



The Contribution of Corporate Social Responsibility to Organisational Reputation: Case Study of Kgalagadi Breweries in Botswana.

by

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ABSTRACT

This study investigated how the KickStart project, a flagship project of Kgalagadi Breweries Limited (KBL), has contributed to KBL's reputation. The research sought to understand the aims of the project and to examine whether KickStart's objectives are aligned to KBL goals. It also discusses stakeholder engagement and youth perceptions about the project, paying attention to the ways these factors seamlessly contribute to KBL's reputation. The study was framed around the epistemological assumption that the corporate social responsibility (CSR) of major companies is essential for addressing social problems within local communities and for building mutual beneficial relationships. However, these companies often exclude communities in their CSR programmes, or the programmes fail to meet the needs and expectations of the communities. These factors often impact negatively on the image and reputation of the companies involved.

This is a case-study of the KBL project-KickStart and uses a qualitative methodology to glean empirical data. The research methods include a questionnaire and interviews administered to 16 participants selected from KBL, Botswana National Youth Council, the Department of Youth, and youth who have received financial assistance from KickStart. A questionnaire were also administered to another youth group that received financial support under the Youth Development Fund, managed by the Department of Youth. An analysis of documents such as media reports and the Sechaba Breweries Holdings Limited past annual reports were made. Observations were also made during visits to youth businesses while the questionnaires.

The literature on theories of CSR and the responsibilities of business provided the conceptual and theoretical framework for this research. This body of knowledge attempted to tease out the main responsibilities of business, namely economic, legal, ethical, and philanthropic responsibilities and bring them to bear on the main focus of the project. Stakeholder theory provided the main theoretical thrust for this study because it highlights the multiple relationships that a company has with business partners, employees, government, suppliers, consumers, and communities, and that they all have expectations in terms of how a company should behave, and dictate

what acceptable behaviour is. The value of involving stakeholders in CSR programmes will enhance a company's reputation if communities are happy with the programmes; they will buy the goods and services procured by the company and recommend the company to others, employees will be motivated, and the company's productivity levels will increase thus increasing profit margins. Suppliers will be happy to do business with the company. Businesses, to fulfil their mandates, enter into several relationships with key stakeholders who are prioritised according to their power, legitimacy, and the urgency of the issues at hand.

Key findings from the study are that the aim of the KickStart is to empower youth to manage sustainable projects and create employment to improve the well-being of communities. KickStart is a flagship CSR programme of KBL, opening opportunities for the youth through development of their entrepreneurship skills. Its objectives are to support the government to address unemployment among the youth and facilitate sustainable economic development. The youth perceive KickStart as a good project; it offers them financial support, business management training, and a year's mentorship to sustain their businesses. They acknowledge the contribution KickStart makes to uplift their lives and identify with the KBL brand, which positively reflects KBL as a good company.

Stakeholders are important; they must be involved in CSR programmes and their concerns and issues should be considered for the success of the programmes. KBL has limited its stakeholder engagement to internal stakeholders namely, the trustees and the project manager, and externally the media and judges. Collaboration with the youth organisations will give credibility to KickStart whose target audience is the youth.

While acknowledging limited stakeholder engagement, the CSR implementation framework is recommended for KBL to streamline and prioritise key issues around the high unemployment among the youth, identify key players to be involved, and specify what their contributions should be in addressing the problem.

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ACRONYMS

ARV	Anti-Retroviral
BBL	Botswana Breweries Limited (Pty) Ltd
BCL	Bamangwato Concession Limited
BOCONGO	Botswana Council of Non-Governmental Organizations
BNYC	Botswana National Youth Council
CEO	Chief Executive Officer
CSI	Corporate Social Investment
CSR	Corporate Social Responsibility
GDP	Gross Domestic Product
KBL	Kgalagadi Breweries Limited (Pty) Ltd
US	United States of America
YDF	Youth Development Fund
WBSCD	World Business Council on Sustainable Development

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CHAPTER ONE

INTRODUCTION

1.1 Background to study

Social responsibility, as a broad concept, is driven by a country's socio-economic and political history. It is an evolving concept that emerged during the Victorian era in the form of paternalistic gestures to consolidate company relationships with particular communities (Hawkins, 2006; Frankel, 2001). The history of corporate social responsibility dates as far back as the 1920s. It became prominent between the 1950s and 1970s as businesses started to embrace their responsibilities to the communities in which they operated. From the 1920s, it existed as an ideological movement intended to legitimise the powers of large corporations who deduced that their main role was to make profits for shareholders.

In the 1950s corporate social responsibility (CSR) attracted immense scholarly attention as businesses started to realise their obligations to society, resulting in expansion of the literature on the concept (Carroll, 1991; Mitchell, Agle & Wood 1997). This body of knowledge developed and introduced readers to the CSR pyramid model which illustrates the total responsibilities of businesses. The model represents CSR as a business response to societal expectations and lists four responsibilities, namely: economic, legal, ethical, and philanthropic (Carroll, 1979 in Carroll, 1991; Lantos, 2001). Although the model has been in existence for many years, it is still confusing and often lends itself to different interpretations in different contexts.

Because of this confusion, the approach to CSR practice is bound to differ from country to country. For example, measuring attitudes of United States (US) and South African managers to corporate social responsibility, Orpen (1987) concludes that US managers hold significantly more favourable attitudes towards CSR than South African managers do. South African managers perceive that the public expect a lower degree of support for CSR programmes from them, while in the US the public is perceived to expect more from business managers. This finding shows that the understanding and practice of CSR is influenced by the socio-economic and political dynamics of where the businesses operate.

CSR addresses the responsibilities of businesses to the societies where firms operate. Key among these are: issues of environmental concern and their impact on communities, the welfare of employees and creating conducive work environments for them, adherence to legislation, job creation, and the production of quality, safe and affordable services and products to society (Carroll, 1979 in Carroll 1991). To fulfil these responsibilities, a business enters into multi-stakeholder relationships with government, society, and its employees. Each stakeholder expectation must be met, taxes must be paid to the state, jobs created for society, and safe work environments created for employees to produce quality goods and services to society. Failure to meet any of these expectations could lead to sanctions which may adversely affect business operations leading to closure (Moir, 2002, Hohnen & Potts, 2007).

In the context of Africa, “the true purpose of CSR would therefore be defined as to assist in the development and maintenance of a socio-economic and socio-political environment that is conducive to real economic growth” (Visagie, 1993:2). In the case of Botswana, corporate social responsibility can be traced to the pre-independence era. The practice has evolved significantly and today has become the focus of many corporate organisations. In fact, since Botswana gained her independence from Britain in 1966, major companies have shown an interest by implementing some form of CSR programmes which are mostly philanthropic and often concentrate on short-term remedies such as donations of food, clothing and blankets. In fact, very few companies engage in sustainable programmes that impact positively on the lives of communities.

Despite the growing interest in CSR in Botswana, there is a paucity of literature on companies’ engagement in community activities. To date, media and annual reports show that public relations practice in Botswana is understood through simple activities such as the issuance of press releases, advertising, and publicity activities. This indicates that there is still a dearth of research on public relations strategic contributions to organisational excellence (Agang, 2009; Rensburg & de Beer, 2003). For example, in 2006 the Botswana Council of Non-Governmental Organizations (BOCONGO) conducted a national baseline study on the corporate social responsibility of the extractive industry by using the Bamangwato Concession Limited (BCL) mine as a case study. The study failed to give comprehensive insight into the

understanding of CSR, the degree to which it is practised in Botswana, and the contribution of communities around the mines to the mining sector CSR programmes. The report recommends legislating CSR but lacks a general understanding of the fundamental nature of CSR because it emphasises only the philanthropic aspects.

In this light, media reports on CSR in Botswana are limited to philanthropic work such as donations of food hampers, blankets here and there and a computer or two, with the emphasis on photo opportunities and media coverage for corporations. Annual reports of a few large corporations such as Botswana Telecommunications Corporation, Botswana Development Corporation, First National Bank Botswana, Barclays Bank, and Kgalagadi Breweries, however, indicate substantial investments such as the construction of classroom blocks, sports sponsorships, and academic scholarships in the areas of business, finance, and electronic engineering, to mention a few.

This study was sparked off by two main factors: the simplistic interpretation of CSR in Botswana, and the growing interest in the way major companies have used CSR to enhance their image and reputation in local communities in Botswana. The political and socio-economic background of Botswana is discussed in detail in Chapter 2.

1.2 Statement of research problem

This study is framed around the epistemological assumption that corporate social responsibility of major companies contributes significantly in addressing social problems within local communities. The relationship between companies and the communities as key stakeholders in CSR projects is defined by the extent to which the companies engage community members and/or implement programmes that meet their needs and expectations. Although this might be the case, generally, in Botswana some corporate organisations often excludes communities in their CSR projects or simply implement programmes that are not responsive to the social needs and expectations of communities. This practice often impact negatively on the companies' image and reputation.

1.3 Research aims and objectives

The study uses a CSR-driven project called KickStart to examine how Botswana's main brewery, Kgalagadi Breweries Limited's (KBL) CSR has over the years contributed to addressing social problems in Botswana. The KickStart project is a key KBL initiative and it is not only the most documented project in the country, but has also generated a lot of media coverage since its inception. To this end, this study seeks to:

1. Investigate how the KickStart Project has contributed to KBL's reputation.
2. Assess the relationship that KickStart, as a CSR project, has developed with various stakeholders and their involvement in the design and implementation of the project.
3. Examine how KickStart has met its stakeholders' expectations.
4. Examine youth perceptions on KickStart.
5. Provide guidelines on how to use CSR to build organisational reputation in Botswana.

1.4 Main research question and sub-questions

1.4.1 Main research question

- How has the KickStart project contributed to Kgalagadi Breweries Limited's reputation?

1.4.2 Sub research questions

- What is the relationship that KickStart, as a CSR project, has developed with various stakeholders?
- To what extent were key stakeholders involved in the design and implementation of the project?
- What are the aims of the KickStart project and how are they aligned to KBL goals?
- To what extent has the project met stakeholder expectations?
- What are the youth perceptions of the KickStart project?
- How can corporate social responsibility be used to build organisational reputation in Botswana?

1.5 Significance of the study

The study seeks to identify the degree to which the KickStart project has contributed to KBL's reputation. By so doing, the outcomes of this study could enhance our understanding of corporate social responsibility and the implications for an organisation's reputation especially in the context of Botswana. Moreover, in Botswana the only study conducted on CSR focused on the extractive industry. The study ignored to address key elements such as the definitions of CSR, its practice in Botswana, community engagement in the design and implementation of CSR programmes, and the extent to which companies engage in CSR in Botswana. This study sets out to address these gaps because they are critical for our understanding of CSR.

Significantly, the literature on CSR in Botswana is still relatively sparse. Key sources of data are limited to media coverage on corporations doing some form of CSR, and annual reports. Available literature shows that the only countries that have done extensive research on CSR in Africa are South Africa and Nigeria. This body of knowledge suggests that CSR practice in Botswana is still under-researched. This study hopes to expand the literature on the topic and to shed some light on CSR as well as to highlight how it can contribute to an organisation's reputation in this context.

Moreover, the findings of this study will benefit the following: KBL, whose flagship programme, KickStart, is being investigated; academics interested in CSR practice in Botswana; and the youth who are beneficiaries of the programme. The findings of this research will help to identify gaps and strengthen the design and implementation of CSR programmes. Research by the author on CSR practice in Botswana did not yield previous studies on the subject area save for a study by the Botswana Council on Non-Governmental Organizations (BOCONGO). The BOCONGO report does not give any background information on CSR practice in Botswana, and key definitions are derived from Wikipedia only. Furthermore, the report covers mostly the philanthropic aspects of CSR and little else. It is evident from this single study in the extractive industry that research on CSR practice in the country is lacking.

Furthermore, this study is likely to contribute significantly to the sparse literature on CSR in Botswana. In addressing key issues such as the meaning of CSR in Botswana and the extent to which major corporations practise CSR, the research could expand our knowledge of CSR in this context. It could also open space for further research in this area.

Lastly, the study gives public relations practitioners a unique opportunity to gain insight into various aspects on the important role that CSR plays in helping companies develop and manage sustainable programmes by engaging or partnering with communities. The research would add to the body of knowledge on CSR programming and how it can contribute to organisational reputation.

1.6 Delineation of the study

This study seeks to investigate whether the Kgalagadi Breweries youth entrepreneurship sponsorship called KickStart has contributed to the organisation's reputation and the extent to which the objectives of the project have been met. The study explores the correlation between a properly planned corporate social responsibility programme that includes key stakeholders, and the organisation's reputation. The researcher opines that genuine engagement with stakeholders to understand societal priorities, and involving society to meet pressing social needs is critical for any CSR programme.

The study focuses on the KickStart project as a case study. It does not examine other KBL CSR projects although sporadic reference is made to them in sections of this thesis. The focus on the KickStart project is not only because this is a mini-thesis, but also for the high profile status that KBL has ascribed to it over its other CSR programmes. In fact, KickStart is KBL's flagship youth entrepreneurship programme launched in 2004 to inculcate a culture of entrepreneurship among the youth. As at 2011, KBL had invested P8 million in the KickStart project, benefitting more than 90 young entrepreneurs through skills training, mentorship, and grants, as start-up capital for selected projects.

1.7 Ethical considerations

The study explored the aims of the KickStart project, youth perceptions, and the role of its stakeholders in the design of CSR programmes and how CSR can contribute to organisational reputation. Questionnaires were administered relating to the objectives of the study. Prior to this the respondents were informed about the nature and reasons for the study. They were informed of the right to consent if they were comfortable to participate in the study and that they also had the right to decline if they elected to do so. Informed consent is an important component of social research (De Vos, Strydom, Fouche & Delpont 2011; Myers 2009; Cohen & Manion 1994) and gives respondents the opportunity to choose whether they want to participate in an investigation or not. The principle arises from the subject's right to self determination and freedom.

The interviewees were guaranteed anonymity. To protect their identities and maintain confidentiality, information received from the respondents was not attributed to specific names; instead participants were numbered. They were neither paid nor coerced to participate in the study. The researcher complied with the Cape Peninsula University of Technology's code of practice and ethical standards.

After permission to administer interviews was obtained from the interviewees, a consent form was signed. However, for questionnaires administered over the telephone, the details of the consent form were read to the respondents and they were asked whether they wanted to proceed with the interview. All 16 participants were given adequate information on the study to enable them to exercise their freedom to agree to the interview or not, and all agreed to be interviewed.

1.8 Summary of chapters

The first chapter gives the background and discusses the aims and objectives of this study. It explains the research problem and the key research question as well as a delineation of the study. The chapter also addresses the importance of the study, and the ethical considerations.

The second chapter examines the literature on CSR and reputation, the definitions of CSR, theoretical perspectives of CSR, and how they have influenced the study. It also examines the historical background of CSR practice in Botswana, the responsibilities of business as espoused by Carroll's Pyramid model. The chapter reviews theories on CSR as well as their interconnectedness and relevance to the study. Key elements in CSR design, implementation, and evaluation are also explored.

Chapter 3 focuses on the research design and methodology. The chapter outlines the framework for data collection and analysis, the data collection instruments, the sample size and its characteristics. Definitions of the key research methods, namely a qualitative approach and the use of case studies, are analysed. The chapter also explains the data coding and analysis.

Chapter 4 discusses the research results. It assesses the themes and trends emerging from the interviews, the aims of the project, youth perceptions, corporate reputation and stakeholder engagement. The discussion links the emerging themes to the literature in Chapter 2 on CSR and reputation.

Chapter 5 analyses the main findings of the research and answers the question, "Has KickStart contributed to Kgalagadi Breweries' reputation?" The chapter also looks at the limitations of the study and makes recommendations for future research.

1.9 Conclusion

Chapter 1 has summarised the study with a brief history of the chronology of CSR dating back to the 1920s, and described how it has transformed over the years. The aim and objectives of the study were outlined and the key questions highlighted. The CSR pyramid model by Carroll which outlines the responsibilities of business was introduced. The chapter also gave a synopsis on the KickStart project and the reasons why the researcher has limited herself to only one of the many Kgalagadi Brewery CSI programmes. It addressed compliance to ethical considerations and the extent to which the rights and privacy of the respondents were protected.

The next chapter discusses the literature review on the concepts of CSR and reputation. It advances the definitions of CSR, reviews the CSR pyramid model on the responsibilities of business, the theories of CSR, and key elements in CSR programming and evaluation and their bearing on CSR practices by KBL.

CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1 Introduction

The main purpose of this study is to examine the relationship between KickStart as a CSR project of KBL and its contribution to KBL's reputation. To achieve these aims, the researcher provides a discussion of the existing bodies of knowledge about CSR and brings them to bear on the study. The chapter summarises the key definitions of CSR and reputation, discusses the theoretical foundations of CSR, and describes the theoretical framework for the study, namely the CSR pyramid model and how it influences CSR practice. It analyses the literature on CSR practice in Africa and Botswana, as well as stakeholder theory and its bearing on organisational reputation. These themes are critical to our understanding of CSR practice and how it influences corporate reputation. They also provide a prism through which to critically examine how KBL has used KickStart programme to promote its CSR.

2.2 Definitions and historical background on corporate social responsibility

The history of CSR is replete with definitions emanating from the business environment at different times and in different places and remains vague. There seems to be no agreed definition and the concept has no clear boundaries (Sriramesh, Soh & Luo 2007, Henningfeld, Pohl & Tolhurst 2006; Rayman-Bacchus 2004; Lantos, 2001; Frankel, 2001; Mersham, Rensburg & Skinner; 1995). Consequently corporate social responsibility still creates a degree of confusion and controversy stemming from the perception that it is philanthropy (Crowther & Rayman-Bacchus, 2004).

Countries such as South Africa have moved from the term 'corporate social responsibility' to 'corporate social investment' (CSI) because it seeks to redress the inequalities engineered by the apartheid system, while other countries prefer the term 'corporate citizenship' in referring to the socio-economic, ethical, and moral responsibilities of companies (Skinner, Von Essen, Mersham & Motau 2007; Frankel,

2001). CSI and CSR, from media analysis, seem to be used interchangeably in Botswana. For example the literature on KBL's responsibility to society refers to corporate social investment and not CSR. The confusion about CSR may mean that Botswana's approach to CSR practice is different from other parts of the world since it is influenced by the country's socio-political history.

