



trialogue

# BUSINESS IN SOCIETY HANDBOOK 2019





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## About the book

Twenty-five years into democracy South Africa remains the most unequal country in the world, with unparalleled levels of income inequality and unequal access to opportunities and essential public services. *The Trialogue Business in Society Handbook 2019* explores the role that business can play in helping to address this gaping socioeconomic divide. Beyond financial investment, how can companies ensure that they are responsive to the most pervasive needs of our time, and contribute to systemic shifts towards greater inclusion and equity?

COVER IMAGE:  
Hout Bay / Imizamo Yethu, Cape Town, 2018  
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### 1 Chapter one: **LOCAL APPROACHES TO CORPORATE GIVING**

The most noteworthy results from Trialogue's 2019 research into spending patterns and approaches to corporate social investment (CSI).

### 2 Chapter two: **STRATEGIC THINKING**

The parameters and overlaps of responsible business concepts; criteria applied to determine strategic CSI and a profile on the winner of Trialogue's Strategic CSI Award 2019; and how investing in quality research can support system improvements in education.

### 3 Chapter three: **CORPORATE PRACTICE**

In-depth profiles of select companies' CSI strategies, approaches to and lessons in development.

### 4 Chapter four: **FEATURES**

Articles on the role that business must play in helping to address key socioeconomic issues, including improving school performance by supporting accountability structures, unlocking employment opportunities for South Africa's youth, strengthening the functioning of municipalities, and helping to address the country's high rates of violence.

### 5 Chapter five: **GLOBAL PERSPECTIVES**

Triologue is the southern Africa local authority for a global network of responsible business and social development-focused organisations, called the Global Exchange. This chapter includes insight from the Global Exchange network, including a comparison of philanthropy in the world's five largest emerging economies: Brazil, Russia, India, China and South Africa; local CSI tracked against international corporate giving trends; and an article on corporate responses to climate change and related disasters.

### 6 Chapter six: **DEVELOPMENT SECTORS**

An overview of the national context, fiscal and CSI support, as well as highlights of the disparities – mainly based on income inequality – in 12 development sectors.

### **NPO DIRECTORY**

An overview of non-profit income in South Africa; criteria applied to determine good monitoring and evaluation practices and profiles on the winners of the MTN Awards for Social Change 2019; a look at how RLabs is working to reconstruct communities through innovation, technology and education; and listings of non-profit organisations working across various development sectors.

### **VIEWPOINTS**

Expert opinions on topical issues, ranging from how companies are responding to the Sustainable Development Goals, to how to mainstream disability in CSI programming.



The publisher

## The Dialogue Business in Society Handbook 2019 (22nd edition)

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## Sponsors

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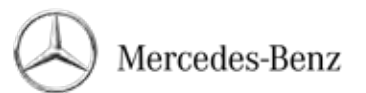
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## CRAFTING COMMUNITIES

From our much-loved ciders to our acclaimed spirits, we craft extraordinary products and brands - all of which wouldn't be possible without our extraordinary people and the extraordinary communities that they are a part of.

It's for this reason that we proudly support several CSI interventions that focus on tomorrow's issues today, whether it's creating sustainable communities, enterprise initiatives or reducing the harmful effects of alcohol abuse.

For us, the most rewarding investments are the ones that improve lives. Through our efforts, we remain committed to empowering our communities, inspiring future generations and crafting a better future for thousands of South Africans.



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## Guest foreword



### Business cannot continue to be an island of prosperity in a sea of poverty

The World Bank's Gini index scores South Africa at 63.4, making ours the most unequal society in the world. Inequality is our biggest and most malicious ticking time bomb and, if it continues, those of us categorised as the 'haves' of our society will not remain unaffected by the 'have-nots'. Therefore, striving for an optimal economic structure, where we have a strong and growing middle class, is where we should be leaning, because it is the middle class that sustains economies, not the rich.

Our first strategic pillar at Business Leadership South Africa (BLSA) is inclusive socioeconomic growth and transformation. We aim to grow the number of our member companies, who, in turn, create jobs that improve the lives of employees and their families as well as communities and, ultimately, bring about transformation. The transformation we seek is social and economic, and includes a moral capacity that starts with the probity of our leaders in government, business, labour and civil society. Of course, the role of transformation does not solely rest on the shoulders of business and business is not exclusively to blame for the evils of our history and the disappointment of the present. However, to change our trajectory and grow the economy, business needs to provide leadership for this current time; we need to chart the course towards achieving inclusive socioeconomic growth and transformation, and to advocate strongly for the right policy direction to attract suitable investment into growing the country.

As the CEO of BLSA, I am concerned about there being a conducive environment for business to operate in. Some economists in South Africa have termed this period as the worst post-apartheid economic crisis and for the first time in 10 years, during 2018, we entered a technical recession; our economy has not grown by more than 2% since 2013 and is only projected to grow by 0.5% during 2019. As business, we need to respond with interventions and programmes that create a different climate than we are currently in.

Currently, unemployment is at an all-time high of 38.5% in terms of the expanded definition, with more people unemployed than employed in all the provinces except for Gauteng and the Western Cape. Equally troubling, youth unemployment is at 56.4%. As a nation we offer limited protection through social grants to young people up to the age of 18 and again to people 65 years and older but nothing for those who are not employed in their economically active years. We may need to think creatively about incentivising the missing middle to engage in and benefit from social and community work.

The continuing inequality undermines social stability and pushes us further to the brink of collapse as a country. Our debt-to-GDP ratio is at its highest at 56% and set to settle at 70% in the next three to four years. Comparatively, Zambia's debt levels are at 66% of its GDP and the International Monetary Fund is getting ready to intervene; how far do you think South Africa is from that intervention?

This is our crisis as much as it is government's and the lack of action on our part is complicity. Leadership is first and foremost about having a compelling and long-term vision as well as strong ethics. If we continue to stay out of the political, economic, environmental and strategic issues, and leave the government to its own devices, we are silently saying that these things don't affect us, which is incredibly short-sighted. Change must happen as a matter of urgency and it ought to be holistic and inclusive.

As business, we cannot continue to be an island of prosperity in a sea of poverty because business can only prosper in a prosperous society. If we agree with this assertion, then the perpetuation of inequality is a recipe for disaster, and it can therefore no longer be business as usual for us.

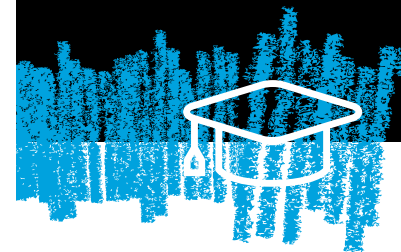
I want to congratulate Dialogue on this 22nd edition of the Handbook which, too, challenges business as usual and compels us to respond to inequality holistically, together.

**Busisiwe Mavuso**

CEO of Business Leadership South Africa

The transformation we seek is social and economic, and includes a moral capacity that starts with the probity of our leaders in government, business, labour and civil society ... to change our trajectory and grow the economy, business needs to provide leadership for this current time; we need to chart the course towards achieving inclusive socioeconomic growth and transformation, and to advocate strongly for the right policy direction to attract suitable investment into growing the country.

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## From the editor



### Time to hear new voices and value diverse experiences

In this 22nd edition of the Handbook (the fifth that I've had the privilege of working on), we explore the role that business can play in helping to address South Africa's gaping socioeconomic divide and, beyond financial investment, how companies can contribute to greater inclusion and equity. This is a deeply personal edition for me. I attended under-resourced schools and had to scramble to keep pace by the time I reached the University of Cape Town. I didn't realise then the extent to which privilege – or the lack thereof – taints experience. Today, I cherish my early experiences as a unique lens through which to understand development – and the world. And it is my hope that all youth in South Africa are able to thread their way through whatever circumstances they may have to contend with, to contribute to the progress of our complicated contradiction of a country.

