. No illegal activity surfaced during the course of this research.

It was assumed that participants would tell the truth, partly because of the anonymity and confidentiality conditions conveyed to them before and during the interview. It was also assumed that the participants supported the concept of building the body of knowledge on CSR, and for this reason would be cooperative and truthful.

The sample was representative of the population because the majority of CSR practitioners who were found to be contributing significantly to addressing social problems were found in larger companies. This could be because of the resources available to them. The 2014 CSI Handbook highlights the fact that most of the CSR spending and activity in South Africa comes from larger companies (The CSI

Handbook, 2014). The sample criteria used in this research in the main target this group of CSR practitioners.

It is acknowledged that CSR could be considered to be much wider both in terms of activity and participants. It was assumed in this research that this does not limit the validity and transferability of the study. Given the definition of a CSR practitioner, a specific approach to CSR in this study may be considered to be narrow. It was assumed that even if the study was considered narrow, the findings and results would still be relevant and applicable to CSR as management practice.

It was assumed that in the South African context, the terms CSR and CSI may be used interchangeably. This assumption was supported by literature such as Skinner and Mersham (2008) and the CSI Handbooks (2007, 2010 and 2014) as well as personal experience. This interchangeability is covered in the literature review chapter.

Research Limitations

The following challenges and or limitations have been identified which may affect the credibility and generalisability of the study. The ways in which these were overcome have been included below in order to further establish the reliability and validity of this study.

Location of the study. This research will only focus on South Africa and CSR practitioners in South Africa working for corporations with operations in South Africa. The research aimed to explore the relationship between the CSR practitioner and SIO in a developing country. The focus on South Africa does limit the answer to the research question. While the literature on the developing country CSR context does pertain to South Africa, what emerged in the research was that South Africa is grouped with those developing countries which are considered to be progressive in terms of CSR advancement. This advancement is positive in that it implied that there would be literature available on South Africa.

The characteristics which emerged for South Africa in the research could be associated with those of other developing countries which fall within the ambit of progressive CSR implementers. This research laid out specific sampling criteria, which meant that if the research included other developing countries it would not be able to explore the SIO of CSR practitioners in companies which met the sample criteria. The sampling criteria helped to overcome this methodological limitation because even in countries with less progressive CSR practices, the opinions gained would still be from CSR practitioners in companies which have some recognition of

CSR. For this reason the focus on South Africa only is not expected to differ so greatly as to render it unreliable.

It could be argued that a view of developing countries with more advanced practices, as well as those without, would still be required to fully grasp the SIO of those working with CSR in developing countries. The findings and conclusions of this research do provide some indication of what would be expected for developing countries – especially more progressive ones – but it cannot be considered representative of all developing countries in the world. This limitation could be overcome by conducting similar research but expanding the sample to include participants from developing countries from both the progressive and less progressive group, as well as countries from different parts of the world. The chapter on further research directions provides details on how to expand the study from this perspective.

Use of a novel model. Given the novel and explorative nature of the research, no previous test models or theories on the exploration of building an SIO were available. However; this did provide the opportunity to test a construct which, based on the findings and discussion, could be tested again in future. The absence of a tried and tested model meant that there was no benchmark in the form of a previous study against which to measure the quality of results. This theoretical limitation was overcome by maintaining an iterative approach which involved assessing the SIO construct and its elements at every stage, including the literature review, the research methodology, findings, discussion and conclusion. By means of further research after this study, the limitation can be overcome by conducting research with a different sample or conducting further research which focuses specifically on assessing and refining the SIO.

Emergent sampling. To facilitate the richness and appropriateness of the data collection, some room was made to explore leads provided by interviewees during the interview. This emergent or opportunistic (Patton, 2002) sampling was used at my discretion. This led to the potential expansion of the sample to include the Department of Education officials working with CSR. Given that more than fifty per cent of the participants chose to focus on education, two separate directorates within the Department of Basic Education were contacted. Both individuals who were contacted agreed to be interviewed, but to date have not been able to confirm meeting times. The meetings did not take place. The benefit of this was that the research could now be more focused, looking at social innovation and CSR from the private sector corporation perspective. The insights from the Department of Basic Education would have been useful, especially given the cross-sector nature of both CSR and social innovation as well as the prominence of educational projects.

Owing to the lack of responsiveness from the officials, the emergent sampling method was open for use, but the final sample did not include individuals identified by this method. The consideration of emergent sampling created further room for data to be collected which would not be predetermined or preconceived to suit the purpose of the research.

Time of the study. The study interviewed practitioners over a set period, and it could be argued that this could restrict the research for methodological reasons, specifically that the views and opinions reflect those of CSR practitioners at a specific point in time. This limitation was overcome by the nature of the questions asked to CSR practitioners during the interviews. For example, participants were asked to reflect on CSR over the last five to ten years, instead of one instance in time. The research methodology chapter, more specifically the research design section, further establishes reliability and validity.

Literature Review

The literature review starts with an indication of the changing role of business in society and the advent of legislation and guidelines to support the evolving role of business. This subsection provides context and identifies the area of concern. The research question identifies two fields - CSR and social innovation – which are the general topic of this literature. However, these are focused by the suffixes of the research question, namely ‘practitioner’ and ‘orientation’. The literature included was relevant to the CSR practitioner, meaning those working with CSR and orientation, in other words the SIO. CSR is then debated through the review and selection of a definition for the research, a discussion on CSR in developing countries, and the exploration and synthesis of CSR typologies. The literature review on CSR allows for an understanding of the environment in which CSR practitioners find themselves, as well as the process or parts of the CSR landscape and journey. This is necessary because an important component when wanting to investigate the orientation of an individual, is to understand the current environment. As with CSR, a review of some of the definitions available for social innovation is carried out, to justify the choice of definition. The SIO is then detailed.

Companies, Society and Responsibilities

Debates have long evolved as to whether there is a social role for companies in society beyond their economic purpose. There is general consensus that business has a role to play in improving society (Bhattacharyya, 2010 and Prieto-Carrón *et al.*,

2006). Debates have progressed to concern the expanse and the boundaries of this role (Tansey, 2011). This research will therefore not seek to prove the necessity that companies should engage in CSR. This is taken as given. However, it is necessary to investigate what current literature says about the position of business and society. What is clear from the literature is that there is a role for business in society; companies have a role in improving the social plight of people (Skinner and Mersham, 2008). Moreover, there is a great deal that companies can do to address the various social challenges through their operations and influence (Porter and Kramer, 2011). Deliberate action is required, and in some instances (particularly in developing countries) expected from companies, particularly as globalisation continues (Prieto-Carrón *et al.*, 2006 and Visser and Tolhurst, 2010). Skinner and Mersham (2008) stress the magnitude of the need to address social issues, and the companies' involvement in offering a solution. A company's efforts to improve society, irrespective of motive, can affect more than the organisational function tasked with CSR. It can affect the broader company and relevant stakeholders (Bhattacharyya, 2010 and Global Education Research Network, n.d). Approaching a social system using systems thinking (Aronson, 1998), it can be determined that a company affects the various components of the system in operations and the various components of the system. It was deduced that on a relational level, this would imply that from both sides (business and its stakeholders) there is greater awareness and to and fro. The International Standards Organisation (ISO) 26000 on Social Responsibility borrows from systems thinking, which is demonstrated in the view contained in the ISO 26000 that the ultimate sustainability of a company is dependent on the health of applicable ecosystems (ISO, 2010).

Support for company involvement in social solutions is evident in measures such as the Triple Bottom Line (TBL), Broad-Based Black Economic Empowerment (BBBEE) in South Africa, and the Global Reporting Initiative (GRI) (Global Reporting Initiative, 2013). These measures will be introduced below. The purpose of these introductions is to paint a clearer picture of the reality of the practice of CSR in developing countries. These measures all form part of the guiding framework for CSR implementation in developing countries, and particularly in South Africa. ISO 26000 on Social Responsibility will also be covered as a newer entrant to the CSR landscape.

Given the numerous interpretations of CSR and the fewer but still varied views on social innovation, this review will begin with a broader look at CSR and social innovation, and then focus in on the various themes that have emerged from the literature. The sparseness of the literature on social innovation as it pertains to CSR, in combination with the dearth of qualitative literature on CSR practitioners, posed a challenge to this review. In order to address the research question, as well as to ask the right questions to CSR practitioners, the existing literature on social innovation and CSR broadly was used as a starting point.

The aim was to explore how these somewhat abstract concepts can be drawn out and discussed in interviews and subsequently analysed and interpreted. Departing from social innovation, Tansey (2011) captures three key trends, namely: social innovation in the public sector, strategic CSR, and scaling nonprofit social innovation. These trends also support earlier work by Phillis *et al.* (2008) in which the mechanisms of social innovation are identified from the evolving erosion of sector

boundaries which is intrinsic to social innovation. The three sources of social innovation identified across sectors are: exchanges of ideas and values, the shifting roles and relationships between sectors, and the integration of private capital with philanthropic support. Immediately the systemic current within social innovation is apparent, as well as the prominence of change, advancement and impact required for true social innovation.

Given that this research deals with CSR practitioners in the private sector, the literature reviewed was company-centric, and where required by the data findings, perspectives from other sectors were also drawn in. The company-centric focus does not imply that the private sector is the nucleus of social innovation or that it is the starting point of social innovation. Social innovation can be initiated from any sector within a social system (Westley and Antadze, 2010 and Tansey, 2011). While company-centricity focuses the discussion, it can also be seen as a limitation. There is scope for further exploration into the other sectors which make up the CSR social system in the context of social innovation.

Tansey (2011) comments that companies today find themselves operating in a world challenged by an economic crisis, which has brought about uncertainty and distrust in the appropriateness of modern capitalism at its most basic level. To remain relevant, successful companies have, over time, developed a range of approaches. These include TBL strategies, strategic CSR programmes, and the most recent development, the concept of creating shared value (CSV). These approaches present a study in their own right. Echoing through these approaches are the changing role of business and society and the growing inclusion of the social

dimension. Their depth gives the opportunity for a comprehensive study in this research, even if limited to companies only. The various approaches mentioned above will be introduced, particularly because these relate to CSR.

TBL is commonly used to report a company's responsiveness to CSR. TBL considers that CSR involves considerations for people internal and external to the company, the world it operates in (usually from an ecological stand point) and the profitability of the company, this being people, planet, and profit. Companies have to take into account the economic, environmental and social value they add or remove (<http://www.mercer.com/ridictionary> as cited in Cahill, 2010, p. 268). TBL provides for companies to report not only on financial performance but also on social and environmental performance. The leaning towards stakeholder theory (Freeman, 1984) as opposed to shareholder theory (Friedman, 1970) is clear. While some still consider that the only responsibility of a business is to make financial profits for its shareholders, the language and adoption of measures such as TBL reflect the opposite. Sustainability-focused measures are not without their own possible difficulties. TBL is a case in point. The three pillars of TBL are influenced by external factors which the company may not have control over. Internally there could be challenges too. For example, a company's reporting may be done at a stakeholder level but in practice the prioritisation within the company could be at shareholder level. Alternatively the theory of TBL may be understood, and reporting may follow these pillars, but the level of change and the weighting of planet and people in a company may be insignificant compared to profit. This could have an effect on the nature of CSR in a company and the level of innovation for CSR. Another

shortcoming is that because people and planet cannot always be measured in monetary terms, it is not easy to add up the three pillars.

Further efforts are being made to provide some standardisation for social responsibility across the world. By way of example, the introduction of the ISO 26000 in 2010 is referred to. The guideline has been designed to be used by various organisations across sectors, probably the reason why it has been positioned as a guideline and not a certification, because social responsibility requirements differ across sectors. There are however standard matters for consideration and these could be of value to a company. It is therefore worthwhile carrying out a surface review on this tool. This ISO guideline also has particular relevance for this research because of its link to the CSR definition. The ISO 26000 advises that organisations wishing to use the guideline should allow consideration for “societal, environmental, legal, cultural, political and organisational diversity, as well as differences in economic conditions, while being consistent with international norms of behavior” (ISO 26000:2010). There is significant overlap with the definition of CSR used for this research. Visser *et al.*, (as cited in Visser and Tolhurst, 2010, p.474) refer to improvements in “governance, social, ethical, labour and environmental conditions”, but mentions sensitivity to contexts which would be specific to a country or region rather than a global consistency, which is referred to in ISO 26000. Misani (2010) contends that standardisation within CSR is a hindrance to innovation, because it induces companies to think within a constrained canvas rather than being free and uninhibited.

The ISO 26000 guideline provides a schematic structure (ISO, 2010) which is relevant to CSR and in addition there is a guideline for integration with the GRI. The principles outlined by the GRI are widely used by companies around the world. It can also be argued that this aids innovation and CSR efficacy because companies can focus on getting the basics right, and then have greater capacity for creative problem-solving. In addition, it can be said that this kind of standardisation could reflect a move towards consistency and congruity in approach to CSR and its meaning. Though only a guideline and not a certification, the core subjects and emphasis on integration throughout the organisation agree with current research (Visser and Tolhurst, 2010; United Nations (UN), 2008) particularly from company-centric perspectives which suggest that CSR should be companywide and be about more than just legal compliance. As a tool designed to be used in the everyday practice of socially responsible activity, it reveals a great deal about the focus on stakeholder engagement and the importance of cross-sector collaboration for business and societal sustainability. The growing significance of interaction and cohesion also surfaces in other literature, which will be covered in later sections.

CSR Definitions

For this research, Visser and Tolhurst's (2010) definition of CSR has been used. A number of definitions of CSR can be found in the literature, differing slightly one from another. Visser and Tolhurst's (2010) definition was chosen because of its specificity, particularly the fact that it details the areas of improvement and the sensitivities applicable to developing countries. Their definition was also created specifically with the developing world in mind. Other definitions, when compared to

Visser and Tolhurst's (2010) do overlap in some ways. The main difference is that while some lean towards describing actions on the part of a company to deliberately improve social conditions, others describe a vague broad view of social change.

Four definitions of CSR have been chosen below. All these definitions are relevant. The nuances amongst these definitions highlight the slight differences in CSR framing.

- “The overall contribution of business to sustainable development” (UN, 2007).
- “CSR is a commitment to improve community well-being through discretionary business practices and contributions of corporate resources” (Kotler, 2005).
- “Represents an organisation’s dedication to economic, legal and ethical responsibilities” (Ziek, 2009).
- “The formal and informal ways in which business makes a contribution to improving the governance, social, ethical, labour and environmental conditions of the developing countries in which they operate, while remaining sensitive to prevailing religious, historical and cultural contexts” (Visser and Tolhurst, 2010).

In Issue One of the UN Sustainable Development Innovation Brief of 2007, the difficulty in consensus of definition is attributed to two factors also linked to stakeholder relations, one being the benefit of CSR to the company’s objectives and the other the role of government in determining what companies have to do and how they have to do it. The overarching view is that the greater the role of government in informing the agenda, the more active a company’s actions will be in addressing societal goals (UN, 2007).

Another consideration for the definition of CSR, particularly in the South African context, is the interchangeable use and or the difference between CSR and CSI. According to the CSI handbook published in 2007, CSR and CSI are connected but are different terms. In brief, the literature makes a distinction between CSR and CSI. Skinner and Mersham (2008) observe that CSI is a term used in South Africa for what is commonly referred to as CSR in other parts of the world. Skinner and Mersham (2008, p.240) explain that “responsibility” was associated with apartheid practices and the term “investment” was better accepted because it sounds more business-orientated. Skinner and Mersham (2008) also provide insights, through Fig (2005 as cited in Skinner and Mersham, 2008) into BBBEE, a uniquely South African factor which has a link to CSR. The BBBEE Act (Act No 53) was promulgated in 2003.

CSR practitioners and, more aptly, their companies, are required to adhere to the BBBEE Act (53 of 2003). According to the 2007 National Gazette, CSI is a “project aimed at primarily black groups, communities and individuals that have a strong developmental approach and contribute towards transformation” (South Africa. Department of Trade and Industry, 2007). While Skinner and Mersham (2008) view the terms as the same thing, from the definition provided there are clear differences, and the view in the 2007 CSI Handbook of different yet connected terms appears more accurate. From the definitions provided above it was determined that CSI is concerned with activity at an operational or project level for targeted groups’ societal benefit, whereas CSR refers to a broader set of activities. CSR is therefore wider and includes efforts aimed at more than a specific group of

people; it can also include internal operations, product development, environmental and economic considerations. Both CSR and CSI seek to bring about societal benefit, the latter being narrower than the former. For the CSR practitioner both are relevant. The literature reveals that in South Africa there is a unique interplay between CSR (Visser and Tolhurst, 2010), CSI, the BBBEE Act (53 of 2003), and a mix of the variety of CSR definitions in circulation, as well as TBL reporting.

Given that as a basic CSR for companies begins by obedience to the law, it is not surprising that for most large South African companies, compliance with the BBBEE Act (53 of 2003) is a priority. This compliance involves various levels of action on the part of the company. The BBBEE scorecard is made up of several elements which aim to redress the wide imbalances left by apartheid. Companies are required to spend a portion of their profit after tax on what are typically deemed as CSI projects.

Skinner and Mersham (2008) argue that it is a question of balance, between CSR that the company does because it wants to, versus CSI the company does because it has to by law. Skinner and Mersham (2008) propose that the solution is found in strategic CSR, which involves interventions at an investment or strategic level.

Setting the scene for CSR in developing countries

The purpose of this research is not to compare CSR in developing countries with that of developed countries. Most of the CSR literature is focused on developed countries. The environment in developing countries differs from developed countries,

and as companies are increasingly turning their attention to developing countries, it is necessary to note these differences (Frynas, 2006).

It is generally accepted that developed countries have led the way in terms of CSR (Frynas, 2006 and Prieto-Carrón *et al.*, 2006). Responsible practices are not new to developing countries; examples include Indian statesman and philosopher Kautilya (also known as Chanakya) who advocated business practices based on moral principles in the fourth century BC. There are also Islam's prescriptions of certain business practices, religious notions which inform Malaysian and Pakistani companies, and in other countries economic crises such as the December 2001 Argentinean economic crisis, also played a part (Frynas, 2006). Given the difference between history and the present-day CSR landscape, Frynas (2006) advocates that western notions of CSR should not be directly copied and implemented in developing countries. Developing countries need a different focus because they have additional drivers and motives. Examples include sustainable local economic development and poverty reduction. Through their investigations, both Visser and Tolhurst (2010) and Frynas (2006) acknowledge the contextual influence of CSR in developing countries. Visser and Tolhurst (2010) note specifically that CSR efforts were linked to a sense of community and religious concepts such as African humanism (Ubuntu) in South Africa and harmonious and equal living (Xiaokang) in China. This means that most projects tend to lean towards social impact as a prerogative. A copy-and-paste approach to CSR is ineffective in achieving the same level of results as in developed countries (Frynas, 2006 and UN, 2008) and this view is growing in both developed and developing countries. To this end, developing countries such as South Africa, Brazil, China, India, and the Philippines and others, have started developing their

own CSR initiatives (Visser and Tolhurst, 2010). In South Africa specifically, through legislation like the BBBEE Act (53 of 2003), large companies are required to consider whether they are interested in developing their own CSR initiatives (Skinner and Mersham, 2008). Skinner and Mersham (2008) state that for some, in an effort to increase BBBEE scores, CSR has become intentional through aggressive performance targets. Skinner and Mersham (2008) suggest that this behaviour on the part of companies has far-reaching implications for the practice of CSR.

Visser and Tolhurst (2010) provide a summary of the distinctive characteristics of CSR in developing countries. While Frynas (2006) also share insights into the state of CSR in developing countries, Prieto-Carrón *et al.* (2006) attempt to take Frynas' contribution further by highlighting other elements for consideration in the context of CSR in developing countries. These studies are important for this research because they help develop a picture of what patterns one would expect to find when doing fieldwork and data analysis. In addition, in trying to understand the relationship between social innovation and CSR in developing countries, the literature reviewed must, as far as possible, consider the developing country's context. Visser and Tolhurst (2010) maintain that characteristics make distinctions in terms of the institutionalisation of CSR and the nature of activities; whereas Frynas focuses on the growth of CSR and the state of knowledge in developing countries.

Frynas (2006) and Visser and Tolhurst (2010) both highlight the significance of philanthropic contribution, stating that the nature of CSR in developing countries is largely philanthropic. Visser and Tolhurst (2010) point out that projects are primarily in education, health, and the environment, while in developed countries similar

sectors could be targeted, but the issues tackled, differ. Examples of unique issues include HIV/AIDS, basic services, and poverty alleviation. Companies are often expected to fill the gap left by government (Frynas, 2006). It is not solely social impact through economic contribution (Visser, Matten, Pohl, and Tolhurst, 2007) and philanthropy. For developing countries, increasingly the statement is being made by academics, analysts and governments that the promotion of CSR in the local economy could be advantageous for competitiveness as a whole. Success is dependent on the local environment from a sector and country perspective (UN, 2008). Visser *et al.* (2007) also point to the challenges that developing countries face in trying to achieve win-win outcomes. Often trade-offs exist, and examples provided by Visser *et al.* (2007) include “development versus environment, job creation versus higher labour standards, and strategic philanthropy versus political governance.”

Overall, Visser and Tolhurst (2010) suggest that CSR in developing countries tends to be less formalised when measured against the standard used in most developed countries. While there are CSR standards, codes and reporting in developing countries, these tend to be issue-specific and institutionalised in larger companies with a significant national and or multinational presence. Frynas’ (2006) views are again in line with Visser and Tolhurst (2010), stating that CSR practices in developing countries continue to be piecemeal, unevenly applied, and limited to a minority of companies. Frynas (2006) claims that what is required is a change in behaviour by the majority of companies and without this change CSR will lack effectiveness.

Frynas (2006) notes that CSR is still a new participant in the social and economic environment and that perhaps too much is expected of it. Frynas (2006) suggests that what is also required from stakeholders is acknowledgement of the growth and development of CSR in scale and scope in developing countries. Skinner and Mersham (2008) support this view in their comments on the rising profile and significance of CSI. Skinner and Mersham (2008) comment that for communities, the presence of CSI on the BBEE scorecard is an acknowledgement of growth and development for the private sector.