Carroll (1991) and Windsor (2001) define the social responsibilities of business as the obligations of businessmen to pursue policies, make decisions, or follow lines of action which are desirable in terms of the objectives and values of our society. This definition considers the responsibilities of businesses and how society influences CSR policies. The role of society in CSR programming is important and businesses should guard against undesirable practices. The authors emphasise that society has a stake in business, and that decisions made by a business should meet societal expectations. This definition is relevant to the current study because it examines how a CSR initiative like KickStart engages with society and takes societal values into account in its policies.

Furthermore, Carroll (1991) interprets the social responsibility of business as a person's obligation to consider the effects of his decisions and actions on the whole social system. For Carroll, managers should apply social responsibility and consider the needs and interest of others who may be affected by their business actions. In so doing they should look beyond a firm's narrow economic and technical interests. Mindful of the above definitions, this study subscribes to the CSR definition used by the World Business Council on Sustainable Development (WBCSD) (Moir 2001:18), which is: "the ethical behaviour of a company towards society - management acting responsibly in its relationships with other stakeholders who have a legitimate expectation in the business." The definition captures the responsibility of business, and the importance of stakeholders and societal expectations both of which are critical in the design and implementation of CSR programmes. The WBCSD definition dovetails with one of the aims of the study, namely: to interrogate the involvement of stakeholders in the KickStart project. It also reflects one of the theories of CSR namely: legitimacy theory, which calls on businesses to behave in socially acceptable ways.

These definitions reinforce the multiple perspectives of CSR of a school of thought led by Friedman (1970) in Carroll (1991), which argues that the role of business is to make a profit and nothing else, save to obey the law. The second perspective, according to Pava and Krausz (1997) omissions business has no expertise to address social ills; it is the responsibility of government and the civil society. For them, the social responsibility of a firm means using its resources in activities designed to increase profit as long as it stays within the rules of the game; engaging in open and free competition without deception and fraud. This means that businesses should use their vast resources for the good of society and be sensitive to the potential harm of their actions on various stakeholder groups (Lantos 2001).

Other critics point out that CSR is a tactic to extend corporate power further into the government domain and to delay the demise of the private sector (Crowther and Rayman-Bacchus, 2004). Both critics acknowledge the multiple responsibilities of business. To the shareholder it is to maximise profits, and to communities it is to improve lives through job creation, production of goods and services, and payment of tax to government. This study explores how the KBL KickStart project is managed, who the stakeholders involved in the design and implementation of the project are, and how the youth benefits from the project.

Since the study interrogates the link between CSR and reputation, it is critical to understand what reputation is in order to make a connection between the two concepts. Reputation, like CSR, has no universally agreed upon definition. The perception of what is reputable and not reputable lies in the “eye of the beholder” (Schreiber, 2008, and Saxton, 1998, in Gotsi & Wilson, 2001). However, Roberts and Dowling (2002), and Aqueveque and Ravasi (2006), define reputation as a key intangible asset of a firm that helps to create value. The definition implies that reputation is an asset that cannot be described, which the company earns from stakeholders and customers. It also suggests that the best corporate reputations are built by helping stakeholders find ways to use the corporate brand in their own lives. The best CSR programmes, therefore, integrate the company’s business and reputation objectives with its own objectives (Schreiber 2008). Schreiber’s definition stresses the importance of engaging with stakeholders to build a solid reputation. Integration of CSR programmes into organisational objectives also enhances a

company's reputation. The alignment between the CSR objectives and organisational goal is therefore non-negotiable if a company cares about how it is perceived.

Moreover, companies are more and more coming under public scrutiny with regard to performance and also for reassurance that they can be trusted. Schreiber (2008) provides evidence that current or potential shareholders perceive a company with a solid reputation to be less risky than companies with equivalent financial performances whose reputations are less established. The King Report (2002) affirms the significance of reputation in corporate governance. The report argues that boards of directors should not only concern themselves with regulatory frameworks, but also with other industry issues such as marketing standards, industry reputation, attitudes of customers, communities, and public opinion.

The benefits derived from CSR programmes is enhanced corporate reputation and greater employee loyalty and retention (Moir 2001). This may be the result of sound relationships that a company builds and maintains with communities, thus generating goodwill. Once communities are appreciative of the contribution a company makes to societal development and if the communities are engaged and valued by the company, they are likely to see the company as responsible and worthy of a licence to operate. According to Hennigfeld, Pohl & Tolhurst (2006) many companies have seen that acting in a socially responsible way can improve their competitiveness, they cite higher levels of demand for their products resulting from an improved reputation with their customers. Society's respect and trust further boost a company's image and reputation.

A good corporate citizen is increasingly seen as one who is non-discriminatory, non-exploitive, and responsible with regard to environmental and human issues. Managers are accountable not only to a company's financial performance but also to the company's environmental and social impact (Rensburg & de Beer, 2003). Hennigfeld, Pohl & Tolhurst (2006) and Rensburg and de Beer (2003) posit that stakeholder perceptions and corporate reputation is recognised as a market value driver, derived from many sources such as customer service, employee relations, community relations, ethical conduct, safety, and health and environmental practices. In addition, even though reputation, as one of the many non-financial assets of an organisation, can only be regarded as an asset in terms of perceptions, if

mismanaged, it can become a liability. Stakeholder experience influences the reputation of a company and it is imperative that companies such as KBL know their stakeholders and define the stakes. The company should also highlight the influence that each group holds, and understand how these groups are likely to influence company decisions both negatively or positively.

The 2009 King Code on Governance advises that boards of companies should appreciate the fact that stakeholder perception affects a company's reputation. The gap between stakeholder perception and performance of a company should be managed and measured to enhance and protect a company's reputation. In turn, a company's reputation and its linkage with stakeholder relationships should be a regular board agenda item (King, 2009). The KickStart study interrogates stakeholders' perceptions about the project using the following key questions: to what extent are they involved by the board, and what is their contribution to the reputational perception of KBL? Does the board understand who these stakeholders are, their critical role in shaping KBL's CSR programmes, and the degree to which they can influence KBL's reputation.

Ultimately, there is no agreed on definition for CSR. Practices are, therefore, likely to differ and corporations like KBL may have their own understanding of CSR and how to integrate parameters on sustainable development in their overall performance. It is important to understand the term, the practice, how society has described CSR over the years, and what has influenced this development. Reputation, like CSR, also has no agreed definition, while benefits of CSR are reputation, greater employee loyalty and retention. The investigation will find out if the involvement of stakeholders by KBL in its CSR programme design and implementation has enhanced its reputation, as the literature suggests.

2.3 Socio-political situation in Botswana

Botswana has a population of 2 024 904, according to the 2011 population and housing census. It is an upper middle-income country with diamonds, tourism, beef, and manufacturing accounting for the country's Gross Domestic Product (GDP). The economy has grown at an average rate of over 8% since independence according to the National Development Plan 10. The population is concentrated on the eastern

corridor along the railway line from Mafeking in South Africa to Bulawayo in Zimbabwe, but sparsely populated in the west which has tough terrain.

The country has a multiparty democracy, which it adopted at independence in 1966, with elections held every five years. The last were held in 2009 and were pronounced free and fair by political observers. Botswana has enjoyed favourable ratings for good governance, democracy, and prudent management of resources by various institutions. The 2011 Bank of Botswana Annual Report indicates that Botswana has been given a credit rating of 'A' for 12 consecutive years by international sovereign credit ratings agencies such as Moody Investors Service and Standard and Poor's. The 2011 Mo Ibrahim Index on African Governance, which assesses a country's safety, rule of law, participation and human rights, sustainable economic opportunity, and human development, placed Botswana 1st in Africa.

The 2011 Global Peace Index, which assesses the political stability of countries based on democracy, transparency, education, well-being, respect for human rights, and rule for law, placed Botswana at 35 ahead of France, and 1st in Africa. The 2011 Transparency International Corruption Index for the 15th year in a row ranked Botswana as the least corrupt country in Africa and in the world, it moved up five places from 2010.

Botswana is faced with a number of socio-economic challenges such as unemployment, HIV/AIDS, poverty, infrastructure development, and the diversification of the economy. The country is dependent on mining, tourism, beef and manufacturing exports. Its resources are committed to addressing HIV/AIDS, with prevention being a priority over treatment. The National AIDS Coordinating Agency estimates that 330 000 people were living with HIV in 2007. The 2011/12 national budget stood at P981 million, with ARV (anti retro viral) allocations of P185 million and an orphan care programme allocation of P290 million.

The Government of Botswana is burdened with the responsibility of providing basic human amenities such as education, welfare programmes (food and shelter), health care, and infrastructure such as roads, electricity, water, and telephones to communities to improve their lives. It also has to facilitate an enabling environment for businesses to create more jobs for citizens. The 2009/10 Botswana Core Welfare

Indicator Survey put the unemployment rate at 17.8%. The Minister of Finance and Development Planning in the 2012 budget speech acknowledged that unemployment remains a substantial challenge, with those aged between 15 – 19 years being the worst affected at 41.4 % followed by those aged 20 - 24 years at 34% (Mathambo 2012).

Mathambo further states that the government will continue to take measures to ensure that young people can look forward to being engaged in productive and sustainable economic activities such as manufacturing, infrastructure development, retail, and agriculture, to mention a few. Given the size of the country and its small population, which is sparsely distributed, the cost to bring such services to communities is high. The challenge to business is to identify areas or sectors where they can contribute and support these efforts. KBL has identified youth unemployment as a major challenge and has invested in KickStart to develop young entrepreneurs who will create job opportunities for other young people and support the government by creating job opportunities.

Government alone cannot provide for its citizens. Companies, by acknowledging their responsibilities and obligations to communities should make business decisions which are desirable to the communities in question. Management policies should reflect the needs of society; managers should pursue relationships with communities towards the good of society, and go beyond the narrow dictates of profit (Carroll 1991, Windsor 2001, Moir 2001).

2.4 Historical background on CSR practice in Botswana

The concept of social responsibility has been part of the Tswana culture dating back to the pre-colonial era. Under colonialism, a spirit of cooperation and reciprocity existed and was enhanced by the tribal leadership under Kgosi. The role of Kgosi was to ensure the community's wellbeing. Colonialists, in most cases, did not invest significant resources to develop an African socio-economy except where it was necessary to promote the welfare of Europeans (Rankopo, Osei-Hwedie & Modie-Moroka, 2006). Communities under the chieftainships had systems in place to take care of less advantaged members through *letsema*, a practice where a community

performs voluntary work on behalf of a family such as ploughing, to ease the family's burden, and at the same time, to promote collective participation.

Alternately, the *mafisa* system helped the poor to acquire resources for their upkeep; a wealthy farmer or relative would loan an underprivileged family member cattle to look after in exchange for draught power and milk and at times gave him a few cattle as a start-up. The traditional Tswana cultural lifestyle had a supportive system to care for the less fortunate and there were no orphans; a child belonged to the village. The neighbours, community members, and chief, all played pivotal roles in addressing community needs, the chief being the highest political authority who intervened during times of drought (Mwansa, Lucas & Osei-Hwedie, 1998).

The decline in the Tswana caretaking system took place in the 1970s following the discovery and mining of minerals, especially diamonds. As more resources became available, service provision became the responsibility of government (Rankopo, Osei-Hwedie and Modie-Moroka, 2006). In the 1990s, the government emphasised neo-liberal ideologies of cost sharing, participation, mutual responsibility, and transparency to meet the expanding needs of society. The spread of HIV/AIDS led to the need for volunteers to manage home-based care programmes. More resources were needed to address HIV/AIDS programmes and the government had to tighten its budget and prioritise these critical areas.

Businesses are beginning to appreciate their social and moral responsibilities towards the communities where their businesses are licensed to operate. The concept was introduced in Botswana by multi-national corporations that have their headquarters outside the country, mostly in South Africa, to show their appreciation for the support they get from local communities (profits accrued). Another influence is from international foundations, particularly from the United States, which have contributed and continue to contribute significantly to Botswana's efforts to address HIV/AIDS notably the Bill and Melinda Gates Foundation, the Merck Company Foundation, and the Clinton Foundation, to name a few.

Understanding corporate social responsibility is, nevertheless, still limited and in most companies is done on an ad hoc basis without alignment to the organisational goal. Reporting on CSR does not indicate the extent to which stakeholders are involved in the design of CSR programmes, and performance indicators to measure the impact of CSR are non-existent. This can be attributed to the lack of a body of knowledge in those entrusted to lead communication (Agang 2009). 'Corporate social responsibility' in Botswana is a term frequently uttered by businesses and the media, but neither well understood nor appreciated, and yet plays a very important role. Most CSR programmes are adhoc and short-term based.

The research aims to investigate if KickStart has contributed to Kgalagadi Breweries' reputation. The involvement of stakeholders, particularly the youth, in the Kgalagadi Breweries KickStart project is of interest.

2.5 The Pyramid Model of corporate social responsibility

The pyramid model (Carroll, 1979 in Carroll, 1991; Lantos, 2001) represents the responsibilities of business to society, namely: economic, legal, ethical and philanthropic responsibilities. The model looks at the different perspectives of business contributions to societal development and growth. While the key is job creation for citizens, production of goods and services for the consumer, and profit for the shareholder, other responsibilities are concerned with ethical conduct. Hennigfeld, Pohl & Tolhurst (2006) argue that companies engage in CSR because it is required, desired and expected by society. Businesses should operate within the confines of the law and be ethically responsible. Society expects business to contribute to social issues ranging from health to education and development, including issues in which business may have no direct cause (Lantos, 2001).

As discussed in the following sections, the responsibilities of business to society, namely economic, legal, ethical and philanthropic responsibilities, are important for this study.

2.5.1 Economic responsibilities

Lantos (2001) and Windsor (2001) view the economic responsibilities of business as the foundation for other responsibilities. Businesses should not be judged on economic success only, but also on non-economic criteria (Carroll, 1979). For Lantos (2001) the responsibility of business is to be profitable to shareholders by delivering a good quality product at a fair price to customers, providing jobs and fair pay to workers, paying taxes, and generating economic rewards while earning profit for owners. Engaging and meeting stakeholder expectations is a prerequisite to being a good citizen.

For du Plessis (2004), however, developing countries do not have fully developed democratic processes that enable a fair and transparent environment to conduct business. Foremost, business must create a demand for labour to produce goods and services, and reward labour at competitive rates depending on skill requirements. Businesses should pay applicable taxes to the state to generate revenue and grow the economy. These economic responsibilities have to be undertaken regardless of whether business sees its role as making profits for the shareholders or not. The economic efficiency of organisations is affected by government, and by social, technical, and cultural variables. In return, society is the consumer of goods and services created by business (Mullins, 2010).

KBL's economic responsibilities are to create jobs to grow the Botswana economy. Currently, the company employs about 1000 people. It pays company taxes, including the recently introduced alcohol levy, which contributes to the country's coffers to develop other sectors of the economy and to produce goods and services to the customer at a fair price. To secure its licence to operate, the company has invested in the communities in which it operates and one such programme is KickStart (Sechaba Breweries Holdings Limited Annual Report, 2011).

2.5.2 Legal responsibilities

The legal responsibilities of business entail compliance with the law, playing according to the rules, and ensuring good relations with government officials (Lantos, 2001; Visser, 2005). Laws are passed by society because of lack of trust and to regulate businesses, but these are restrictive and do not provide for all eventualities.

Laws are often followed involuntarily out of fear of punishment rather than out of internal moral conviction; laws are reactive, telling businesses what to do (Lantos, 2001).

In Africa, legal responsibilities have a low priority. Legal infrastructures are often poorly developed, and lack the independence, resources, and administrative efficiency which are found in developed countries (Mwaura 2004 in Visser, 2005). Most countries have statutes to regulate business, but the challenge as pointed out by Mwaura (in Visser 2004), lies with the dispensation of justice because of the socio-economic and political environments of some countries. This may be due to lack of resources and the justice system not being prioritised. Businesses have to operate in the legal framework of a country. In other words they are guided by legal statutes which govern what they can and cannot do. The judiciary in Botswana, from Mwaura's (2004) perspective, is still in its infancy and growing, and may not be in a position to deal with sophisticated legal issues such as corruption in business.

In Botswana, a company has to be a legally registered entity conforming to legal frameworks provided for example by the Companies Act and other related statutes that provide for paying taxes, conducting good labour practices, and working within the regulatory framework of the industry it falls under. Failure to comply will result in imposing of penalties or closure of the company. In the 2011 Sechaba Brewery Holdings Limited Annual Report, KBL states that it is complying with the regulations that government has imposed such as the alcohol levy, which to an extent, has impacted on its overall business performance.

Legal compliance is necessary if a company is to engage in other responsibilities and failure to comply can lead to deregistration and collapse of a business. Such failure will also negatively affect the company and may result in poor financial performance which in some cases may lead to closure. Companies, therefore, must comply with the legal requirements to fulfil their CSR obligations from a legal perspective. A company that fails to honour legal statutes cannot be regarded as a good corporate citizen.

2.5.3 Ethical responsibilities

The ethical duties of business involve being moral, in other words, doing what is right, just, and fair; respecting peoples' moral rights; avoiding harm or social injury; as well as preventing harm caused by others. Although not codified into law, ethical duties are derived from religious convictions, moral traditions, and human rights commitments (Lantos, 2001). Ethical responsibilities overcome the limitations of legal duties which are restricted in scope and cannot cover everything (Lantos 2001.) An organisation that does not adhere to its ethical responsibilities would be a morally irresponsible agent; ethical edits must be adhered to even at a firm's expense in terms of possible foregone profits since ethics deal with moral standards that override self-interest (Lantos 2001).

Ethical responsibilities enjoy a much higher priority in Europe than in the USA (Visser, 2005; Orpen, 1987). In Africa, ethics seems to have a meagre influence on the CSR agenda. This is because the continent is more concerned with social challenges such as poverty, health, education and other pressing basic issues. This notwithstanding, the 1992 and 2002 King Reports on Corporate Governance in South Africa have greatly influenced the inclusion of CSR issues in corporate agendas across the world (Visser, 2005). The King's Code is used as a guide to regulate the conduct of most boards as reflected in the annual reports of businesses in Botswana, thus showing that they are familiar with the importance of ethical conduct.

The moral obligation and ethical duty of a company is to be a good citizen and to do "the right thing" by integrating within business operations care for the environment, transparent supply chains, fair compensation for employees, quality and fair prices for products and services, adhering to human rights, and being environmental friendly.