Our country that, 25 years into democracy, is the most unequal society in the world, with the richest 10% of the population holding around 71% of net wealth, while the bottom 60% of earners hold just 7% of net wealth. The stark contrast between how the 'haves' and 'have-nots' experience South Africa pervades every aspect of society. People who can afford private education for their children, private healthcare for their loved ones and private security to protect their homes and businesses cannot fully understand the dire circumstances in which disenfranchised communities are expected to survive – a binary depicted across various development sectors in chapter six (pages 180–211).

This lack of understanding about how the 'other half' or, in this case, the other 90% live is deeply problematic for both sides. As the masses grow increasingly discontent – and public protest and crime rates climb – the privileged few must recognise that the centre will not hold with the status quo. In *Addressing violence: Whose business is it anyway?* (pages 154–158), the authors provide a situational analysis of violence and trauma as it relates to business in South Africa, as well as recommendations for how companies can help to address violence. Importantly, the article says that, instead of placing expectations of resilience on the communities that are suffering, what is needed is resilience of funders, government and business in the task of supporting long-term, gradual, positive change toward the society that we need to create.

Increasingly, we are acknowledging that charity is not the solution; in order to realise real and lasting development, all members of society must recognise their interdependence and contribute to systemic change. We know that quality education is a cornerstone of true transformation. The sector continues to receive the most corporate support, with 94% of companies investing in, and 50% of corporate social investment (CSI) expenditure going to education in 2019 (see *Overview of 2019 CSI research* on pages 30–57). In every edition of the Handbook we interrogate how this investment can translate into improved outcomes. This year, education experts share insights on two fundamental ingredients needed to reform the sector: quality research and accountability (see *Supporting system improvements in education by bolstering research efforts* on pages 92–97 and *Greater accountability for improved school performance* on pages 132–136).

When people who have only known varying degrees of privilege hold the power to make funding decisions that impact people with completely different realities, there are going to be blind spots in developmental programming. We are in an emergency – locally and globally, socioeconomically and environmentally – and collaboration is essential. But as essential is the need to meet one another where we are, with what we have – whether it be the financial resources to support a cause or the invaluable insight of lived experience and resilience.

I want to thank my dear colleagues who have helped to realise this 22nd edition of the Handbook. In particular, Khumo Ntoane and Ruendree Govinder for poring over difficult concepts with me and helping to shape the overall feel of this book, and my directors, Nick Rockey and Cathy Duff, who give the team the space and support to leverage Dialogue's knowledge-sharing platforms to ignite challenging conversations, with business's role at the forefront. Sincere thanks also go to our advertisers, research respondents and expert contributors.

I hope that you will find this edition useful and thought-provoking and welcome all feedback.

**Zyaan Davids Anter**  
zdavids@dialogue.co.za

The time has come for those who have always held the mic to pass it to the back of the room, so that historically muted voices can be amplified to help articulate the way forward. Implementing partners must join companies in their boardrooms and companies must join non-profits in the communities that they serve, to lift the veil that has held skewed power in place.



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## From the photographer



### ***Unequal Scenes* provokes conversations about race, power and money**

From the minute I landed in Cape Town in 2012, I was aware that wealth inequality was a huge problem in South Africa. As a foreigner, I suppose I may have been keenly aware of what seemed out of place, of how the city looked different to the other ones I had seen up to that point in my life. Often this is the blessing that the traveler has when seeing new places for the first time.

As a photographer, it is my job to recreate that awareness through visual media and, in 2016, the *Unequal Scenes* project was born. I decided to take a photo of Masiphumelele and Lake Michelle in Cape Town and posted the photos to my Facebook page. They immediately went viral and, overnight, I was thrust into conversations about race, power and money that convulse South African social media every day. Who was I to show these photos and give the country a bad name? Why wasn't I talking about the politics? What was I doing personally to end inequality? Wasn't I a hypocrite?

These questions and more poured onto my social media feeds and into my email inbox. In a little less than a month I was being interviewed by international media, offered fellowships to study inequality, and was being celebrated by deputy ministers. I was also being trolled on Twitter and shunned by some of my 'friends' on social media. In short, the photographs had touched a very, very raw nerve. The combination of drone technology that was used to take the photographs, the composition of the images, the viral nature of social media and the stark subject matter created a perfect storm. *Unequal Scenes* has gone on to become the world's most recognisable photo series on inequality. Except that *Unequal Scenes* is more than a photo series.

I have witnessed conversations – real, honest, authentic conversations – taking place around the photos. I have seen the policies, books, papers and presentations that have been inspired by them. I have spoken to thousands of people who had never understood what inequality 'looked like' before seeing the images and reached tens of millions more through media impressions. People still ask me what I am doing to end inequality – but what more can a photographer do than to represent something honestly, authentically and have it reproduced in front of the world as an audience?

Inequality is a systemic, entrenched issue of oppression. Its causes and potential solutions are the debate of much historical, political, economic and philosophical study and nuance. It is a much more complicated policy issue than, for example, the climate debate – because what does ending inequality look like, exactly? Should we all make exactly the same amount of money? Should we all live in the same tin shacks we see in my photos? Should the rich voluntarily give away all of their wealth, or should we take it from them by force?

While facetious, these examples have been asked of me many times and reflect the confused narrative that inequality activists grapple with every day. It is my intention with this photo series to provoke a debate that will help clarify this narrative. I believe we are entering a new era of community organisation, labor rights and collective justice, and that a spectrum of actors is mobilising to confront those in power and raise issues of social justice. These actors need reference materials, visual aids, and a platform from which to organise and help others acknowledge the scale of the problem. This is what I intend to do with *Unequal Scenes* as it enters its third year. New technology, such as drones, viral media and community journalism can aid this process. *Unequal Scenes* has a website, a robust social media following and a community of hundreds of activists, students and educators, businesses and governments who support the idea of talking frankly about equality, money and power.

Every photographer dreams of having something valuable to say, of being able to say it authentically, and of having people listen. *Unequal Scenes* is a call to action, art and even photojournalism, but it is also a deeply personal body of work that reflects my issues with identity and power that I reflect on constantly. I'm proud of the successes I have had in the past three years, but also look forward to a lifetime of engagement with this project and with the issue of ending extreme inequality.

**Johnny Miller**

johnny@millefoto.com | <http://www.millefoto.com>

Images from *Unequal Scenes* are featured throughout this edition of the Handbook.

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## Corporate research respondents

Dialogue thanks the following companies for their participation in the 2019 primary research.

Absa	Hollard	Tiger Brands
ACSA	IDC	Tiso Trust
Adcock Ingram	Illovo Sugar	Transnet Ports Authority
Adcorp	Imperial Logistics	Volkswagen South Africa
AECI	Investec	Woolworths
Afric Oil	Italtile and Ceramic Foundation	Yum! Brands – KFC
African Bank	JSE	
AfriSam	Land Bank	
Alexander Forbes	Liberty Group	
Anglo American Chairman's Fund	Massmart	
Armscor	Momentum Metropolitan Holdings	
Aspen Pharmacare	Mondi Group SA	
AVI – National Brands	Mr Price Group	
Avis Budget	MTN SA Foundation	
Barloworld	Nedbank Limited	
Blue Label Telecoms	Netcare	
Capespan	Oceana Group	
Capitec Bank	Parmalat	
Clicks	Pick n Pay	
Clientèle	Pick n Pay Foundation	
Clover Mama Afrika Trust	Pioneer Foods	
Coronation	PPC	
Daimler Chrysler (MBSA)	RCL Foods	
Datatec	SA Sugar Association	
De Beers	Sanlam Foundation	
Denel	Santam	
Deutsche Bank	South African Post Office	
Dimension Data	Sappi	
Discovery	Sasol	
Distell Limited	Shell	
Engen	Shoprite Group of Companies	
EOH	Spier Wine Estate	
Exxaro	Standard Bank	
Goldfields	Stefanutti Stocks	
Grandwest Casino and Entertainment World	Ster-Kinekor	
HCI Foundation	Telkom	
	The Spar Group	

### Lucky draw winner

Respondents were entered into a lucky draw upon completion of the corporate research questionnaire. Congratulations to the winner, Avis Budget. Read more about this organisation in their complimentary feature on page 207.