Exploring CSR Typologies

The growing interest of CSR in developing countries could expedite the emergence of new frameworks and models for working with CSR in these countries. The present research, through building on the existing body of knowledge, could also contribute to developing more appropriate frameworks for CSR in the developing country context. There are, however, existing models, even though formulated in the developed country context, which can be of value to CSR in developing countries. Over the years literature has classified CSR according to responsibilities (Carroll, 1991), levels or stages of Corporate Responsibility (CR) development as found by Zadek (2004), and more recently typologies according to CR motive (Husted and Salazar, 2006 and Windsor, 2006 as cited in Kourula and Halme, 2008, p. 558) and action (Halme and Laurila, 2008). This affects how companies think about what CSR is and should be (Schwartz, 2006). Misani (2010), while investigating the convergence of CSR practices and suggestions in accordance with Barreto and Baden-Fuller (2006), asserts that the driver of what CSR is and should be, is often

conformity, rather than performance. Like Porter and Kramer (2011), Misani (2010) emphasises that there is opportunity for a company to leverage off its CSR activities and gain a competitive advantage through its CSR.

The literature on CSR broadly appears to follow the same paths as the definitions for CSR. Most literature on CSR is focused on high level approaches to thinking about CSR as opposed to its actual practice and implementation. In most instances the literature talks to the implementation of CSR at a strategic level within a company. In practice, CSR is usually left to a CSI or CSR department, a foundation set up by a company, the sustainability function or marketing department (Thwaites, 2012). This section's review of the various typologies will further expand on this difference.

Through a systematic mapping exercise which pulls together the literature on the typologies discussed, a comprehensive view of the CSR landscape is derived and presented. Distinctiveness in motives, responsibilities, actions and outcomes is compared. The CSR landscape is characterised by three clear distinct approaches illustrated in the table below. I have labelled the first approach 'Getting the basics right', which relates to a company doing what is required by law to contribute to social advancement; this would be separate from business operations. The second is called 'The inward focus' and describes a company's focus on how to improve the business itself, business processes and business management, that is, looking inward towards existing operations. The third is called 'Mutual benefit' and refers to a company's work. to ensure that both company and social priorities are addressed through company strategy and product and service offering, and realises commercial benefit from addressing social issues. These approaches are not mutually exclusive

or linear. A company that does not have the basics in place in terms of compliance with laws and regulations is less likely to successfully adopt an approach which prioritises the development of new products which meet social needs. In most of the literature surveyed above, at a minimum, compliance to laws is assumed. For developing countries in particular, some level of philanthropic effort is necessary (Frynas, 2006 and Visser and Tolhurst, 2010). Moving beyond being philanthropic and compliance-driven, CSR continues to be a challenge for developing countries (Visser and Tolhurst, 2010).

Table 1:

A Mapping of CSR Typologies and Other CSR Literature

The CSR landscape	Getting the basics right	Inward focus	Mutual benefit
Motives	Altruism, Ethics	Economical, Enforced egoism	Strategic intent, Corporate citizenship
Responsibilities	Philanthropic, Legal	Economic	Ethical
Actions	Defensive, Compliance	Economic and Managerial	Strategic and Civil
Outcomes	Philanthropic	Integration	Innovation and CSV

Kourula and Halme (2008) contend that most CSR typologies are useful for research purposes, but are not as useful in practice. Kourula and Halme (2008) also highlight three main types of typologies typically used.

Motives. The first typology is concerned with the motive behind the reason companies are interested in CSR; the second is concerned with the various CSR responsibilities, and the rest are concerned with where a company is on its CSR journey.

Considering the reasons why companies engage in CSR, Husted and Salazar (2006) identify three types of CSR: altruism which is usually philanthropic in nature, enforced egoism, and strategic intent. Similarly to Husted and Salazar (2006), Windsor (2006) in Kourula and Halme (2008) identify economic CSR and ethical CSR as well as corporate citizenship conception as motives for CSR (Windsor, 2006 as cited in Kourula and Halme, 2008, p. 558). While these typologies differ slightly, a preliminary continuum of CSR motives emerges. These groupings are depicted in the table below. In group A, motives appear to be grounded in moral concern whereas group B motives relate more to the company itself and a focus on the financial viability of the company. The group C motives consider both group A and group B while also purposefully considering other stakeholders.

Table 2:

Preliminary Continuum of CSR Motives

CSR Motives:		
Group A	Group B	Group C
<ul style="list-style-type: none"> • Altruism • Ethical 	<ul style="list-style-type: none"> • Enforced egoism • Economic 	<ul style="list-style-type: none"> • Corporate citizenship • Strategic intent

Source: Combination of Husted and Salazar, 2006 and Windsor, 2006 in Kourula and Halme, 2008

Responsibilities. Most companies view CSR as a responsibility that the company has towards its stakeholders. The nature of the responsibilities and the basket of responsibilities differ among companies (Carroll, 1991). The most widely used model for CSR is Carroll's CSR Pyramid, which identifies four primary CSRs namely: economic, legal, ethical, and philanthropic. The model describes four distinct phases which, when combined, constitute what is required for CSR. The levels are not mutually exclusive (Carroll, 1991). This pyramid has been discussed in the American context of CSR (Carroll, 1991 in Visser and Tolhurst, 2010), and in the European CSR context (Crane and Matten, 2007 as cited in Visser and Tolhurst, 2010, p. 489-491), and more recently in the developing country context in Visser and Tolhurst's (2010) writings on CSR in developing countries.

Visser and Tolhurst (2010) remark that although the model may be useful and all the levels are relevant, the significance and weighting of the respective responsibility differs between the United States of America (USA) and Europe for developing countries such as South Africa. Having introduced some of the motives available for CSR it is necessary to move on to the responsibilities of CSR, using Visser and Tolhurst's (2010) interpretation and critique of Carroll's CSR pyramid. Visser and Tolhurst (2010) provide a discussion on each of these elements in the context of the developing country landscape. This is valuable as it helps to focus on the practice of CSR rather than the theory. Visser and Tolhurst (2010) also focus on actual practices by discussing the state of CSR at present rather than what would be ideal.

Traditionally, economic responsibilities are the starting point of Carroll's CSR model (Carroll, 1991 and Visser and Tolhurst, 2010). Visser and Tolhurst (2010) suggest that because of the high levels of unemployment and widespread poverty in developing countries, economic contributions by the private sector are significantly valued by government and community. This can be in the form of economic contribution or economic dependence. These economic responsibilities are targeted to build on current economic activity. Companies generally wish their actions to be seen by stakeholders as economic value adds. CSR in this dimension usually emphasises "the capacity to generate investment and income, production of safe products and services, job creation, human capital investment, establishment of local business linkages, spread of international business standards, support of technology transfer and building physical and institutional infrastructure" (Nelson, 2003 as cited in Visser and Tolhurst, 2010, p. 490).

Philanthropy and particularly the equating of CSR to philanthropy, are often viewed as a reflection of early-stage maturity in CSR (Frynas, 2006). Philanthropic responsibilities are generally in the form of discretionary acts by successful companies and successful business people. However, the legal framework, particularly in Europe and South Africa, plays a significant role in driving philanthropic-type contributions. In South Africa this would refer to the BBBEE legislation, characterised in an earlier section. The literature suggests that although philanthropic contribution is often seen as less progressive, particularly in more developed countries, in the developing country landscape, this kind of contribution could be of value (Frynas, 2006). Companies are expected to help because the socio-economic needs are so great and companies are expected to help

communities where government falls short. Philanthropy is therefore often a part of the developing country culture.

Another justification for philanthropy is that it is a form of contribution which directly affects the communities where companies operate. Through philanthropic efforts companies can help to ensure that the societies they operate in survive, and as a result their businesses survive. Philanthropic giving, usually in monetary form with the purpose of helping others or in response to external pressure, is where most companies begin. It is often seen as 'putting a pay cheque to the problem', unsustainable, and in some instances irresponsible, or a quick fix solution. There is a place for philanthropy because of the vast social problems in developing countries but also because philanthropy can be beneficial to both company and community.

The comments of Visser and Tolhurst (2010) and Frynas (2006) on philanthropy in developing countries discussed above is supported in practice in South Africa by sector codes and charters which outline what CSI initiatives should consist of. These include but are not limited to education programmes; training for unemployed people; development programmes; arts and culture and healthcare (South Africa Department of Trade and Industry, 2013). These initiatives reflect the weighting of economic responsibilities such as job creation, as well as philanthropic responsibilities which usually serve to contribute to education, arts and culture, health and sport.

Visser and Tolhurst (2010) claim that generally developing countries lag behind developed countries when it comes to legal and ethical responsibilities. Visser and Tolhurst (2010) attribute this to a lack of transparency, corruption, and less pressure

for good conduct in developing countries. Visser and Tolhurst (2010) propose that an ideal CSR pyramid for developing countries should place ethical responsibilities at the top. Being of the view that governance reform is pivotal to the success of all the remaining dimensions. Visser and Tolhurst (2010) state that, ethical soundness creates the enabling environment required for systemic change. South Africa is included in the small basket of developing countries which serve as a positive exception to the pace of adoption and advancement of legal and ethical responsibilities. South Africa has made significant strides over the years in developing and implementing legislation and good governance practices. Examples include the King Reports on Corporate Governance which have served as a global yard stick for the inclusion of CSR issues. South Africa though a positive exception is not without the challenges which typify a developing country.

While Carroll's (1991) model is the most widely used, it lends itself to some criticism. The model's pyramid structure implies a linear movement, and this is not necessarily how CSR translates in practice. Therefore this fixed criterion and movement could be a hindrance to further CSR knowledge development and understanding. Carroll does however state in her writings, as mentioned earlier, that the respective responsibilities are not mutually exclusive (Carroll, 1991). A second criticism is that the model does not adequately capture the complexity of the real world. The model is still worth using because it provides a breakdown of the various responsibilities of companies in terms of CSR, and provides a categorisation for analysing a company's CSR responsiveness.

Actions. The CSR motives and responsibilities begin to provide a framework for the journey of a company. Zadek's (2004) five stages on the path to developing a sense of CSR provide a complementary process which also fills some gaps pertaining to where in the company CSR would be embedded, and the reasoning behind why a company would act in a certain way. According to Zadek, there are five stages in the CSR journey, namely in consecutive order: defensive, compliance, managerial, strategic, and civil.

When companies are in the defensive stage they typically deny any wrongdoing on their part, which is usually because they are concerned about internal matters such as sales, recruitment and productivity, and external matters such as reputation. The compliance stage is characterised by the adoption of a policy-based compliance approach such as cost-saving measures. Primarily the goal here is to mitigate losses in economic value by addressing medium-term risks. In the next stage, companies are still looking inward, attempting to make societal issues part of core management processes. This is done with a longer-term view by focusing on day-to-day operations. The next step is called strategic, as the name implies, here the focus is on integration of CSR into the core strategies of the business. Similar to the preceding stage, the view is long-term with an added consideration for competitive positioning through their efforts. The final stage is civil action; in this stage, a company would approach CSR at a broader industry level by attempting to make a change at an industry level. The motive would be, instead of focusing on short-term economic value, to focus on long-term economic value through again gaining a competitive advantage and realising gains this way.

In carrying out fieldwork which involves direct engagement with CSR practitioners, there is an opportunity to discover where companies are in terms of their CSR development. One of the models that will be used to help develop the conceptual framework to this end will be Zadek's (2004) stages of CSR development, just described. While other models exist, such as Mirvis and Googins (2006) and Postman and Altman (1992) both cited by Kourula and Halme (2008) as well as Bhattacharyya (2010), the literature selected and discussed provides the right combination of coverage for a comprehensive exploration.

One of the most recent entries to the CSR debate is the concept of CSV. While the concepts of social innovation, Strategic CSR and CSV are closely linked and all assume compliance with laws and ethical standards, they are not the same thing. Porter and Kramer (2011) provide a comprehensive introduction, definition and exploration of the concept of CSV. Porter and Kramer (2011) argue that CSV should supersede CSR in guiding the investment of companies in their communities. Porter and Kramer (2011) maintain that in the case of CSV, the unique resources and expertise of the company are leveraged to create economic value. CSV is integral to a company's profitability and competitive position. Porter and Kramer (2011) claim that "CSR programs focus mostly on reputation and have only a limited connection to the business, making them hard to justify and maintain over the long run". This view also shows the systemic nature of CSV. Porter and Kramer (2011) provide a perspective rooted in a company-centric angle and a case for the continuum view of CSR, CSV and social innovation which will be discussed in a later section of the literature review. The table below illustrates the difference between CSR and CSV, and more directly supports the argument for CSV as the better approach.

Table 3:**A Comparison of CSR with CSV**

CSR	CSV
Value: Doing good	Value: Economic and societal benefits relative cost
Citizenship, philanthropy, sustainability	Joint company and community value creation
Discretionary or in response to external pressure	Integral to competing
Separate from profit maximisation	Integral to profit maximisation
Agenda is determined by external reporting and personal preferences	Agenda is company-specific and internally generated
Impact limited by corporate footprint and CSR budget	Realignment of the entire company budget
Example: Fair trade purchasing	Example: Transforming procurement to increase quality and yield

Source: Porter and Kramer, 2011

An alternative explanation for the variations in CSR implementation is provided by the UN. According to a report published by the UN in 2007, CSR has two primary influencing factors. One pertains to the value the company believes CSR will bring to its bottom line, and the other pertains to the role of government in driving CSR agendas. Based on these two factors, companies may respond in one of three ways. One is minimum compliance with the law and ensuring safe operational practices.

Two, includes the former but also involves making a contribution towards sustainable development by addressing social and environmental issues. Three, the most progressive approach, is similar to CSV (Porter and Kramer, 2011) and Zadek's (2004) strategy, as well as a civil stage which seeks to bring together company and social goals to realise both company and social benefit.

Outcomes. Halme and Laurila (2008) surveyed the literature on CSR typologies, including those based on motive, responsibilities, action and benefit. In an effort to investigate the practice of CSR, they propose a model which is anchored in three dimensions, namely: philanthropy, integration, and innovation. While these dimensions do not present new insights into CSR approaches, this model does serve as an alternative mechanism for pulling together this literature review in a simple and concise manner. The philanthropic dimension described here is similar to that covered in other typologies, and concerns a company doing what it thinks is expected for reputational benefit. The integration element is aligned with economic and egoistic motives, and companies focus mainly on economic responsibilities, thus looking at internal existing operations similar to the economic and ethical approaches that Zadek (2004) refers to. The innovation element is introduced as a dimension which has emerged from recent trends in CSR activity, in which companies view social problems as an opportunity for mutual benefit. Companies see value in providing solutions with new products and services which address social problems. Companies therefore focus on those segments of the market which have unmet social needs, and these are typically the disenfranchised or disadvantaged. While the linearity is not explicit, they propose that it could be said that a company which already has responsible internal practices will be more open to exploring product

development for underserved markets. Halme and Laurila (2008) claim that this cannot be left to the CSR practitioner alone. For the innovation element to be successful, it must be brought into the mainstream of a company.

Bringing CSR into the core of a business may blur the lines between innovation and integration. The important difference, Halme and Laurila (2008) note, is that innovation refers to new business, whereas integration refers to existing business. It could be asked then: If once a new product or service is introduced and becomes part of the existing operations, does it then just become integration? Are companies then to move between integration and innovation indefinitely? Halme and Laurila (2008) point out that this cannot be the case because a deeper level of integration is required for innovation than for integration.

The table below shows what kinds of outcomes can be expected in terms of where CSR would be positioned in relation to the core business of a company, where the target of responsibility would be, and finally the expected benefit to the company depending on the CSR approach. Halme and Laurila present examples of each CR action type.

Table 4:

Comparison of CR Action Types

Dimension of action	CR action type		
	Philanthropy	Integration	Innovation
Relationship	Outside of firm's core	Close to existing core	Enlarging core

to core business	business	business	business or developing new business
Target of responsibility	Extra activities	Environmental and social performance of existing business operations	New product of service development
Expected benefit	Image improvement and other reputation impacts	Improvements of environmental and social aspects of core business	Alleviation of social or environmental problems
Example	Microsoft's software donations for charity groups. Merck employees build timber houses for poverty-stricken people	Certifying facilities with e.g. ISO 14001 or SA 8000	CEMEX's new business model: Housing for the poor with savings and micro-credit scheme

Source: Halme and Laurila, 2008.

For Halme and Laurila (2008) the innovation element is still seen to be part of CSR, while for Porter and Kramer (2011) CSV surpasses CSR. Both CR innovation and CSV refer to product related actions on the part of a company which result in social and business benefits. Even though chronologically in terms of publication dates, of Porter and Kramer's (2011) writings are the most current, Halme and Laurila (2008)

provide a model which includes not only what would be considered the most progressive practice of CSR, but also other forms of CSR currently being practised. Writings by Porter and Kramer prior to 2008 begin to point to CSV thinking, and also include a wider spectrum of CSR approaches. For the CSR practitioner and others in a company, particularly in developing countries where the practice of CSR is less formalised and systematic, it is worthwhile obtaining a comprehensive view of CSR motives, responsibilities and approaches.

Understanding Social Innovation

Social innovation is a relatively new term, and there is no single unified definition (Bassi, 2010). Bassi's (2010) analysis shows that there are commonalities in the definitions as well as some differences. The purpose of this exercise is to provide structure, and a point of departure for what is meant by social innovation. For the purposes of this study, as alluded to in an earlier chapter, Westley and Antadze's (2010) definition of social innovation will be used. Using the comparison below, an explanation is provided as to why Westley's definition was chosen for this research.

This definition (Westley and Antadze, 2010) is as follows:

Social innovation is a complex process of introducing new products, processes or programs that profoundly change the basic routines, resource and authority flows, or beliefs in the social system in which the innovation occurs. Such successful social innovations have durability and broad impact.

(p.2)

Social innovation organisations around the developed world have also formulated their own definitions.

Social Innovation Exchange (SIX) and the Young Foundation, in a study on social innovation for the Bureau of European Policy Advisors (The Young Foundation, 2010), defined social innovation as:

New ideas (products, services, and models) that simultaneously meet social needs (more effectively than alternatives) and create new social relationships or collaborations. In other words they are innovations that are both good for society and enhance society's capacity to act. (p.18)

Stanford Social Innovation Review: USA:

Social innovation is defined as a novel solution to a social problem that is more effective, efficient, sustainable, or just than existing solutions and for which the value created accrues primarily to society as a whole rather than private individuals.

Centre for Social Innovation: Canada:

Social innovation refers to new ideas that resolve existing social, cultural, economic, and environmental challenges for the benefit of people and planet. A true social innovation is systems changing – it permanently alters the perceptions, behaviours, and structures that previously gave rise to these challenges.

New Zealand Centre for Social Innovation closed in 2013 owing to a lack of funding (Ākina Foundation, 2014). It had defined social innovation as: “The design and implementation of better ways of meeting social needs. When we talk about ‘better ways,’ we mean transformational improvements, not incremental gains”.

For the New Zealand Social Innovation and Entrepreneurship Research Centre (SIERC) social innovation “concerns the application of new ideas and processes or the reapplication of existing ideas in new ways to areas of social value and need and or with the design and intention of delivering social impact”. (SIERC, 2010)

Individuals often associated with social innovation organisations also present noteworthy definitions. In the main, most other definitions for social innovation are broad, and the majority of the current definitions in circulation have often had some iteration. Mulgan *et al.* (2007) put forward both a broad and narrow definition respectively:

“New ideas that work”. (Mulgan *et al.*, 2007, p.8).

“Innovative activities and services that are motivated by the goal of meeting social needs and that are predominantly developed and diffused through organisations whose primary purposes are social”.

Even though this narrow definition of social innovation focuses on the social purpose organisation and may imply that social innovation is the only work of such organisations. The rest of his work shows that there is a place for traditional

business or commercial enterprise (Mulgan 2006, p. 146) and (Mulgan *et al.*, 2007, p.8)

Phillis *et al.*'s (2008) initial definition has evolved into the current definition which is that social innovation is “a novel solution to a social problem that is more effective, efficient, sustainable, or just than existing solutions and for which the value created accrues primarily to society as a whole rather than private individuals.”

Bassi (2011) analyses three current definitions of social innovation, namely Mulgan's (2006) narrow definition, Phillis *et al.* (2008) and Westley and Antadze's (2010) latest definition. Bassi comments that Mulgan's definition is too narrow. Mulgan himself states in his writings that it is a narrow definition. The comparison of a narrow definition with two broader independent definitions does not necessarily provide an even comparison. Mulgan does provide another definition in addition to the broad and the narrow view presented above, which is that “social innovation refers to new ideas that work in meeting social goals.” This definition could be seen as an intermediate definition between the narrow and broad. The intricacy is not at the level of Phillis *et al.* (2008) and Westley and Antadze (2010), and for the purposes of the comparison and depth, only the narrow definition will be used here. Even though Mulgan's narrow definition refers to predominantly social purpose organisations, it is not stated as an absolute. When considering the characteristics it is compared against, there is value in comparing all three definitions. Bassi (2011) provides a noteworthy breakdown of the characteristics of each definition.

Table 5:**Analysis of Social Innovation Definitions**

Characteristic	Westley and Antadze (2010)	Phillis <i>et al.</i> (2008)	Mulgan (2006)
What is it	A complex process	An innovative solution	An activity of service
Objective of innovation	Process, Processes, Programmes	-	-
Effects/ Motives	Profound Change	Value created	To respond to a social need
Object of Change	Basic Routines, Resources, Authority Flow, Beliefs	Social Problem	-
Targeted Area of change	Social System	Society	Organisations for Social Good
Components	Lasting and Broad Impact	Efficient, Efficacious, Sustainable, Just	

Source: Bassi, 2011.

In summary, Bassi (2011) prefers Westley and Antadze (2010) because Bassi (2011) found Westley and Antadze (2010) to be the most encompassing. Bassi (2011) went on to discuss the differences between the definitions. Bassi (2011)

determined that Westley and Antadze (2010) were referring to change at a systemic level, while Phillis *et al.*'s (2008) focus was on how the social innovation was managed, and was more solution-orientated. In Mulgan's definition, Bassi (2011) highlights the diffusion of social innovation through entities interested in satisfying a social need.