The Kgalagadi Breweries corporate social investment projects are managed through the "Ten Priorities One Future" slogan. Under its sustainability strategy, KBL commits to provide high quality products that society wants and enjoys. The company believes that it can only succeed if it manages its relationships well, uses its resources efficiently, and meets the needs of consumers and the communities in which it

operates. This robust approach to sustainable development underpins KBL's ability to grow and retain its licence to operate.

The limitation of this responsibility is that it is up to management to decide whether the company should embrace it or not. It is based on the company's recognition to self regulate and there are no penalties for non-compliance. An example is the King Code on Corporate Governance which is optional.

2.5.4 Philanthropic / Altruistic / Discretionary responsibilities

Philanthropic responsibilities are also referred to as altruistic or discretionary responsibilities. They suggest genuine caring, even at the level of personal or organisational sacrifice. Philanthropic responsibilities refer to being a "good corporate citizen" by "giving back" to society, and furthering some social good, regardless of whether the firm reaps what it has spiritually sown (Lantos, 2001). Lantos also notes that businesses can give time and money in the form of voluntary service, voluntary association, and voluntary giving.

Philanthropy is a priority issue in Africa, given the continent's early stage of CSR maturity and its level of economic development (Visser, 2005). In Europe, philanthropy is made compulsory through a legal framework: the Danish Government has passed a CSR reporting law, Germany has a commercial code, and Norway launched a White Paper on CSR in January 2009. In the United States, it is the discretionary acts of the rich and successful companies that are involved in CSR.

The African model shows commonality with the American model. Most of the CSR programmes address the socio-economic needs of society. In Africa, the concerns are to address basic human needs such as food, shelter, health and education (Visser, 2005). Philanthropy is a common feature of most businesses in Botswana; local media coverage reflects companies giving back to the community in the form of donating clinics, classrooms, food, clothes, and scholarships. Sometimes philanthropy is extended in response to news features about community needs in some part of the country, for instance, where there has been a flood, or accommodation is required for the disadvantaged. There is a great expectation from society that business should provide for some of the needs where government falls

short or to cut the long bureaucratic processes to get help, which, if sought from government, would take longer. Many CSR activities in particular in developing countries, pursue initiatives formerly within the province of welfare state, feeding homeless people, improving working conditions in sweatshops, providing schools, medical centres and roads (Hennigfeld, Pohl & Tolhurst 2006).

Economic responsibilities are the basis of other responsibilities. Legal responsibilities are critical to ensure continued sustenance of a business by complying with applicable statutes and regulations. Ethical responsibilities cover areas that are important, but not legislated. They provide the moral compass for a company to do good and not hurt the environment. Philanthropic responsibilities are met when management realises its roles and responsibilities to society. Companies do not exist in isolation; they have interdependent relationships with the communities where they do business. The communities provide labour and, at the same time are consumers of the goods and services produced. Once a company has identified the needs of a society, it must respond responsibly to show that it cares about the welfare of communities.

KBL, through the KickStart project, has created job opportunities for young and upcoming entrepreneurs. Coaching and mentoring is provided to assist the youth in managing sustainable businesses, thus demonstrating KBL's fulfilment of economic responsibility. The project was borne out of the need to support government in creating job opportunities for the youth. KickStart shows the interrelatedness of the economic, legal, ethical, and philanthropic aspects of the CSR pyramid model, and how one cannot practice one and leave out the other.

The pyramid model provides a framework for understanding KBL's KickStart project. Firstly, KBL identified unemployment as a major government problem, and this research interrogates how, through KickStart, KBL is creating jobs for youths who do not have the requisite skills to enter the professional market. The project also nurtures the youth to become entrepreneurs and to employ others. KBL as a company, complies with alcohol-related regulations and pays tax to the state, thus fulfilling all four aspects of the pyramid model, which are intertwined and co-dependent.

2.6 Theories of corporate social responsibility

To analyse and understand CSR, a few theories are proposed. The World Business Council for Sustainable Development (WBCSD) states that it is in the enlightened self-interest of businesses to undertake various forms of CSR and that the extent to which companies do so is dependent on their economic perspectives. There is increasing focus on CSR by businesses, and from society on the actions of businesses. The theories that underpin the practice of CSR are: legitimacy, social contract, and stakeholder engagement. These theories are critical to evaluate CSR and its link to reputation, in this case that of KBL. The theories bring to the fore the relationships that businesses have with society, on the one hand and, on the other the expectations society has of companies that do business in their midst. Companies that manage these intricate relationships are better placed to deliver CSR programmes that are acceptable to society which, in turn, will lead to favourable perceptions of the company.

Even though stakeholder theory is the main theory for this study, reference is made to other theories as they are interdependent and examine the various relationships that business has with society, from different perspectives. They are societal expectation, contractual obligation, and stakeholder engagement. These theories are relevant for CSR practice in Botswana and provide the theoretical framework for this study. For instance, under legitimacy, business has to meet societal expectations. Social contract theory discusses society's expectations from business; and stakeholder theory concerns knowing and meeting stakeholder expectations.

This means that all CSR programmes should consider whether they will be in the best interests of the community. Society is the key player, deciding what is best for the community, and managing these expectations will work positively for a company and improve its image in the eyes of the community. Business also has to understand the importance of managing its stakeholders, communities included. By doing this, the company will be perceived as caring and understanding, and its reputation will remain positive.

Society gives businesses licences to operate. The implied or tacit agreement is binding between the firm and society. Stakeholder theory looks at the multiple relationships that business establishes with society. KBL, as a business, maintains various relationships with different stakeholders. It employs about 1000 people and sustains their families; it is a tax payer and revenue earner, and a producer of alcoholic and non-alcoholic products to consumers. CSR is about the relationships that business has with society, as an employer, a producer of goods, and tax payer. Stakeholder theory is very important in this study to understand the influence of stakeholders on businesses. This investigation examines the correlation between CSR and reputation and will analyse the role of stakeholders in KBL's KickStart project.

2.6.1 Legitimacy theory

Clarke (1998) suggests that legitimacy may be seen as a key reason for paying attention to corporate social behaviour, and Wood (1991) states that society grants power to business and expects it to be used responsibly. O'Donovan (2002) highlights the fact that the principle in legitimacy theory is the "triple bottom line" approach to explain a company's financial, social, and environmental performance and to link it to sustainable development. This puts pressure on businesses to make environmental disclosures. For Moir & O'Donovan (2002) legitimacy theory is based on the idea that in order for companies to continue operating successfully, they must act within the bounds of what society identifies as socially acceptable behaviour. This interpretation agrees with the WSCBD definition of CSR as the ethical behaviour of a company towards society and acting responsibly in its relationships with other stakeholders who have legitimate expectations from the business.

For these authors, companies that do not use their legitimacy and power in acceptable ways will lose it. Friedman (2009) believes that CSR has become a potential path to legitimacy and improved public relations for both companies that produce mainstream products and those that sell vice such as the tobacco industry. The author reasons that through the application of CSR, they can change public perception of an industry as a merchant of death, and gain corporate legitimacy and normality through implementing programmes, policies, and positions which the public considers will mitigate and prevent societal ills. Managers must drive CSR

programmes whether or not a corporation is responsible for a particular situation or problem in society (Pava & Krausz, 1997).

The arguments advanced in previous paragraph point to the fact that for any business to operate, it has to meet society's expectations. Failure to do so may adversely affect its operations to the extent of closure. Businesses must continuously seek ways of engaging with society. Modern challenges to business are poor customer service and active civil society. Business has to know the prevailing societal perceptions and put in place programmes to engage with society and find solutions; CSR programmes are one such avenue to establish collaborations and find solutions (Gubic, 2010). The theory fails to point out how an implied agreement can be binding. Unwritten laws are difficult to enforce as they are likely to be interpreted differently by different people. Businesses, therefore, have to be ethical in their business transactions (Mwaura in Visser 2004; Lantos, 2001).

KBL produces alcoholic beverages, which in some quarters, are viewed as a source of social ill. KBL has been running sustainable corporate social investment (CSI) programmes for years with the KickStart programme dating back to 2004. Can these CSR programmes be viewed as window dressing on the part of KBL who wants to be seen as a good citizen (Friedman, 2009). The researcher will endeavour to uncover the aims of the KickStart programme.

KBL's CSI programme goes beyond discouraging irresponsible drinking. It extends to other areas such as commitments to making more beer using less water, reducing energy and carbon footprints, and encouraging enterprise development in the value chain by sourcing raw materials from local suppliers. KBL's CSI programmes reflect the company's commitment to integrating sustainable development into its corporate strategy through addressing alcohol abuse, offering HIV/AIDS programmes, involving itself in community development, and the KickStart youth empowerment project. By undertaking these sustainable programmes, KBL management is demonstrating their responsibilities to society (2011 Sechaba Holdings Annual Report).

2.6.2 Social contract theory

Social contract theory explains the binding relationship between CSR and the ethical behaviour of corporations, as well as the relationship between the global corporation, governments of countries, and individual citizens - or simply, the relationship between corporations and the local societies. Crowther and Rayman-Bacchus (2004) note that social contract theory is associated with Hobbes (1651) and Rousseau (1762) for whom a contract was an implied basis for legal and political power in society.

Companies that adopt a view of social contract describe their involvement with society as part of societal expectations. Social contract, according to Crowther and Ray-Bacchus (2004), requires that businesses act to benefit consumers by providing goods and services at a fair price. They also benefit employees by providing favourable working conditions, paying a fair price for their labour, and increasing their income potential thus facilitating income distribution (Lantos 2001).

Frey and Cruz - Cruz (2008) elaborate on social contract theory by saying it is guided by three elements: firstly, free and informed consent - a contract is not legitimate if based on force, fraud, or deception. Parties enter into a contract out of free will and without coercion. Secondly, the contract is quid pro quo - there is an exchange for something and the contract is built on mutually beneficial exchange, which means both parties stand to benefit from the relationship. Lastly, it is guided by rational self-interest which requires that the value of the exchange must be known and its interest promoted to avoid interference.

There is insignificant difference between legitimacy and social contract theories. Both are concerned with the relationship between the firm and society and the power that society wields to regulate the firm. Failure to meet societal expectations leads to the withdrawal of the licence to operate. For example providing poor quality goods can lead to consumer boycott and may severely affect the company's survival unless it goes back to the drawing board and reconsiders the interests of the consumer. Social contract is an exchange relationship between business and society (Crowther & Rayman-Bacchus 2004).

Businesses should not only be concerned with addressing socio-economic needs but also concern themselves with the impact their decisions have on the environment. The board should heed the concerns of stakeholders when drawing up CSR strategies and must be ethical and transparent in their decisions (King, 2009). Good CSR programmes which address the needs of communities will not only enhance organisational reputation but also ensure sustainability of a business, even in turbulent times (Moir, 2001).

2.6.3 Stakeholder theory

This study draws mainly on the stakeholder theory because the involvement of stakeholders in CSR programmes is critical (Hohnen & Potts 2007; Hennigfeld, Pohl & Tolhurst 2006; Kotler & Lee 2005; Freemantle & Rockeney, 2004; Belal, 2001). Investigating the role of stakeholders in KickStart will help to address the question about the extent of its involvement and influence on KBL's reputation, if any. The stakeholder theory of the firm is probably the most popular and influential theory to emerge in the CSR area (Hennigfeld, Pohl & Tolhurst 2006). According to Vinten (2000), stakeholder engagement fulfils the purpose of offering organisations a wide-angle lens to consider its activities rather than focusing exclusively on the interests of only one constituency, namely: the shareholder. Cruz-Cruz and Frey (2008) and Vinten (2000) argue that a firm should be run in the interests of all its stakeholders rather than only its shareholders.

Improved citizen and stakeholder understanding of a firm and its objectives and activities translate into improved stakeholder relations that may evolve into more robust public-private partnerships and civil allegiances (Hohnen and Potts, 2007). Given the distinction between stakeholder and the shareholder, the role of stakeholders in CSR should not be underestimated; the firm should have a firm grasp of who its stakeholders are, and find ways in which their voices can be heard and incorporated in CSR programmes. Good relations with stakeholders as advanced by Hohnen and Potts (2007) will improve a company's reputation as both the stakeholders and company work towards a common goal.

Given this important relationship, firms are likely to pay more attention to legitimate stakeholder groups who have power and urgency (Mitchell, Agle & Wood 1997, Jonker and Foster n.d.). An important condition for social responsibility programmes is a relatively high degree of consensus among corporate stakeholders. They must have input and understand the purpose and goals of the CSR programmes which should fit in with overall corporate strategies and cultures (Hohnen & Potts, 2007, Pava & Krausz, 1997).

Jonker and Foster (n.d.) discuss three levels of stakeholder relationships; the rational, transactional, and process levels which are critical in defining and engaging stakeholders. The rational level seeks to identify who the stakeholders are, and what their perceived stakes in the company are. The transactional level analyses the dealings between the organisation and its stakeholders based on anecdotes about the consequences of failure to appropriately interact with each other. The process level is concerned with organisational processes which are used to implicitly or explicitly manage stakeholder relations (Jonker and Foster, n.d.).

The company is given the opportunity to analyse all the external forces and pressure from the environment to decide what needs attention. Jonker and Foster (nd), Andriof and Waddock (2002), Moir (2001) and Mitchell, Agle and Wood (1997) propose three attributes in stakeholder identification, namely power, legitimacy, and urgency. Managers ought to consider stakeholders according to these attributes. To deal with a myriad of stakeholders, companies therefore have to put in place a selection process to streamline, prioritise, and address those who need urgent attention first. The extent to which companies can respond to external powers according to Jonker and Foster (nd) is dependent on the resources and the formal legal power that stakeholders possess.

Hohnen and Potts (2007) propose a stakeholder mapping to represent the variety of stakeholder relationships a firm has, as well as their relative proximity and strength. Pava and Krausz (1997) call for consensus among stakeholders, particularly for proactive social responsibility programmes which are designed to solve social problems. Stakeholder engagement drives innovation which can improve information flow, identify business opportunities, and generate ideas. Engagement is critical to understanding the impact of CSR programmes, and helping to articulate the values,

mission, strategies, commitment, and implementation of CSR programmes. CSR strategies require engagement, open dialogue, and constructive partnerships with governments at various levels, intergovernmental organisations, other elements of civil society, and in particular local communities, according to Hohnen and Potts (2007). By maintaining continued engagement and understanding the various relationships that are at play as well as ensuring constructive collaborations, the company will enhance its reputation. This justifies stakeholder theory as a suitable theoretical framework for this study.

The board should also assess the impact of social, environmental, and ethical matters on the short and long-term values of business. The Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (2000 – 2006) point out that the best any firm can do is to first identify its stakeholders. The location, scale, and nature of its operations will determine who sees themselves as stakeholders. One of the most powerful ways in which directors can be held accountable for their actions and behaviour is through improved corporate reporting. A growing number of companies are recognising that greater transparency is vital to building trust and reputation (Hennigfeld, Pohl & Tolhurst 2006).

Gubic (2010) proposes that a local partner with consistent presence and local knowledge of a community's inner workings is integral to the success of any project. A study by Ramiah and Reich (2006) on public-private partnerships stresses the need to understand the cultural values of local communities, to build relationships at technical and operational levels to establish credibility, and to initiate collaboration and commitment to building a portfolio of diverse activities, especially where partners have little experience of each other.

Lessons from the success of the Body Shop and Johnson and Johnson's CSR campaigns by Kotler and Lee (2005), encourage organisations to ensure that key stakeholders are engaged in a company's social initiatives. The company should efficiently manage the expectations of all relevant stakeholders, communicate campaign successes with stakeholders, and acknowledge the latter's role in bringing about change. The authors reiterate that although campaigns may be developed and implemented solely by the corporation, it is more common for partnerships to be formed with public sector agencies and non-profit organisations to provide technical

expertise regarding social issues, and for the latter to add credibility to campaign efforts and the brand of the company (Kotler and Lee 2005; Moir 2001, Carroll 1991).

Mapping the interest and concerns of stakeholders against those of the firm can reveal both opportunities and potential problem areas for the firm to address (Hohnen & Potts 2007; Freemantle & Rockeney, 2004). Many leading firms now see stakeholder engagement as central to the task of identifying material issues. It has become vital to identify strategic stakeholders, balance their needs with that of the organisation. CSR is ultimately about improving performance and communicating with stakeholders about a firm's economic, environmental, and social management performance (Hohnen and Potts, 2007; Hennigfeld Pohl & Tolhurst 2006). Hawkins (2006) states that the growing influence of stakeholders is gaining more importance at corporate board levels, but to move to more sustainable future, governance must move from compliance to commitment.

A key issue in stakeholder theory is that stakeholders are an important component of CSR. A business has to know who its stakeholders are, what their stakes are, and how each stakeholder group is likely to influence company decisions. Businesses should work together with key stakeholders to identify concerns issuing from society and sit together to find innovate ways of addressing them. In other words, a business should not identify, plan, and implement CSR programmes without societal involvement. More importantly, a business must evaluate its stakeholders' claims to legitimacy, the power they wield, and the urgency of the issues to be addressed (Hohnen & Potts 2007; Moir, 2001; Carroll, 1991).

Multiple relationships are important in designing CSR programmes. Critical is what each stakeholder expects from the programme. More importantly the company has to prioritise the stakeholders according to the power they hold, their legitimacy, their relevance to the programme, and its urgency. It is not only smart business practice but also allows stakeholders to have a degree of influence and impact on the decisions of the company. Meeting the needs and expectations of society through collaborative efforts in CSR programmes will enhance a company's reputation as society will not only attest to the good deeds of the company but will also be able to use the programmes to uplift their lives (Schreiber, 2008, Kotler & Lee 2005; Rensburg & de Beer 2003; Moir 2001; Carroll, 1991).

The King Code on Governance (2009) recognises the important role that stakeholders play. KBL's board should identify who its key stakeholders are, what their knowledge on youth issues are, how they can tap this expertise, and what its likely sphere of influence on the company's performance will be. The study seeks to identify the extent to which KBL engages with stakeholders, the role that each stakeholder plays in the KickStart project, and if this has in any way enhanced KBL reputation.