**AVIS**

## NURTURING THE POTENTIAL OF FUTURE PROFESSIONALS

Success is best when it's shared, that is why the PPS Foundation partners with like-minded individuals and institutes to identify potential in school-leavers and students, and provides them with the necessary tools and support for their tertiary studies.

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## NPO research respondents

Dialogue thanks the following non-profit organisations for their participation in the 2019 primary research.

100% Foundation	Friends of Vista Nova	Lochvaal Emfuleni Welfare
Abraham Kriel Bambanani	Gay and Lesbian Network	Love Your Nuts Foundation
Action for Blind and Disabled Children	Get Informed Youth Development Centre	Lusemanzi Early Childhood Development Centre
Africa Food for Thought	GirlCode	Luv Your Ears Foundation
African Angels Trust	Grassroots Edge	Masiphumelele Corporation
Ambassadors4Change	Great Girls	Men's Foundation of South Africa
Arkwork for Art	Greyton Farm Animal Sanctuary	Mosamaria AIDS Ministry
Baby Hope House	H18 Foundation	Mother Touch Academy
Book Dash	Hands of Honour	Msunduzi Hospice Association
Border Hospice Association	Hands of Love	National Mentorship Movement
Botshabelo	HeartBeat Clowns	Ncinci Ones Montessori
BRC	help2read	National Institute for the Deaf
Bright Eyes Trust	HOPE	Northcliff Primary School
Cape Town Association for the Physically Disabled	Hope Warriors Children's Charity	Ntlangaza Strim Youth Development
Carel du Toit Trust	i4118 Foundation	ORT South Africa
Caring for Orphans in Rural Areas	iKhaya le Themba Project	Outreach Foundation
Catholic Community Service	Inala Mental Health Foundation	Park Care 24/7 Specialised Frailcare Nursing Centre
CEEP	INMED South Africa	People Against Substance Abuse
Centre for the Advancement of Science and Mathematics Education	Isandla Institute	Personal Concept Project for Soweto Children
Centre for the Study of Violence and Reconciliation	Jala Peo Foundation	Phakama Youth Development Projects
Child Care South Africa	Jika Uluntu	Phelang LGBT Organisation
Childline Gauteng	Jikani	Pikkewyntjies/Penguinkidz Preprimary School
Congregational Church Meals on Wheels	Jo'burg Child Welfare	Play at Heart
Differently Abled Cricket Club	Johannesburg Council for People with Disabilities	Positive Flames South Africa
Dinaledi Educational Coaching	John Wesly Child Care Centre	Poverty Stoplight Office (SA)
DOCKDA Rural Development Agency	Just Grace	Project 90 by 2030
Eagle's Nest Ministries	Kids Haven	Project Empower
Empowervate Trust	Kutullo Stimulation and Day Care Centre	Project Gateway
Environmentoriz	Kwaphenduka Projects	Raithuta Child Educare Centre
Faded Black Innovations	La Leche League South Africa	Rare Diseases South Africa
Feed the Babies Fund	Lambano Sanctuary	Resthaven Ministries
Foundation for Children with Hearing Loss in SA	Lejwe La Thuso Foundation	Ripple Reading
	Life 4 U Foundation	
	Little Fighters Cancer Trust	

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## NPO research respondents (continued)

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 South African Education Project  
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 The Bethany House Trust  
 The Heartlines Centre  
 The Lebanon ARROHHH  
 The Marian Rose Foundation  
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 The Power of One  
 The Restore Trust – Breath of Life  
 The Retrade Project  
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 True North Consulting  
 Turfhall Cheshire Home  
 Turning Point Community Development Solutions  
 Ubuntu Addiction Community Trust  
 Ubuntu Community Chest  
 Ukukhanya  
 Umthombo Wempilo  
 Unjani Clinics  
 Uplands Outreach  
 Viva Foundation of South Africa

Vuka Skhokho: The Jermaine Lungile Schmidt Rehabilitation Programme  
 Western Cape Association for Persons with Disabilities  
 Western Cape Network on Disability  
 Western Cape Primary Science Programme  
 Wheel Well  
 XXY 47  
 Ya Bana Village  
 Zamukwakha Independent Counselling and Advisory Services  
 Zip Zap Circus School Trust

### Lucky draw winner

Respondents were entered into a lucky draw upon completion of the NPO research questionnaire. Congratulations to the winner, Sizani Foundation. Read more about this organisation in their complimentary feature on page 211.



# PERFORMANCE STATEMENT BY THE GM

**It remains evident from the Rand Water Foundation's (RWF) 2018/19 performance that the projects we implement not only improve but empower communities, and sustain livelihoods in line with the 2030 National Development Plan and Global Sustainable Development Agenda.**

In the 18 years since the establishment of the RWF in 2001 we have operated according to our mandate and shareholder compact as agreed upon with Rand Water. We have been promoting delivery of water-related services to communities in the areas falling within and outside Rand Water's area of supply. During 2018/19 we implemented 106 sustainable projects, creating 2 632 jobs in local communities. We have accomplished our objectives of ensuring skills development and promoting enterprise development supporting 154 Small, Medium and Micro enterprises (SMMEs). The focus for projects funded and managed by us is on long-term sustainability and self-ownership by the communities when we exit these projects.

In conclusion, let me thank the team that I work with. I appreciate their valuable contribution towards operationalisation of the RWF Strategy. To the communities, we commit to continue responding to your development needs through a high standard and sustainable service delivery. We further appreciate our partners as we continue to pool resources together, ensuring maximum development impact in much less time. Your contributions and support are highly appreciated. To Rand Water, our Shareholder, we thank you and appreciate the support we receive in terms of strategic direction and funding.



**Ms Mohlatleho Sekoaila**  
GENERAL MANAGER, RAND WATER FOUNDATION



**RAND WATER FOUNDATION**



# trialogue

## SUPPORTING BETTER BUSINESS

**TRIALOGUE** is a niche consulting firm with over 20 years of experience in sustainability and corporate social investment (CSI). We have extensive experience working with clients in the private and public sectors to enhance the development and business outcomes of their socioeconomic programmes.

We are a 51% black-owned company and the southern African local authority of the US-based Chief Executives for Corporate Purpose (CECP) Global Exchange.

### CSI knowledge sharing platforms



#### **Trialogue Business in Society Handbook:**

This industry-leading publication, currently in its 22nd year, provides comprehensive and reliable data on corporate approaches to social giving, as well as thought leadership on the holistic role of business in society.



#### **Trialogue Business in Society Conference:**

Since 2008, this annual event has convened more than 400 civil society, private and public sector delegates to share insights and innovations, in order to strengthen development interventions.



#### **Trialogue Knowledge Hub:**

Launched in 2017, this platform is a freely accessible online body of knowledge for companies and other funders of socioeconomic development. It hosts in-depth information on a wide range of sponsored topics in order to maximise the impact of social investment in these areas.



iStock.com/PeopleImages

### CSI consulting services

We support our clients to make their CSI practices more effective through an end-to-end consulting process that covers strategy development and implementation, stakeholder engagement, management and measurement systems, benchmarking, evaluation and communication.

### Monitoring and evaluation services

We work with companies, development agencies, other funders and non-profit organisations to maximise the impact of development programmes. Our monitoring and evaluation (M&E) services support clients to determine what impact their development projects are having on society and on themselves, and to share this with external stakeholders.

➤ **Developing M&E frameworks:** We facilitate processes with clients and their project partners to determine the objectives, activities, outputs, outcomes and intended impact of development projects. The indicators for each of these are agreed, together with data collection methods, frequencies and responsibilities. Deliverables include high-level M&E frameworks, information gathering tools and reporting templates.