For the purpose of this research and the focus on a company-centric view, the comparison shows that social innovation is concerned with more than just the company and the stakeholders. Rather, a broad society-wide lens is required. Social innovation is about doing things better, whether this refers to the type of solution, efficiency in processes, or a change that is more effective, collective and inclusive. The motive and the outcome share an emphasis on progression. It is found that (as found by Phillis *et al.* (2008) even when considering these various characteristics, the term social innovation is the "most adequate when it comes to understanding and creating social change in all of its manifestations" (Phillis *et al.*, 2008). The Westley and Antadze (2010) definition extends the ambit of social innovation. The intricacy of Westley and Antadze's (2010) definition allows for a deeper evaluation on whether a process, activity, initiative or solution can be considered to be a social innovation. These intricacies are best highlighted in the table above because each aspect can be viewed separately. For the purposes of a company centric exploration this breakdown also allowed for a clearer assessment regarding the relevance and applicability of an SIO.

Thus far the discussions on the definitions of CSR and social innovation have allowed for contextualisation and an understanding of what relevant literature reports

on both concepts. In instances where the difference is only grasped at a semantic level the two concepts can still be interpreted to mean the same thing. It could be stated that when a company sets about fulfilling what it believes to be CSR initiatives, it is trying to bring about social good and subsequently developing processes, initiatives, projects or products to this end. To ensure a fuller understanding of the difference between the two concepts, through the use of two tables the difference between CSR and social innovation was illustrated providing more clarity and further eliminating any interchangeable use of the terms. This comparison was based on Visser and Tolhurst's (2010) definition of CSR in developing countries and Westley and Antadze's (2010) definition of social innovation.

The table below provides a breakdown using a similar approach to Bassi (2011) in that it utilises different aspects of the definition against a fix set of characteristics.

Table 6:

A Comparison between CSR and Social Innovation

Characteristic	CSR	Social innovation
Starting point – Major Driver	Efforts by a company (a profit making entity)	Efforts by any organisation or individual in the social system
Medium	Through formal or informal measure or ways	Through new products, processes, programmes or initiatives
Nature of	Business contributes to	Organisation(s) or individual(s)

impact	improvement	contribute to profound change
Level of the intervention	Can be operational, strategic or systemic	Mostly systemic
Primary stakeholders	Company, government	Stakeholder driving the change and any other stakeholders within the social system
Primary beneficiary	Company, government and community (targeted beneficiary or cause)	Varies from innovation to innovation
Locâle of the change	Specific conditions within a developing country	Various aspects of a social system
Focus	Focus on certain conditions: <ul style="list-style-type: none"> • Governance • Social • Ethical • Labour • Environment 	Focus on aspects within the social system e.g.: <ul style="list-style-type: none"> • Authority flows • Basic routines • Resource flows • Beliefs
Timeframes	Temporary and long-term	Long-term
Reach	Broader in terms of the kinds of the conditions affected and the groups affected by these improvements	Broader in terms of the kinds of social systems that can exist
Legislation	Usually linked to corporate governance or legal	Does not appear to have dependence, however

	requirements of a country	underlining good intentions assumes adherence to legislative requirements
Awareness of concepts	CSR circles do not appear to pay much attention to social innovation	Social innovation circles appear to be paying attention to CSR
Vehicle for intervention	Can be new or existing measures	Creation of something new

While both CSR and social innovation need to be approached with a great deal of thought, efforts in the CSR realm appear to require greater political and operational consideration, in part because at the core is a profit making entity which is accountable to a group of stakeholders with varying interests. The responsiveness to legislation reflects the establishment of CSR and may also reveal much about the incremental nature of CSR versus social innovation. Overall, from the table above, CSR appears to be more constricted both by external and company-specific determinants. Social innovation perhaps because it is not as formalised as CSR, appears to be more fluid, particularly in terms of control by determinants such as legislation, reach and context sensitivity. While in the main this research positions social innovation as a concept to be considered by those working with CSR, Phillis *et al.* (2008) comment that CSR is a social innovation in itself.

It is reasonable that CSV and social innovation could be used interchangeably within the company context. The distinction between social innovation and CSV becomes clearer when looking at the definitions a little more closely. Both the Westley and

Antadze (2010) and Phillis *et al.* (2008) definitions include any social system and do not require the innovation to result in both economical and societal outcomes. As the literature stands at present, the answer to this question would be that, used loosely to describe CSR activities that have both positive commercial and social outcomes, the terms can be used interchangeably. However, departing from the definitions provided in the literature, CSV is primarily focused on companies as the driver and root of the value created. Social innovation can take place without the involvement of companies, but to CSV a company is integral.

There were some commonalities across CSR, CSV and social innovation. All three seek to bring about good and at least some kind of improvement, particularly in the social arena. All these concepts assume the acceptance and incorporation of stakeholder theory and a social contract, the implication being that by its very nature none could happen in isolation from other entities which were affected by the initiator's action (initiator being company in the case of CSR, and in the case of social innovation, any group and even individual).

Whether referring to developing countries or emerging markets, both share certain commonalities in terms of association. These include a high degree of uncertainty, large disparities between rich and poor, and a vast spectrum of social problems. Increasingly, new solutions are sought for these kinds of environments. Since its first democratic elections in 1994, the Government of South Africa has invested substantially in trying to engage parts of its population who were disenfranchised by the discriminatory and prejudicial apartheid government. Companies, too, have spent a considerable amount giving to initiatives purposed to improve the lives of

disadvantaged populations. While some successes have been noted at the most optimal level systemic penetration is likely to have a more lasting impact.

Current approaches to addressing social problems, particularly for developing countries, are not bringing about the level of change that is required (Prieto-Carrón *et al.*, 2006). There is also stronger support for the view that problems in developing countries cannot be approached in the same way as in developed countries (Frynas, 2006). Social innovation often employs a change in mind-set and behaviour (Westley and Antadze, 2010). The advent of sustainable development in the corporate arena, particularly for larger companies, has meant that companies are also seeking new solutions that work and have a broader impact. Depending on the product or service provided by a company, CSR is the closest contact point a company has to directly affect social problems (Thwaites, 2012).

To analyse whether CSR could become a source of good and a wellspring of innovation, competitive advantage and value creation for a company, Husted and Allen (2007 as cited in Gallego-Alvarez, Prado-Lorenzo, and García-Sánchez, 2011):

Use the model proposed by Burke and Logsdon (1996) which appears to be useful in understanding value creation via CSR projects. Creating value via product and service innovation would be included within the traditional strategy. Strategic CSR also creates value via products and considers service innovation linked to social issues. (p. 1713)

MacGregor and Fontrodona (2008 as cited in Gallego-Alvarez, 2011, p. 1713) also analysed the CSR and innovation connection and determined that “CSR-driven innovation is aimed at products and services that have some sort of social purpose, while innovation-driven CSR may be more aligned with creating social processes and is driven by value”. MacGregor and Fontrodona (2008 as cited in Gallego-Alvarez, 2011, p. 1713) and Husted and Allen (2007 as cited in Gallego-Alvarez, 2011, p. 1713) both focused on developed countries. Given the content on CSR in developing countries, it could be strongly suggested that the same result would be found for developing countries.

Before concluding the discussion on the definitions available to describe what social innovation is and why Westley and Antadze’s (2010) definition was chosen as the most appropriate, it is necessary to summarise a few points on social innovation. Firstly, social innovation has been around for a long time; it is not new. However, deliberate action for social innovation is new (Phillis *et al.*, 2008). Secondly, social innovations are generally born out of unmet social needs. Examples of these types of innovations have been evident over decades (Mulgan, 2006 and Phillis *et al.*, 2008). Lastly, social innovations that are successful in developed countries are not necessarily successful in developing countries (Ims and Zsolnai, 2014). The last point regarding the transferability of social innovations from developed to developing countries, as with transferability of CSR (Frynas, 2006), emphasises the uniqueness of the developing country context and the need to for research which seeks to build on the body of knowledge for the developing country context.

Describing a Social Innovation Orientation

The term SIO is a construct created in this research. In the context of this research SIO refers to the characteristics displayed which reflect the inclination towards realising social innovation. Stated differently, the CSR practitioner has to make a series of choices and subsequent actions. The choices made and the combinations of actions executed reflect the SIO of the CSR practitioner. In describing each element the appellation CSR practitioner has been used to refer to the individual. CSR practitioner was chosen because of the topic of the research. CSR practitioner can be substituted with other titles should a different group of individuals be under examination.

The SIO is made up of four elements, namely: social experimentation, collaboration and inclusivity, scale mind-set and institutional impact. These four elements came about as a result of the social innovation literature reviewed for this research, as well as investigations of traits amongst social entrepreneurs, social innovators and other change makers. Whilst there is literature available on the social innovator; the CSR practitioner and social innovator is not the same thing. For this reason the orientations of the social innovator cannot be directly assigned to the CSR practitioner. There are elements between social innovator and CSR practitioner which overlap and these have been examined. The SIO should be able to be used across sectors which have varying motives and for this reason all the aforementioned was considered instead of zoning in on social innovators only.

The decision to adopt a greater SIO should not be based on the optimism of solution. Social innovation is not a panacea solution. Mulgan (2006) and Mulgan *et al.* (2007) have provided a transparent view of the realities of social innovation by stating that social innovations have just as high a failure rate as business or technological innovations. Causes cited included costs, comparative disadvantages, unforeseen shortcomings, or a lack of adequate mechanisms to promote them, adapt them and scale them up. Good drivers behind social innovation could be competition, open cultures and accessible capital. Social innovation requires sharing and openness by the stakeholders involved (Phillis *et al.*, 2008).

Murray, Caulier-Grice and Mulgan (2010) state the following:

Every story of systemic innovation involves key moments when the tables are turned on older models and incumbents. But there are some common elements, and looking back through history it is clear that strategies for systemic innovation usually include:

- The formation of progressive coalitions that bring together different partners;
- Intensive processes to build up shared diagnoses and visions;
- Efforts to grow a critical mass of practical examples;
- New rights;
- Training a group of professionals and CSR practitioners with both new skills and attitudes;
- Pre-empting inflexible conventional technologies that freeze disruptive

forms of innovation;

- Accessing professional and other expertise for the contest of evidence;
- Implementing legal and regulatory devices to embed change;
- Empowering the beneficiaries of the new system. (p. 108 - 109)

The strategy inclusions listed above cannot be realised without human contribution. Giving the company-centric setting a major human resource responsible for successful strategy execution is the CSR practitioner. The human element in social innovation appears in many facets. Research on social innovation in the twenty-first century (Mulgan, 2006; Westley and Antadze, 2010; and Phillis *et al.*, 2008) suggests that social innovations come from individuals and organisations, from any sector which is finding solutions for their unmet needs. An individual such as a social entrepreneur (Westley and Antadze, 2010) may think of a new idea or it could stem from within organisations or movements where are also found individuals such as activists, CSR practitioners or company executives who could drive a social innovation. Social innovation is at times used interchangeably with social entrepreneurship. Westley and Antadze (2010) affirm that social entrepreneurship is concerned with the actual individual whereas social innovation is much wider and more inclusive. Westley and Antadze (2010) contend that social innovation is about a change to the system which includes the individual, the organisation, and or the movement and how they relate to each other. Due to this systemic reach and in line with Cahill (2010) the social enterprise is also included in the greater social innovation system. Generally the literature proposes that usually social innovation starts in smaller communities and grows from there. However, this is not an absolute. Irrespective of where it originates from, it is part of a larger social system.

A review of the social innovation process (Murray *et al.*, 2010) did not fall within the scope of this research. However; whilst investigating the literature on social innovation, the researcher observed that the social innovation process as presented by Murray *et al.* (2010) provided features which were relevant for the SIO. These features were adapted and incorporated into the detailed descriptions for some of the elements. Murray *et al.* (2010) aver that the social innovation process is made up of six steps which are not linear, not networked, not disjointed, but are looping, overlapping and spiralling. The process also shares themes which emerged across the literature review; these include consideration for Phillis *et al.* (2008) and their sources of innovations, Westley and Antadze's (2010) writings about scaling up and out, and Westley's writings on the process for social innovation. The social innovation process, like SIO, also relates to the approaches which seek to bring about systemic change as the optimal outcome of a social innovation, all of which were aligned to the positioning of this study.

Social systems are complex and varied because of the interplay between culture through beliefs and values, and political and economic structure through power and resource distribution, as well as social interactions such as basic routines (Westley and Antadze, 2010). In essence, social innovation changes the underlying aspects of a social system (Westley and Antadze, 2010). Westley and Antadze (2010) conclude that the more resilient and effective the social innovation, the more profound the change, and the easier it is to replicate it.

In commercial markets, just as companies find themselves at varied points in their CSR journey, so too their orientation towards social innovation may vary. This orientation could be reflected from the standpoint of the company as a whole, a CSR or CSI division could be project-specific and or a CSR practitioner. This means that while a certain CSR project may be recognised as a social innovation, the company as a whole is not necessarily geared towards becoming as socially innovative as the organisation. Cahill (2010) describes a social enterprise continuum proposed in a white paper by Marrs. This continuum is illustrated below. It shows that, as claimed by Tansey (2011) social innovation can be initiated by various organisations.

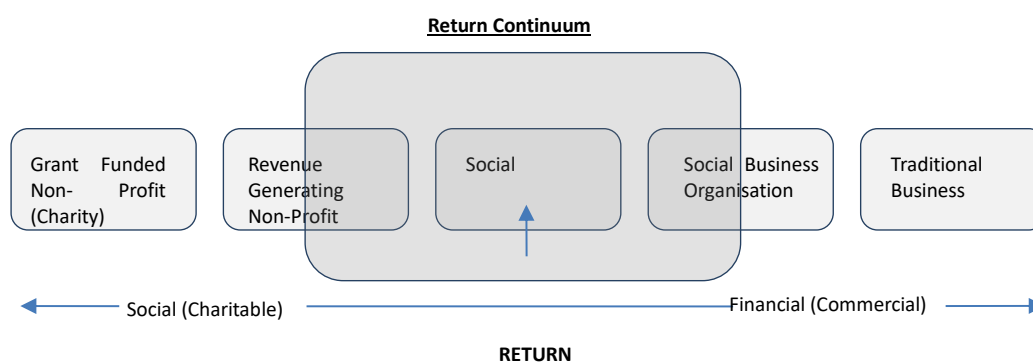


Figure 1: Social Enterprise Continuum

Source: Cahill, 2010.

An SIO is more likely to exist in organisations which produce products or services primarily targeted at supplying unmet social needs, which is a social purpose organisation or social enterprise; this is because traditional businesses supply goods and services which are targeted at an array of unmet needs. According to the social enterprise the continuum NPOs and traditional business are at two opposing ends because of their particular core drivers, namely social and financial. This continuum does well in managing expectations of a sharp increase of social innovations from

the non-profit sector and traditional business. Interestingly, to contribute to improvements in social conditions in developing countries, companies engage non-profit organisations. This poses an interesting question for debate on whether engagement with NPOs alone is enough for companies wishing to realise systemic change.

Another question could relate to where in the organisation the social innovation should take place for the more traditional business. This question is possibly answered in an earlier section which identifies CSR as a suitable location specifically in relation to improvements (Visser and Tolhurst, 2010) outside of the core product or service. Given that the public sector also provides goods and services of a social nature, there could be merit in including this sector in the continuum.

Social experimentation. In this study the term social experimentation is used to refer to an openness and encouragement towards exploring new solutions with the aim of testing new approaches to improve on current efforts. The social experimentation referred to in this context creates a stronger social awareness than is found in typical experimentation about innovation. Therefore it does not share the same meaning as traditional business experimentation.

Experimentation and innovation in the business sense are typically located within Research and Development (R&D). Research conducted by López, Pérez and Rodríguez (2008 as cited in Gallego-Alvarez, 2011, p. 1713) investigated the relationship between R&D and CSR, and found a positive relationship between companies that invested in CSR practices and R&D expenditure. Stated differently,

companies with CSR-orientated goals were more open to investing resources for experimentation purposes.

There is an openness to the process of trial and error when generating new solutions, and exploring various methods while testing their ideas. CSR practitioners are willing to collaborate with various stakeholders in a system for the purpose of piloting and testing an intervention. Some more recent views were that less time should be spent on experimentation and more on implementation (Murray *et al.*, 2010).

CSR practitioners are aware that they will face challenges and these challenges will range from feasibility of process, product or project to implementation of the project, to cost implications and how these can be managed economically (Murray *et al.*, 2010). The lines of communication are open, and facilitate quick feedback to facilitate the quick resolve of problems.

When an SIO is present, the learning process does not stop at the experimentation stage. CSR practitioners see learning as an important component for the scaling of a project. There is support for the diffusion of change through sharing ideas (Phillis *et al.*, 2008). When they receive ideas or interventions, instead of disregarding them because they are not an exact match, CSR practitioners adapt and tweak to realise maximum benefit for their objectives. In this way CSR practitioners act as support structures for one another in an effort to transfer successes from one to another (Westley and Antadze, 2010).

Time is made to reflect on ideas and interventions that have not worked and consider how better solutions can be sought for them. CSR practitioners are open to adapting ways to think through problems differently (Murray *et al.*, 2010). Some of these thinking approaches could include departing from the end beneficiary, for instance, for an Information Technology (IT) educational system development project which is aimed at improving the quality of learners graduating from university. The CSR practitioner could start with the student as opposed to the IT implementation.

Room is created for thinking about uncommon solutions or approaches that have been successful, and how these can be applied (Nelson and Jenkins, 2006). In the developing country context, this could involve CSR practitioners looking to solutions or successes in locations with even fewer resources and thinking about how they can apply the methods used in those instances to find more durable solutions to their current challenges. In addition to thinking through what others have done successfully, space is also created to visit other projects to obtain first-hand exposure (Nelson and Jenkins, 2006).

The experimentation process also allows for thinking differently about spaces. This refers to using spaces for development (Murray *et al.*, 2010). An example could include the repurposing of inner-city buildings in Johannesburg, South Africa, as a business centre for social and commercial entrepreneurs.

Collaboration and inclusivity. Collaboration and inclusivity refers to an awareness and deliberate action to consider not only the views of a few stakeholders in the immediate system but to include a wider number of stakeholders within a social system.

Essentially this dimension points to the working together of role players. A clear shift in the literature indicates a move away from organisations and CSR practitioners within these organisations working in isolation to a move towards more participative approaches (Phillis *et al.*, 2008). The participatory nature of collaboration and inclusivity in this context draws from various elements and terms found in the literature which will be described below.

Phillis *et al.*'s (2008) three mechanisms of social innovation were briefly alluded to in a previous section, and help us to understand why constructs such as social system, stakeholder theory, legitimacy and other topics covered, are relevant sub-constructs for this research. The mechanisms could also provide CSR practitioners with a diagnostic tool to increase their awareness of their SIO, because they allow for CSR practitioners to ask questions about projects and assess their own attitudes in a manner that is not typically practised at present. These mechanisms of social innovation can also help companies recognise what kinds of actions are required to facilitate changes. While these mechanisms can be applied to the other elements of SIO, the strongest relevance is to collaboration and inclusivity.

From a company and its CSR practitioner's standpoint, the interconnectedness of CSR with external stakeholders requires recognition of stakeholders other than

shareholders. For the CSR practitioner, this could mean reassessing their roles and values. Of the three mechanisms, the most striking is the shifting roles and relationships between sectors found in social innovations. The social system is made up of various sectors. According to Phillis *et al.* (2008), different sectors, in the main the private sector, public sector and social sector, traditionally have played specific roles and have specific approaches. Phillis *et al.* (2008) note that these roles and relationships are shifting. Their investigation reveals that companies, rather than being approached by government or NPOs about social issues, are shifting gear and proactively approaching different sectors. Companies are favouring the role of partner and collaborator, as are other sectors. These shifting roles also mean that control does not reside within one sector. The various role players are free to take on various roles and build relationships. Phillis *et al.* (2008) suggest that these shifts are pivotal to success, and that engagement needs to be continuous for success to be maintained.

Systemic change is deep-rooted; it affects how people think. In order to shift mind-sets, an exchange of ideas and values is required. Social innovation requires that stakeholders interact with each other not only through challenging traditional roles and relationship constructs, but also through taking much deeper lessons from each other (Phillis *et al.*, 2008), particularly as larger companies from the developed world move into the developing world. Globalisation should make knowledge transfer and exchanges of lessons easier. Ideas can be exchanged at an early stage allowing solutions to come from various avenues (Westley and Antadze, 2010). An exchange of ideas and values occurs, for example, when governments and NPOs learn from companies about business practices such as financial controls, entrepreneurship or

performance measurement. Companies can also be the taker when they gain deeper insights into environmental and social issues from NPOs. From a government perspective, companies could be involved in public policy formulation. It is to this exchange of ideas and values that Phillis *et al.* (2008) attribute the emergence of CSR. The CSR practitioner could assess whether there is an exchange of ideas and values and what effect this has had. The CSR practitioner could also initiate platforms for these kinds of exchanges.

Finally Phillis *et al.* (2008) note the coming together of various sectors to form new hybrid structures which seek to meet the needs of vulnerable populations (Westley and Antadze, 2010). As mentioned before, in South Africa these vulnerable populations commonly refer to previously disadvantaged individuals, and are usually found within the CSI target group dictated by the BBBEE Act (53 of 2003). In so doing, the BBBEE Act (53 of 2003) serves as a vehicle for delivery which intrinsically embraces an exchange of ideas and values, and shifts roles and relationships. The CSR practitioner could look outside her or his company for examples of such integration, and assess whether such collaboration is taking place internally or not. Ultimately at the core Phillis *et al.* (2008) place recognition “for the fundamental role of cross-sector dynamics”. The aforementioned supports other literature on social innovation (Westley and Antadze (2010), Mulgan (2006), Cahill (2010), and Tansey (2011)) which also points to a mutual exclusivity between social innovation and sequestered thinking. The relevance and influence of mind-set is reinforced across the literature, providing further support of an exploration into the views of those working with CSR.

Co-creation (Coates and Ind, 2013) is a common term in the literature on social innovation. An SIO is co-creative because of the broad impact and inclusivity of the benefits sought. Social innovations rely on more than one role player to participate in the process of defining value and spawning meaning (Phillis *et al.*, 2008).

Coates and Ind (2013) purport that from literary theory meaning is derived from the interaction of the various role players; collaboration and inclusivity require engagement on a conversational level. They also stress that from a collaborative innovation perspective, as found in other literature already discussed, while individuals can generate solutions alone, the value of group involvement for solutions is significant. Murray *et al.* (2010) postulate that there is encouragement for the incorporation of different perspectives, and alternative views are also sought proactively in the social innovation process. The interlinking of these perspectives points to a co-creative discipline which is not vague and individualistic, but rather involves an approach which is collaborative and inclusive. The aforementioned assists in ensuring that the needs within a system are met and that through the employment of co-creation further equality is realised among role players, both in participation and value obtained from the solution and or process.