2.7 Key Elements of corporate social responsibility

Nigel and Nikola (2009), King Report (2009), Hohnen and Potts (2007), and Freemantle and Rockeney (2004) identify key steps to integrate CSR in all aspects of business operations which includes ensuring commitment from the board and top management, particularly the CEO. CSR plays an important role in a company's business strategies and should be led from the top, appointing a CSR position at the strategic decision-making level to manage development of policy and implementation to ensure compliance and adherence to laws, rules, codes, and standards.

Hawkins (2006) is of the view that building a strategy must take into account the business environment and the landscape of the community. The author points out that the network of stakeholders place pressure on and influences strategy, but if sustainability is to be a real concern and focus, stakeholders also need to validate their individual agendas. The Body Shop's CSR campaign according to Kotler and Lee (2005) ensured that key stakeholders were engaged in the social initiative, managed the expectations of the relevant stakeholders, communicated the campaign successes with them, and acknowledged their role in helping to bring about change.

The comprehensive approach that organisations need to take to meet or exceed the expectations of stakeholders go beyond measures such as revenue, profit and legal obligations, and covers community investments, human rights and employee relations, environmental practices, and ethical conduct (Mullins, 2010). It is also critical that social responsibility objectives are aligned with an organisation's objectives, because coherence between the company and its strategic vision is important to achieve alignment between the perceptions of the external stakeholders

and the way in which the organisation wants to be defined (Villamizar, Resterepo and Alfaro. n.d.).

According to the Global Reporting Initiative (2000-2006) and Belal (2001), a company should avoid large volumes of information in its reports. The emphasis should be on measuring if change has taken place, and giving interested parties the opportunity to see how well the firm is meeting its commitments. A reporting organisation should identify its stakeholders and explain how it has responded to their reasonable expectations. Social disclosures should be externally verified to enhance credibility and transparency. CSR performance indicators should acknowledge the unique social context and recognise the company's responsibility as agent of transformation and communicate its achievements in this regard.

Kotler and Lee (2005) state that although campaigns may be developed and implemented solely by a corporation, it is more common that partnerships are formed with public sector agencies and / or non-profit organisations which provide technical expertise regarding social issues and add credibility to the campaign effort and company brand. The best corporate reputations, according to Schreiber (2008), are built by helping stakeholders find ways to use the corporation in their own lives. The good experiences of stakeholders will improve a company's reputation.

A key element of CSR is that it should be led from the top to ensure that its issues are a permanent board agenda item. A company should constantly review its social performance and identify and monitor the strategic issues that are likely to impact on the business' financial performance. Engaging stakeholders is very important. They help to identify key issues to be addressed, provide expertise on how to address these issues, provide opportunities for partnerships as they are well vested in the local environment and local issues, and can advise on and advocate for the business. Sustainability reporting is another important CSR element. A business should explain the role of each stakeholder and what their contributions have been. A report should outline how stakeholder expectations have been met. Finally, CSR objectives should be aligned with and integrated in corporate strategy to ensure regular reporting on performance indicators.

Lastly, it is important to develop and incorporate the legitimate interests and expectations of stakeholders in decision-making and to report on the non-financial performance of a company in its annual reports, CSR audits, or sustainability reports. The development of a CSR strategy is critical as it provides a business with the opportunity to show a human face. Such a strategy, according to the World Business Council on Sustainable Development (Moir, 2001), requires engagement in open dialogue and constructive partnership with governments at various levels, intergovernmental organisations, non-governmental organisations, and other elements of civil society, particularly local communities. The council further argues that when implementing CSR strategy, companies should recognise and respect local and cultural differences while maintaining high and consistent global standards and policies.

2.8 Corporate social responsibility implementation framework

Hohnen and Potts (2007) developed a six-step best practice CSR implementation framework to guide the design and implementation of CSR strategies. The framework, which is easy to follow, emphasises the involvement of stakeholders from the initial step of assessing the company's background, to identifying the key issues and who to involve, to the last stage of programme evaluation to improve the company's current CSR approaches. The framework is important for this study, to analyse how KBL's CSR programme is structured with regards to the design and implementation of their KickStart programme, and in particular to analyse what the roles of the stakeholders are. However, should there be gaps in stakeholder engagement; the researcher will recommend that the Hohnen and Potts (2007) framework be implemented as it supports all the CSR theories, namely social contract, legitimacy, and stakeholder theories.

The six steps for a CSR implementation framework developed by Hohnen and Potts (2007) are as follows:

1. Conduct CSR assessment

The initial stage is to gather and examine information about the company's products and its market and to identify where the firm is positioned in relation to CSR. Key issues that it can engage in should be identified and the

stakeholders should be involved in the programme design and the budgetary requirements and implications. The planning phase puts together what the needs are, who is to be involved, and the cost associated with the planned project.

2. Develop CSR strategy

CSR strategy is a road map for moving ahead on CSR issues and the scope of CSR in the long term. The strategy indicates the direction to be taken by the firm, defines its interests, identifies the stakeholders' perspectives, and gives timelines for action. It identifies opportunities for criticism and synergies, and researches what the company wants to do. In this stage the company criticises, reflects, and takes on board the interests and expectations of the stakeholders.

3. Develop CSR commitments

It is important to develop policies indicating where a firm wants to head in terms of addressing the impact of social and environmental issues, and integrating the firm's business strategies, objectives, and goals. Its approach should be communicated to business partners, suppliers, communities, the government, the public, and others. At this stage the business provides guidance to employees on how they should conduct themselves, and shares with its stakeholders its CSR strategies and how they will be implemented.

4. Implement CSR commitments

The business should provide regular feedback, and create internal and external communication. It makes commitments to the public through various communication mediums, to be credible. The actual implementation of the CSR programme starts, and communication with staff and stakeholders is a feature of this stage.

5. Reporting

To verify progress and provide information for informed decision-making by interested parties, information is tailored specific to each stakeholder. Sustainable reporting helps to explain CSR indicators against performance (Belal 2006 and the Global Reporting Initiative 2000-2006). For verification it is

critical to explore initiatives such as the Global Reporting Initiative Framework (2000 - 2006) to guide the company on what it should report and who the stakeholders are.

6. Evaluate and Improve

It is necessary to track the overall progress of a firm's approach and to provide the basis for improvement and modification to adapt to changing circumstances. The evaluation should involve stakeholders' comments and suggestions. Evaluation allows the firm to determine whether its current CSR approach is achieving its objectives and whether its implementation approach and overall strategies are correct.

The CSR implementation framework is an important tool with which to evaluate the extent of stakeholder engagement in the KickStart project. It will help to gauge how the stakeholders are identified, what their roles are, as well as their involvement in measuring the success of the project. The Pyramid Model, which outlines the responsibilities of business, is important to this study as is the stakeholder theory which sheds light on the important role of stakeholders in CSR. The study seeks to draw a link between CSR and reputation. An analysis of how the KickStart CSR project is planned is therefore critical and will be analysed in relation to stakeholder theory. The framework addresses the alignment of objectives to strategy and the importance of engaging stakeholders in the study, both of which are critical objectives.

2.8 Conclusion

The responsibilities of business as espoused by Carroll (1991) and the theories which underpin CSR, especially stakeholder theory, show that identifying stakeholders is a critical component. The performance of CSR programmes is measured by the extent to which stakeholder expectations are met. A firm should know who its stakeholders are, what stake they have in the firm, the degree of power they possess, and the extent to which they can influence the decisions of the firm. More importantly, the firm should find ways to meet stakeholder expectations through dialogue and engagement.

The firm should also identify opportunities for partnering with local communities and reporting on the progress of CSR commitments which adds to the credibility of its programmes thus enhancing its reputation. KBL is expected to identify who its stakeholders are, what their expectations are, and how they have been engaged in and contributed to the success of KickStart. The CSR framework provides a guide to how a CSR plan should be developed and what the critical stages are, from conception to evaluation. Engaging with stakeholders and meeting their expectations at all levels is critical as well as aligning the CSR objectives to the organisation's strategies. This alignment will ensure that issues of reputation are addressed.

Job creation is a challenge for the state and business plays a significant role in its support of government. The KickStart project by KBL is one such initiative that not only produces products and services, but creates jobs as well. The 2011 Sechaba Brewery Holdings Limited Annual Report alludes to the interwoven linkages between social contract, legitimacy, stakeholder theories, and the social responsibilities of KBL. According to the report, KBL contributes to the wider economic development, offers employment opportunities, pays taxes, and invests in the economy and communities.

This chapter covered Carroll's pyramid model, which describes the responsibilities of business to communities, namely its economic, legal, ethical, and philanthropic responsibilities, as well as the societal expectations from businesses. It reflected on the theories that underpin CSR with emphasis on the main theory of the study, namely: stakeholder theory which has been discussed to reflect on the many relationships that business has with society as employer, taxpayer, producer of goods and services, and consumer. The chapter also discussed Hohnen and Potts (2007) CSR framework, which details the necessary step in CSR programming. The framework outlines two key areas, namely stakeholder engagement and alignment of CSR objectives to organisational goals. Stakeholder theory has a bearing on the key question of whether KickStart has contributed to KBL reputation. To answer this question the researcher will analyse the relationships KickStart has with communities and how they influence its performance.

The next chapter discusses the research design and methodology. The main thrust of the chapter is to explain the framework for data collection and analysis. It covers the two research methods, namely: qualitative research and case study, used to collect data to investigate if the KickStart project has contributed to KBL's reputation. The sample size and description of the case study are discussed.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This research is a case study, which examines how CSR can enhance organisational reputation. It uses KickStart, a key community project in Botswana, and one of the many CSR programmes of KBL. Since the research sets out to examine the subjective meanings of CSR and the implications for the company's reputation, the study subscribes to an interpretivist paradigm. It uses qualitative methodology to collect and analyse empirical data on the aims and purpose of the youth entrepreneurship sponsorship and the ways in which the company's CSR objectives are aligned to its organisational goals; and investigates how KBL engages stakeholders in the formulation, implementation, and evaluation of the project.

Finally the study interrogates youth perceptions of the KickStart programme, and provides guidelines, on how corporate social responsibility can be used to enhance a company's reputation. As already mentioned, the study uses a qualitative approach to collect data because the research focuses on opinions, perceptions, and the different meanings in the subjective views of respondents on how CSR enhances KBL's reputation. This chapter provides a literature review on qualitative and case study research, the research design, and data collection methods. It also gives a description of the case study, sample, ethical considerations, and data coding and analysis.

3.2 Description of case study

Kgalagadi Breweries (Pty) Limited (KBL), and Botswana Breweries (Pty) Limited (BBL), through the Kgalagadi Beverages Trust, a fund for corporate social responsibility programmes, supports the KickStart Youth Entrepreneurship programme, a flagship CSR project and one of the many CSI initiatives of KBL. The project is funded by the Kgalagadi Beverages Trust. Both KBL and BBL donate a certain portion of after-tax profits to support community development (Sechaba Annual Report 2005). The two companies operate four traditional beer breweries, a

clear beer brewery, a soft drinks production plant, and six sales and distribution depots, with a total staff complement of over 1000. The companies are a joint venture between the Government of Botswana, through the Botswana Development Corporation and SABMiller Plc. The companies are listed on the Botswana Stock Exchange as Sechaba Brewery Holdings Limited (Annual Report 2008).

KBL is responsible for the planning, management, and execution of CSR programmes, hence its selection for the case study. KBL, in its 2011 Sustainability Report, defines corporate social investment as a contribution or investment of cash, knowledge, employee time, and equipment to people or communities to enable them to flourish, and to help sustain an environment in which business can be successful. The priority for KBL's CSI is based on the belief that the prosperity of its business should be closely aligned to the health and well-being of its communities and that investment in these communities will repay itself in terms of reputation, the commitment of employees, and the loyalty of customers.

The KickStart entrepreneurship project was launched in 2004 with a total funding investment of P8 million as at 2011. The programme is aimed at assisting young people between 18 and 30 years to start businesses or to expand their existing businesses (2011 Sustainable Report). The programme promotes business awareness and builds capacity among young people through training and providing grants as start-up capital. The grants range from P 1000.00 to P 100 000.00, with 12 months mentorship to support the businesses that have been awarded grants. The 2011 Sustainability Report points out that the programme has provided business skills training to more than 90 young entrepreneurs and has helped 26 young Batswana - with 85% of the supported businesses still in operation.

The 2008 Sechaba Brewery Holdings Annual Report highlights the successes of KBL. Its Corporate Affairs Department was once again voted the best in the SABMiller Africa and Asia Hub. KBL was also voted the third highest corporate in Botswana in terms of CSI expenditure programmes. It has maintained a second position (joined with Orange Botswana) as the most respected corporate entity and its KickStart project, now in its fourth year, continues to be a standard-bearer amongst corporates in the country.

In November 2009 the government, concerned with abuse of alcohol in the country, especially among the youth, introduced an alcohol levy for local alcohol brewers, and on alcohol imports into the country paid to government. According to the 2011 Sechaba Holdings Annual Report, (2010-11), Kgalagadi Breweries (Pty) Ltd recovered somewhat from the previous year that had been one of the worst in the company's history, and arrested a headlong decline in beer sales occasioned by the introduction of the alcohol levy. This was followed by a further 40% increase in the levy by December 2010. The report further points to plans by government to enforce traditional beer regulations that will confine the sale of the traditional beer *chibuku* to licensed premises in commercial areas, posing a challenge to the survival of Botswana Breweries (Pty) Ltd. Previously *chibuku*, like other traditional brews was sold in homesteads and there were no restriction on the hours of trading.

The KickStart project is of interest since it has enjoyed positive media coverage. It is regarded as the largest private sector youth entrepreneurship project, by value. Given Kick-start's high success rate, the intention is to investigate if stakeholders are involved in the project, what their roles are, and what the youth perceptions of the project are.

3.3 Key Definitions of qualitative methods

Carter and Thomas (1997) argue that it is not easy to define qualitative research methods without resorting to the tautological assertion that these are methods which are not quantitative. Qualitative research is a set of research techniques in which data is obtained from a relatively small group of respondents, in contrast to quantitative research where a large group of respondents provide data that is statistically analysed (Lehmann, 2006, Bradley, 1997).

Qualitative research involves an interpretative, naturalistic approach to subject matter (Denzin & Lincoln, 1994, in Houser1998; Boxill, Chambers & Wink 1997). Qualitative researchers study things in their natural settings, attempting to make sense of, or interpret, phenomena in terms of the meanings people bring to them. It is an approach which comprises in-depth investigation of human perceptions, attitudes, and experiences, as well as associated processes within the contexts in which they occur.

Qualitative research “addresses areas of social life such as the backgrounds, interests, and broader social perceptions that defy quantitative researches” (Holiday 2008:5). Van Maanem, in Casell and Symon (1995) contend that qualitative methods have no precise meaning in any of the social sciences. The authors argue that it is at best an umbrella term using an array of interpretive techniques that seek to describe, decode, translate, and otherwise come to terms with the meaning, not the frequency, of certain more or less naturally occurring phenomena in the social world.

In selecting a qualitative approach, the advantages and limitations of the model and the appropriateness of the model to the research question were considered. Lehmann (2006), Denzin and Lincoln (1994) identify the following advantages: the ability to obtain in-depth understanding of the phenomena, the ability to study phenomena in a natural environmental setting, and flexibility in responding to the phenomena. The disadvantages of the method are: limitations on the extent to which generalisations to the large population can be made, and potential for bias in interpreting the data (Vos, Strydom, Fouche & Delpont 2011).

Qualitative research does not emphasise numbers, a small group of respondents can be used to provide data on a particular phenomenon. This study focuses on one of the many CSR initiatives of KBL. A small sample size is appropriate to analyse and help establish the correlation between CSR and reputation. Secondly, the study does not necessarily need large quantities of data to analyse. Notwithstanding the limitations of the qualitative approach, the correlation between CSR and reputation can be obtained from a small sample of data. A qualitative approach helps the researcher to collect the perceptions, opinions, themes, and phenomena that emerge out of individual questionnaires and observations made in collaboration with the stakeholders of the KickStart project in Botswana. There is no intention to make generalisations based on the data, but rather the focus is on the multiple meanings of the empirical data and how these meanings shape understanding of the relationship between CSR and reputation.

3.4 Research design

Research should clearly articulate the research procedure, who is being interviewed, in what manner, how interviewees are selected, and how all of this relates to the research setting in terms of both appropriate relationships and representativeness. Research needs to be accompanied by accounts of how it was really done (Holiday 2008). The research design “provides a framework for the collection and analysis of data and subsequently indicates which research methods are appropriate” (Walliman 2007:42). The research design discusses the data collection methods, explains the sample size and the criteria used to choose the sample, and describes the procedure used to capture and edit the data. The research design for this study is case study.

3.5 Case study research

A case study approach is used to strengthen the collection and analysis of the data to investigate the extent to which stakeholders are engaged in the KickStart programme. Case study is an empirical inquiry that investigates a contemporary phenomenon within its real-life context. The case study asks the questions why and how (Yin, 2003), and uses multiple sources of data. These may include interviews, documents, observations or archival records (Yin 2003; Tellis 1997). In this case study the researcher administered questionnaires, interviews, made observations, and analysed documents. Most importantly is that case studies are done to make decisions about programmes, their implementation processes, and organisational changes (Yin, 2003).

Case study is applicable in the following scenarios: to explain complex causal links in real-life interventions and, in this study, to investigate the link between CSR and reputation; to describe the real-life context in which intervention occurs which in this case will answer the role of the stakeholders in the KickStart project, and the youth perceptions; to describe the intervention itself, in other words to assess the engagement of stakeholders in the project; and to explore the situations in which the intervention being evaluated have no clear outcomes.

The primary sources of evidence relevant for this study are interviews, documentation, observations, and questionnaires. Newspaper reports and past Sechaba Holdings Brewery Holdings annual and sustainability reports corroborated the data collected from the interviews and questionnaires. Sechaba Holdings is an investment company with interests in Kgalagadi Breweries Limited and Botswana Breweries, the financiers of the KBL CSI programmes.

As a case study, this research uses qualitative methods to gather empirical evidence on the KickStart initiative and its contribution to KBL's reputation. The focus of the study is strictly the KickStart project and excludes KBL's other CSR initiatives. Qualitative research does not limit the size of the population sample; it studies the sample in its natural environment and is recommended for studying perceptions.