➤ **Positioning CSI projects:** The Trialogue Strategic CSI Positioning Matrix allows us to assess and position CSI projects on a spectrum of both social and corporate benefit, in line with shared value thinking. The analysis and location of CSI projects on the matrix can be used to inform strategic decisions, such as whether to expand or exit projects, and to track changes in positioning over time. It also provides information that can be used to identify project elements that conform to, or fall short of, lead practice.

➤ **Reviewing development projects and programmes:** Our methodology for reviewing the performance of development projects involves scoring projects across several predetermined elements, enabling a comparative performance rating for different projects. A detailed report that assesses the design of projects, project implementation and achievement of objectives is provided, together with the quantification of outcomes and impact where supporting evidence has been collected.

➤ **Benchmarking development programmes:** We can benchmark development programmes against similar ones, be they programmes that demonstrate best practice or those of peers or competitors, allowing clients to compare and position their programmes, as well as to identify programmatic strengths and areas for improvement.

Trialogue is a trusted partner in development with over two decades of experience, during which we have reviewed and evaluated hundreds of development projects.

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# ENRICHING LIVES

## By Empowering our People.

EMPOWERMENT THROUGH DEVELOPING TALENT AND LEADERSHIP

**R465 million**

invested in skills development in 2019

Adopted and developing 10 schools through academic and sport initiatives

**R10 million**

spent in the last 10 years improving learning environments through school infrastructure upgrade projects

EMPOWERMENT THROUGH EDUCATION

**R60 million**

spent on adult literacy programmes in the last 5 years

Promote access to affordable and effective healthcare

CREATING AN ENVIRONMENT FOR SUSTAINABLE BUSINESS OPPORTUNITIES

Local SMMEs and black-owned businesses supported by development and advisory programmes

Apprenticeships and learnership programmes

**R9.2 billion**

discretionary procurement spend in 2019

**R2.7 billion**

spent with suppliers from host communities in 2019

ENHANCING LOCAL COMMUNITIES THROUGH INFRASTRUCTURE & SOCIO-ECONOMIC DEVELOPMENT

**Over R4 billion**

invested in improving living conditions since 2007

Recognised leaders in the mining industry in improving living conditions

**3400**

houses built and sold to employees and in the private sector

We are committed to ensuring our people contribute to and benefit from our success

**IMPLATS**  
Distinctly Platinum

[www.implats.co.za](http://www.implats.co.za)





# Help us replace **UNSAFE, UNHYGIENIC ABLUTION**



Preschool children are very vulnerable to waterborne disease and have the right to safe, hygienic ablution. Diarrhoea is widespread in many South African preschools.



The Department of Social Development found over 4 425 preschools had unsanitary ablution. There have been too many tragic deaths of small children falling into pit toilets.

## with **SAFE, HYGIENIC ABLUTION**

Bright Kid Foundation's specialised infrastructure teams install safe and sanitary ablution units, either waterless or flushing. Top-quality, certified waterless ablution units are installed in rural preschools with no access to waterborne sewage. These require little or no maintenance, and are hygienic and odour free. Bright Kid Foundation's infrastructure teams use specialised equipment to deliver and install ablution units.



## Help us deliver **SAFE, HYGIENIC ABLUTION** to South Africa's children

*"The United Nations 2030 Agenda for Sustainable Development calls for access to adequate and equitable sanitation and hygiene for all by 2030."*  
United Nations. August 2010



# Help us replace this **SHACK SCHOOL**



Impoverished shack schools, like this one on a rubbish dump in Toekomsrus, are still far too widespread in South Africa. Only 15% of all South African children aged 0 to 4 years are in formal registered **Early Childhood Development Centres** (ECDCs) even though we know that the first few years of a child's life set the path for their development and success.

*"Where a significant proportion of a nation's children are disadvantaged, national economic productivity suffers, and the long-term potential of a country is reduced"*

Grantham-McGregor et al, 2007

## with this **EDUTAINER®**

Since 2000 Bright Kid Foundation has replaced many shack schools with airy, AGRÉMENT-certified Edutainer® classrooms made from converted containers. Over 500 containers have been delivered to trained teachers throughout South Africa. (The Toekomsrus children are now in Edutainers®)



## which is part of an **EARLY CHILDHOOD DEVELOPMENT CENTRE**



Each Early Childhood Development Centre (ECDC) consists of one or more Edutainer® preschool classrooms, a Service Centre (office, kitchen and sick-bay), ablution facilities, a shade area with a water storage tank, and fencing. ECDCs can be registered for a per-child subsidy. This subsidy, together with modest school fees charged, make the ECDCs sustainable. Over 135 ECDCs have already been delivered and 70 000 children have graduated from Edutainers® since 2000.

## Help us deliver **THE NEXT EARLY CHILDHOOD DEVELOPMENT CENTRE** to South Africa's children

*"The initiative is a shining example of what successful partnerships between the private sector, government and civil society can achieve."*

UNICEF

AGRÉMENT Certification 2009/M 56

Bright Kid Foundation

Tel: 011 786 3169 Cell: 082 852 4867

Email: info@brightkidfoundation.co.za

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## CHAPTER ONE

The most noteworthy results from Trialogue’s 2019 research into spending patterns and approaches to corporate social investment (CSI).

## LOCAL APPROACHES TO CORPORATE GIVING

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# 2019 RESEARCH FINDINGS AT A GLANCE

Total estimated  
CSI expenditure in 2019 was

**R10.2 billion**

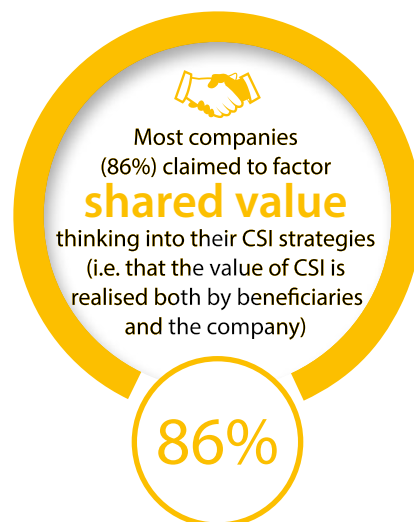
This represents a 5% increase from the R9.7 billion estimated spend in 2018

Top  
three  
contributing  
sectors

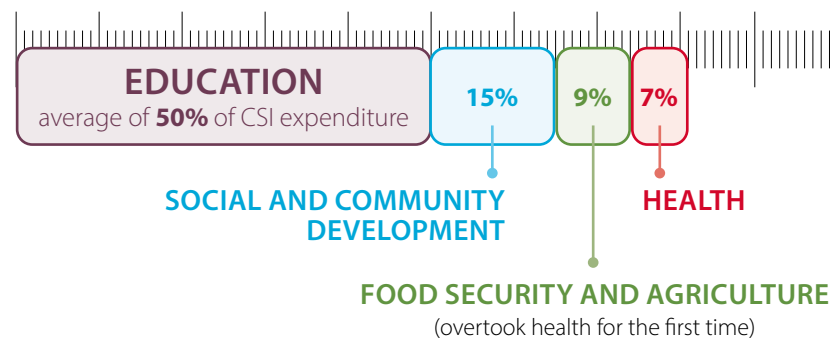
- RETAIL AND WHOLESALE
- MINING AND QUARRYING
- FINANCIAL SERVICES

56% of companies

reported increased CSI expenditure in 2019, down from two thirds in 2017 and 2018.



