
Community Development & Corporate Social Responsibility

Presented by
Sakwa Masai
Private Sector Engagement,
Partnership & Project Management Specialist.
YALI E.A RLC Fellow 2020

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Introduction

Interventions around community empowerment and alleviation of human suffering have long been undertaken by the civil society organizations (CSOs), religious institutions and government. This has been the practice for decades.

However around the 1970s the idea of Corporate Social Responsibility began to take root within the business community as a form of social contract between the business and community.



Understanding CSR?

- The term CSR was originally coined by an American economist Howard Bowen in 1953.
- The idea of CSR was to try and reorganize the society by making companies become more responsible and participate in the social well being of the society.
- This was through the companies giving back to society through philanthropic causes with a goal of driving positive societal change.
- It is also important to note the CSR emerged from the fact that businesses were also causing environmental and social damaged to the society.



Understanding CSR cntd...

According to the European Journal of Business and Management, CSR also gained momentum owing to the following reasons;

1. Build of pressure against the businesses.
2. Increased awareness by the society and the stakeholders/shareholders.
3. Realised responsibility by the businesses.
4. Development of Policies and identification of best practices.
5. Implementation of the policies.
6. Development of several programs to implement.
7. CSR Performance and Compliance Evaluation.



Growth of CSR as a tool for CD.

- CSR transformed from a mere tool of addressing the damage caused by companies to become a tool for transformation of societies and community development.
- It transformed to a practice that would eventually enhance corporate citizenship , increase shareholder value and promote sustainability within organizations.
- CSR also gave an opportunity for companies to gain a competitive advantage over other organizations due to improved corporate image as a 'responsible' entities.
- From a developmental aspect corporates expanded from mere show of acts of responsibility to actual transformation across different sectors such as health, environment, education, youth and women empowerment etc.
- From a business point CSR offered companies a soft landing to expand awareness on their products/services as they carried out social good projects.



The Nexus Between CD and CSR

- Both Community Development and CSR, serve to solve a societal or community problem.
- Although the genesis and school of thoughts are different the both align at the point of either alleviating suffering, improving livelihoods or bringing solutions to better communities.
- CSR has a business angle to development in that companies focus on the Return on Investment (ROI) while on the other end CMD has been perceived to originate from a not for profit school of thought.
- The greatest asset of merging the two has been the improvement of CD and CSR there are learnings from both sides. Aspects such as ROI, monitoring and evaluation, impact and sustainability have improved as a result of the two.



From CSR to Corporate Social investment (CSI) in Communities

- The transition from CSR to Corporate Social Investment (CSI) – In recent times there has been a shift from CSR to Corporate Social Investment. From mere acts of responsibility/kindness by companies to real measurable action and impact of the interventions by companies thus also affecting CD in terms of impact and quality.
- Companies dedicating resource – Previous CSR was seen as an extension of the marketing and PR departments however companies have now moved to hire professionals and put in metrics and reporting systems that go hand in hand with community development. The practice has blended in community development, resource mobilization and become more professional.



RELIABILITY



INTEGRITY



TRANSPARENCY



HONESTY



CORE VALUES



COMMITMENT



SOCIAL
RESPONSIBILITY



TRUST



CONNECTION

- Contribution to companies' values – Apart from just contributing to attainment of community development aspirations by companies CSR/CSI has contributed to other factors such as better employee retention, value to shareholders, corporate citizenship. Demonstrating the value of community development in influencing other pillars of a society.
- Transforming communities – As earlier mentioned CSR has transformed from mere acts of responsibility to actual change or impact in communities. Similar to community development, companies have changed the model of operation from mere one-off exercises e.g during festivities to long-term partnerships with communities that have transformational changes.



The Tripple Bottom Line Effect in CSR



Conclusion

Through CSR/CSI companies can undertake meaningful community development interventions in key areas of society such as health, education, training, water accessibility, agriculture etc.

CSR/CSI can help accelerate Community Development as well as complementing community, church and government efforts. Companies have a wide geographical reach in areas that sometimes other agencies cannot reach, financial capabilities and specialized skills.

If well utilized the, CSR/CSI can harness both the aspects of community development and promotes companies' image. However this calls for strong collaboration, clear well thought outcomes and management of expectations. Lastly special attention has to be given to impact measurement and sustainability not forgetting avoiding practices such as greenwashing or white washing.

END!