Case study allows a researcher to revisit the unit of analysis during data collection. It provides the researcher with the flexibility to review and accommodate new information as it is being discovered so that new dynamics are factored into the study. Limitations of case study are that it provides little for scientific generalisation. This means the researcher cannot generalise the findings beyond the sample size.

3.6 Research sample

Sampling, according to Walliman (2007), Struwig and Stead (2004), and Bieger and Gerlach (1996), refers to choosing a portion of the target population for research rather than studying the entire target population. Although it is a technique for achieving representativeness, there is no one method for selecting respondents for qualitative inquiries because the number of respondents is usually small. However, researchers use their social scientific imagination to inform the selection of respondents (Bauer & Gaskell, 2000). Sampling may be described as a process of selecting observations from a population (Boxill, Chambers & Wink, 1997).

It was not feasible in this project to interview the whole population. A small sample was selected from the target population using purposive sampling and snowballing methods. Whatever the criteria of respondent selection, the procedures and choices should be detailed and justified in any report. The number of people interviewed

depends on the nature of the topic, the number of different milieus that are considered, and the resources available (Bauer & Gaskell, 2000).

Barbie (1992) opines that it may occasionally be appropriate for one to select a sample on the basis of knowledge of the population, its elements, and the nature of the research aims and purpose of study. Bauer and Gaskell (2000) point out that to select interviewees or documents, a researcher chooses people and sources according to external criteria such as social strata, functions, and categories. The population for this study was selected from the stakeholder groupings that have an interest in the KickStart project. These included senior management and the trustees of Kgalagadi Breweries Limited and Botswana Breweries Limited, who are knowledgeable about the operations of the KickStart project.

The selection of the sample was based on people involved in the management of KickStart at KBL to investigate the aims and alignment of the project to organisational goals. Permission to interview the selected managers and trustees was turned down despite prior commitment and only one manager responsible for managing the project was available to respond to all the questions on behalf of KBL. To interrogate youth perceptions on KickStart, two groups of youth were identified. The youth who had received sponsorship from the KickStart project were asked to share their experiences on how the project had impacted on their lives. The second group was sponsored by government in a similar initiative, resourced through the Youth Development Fund (YDF), and were asked if they were aware of the KickStart project and if so, to give their views on the project. Two managers representing youth organisations whose mandates are to empower youth with business and life skills, were selected for their views on the roles they could play as stakeholders, if at all, in the KickStart youth project. To collect data from the identified sample, questionnaires were used and observations made during the administration of the questionnaires.

Snowballing sampling, which is used to identify individuals who have the required characteristics, was used to identify respondents. The initial names were provided by other youth identified through KBL. The Department of Youth identified potential respondents and they themselves provided other contacts to add to the sample. According to De Vos, Strydom, Fouche and Delport (2011) and Johnson and Christensen (2004), snowballing is used when there is no knowledge of the sampling

frame, and limited access to appropriate participants; each research participant is asked to identify other potential participants.

KBL provided a list of four youth who had benefitted from KickStart in and around Gaborone. With the help of this group another six participants outside Gaborone in Ramotswa, Tsabong, Kasane, Maunatlala, and Bobonong were identified to answer questions on their experiences and on the benefits they had derived from the project. Interviews were conducted and questionnaires administered. The Botswana National Youth Council (BNYC) and the Department of Youth were identified as key stakeholders able to contribute to the growth of KickStart. They were selected to find out how they could collaborate with KBL given that their key mandate is to empower the youth with entrepreneurship and life skills. The two organisations have office networks in most parts of the country. The Department of Youth gave a list of ten youth who had benefitted from the Government's Youth Development Fund, to be interviewed. Out of the ten names given, only five were given questionnaires to complete.

Thirteen youth and three managers participated in the research making a total of 16 participants. There were nine males and seven females. Among the participants, one held a Master's degree; four had Bachelors degrees, and three held diplomas, while the rest had secondary school qualifications. To obtain funding from the KickStart project, what is important is a business idea that can work and one has to be under the age of thirty. The youth in the sample owned and managed businesses. Respondents from for KBL, BNYC and Department of Youth these were managers responsible for managing KickStart project and youth programmes respectively.

3.7 Methods of data collection

To collect data, a questionnaire was designed. The research questions were used in the design. A consent form was used to protect the identity of the respondents and was explained to them before completing the questionnaires. Questionnaires were administered face-to-face to the respondents who were available in Gaborone and the surrounding areas of Ramotswa and Tlokweng. Self-administered questionnaires were done by the managers from KBL, BNYC, and the Department of Youth. The completed questionnaires were collected at a later date. Observations were also

made during interviews at the KickStart-funded businesses. Telephonic interviews were conducted for those in far places such as Tsabong, Bobonong, and Kasane. These calls were made from the researcher's house and lasted about 20 minutes each. The themes covered in the questionnaire and interviews were the aims of the KickStart project, the alignment of KickStart objectives to organisational goals, and youth perceptions of KickStart and stakeholder engagement.

The orientation of qualitative research according to Holiday (2008), is not to control variables, hence the use of open-ended questions. Further, Bailey et al; in Holiday (2008), argue that there is a need for most researchers to be more explicit about their research process, rather than to offer a rationale and detail on issues such as respondent selection, key changes in research direction, and analytical procedures. The information on how the sample was arrived is discussed in detail under research sample.

Document analysis was undertaken on reports, documents made available by KBL, and on media reports on KickStart, to enhance the validity and reliability of the information gathered. According to Myers (2009), data collection techniques for qualitative methods rely on interviews or the use of documents. In qualitative research open-ended questions, also lead to unforeseen areas of discovery in the lives of the people, and allow the researcher to look deeply into behaviour in specific social settings, rather than in broad populations (Holiday, 2008). A small scale survey was undertaken which, according to Cohen and Manion (1994), is less complicated, less expensive, and adequate if the researcher does not want to generalise beyond the sample size. This was to test for possible ambiguity in the questions.

The process of collecting data depends on meticulous time-keeping and constant planning and re-planning, always looking ahead in order to be ready for diversions. Due regard should be given to the dignity, integrity, and privacy of those involved at all levels, and those who are drawn into the evaluation should be welcomed as equal partners in every aspect of the design, implementation, interpretation, and resulting action (Walliman, 2007). The data collection was corroborated by document analysis. For example, the answers to the aim of KickStart, alignment of KickStart, and the youth perceptions were confirmed by analysis from the annual and media reports.

Table 3.1 : Data collection methods

Research question	Research objective	Research method
1. Main research question: How has the KickStart project contributed to Kgalagadi Breweries?	Investigate the relationship between KickStart as a corporate investment project of KBL and its contribution to KBL's reputation.	Questionnaire Document analysis Literature review
2. What is the aim of the KickStart project?	Review if the aim of KickStart is to enhance KBL's reputation.	Questionnaire Interview Document analysis Observation
3. Are KickStart objectives aligned to KBL's goals?	Find out if KickStart's objectives are concerned with the reputation of KBL.	Questionnaire Interview Document analysis Literature review
4. How are the stakeholders involved in the KickStart project?	Review if engagement of stakeholders in KickStart contribute to KBL's reputation.	Questionnaire Document analysis Literature review Interview
5. What are the youth perceptions of the KickStart project?	Investigate if the youth view KickStart as contributing to KBL's reputation.	Questionnaire Document analysis Literature review Interview
6. Does KickStart contribute to KBL's reputation?	Investigate the relationship between CSR and reputation.	Interview Questionnaire Literature review Document analysis

3.8 Ethical considerations

Confidentiality of the respondents was maintained. A confidentiality and consent form was provided and the respondents were given the option to agree to it or turn down the questionnaire. The consent form was explained to them, and they signed it prior to completing the questionnaire. It was also explained to respondents reached by telephone. The consent form contains a confidentiality clause to protect the identity of the respondents. In the data analysis the names or designations of the participants are not used; they are referred to as respondents and numbered from 1.

The questions were relevant to the research. The two basic rules for question design, according to Warwick and Lininger (1975 in Larossi, 2006) are relevance and accuracy. They argue that respondent cooperation will be highest when the questionnaire is interesting, items are not difficult to answer, and not time-consuming or embarrassing to the respondents. Research questions should be framed in such a way that they are answerable, relevant to a particular issue that is of concern to the chosen field of study, and designed to answer a research problem (Myers, 2009). The questions were specific to the objectives of the research, short, precise and relevant to the study. The questions were about the aims of the KickStart project, CSR alignment to organisational goals, stakeholder engagement, youth perceptions, and reputation.

3.9 Data coding and analysis

Mouton (2011) defines data analysis as “breaking up” the data into manageable themes, patterns, trends, and relationships. The aim is to understand the various constitutive elements of one’s data through an inspection of the relationships between concepts, constructs, and variables, to see whether patterns or trends can be identified or isolated, or to establish themes in the data. A thematic analysis approach was adopted to answer the objectives of the research because the research design is a case study. The thematic areas were: aims of the KickStart project, alignment of KickStart objectives to KBL’s goals, youth perceptions of KickStart, stakeholder engagement, KickStart’s contribution to KBL’s reputation, and guidelines on CSR. The themes were derived from the objectives of the study.

Data analysis is a specialised area of research procedure. Before attempting to analyse data, a researcher must ensure that all the field notes, interview scripts, and documents are available and complete. This will enable the researcher to organise and bring meaning to large amounts of data (Struwig & Stead: 2004). Qualitative research particularly generates a vast amount of data. The researcher should have a plan on how to deal with it (Myers, 2009). To analyse, data was grouped according to themes using code-labels that assign units of meaning to the data obtained (Miles & Huberman, 1994, in Struwig & Stead, 2004). Dawson (2009) argues that when data is analysed by theme, it is called thematic analysis. The themes emerge from the data and are not imposed on it by the researcher.

In qualitative research, the data usually takes the form of verbatim quotations from research participants, also referred to as respondents or informants. These quotations are organised into a framework or template which illustrates how they support each other in the reaching of conclusions (Bradley, 1997). Responses to the interview questions were coded using selected keywords picked from the responses. This method was selected because the interview questions were all open-ended. No statistical data analysis methods were used. A qualitative thematic analysis was used to answer the research questions.

3.10 Conclusion

This chapter has discussed the research design, which outlines the process or framework that followed to gather data. The instruments were questionnaires with open-ended questions, administered face-to-face, and telephone interviews. To verify and add credibility to the data collected, an analysis of past annual reports and newspaper clippings was done along the identified thematic areas.

The sample for the study was identified based on the characteristics of the population and the aim of the research. The population consisted of one manager from KBL responsible for the operation of the KickStart project, the youth who are beneficiaries of the project, and the youth organisations who are responsible for developing and managing youth policies. Ethical considerations were taken into account and compliance with the Cape Peninsula Code of Ethics was followed. The rationale for

the study was explained to the respondents, who were given the opportunity to agree to completing the questionnaires or not.

Chapter 4 presents the results and discusses the findings from the data collected. The chapter reviews the main trends resulting from the data and the thematic patterns linking them to the hypotheses and objectives of the study.

CHAPTER FOUR

RESEARCH FINDINGS AND ANALYSIS OF FINDINGS

4.1 Introduction

The primary aim of this study was to find out whether KBL's KickStart project contributes to or enhances organisational reputation. The other objectives of the research were: to identify the aims or purposes of the KickStart project, to find out if KickStart's objectives are aligned to the Kgalagadi Breweries Limited's organisational goals, and to investigate youth perceptions of the KickStart project. Further, the study sought to investigate the involvement of stakeholders in the design and implementation of KickStart, to find out if the KickStart project has contributed to Kgalagadi Breweries Limited's reputation, and to provide guidelines on how corporate social responsibility can be used to build organisational reputation.

The study was framed around the following questions: What is the aim of the KickStart project? Are KickStart objectives aligned to KBL's goals? What are the youth perceptions of the KickStart project? How are the stakeholders involved in the KickStart project? Does KickStart contribute to KBL's reputation? These questions provided answers on the contribution of CSR to organisational reputation which was the main objective of the research.

Several existing studies on CSR were discussed. Some of these studies include Carroll's Pyramid model that defines the four responsibilities of business, namely: economic, legal, ethical, and philanthropic responsibilities. Furthermore, stakeholder theory was selected as the main theoretical framework because it addresses the multiple relations between companies and other stakeholders in their business operations. It also elucidates how these relations can enhance a company's reputation, especially in the context of CSR. The CSR framework proposed by Hohnen and Potts (2007) and the CSR commitments by Nigel and Nikola (2009) were considered as they address stakeholder engagement which supports stakeholder theory and the alignment of CSR objectives to the organisation; a key question in the study.

To answer these questions, twelve questionnaires were administered and four interviews conducted, giving a total of sixteen respondents. Nine participants were from Gaborone and the surrounding areas of Ramotswa and Tlokweng. From this group, four were male and five female. Three managers from KBL, the BNYC, and the Department of Youth were given questionnaires to complete. All were male. Telephone interviews were conducted with four participants in Tsabong, Kasane, Maunatlala and Bobonong; two of whom were male and two female. Data analysis from past and current Sechaba Holdings annual reports and news clippings on the KickStart project was undertaken to corroborate the questionnaire responses. The documents provided information on the call for proposals, type of projects funded, the aims and management of KickStart, the total amount spent, and comments by the recipients on how KickStart has improved their lives through funding and mentorship. The documents also highlighted the stakeholders involved in the project, and the link between the KickStart project and KBL's goals.

In analysing the data, themes were identified based on the objectives of the research. These were: the aims of the KickStart project, the alignment of the KickStart objectives to organisational goals, stakeholder engagement, youth perceptions of KickStart, and the contribution of KickStart to KBL's reputation.

4.2 Aims of the KickStart project

The research needed to find out why KBL started the KickStart project, what it was meant to achieve, what the respondents' understanding was of the rationale behind the project, and if there were any linkages to reputation. Several suggestions are proposed on why companies engage in CSR activities. Moir (2001) claims it demonstrates ethical behaviour towards society, and management acting responsibly in its relationships with other stakeholders who have legitimate expectations. This study sought to understand if by establishing KickStart as a CSR project, KBL's management deliberately wanted to use the project to enhance its reputation.

Several opinions emerged out of the data explaining the aims of the KickStart project. For example:

The project seeks to empower the youth by giving them seed capital to start their own businesses and address many issues like unemployment, lack of jobs and poverty. The company's desire is to see a very prosperous Botswana in which its people are given the opportunities to be the best they can be. (Respondent 1).

The Gazette newspaper of 26th February 2008 sums up KickStart as an excellent way to motivate the youth to think bigger and be innovative, and to promote entrepreneurial spirit.

These responses touch on the following key issues: through KickStart the youth are given funding to start their own projects and create jobs not only for themselves, but for other youth as well. These businesses are a source of livelihood for the youth who cannot be absorbed into the job market. The project is an opportunity for the youth to come up with viable and sustainable solutions to address unemployment in and contribute to the well-being of the country. For KBL, it means that as a company it has recognised unemployment as an issue in communities and dedicated resources to empower the youth to create jobs and alleviate poverty. Hohnen and Potts (2007) and Hawkins (2006) articulate the need for firms to undertake audits to identify key issues to address in their CSR programmes. Recognising that society sanctions licences to operate, firms should design and implement CSR programmes to show their commitment and responsiveness to social issues in communities where they do business regardless of whether they are responsible for particular situations (Pava & Krausz, 1997).

This information is corroborated in the following quotation:

Unemployment remains a major issue for Botswana and job creation remains a viable long-term solution for such a big problem. KickStart has made major in-roads in promoting entrepreneurial awareness among the youth and has captured the imagination of Botswana in their fight against unemployment crisis. (Respondent 2)

This quotation asserts that KBL recognises unemployment as a big challenge for government, as well as the need for intervention by stakeholders in the private sector to join hands to support job creation efforts. Realising the existence of this gap and need in society, KBL implemented the KickStart project to offer the youth opportunities to venture into business. The unemployment rate stands at 17.8% and the most affected are the youth aged 15-24 years (2010/11 Budget Speech).

Government is concerned with the high unemployment rate especially among the youth and working on programmes that will create job opportunities and absorb the youth (2010 /11Budget Speech). The Youth Development Fund has been specifically set up to fund youth empowerment initiatives to create employment opportunities for the youth. The fund is managed through the Department of Youth. An annual budget is set aside for this programme (Youth Development Fund Guidelines, n.d.). KBL support recognises that government has a mammoth task. KBL's support will add to the other available programmes and activities. The Government of Botswana has shares in KBL through the Botswana Development Corporation (2005, 2006, 2007, 2011 Sechaba Breweries Holdings Limited Annual Reports).

The Mmegi newspaper of 25th March 2009 captures the project's aim:

The KickStart initiative contributes significantly to youth skills and to the country's economy in general. KickStart is a business initiative that offers the youth entrepreneurial skills required to manage sustainable businesses.

Skills development is necessary to prepare the youth to manage their businesses, and also prepares them to enter the job market. By equipping the youth with business skills, KBL contributes to a youth labour force that benefits the country by creating more jobs and producing goods and services needed to grow the economy (2011 Sechaba Brewery Holdings Limited Sustainability Report).

Lantos (2011), Hennigfeld, Pohl & Tolhurst 2006 and Carroll (1991) explain the many responsibilities of business required to be a good corporate citizen. Visser (2005) argue that philanthropy is a priority issue for Africa given the economic and development status of the continent. KickStart is contributing to the socio-economic development of the youth through sustainable businesses, which create job opportunities for their peers. As Respondent 3 states: “KBL call for proposals from the youth on development issues is meant to uplift youth from poverty by initiating their own projects.” Poverty alleviation among the youth is a priority and government has indicated that this is so. When KBL makes a call for proposals the company is motivated by the desire to empower the youth to come up with innovative ideas; it is an example of management going beyond the company’s narrow financial interests to look at the impact of their business decisions (Rensburg & de Beer, 2003, Carroll, 1991). It is management exercising its responsibility to society (Lantos, 2001, Windsor, 2001).

Respondent 4 highlights the support that KickStart has provided for his business and confirms the aim of the project:

I operated my business from my personal funds. I started very small and developed a strategy to expand and enter into the big market and compete. Seeing adverts for proposals, all that was required was a sound business idea to win funding (Respondent 4).

The youth may also submit proposals to secure funding for ideas to expand already-existing business. Some youth, as explained by the respondent above, have started businesses from personal savings. They see KickStart as an opportunity to secure funding to be more competitive and expand their market share. Observation made at the premise of this respondent is that the office space and furniture looked like that of a serious business. The company is located in a business district where the company’s services are in demand. The respondent’s company has positioned itself as an entity to be reckoned with and competes with the best.