Most supported development sectors



**NON-CASH GIVING** (products, services and times) constitutes a small proportion of total CSI expenditure, at 6%

**6%**



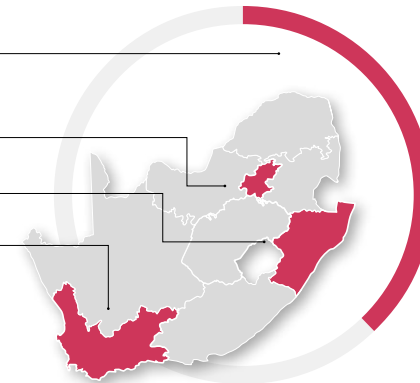
National projects – average of 38% of CSI expenditure

Gauteng – 21%

KwaZulu-Natal – 9%

Western Cape – 10%

Only 8% of the companies surveyed supported projects outside of South Africa

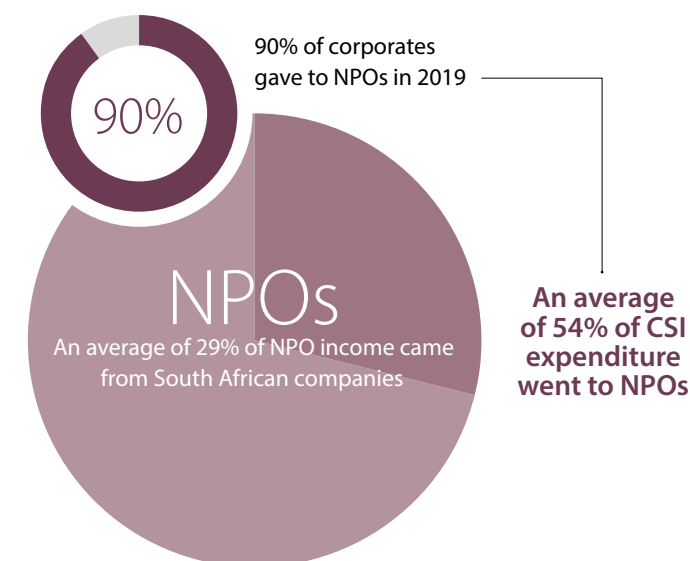


**65%**  
**35%**

CSI MANAGED INTERNALLY  
65% of companies  
CSI MANAGED BY SEPARATE LEGAL ENTITY (trust/foundation/non-profit company) – 35%

Reputation was the top CSI-related risk for companies, followed by fraud/governance risk

Financial dependency was the top CSI-related risk for NPOs



81% of companies had employee volunteer programmes in 2019

Company-organised volunteering initiatives were the most popular among companies, but the least liked by NPOs

**59% of companies** agreed that CSI work is integral to the corporate brand

**72% of companies** reported measuring project outcomes for all grants, regardless of size

Measuring project outcomes

**41% of NPOs** reported measuring project outcomes at all sites and with all stakeholders



# Overview of 2019 CSI research

Dialogue is pleased to present its 22nd consecutive year of research into the state of corporate social investment (CSI) in South Africa. This chapter outlines the most noteworthy results from the 2019 primary research as well as Dialogue’s secondary analysis of CSI expenditure.

Note that ‘2019’ refers to data from the 2018/19 financial year, which differs across organisations, depending on the month of financial year-ends.

## Estimate of total CSI expenditure

This estimate is based on analysis of the CSI expenditure of listed South African companies, multinationals operating in South Africa and state-owned enterprises. Our analysis takes into account:

- Year-on-year changes in the CSI expenditure of 100 listed companies and the net profit after tax (NPAT) of 140 listed companies, using publicly reported data
- Year-on-year changes in the CSI expenditure of the 79 companies that participated in Dialogue’s 2019 primary research
- A triangulation of published CSI expenditure as a percentage of published NPAT with SARS data on total company taxable income and tax
- A comparison of the combined CSI expenditure of the top 100 companies and scenario analysis of how much of the total market the top 100 companies represent
- An extrapolation of total expenditure based on the number of medium and small companies in South Africa.

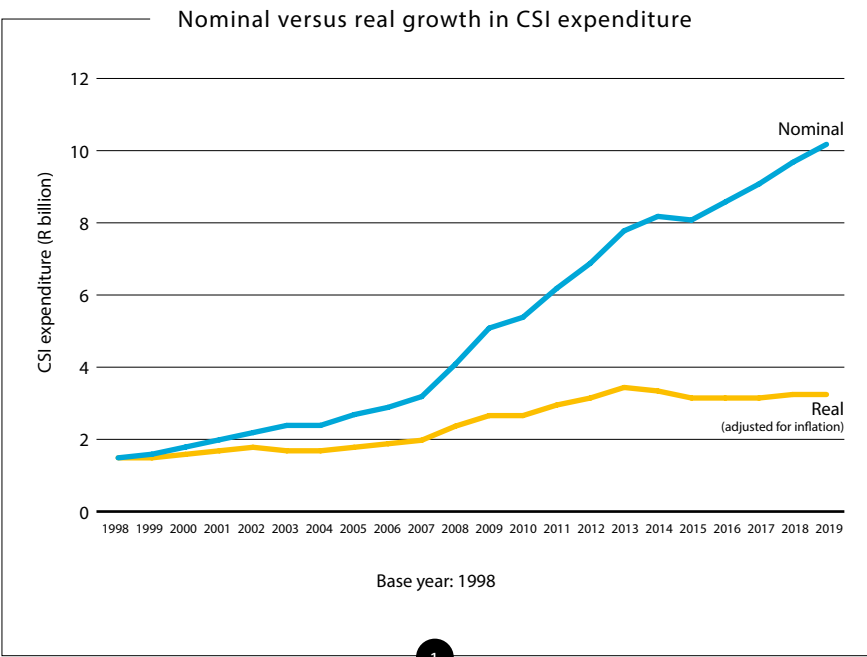
Total estimated CSI expenditure in 2019 was

**R10.2 billion**

This represents a 5% increase from the R9.7 billion estimated spend in 2018

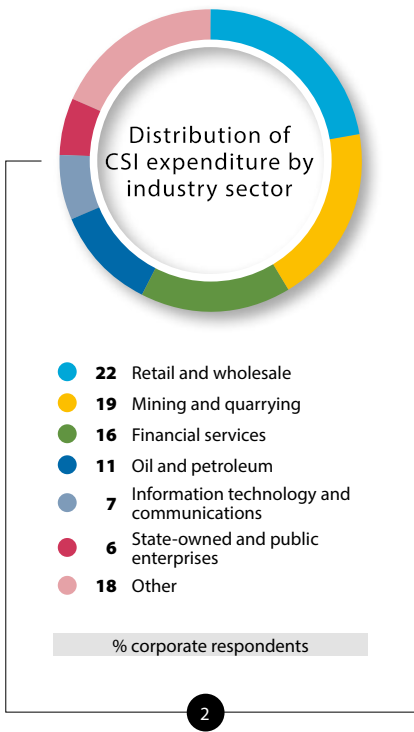
## Growth in total CSI expenditure

- Growth in CSI expenditure has not shown a consistent trend since a period of growth in real terms between 1998 and 2013. In 2014 and 2015 CSI expenditure experienced negative growth in real terms, in 2016 and 2017 real growth flattened and in 2018 it showed a slight increase.
- In 2019 our CSI estimate showed a 5% increase from the previous year, to R10.2 billion. This growth is flat in real terms, reflecting a subdued economy and the finding that fewer companies increased their CSI expenditure in 2019.