The interconnectedness of experimentation and co-creation is enlightened through the Grønbaek, Kyng and Mogensen (2007 as cited in Coates and Ind, 2013, p. 88-89) approach called cooperative experimental system development which would in this context involve the beneficiary from the onset and tailor the solution through the development process to meet the need. Coates and Ind (2013) support the adaptability of participative practices by highlighting the Scandinavian experience

which involved groups other than consumers, and was effective in co-creating social innovation.

Scale mind-set. The scale mind-set is concerned with growing and or expanding the social innovation. Social innovations can be scaled up in various ways depending on the purpose of the intervention. The CSR practitioner sees scale as a dynamic process characterised by continuous learning, and an accommodation for adaptation and novelty (Westley and Antadze, 2010).

A CSR practitioner with an SIO even in the private sector is comfortable with sharing the benefits of an innovation across sectors and competitors, even if it could potentially serve as a competitive advantage for their organisation. Greater value is placed on the potential of expansion and evolution of the scale process (Westley and Antadze, 2010).

Quantitative data and qualitative information are considered in decision-making (Westley and Antadze, 2010). CSR practitioners are realistic about whether an intervention should be scaled up or not (Mulgan, 2006). Westley and Antadze (2010) note that CSR practitioners are guided by whether there is a market for it or not, and Mulgan (2006) points out that it is about whether a particular organisation is best placed to drive the scaling exercise. Mulgan (2006) refers to an openness towards different methods of scaling up which could be viewed as unconventional. These could include, for example, vertical integrations with organisations that are part of the supply chain of a company. Nelson and Jenkins (2006) in their presentation of examples of innovative business approaches to service vulnerable populations,

highlight an effort by Unilever, a fast-moving consumer goods company, to increase business access through working with small businesses in Africa to sell affordable raw material products to vulnerable populations in Brazil, India and Indonesia.

CSR practitioners see and use collaboration as a tool to strengthen relationships, and as an instrument for expansion and evolution (Westley and Antadze, 2010). Collaboration and inclusivity are brought into the scale mind-set and seen to be valuable in the efficient use of limited resources, for sharing lessons learned, and transferring skills, as well as building institutional memory (Mulgan, 2006). The consideration for collaboration and inclusivity when thinking about scale allows for shared ownership and shared risk, but it is not always met with the desired responsiveness from government because of the level of risk involved. Government is risk-averse (Mulgan, 2006).

Institutional impact. Institutional impact is of particular significance given the societal backdrop, the role of business in society, and the timing of this study. Institutional impact is concerned with an orientation which seeks to challenge or change the institutional environment within an organisation or a social system. The role of business has changed in society (Global Education Research Network, n.d). Institutional impact involves the extent to which an organisation and or the CSR practitioner have actively worked to legitimise and influence the uptake of new responsibilities which are enablers towards social innovation.

In developing countries, particularly in the institutional environments of larger companies, CSR has earned the required legitimacy, making it a permanent fixture.

Even though social innovation is concerned with creating social benefits from a pragmatic perspective, companies are faced with a varying list of benefits to realise, and these are often seen to compete for priority. For social innovation to be successful, it requires a degree of legitimacy, particularly when considering durability and broader impact. However, social innovation is by definition not isomorphic. The challenge is finding creativity and realising innovation (Westley and Antadze, 2010) instead of just improvement (Visser and Tolhurst, 2010) while acquiring legitimacy for sustainability even when the change affects the very institutional environment which gives it legitimacy. Stated differently, bringing social innovation and CSR together requires a change in the way companies satisfy the requirements which express the institutional environment. The litmus test for legitimacy is provided by the perception of a company's institutional environment. If a company's actions are deemed to be appropriate against a set system requirement (Suchman, 1995), the company is deemed to have legitimacy. Again, Misani's (2010) argument for isomorphic consequence can be argued, pointing to a trade-off.

Albareda (2008) places the emphasis on self-regulation and co-regulation as an important consideration for institutional change in the CSR context, stating that this is evident in the number of voluntary responsible practices and public private partnerships that have emerged. Albareda's (2008) statements appear to be in agreement with the view of Zadek (2004) described earlier, namely that CSR is about voluntary compliance and self-regulation, and that these elements come to the aid of business. Albareda (2008) states that "these mechanisms aim to equip the private sector with tools to control and manage their operations so as to minimise the level of social and environmental risks implied by their activity." While these

considerations do a great deal for institutionalisation. In the aforementioned literature, compliance and regulation were positioned more as a foundational requirement than drivers of innovation which changes a social system.

Companies promote a regulatory business framework covering social and environmental risks. At the same time, however, as claimed by Haufler (1999), business leaders oppose government proposals to regulate and establish public international norms (as cited in Albareda, 2008, p. 433-434). Both Haufler (1999) and Albareda (2008) view shared control as an important indicator of movement. For the CSR practitioner, this would relate to the level of ease and comfort at which he or she is agreeable to sharing control and risks.

Over recent decades strong partnerships have emerged between companies and NPOs (Utting, 2005); an SIO implies that the institutionalisation of these partnerships is a given. What is of significance is the impact these partnerships have on the institutional environment and systems in which they are embedded (Mulgan, 2006 and Westley and Antadze, 2010).

As found in the other element of SIO, institutional impact is not a once-off event, but a continuous process of evolution and learning (Mulgan, 2006).

Literature Review Conclusion

In the theory there appeared to be some convergence between the latest thinking on CSR and social innovation. Even with this convergence, whether in

developing or developed countries, it is necessary to mention that social innovation was not purported to be a panacea for systemic social change. The development of an SIO was not regarded as the sole solution for CSR practitioners tasked with implementing interventions to address these intractable social problems. Nor was the adoption of an SIO the sole solution for companies wishing to change their perceived role in society and react to addressing social problems.

The trends and sources of social innovation revealed an increased weighting on cross-sector collaboration as well as deliberate strategic action for social change. Taking the trends and sources of social innovation into account and linking them to CSR within companies, definite commonalities emerged. One was the recognition of stakeholders and another was that more thought was applied to collaboration.

The inability of social innovation to be a panacea solution could be attributed to a number of factors, one being that even though there was increasingly greater clarity on the definition of the term social innovation there were still several definitions for this phrase. Secondly, the implementation of social innovation was not a simple process, and the outcome required from a company may not justify the inputs required to realise a social innovation.

The cross-sectorial dynamics as referred to by Phillis *et al.* (2008) and others in the literature review pointed to the significance of inclusivity of all relevant sectors when solving intractable social problems. The literature required CSR practitioners to have understanding and appreciation of the aforementioned in order to better navigate the current landscape.

The SIO described approaches which, if adopted, could facilitate the realisation of social innovations. In an ever-changing environment, a continuous push for development through experimentation and rethinking existing approaches to achieve advancement was required. Even in developing countries where governments were seen to be less reliable, an active effort towards facilitating a participatory environment which includes government was necessary. As with collaboration and inclusivity, a scale mind-set joint action was required for durable expansion. This is particularly challenging in developing countries where NPOs have limited resources and governments have their shortcomings. The literature revealed that institutional impact was less about enforcing and sustaining institutional change through compliance but should rather be a voluntary action. The literature purported that in South Africa some progress had been made on this front and a compliance-driven mentality was also still present.

A view on the opinion of CSR practitioners about the current thinking of CSR within their respective companies is required, together with a view of the changes that have taken place in the CSR arena over the last ten years. The answers to these questions will reveal much about what kind of change CSR practitioners have noted and where they see the current thinking regarding CSR. This information is also important to estimate what kind of CSR advancement or progression, if any, CSR practitioners have noted. Given the qualitative nature of the information sought, semi-structured questionnaires with open-ended questions should capture the nuances in the thinking and views of CSR practitioners.

The contextual framework takes important cognisance of Cahill's (2010) continuum, where a perspective was presented, which showed that even with the changes in the role of companies and societal expectations, the most social innovations are less likely to come from traditional businesses and therefore less likely to come from the CSR practitioners. The social enterprise continuum suggests that the majority of social innovations are expected to come from social enterprises. However, traditional businesses are not excluded as a source of social innovation, although to a lesser extent. This means that the most progressive social innovation will be found there. It is less likely to find these advances in companies. Another perspective was that social innovation usually comes from new hybrids. Yet another view pointed to existing organisations which renew themselves. The ease and fluidity of this kind of renewal, particularly in developing countries, is not explored in this study.

Societal problems and systems in the twenty-first century are complex, and require the cohesion of role players and structures. Given the systemic nature of social innovations when the appropriate levels of cohesion exist, in theory and practice it was revealed that much could be done to address the complex problems in modern day systems.

Research Methodology

Research Approach and Strategy

Research strategy. The purpose of the enquiry was to undertake research to contribute to knowledge. The primary audiences for the findings were identified as scholars, researchers and academicians. The questions that guided the research were theory-derived, theory-testing and or theory-orientated questions as well as practical, applied, action-orientated questions and issues. The data that answered the research questions came through the CSR practitioner interviews and field observations as well as the literature review. The resources available to support the research, specifically the interview process, were connections through colleagues and private networks, having worked in the social development and corporate affairs space. The criteria identified to be used for judging the quality of the findings was threefold, firstly traditional research criteria such as rigour, validity and reliability, then secondly evaluation standards which included utility, feasibility and accuracy. The last criterion was non-traditional criteria which included trustworthiness and creditability of this research. (Patton, 2002)

Following the aforementioned exercise, the appropriate research strategy was a qualitative approach, mainly because the purpose of the research was to explore thinking, views and opinions (Maxwell, 2005).

Goals of the research. The research would explore the thinking and views of individuals. The goal of this research was to throw light on the practice of CSR in the context of social innovation. An approach which is strongly qualitative was most appropriate because the interest was in views and opinions. The strategy was implemented through less structured open-ended information gathering from individuals. Where the study focused on numbers and volumes, that is, the number of companies that highlighted educational projects, then a quantitative strategy would have been appropriate. The desired outcome, the research question and the real-world operations of companies played a large part in guiding the research strategy and approach. Triangulation should assist in ensuring greater reliability and validity.

Research Approach. The literature review showed that there is already a solid epistemology for CSR and that the knowledge on social innovation is growing. The ideal was for theories to emerge from this research which would bring together the two, informed by the literature review but also from the observations and interviews with those working in the CSR space (Bitsch, 2005 and Patton, 2002). The research approach was considered to be inductive because the theories and conclusions would emerge from interviews (Bitsch, 2005). The experimental nature of the inductive approach was exciting in that it brought the prospect of new literature or theory. This approach was iterative and less structured than the more logical deductive approaches (Maxwell, 2005). The absence of this logical predictability was challenging, however given the nature of the study, the appropriateness of an inductive approach outweighed the challenges commonly associated with the inductive approach.

Research Design

Given the exploratory nature of the research, the research design included relational research (Anastas, 1999) and cross-sectional research (Olsen and Marie, 2004). It is relational because, in the broader sense, the relationship between two variables (Anastas, 1999); CSR and Social Innovation is being explored. The research will explore how CSR practitioners relate to SIO by investigating the ways in which those that work with CSR are building an SIO. As per the research approach the desire for theories which would bring the two concepts together to emerge from this research also highlighted the relational nature of the research (Bitsch, 2005).

The research cannot be considered to be totally cross-sectional in design because of the views which state that this type of design looks at information at a single period of time. While the research seeks to answer the question which way SIO is being taken up, the answer to this question is based not on a single point in time but rather is informed and reflective of past results and future determinants. The purpose of this research is not to answer the question of why practitioners are behaving the way they do but rather to explore their views and opinions and what this says about their SIO. The research is therefore not designed to show cause and effect but rather to explore through the participants a generalising view of the ways in which an SIO is being developed. Ultimately the research reveals inferences between the relationship of those who work with CSR and SIO. It is the combinatory design that provides the structure to deliver the evidence required to answer the research question before moving to the next step, which deals with how data was collected.

To gather the evidence required to answer the research question a longitudinal approach could also have been adopted. It is not entirely inappropriate. It would have been interesting to see if the results would be different if the same question was asked over several intervals of time. A longitudinal approach was not adopted because the time interval to measure changes in view and opinions would have exceeded the time allotted to conduct this research (Bitsch, 2005). In addition, the research problem does not require the establishment of a trend but rather a single view which can be informed by the past and future.

Because the research sought to gain insights into the views and opinions of individuals in an area that is linked to their employment, the level of detail and

description of the participant's employer could have limited the objectivity in the information provided. It could be suggested that a case study would have been appropriate given that the data being gathered was novel and sensitive on an individual level. However given the novelty of the research topic, a case study which examined only one or a handful of CSR practitioners would not have provided the comparative breadth and context unless the object was to explore the organisational context of one CSR practitioner. Given the time and resources available less than a handful of case studies would have been conducted. The results of a few cases would have been generalised for a large number of CSR practitioners. The research question focuses on the perception of CSR practitioners, the research design used was appropriate because it allowed for more CSR practitioners to be reached while also gathering the appropriate level of information.

Data Collection

Fieldwork was carried out through qualitative interviews because they allow for real-life current views. The interviews were analysed. Data was gathered using semi-structured interviews as the primary source.

Sampling. The starting point for the sampling strategy and the subsequent implementation thereof are described below. The sampling process began with a sampling frame (Sage, 2013) which was made up of the research question, consideration of the research design, the main themes from the literature review and the attributes of the participants whose input would be of value for this study. Criterion sampling helped to more deliberately and systematically tailor the sample.

Criterion sample is a sampling method which determines the individuals to be included in a given sample by first identifying characteristics or attributes called criteria and then only including in the sample individuals who match the list of requirements laid out in the criteria (Patton, 2002).

The population of interest for this study was individuals involved with CSR. The accessible population due to cost and network constraints was limited to individuals residing in South Africa. A sample was then drawn from this population; the majority of the participants were based in Johannesburg, South Africa. It could be considered that convenience sampling did play a small role because of cost restrictions which resulted in the majority of the participants being Johannesburg-based, and telephone interviews were done with participants based outside the Gauteng province. Convenience sample could be described as a sampling method which draws on individuals because of their ease of accessibility and the minimal effort required to include these individuals in a sample (Explorable.com, 2014 and <http://www.conveniencesampling.net/>, 2014).

The sample would ideally be made up of individuals who were or had worked in the CSR function of an organisation. Individuals had some exposure to actual CSR projects and were well versed in at least one major project in their organisation. Even though there was not one fixed designation for this type of role across organisations, the term CSR practitioner was used to refer to those working with CSR. In practice however, job titles such as CSR or CSI manager or director made up the sample criteria. These job titles were not adhered to strictly. In summary the main criteria were the following:

1. Large companies (ideally listed on the Johannesburg Securities Exchange or a stock exchange outside of South Africa);
2. Significant CSI spend (spend greater than R 3 million);
3. Company operating for more than ten years;
4. Working with CSR or worked with CSR in the last three years.

From the literature review, with particular reference to the themes from the analysis of the CSR characteristics of companies operating in developing countries, a major finding was that larger companies tend to have more developed or established CSR efforts. In order to facilitate a richer discussion and a greater possibility for concrete examples, only larger companies were interviewed. One smaller company was interviewed mainly to compare findings and to check whether the determination made regarding company size was accurate. The period of existence of the company was also important because the longer the company has been operating the greater the chance that there would be a basis for comparison of the CSR journey over time. Interview participants were identified from my personal network and the network of friends and colleagues. An initial list was drawn up with just over twenty potential participants. Half of these potential interviewees were interviewed. Another list of eighteen new potential participants was drawn up and eight of the participants on this were interviewed.

Even though criterion sampling was identified as the primary method, another sampling method which played a role was homogeneous sampling. Homogeneous sampling is a type of purposeful sampling method where a specific group which is

similar is chosen (Patton, 1990). Homogeneous sampling was included because of the specific group of participants that the criteria identified; this specification focused and reduced the variation to some extent. The literature review purported that different companies and CSR practitioners approached CSR differently. From the aforementioned it was noted that overall variations of purposeful sampling was used because inputs were required from a specific group of individuals, namely CSR practitioners.

As mentioned in the introduction, to facilitate the richness and appropriateness of the data collection some room was made to explore leads provided by participants during the interview. This emergent or opportunistic (Patton, 2002) sampling was used at discretion.

Sample Size. Determining an optimal sample size for qualitative research is not a straightforward process. The sample size for research was eighteen, while close to forty companies had been targeted. While there are benefits of depth when the sample size is small in determining the correct size, an important factor which was taken into account was theoretical saturation.

Initially twenty individuals were contacted from twenty different companies. Ten individuals responded. The information from the ten interviews was analysed. Another attempt was made to conduct more interviews with different individuals. Eight additional interviews were held. The turnaround times from first contact to the actual interview took significantly longer than originally anticipated. The number of individuals with whom actual interviews were held was also smaller than estimated.

This was partly due to the contact base being too small and the slow response rates from potential participants. Some participants agreed to be interviewed but then were not able to confirm a date for a meeting. Some participants responded positively to the meeting request but then did not respond to subsequent emails. One potential contact communicated that their company was overburdened with research interview requests and so did not agree to any face-to-face meetings. She agreed to complete the questionnaire electronically. The questionnaire was sent to her but she did not return it. Of the eighteen companies interviewed, only one did not match the criteria. As mentioned this was to intentionally assess the quality and appropriateness of the sampling criteria.

Given the qualitative nature of the study the objective was the depth of discussion rather than the number of individuals reached. Time and financial constraints also limited the sample size. The data analysis revealed that the eighteen interviews were starting to show that a saturation point was approaching because similar responses were being given to specific questions asked during the interviews. The general information obtained from the participants had reached a point where the chances that additional interviews would bring significantly new depth or information-richness were slim. This was determined by conducting the interviews and the data analysis simultaneously.

In an appendix, the annexure lists the description of the respondents. Individual's names and corresponding company names have been omitted for confidentiality purposes.

The data collection process described. Data collection was carried out by the researcher. All surveying of literature, interviews and observation was carried about by the researcher. Data collection took place over a period of months. Due to the iterative nature of the inductive approach data collection was ongoing.

The effectiveness of the data collection efforts was influenced by a number of external factors. The number of interviews conducted was dependent on the number of participants contacted but also on the number of participants who agreed to be interviewed and the turnaround times from invitation to interview (the actual data collection). A mock interview was conducted to help refine the semi-structured questionnaire. My personal network and that of a friend was used following the decision on the sample.

In the majority of instances potential participants were sent an email which informed them of what the research was about and who would be interviewing them. The email also included a request for a meeting and how much of their time would be required. Those who did not respond after two weeks were either sent the email again or contacted telephonically.

Interviews were held at a venue of the participants' choosing, usually at their respective places of work. An iPad or paper was used to view the interview script, questionnaire and for taking notes. For the majority of the interviews an iPad was used. To ensure consistency a script was developed for the introduction and conclusion as well as for moving from one section to the next. The script was incorporated into the questionnaire. The semi-structured interview with CSR

practitioners required of them to discuss a project which they were involved with, which stood out to them. The purpose of this discussion was to explore on a practical level what the CSR practitioners thought about the implementation of interventions for social development and what practical steps they took. Refer to annexure one to see a copy of the aforementioned.

A general impression of the interview or anything exceptional from the respective interviews was also recorded. Within seven days of the interview the notes were captured in a predesigned word document template. Participants were informed that they would receive a copy of the final report and a thank you note once the research was successfully concluded. Electronic notes were taken during the interview and refined after the interview. Once the notes were captured electronically two copies of the interview notes were printed. Eighty percent of the interviews were face-to-face interviews and twenty percent were telephonic interviews.

Research Instruments

In the main, a semi-structured interview protocol was used for data collection. The protocol was designed and then tested on one of the participants, following which the data gathered was analysed. Based on the outcome, the protocol was refined. The protocol was refined during the interview process because the data analysis determined it necessary. Four iterations of the protocol were done, the fourth draft was accepted. In order to help refine the protocol and also to test how the protocol would work in practice, a mock interview was done with the second

iteration of the protocol. Following this mock interview the formal interviewing process was started.

For qualitative research the research question and the interview questions do not necessarily have a directly linear link. The purpose of the interview question was to get the right data to evoke the research questions.

When designing the protocol, a brainstorming exercise was carried out that took the research context into account. The broad questions which emerged from this exercise are listed below:

- Is there awareness of the term social innovation?
- What is the system of CSR?
- Who are the primary stakeholders in the CSR system?
- What are the problems caused by the CSR system?
- What options are available to challenge the system which caused or is causing the problems?

The semi-structured protocol was designed with mostly open-ended questions. Participants were also asked to think back and reflect on the development of CSR over the last ten years and also describe a CSR project that stood out for them. Even though the research instrument was semi-structured as far as possible where the same questions that were asked in other interviews were put forward, the phrasing of the questions was kept consistent so that data could be analysed more accurately. Given that the research strategy was qualitative, the questions were designed to

draw out the individuals' views as opposed to those of the organisation. Other research instruments such as electronic surveys, focus groups or fixed questionnaires would have limited the detail and freedom with which the participants would have spoken, especially in instances where the participant did not agree with the approach of their company. It would have been difficult to share this in a focus group for fear that it might be negatively received should the information shared get back to their company. The questions were then refined.

Questions were divided into three sections, namely the general awareness questions, project specific questions, and conversation conclusion questions.

General awareness questions:

The purpose of the general awareness questions was to start off the interview with broad questions which set the CSR scene from the perspective of the CSR practitioner.

1.1. *Tell me about the current CSR view in your organisation?*

The aforementioned question while being broad and relevant to the research topic also provided a view of how the CSR practitioners interpreted the state of CSR and this was for identifying where in the CSR journey the CSR practitioner thought his or her company was.

1.2. *What would you say informs this thinking?*

The question was asked to gain information as to what factors CSR practitioners saw as important for determining the CSR landscape of their respective companies.

- 1.3. *Do you think CSR practitioners are approaching CSR significantly differently from say 5 to 10 years ago? What is different?*

The SIO points to change in thinking and facets considered when conducting CSR. The literature also strongly emphasises that the role of business has changed and CSR has evolved. This question was included for the CSR practitioner to provide an opinion on whether they thought their role and CSR had changed, was valuable in determining whether or not there was a match or mismatch with the literature.