The Sechaba Brewery Holdings Limited Annual Report (2008: 11) describes the aim of KickStart project as:

This initiative continues to provide deserving young citizen applicants with management training and seed capital grants, providing positive impetus to self reliance and employment creation.

According to these excerpts, the KickStart project gives the youth opportunities to identify sustainable projects to create employment for themselves, instead of being subjected to poverty. This exchange relationship between business and society forces business to be more responsive and to identify issues of concern in society and address them. O'Donovan (2002) highlights the principle for legitimacy theory as the "triple bottom line" approach to explain a company's financial, social, and environmental performance. KickStart, thus, underscores KBL's social performance.

Data gathered from the respondents, the media, and annual reports clearly articulate the aim of the KickStart project as a desire to empower the youth by giving them seed capital to start their own businesses to address issues of unemployment, which KBL has recognised as a major problem in the country. Business management training and mentorship are provided to ensure that the youth are properly skilled to manage sustainable projects. As more youth are absorbed into the programme other social ills resulting from idleness such as crime will indirectly be lowered. From a legitimacy perspective, businesses engage in CSR because society expects it (Crowther & Rayman- Bacchus, 2004; Pava & Krausz, 1997).

While KBL may not be directly responsible for unemployment among the youth, it has, nevertheless, taken ethical responsibility to address the problem as part of its broader CSR agenda. Efforts in assisting government to create employment outside the normal business setting are significantly boosted by KickStart, which has generated 48 jobs to date. Pre-funded business skills training courses for potential grant winners have also played a noticeable role in preparing aspiring entrepreneurs for the KickStart funding opportunities that exist. Thirty-five entrepreneurs have received this training (2008 Sechaba Brewery Holdings Limited Annual Report).

In addition to financial support, youth shortlisted as potential beneficiaries of KickStart during the selection process go through a pre-business training programme to equip them with skills. It is from this pool that those who submit winning proposals are given funding. The candidates whose proposals are unsuccessful, but who have acquired business skills are in a better position to seek jobs or get funding elsewhere. KickStart, thus, creates a pool of youth with entrepreneurship skills able to compete for funding from other available sources. Like their peers who get funding from KickStart, once they apply funding from alternative sources they are in a better position to create job opportunities for themselves and others (2011 Sechaba Brewery Holdings Limited Sustainability Annual Report).

Companies should adhere to ethical responsibilities even at the expense of possible foregone profits (Moir, 2001). Carroll's pyramid model on the economic responsibilities of business stresses that business should not only be judged on economic success (Carroll, 1991). KBL provides profits to its shareholders and through KickStart also contributes to the economic development of Botswana through job creation and poverty eradication by providing the youth with seed capital to set up their own businesses. This, in turn, creates a demand for labour. Youth businesses produce goods and services and supply communities, and contribute to taxes (2011 Sechaba Breweries Holdings Limited Sustainability Annual Report).

KickStart is one of 10 priority CSI programmes of KBL, which provides solutions to unemployed youth (2011 Sechaba Holdings Annual Report). KBL, by seeking to address an issue that has the attention of government, namely unemployment, is endearing itself not only to government and the youth, but also to society, thus, enhancing its chances of being seen as a reputable company.

4.3 Alignment of KickStart objectives to organisational goals

To drive the strategic direction of any business and consolidate its position, CSR objectives should be aligned to organisational goals. The research sought to find out if KickStart's objectives are aligned to KBL's organisational goals. Nigel and Nikola (2009), The King Report (2009), Hohnen & Potts (2007), and Freemantle & Rockeney (2004) state that the board and top management of a company must be involved in setting its CSR agenda. Management should integrate CSR in all aspects of its

business operations to ensure support for business objectives, and alignment to its organisational goals. Aligned CSR objectives will ensure continued monitoring of CSR performance. Doing well in CSR programmes will ultimately contribute to a company's reputation.

To find out if KickStart was aligned with organisational goals, the researcher asked a manager at KBL, and the two managers from the youth organisations, and carried out an analysis of KickStart's policy document and the past Sechaba Holdings annual and sustainability reports to assess if KickStart is aligned to KBL's corporate strategy. The following quote explains the alignment mentioned above:

CSI is embedded in the company strategy through the framework of "priority areas" that we seek to advance as a company. We look at HIV, waste, CSI, responsible drinking, water, energy and carbon footprints, zero waste, enterprise development, human rights, transparency, and ethics. The ten priority areas are aligned and drive the corporate strategy by ensuring that the business delivers on all the priority areas. (Respondent 1).

KickStart is one of the 10 priority areas of KBL's corporate social investment programme. To this respondent, CSR is an important component of KBL's strategy to connect the company to communities, and KickStart is one such project. KBL has prioritised 10 areas, including attending to issues of carbon footprints, human rights, transparency, and ethics, among others.

This quotation dovetails with the Sechaba Brewery Holdings Sustainability Report (2011:42), which states that the relationship between CSI and company strategy is:

To achieve competitive advantage and ultimately enhance profitability, sustainability development needs to be part of what we do every day. It needs to be integrated into our decision-making and the way we run our business.

To KBL, aligning CSR goals to its corporate strategy is critical to its business performance. This will ensure that its CSR programmes are constantly monitored and its progress discussed at executive and board levels. Attention at the level of the chief executive is assured to address any lapses and to take corrective measures in order to realise the company's corporate strategy (Nigel & Nikola, 2009; Hohnen & Potts, 2007). KickStart is a deliberate management decision to position KBL in a highly competitive business environment (2008, 2011 Sechaba Holdings Annual Reports, 2011 Sechaba Holdings Sustainability Annual Reports) and is part of a broader corporate strategy to focus KBL on issues of sustainable development. The project supports government efforts to address the problem of unemployment and, at the same time, generate profits for shareholders. By contributing to the economy of the country KBL is positioning itself as a good citizen that cares about developmental issues through investment in projects like KickStart.

The project contributes significantly to the economic growth of the country by creating job opportunities, skilling the youth, and producing goods and services for the consumer. KickStart recognises that it should be run in the best interests of society (Vinten, 2008). Failure to do this can result in society withdrawing a company's operating licence which will negatively affect business profit margins and adversely affect its reputation (Hohnen & Potts, 2007). The responsibility of business is to pursue policies and make decisions which are desirable to society and to avoid backlash from society that may be destructive to the business (Lantos 2001; Windsor 2001; Carroll 1991).

The 2011 Sechaba Holdings Sustainability Report also confirms the alignment of the KickStart project to KBL's goals: "Sustainable and enterprise developments are an integral part of our business long-term sustainability helping to create jobs within communities where we operate" (Page 32). KBL, through KickStart, is committed to sustainable development, and finances sustainable projects that create jobs. Job creation is one of the key business objectives of KBL and a key driver of its sustainable development programme.

Corporate governance dictates that companies should reflect in their annual reports on how they are responding to environmental issues. In reporting, they are expected to highlight social performance in addition to financial performance. By reporting on social performance a company's reputation will be enhanced as corporations concerned with uplifting and improving the socio-economic status of communities where they do business are seen as good citizens (2009 King report; Hohnen & Potts, 2007; Global Reporting Initiative 2000-2006).

The above observation is supported by another respondent who says,

By ploughing back to the community and contributing to the development of the country, I believe that KickStart is aligned to KBL goals. A big project as this cannot be run without being part of the bigger picture (Respondent 2).

The key issue is that KickStart's support for communities and the crucial role it plays in developing communities cannot be implemented in isolation from its broader goals. The respondent suggests that KickStart supports KBL's overall organisational goals. However, while there is commonality between KickStart's objectives and KBL's organisational goals, an alternative view suggests that,

KickStart project is a privately run project of KBL, since it is not a public entity one would not know if there is an alignment between KickStart and KBL business goal. If it was a public institution I would know as information on this type of institutions is readily available and shared with the public (Respondent 3).

This respondent's interpretation is that as a private company there is no need for people who are not part of the business to know about KBL's operations. Carroll (1991) argues that the role of business is to make profits for its shareholders and nothing else save to obey the law. Pava and Krausz (1997) argue that business has no expertise to address social ills and that it is the responsibility of government and non-governmental organisations. This notwithstanding, by meeting its social and legal obligations KBL through KickStart operates within the confines and expectation of society (Lantos, 2001; Windsor, 2001; Carroll 1991).

The integration of CSR in all business operations ensures commitment at board level and this is reflected by the inclusion of sustainability reports in companies' annual reports (Nigel & Nikola, 2009, The King Report, 2009; Hohnen & Potts, 2007; Hennigfeld, Pohl & Tolhurst 2006; Freemantle & Rockeney, 2004). In developing CSR commitments, CSR issues should be integrated in business strategies and aligned to organisational goals. The 2008 Sechaba Holdings Corporate Social Responsibility Report recognises the importance of realigning CSR programmes,

Over the past two years, Kgalagadi Beverages Trust has re-focused its corporate social responsibility efforts to deliver more meaningful and sustainable projects with a long-term view. This practice is a departure from the previous projects which lacked sustainability as a result of insufficient funds to meet operating costs (Sechaba Breweries Holding Limited Annual Report 2008:27).

The report shows KBL's commitment to fund only programmes which are sustainable in order to positively make a difference in community lives. While KBL previously supported short-term projects, in this report it has realised that as a business their CSR programmes should be aligned to their business strategies and that the programmes should not affect the company's bottom line. KBL is not only concerned with shareholder interests. Coherence between the company's behaviour and its strategic vision is important in order to achieve alignment and synergies between the perceptions of external stakeholders and the way the organisation wants to be defined (Nigel & Nikola, 2009, Hohnen & Potts, 2007, Fremantle & Rockeney, 2005).

KickStart is embedded in the priority areas that KBL seeks to advance as a company. It is one of the areas in which the company is investing to benefit communities, particularly the youth. Evidence provided to the researcher shows that KickStart's objectives are aligned to KBL's goals. The goal of a CSR programme should at the minimum fit with overall corporate strategy (Hohnen & Potts, 2007; Mitchell, Agle & Wood, 1997; Pava & Krausz 1997; Jonker & Foster, n.d.; Villamizar, Restrepo & Alfaro n.d.). KickStart is integrated in KBL's corporate strategy to provide a long-term sustainable solution to job creation for the youth since unemployment remains a major issue for Botswana. CSI at KBL is led from the top, with a representative of the

board and the managing director as part of the board of trustees (2004 Kgalagadi Beverages Trust Corporate Social Responsibility Report).

4.4 Youth perceptions on KickStart

The research investigated the youth's perceptions of the KickStart project. The youth were selected on the basis of being beneficiaries of the project. Their perceptions are of interest to determine their impressions of the project, which have bearing on the reputation of KBL. The youth are one of the stakeholder groupings of the KickStart project and their views are critical in the analysis of the project. Do they see KickStart as contributing to KBL's reputation? Are they passive recipients, or are their views and suggestions taken into consideration? The perception of what is reputable lies in the eyes of the beholder (Schreiber, 2008; Saxton 1998 in Gotsi & Wilson, 2001). Their views will help in analysing the contribution of KickStart to KBL's reputation. Corporations like KBL have identified the need to empower the youth, and create employment opportunities for them. A firm should be run in the best interest of its stakeholders.

According to one youth,

The KickStart project is a good programme that provides funding, mentorship and business management skills. It has exposed me to management skills and this has enabled me to build on a growing customer base. (Respondent 1).

The programme provides the youth with much needed capital to set up businesses. Secondly, it offers them business management skills and mentorship programmes to become entrepreneurs who can successfully manage their own businesses. Another responds as follows:

KickStart is a good project and I was able to secure additional funding to expand my business, I had a lot of orders but did not have enough equipment /machinery to meet the demands of orders being placed with me, once my proposal was approved I was able to buy additional equipment (Respondent 2).

KickStart provides a platform for youth who have started their own businesses and need financial injections to secure and grow their business. If KickStart had not provided capital to source new machinery, the respondent above would either have continued with a small clientele base or may have folded as a result of lack of trust by customers to deliver quality products on time. At the time of the interview the respondent was busy with her staff working on deliveries. KickStart offers youth the opportunity to manage sustainable businesses which are able to attract customers. Perceptions of stakeholders such as the youth are recognised as a market value driver (Rensburg & de Beer, 2003). If the youth perceive KickStart as a good project, they will have a positive view of KBL as a company.

KickStart promotes youth entrepreneurship by imparting business management skills and creating job opportunities not only for business owners, but for others as well, and through these efforts fulfils its economic responsibilities (Lantos, 2001; Windsor, 2001). The youth are happy with KickStart for the opportunities it gives them. It is a good business venture that empowers the youth to be active participants in the mainstream economy. One beneficiary sums up her appreciation of KickStart and states that, “The business now provides direct employment for 10 Batswana, giving them the opportunity, skills and secure livelihoods” (Respondent 3).

The Monitor newspaper, 23rd March 2009 expands on this view: “if you create one job you are supporting six more people who benefit from that person, so this project has a multiple effect on our society”. Youth businesses have created jobs for other Batswana they hire youth who would otherwise be on the streets. The employed youth now have the financial means to look after themselves and their families. The above respondent’s business gives others the opportunity to learn skills, and provides a source of income to sustain their own lives and that of their families.

Considering the extended family system and the high dependency ratio in Botswana, for each job created an additional number of people are supported who would otherwise be relying on government for social services benefits. The multiplier effect means that it is not only the employee who benefits, but their dependents as well. This is appreciated by families and their dependents and reflects positively on KBL. The economic and philanthropic responsibilities of KBL as a “good citizen” are to fund

projects to create sustainable jobs for the youth (Mullins, 2010; Lantos, 2001, Carroll, 1991).

Not all the youth are happy with KickStart. One participant expressed their dissatisfaction with KickStart by claiming that:

The project has not produced millionaires compared to similar initiative by SAB Miller in South Africa. KBL is not using us to provide services to them. They engaged another company to provide a service that KickStart has funded us to provide. How can they fund and not support their own? (Respondent 4).

The key issue in this answer is that KickStart produces small-scale entrepreneurs who are yet to break into multi-million businesses. For this respondent the success of the initiative will be when KickStart-funded businesses break into the large enterprise bracket. He faults KBL for supporting other businesses and leaving those whom they have funded to struggle to get customers. The youth impressions in this regard are negative; they doubt the loyalty and commitment of KBL to youth empowerment. They want to see themselves breaking through from Small Medium Micro Enterprise level to large corporates. They want a special dispensation in the market for their goods, especially from their financier KBL.

The actions of KBL should show that they are indeed supportive of youth empowerment. The implications of this respondent's view for this research are that some youth do not see enough value in KickStart. KBL should understand the interests of young people (Moir, 2008; Hohnen & Potts, 2007). Lack of appreciation for the youth's needs could be attributed to the fact that KBL, as a business, has no expertise to address a problem as huge as unemployment and that it may have negative consequences if the youth feel that the project is not addressing their needs (Pava & Krausz, 1997). KickStart management has to review its programme and take into account the power, legitimacy, and urgency of youth needs (Mitchell, Agle & Wood, 1997; Jonker & Foster, n.d.).

The 2011 Sechaba Brewery Holdings Limited Sustainability Report paints a good picture of KickStart:

KickStart enjoys an 85% success rate of businesses still in operation after seven years, in contrast to the notion that 40% of businesses fail in their first year, rising to 60% by the end of the second year. KickStart is still the leading youth entrepreneurial development initiative by a private sector entity in Botswana (Sechaba Brewery Holdings Limited Sustainability Report 2011:22).

The report describes the success of KickStart since its inception. Most of the youth businesses have not failed as shown by the statistics supplied. This can be attributed to the provision of business management skills training and the one-year mentorship programme offered to funded projects. This means that the youth receive expert advice in the first critical year of their business, which is the most difficult time as one tries to build relationships with other businesses and suppliers. The youth entrepreneurship project, though it has not produced millionaire entrepreneurs, is a good platform for the youth to participate in the economy and grow their businesses to large scale. KickStart aims specifically to empower the youth to own and manage sustainable businesses and create jobs for themselves and others. The project is run to benefit the youth and meet societal expectations (Cruz-Cruz & Fey, 2008; Lantos, 2001; Windsor, 2001 & Carroll 1991).

KickStart is a good programme that empowers the youth to realise their dreams. It provides them with financing, mentorship, and coaching to successfully manage their businesses. Rensburg and de Beer (2003) state that stakeholder perceptions and corporate reputation are market value drivers. When the youth positively view KickStart as a good programme that helps them to realise their dreams of owning businesses, this greatly contributes to a positive image of KBL and enhances its reputation.

KickStart provides the necessary capital to acquire needed equipment and infrastructures to start businesses. The youth are trained in business management skills to properly manage the businesses and at the same time add to a skilled labour force. On the other hand there are dissenting voices, who while appreciating the KickStart financial backup, want KBL to do more, to buy their products and services. By not acknowledging these voices KBL risks being viewed negatively, particularly by the very group that they are meant to empower. This may ultimately hurt its reputation as a company that is committed to support government efforts to empower the youth (King Report, 2009; Hohnen & Potts, 2007; Global Reporting Initiative 2000-2006).

4.5 Stakeholder engagement in KickStart project

One of the main interests of the research was to find out if KBL engages with stakeholders in the design and implementation of KickStart because stakeholder engagement is the main thrust of this study. The question was to understand who the KickStart stakeholders are, and what their contributions to the project are. The literature suggests that stakeholder engagement in CSR is very important and that stakeholders should be involved from project conception to evaluation. Stakeholder theory is the most popular and influential theory to emerge in the CSR area (Hennigfeld, Pohl & Tolhurst 2006). Nigel and Nikola (2009), The King Report (2009), Hohnen and Potts (2007), and Freemantle and Rockeney (2004) stress that the legitimate interests of stakeholders are critical and should be incorporated into CSR programmes. Moir (2001) defines stakeholder engagement as management acting responsibly in its relationships with other stakeholders who have legitimate expectations from the business. Stakeholder engagement is smart business practice to get approval and enhance reputation. Stakeholders who are happy will recommend the company and thus contribute to a favourable image.

To appreciate the role and contribution of stakeholders in the KickStart project, one respondent identified the following stakeholders:

The stakeholders involved in KickStart are external judges, who make a call of which projects to receive funding, media to provide publicity, Board of Trustees for approval of projects, BBL and KBL for funding, and the programme manager for administration (Respondent 1).