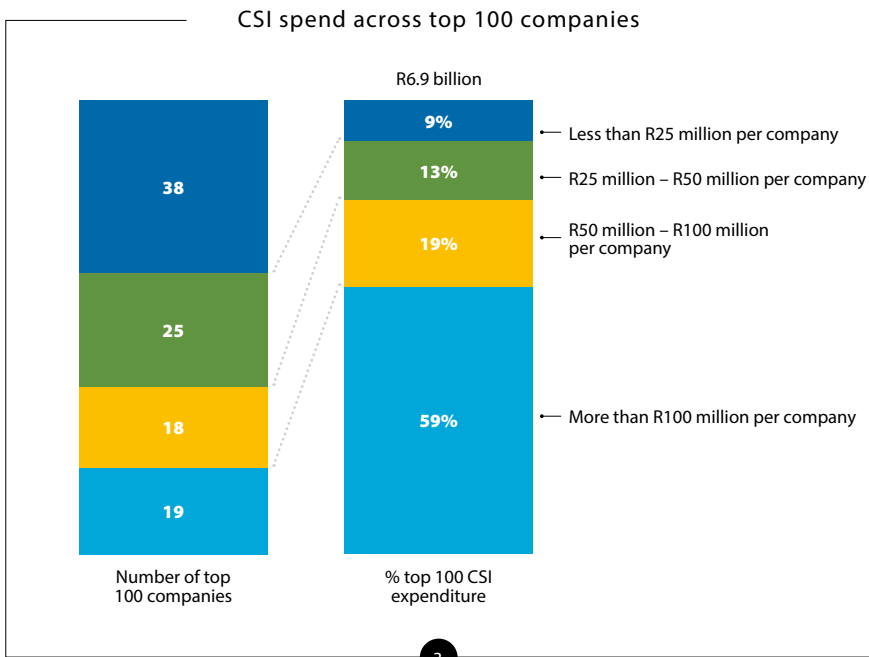
## CSI spend across sectors

- Based on public CSI expenditure data, the top three sectors remained the same in 2019. However, retail and wholesale accounted for the largest portion of CSI expenditure (22%) for the first time in 2019. This could be due to the increasing value of product donations. The mining and quarrying (previously the largest sector) and financial services sectors were the second and third-largest contributors respectively. Together, these three sectors accounted for 57% of CSI expenditure in 2019, down slightly from previous years.
- The manufacturing, education and pharmaceutical sectors were the biggest contributors to the ‘other’ category.



## CSI spend across top 100 companies

- CSI expenditure remained concentrated with the top 100 companies (by CSI spend) accounting for 68%, or R6.9 billion, of total CSI expenditure estimated at R10.2 billion.
- Of the total R6.9 billion spent by the top 100 companies, almost two-thirds (59%) was spent by the 19 companies whose CSI expenditure was more than R100 million in 2019.





## Respondents

### Corporate

Between May and August 2019 professional researchers conducted face-to-face interviews with CSI representatives from large South African companies. Companies also had the option of self-completing the questionnaire, which was then verified by the researchers.

- There were 79 participating companies. Of these, 56 (71%) also participated in 2018.
- Since it was first measured in 2011, financial services has been the best-represented sector in the corporate respondent sample (24% in 2019), followed by retail and wholesale (15%).
- The surveyed companies were large, with most (85%) having an annual income of over R1 billion in their latest full financial year, and half having an income of over R10 billion. Almost half of the companies (48%) employed 5 000 people or more, with 18% having more than 20 000 staff members.



### Global Exchange

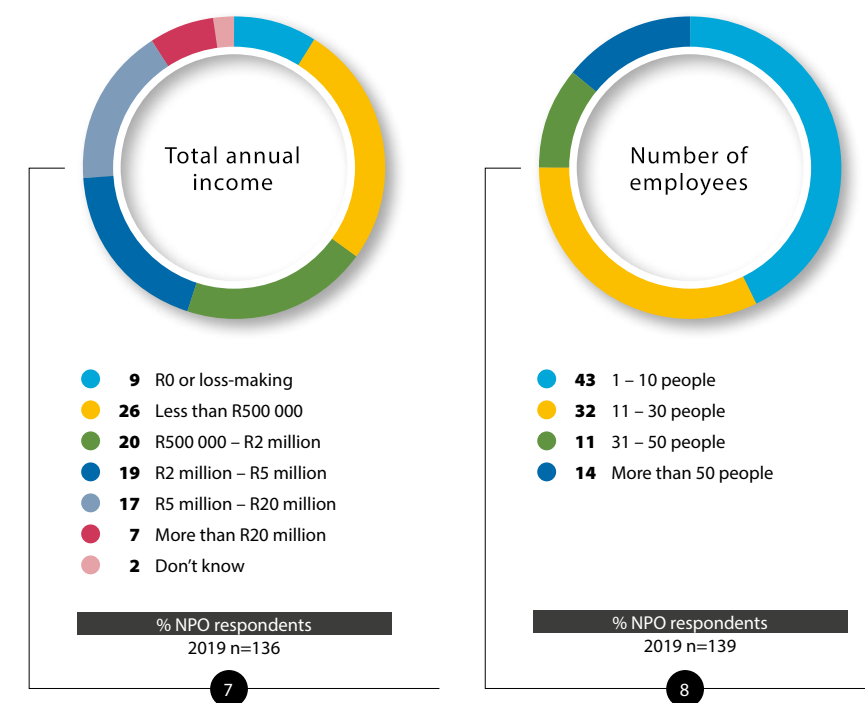
Dialogue is the Southern Africa partner in a global network of responsible business and social development-focused organisations, called the Global Exchange. The initiative is overseen by the US-based Chief Executives for Corporate Purpose (CECP). We once again aligned our corporate questionnaire with the CECP *Giving Around the Globe* report which includes data from 79 South African companies that participated in Dialogue's research.

See 'Trends in global corporate giving' on pages 168–171.

### NPO

Information was collected from non-profit organisations (NPOs) between June and July 2019, using the online survey tool, SurveyMonkey.

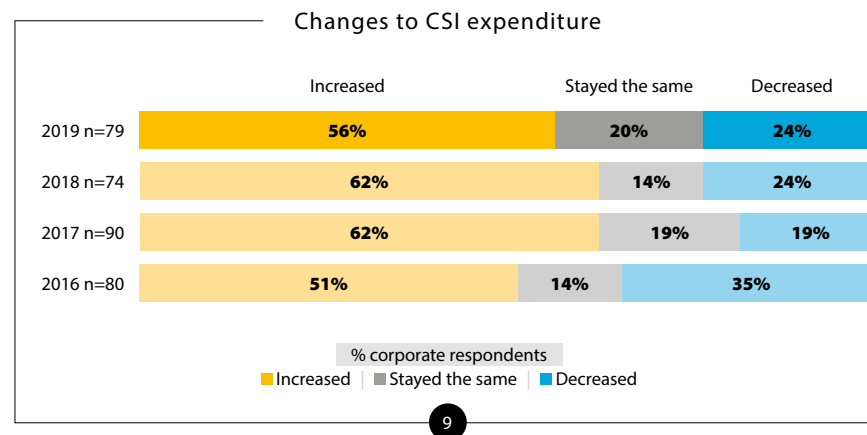
- A total of 139 NPOs participated in the 2019 research. Of these, just under a third (31%, or 43 organisations) also participated in 2018.
- More than half of all participating NPOs (55%) were small organisations with an income of less than R2 million. Three-quarters of them employed fewer than 30 staff.



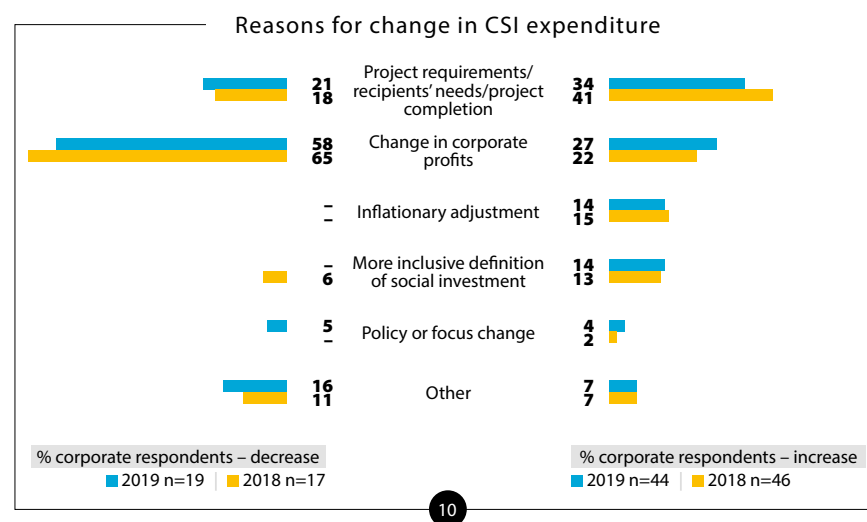


## CSI expenditure in 2019

- Just over half of all participating companies (56%) reported increased CSI expenditure in 2019, down from almost two-thirds in 2017 and 2018.
- A quarter of companies (24%) reported decreased expenditure, consistent with survey findings in 2018, and down from 2016 when over a third of companies reported decreases.