Project specific questions:

The project-specific questions aimed to reveal insights into the practicalities of CSR in order to understand more about the day-to-day routines, the authority flows, decision making, and resources available and employed. CSR practitioners were asked to discuss a project that stood out to them.

- 1.4. *Please take me through a current project that you consider to have the highest level of durability and impact. A project that you think provides a better solution to social problems we are all too familiar with.*

Probing questions:

Once a project was identified, probing questions were then asked to gain deeper insights into the CSR practitioners' SIO. The patterns and trends which emerged from the probing questions could be analysed against the literature review in order to contribute to the answers for the research questions.

1.4.1. How would you describe the nature of the goals of the project? What is your thinking behind the choice of CSR strategy and projects?

The answer to this question would reveal much about the views and attitudes of the CSR practitioners regarding CSR strategy level. It would also reveal insights about the motive behind project selection both in terms of CSR and SIO. For example, for SIO this would be whether any of the SIO elements were significant.

1.4.2. Who made the decision to approve and affect the project?

This question was asked to get a view of which role players CSR practitioners saw as important in the decision-making and why. This was important because the research questions aimed to uncover the extent of collaboration and inclusivity and the actions around decision making which affected the CSR system and social change, as well as the level of CSR advancement.

1.4.3. What was the decision making process?

The decision-making process was important because it would reveal insights about established structures and the institutional environment.

1.4.4. Who were the stakeholders involved?

Collaboration and inclusivity as elements of SIO

1.4.5. How were they engaged and brought into the project?

This question was asked to determine which mechanisms or processes were employed, and how these were similar or different to the insights gained from the SIO literature review.

1.4.6. What is the nature of their involvement? In your opinion what are the roles of the three primary stakeholders? Do you think it is how it should be, or is there room to improve on this? How often is this engagement? What is the quality of relationships with stakeholders - operational, formal, informal, or think together?

This question was asked to reveal what CSR practitioners understood the role of stakeholders to be, and the manner of engagement to be, and whether their thinking reflected that this understanding was stagnant or changing. The question devolved into a level of detail which dealt with their thinking at a practical level and not just a strategic level of CSR.

1.4.7. How do you feel about all this?

This provided a very clear indication and request for qualitative feedback on the feelings and views regarding the current approaches adopted.

1.4.8. How do you facilitate the working together of the various sectors involved?

The answer to this question would reveal what CSR practitioners saw as their role as far as cross-sectorial relationship facilitation was involved.

1.4.9. Who are viewed as the beneficiaries?

Social innovation places significant emphasis on the inclusivity of marginalised or vulnerable populations. This question sought to reveal whether this emphasis was shared and also to understand who if any group that the CSR practitioner believed accrued benefits over and above marginalised or vulnerable populations.

1.4.10. To what degree is this project external to the core operations of the organisation?

The literature revealed that CSR activity is growing in significance as an integral part of business operations. The mutual benefit position propagated in the literature was examined through the answers to this question.

Conversation conclusion questions:

Three questions below were asked as part of the conclusion to the interview.

1.5. Do you have any other comments that you think could add to this research?

The purpose of this question was to explore whether CSR practitioners had any further thoughts on the topics covered which they believed were worth mentioning.

1.6. *I am interested in emerging markets and CSR.*

This question was asked to explore whether CSR practitioners had any specific views on developing countries broadly or in South Africa specifically.

The answer could throw some light on the state of CSR advancement.

1.7. *Is social innovation a term that is used in CSR?*

Given that the literature review established that social innovation is a relatively new term and does not have one shared definition, the final question was asked to determine in a non-judgemental and non-intimidating way whether CSR practitioners saw social innovation as a term that was used in their area of work.

A copy of the protocol can be found as an annexure in the appendix chapter.

Data Analysis Methods

While the data collected served as information, it is the data analysis that is the bridge between raw data and a possible contribution to a body of knowledge. Patton (2002) when considering different strategies for analysis suggests that for inductive analysis and creative synthesis strategy, the process “begins exploring, then confirming: guided by analytical principles rather than rules; ends with a creative synthesis”.

Taylor-Powell and Renner (2003) present a five-step process for data analysis. This study was also to be guided by this five-step process. The first step involved getting

to know the data from beginning to end. The second step was focusing the analysis either by topic or question, or by case, individual or group. One copy of the interview transcript was kept whole, and the other was divided up into two parts. All questions pertaining to the thinking of CSR were grouped together and all questions pertaining to the example of a current project were grouped together. Once there was focus, the information could be categorised. Following categorisation, patterns and themes could be identified as well as any connection between categories. In the final step all information was brought together. This was an iterative process (William, 2006) and allowed for validity and reliability.

The categorisation began with pre-set categories derived from the literature review, namely:

- Data that was linked to a facet of the definition of social innovation;
- Tansey's (2011) trends of social innovation;
- Phillis *et al.* (2008) mechanisms of social innovation;
- Four elements of SIO.

The coding procedure was informed by the categorisation and the open-ended nature of the interviews conducted. The table below shows the code and the code description for the coding used in the research.

Table 7:**Code Description and Code by Topic**

Code Description	Code Abbreviation
Object of change	ObjCh
Object of change - Beliefs	ObjCh - B
Object of change - Authority Flows	ObjCh - AF
Object of change - Basic Routines	ObjCh - BR
Object of change - Resources	ObjCh - R
Exchange of ideas and values	IdVal
Shifting roles and relationships	RnRel
Private capital with public and philanthropic support	PPS
Strategic CSR	Str CSR
New Solution to Old Problems	NsOp
Target of the Change	TarCh
NGO Social Innovation	NGOsi
Public Sector Social Innovation	PubSecSI
Social Experimentation	SE
Collaboration and Inclusivity	CI
Scale Mind-set	SM
Institutional Impact	II

In order to minimise errors and to test credibility (Jan, 2014) and consistency, the data was analysed; all coding categories except those associated with the SIO were included. The same data was then again analysed using the SIO elements (Bitsch,

2005). Findings were written up for each round of analysis. The overlaps, patterns and themes that emerged were documented. The final findings chapter brought together the aforementioned under the headings of the four SIO elements. This process was also helpful in ensuring that the coding and especially the analysis at large was focused on information relevant to the research problem and research question.

Given the relational nature of the research the data analysis method used allowed for the relationship between the two main variables to be analysed in context. Given the cross sectional nature of the research, an iteration was also carried out which focused the analysis by question. This analysis was carried out by focusing the information using the interview questions. Four focus points were identified, namely: general thoughts on CSR; changes over the last ten years; where emphasis was placed within the organisation, and motive of CSR. From these, categorisation of information and coding was carried out as shown below:

Table 8:

Code Description and Code by Interview Question

Categories and sub categories	Code Abbreviation
Stakeholder engagement	Steg
Stakeholders	St
Sub category - External Stakeholders	Stex
Sub category - Internal Stakeholders	Stin
Collaboration	Coll

Decision-making	DM
Sub category - Who makes the decision?	DMW
Sub category - How are the decisions made?	DHW

The information obtained from the analysis by interview question was not discarded in its entirety. The bulk of the inputs for the findings came from the analysis by topic because that related more firmly to the research question.

The examples in the table below elaborate and illustrate how the sub-concepts that made up the findings were derived. Every sentence of the interview transcripts information was analysed and coded, first using all codes except the SIO elements then for a second time using the SIO codes. More than one code was assigned to data where applicable. The initial sub-concepts were then drawn from this information. The final sub-concepts were derived from an analysis of all the information and the initial sub-concepts. The relationships and connections between categories and concepts were also analysed (Bitsch, 2005). Information which stood out because of its contradictory or exceptional nature was also noted during this process. The initial sub-concepts and the final sub-concepts were used to describe the different aspects of how CSR practitioners were building SIO within each SIO element.

Table 9:

Examples of the Data Analysis Process Followed

Participant	Code	Initial	Cod	Final
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interview transcripts	social innovation	sub-concepts	e SIO	sub-concepts
<i>Keep very big networks going all the time especially where we do not get involved directly. We network widely.</i>	RnRel, IdVal, Coll	Networking	CI	Finite linearity versus networked
<i>Find the pockets of excellence and replicate and see if it can be moved into the public sector.</i>	PPS, IdVal, PubSecSI	Scale up by replication	SM	Scale emphasis (replication, location or longevity)
<i>Key is the same objective - different stakeholders to meet the same objective, thinking along the lines of "look at what resources I can bring".</i>	IdVal, Str CSR, Stex, Coll	Proactive contribution Alignment with stakeholders	CI	Partner awareness
<i>We have a model and give it away to any other</i>	IdVal, Steg, St, ObjCh - R	Scale up by replication	SM	Scale emphasis (replication, geography or

<i>organisation which is trying to do the same thing.</i>				longevity)
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Research Methods Assumptions

Participants may be reluctant to share negative information or admit lack of knowledge. This was overcome by stating upfront that no names of CSR practitioners or their employers would be mentioned. Participants were also informed that the purpose of the research was to explore CSR practitioners as a whole, not as single CSR practitioners, and further that the information gathered in all interviews would be analysed for patterns and trends.

The notes from the interviews fully captured the content of the interview. All analysis was done against the data in the interview notes. Themes and patterns were observed and drawn from these notes.

There was no formal linear process required for data collection. This implied that data collection was an iterative process and could be altered as time went on and more appropriate methods found which delivered better results. Owing to the iterative process, several sets of categories, codes and connections emerged, but not all were used when the information was brought together. The iterative process also meant that it was accepted that data appeared in more than one category. Only where relevant would the data be carried to the next step in the analysis.

Findings

The research findings have been grouped into four main facets of a Social Innovation Orientation.

1. Social Experimentation
2. Collaboration and Inclusivity
3. Scale Mind-set
4. Institutional Impact

The key themes that emerged from interviews with CSR practitioners in relation to these facets or elements are described below. The findings reveal in what ways CSR practitioners are building a social innovation orientation. The extracts are quotes from the participants during the interviews. Where the participant mentioned the company name, the company name has been replaced by the words 'the company'.

Social Experimentation

As defined in an earlier chapter, social experimentation refers to an openness and or activity towards exploring new process, programmes and or solutions, with the aim of testing new approaches to improve on current efforts. The social experimentation referred to in this context presents a stronger social awareness than found in typical experimentation for innovation.

Learning process. The findings revealed that some CSR practitioners saw themselves as part of a learning process. They approached projects as a learning process towards realising social improvement and doing things better than they had been done in the past. This learning process was reflected in various ways, which are described below.

Some CSR practitioners believed that in an effort to find solutions that work better, there would be some trial and error. These CSR practitioners were also more pragmatic and more open to sharing successes and failures. Most CSR practitioners expressed the view that the current environment is in evolution and that because of the level of change, it is important that CSR efforts show continuous development. This development could be achieved through experimenting with new approaches. A degree of acceptance was therefore required from executives and other stakeholders in the event that a project or solution is unsuccessful and does not yield the results expected from CSR practitioners.

'We are still learning. We do this by getting to go out and see what other corporates are doing. We learn from them and then try to be unique in what we are doing. Obviously helping with education but doing it differently.'
CSR practitioner 10

Several CSR practitioners were of the opinion that the value they added was to act as an incubator, and in doing so they championed projects by driving and funding the initiative for a two- to five-year period. The aim was to exchange their ideas and to hand them over to government to take them to scale. During this incubation phase various approaches and processes could be tested until an output was achieved that was believed to be suitable for expansion. CSR practitioners embraced being an

integral part of a research-and-development process which could result in solutions which can be rolled out more broadly and sustained. The incubation perspective was an example of a research-and-development process.

'We hone in on two areas the public school system and health. Look for issues and then look at what had worked and what had failed and came up with the tool. We manage the project. We work with volunteers on a pilot project basis. We get it wrong and keep modifying and adjusting and evaluation.' CSR practitioner 11

'Often we come up with broad generic programs...once you have tested you then customise the approach.' CSR practitioner 16

Some CSR practitioners believed that involvement of the Chief Executive Officer (CEO) assisted in getting buy-in from the rest of the company. These CSR practitioners who received feedback from company executives, who were more directly involved, were also more open to trial and error, namely trying new approaches to old problems. They viewed CSR as a growing area. The nature of the projects adopted also had a stronger experimental leaning than CSR practitioners whose CEOs were not actively involved in CSR or did not prioritise it. The executives, who saw the value of CSR to the overall business, were also more supportive of adopting a more open-ended approach to social improvement through exploring and testing projects, processes and solutions in order to ensure that for longer-term partnerships, the most fitting projects were supported. These CSR practitioners felt they had to deliver, because the CEO was well aware of their CSR efforts, and they were willing to explore new approaches to ensure delivery.

'The positive is that it is fantastic. If from the Chief Executive Officer (CEO) of the group there is involvement (CEO is the chairperson of the foundation) the entire organisation becomes involved. When it (CSR or CSI) is taken seriously at that

level the rest of the organisation takes it seriously. It is a growing science. The importance of the community is growing...The chairperson is very close and knowledgeable of all the issues in the company. It is quite embarrassing if you are not on top of things. (Trustees need to be on top of things.)' CSR practitioner 16

Adoption of pilot projects. Most CSR practitioners were also opting for pilot projects instead of committing to the implementation of large roll outs. They were of the view that the pilot approach allowed them to assess whether a project was working. It limited the opportunity for complacency and acceptance of mediocre results which were not aligned to their needs and those of the community. The nature of a pilot project in itself sends a clear message to project stakeholders about the duration of commitment, and manages stakeholder expectations. Pilot projects are also seen to add structure to an experimental engagement. There were a smaller number of CSR practitioners who did not opt for the piloting approach; the reason behind this was not clear. One commonality that did emerge was that these CSR practitioners believed that the larger roll outs they referred to were effective. This smaller group of CSR practitioners put less emphasis on continuous development and risk assessment. They were content with maintaining a status quo that was considered successful by the company and beneficiaries.

Opportunity in rerouting. Those CSR practitioners who were more experimental were also more willing to be creative, and reroute from what they deemed as typical CSI initiatives. This rerouting was not only as a result of a decision by the CSR practitioner, but could be as a result of external influences. For example, some CSR practitioners in multinational organisations were subject to inadvertent rerouting because of changes at a global level, which required shifts in the nature of the local operation. The shifts were usually a result of a policy decision at the headquarters of the companies. Most CSR practitioners were optimistic and saw the influences of company policy as a positive challenge which could result in meeting global requirements through projects which were tailored for the local community. They would use the policy as a guideline and seek specific relevant interventions.

'Assessing our social license and then making it broader and sustainable, ensuring that we are enabling communities and giving back. In the past we have done more "give money" projects. We are now extending it into water supply as it is a fundamental part of what we do. Each of our countries is focused to spend on CSR and then we also have focus areas that we support which is a company policy. Broadly in the areas of health, education, environment and social upliftment we just broaden the category (social upliftment) e.g. build sports fields in areas to keep children off the street and supporting soup kitchens.' CSR practitioner 7

Deliberate search and alignment. The opinion was held by CSR practitioners that deliberate search and assessment of projects reflected strategic thinking and implementation. CSR practitioners felt that it was not just doing for the sake of doing; instead it was actively exploring new solutions which were better than previous less effective solutions.

'(We) look for novel models that have shown results. We need to be humble enough not to use models that do not work because we have used them in the past. Admit when we are wrong. When did we become social experts (We should accept that this is not our core competency). We need to know what needs to be done and where change is happening. What can be done: There is big space for a conversation to happen with government. Public Private Partnerships...go to government for them to come to the party. Letting them know that you want help.'
CSR practitioner 17

All the CSR practitioners interviewed expressed a desired link to their respective company's overall strategy, and to find interventions that were aligned to their respective industries. In this group there were those CSR practitioners who were either in the process of forming a CSI department or who had recently restructured. These CSR practitioners emphasised a need to identify and test projects which were aligned to their industry. For example, two financial institution CSR practitioners who had fairly new CSI functions shared that they were seeking projects which were aligned with their industry; examples included numeracy and financial literacy initiatives. A newly appointed CSR practitioner in the healthcare industry also expressed the aim to assess the effectiveness of numerous projects. Some pilots and some longer-terms were adopted and narrowed these down to a handful of projects which would be taken on, expanded, or evolved.

Extent of involvement. In most instances the actual implementation and conducting of these experimentations was carried out by the NPO, with whom a respective company had partnered. In some instances the CSR practitioners noted a shift from ten years ago. They said that currently, a more strategic role would include being more intricately involved in a project. Hands-on involvement by CSR practitioners in this regard showed a stronger SIO.

'Change moved from being un-strategic to strategic. Changed from being cheque writing to being involved in the intricate details of what the project was doing, moved from a thin focus to strategic, relevant to business.' CSR practitioner 5

An interesting alternative adopted by two CSR practitioners as one of their CSR initiatives was that instead of being actively involved in realising a social innovation, they hosted a separate awards programme which identified social innovations, with the aim of encouraging organisations from any sector as well as social entrepreneurs, to create new social innovations.

'It's a special projects program, awards program that looks for other organisations practicing social innovation. The company is funding the entire program, what NPO funds is grants that will be used to scale and replicate programmes. We are looking at intellectual capacity and potential. We look for models in civil society and public sector. Point is we need to look at the entire social system.' CSR practitioner 14

When probed about the thinking behind the choice of CSR strategy and the aforementioned awards programme project, the CSR practitioner replied:

'The thinking behind was our principles, plus that can deliver platforms for stakeholder engagement, fits in just not in the way you would expect. In this project there are several best practice models.' CSR practitioner 14

Conclusion. Social experimentation was taking place and was primarily supported by CSR practitioners who wanted to see development, and believed in a learning process. The propensity for experimentation competed with pressures to show results and report on good news stories. Social experimentation for multinational companies was, in the majority of cases, hindered by the need to align with global strategies and projects, whereas for local South African companies the discourse of the CEO was a challenging or enabling impetus. The social

experimentation extracts point to the significance of buy-in and participation at an executive level. Collaboration by executives, particularly in pilot programme projects, was viewed as adding legitimacy to the CSR efforts, and therefore subsequently influenced institutional impact.

Collaboration and Inclusivity

As described in the literature review, collaboration and inclusivity refer to an awareness and deliberate action to consider not only the views of typical stakeholders in the CSR system such as NPOs and government, but to include a wider number of stakeholders such as vulnerable populations and competitors within a CSR system through greater stakeholder participation and more inclusive impact.

A number of themes emerged in the findings regarding approaches for collaboration and inclusivity, namely: linearity versus a networked approach, role-bound versus a co-creative approach, and giving-to-society versus being part-of-society. In addition the discouragement of silos and greater awareness of partners on the part of CSR practitioners is noted and nuanced through the themes which are described in this section.

Partner awareness. It was unanimously expressed that collaboration and inclusivity should be embraced and are essential. The variations emerged in what and how CSR practitioners adopted or interpreted the meaning of collaboration and inclusivity. The findings describe the various facets highlighted by CSR practitioners during the course of the data analysis in relation to the research question. Even though CSR practitioners noted the value of inclusivity as described in this research,

it was less widespread than the emphasis on partnership with typical stakeholders such as government and NPOs. Most CSR practitioners agreed that working in silos was not ideal, nor does it reflect a move towards strategic CSR. Consistent with current widespread thinking, working in partnerships was viewed as more strategic and progressive.

'Companies are saying "I am operating in this environment what I can do to make sure that the community operates in the environment?". There has been a fundamental shift.' CSR practitioner 9

'I don't think there is a change in roles, engagement has just become stronger. It doesn't change the role of government. Through the think tank there is a role for us to sharing information. From our perspective there is an appreciation for the social issues. The write up creates an opportunity to provide government with information (...more about information sharing).' Has it been well received? *'Yes, sometimes there is an assumption that government has knowledge on everything. It's about how it is packaged and shared. There is appreciation for that (from CSR practitioners and stakeholders).'* CSR practitioner 14

All CSR practitioners showed an awareness of their partners and the importance of each partner in ensuring that a project is successful. Most CSR practitioners stressed the importance of inclusivity and were overtly opposed to a silo approach. There is, however, a difference between stressing the emphasis of inclusivity and taking active steps to reflect the significance and commitment to inclusivity. The development of SIO was not completely void; this was evident because there were signs of a partner awareness by CSR practitioners emphasising the need to know what their partner is doing, and placing themselves in the position of project partners in order to appreciate the perspective of their project partner. These actions could serve as a precursor to building an SIO which reflects stronger inclusivity measures.

'Who you choose to have the relationship with affects the level of change. How

far do you want to be involved with children? We need to know what difference we want to make...The right question is - who do you believe can? Can we do it ourselves? Where is our area of expertise? Who do you give money to effect the change? How far are you prepared to go? We also use our sphere of influence to bring others into the fold by leveraging thereby deepening the pool. Apply the strategic imperatives. Asking if I do this what then? (This is the kind of thinking required when thinking about roles and relationships.)' CSR practitioner 17

'Key is the same objective, different stakeholders to meet the same objective, thinking along the lines of "look at what resources can I bring". Experience of what is happening on the ground belongs to the Department of Basic Education. We will be working together until 2020, seven years. Plan to develop 200 new teachers in maths, science, and English.' CSR practitioner 5

Some CSR practitioners also shared that there is a mismatch between the desired state of collaboration and inclusivity, and the actual state, specifically highlighting the role of the CSR practitioner as a factor contributing to this mismatch. The role of the CSR practitioner in theory or ideal differs from what the role of the CSR practitioner is in practice. The CSR practitioner plays a noteworthy role in facilitating the working together of the various sectors and industries involved in the CSR process. It was expressed that there was space to deepen this role and that not enough was being done at this level.