The role of the judges are to adjudicate submitted proposals and make recommendations for funding, the media provides publicity for the KickStart project, the board of trustees approves and allocates funding for winning proposals, and BBL and KBL are the financiers who provide the financial resources for the project and its administration. The stakeholders are mostly internal to KBL with the exception of the judges whose role is limited to the adjudication of proposals and the media, which provide publicity for the project.

The 2007 and 2008 Sechaba Brewery Holdings Corporate Social Responsibility Reports indicate KBL's willingness to bring partners on board, to ensure continuity, and to broaden its recipient base:

KickStart is currently exploring possible partnerships with other financiers and small development organisations. KBL recognises the importance to partner with other institutions, particularly financiers to increase the enrolment of youth in KickStart and development agencies who can bring expertise in areas of working with the youth to make their lives better (2007:21 and 2008:29 Sechaba Brewery Holdings Limited CSR Reports).

This shift in thinking is an acknowledgement that given the sheer numbers of youths who are unemployed and the resources required for KickStart, KBL alone will not be able to make a meaningful contribution to ease the burden of unemployment. It may also mean that KBL realises it lacks the expertise to go alone to address such a huge social problem (Pava & Krausz, 1997). However, subsequent sustainability reports do not verify if partnerships were ever pursued. While mention is made of partnerships with stakeholders and communities, details are not given about who the stakeholders really are and their roles (Nigel & Nikola, 2009; Hohnen & Potts, 2007; Global Reporting Initiative 2000-2006).

The 2011 Sechaba Brewery Holdings Limited Sustainability Report confirms stakeholder engagement:

We have directly developed partnerships and projects with our stakeholders and communities who enhance our ability to operate and enable us, with improved insight and knowledge, to become effective in implementing meaningful programmes for our local community (2011:05 Sechaba Brewery Holdings Limited Sustainability Report).

There is mention of KBL utilising partners' expertise and knowledge to benefit communities. The report, however, does not clearly articulate who these partners and communities are and what roles they play. The researcher wonders why after reporting for two years in a row on seeking financial and development partners, the 2011 report is silent on this important aspect. Could this be because KickStart has been a flagship project that has earned KBL praise? It could be the company wants to continue as the flag bearer in youth empowerment, rather than share the platform with other partners. Companies are challenged to include in their social disclosures who their stakeholders are and how they have made reasonable steps to meet their expectations (Hohnen & Potts, 2007; Belal, 2001 and The Global Reporting Initiative, 2006).

Another respondent who did not identify any specific stakeholders responded that: "It is advisable that KBL partners with other stakeholders on youth economic empowerment initiatives" (Respondent 2).

The respondent suggests a lack of awareness of any other stakeholders in the project and advises that KBL should engage with other external stakeholders to enrich the programme. This view is shared by the third respondent, who claims that,

It does not look like KBL engages with other stakeholders, it is their programme, I am a youth but I have never been engaged. The only time I became aware of KickStart was when there was an invitation for youth to submit proposals for funding (Respondent 3).

These responses cast doubt on the extent to which KBL engages with its stakeholders. The general perception from these respondents is that KBL is running the programme without input from stakeholders. The implication for KBL is that the youth feel their voices are silent on a project that specifically targets them. The question then is; why have a project that is meant for youth and not give them the platform to inform its design and implementation? As recipients and the target audience, the youth can advise on areas for improvement and on key issues they want incorporated. The youth may see KickStart as a project to make KBL look good in the eyes of the community but in which their interests are not accommodated. Firms should map their stakeholders, identify what their interests are, and meet their expectations (Hohnen & Potts, 2007). The CSR Framework (Hohnen & Potts, 2007) and The Global Reporting Initiative (2006) provide opportunities for reviews to pick up on the interests of stakeholders, in this case the youth. The alienation of the youth and lack of appreciation for them, negatively affect the reputation of KBL.

One respondent indicates some form of involvement:

We are indirectly involved through information dissemination; we avail the youth with information on various programmes including KickStart. In some instances we help them complete the forms (Respondent 4).

The respondent acknowledges that their organization does not have a direct working relationship with KBL, but by virtue of working with the youth they provide assistance by giving them information on youth empowerment schemes such as KickStart. They are knowledgeable about youth issues and provide an alternative avenue to reach out to the youth by partnering with KBL to pool resources and expertise. Engaging stakeholders in CSR projects is important; the best corporate reputations are built by helping stakeholders find ways to use a corporation in their own lives (Schreiber, 2008). It is in the best interest of KBL to know its stakeholders and involve them in KickStart. The lack of stakeholder engagement may negatively affect the company's reputation. Stakeholders will play an ambassadorial role and testify to a company's community development efforts.

According to Andriof and Waddock (2002), stakeholders should be assessed against strategic aims namely influence, impact, and alignment; the higher the potential for business success and the higher the business impact, the more important it is to maintain a constructive dialogue. Pava and Krausz (1997), and Jonker and Foster (n.d.) argue that stakeholders must have input and should understand the purpose and goals of CSR programmes, and at least should fit in with overall corporate strategies and culture. The judges play a critical role in ensuring that only the best youth business proposals secure funding, thus maintaining a high project success rate. In addition, the media continuously portrays the KickStart project in a positive light as a private sector project with a high success rate that empowers the youth to start their own businesses.

Collaboration between KBL and youth organisations will ensure mutual understanding of youth problems, the skills base of the youth, their geographic spread and areas that are most affected, the magnitude of the problem, and the extent of available resources, and enable them to identify partnership opportunities to pool resources and synergise efforts to avoid duplication. Pava and Krausz (1997) suggest that business has no expertise to address societal ills; it is the responsibility of other sectors such as government and non-governmental organisations to drive CSR agendas.

The Department of Youth and the Botswana National Youth Council are possible partners for KBL given their understanding of youth issues and involvement in youth issues at both policy and implementation levels. The Department of Youth runs a similar programme and would benefit immensely from collaboration with KBL given the success rate of KickStart. By including them in the development of CSR strategies and considering their role in addressing social issues, KBL will be opening opportunities for collaboration to address youth unemployment on a larger scale. Gubic (2010), Ramiah and Reich (2006), and Kotler and Lee (2005) support the establishment of collaborative efforts between companies and local communities in CSR programmes.

Gubic (2010) proposes a local partner with consistent presence and local knowledge of the community's inner workings; two institutions are better positioned as credible partners. Local partners would have expertise in youth matters and if engaged would make a valuable contribution. Tracey (2005) in Villamiz, Resterepo and Alfaro (n.d.) argues that companies can best manage CSR programmes through collaboration in other words, allowing companies and third sector organisations to develop and implement joint strategies to deal with social problems. Partnerships with other stakeholders will help to identify the extent of the problem, available resources, and opportunities for collaboration.

In reporting on CSR, De Jongh in Freemantle and Rockeney (2004) emphasises that reports should be inclusive with key indicators on what CSR programmes have achieved. For example, Kotler and Lee (2005) on the lessons of Johnson and Johnson's "Campaign for Nursing Future" point out that the company identified key stakeholders who were important to their CSR strategy, and communicated the success of the campaign and the contributions of each stakeholder in the overall success. While companies can operate alone on CSR, it is advisable to collaborate with others, especially government and non-governmental organisations. These institutions are best placed to address societal ills and to add credibility to CSR efforts. They are knowledgeable about youth issues and are an avenue for KBL, given their spread throughout the country. By collaborating with these stakeholders, KBL can also depend on these partners to communicate the success of the KickStart project and gain more credibility.

According to the 2011 Sechaba Brewery Holdings Limited Annual Report, KBL understands that its interests and those of the wider community are interwoven. KBL is an employer, a supplier, and a tax payer, and its success depends on the health and well-being of its communities. Available evidence suggests that KBL stakeholder engagement consists of trustees, judges, the media, and an administrator. KBL utilises all the skills and expertise of the aforementioned to benefit the youth. The 2011 Sustainability Report also alludes to KBL's recognition of the critical role that stakeholders and communities play in partnerships. No detail is, however, given of who the stakeholders are and the roles they play in KBL's CSR programme.

The judges' role is to identify winning proposals that will result in KickStart maintaining its success rate. The media ensures that the positive contributions of the project are well documented through media reviews. KBL and BBL provide funding and guide the successful implementation of the project. The combined effort of these stakeholders has resulted in the success of the KickStart project. The respondents believe that the identified stakeholders share their expertise and add to the success of the project (Mitchell, Agle & Wood, 1997, Pava & Krausz; 1997, and Jonker & Foster, n.d.). However, there is concern expressed by some respondents who feel that they are not directly involved in the KickStart programme although they directly work with the youth.

4.6 KickStart's contribution to KBL's reputation

The literature on CSR suggests that there is a correlation between CSR and organisational reputation. Reputation is a key intangible asset of a firm (Aqueveque & Ravasi, 2006; Hennigfeld, Pohl & Tolhurst, 2006). It is important for the survival of companies and CSR is one of the many ways in which companies can build goodwill and seek approval from society. Boards of directors should concern themselves not only with regulatory frameworks but with industry reputation as well (King Report, 2002). The board should not only include CSR in its agenda but should also ensure that a company constantly appraises itself with reputational issues. The benefit of CSR is enhanced reputation (Moir, 2001).

The main interest of this study was to examine how CSR contributed to KBL's reputation. To this end, one of the main preoccupations of the research was to find out if KickStart was contributing to KBL's reputation. Significantly, information from the KickStart booklet (n.d.: 3) states:

As our flagship sustainable and enterprise development programme, KickStart has delivered first-class results year after year, and made a positive difference to the lives of young people all over Botswana, from entrepreneurs themselves to the people that they employ and the customers they serve – not to mention the families of those who work for the sustainable businesses that are created.

The booklet suggests that KickStart has impacted positively on the lives of the youth in Botswana. It is a source of livelihood for them and those dependent on their businesses for employment. It produces goods and services, has proved to be a good programme that uplifts the lives of many, and has successfully produced sustainable businesses.

According to the Sechaba Brewery Holdings Limited Sustainability Report (2011:22):

The prosperity of our business is closely aligned to the health and wellbeing of our communities and that investment in communities will repay itself in terms of reputation, the commitment of our employees and the loyalty of our customers.

The report stresses that by investing in the well-being of communities, KBL is positioning itself as a reputable company concerned with the status of communities. In return, KBL is assured of loyal customers who will support it to deliver good financial performance to the shareholders. KBL is conscious of the fact that by supporting communities through KickStart it will get favourable responses which enhance its reputation. A happy community will result in a loyal community that buys KBL products and services, thus growing the business. The best CSR programmes integrate company business objectives and reputation objectives (Schreiber, 2008). KBL is conscious that its CSR strategy of investing in communities will yield a positive reputation.

Still in line with the KickStart programme and the impact on KBL's reputation, one respondent opined that:

KickStart enhances KBL reputation. KBL is known as a credible organisation that knows its responsibility to communities. It is there not to exploit the country but rather to develop it (Respondent 1).

From this statement, it is evident that KBL through KickStart is perceived as contributing to the country's development. It is seen as a trustworthy, sincere organisation concerned with the needs of society. It is credible in the eyes of the community because it invests resources to make a difference in the community. A

company that cares about the social issues where it does business is seen as sincere and credible and will be viewed positively. Reputation is a key intangible asset of the firm that helps to create value and which is in part a product of the company's network of relationships (Money & Hillenbrand, 2006).

The above statement is supported by another respondent who states that:

Yes, KickStart contributes to KBL reputation. Through KickStart support, my business was able to raise additional capital through other financial institutions. (Respondent 2)

KBL is a credible and reputable organisation and therefore, financial institutions have confidence in KickStart-funded businesses. They recognise the good track record of the project and are willing to do business with KickStart-aided youth businesses. KickStart boasts an 85% success rate on all the projects it has invested in. Schreiber (2008) argues that a company with a solid reputation is perceived as less risky to do business with. The brand association and the success rate of KickStart have contributed positively to KBL's reputation. Investing in KickStart has raised the profile of KBL because the youth receive much needed capital and mentorship to run successful businesses that contribute to employment creation.

KickStart has given youth projects the opportunity to associate their businesses with the KBL brand: "People know that my business is a product of KBL. They see it as an extension of KBL" (Respondents 3 and 5).

There is a strong link between the support given by KBL and the youth businesses. Another respondent mentioned that the youth who enter the KickStart competition come to him for advice because they know that his business was supported by KBL. Schreiber (2008) argues that best corporate reputations are built by helping stakeholders find ways to use the corporate brand in their own lives.

However, one respondent doubted the contribution of KickStart to KBL's reputation:

KBL is using KickStart for their own selfish interest. Funded projects are documented to highlight this so that in the eyes of the people KBL is a good company. (Respondent 4).

The respondent was of the view that KBL is using KickStart to project a good image, and not necessarily to empower the youth. KBL is merely posturing as a good citizen. He considers these self-serving pretentious efforts in the interest of KBL alone, and not the youth. Is it the case of a company using CSR to sway public perceptions in its favour to improve its public standing? Friedman (2009) reasons that CSR programmes can be planned for companies to gain corporate legitimacy and normality through implementing programmes, policies, and positions which the public sees as mitigating and preventing societal ills. While this respondent is not happy with KBL, his view highlights the KBL strategy that links CSR to corporate reputation. By documenting KickStart projects, KBL is bringing the good work it is doing to the attention of society. In turn society recognises and appreciates the work and goodwill is generated.

There is nothing wrong with reporting on the performance of KickStart. The Global Reporting Initiative (2000-2006) and De Jongh in Freemantle and Rockeney (2004), emphasise that when reporting, a company should place more weight on performance measurements to find out if change has taken place, and give interested parties the opportunity to see how well the firm is meeting its commitments. By documenting KickStart projects, KBL is sharing information on the performance of the projects that have received funding and are supported through KickStart. At the same time, KBL highlights the investments it has made in local communities (Hohnen & Potts, 2007).

KickStart has contributed to KBL's reputation; there is brand association between KBL and the businesses that KBL has funded through KickStart. Some of these businesses have been able to secure additional funding to further expand their businesses. Given KickStart's high success rate, financial institutions have started to have confidence in youth-owned businesses. KickStart has created a platform for the youth to link with financial institutions for additional funding.

4.7 Conclusion

CSR is the ethical behaviour of a company towards society, and management acting responsibly in its relationships with other stakeholders who have legitimate expectations (Moir, 2001). The board and management of KBL, in fulfilling its obligations to society started the KickStart project. Commitment at top level is key (Nigel & Nikola, 2009; King Report, 2009; Hohnen & Potts, 2007; Freemantle & Rockeney, 2004). KickStart is a youth entrepreneurship programme aimed at empowering the youth to either start or expand on their already existing businesses. It was started as a response to the fact that unemployment is a major issue for Botswana; 17.8% of people are unemployed with the youth being the most affected.

KickStart provides the youth with business management training, seed capital, and mentorship. Business training skills are given to all those shortlisted for funding, and those who do not make it are in a better position to either source funding elsewhere or to apply for jobs to realise their dreams. As more youths enter the labour market either as entrepreneurs or employees, social ills such as crime, which may be a result of idleness, are indirectly reduced. By making a positive contribution to the lives of youth, KickStart is enhancing KBL's reputation. KBL's economic responsibility to society is to contribute to the general well-being of communities by creating better living conditions for the youth and their dependents (Caroll, 1999).

The chapter explained that the goal of CSR, at a minimum should fit with the overall strategy of a company (Mitchell, Agle & Wood, 1997; Pava & Krausz, 1997; Jonker & Foster, n.d.). The CSR agenda must be set by the board (Nigel & Nikola, 2009; King Report, 2009; Hohnen & Potts, 2007; Freemantle & Rockeney, 2004) to ensure alignment with corporate strategies. KickStart is one of the 10 priority CSR areas embedded in the corporate strategy to address issues of sustainable development to achieve competitive advantage. The board and management are represented in the board of trustees to approve and oversee the performance of KickStart so that they get value for money in their investments (Nigel & Nikola, 2009; King Report, 2009; Hohnen & Potts, 2007; Freemantle & Rockeney, 2004). Some respondents, believe KBL is concerned more with meeting the interest of the shareholder hence little awareness on the performance of KickStart by other stakeholders.

The findings suggest that stakeholders are involved in projects and their legitimate interests are incorporated into CSR programmes (Nigel & Nikola, 2009; King Report, 2009; Hohnen & Potts, 2007; Freemantle & Rockeney, 2004). Stakeholders are important for the success of any CSR programme. The judges, media, administrators, and trustees play a crucial role in this project. Their contribution to the project has resulted in an 85% success rate for KickStart-funded youth businesses.

Furthermore, the data discussed in this chapter points to the fact that stakeholder perceptions and corporate reputation are recognised as market value drivers (Rensburg & de Beer, 2003). KickStart is the flagship CSR project of KBL. It has delivered first-class results year after year and youth perceptions of KickStart are favourable; they appreciate the project and the business opportunities it brings. There is a clear brand association between KickStart-funded businesses and KBL; people are able to make a link between youth businesses and KBL. Some respondents, however, condemn KBL and consider KickStart a selfish and self-serving project to make KBL appear a good citizen.

The next chapter discusses the conclusions derived from the findings in Chapter 4, the limitations of the research regarding areas that may have impacted on the study, recommendations, guidelines for improving the KickStart project, and areas for further research.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This study is a case study of KBL's KickStart youth entrepreneurship project and the main aim was to ascertain whether this project has contributed to the organisation's reputation. The objectives of the research were to identify the aims / purpose of the project, to find out if KickStart objectives were aligned to Kgalagadi Breweries Limited's organisational goals, to investigate youth perceptions of the KickStart project, to investigate the involvement of stakeholders in the design and implementation of KickStart, to find out if the project has contributed to Kgalagadi Breweries Limited's reputation, and to provide guidelines on how corporate social responsibility can be used to build organisational reputation.

To achieve the main aim of this study the research asked the following questions: What are the aims of the KickStart project? Is KickStart aligned to KBL's goals? What are the youth perceptions of the KickStart project? How are the stakeholders involved in the KickStart project? What is the contribution of the KickStart project to KBL's reputation?