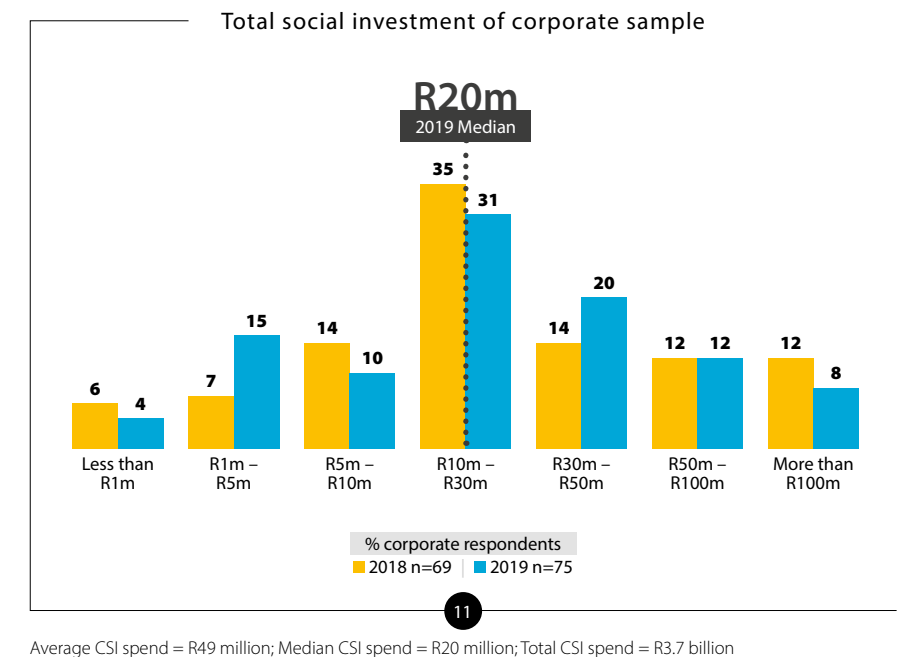


- The main reason for increased CSI expenditure was project requirements/ recipients' needs/project completion (34%). The share of companies citing increased corporate profits increased from 22% in 2018 to 27% in 2019.
- Among the 19 companies that reported lower CSI expenditure, this was mainly attributed to a decrease in corporate profits (58%).

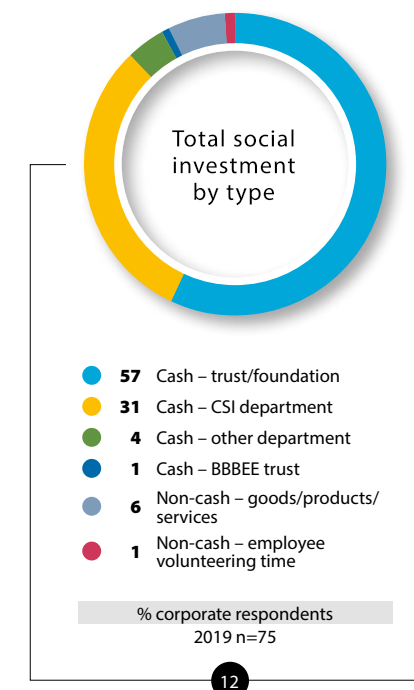


## Average CSI expenditure of corporate sample

- Total social investment of the 75 companies that reported expenditure for 2019 (cash plus non-cash, including donations of goods and services as well as employee volunteering time, and including expenditure by company BBBEE trusts), exceeded R3.6 billion. The largest portion of this was cash from trusts/foundations (57%), followed by cash from CSI departments (31%). Only five companies reported spending through BBBEE trusts, which accounted for 1% of the total.
- Over two-thirds of companies sampled (71%) spent more than R10 million on CSI in 2019, with six companies (8%) spending more than R100 million.
- The 2019 median CSI spend declined to R20 million from R22 million in 2018. Average CSI spend increased slightly from R46 million in 2018 to almost R49 million in 2019.



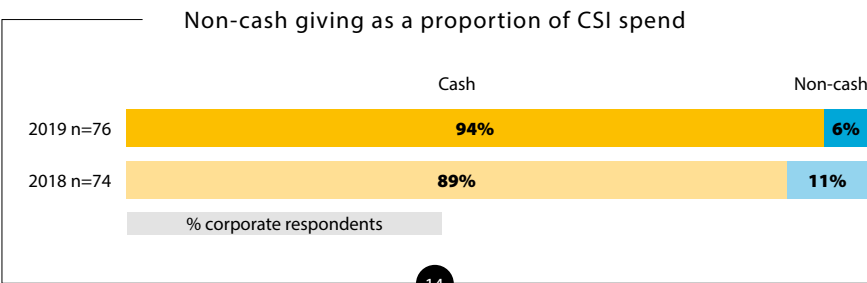
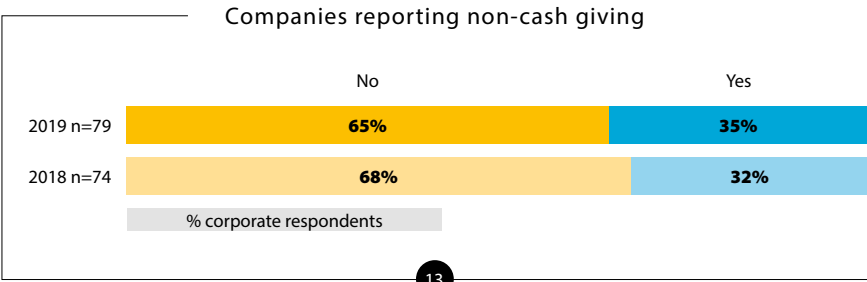
Average CSI spend = R49 million; Median CSI spend = R20 million; Total CSI spend = R3.7 billion



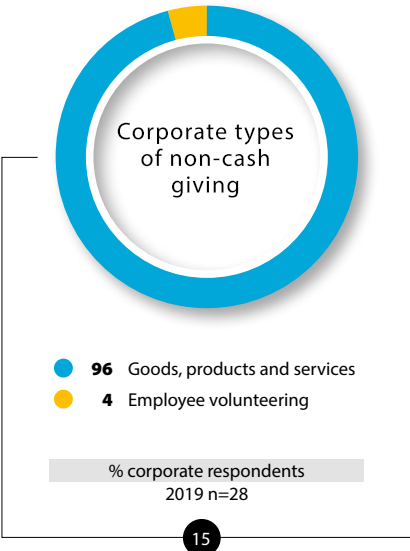
CSI expenditure in 2019 (continued)

Non-cash giving

- The number of companies that reported non-cash giving in 2019 (28 companies, or 35% of the total sample) increased slightly from 2018 (24 companies). Of these, 12 companies quantified the value of employee volunteer time during work hours.
- Non-cash giving remains a relatively small proportion of total sample social investment, at 6%. Among the companies that quantify non-cash giving, the average proportion of non-cash to total spend was 32%.