'Hopefully government and other corporates come together to have greater output. When are we going to end up like China? We haven't arrived. We are far from where we want to be. We want to achieve greater output. We want to do more.' CSR practitioner 6

'In my experience, it is usually through a project idea. Look around for partners and every so often the partner is government. Other projects do involve partnering with companies. Partnership is not always money based it could be facilities, resources etc. There is also indirect partnering with companies. NPOs could be getting money from other companies and you don't know who else they are getting funding from. Direct partnership with competitors is unlikely. Partnerships with other companies will usually take place when it is non-competitive companies. People are not willing to share information. I don't think we can make the changes necessary to change society by working separately; it is going to take us a lot longer. The more we play in silos it is going to take us a

lot longer to get there.' CSR practitioner 13

'Engage with relevant parties at different levels e.g. a monitoring and evaluation programme. Make sure that the lines are open for engagement, consistent engagement and communication.' CSR practitioner 5

'There is no coordinate effort in industry.' CSR practitioner 2

Linear versus networked. Role interpretation played a part in whether the CSR practitioner saw the linkages of various stakeholders as linear or networked. Some CSR practitioners were of the opinion that each stakeholder has a specific role to play at a specific time in a typically sequential CSI process, while other CSR practitioners felt that the CSI process was not sequential but a continuous network of activity. This linear versus networked categorisation in terms of process was closely linked to a linear versus networked approach to the solution. The role of the CSR practitioner was viewed as finite in a linear solution approach, whereas a networked approach implied that the role of the CSR practitioner was not finite. The implication for the CSR practitioners in SIO was that those working with a networked approach allowed for more flexibility; the CSR practitioner could participate at various stages of the CSR process, and room was left for them to take on new roles. The looping and reconnecting nature of a network approach also allowed for revisiting approaches and reviewing the effectiveness and inclusivity of engagements. The aforementioned practices contributed positively to the strengthening of an SIO.

'(Participant name, the CSR practitioner) is the thread that pulls everything together.' CSR practitioner 16

'Delivery is not just about the project but it is about networking with government...We have to keep very big networks going all the time especially where we do not get involved directly. We network widely.' CSR practitioner 11

'Previously there was no ownership of projects, no hands on, no getting staff members to volunteer. It was more of the company giving money.' CSR practitioner 10

Role-bound versus a co-creative approach. Communication emerged as an area of significance and opportunity to facilitate collaboration and inclusivity. CSR practitioners were of the opinion that there is room to grow the quality and nature of communication with all stakeholders. In the main, this growth is from one-way communication to dialogue. At present most engagement with stakeholders is informative. In those fewer instances where evidence of two-way communication was provided, it leaned more towards engagement of the end solution (project implementation) rather than co-creation from design to end solution. Several CSR practitioners believed that through their efforts, findings and lessons had emerged that could be of value to government. Further they expressed the view that if there was a strong dialogue culture, the CSR process would pull in other stakeholders earlier instead of later, allowing for greater innovation and impact.

The interpretation by the CSR practitioners of their role, influenced whether CSR practitioners saw themselves as an outside player managing the interaction of various stakeholders to realise a specific outcome, or as an active participant within a system, working on an equal footing with their counterparts.

Giving-to-society versus being part-of-society. While some CSR practitioners had the view that they were offering a service to society from a position of a duty to society that is giving back to society through their CSR efforts.

'We have a duty to empower. We are going to training and empower.' Practitioner

6

'When the formalisation happen, the company became like every other corporate. Which was almost like a degeneration from a philosophy. It began not just ten years ago, I would say fifteen to twenty years ago. There was mundane view of giving back. It took the form of charity, philanthropy and chairman's funds. This was before 2008. Then sector codes where then introduces. CSR became just that, a compliance issue. During the boom years that money became huge figure. CSI evolved from (was born from CSR) CSR. It was seen a percentage of net profit after tax. No one paid much attention in the beginning because this figure was insignificant. As it grew a push from business came saying "what is it that money was buying? Can we demonstrate what the money is doing?" Whilst the philosophy of CSR resided at the top it was different at the lower levels.' CSR practitioner 8

'For the company it is seen as a necessity for the company to be seen as a good citizen. We take from community and we feel that we need to give back. We encourage others to be responsible and so we too should be responsible.' CSR practitioner 3

A small number of CSR practitioners adopted a co-creation view associated with an SIO. By co-creation, this smaller group saw it as less of a duty and more of an integral part of being a business in a changing environment. This co-creative view helped CSR practitioners build an SIO by considering a wider group of stakeholders and engaging more directly with communities even with the presence of an NPO, while others were of the opinion that it was a combination of the two.

'I think it's around if we are to be sustainable and growing the business into the future, we need a community that is healthy, we need water....it's a circle. Meeting the community's needs, helps meet our needs. It exists mutually and together.' CSR practitioner 7

'Without communities we do not have a market place that is also why in the entire organisation we have always worked in the communities. CSI is not just a little department, CEOs constantly refer to CSI. This puts pressure on CSI that we are performing and that there is impact.' CSR practitioner 13

Conclusion. Although collaboration was seen as an important lever which needed to be exercised across companies, the findings revealed that most CSR practitioners were leveraging and strengthening collaborative and inclusive efforts with NPOs and government, and to a much lesser extent, among their private sector counterparts and communities. CSR practitioners were incorporating lessons learned from other companies, but they were not working with companies in their sectors to scale up. The themes which emerged regarding the approaches for collaboration and inclusivity, namely: linearity, role-bound and giving-to-society versus a networked, co-creative, and being part-of-society, were expanded on. Networked, co-creative, and being part-of-society approaches were indicative of CSR practitioners who were building an SIO.

Scale Mind-set

As described in the literature review, the scale mind-set is concerned with growing and or expanding the social innovation. Social innovations can be scaled up in various ways depending on the purpose of the intervention. The emphasis on scale in the context of SIO was either or a combination of the following: project-specific which focuses on replicating the project; location-focused which focuses on the specific locations that the project should be rolled out in; and or time-focused, where scale is closely linked to the longevity of a project.

Emphasis on scale. The CSR practitioners who placed value on the durability of a specific project, saw themselves as more progressive and successful. Durability was linked to longevity and sustainability. This implied that a long-term commitment was entered into between the company and usually an NPO and government. The longer the project was operational, the greater the success perceived.

'We have a Memorandum of Understanding with the Department of Basic Education (DBE) and select schools for three years. Reason being at the end of the three years government should take over the project. We want to show them that the model will work and change mind-sets. This is a huge challenge.' CSR practitioner 12

'Consolidate what we have, get rid of what doesn't fit, and then look at sustainability.' CSR practitioner 4

'Systemic school improvement project - our model is that we do not come up with projects we buy into projects.' CSR practitioner 17

While other CSR practitioners chose to focus on clustering projects or scattering a project based on specific geographical preferences or dictates, these were usually aligned with areas where the company had a presence either through its operations or locations which were identified because its customers were considered to be located in these areas. A cluster of projects was evident through involvement in a number of projects which dealt with more than one social issue within a single community.

'We have a model and give it away to any other organisation who is trying to do the same thing. Work in the Eastern Cape (a province in South Africa) because the trust deed works in communities in which the company's employees live. It is good have projects going in Eastern Cape, this sparks off similar projects all around the country. We believe strongly in partnerships for scale. Number one

target to like the project is DBE. If we get them to like it and revise policies and budget then we are really going to have national impact.’ CSR practitioner 17

In the main, replication of projects was emphasised by the majority of the CSR practitioners. Replication referred to taking a model that was implemented in one community, school or clinic, and using it elsewhere. The locations selected were not necessarily aligned with the geographical footprint of the company, but rather another criterion was used for identifying a suitable location or institution to implement a given intervention. Selected locations usually had the same demographic or economic profile.

‘Find the pockets of excellence and replicate and see if it can be moved into the public sector. Is it scalable? Wherein is scalability? We need to be growing it. Bring down unit cost. The same principles used in business. At the end of the day it becomes a country dependency. A system depending on five percent of the population is not sustainable.’ CSR practitioner 17

As demonstrated above, the purpose of the intervention informed the way in which scale was approached, and the motives for scaling up varied between CSR practitioners and their respective companies. The dominant motive was a primary focus on helping a community or communities by establishing a project with the intention of handing it over to government.

‘It only makes sense that programs work towards allowing for scaling, that means looking at government priorities and social imperatives and Millennium Development Goals.’ CSR practitioner 16

‘Government replicates great projects and brings them to scale.’ CSR practitioner 6

Participation in the scale process. Most CSR practitioners viewed it as government's job to take a project to scale, more specifically that it was government's job to ensure durability. While this does not strongly suggest an opposing view towards the development of an SIO, longer-term participation by the CSR practitioner in the scale up phase would be indicative of a deeper SIO. The expectation was for government to pick up and run with projects started by companies and NPOs. This denotes a linear process, which starts with a company and NPO initiating a project which addresses a social need, introducing government to the project with the agreement of handover, then once the project has proved to be viable (most CSR practitioners saw this as sustainability after a three year period) it was then time to hand over to government in entirety. In most instances, government would also be brought into the project periodically to understand the project and or play a specific role. In a few instances, government was only brought in at or just before the handover stage; these were usually instances where a linear process of orientation as described in the findings section for collaboration and inclusivity, was adopted.

'Partnership is between company, NPO and the government of North West (a province in South Africa). Our commitment is that it would be replicated. We don't fund it anymore. We want to see DBE implement it elsewhere first. The DBE has the best intentions but they don't have the programme to implement. Often they have the budget to do it but not the program...Once you withdraw from the project will they be able to continue. We wanted to get to a point where the DBE put money on the table. There are several bureaucratic issues involved. Policies issues cannot be changed overnight. Policies are counterproductive at times.'
CSR practitioner 15

Some CSR practitioners felt that collaboration and scale were closely linked. They maintained that increased collaboration, especially of companies in the same sector,

could result in greater impact and scale. These CSR practitioners believed that same-sector collaboration is not a common practice at all.

'In order to make the kind of impact CSI needs to make there needs to be collaboration amongst the bigger corporations. We need to work in clusters - impact could be bigger. CSI and CSR practitioners need to raise themselves to another level. I don't believe a heart view is enough. We need better qualified CSR practitioners to bring different levels of skills' CSR practitioner 13

Scale is a component of sustainability. When explaining the thinking behind CSR in their respective companies, most CSR practitioners described CSR as fitting into a broader sustainability framework. These CSR practitioners were also found to weigh more heavily on the importance of the programme being sustainable over time. Longevity was a valued indicator of impact.

The bulk of CSR practitioners were also of the opinion that the emphasis and importance of sustainability reflected a move from pure philanthropic activity to a more strategic direction. These CSR practitioners also saw sustainability as fitting under triple bottom line measurement and reporting.

'It is a positive way for business to make a different. We need a coordinated view, this doesn't mean handing out money, not purely hand outs but it's about sustainability. At the company CSR reports go to the sustainability committee. It is a leg of sustainability not just CSR chairman fund, it fits into a bigger picture in terms of company sustainability.' CSR practitioner 16

Only a few CSR practitioners did not place direct emphasis on scaling up. This can be attributed to the nature of the project the CSR practitioners chose to discuss, the budget associated with that project, and other resource constraints. On the other end, only one CSR practitioner overtly expressed the elements of a scale mind-set

as described in the literature review. This CSR practitioner also emphasised that a reason informing this strong accent on scale was the significance placed on the exchange of ideas and values with stakeholders.

'We have a model and give it away to any other organisation that is trying to do the same thing. We believe strongly in partnerships for scale. Number one target to like the project is DBE. If we get them (DBE) to like it and revise policies and budget then we are really going to have a national impact.' CSR practitioner 11

Conclusion. Overall, CSR practitioners were thinking about growing and expanding projects, though whether or not the project was a social innovation was less important. Value was instead placed on the sustainability of the project and the nature of the scale-up exercise, namely: replication, location or longevity. A clear trend emerged regarding the expectation from the Government of South Africa and its role in the development process as far as CSR is concerned, for companies operating in South Africa. The bulk of the CSR practitioners felt that government is responsible for scaling up projects. While there was a common view for government, CSR practitioners had varying views on the role of the NPO.

Institutional Impact

As described in the literature review, Institutional Impact is concerned with an orientation which seeks to challenge or change institutional environmental elements such as routines, decision-making, beliefs, resource allocation, and authority flows, within an organisation or a social system. The findings revealed that CSR practitioners were building SIO through either a general institution orientation or a

more overt institutional change orientation. Those with a more overt institutional change orientation showed a deeper SIO.

Room for greater change. The bulk of the CSR practitioners believed that there is room for deeper penetration and change, they said that the challenge was neither in a lack of resources nor financial capital or human capital. The barriers to institutional impact are found in how components are organised and sustained. Those who were of the opinion that there were sufficient funds available said that if used differently or channelled differently, CSR could make a deeper change. The reasons differed among the CSR practitioners as to why there is an inability to convert the resources invested into systemic change, which has more durability and has greater impact. Participants had different reasons; while some felt it was government that was the cause of the problem, others placed emphasis on a lack of collaboration. These findings point to a combinatory requirement to move towards institutional impact.

'Lack of leadership in Africa, that's the bottom line. Not only corporates but the whole country. If no leadership where will you get dignity, integrity etc? You can see from ruling party what is happening.' CSR practitioner 2

'More corporates should collaborate on CSR and stop looking at each other like competitors.' CSR practitioner 10

'It is about marrying social development and business development.' CSR practitioner 8

'CSI or CSR is evolving. Some corporations have embraced it from the onset. A lot is happening, a lot is disjointed.' CSR practitioner 15

CSR practitioners with an institutional impact and SIO were looking for more accurate and honest problem definitions and solutions. They expressed a need to distinguish between systemic and superficial efforts. Institutional change will result from addressing systemic problems. This was closely related to the next aspect, which was that of a stronger purpose-driven collaboration. This group of CSR practitioners believed that a significant amount of money was being spent by companies to help address social problems. For deeper penetration, a mechanism was required for more effective scale up and institutionalisation across sectors and within industries, while not comprising a competitive advantage and improving company contact with communities and consumers. Those CSR practitioners who were of the opinion that government's responsiveness was a barrier to institutional change, said that in instances where they believed the companies had invested in addressing part of a problem in the social system, they were looking for government to ensure that the next step in the value chain was catered for by government, because the addressing of social problems should be a competency and priority of government.

'If you want to facilitate systemic change, the issue is not money, it is the how. Another part is the move away from philanthropic to systemic activities. By way of example food at a homeless shelter. If it means partnering, can we? We are coming up with these filters. Consider the resources. Raise awareness...Not saying there is no place to help orphans but we need to think about systemic challenges.' CSR practitioner 17

'I see the evolution, I see that others adopt it differently, true innovation is still lacking, although we have funding as private sector and government resources are not our greatest issue. I think we are failing to find innovation where partnerships are concerned and up scaling what we start and then having government take it over, but we will never get that right until government decides that they want to take it on. With innovation as a whole there is great room for growth. We start something as the private sector, it is not really our job or part of our job per se but it is part of our responsibility but if we have taken the children

to school please (government) take them to high school, if we have helped with bursaries please (government) create jobs. If we do our part please carry on the baton. Private actors will bring innovation, we start specific programmes, be humble and the Department of Social Development then takes it over...Part of the mind-set is to hand over to government and others might say I think I should be a part of it because it is failing. For example they (the company) are taking kids to school and it is government's responsibilities to create the jobs; they (the company) felt government was letting them down because government wasn't doing its bit.' CSR practitioner 16

Make time to reflect. Most CSR practitioners concluded that in hindsight, the mistakes made in the past provided an opportunity for reflection and improvement. In this group of CSR practitioners, the majority pointed out that it was these costly mistakes that led to the current emphasis on strategic thinking. The majority of CSR practitioners were of the view that taking time out to think about what is being done and being achieved through their efforts, was beneficial to determine the level of change required. It was implied that reflective practices were a driver of institutional impact. During these periods of reflection, CSR practitioners could determine what the institutional environment looked like, and whether their existing approaches and solutions were delivering the desired results for their companies and other stakeholders as well as institutional penetration, so that they could also identify limitations and opportunities. They could analyse stakeholder relationships, review CSR strategy and its alignment to company strategy, government priorities, and social problems.

'I am currently busy with a review of how we need to approach this in the future. CSR is becoming more onerous on companies to do more. Even countries with rich governments are unstable. In Africa there is no chance that government will worry about the treatment of children or proper water. It's going to rely on the capitalist sector...Companies not thinking about it (CSR) are going to be left behind. It's going to be a big determinant for the future.' CSR practitioner 17

'The organisation was started 18 years ago. The reason why it was established was because the company looked at the things it was giving money to and reflected - did those things make a difference? The answer was no. A lot of money was spent and very few had made a big difference. Established the foundation to really bring about change - Corporate Social Action. 28 years I have been trying to make a national difference and not to fiddle around with small things. There have been lots of disappointments but also successes.' CSR practitioner 11

'The most opportune time was in 2008 for those in this space. The financial crisis provided a cause for pause. It asked the question "What is it that would cause a crash?" it provided a moment of reflection. The company began this process in 2004 when it was ballooning and decided to focus its efforts on specific sectors but this was still very broad, too broad. This thinking (deeper consideration for CSI) was largely driven by the financial boom not altruism. The number (CSI spend) was too big too. It was a case of enlighten self-interest on the part of the corporate.' CSR practitioner 8

'At the level of the company the systemic thinking is at a more advanced level, aligned into the value chain of the company. Much more formalised and executed. License to operate is achieved through CSI.' CSR practitioner 7

Very little to no overt institutional change thinking was found among the majority of the CSR practitioners. This finding means that even though CSR practitioners were thinking about institutionalisation, their thinking did not extend to include obvious plans to change their current institutional environment. Their thinking around what their priorities were, did not include clear determined institutional change. The thinking which emerged was not mutually exclusive or void of an institutional thread, because CSR practitioners who viewed strategic thinking and strategic CSR as imperative could potentially move in a direction towards thinking and acting to realise a degree of institutional impact.

Appreciation of the complexities. Those CSR practitioners, who thought changes to the institutional environment could be beneficial, were more expressive of the difficulties and complexities that this level of change would require. A small

number of the CSR practitioners showed an awareness of greater institutional impact, but this practice was limited. This limitation could be attributed to a lack of capacity and or power; the exact reasons require further in-depth investigation. The investigation of this was not in the scope of this research. While a small number of CSR practitioners did communicate an understanding, some implied that the environment they operate in does not support such dramatic change.

CSR in South Africa, like in other countries around the world, is influenced by external factors which shape the institutional environment of organisations. How CSR practitioners respond to these external factors also played a part in institutional impact. Most CSR practitioners were reactive initially. Over time, this has changed to CSR practitioners thinking about proactive ways to manage these external factors. External factors could include BBBEE legislation and regulations, King 3 governance requirements, and GRI requirements. These factors affect not only the CSR practitioners' area of work, but the company as a whole, and in most cases its competitors and customers. The agency of institutional impact is therefore exterior to the CSR practitioner and does challenge basic routines or authority flows. Some CSR practitioners have sought to find creative ways to operate within this environment in an effort to meet the requirements placed upon them, and to bring these external factors into the CSR system of their respective companies.

'Not necessarily a shared view, largely informed by legislation, King 3, TBL and BBBEE which is more compliance driven. I think the driving force has been "this is what is required". The environment has become more competitive. Failure to comply means no tenders whereas historically it was based on price and product and the landscape has shifted considerably. Historically the question was do we even need CSI because the way we are already contributing to social development and economic development through tax and are already giving back through 30000 jobs. Do we need to do more?'

There has been a shift; it is not a tick box exercise because you have seen a difference. Also because you don't operate in a vacuum, the same legislation that impacts us impacts our clients. When I first started I thought we do not really need CSI because of this thinking that we employ so many people etc. but our clients, they themselves are subject to (transformation) charters and are forced to have stricter rules for their suppliers. So even now whereas our strategy has been project based because of our client their projects are community based because they will be there for 10 years. More and more we have to shift our view because of client influence. That is where you see it coming through the social and ethics committee. There are committee members who sit on many boards and they say others are doing x why are we not doing it? So you are seeing changes at the highest level and then slowly it gets implemented.' CSR practitioner 15

CSR practitioners who were building an SIO were proactive within the internal confines of their employer, by finding ways to link CSR to creating value for products or services. Singly or mutually, they looked externally through meeting the requirements of the BBBEE codes. CSR in the traditional sense has usually been reactive; government informs the company what to do (BBBEE codes of good practice) and the company responds by meeting the minimum requirements.

Those CSR practitioners who were making strides with the institutional impact dimension, were also cognisant of the fact that a single person or resource cannot be the instrument of institutional change. They felt that the environment is complex, and requires initiative and action at various levels to bring about the extent of impact required for institutional environment to be shifted.

'Central to the focus of the company, if we are trying to change the schools and the educational system you have to fix the way it is run. If you want to change the system you have to identify primary targets and secondary targets that need to be changed.' CSR practitioner 1

Taking the research question into account and the findings also correlate that, SIO means that CSR practitioners should have an idea about what change is required

and what can be done but that they are limited by factors outside of their control.

'The difference now is that it's a real responsibility, if we don't uplift the community we will not survive...It's much broader now...The past 10 years and before that, how much money was poured in and you don't really see the outcome because money was given instead of skills and sustainability.' CSR practitioner 7

'What does sustainable mean? If you pull the NPO out will the project run? If no, is it still sustainable?' (The interviewee raised a concern around what sustainability is and whether by going into communities NPOs and other organisations do more harm than good.) CSR practitioner 17

Although there were varying views on what impact is and what it is not. An interesting point was made by a CSR practitioner who saw some companies as congratulating themselves for work done which was not impactful and durable but rather a short-lived intervention or a publicity effort.

'(We have) a long way to go, we are very comfortable with handing out cheques, photos in newspaper, linking to advertising campaign. Patting on back for doing something simple.' CSR practitioner 11

Conclusion. Institutional impact was the thinnest with regard to the level of content engagement by CSR practitioners during the interviews. Most CSR practitioners are not focused on transforming the institutional environment although they acknowledge that changes would be advantageous for CSR and their ability to be more innovative.

The findings revealed an overt institutional impact consideration versus a limited to no institutional impact consideration. The findings also highlighted passive and active views and actions on the part of CSR practitioners. A major finding was that of the aftermath of past mistakes, particularly the lack of strategy and thoroughness in

applying CSR that was still referred to strongly by most CSR practitioners. Most CSR practitioners saw themselves and their companies as having progressed significantly over the past ten years. The focus was strongly on not making the same mistakes again, and moving forward by linking CSR strategy to company strategy. The findings also highlighted the complexity of the CSR system, not only through the stakeholder relationships but also through legislative and governance facets.

Findings Conclusion

Overall, the findings revealed that during the interviews the CSR practitioners did provide views and insights into the ways they were building an SIO. CSR practitioners also shared their opinions on the current views of CSR and the progression of CSR over the last ten years.