The research was framed around the idea that the corporate social responsibility of major companies is essential for addressing social problems within local communities. The relationship between key stakeholders, namely: the companies and communities, is defined by the extent to which companies engage community members and/or implement programmes that meet the needs and expectations of communities. However, these companies often exclude community members in their CSR programmes or implement programmes that fail to meet the needs and expectations of communities. These practices often impact negatively on the image and reputation of companies.

This research problem suggests that the success of CSR is dependent on involving critical stakeholders, especially government and non-governmental organisations to advise on policy and contribute expertise in finding solutions to social issues in communities. Failure to engage key stakeholders in the formulation of the corporate

social responsibility framework can damage the reputation of companies such as Kgalagadi Breweries. The research question asked if the KickStart project contributed to Kgalagadi Breweries' reputation.

To collect empirical data, a qualitative approach was used. This approach helped the researcher to ascertain whether KickStart has contributed to Kgalagadi Breweries Limited's reputation. A literature review on CSR frameworks such as the responsibilities of business by Carroll (1991), Hohnen and Potts (2007) CSR implementation framework, and theories of CSR, was conducted. A total of sixteen respondents took part in the study; four were interviewed and the rest completed questionnaires.

Carroll's CSR pyramid (Carroll, 1991) laid the foundation by outlining the responsibilities of business, namely economic, legal, ethical, and philanthropic responsibilities. These are intertwined and each one lays the foundation for the other. The theories of CSR such as legitimacy theory, social contract, and stakeholder theory were discussed; they highlight the expectations that society has on business. These theories are interrelated and interdependent. However, stakeholder theory was identified as the key theory for the study. This is because it draws attention to the multiple relationships that businesses enter into with different stakeholders and the fact that failure to manage such relationships can result in the withdrawal of social licence resulting in negative reputation. A company must map its stakeholders, identify their needs, and prioritise them according to three criteria: power, legitimacy and urgency. Managing these relationships will enhance the reputation of the company.

In line with the theoretical conceptions, the study discussed Honen and Potts' (2007) CSR implementation framework and Nigel and Nikola's (2009) CSR commitments which outline the elements of CSR, the steps in the design implementation, the importance of the chief executive to set the CSR agenda, and the evaluation of CSR programmes which includes social disclosures to enhance credibility and transparency thus enhancing the company's reputation. CSR must be led from the top. A critical factor in the literature review is that stakeholder engagement is obligatory in CSR programming and that CSR is an issue that needs to be discussed at board levels.

Firms should design and implement CSR programmes to show their commitment and responsiveness to social issues in communities where they do business regardless of whether they are responsible for particular situations (Pava & Krausz, 1997). The youth who are the beneficiaries of the project rate KickStart as a good project. The financial support, coaching, and imparting of business management skills have led to the success of the project. KickStart supports existing youth businesses through capital injection and mentorship, to expand.

The study's main preoccupation was the causal relationship between CSR and reputation. In analysing the data from interviews and document analysis, focus was on the aims and objectives of the project, namely: the aims of KickStart and alignment to organisational goals, youth perceptions, reputation, and stakeholder engagement, as key themes to draw links between CSR and reputation.

5.2 Limitations of the research

The researcher was hampered by the following circumstances. While permission had initially been given to interview the management of KBL, the decision was rescinded when the researcher was ready to collect data. Only one manager was made available because of the sensitivity of the topic even though there had been a confidentiality agreement. The perspectives of other managers, especially the chief executive and members of the board, would have enhanced the interviews and showed KBL's commitment to discussing CSR at a strategic level.

A limited budget at the disposal of the researcher restricted the selection of respondents to within the Gaborone region, and necessitated conducting telephonic interviews with participants outside Gaborone. Since this is a mini-thesis, the research limited itself to one of the 10 priority CSI areas of KBL, namely: the KickStart project. An investigation of the entire CSI scope of KBL would have contributed immensely to the data-base to draw conclusions about links between CSR and reputation.

The study cannot be generalised, but affords other researchers and students with interest in CSR discipline an opportunity to research and understand CSR practice in Botswana. Given the dearth of research in the country in the area of CSR, public relations practitioners will benefit from the CSR framework provided to identify the critical steps necessary to implement a successful CSR programme that will benefit communities.

5.3 Key conclusions

Following the analysis of the data collected, the following conclusions were made: the aims of the KickStart project is to empower the youth through seed capital, mentorship, and business management coaching to start and manage sustainable projects that would create employment opportunities for them and others. The project contributes to the economic growth of the country not only by creating a demand for labour but also by producing goods and services for the market. Unemployment is a major challenge facing the country and KickStart addresses this by imparting entrepreneurship skills and capital to support government efforts in creating employment for the youth who account for 17.8% of the unemployed. By addressing youth employment through KickStart, KBL is delivering on its societal obligations. An issue emerging from the study is that some youth decry the lack of support from KBL which sources products and services from competitors, instead of using KickStart-funded companies. This lack of support, they felt makes it difficult for them to make a breakthrough into large corporates. However, others registered happiness with the project.

KickStart is one of the 10 priority CSR programmes of KBL, embedded in the company's corporate strategies. It is KBL's flagship youth empowerment initiative, integrated into its broader corporate strategy, and aimed at addressing long-term sustainable solutions to unemployment. The project is led from the top by a board of trustees which has representation from the board of directors and the chief executive is a member. KickStart's objectives are aligned to KBL's organisational goals. Commitment from the board and the chief executive ensures that as a flagship programme the project is well managed and successful. Those who have benefited can attest in the affirmative its impact on their lives, with a few exceptions lamenting

failure to venture into larger businesses. Goodwill and positive reviews have impacted positively on KBL as a business.

The KickStart project has greatly impacted KBL's commitment to sustainability by ensuring that KBL fulfils its social and economic obligations to communities. Through KickStart the community's lives have improved through job creation, giving those employed economic power to buy goods and services for themselves and their families. From a social perspective KBL is recognised as a good corporate citizen that has the interests of communities at heart, that prioritises societal needs and improves general quality of people's lives (Nigel & Nikola, 2009; Hohnen and Potts, 2007; Moir, 2001).

The youth who are beneficiaries perceive KickStart to be a good programme that empowers them to realise their dreams. They praise KickStart for providing them with capital, mentorship, and business skills to successfully manage their own businesses. The project, according to a KBL sustainability report, enjoys an 85% success rate and is currently a leading youth entrepreneurship development initiative in the private sector in Botswana. Some youth businesses located in business areas or shopping malls seem to be doing well. Customers are coming in to use their services. Some businesses are operated from home to cut down on overhead costs for rent and utilities, which are higher in business centres. Some of these businesses seemed to be doing well; one respondent operating from home was busy packaging items for customers and taking orders. Another business whose services are mostly required over weekends did not seem busy as no customers were observed. On enquiry the owner said the business was doing well. There is a brand association between youth businesses and KBL as the sponsor through KickStart (Schreiber, 2008).

Stakeholders play an important role in CSR programming: Kgalagadi Beverages Trust as the KickStart financier ensures funding availability, the administrator implements and monitors the project performance, the judges carefully select the best business ideas for funding to minimise failure rates, the trustees approve funding for the winning proposals and make certain that there is proper management of the project through an administrator. The media continuously gives positive reviews about the project. The success of KickStart can be attributed to the efforts of

these stakeholders. Some respondents criticise the lack of community participation. Reputation is a key intangible asset of a firm that helps to create value and which is in part a product of the company's network of relationships (Money & Hillenbrand, 2006).

The youth feel they should be consulted to give input in the programme; it is after all about them and they want to be part of the planning. Some respondents point out that while they do not have formal relationships with KBL they assist the youth to complete their proposals for funding from KickStart, yet they are left out. Identifying stakeholders who can add value to the project, KBL will be able to source more funding and get expertise from those qualified to address social problems. There is a need for KBL to review its stakeholder engagement to bring on board those who are important to the project such as the youth themselves, youth organisations and other partners who can contribute financially to grow the project and support more youth. In reporting, KBL should clearly articulate the role of these players and the impact they have on the success of the project (Gubic, 2010; Nigel & Nikola, 2009; Hohnen & Potts, 2007; Global Reporting Initiative 2000-2006; Andriof & Waddock, 2002; Moir, 2001; Pava & Krausz, 1997; Jonker & Foster, n.d.).

KickStart has contributed to KBL's reputation. The project is seen as contributing to the economy of the country through job creation and the production of goods and services. The project uplifts youth's lives by opening up job opportunities to them and they are able to support their families. Financial service providers were keen to provide additional funding to youth businesses because of the good reputation and success of the project which stands at 85%. Positive media coverage over the years, astute management under the guidance of the board and trustees, and alignment to organisational goals have resulted in the success of the project. KBL has met its obligations to society by being responsive and committing resources to the KickStart project, endearing themselves to the youth. The main question for the research was if KickStart has contributed to Kgalagadi Breweries Limited's reputation. The findings suggest that there is a correlation between CSR and reputation.

Furthermore, the findings and literature review show that that the role of stakeholders is important in CSR programming and implementation. Organisations should clearly articulate who their stakeholders are and involve them, particularly government and non-governmental organisations which are best placed to address social issues.

5.4 Recommendations

KBL has identified unemployment as a major issue for government and it makes sense for it to partner with government through the Department of Youth and BNYC to dialogue about the extent of the problem, find out what efforts are already in place, and collaborate to find meaningful ways to address the problem. The latter two organisations are policy makers and have in-depth knowledge of youth issues. Collaborative efforts and partnerships would mean that more youth can be enrolled in the KickStart project and empowered to start sustainable businesses compared to only three to five beneficiaries annually under the current arrangement. This would also contribute positively to the reputation of KBL as these organisations will share information with their stakeholders about KBL's contribution to youth empowerment through KickStart.

Collaborating with financial companies and development partners to tap into their resources and expertise is advisable to enrol more youth in the project. Other respondents indicated that while they do not have a formal relationship with KBL, they provide assistance to the youth to complete proposals and submit them for funding from KickStart.

The study shows that the aim of a CSR programme should be clearly articulated. CSR objectives should be aligned to an organisation's goals for effective performance monitoring. Stakeholders are critical and their roles should be clearly outlined. The right stakeholders should be identified on the basis of the roles they can play in the project and on the basis of their expertise. CSR is a driver for reputation, hence the need to engage other stakeholders who can play advocacy roles and promote the project.

Following the findings of the research, the researcher recommends Nigel and Nikola's (2009) key elements in CSR and Hohnen and Potts' (2007) CSR framework guideline as tools to help KBL identify and map its key stakeholders, the issues to be addressed, and the management of stakeholder expectations in their KickStart project. While available evidence suggests stakeholder engagement, the researcher believes that KBL can benefit more from partnering with the BNYC and the Department of Youth who are policy makers and well grounded in issues that affect the youth. To expand KickStart to accommodate more youth into the project through stakeholder engagement, KBL should identify partners willing to invest financially in the project.

Stakeholder engagement is a key element in CSR and will help the company incorporate the interests and expectations of concerned stakeholders as well as build synergies. Hohnen and Potts (2007) CSR framework gives a comprehensive guideline on the role of stakeholders and explains the processes that need to be followed from conception to implementation and review. By following this guideline, KBL will strengthen its stakeholder engagement process and gain more credibility. In addition to the media, KBL will have other stakeholders communicating the success of the project. There is more that KBL can do to strengthen KickStart, and the CSR implementation framework is recommended to make a thorough analysis.

5.5 Areas for further research

Further research is recommended to investigate the state of corporate responsibility in Botswana. An understanding of CSR practice in Botswana is important to review the current level of practice and how CSR programmes impact communities where corporations do business. Currently, it is not easy to quantify the total investments made by corporates and their impact.

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APPENDICES

APPENDIX A: LETTER TO PARTICIPANTS

Researcher: Lame Ramokate
Address: P.O Box 202276 Gaborone
Telephone: +267 72859230
Email: lramokate@yahoo.com

I am a Motswana Master's Degree student at the Cape Peninsula University of Technology in South Africa. As part of the requirements for the Master's Degree in Public Relations Management, I need to conduct a mini-thesis on the study "The Contribution of Corporate Social Responsibility to Organisational Reputation – Case Study of Kgalagadi Breweries in Botswana".

I write to request you to take part in the research at a date and time to be agreed with yourself. You have been selected to participate in the research given your position in the company and the knowledge you have about the project. The aim of the interview is to get your views on the subject and the information you provide will be treated with utmost confidentiality. You will not be identified in any document. Your participation in the research will assist in the growth of corporate social responsibility practice in Botswana and my own professional development.

I look forward to a positive response.

Lame Ramokate

Researcher

Consent Form

I ----- agree to participate in this research.

Date

Signature

APPENDIX B: QUESTIONNAIRE FOR KBL / BBL MANAGEMENT

Instructions for completion

Kindly respond to the questions to the best of your ability.

Section 1: Biographical data

Section 2: Interview Questions to KBL Management

Section 1

Biographical Data

Surname:

Name:

Position:

Gender:

Highest Academic Qualification:

Email Address:

Section 2

Interview Questions

1. Is your corporate social investment strategy aligned to the corporation's strategy?
If yes, discuss how?

2. What are the aims of the Kick Start project?

3. What are the benefits of the Kick Start project to the organisation?

4. How do you communicate the project to enrol the youth?

5. What are the benefits of the project to the youth?

6. Who are the key stakeholders in the project?

7. What is the contribution of each stakeholder in the project?

8. How do you report on the project and to whom?

9. Are employees of KBL / BBL involved in the project? If yes, how?

10. How is the project evaluated?

APPENDIX C: QUESTIONNAIRE FOR STAKEHOLDERS

Instructions for completion

Kindly respond to the questions to the best of your ability.

Section 1: Biographical data

Section 2: Interview Questions for stakeholders

Section 1

Biographical Data

Surname:

Name:

Position:

Gender:

Highest Academic Qualification:

Email Address:

Section 2

Interview Questions

1. Are you aware of the KBL KickStart project?

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2. What are the aims of the KickStart project?

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3. Are the KickStart project objectives aligned to KBL's corporate strategy?

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4. a) Is your organisation involved in the project? If yes, how?

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4. b) If not, what would be your organisation's contribution to the project?

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4. c) If yes, what are the areas of collaboration with KBL?

4.d) If you collaborate with KBL, do you receive performance reports on the project?

4. How can more youth be involved in the project?

5. In your view does the KickStart project enhance KBL's reputation?

6. If yes to the above question, how?

APPENDIX D: QUESTIONNAIRE FOR YOUTH WHO BENEFITTED FROM KICKSTART

Instructions for completion

Kindly respond to the questions to the best of your ability.

Section 1: Biographical data

Section 2: Interview questions to youth who benefitted from the project

Section 1

Biographical Data

Surname:

Name:

Position:

Gender:

Highest Academic Qualification:

Email Address:

Section 2

Interview Questions

1. How did you become aware of the Kick Start project?

2. Are the KickStart objectives aligned to KBL's corporate strategy?

3. What motivated you to enter the competition?

4. What are the aims of KickStart?

5. What have you benefitted from the KickStart project?

6. What are your business's strategic objectives for growth?

7. Are they aligned to the strategic objectives of the KickStart project?

8. If yes, how often is the business performance evaluated?

10. How does your business enhance the reputation of KBL?

10. Is there anything else that KBL can do to involve more youth in the project?

APPENDIX E: QUESTIONNAIRE FOR YOUTH WHO HAVE NOT BENEFITTED FROM KICKSTART

Kindly respond to the questions to the best of your ability.

Section 1: Biographical data

Section 2: Interview questions to youth who have not benefitted from the project

Section 1

Biographical Data

Surname:

Name:

Position:

Gender:

Highest Academic Qualification:

Email Address:

Section 2

Interview Questions

1. Are you aware of the Kgalagadi Breweries Limited KickStart project?

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2. Are the KickStart objectives aligned to KBL's corporate strategy?

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3. If yes, did you enter the competition?

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4. If no, had you known about the sponsorship would you have applied?

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5. In your view what are the aims of the KickStart project?

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6. You have benefited from government funding to start your business, would you be interested in the KBL sponsorship?

7. If yes, why?

8. If no, why?

9. Do you think the KickStart project is contributing to KBL's reputation?

APPENDIX F: Interview Script

Biographical Data

Surname:

Name:

Position:

Gender:

Highest Academic Qualification:

Email Address:

Interview

Researcher: Good morning and thank you for agreeing to do the interview.

Respondent: My pleasure, it is of benefit to you and KBL.

Researcher: First let me explain the consent form to you, you can accept or decline the interview. (Consent Form read to respondent). Are you agreeing to the interview, can we proceed?

Respondent: It's okay we can proceed.

Researcher: How did you become aware of the Kick Start project?

Respondent: I saw an advert in the newspapers inviting youth with business ideas, aged up to 30 years to submit proposals for funding from KBL. I collected the application form, completed and submitted.

Researcher: What happened after submitting the application form?

Respondent: I received a phone call inviting me for an interview. A total of 30 youth were selected and we went through another round of interviews and the remaining 15 youth went through business management training. After this training, we had to resubmit our proposals with a detailed business plan. After this, the top 5 were called and I was among this group and I was selected for funding.

Researcher: How much were you given?

Respondent: A total of P 96 500, which is what, I had applied for.

Researcher: What is your business?

Respondent: I breed small stock, mostly goats.

Researcher: How is the business doing?

Respondent: The business is doing well. I supply other youth who are interested in small stock rearing. Small stock management is not too rigorous. Besides I am the only goat breeder in the area and there are people interested in buying from me.

Researcher: Back to KickStart, what is your understanding of the aim of KickStart?

Respondent: I understand KickStart as an initiative that funds youth businesses.

Researcher: What have you benefitted from KickStart?

Respondent: The project seeks to empower the youth by giving them seed capital to start their own businesses and address many issues like unemployment, lack of jobs and poverty. The company's desire is to see a very prosperous Botswana in which its people are given the opportunities to be the best they can be. Secondly, it has kept my dream to be a breeder alive.

Researcher: As a young person what are your perceptions about KickStart?

Respondent: It is a good project. It has kept my dreams alive to be a breeder.

Researcher: Having been funded through KickStart, do you see your business enhancing the reputation of KBL?

Respondent: People know that my business is a product of KBL. They see it as an extension of KBL. Like KBL I hope to make a contribution to help people in my community just like KBL.

Researcher: Thank you for your time, should I need additional information I will call you again. Have a great day.

Respondent: Thank you, I am available to assist.