The findings revealed that elements of social experimentation, collaboration and inclusivity and or scale mind-set are required for there to be institutional impact. The SIO elements were positioned as non-linear. The findings revealed that some categorical features and linearity do exist. From a social experimentation perspective, for example leadership appeared to play a role in the nature of projects. The involvement of leadership also effected institutional impact. Regarding collaboration and inclusivity, the findings revealed that deeper SIO requires an acute appreciation of stakeholder management for the purpose of institutional impact. If stakeholder relationships are superficial and do not consider collaboration and inclusivity, institutional impact is unlikely. Lastly, regarding a scale mind-set, a minimum appreciation for sustainability and reach is required. The existence of such

prerequisites was important because it highlighted the interconnectedness of building an SIO.

The findings did not point to specifics regarding exactly when and where these other elements would be required. This could also explain why there was so little overt institutional change thinking, because CSR practitioners are still very much dealing with the first three elements. The importance of stakeholder relations and durability to CSR practitioners wanting to build an SIO was highlighted by this categorical implication in the findings.

Overall, those CSR practitioners who were making the greatest strides towards building an SIO demonstrated the following patterns:

- They were open to change, challenge and opportunity at every avenue, from social experimentation to collaboration to institutional impact. They were open to listening to stakeholders, being challenged by stakeholders, and challenging their stakeholders, as well as capitalising on opportunities even if the risks were higher than with conventional approaches.
- They felt that changing an entrenched orientation was not easy to do, but it was possible. This view was partly because of the reflection of change in CSR over the last ten or even twenty years. Even though there was consensus that there has been change, they felt that these changes were not without struggles and resistance. Even in the current environment some challenges are prevalent and have been for the past ten years. CSR practitioners appear to have adopted a

pragmatic view about the time it takes for change to happen. They saw themselves as part of a process greater than their individual contributions both in terms of the human resources required in the current system and also the time required to bring about change in impact and mind-sets. It was viewed as a learning process that stretches over decades.

- They were of the opinion that there is a need for all the role players in the social system of CSR. Stakeholder relationships were significant, more so when it was about taking a closer look at the need and contribution of all role players with the purpose of realising change. They did not automatically conform to the basic routines without developing an opinion of their own. These CSR practitioners did not take their partners and stakeholders for granted, both in terms of the effectiveness of the working relationship, and processes that were followed. For example, these CSR practitioners were supportive of the involvement of executives in decision-making. They showed an awareness of the blurred lines between when it was not clear when the role of NPOs and government stops and the company starts.
- They felt that progression was not a perfectly sequential process, and that there are some elements that are required before one can move to others. For example, a CSR strategy is required before one can decide which social challenges to address or which partnerships to form.
- These CSR practitioners applied more thought to how they interpreted their role particularly in terms of what it is and what it could be. They noted opportunities to

develop their role. How they interpreted their role was influenced by their beliefs and attitudes. Their beliefs and attitudes were not stagnant. They ranged from their attitudes towards compliance regulation and legislation, the role of external stakeholders such as government to the extent of social impact their efforts could bring about.

- They had a good grasp on their environment, which included an awareness of the pressures within in their environment and the compulsory requirements as laid out by the law or company executives. They were communicative about the benefits and disadvantages of increased governance structures and legislation. Overall, the increased reporting and accountability on the part of the CSR practitioner was not viewed negatively.
- They viewed CSR to be not just about implementation of projects with a social benefit, but also as a function which had strategic intent and involved a level of strategic thinking. They saw CSR as more than just a compliance exercise, even in those environments where CSR was viewed as compliance by others in the other company. They felt that the strategic nature of CSR and its role in social change were manifest through the changes in authority flows over the years. Internally this was evident through the shift of CSR from a chairperson's fund managed at the discretion of the CEO to a separate business function with dedicated resources while still having the involvement of the CEO. From an external stakeholder perspective, this was apparent through the extent of stakeholder involvement, in terms of when the stakeholders were engaged and what CSR practitioners believed should be brought to the process.

Discussion

Introduction

This research was initiated as a contribution to answering the questions about the role of business in a developing country, more significantly the participation of company-appointed human resources within the social change landscape. The discussion below will describe the meaning of the findings, by drawing out those findings with the most meaning and comparing them against the literature review. More pertinently the discussion section will explore whether there has been value created by this study. The reasons why it is believed that value has been created will be provided to support the position taken. Through the aforementioned, the discussion section provides answers to the research question. The research question and sub questions are restated below:

- In what ways are Corporate Social Responsibility practitioners building a Social Innovation Orientation in South Africa?

Sub questions:

- Are Corporate Social Responsibility practitioners thinking about new solutions which profoundly challenge or change day-to-day routines, authority flows and resource flows or beliefs at a broader more inclusive level?

- Given the characteristics reflected by the CSR practitioner, where is the company in its CSR advancement?

The findings which are well documented in the literature at large, also surfaced during the course of this research. These reoccurrences helped to establish and build the findings of this research which relate specifically to the research question. Briefly, the findings which correlate with documented literature in this research are as follows:

- Increasingly CSR practitioners and companies use the language of strategic CSR also suggested by Skinner and Mersham (2008) and they have shifted away from pure philanthropic CSR efforts.
- There is acknowledgement by CSR practitioners of a broader number of stakeholders and their increasing significance.
- CSR practitioners are looking for projects that are linked to their industry. Typically, for example, financial institutions would target financial and maths-gear training, and healthcare providers target healthcare related projects, whereas telecommunications companies would target education, but with an IT focus. For the CSR practitioners, education was a key focus. This trend was not surprising given the statistics reported in the 2010 and 2014 CSI Handbooks.
- Greater emphasis is being placed on reporting and measuring the impact of CSI projects. CSR practitioners were also required to account more rigorously for CSI

spending. This emphasis points to growing importance of elements such as the BBBEE Act (53 of 2003), ISO 26000 (2010) and the GRI (2013).

- Social and ethics committees as required by the Companies Act (71 of 2008) could serve as a vehicle to communicate and positively challenge CSI practice within a company, particularly among company leadership.

The results revealed that relationships were of paramount importance for the advancement of CSR in the organisation and the CSR practitioner. The findings pointed to collaboration and inclusivity as an underpinning dimension which cut across the other elements (social experimentation, scale mind-set, and institutional impact). From the characteristics which emerged and were described in findings, it can be concluded that there was an SIO continuum. CSR practitioners could be positioned across the continuum with those CSR practitioners who were building an SIO on one end, and those more likely not to be building an SIO on the other end. The remaining CSR practitioners would be at varying positions depending on their progression towards building an SIO.

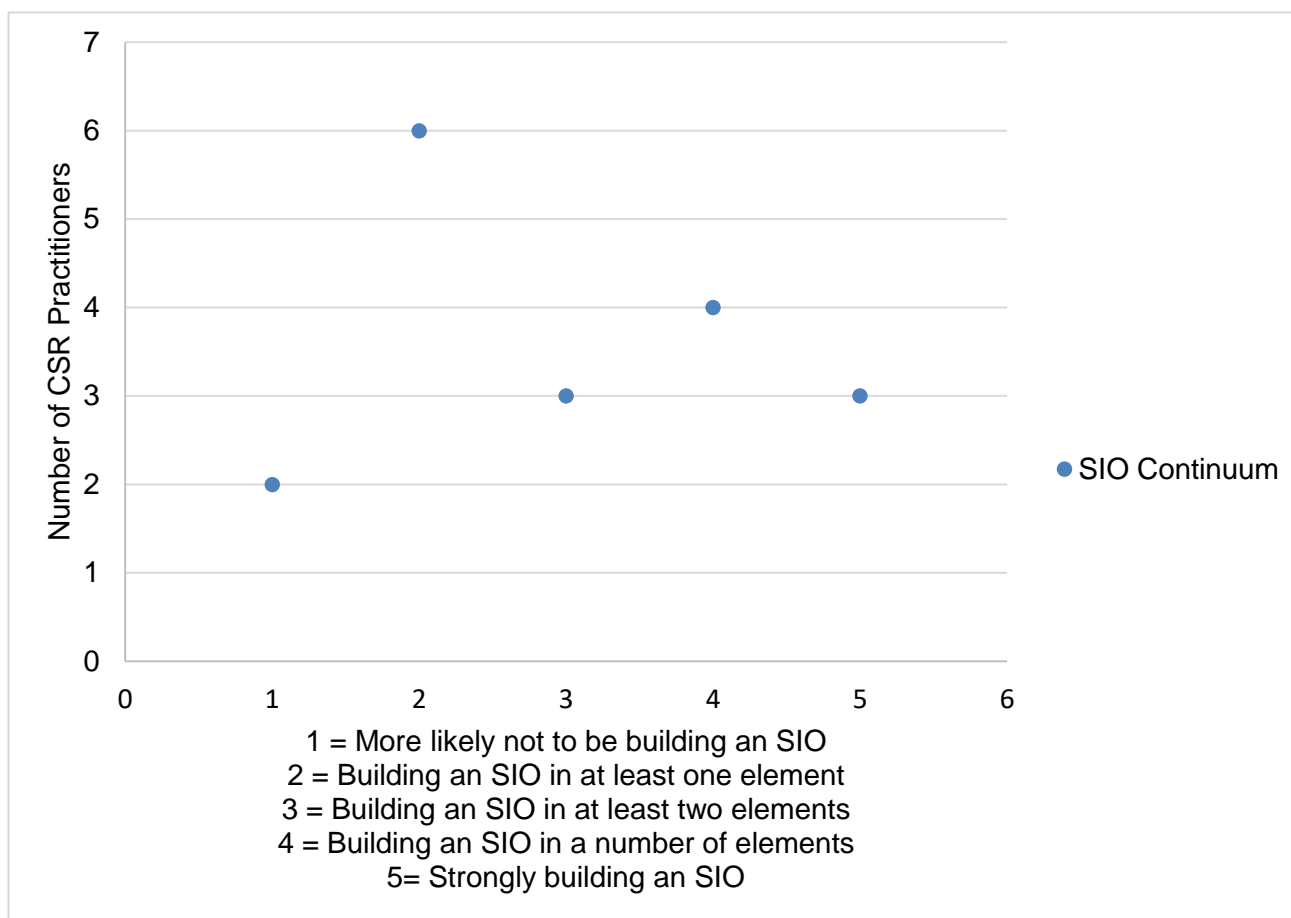


Figure 2: The SIO of CSR practitioners

The discussion chapter discusses four areas. It begins with the increased significance of CSR followed by the lessons learned by CSR practitioners from past mistakes. These sections, while being relevant to an SIO and social innovation, relate to areas which are more obviously linked to CSR. The sections that follow deal with CSR but the SIO and social innovation implication are more explicit. These sections include a discussion on the working together of various stakeholders for change within a system. The concept of a company-centric SIO is then explored. Lastly the initial workings towards a process for SIO are described.

Increasing the Significance of CSR

The findings and literature both revealed that CSR has become a recognised function in companies. CSR practitioners want to see CSR grow in significance and weight because they believe it would allow their efforts to have greater impact. This would require a greater level of legitimacy and institutional evolvment than currently exists. There appeared to be consensus between the sample results and the theory that increasing significance on the corporate agenda did result in more impactful projects. Misani (2010) does argue that it could result in more of the same when it comes to the types of projects and the level of innovation if this is carried out at the expense of the competitive advantage of the company. Misani (2010) suggests that conformity is often favoured over performance. If Misani (2010) is correct, it would mean that ideally there should not be a trade-off for the CSR practitioner between social innovation and the positioning of CSR on the company agenda. Misani (2010) proposes that the convergent approach favours conformity and limits differentiation and competitive advantage. This is because the convergent approach is open to collaboration with competitors and shared risks, unlike the divergent approach which is primarily focused on competitive advantage through a preservation of uniqueness and sheltering of CSR practices that provide competitive advantage.

Misani's (2010) findings differ from the findings in this research and the work of Porter and Kramer (2011), Murray *et al.* (2010) and Tansey (2011), which suggest that performance would not be sacrificed even with an increase of significance of CSR which allows for conformity and influence of stakeholder pressures as well as

collaboration with competitors. An increase in CSR therefore does not necessarily impede social innovation.

Given the findings and the literature presented by Porter and Kramer (2011), Murray *et al.* (2010) and Tansey (2011), it is suggested that CSR practitioners would therefore not steer away from introducing interventions that have not been tried and tested while practising convergent approaches for other interventions. Stated differently, CSR practitioners with an SIO would be involved with interventions which involve collaboration with competitors as well as interventions which seek to differentiate their company. Both these approaches used in conjunction were not seen to adversely affect the significance of CSR in the corporate agenda. A CSR practitioner with a great SIO would therefore be more willing to adopt a combinatory approach to Misani's (2010) divergent approach and convergent approach. The findings also revealed that CSR practitioners placed greater emphasis on the involvement of the CEO as an important lever for CSR significance than isomorphic practices.

Individually most CSR practitioners wanted CSR to be taken more seriously but as a group not as much was being done as was found in other functions of a company. For example very little to no use was made of the international ISO 26000 guidelines, consider the dearth of CSR think tanks, forums and recognised bodies for CSR existing in South Africa. The collective voice and influence on authority flows, and decision-making, provided through the aforementioned collective channels that could potentially contribute to the advancement of CSR, was close to non-existent.

CSR practitioners not only wanted the field of CSR to have significance, but they wanted their work to be viewed as impactful; they welcomed outputs that were tangible and measureable because value could be more easily understood by external parties. For those that viewed their work as a learning process towards greater impact, expectations needed to be managed relating to what was considered successful and what was not. Mulgan (2006) mentioned that many social innovations fail. In a learning process, it is expected that projects will not always be successful or have the desired impact. CSR practitioners who were building an SIO considered the perceptions of other role players, and would therefore need to manage these to ensure that insights gleaned and lessons learned also carried a value, and that this value was not only found in projects that continued smoothly for a couple of years.

Lessons Learned from Past Mistakes

Both in the literature and the findings, the significance of past mistakes was emphasised. A major past mistake cited by Visser and Tolhurst (2010) and Porter and Kramer (2011) was the focus on pure philanthropic interventions as opposed to more strategic interventions (Skinner and Mersham, 2008 and Zadek, 2004) whether through motive (Husted and Salazar, 2006) or action (Halme and Laurila, 2008). Another significant mistake raised in the findings was the irresponsible nature of the partners, and partnerships that were entered into by companies. The strong emphasis on not repeating the mistakes of the past resulted in a focus on getting certain basics right (Visser and Tolhurst, 2010 and Skinner and Mersham, 2008). In the South African context this would, for example, involve avoiding investments or partnerships which were high risk and not considered to be strategic. This

cautiousness indirectly contributed to the development of an SIO because CSR practitioners were more deliberate about the intention of their projects or interventions. These indirect actions could serve as an entry point to present the benefit of adopting a deliberate move towards developing an SIO because it could help CSR practitioners not only to avoid the mistakes of the past but also to grow the focus on developing more and better new solutions that have broader impact.

Given the openness required for social experimentation, it could be interpreted that there could be a detraction of an SIO. Experimentation could be made harder if CSR practitioners opted to partner with projects that were well established by name, but were not progressing much in terms of impact or inclusivity. CSR practitioners would have to direct their deliberation in ways which, while avoiding mistakes, were also conducive to developing an SIO instead of limiting to this kind of development.

Deliberation contributes to the development of an SIO in different ways depending on the SIO element. For example, the literature from Murray *et al.* (2010) suggests testing and piloting projects, making time to reflect on ideas and interventions that have not worked, and considering how better solutions can be sought from them. CSR practitioners are already piloting projects; deliberate inclusion in this process to test not only the viability of the relationship but also include an evaluation of the contribution to systemic change, could be beneficial. In an effort to steer away from irresponsible partnerships, CSR practitioners could deliberately incorporate the mechanisms proposed by Phillis *et al.* (2008) and thereby develop SIO through consideration for factors such as cross-sector role dynamics.

The optimal position would be one where CSR practitioners adopt the offensive approach, instead of the defensive approach in which CSR practitioners are focused on not making the same mistakes and therefore have the benefit of caution and getting certain basics right. The optimal position would be an offensive approach which would be observable when CSR practitioners are still cautious, more so if they focused on a proactive generation of solutions which were different from the past instead of just different enough not to be considered irresponsible. The implications of the cautiousness displayed with a defensive approach appear to have a limiting effect on creativity, and result in safe isomorphic interventions which are not systemically innovative. Deliberation allows CSR practitioners to expand their thinking process and attitudes in response to past mistakes.

Working Together for Change within a System

The emergence of relationships as important considerations for discussion was not surprising, given the strong reference to relationship dynamics in the literature. The general accord in the literature and from the analysis was that when a group approach is adopted for finding solutions, the results are better. A participatory environment should be fostered from an early stage, including from the value and meaning definition stage through to implementation, and to ensuring sustainability. A participatory environment also facilitates equality in terms of meeting the different needs across a given system, both in the literature through Phillis *et al.* (2008) and Grønbaek *et al.* (2007 as cited in Coates and Ind, 2013, p. 88-89) and in the findings. The findings revealed that while there was some cross-sector stakeholder

participatory activity underway during the implementation phase, participatory activity was weaker in other phases.

There was acknowledgement by those working with CSR that there would be greater benefit in earlier and later stage inclusivity. This was supported in the literature by Westley and Antadze's (2010) support of early stage idea exchanges, but in practice it was found that this inclusivity was generally not taking place. The degree of equality afforded to each role player varied at each phase. The shift in mind-set which brought about the exchange of ideas and values as referred to by Phillis *et al.* (2008) and Grønbæk's *et al.* (2007 as cited in Coates and Ind, 2013, p. 88-89) co-operative experimental system development approach (as cited in Coates and Ind, 2013, p. 88-89) and the literature on co-creation, all support the early engagement of stakeholders. CSR practitioners may not be at this point yet, but there was a definite move towards greater inclusivity both in terms of shared successes and risks. More room was being created to include the expectations of the various interest groups; this in turn had resulted in some changes to authority flows and resource employment, which CSR practitioners believe to be more strategic and impactful than exclusionary approaches.

As a tool designed to be used in the everyday practice of socially responsible activity, the ISO 26000 guidelines also revealed much about the focus on stakeholder engagement and the importance of cross-sector collaboration for business and societal sustainability. This is manifested through provisions in the guidelines of core subjects such as organisational governance, and community involvement and development (ISO 26000:2010). The growing significance of

interaction and cohesion has also surfaced in the literature. Apart from BBBEE, no other tools or guidelines available publicly were actively being used.

Considering Size and Partnerships for Impact

Owing to the expanse of social problems, CSR practitioners questioned the value of their work, because their resources could only achieve small wins. Westley and Antadze (2010) support starting small, but also seek to have a big impact. The complexity of system change is again revealed in that there is room for starting small, but there is also merit in starting big. What was of importance was the strategic intent behind the approach adopted. In the findings and literature, where the strategic intent included an intention for impact whether the start was small or big, there was potential for social innovation.

The literature considers government to be an important stakeholder. Almost unanimously, the results from the findings showed that government was considered to be an important stakeholder mainly because of its role in scaling up projects and in externalising the project. Most of the social innovation literature referring to systems assumes complexity, but does not extensively delve into the complexities associated with handover to government. For CSR advancement a relationship with relevant stakeholders is required, and government is almost always included. Owing to past disappointments, the incorporation of government as an equal role player in developing new solutions is limited. Instead day-to-day routines and authority flows have been changed to consider government, but not to be dependent on government.

Particularly for developing countries, theory which is developed through honest observation of practice is required, which guides CSR practitioners on how to operate in an environment where disappointments are expected on the part of government while government cannot be excluded if one wishes to be progressive or to follow a government scale-up or handover strategy.

Visser and Tolhurst (2010), Frynas (2006) and Prieto-Carrón *et al.* (2006) present views which are consistent with the findings, particularly regarding CSR efforts in developing countries' connection to communitarian values and societal expectation. The findings confirm Visser and Tolhurst (2010) and Frynas's (2006) consideration of South Africa as a developing country which, in terms of governance and the ownership of CSR initiatives, shows substantial CSR advancements. Given these advancements, CSR and social innovation approaches (Murray *et al.*, 2010) adopted in developed countries, could be explored by CSR practitioners with stronger SIO.

Social innovations which emanate from developed countries tend to be larger in size and stretch across continents; this could be because developing countries present greater social problems (Nelson and Jenkins, 2006). For companies started up in developing countries, very slight mention was made of projects which spread across the local South African company's operations in other African countries. This could be because South Africa has substantial problems and needs. An alternative reason could be because interventions in other developing countries are targeted towards exact needs in those countries, and for this reason CSR interventions and approaches are kept separately. There is an opportunity for the development of

partnerships for impact across the African continent, especially for South African companies that have operations in other African countries. This would increase the size of the projects, which could lead to great impact, but it also presents greater risks because of the company and political sensitivities.

A Company-Centric SIO

Given the location of the CSR practitioner in the private sector and the research questions, another important area of discussion has emerged, which was the distinction that comes about as a result of two facets: first the SIO of CSR practitioners versus the perceived SIO of the company as a whole, and secondly whether the company was set up and started in South African and is therefore considered to be a local South African company versus a multinational company with headquarters situated outside of South Africa and in most instances in a developed country.

Most CSR practitioners were agreeable with the approaches adopted by their respective employers. The question can be asked whether this support was subjective because of the employment contract between the employer and employee. The mismatch between the CSR practitioner's SIO and what was reasonably achievable within their company given the overall company's SIO, limited the role of social innovation in CSR. CSR practitioners were ahead of their companies in terms of their thinking around social change. Given that the decisions and resource allocation for CSR were not made solely by the CSR practitioners, but by a larger group with different mind-sets, if the views shared by the majority of the

decision makers in the company were not as progressive as the CSR practitioner, it could limit social innovation within that company. The proposals for social innovation made by the CSR practitioners may not have met with a favourable response. It also limited the extent of system-wide change achievable through a given intervention. The literature investigated social innovation, and CSR did not specifically refer to the employer and employee dynamic as discussed above. This conclusion was drawn from the findings.

The mismatch between the CSR practitioner SIO and company SIO also demonstrated that a study seeking to gain insights into the advancement of CSR as a business practice, which considered only secondary data such as publications by companies or external sources on a company's views and performance in terms of CSR, may not be comprehensive. The omission of the contribution of CSR human resources such as CSR practitioners as a value-add to CSR advancement and social innovation development within CSR would result in an incomplete view, especially for qualitative research. A major contribution of this study is its novel focus on the attitudes, mind-sets, and orientations of CSR practitioners. This study offers a different perspective from studies which focus only on outputs.

The nature of the business entity, whether headquartered in South Africa or abroad, had implications for the manner in which CSR practitioners could exert influence and leverage from the driving forces of the company. The findings identified that for local South African companies the influence driver was the CEO, and for multinational companies it was in most cases the directives from the parent company. CSR practitioners working for multinational companies need to be realistic about what is

achievable. There were limitations because of the directives from the parent company as found through analysis, but correctly coordinated, these limitations could be turned into an opportunity. Multinational companies have greater resources, and if the development was focused in South Africa, for example, and the South African subsidiary was tasked to implement, additional resources which could be available through the external resources provided by the parent company, depending on the degree of freedom availed to the CSR practitioner in the local company, the CSR practitioner's SIO could be influential in the position adopted under these circumstances by the local company. For South African companies, CSR practitioners who were building an SIO faced the role of growing the significance and directing the influence of CSR with the company leadership and the company as a whole.

For all of the aforementioned CSR practitioners with an SIO that is greater than their companies whether local or multinational would have to find ways to change authority flows and decision making in order to realise lasting change. These CSR practitioners needed to find ways to navigate their environment and achieve results.

A Preliminary Process Approach for CSR Practitioners Moving Towards an SIO

While it has been repeatedly acknowledged in this research that the CSR and the social innovation processes are not linear and exhaustive, the findings support this non-linearity, as does most of the literature (Carroll, 1999; Mulgan, 2006; and Visser and Tolhurst 2010) and most models tend to be graphically presented as a linear process. The mapping of the CSR and the social innovation processes derived

from the findings and literature in the context of the SIO elements point to a process which at a high level appears to be linear. The findings revealed that CSR practitioners were at different places of their respective CSR journey and SIO journey. The process reflected an initial conceptualisation, and it should therefore be noted that at its current level of development, while being applicable, it was nascent.

This incipient process starts with an initial experimentation step. The experimentation phase refers to the start-up of a project or the trial and error associated with piloting projects. Experimentation is followed by expansion, which involves the decision and actions associated with accepting a pilot or growing an existing project in the company through increased spend or company resource allocations. Depending on the success or outcome of the project and the focus of the company, the project was either exited through termination of the programme or handing over the entire project to another company to attempt to get a successful result. Externalisation involves what could be considered to be a diffusion of the project. The parts of the project are handed over or expanded through the inclusion of an entity external to the company or another sector. The responsibility of finding a new partner was usually left to the NPO.

The ways in which a CSR practitioner is building an SIO can be determined by the views and approaches adopted at each phase of the process; because the process may have loops, the SIO of the CSR practitioner is not a static state. Depending on the influence of the CSR practitioner within a given company, how the phase was actually carried out could also be influenced.

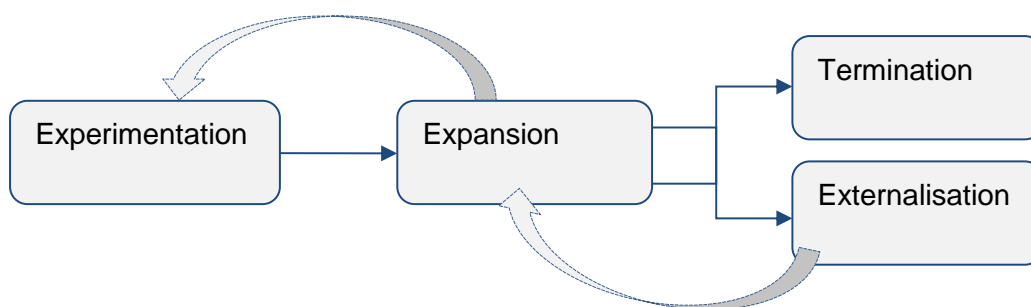


Figure 3: A Preliminary Process for Moving Towards SIO

The implication of the aforementioned process would be that CSR practitioners could identify where they are in their cycle and assess and reflect on the thinking and approaches adopted at each phase. For new projects, CSR practitioners can begin to think about how they can be more socially innovative at each step. There is no fixed time required at each step. For example, for some CSR practitioners if a project is working, the CSR practitioners could remain at the expansion step for several years building on the successes year after year and ensuring that results are consistent.

Discussion conclusion

It could be argued that an increase in social innovation could impede an increase in the significance of CSR. CSR practitioners who were building an SIO would adopt a combinatory approach which included interventions that were collaborative even with competitors and interventions that were pilots for the purposes of testing new solutions. The collective voice of CSR was weak, and this could potentially limit the advancement of CSR.

Even with the CSR practitioners' strong desire to be seen as delivering results, they need to manage the expectations of stakeholders particularly in their own company, about what success was and was not.

The main past mistakes cited were a focus on pure philanthropy and irresponsible partnerships. In order to avoid these mistakes, CSR practitioners were focused on getting these basics right. This cautiousness indirectly resulted in deliberation on the part of the CSR practitioner. Being more deliberate contributes to the building of an SIO. With a focus on not repeating past mistakes while still working together with stakeholders in a manner which is proactive instead of defensive, CSR practitioners could build an SIO.

Fostering a participatory and inclusive environment from an early stage was beneficial in the development of an SIO. This was because working in groups was believed to deliver better results and role players were afforded increased equality in the social change process. The discussion showed that CSR practitioners are not at this point yet, but there is a move in this direction.

The discussion showed that the size of an intervention is of less importance than the significance of the potential impact of an intervention. CSR practitioners building a SIO are interested in impact and not size. Where there is an opportunity for greater impact given similar needs in other developing countries, companies with operations in those countries should consider increasing the size of their interventions to include those countries.

For developing countries, the probability of being disappointed by government is high. The involvement of government as partner was in most cases unavoidable. CSR practitioners had to find a way to make this relationship work.

Taking the company-centric positioning of the study into account, even though CSR practitioners were not in disagreement with the approaches of their employers, their views and thinking showed that they were at a more advanced level in terms of their SIO than the SIO of the company as a whole. Whether the company was headquartered in South Africa or abroad, the CSR practitioner who was building an SIO had to figure out how to navigate through the interests channelled from executive levels.

The discussion chapter presented the initial workings of an emerging process which was developed from the mapping of the CSR and the social innovation processes derived from the findings and literature in the context of the SIO elements. The process showed that SIO could be approached in a systematic manner but that it was made up of loops because of iterations and refinement in the overall solution development process and within each component of the process. CSR practitioners could move towards an SIO as they worked their way through the process and or develop their SIO by delving deeper within a given component. The process showed that the building of an SIO was by no means a once-off stagnant occurrence.

Conclusion

This conclusion chapter aims to communicate the worth of this research and provide the key take-away messages from this research based on the knowledge gained through the methods employed and the evidence produced. Structurally this is achieved through first the integration of the findings, discussions and synthesis to answer the research questions. Second by the provision of recommendations on how this research could practically contribute to companies and CSR practitioners. Finally three possible further research directions are described.

Concluding Statements

The research set out to explore the approaches adopted by CSR practitioners which could provide an alternative manner for the way in which social problems are addressed going forward. This was an important exploration because the CSR practitioner is commonly tasked with developing and implementing interventions to help address social challenges from a company-centric perspective. Secondly, companies are increasingly facing pressure and unmet expectations from stakeholders regarding their role in society and particularly their contribution to solving societal problems. There is value in investigating alternatives to current approaches in an effort to support CSR practitioners and companies as they endeavour to meet stakeholder expectations.

The study sought to answer the question: In what ways are CSR practitioners building an SIO? The study also aimed to answer questions on whether any profound change or challenge was posed by CSR practitioners to the current systems through basic routines, authority flows, belief and resources (Westley and Antadze, 2010). The status of CSR advancement by companies was also explored. These questions were answered in the developing country context and more specifically South Africa because the sample was made up of CSR practitioners based in South Africa.

The study demonstrated that both in theory and practice, there is strong support for the view that a lot has changed for companies in the past ten to twenty years, most of which has been for the better. A notable improvement was the greater responsiveness on the part of CSR practitioners to meeting the expectations of their societal stakeholders in a manner which is more collaborative and inclusive than it was in the past.

In what ways are Corporate Social Responsibility practitioners building a Social Innovation Orientation in South Africa?

Overall the findings of the study suggested that those working with CSR are building SIO, and the ways in which this was being done varied amongst CSR practitioners, but commonalities did exist. These are covered in this section. Broadly some of the ways in which CSR practitioners were building an SIO included a greater willingness to share information, insights and networks, which showed an awareness and appreciation for the changing role of business. These CSR practitioners also

understood that the changing role of business required changes in approach with regard to how apparently intractable problems were tackled. CSR practitioners were open to tackling intractable social problems and being an active part of the solution. The change in approach should result in interventions which have greater impact and that are more sustainable. There was significant emphasis on CSR being more than a compliance exercise, and this is especially noteworthy in the South African context given the BBEE Act (53 of 2003), Companies Act (71 of 2008) and adherence to GRI (2013). CSR practitioners also believe they can make a bigger difference and want to do so.

Most attempts to build an SIO were being carried out inadvertently. This is contrary to some views in the literature which states that social innovation needs to be or is intentional to work; however, it is not contrary to the history of social innovation as presented by Phillis *et al.* (2008) and Mulgan (2006) who highlight that social innovation has been happening for several decades now but it was called different names. In the past what resulted in a new solution to an old problem was not necessarily intended to be such, this too was evident in the findings from the data analysed. For this study an applicable example was the reluctance on the part of the CSR practitioner to enter into longer term project partnerships without first testing the viability of the project. This reluctance is a manifestation of costly lessons learned from past mistakes rather than a deliberate action towards social innovation. The study revealed that deliberate exertion of effort could result in greater impact and more inclusive processes and solutions.

Through this research a preliminary process was derived which could serve as a systematic starting point for assessing and including an SIO, irrespective of where the CSR practitioner is in a given intervention or broader programme.

The study concluded that for social experimentation, CSR practitioners were building an SIO through piloting and adopting an outlook of continuous learning, which was contributing to a bigger picture of CSR advancement and deeper change. Collaboration and inclusivity emerged through the greater participation of stakeholders at various stages; CSR practitioners were not averse to co-creation, an important component of SIO. The study demonstrated that social innovation and the development of an SIO require active consideration, and for the company to take the lead in playing a role it would not traditionally take on and or for the development of relationships in a manner that would not typically be applied namely facilitating the formation of an unconventional cross-sectorial or intra-industry network with an openness to learning and knowledge exchange. In addition, collaboration and inclusivity were found to cut across all the elements of an SIO. How collaboration and inclusivity were created could therefore also have an influence on how the CSR practitioner was building an SIO through the other elements.

It was easier for CSR practitioners to build an SIO through social experimentation and collaboration and inclusivity than it was through a scale mind-set and institutional impact, but SIOs were not void of these two elements. These two elements should not be discarded. The expansion of projects to include other private sector companies, thereby sharing ideas and proven concepts, demonstrated that considerations were being made for scale. The inclusion of government was good

because it showed intentions to share control and risk and embrace collaboration and inclusivity, which all pointed to an SIO, but the dependence on government for scale was limiting. Particularly in the developing country public sector context in many instances, as pointed out by Visser and Tolhurst (2010) and Frynas (2006), governments are found to fall short in the delivery of solutions to social and economic problems. The study found that answers to the ways in which CSR practitioners were building an SIO when it came to the institutional impact element were few. In the practical evidence, contrary to the literature the study found that there was very little practical evidence but rather acknowledgement of the benefits of institutional change. This general institutional awareness could be a starting point for more active institutional impact approaches or it could point to some potential for action if and when the right circumstance presents itself.

Sub Questions:

Are Corporate Social Responsibility practitioners thinking about new solutions which profoundly challenge or change day-to-day routines, authority flows and resource flows or beliefs at a broader, more inclusive level?

CSR practitioners recognised that companies that opted to remain closed to the changes around them lost out in the longer term. The study revealed that CSR practitioners acknowledged that there is a need for change but there was no conclusive view on what exactly these new solutions would look like, and no significant resources or time were being dedicated to this level of thinking. In the main, CSR practitioners are not actively looking for new solutions to profoundly

change or challenge the current system at a broader and more inclusive level, but this research did reveal that there were some changes in day-to-day routines, authority flows and resource flows or beliefs which could steer CSR practitioners to such a level of thinking.

Given the characteristics reflected by the CSR practitioner where is the company in its CSR advancement?

Companies cannot be clearly placed in one fixed position regarding their CSR advancement journey. The study determined that a combinatory positioning is more appropriate especially for companies operating in South Africa because of the mix of philanthropic and other more strategic approaches adopted. The research revealed that though CSR practitioners believed that mutual benefit was important, the understanding and longer term implications as described in the literature are not the same as the understanding shared by practitioners.

For CSR advancement the weighting of CSR on the corporate agenda needs more gravity. The ability of the CSR practitioners to navigate within their company to achieve their objectives was of significance as well as the perceptions of CSR by the leadership of the company.

The study determined that the extent to which trial and error approaches are adopted does challenge the literature on sustainability and CSR advancement which suggested the longevity of a project as an indicator for success, but a company with a combination of long-term projects and piloting projects is not necessarily reflective

of limited CSR advancement and a lack of a complete set of sustainable projects but could actually be more advanced depending on the desired impact of the pilot projects in the longer term.

Practical Contributions for CSR Practitioners and Companies

This research provides practical contributions for companies and CSR practitioners. These are listed below:

- Provision of an additional mechanism to address the expectations of society as far as the role of business in addressing social change. This research does not conflict with the current practices both in the literature and the findings. The recommendations and findings in this research can be used in conjunction with current approaches and should complement existing mechanisms because it relates to existing facets of the CSR systems. Expectations around the turnaround time from the CSR practitioners' involvement to realising impact can be better managed by communicating firstly that social change is a lengthy process and secondly that not all projects will be successful but that the goal is to take lessons from these efforts and apply them with the aim of realising change that has meaning over a longer period of time, through the emphasis on experimentation and the explanation of the benefits of experimentation and trial and error.
- The findings do not negatively impinge on theories. Rather, they provide an alternative or additional consideration for those wanting to achieve greater

impact. Current theories are not wrong, or out of date or inappropriate. There are however elements which are not included and a level of CSR activity that is not considered necessary but which is considered in this research.

- Assists companies and CSR practitioners in making CSR strategy development more realistic, in terms of outcomes typically expected; as far as possible a sustainable win-win outcome is favoured over a quick-win outcome. The research provides support for the investing of more time and resources in adopting methods which help development interventions that are more durable and have more impact. While cognisance is taken that from a reporting perspective the CSR practitioner may be required to report on an annual basis on the results achieved, it also noted that the CSR strategy should consist of goals and targets that may be longer-term. This will require incremental targets to be included in the CSR strategy development process which can be reported on an annual basis. The findings revealed that for CSR practitioners the measurement of the success of a CSR strategy is often against tangible outputs such as the number of learners reached, number of businesses assisted, jobs created or amount spent on educational projects. The elements of the SIO do seek to benefit CSR delivery but they are not always tangible, however, they are still a valuable contributor to achieving successful outcomes.
- The attributes of an SIO could be considered for inclusion in the compilation of a CSR practitioner's performance appraisal especially when wanting to assess whether the individual has gone above and beyond basic requirement or shown any innovation in approach. This is especially suited to companies with a strong

appreciation for theoretical debates and best practice as opposed to companies with a stronger focus on outright implementation. SIO incorporates the latest thinking and requires an active investigation on the part of the CSR practitioner into best practices, especially practices relating to relationship development, project expansion and piloting. The elements of SIO can easily be incorporated into the professional development plan and performance appraisal of a CSR practitioner through requiring demonstrated examples of inclusion of the elements of SIO over a given period.

- Recruitment processes can be assisted as the research provides considerations to assess the discourse of potential CSR practitioners to determine if there is a match with the current CSR team or the company's discourse. A practitioner with a strong SIO working in a stagnant purely philanthropic focused company where there is little to no room or plans for change, will quickly become unhappy. A company with a strong SIO would benefit from employing CSR practitioners who also have a strong SIO.
- This research offers a view of understanding social innovation and what it can mean from the company-centric perspective, particularly as the term social innovation becomes more widely used. The research showed that in South Africa social innovation is still a new entrant and in the literature definitions is still emerging and being developed. This study provides companies and CSR practitioners in developing countries, and particularly South Africa, with more in-depth perspective of social innovation which can be built on. Companies and CSR practitioners have a view of social innovation which looks at changes to

day-to-day routines, authority flows, decision making and resources from a company-centric perspective. From this, companies and CSR practitioners are able to build their own discourse on social innovation and the practical implications thereof.

- This study provides CSR practitioners with insights into the views and opinions of fellow CSR practitioners thereby not only increasing the awareness of social innovation and the practice of CSR but providing information which fellow CSR practitioners could use in their organisations.

Further Research Directions

SIO of CSR practitioners in different locations. The research could be expanded to become an exploration of the views and opinions of CSR practitioners in other locations. This could be carried out either in a population which would consist of CSR practitioners from the African continent, or countries belonging to the Brazil, Russia, India, China and South Africa (BRICS) group or a selection of the countries with similar CSR efforts across the planet, for example Philippines and Brazil. Irrespective of the population, the value of growing the CSR practitioner base while keeping the developing country focus is twofold. It could serve as a further check to the findings of this research. In addition, patterns, themes, similarities and differences could emerge which could build on the results and conclusions of research or add new insights. The research could also further provide CSR practitioners with a tool-set of approaches to better understand their current SIO and how to develop it further. Subsequent to the aforementioned expansion of developing countries' investigation, an exploration could be done of the SIO of CSR practitioners in developed countries with the aim of ascertaining what the differences and similarities are, and possibly identifying practices that could be transferred amongst developing and developed countries. The sample criteria should be similar to those used in this research to ensure validity.

The state of co-creative thinking and action in South Africa. Co-creation and participation in South Africa and other developing countries could be more closely examined to understand how to navigate through the environments of developing countries, particularly given the significance of engagement which

emerged through this study. Collaboration and inclusivity were found to be an element on their own but also cut across the elements of an SIO. Further research could go a level deeper and analyse the processes for co-creation and participation within South Africa or developing countries. A specific focus could be placed on co-creation and participation for addressing intractable social problems. The study could be qualitative by examining views and opinions on co-creative thinking and action or quantitative by investigating the prevalence of co-creation through an analysis of existing interventions which meet a given criteria.

This kind of study could simultaneously cover other questions or challenges which emerged during this study. Firstly it could address the challenge raised around the difficulties experienced with government and primary stakeholders because it could provide answers to the questions about how to best plan and implement given the expectation of disappointment. Secondly it could provide an opportunity to further develop the preliminary process depicted in this study because co-creation and participation are likely to surface at each stage (experimentation, expansion, termination and externalisation).

An exploration of the views and opinions of NPOs and the public sector regarding the SIO of CSR practitioners in the private sector. It is clear that this research provides a company-centric perspective, and that a modern system should take into account the views and opinions of other stakeholders within a given system in order to effectively realise social innovations. While the research presents the SIO of CSR practitioners in one light, the question can be asked whether these results

and conclusions are also shared by other groups. This research has identified NPOs and the public sector as the two most significant stakeholders in CSR. The end beneficiary was also considered important, however; in the process and approaches adopted, NPO and the public sector involvement were found to be vital for the end beneficiary to realise the desired benefit.

In government departments where, like the private sector, the government official tasked with engaging with companies and NPOs operates within an organisation that has competing priorities. While CSR practitioners complete with commercial primacy, the governmental official may compete with other issues. The NPO on the other hand could prioritise inclusivity and may view the SIO of a CSR practitioner more negatively than what is found in this study which focused on the company-centric perspective. These differences could influence the views and opinions of these stakeholder groups on the SIO of CSR practitioners.

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Appendix

Interview Questionnaire

Interview questions

DD MMM YYYY

Introduction:

Today I would like to gain insights into the views and opinions of those who work directly or indirectly with Corporate Social Responsibilities. I would like to know about CSR in your organisation and how it is approached.

1. General awareness

- 1.1. Tell me about the current CSR view in your organisation.
- 1.2. What would you say informs this thinking?
- 1.3. Do you think CSR practitioners are approaching CSR significantly differently from say 5 to 10 years ago? What is different?

In order to better understand CSR in your organisations let's talk about a CSR project within your organisation.

2. How is CSR approached in practice?

1.4. Please take me through a current project that you consider to have the highest level of durability and impact. A project that you think provides better solution to social problems we are all too familiar with.

Probing questions:

1.4.1. *How would you describe the nature of the goals of the project? What is your thinking behind the choice of CSR strategy and projects?*

1.4.2. *Who made the decision to approve and affect the project?*

1.4.3. *What was the decision-making process?*

1.4.4. *Who were the stakeholders involved?*

1.4.5. *How were they engaged and brought into the project?*

1.4.6. *What is the **nature** of their involvement? In your opinion what are the roles of the three primary stakeholders? Do you think it is how it should be or is there room to improve on this?*

How often is this engagement? What is the quality of relationships with

stakeholders –operational, forma, informal or think together? (5 -10 min reflection on this.)

1.4.7. How do you feel about all this? (Poke at their personal connection with this)

*1.4.8. How do you facilitate the working together of the various **sectors** involved?*

1.4.9. Who are viewed as the beneficiaries?

1.4.10. To what degree is this project external to the core operations of the organisation?

3. Closing conversation

3.1. Do you have any other comments that you think could add to this research?

3.2. I am interested in emerging markets and CSR.

3.3. Is social innovation a term that is used in CSR?

List of CSR Practitioners Interviewed

CSR Practitioner	Sector	Head Quarters	Designation
1	Fast Moving Consumer Goods	SA	CSI Manager
2	IT	SA	Special Projects Manager
3	IT	Multinational	Special Projects Manager
4	Health care	SA	Risk Manager
5	Financial institution	SA	CSI Manager
6	Financial institution	Multinational	Communication Manager
7	Fast Moving Consumer Goods	Multinational	Foundation Manager
8	Financial institution	SA	Head of CSI
9	Financial institution	SA	Head of CSI
10	Financial institution	SA	Head of Community Affairs
11	Motor vehicle	Multinational	Foundation Manager
12	Fast Moving Consumer Goods	SA	Foundation Manager
13	Financial institution	SA	Monitor and Evaluation Manager
14	Financial institution	SA	Foundation Manager
15	Construction	SA	CSI Manager
16	Financial institution	SA	CSI Manager

17	Financial institution	SA	Strategy Manager
18	Business Support Services	Multinational	Marketing Manager