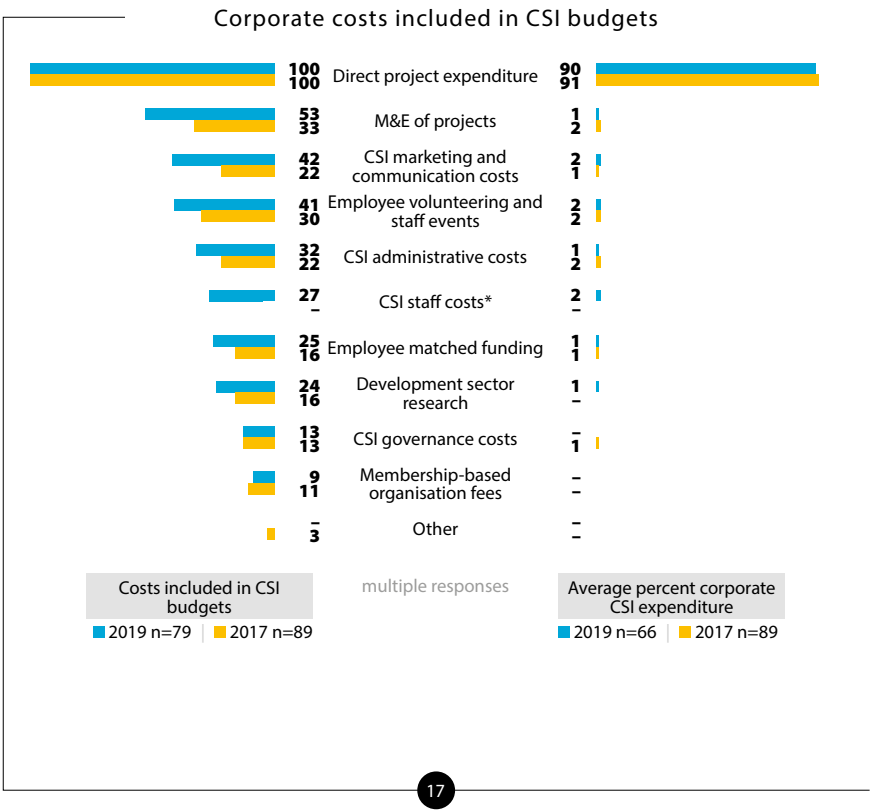
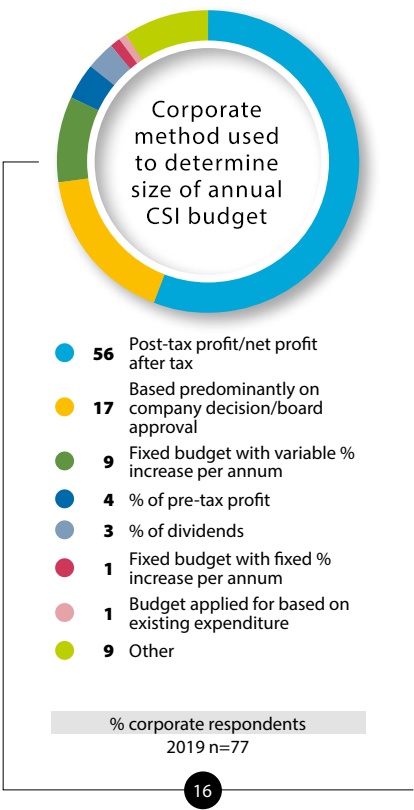


- The non-cash giving of the 28 companies that reported it was valued at more than R220 million in 2019, of which 96% (R213 million) was donations of goods, products and services, and 4% (R8 million) was employee volunteering time.



CSI budgets

- Most companies (56%) determined their annual CSI budgets as a percentage of post-tax profit.
- Among companies that determined the size of annual CSI budgets as a percentage of post-tax profit, the amount allocated for CSI expenditure was either 1% (n=33, 77%) or 2% (n=10, 23%) with an average of 1% across the sample.
- All participating companies included direct project expenditure as a cost within their CSI budgets. Just over half (53%) also included monitoring and evaluation (M&E) expenditure in these budgets, followed by CSI marketing and communication costs (42%) and employee volunteering and staff events (41%).
- Companies appear to be including more costs in their CSI budgets, with the proportion of companies including the various costs increasing across all categories since 2017.
- On average, direct project expenditure comprised 90% of overall CSI expenditure (n=66). The remaining 10% comprised about 2% expenditure on employee volunteering and staff events, CSI marketing and communication costs, and staff costs. About 1% each was spent on M&E, CSI administrative costs, development sector research and employee matched funding.



\*New category added in 2019. This question was last asked in 2017.



## Strategy

### CSI strategy

- Most companies (86%) claimed to factor shared value thinking into their CSI strategies (i.e. that the value of CSI is realised both by beneficiaries and the company).
- Brand and company reputation was the most cited business benefit of CSI (96% of companies), followed by strategic relationships with business stakeholders (88%).
- Only a third of companies (34%) believed that their shared value CSI approach supported market acquisition.

#### Business benefits of a 'shared value' CSI approach



18



86 Yes  
14 No

% corporate respondents  
2019 n=78

19

### NPO strategy

- The majority of NPOs (87%) indicated that they had a formal strategy in place.
- Most NPOs (69%) answered that shared value thinking is factored into their organisation's corporate fundraising strategy.



87 Yes  
13 No

% NPO respondents  
2019 n=138

20



69 Yes  
20 No  
11 Don't know

% NPO respondents  
2019 n=139

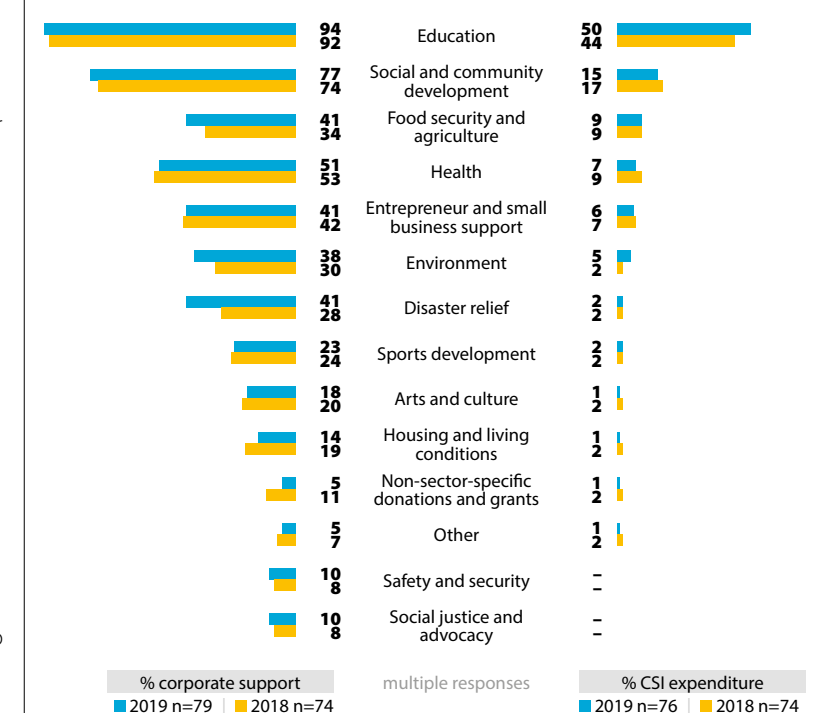
21

## Development sector funding

### Corporate

- Companies supported projects in an average of 4.7 sectors, slightly up from 4.5 in 2018.
- Education was once again the most popular corporate cause, supported by 94% of companies, and accounting for an average of half of companies' CSI spend (50%) in 2019, up from 44% in 2018.
- Social and community development remained the second most supported sector and health the third, with 77% and 51% of corporates funding these sectors respectively. However, food security and agriculture received a greater average percentage of CSI expenditure (9%) than health (7%) for the first time.
- The proportion of companies supporting disaster relief increased significantly, from 28% in 2018 to 41% in 2019. However, only 2% of companies' CSI funds were directed to the sector.
- Environmental causes also saw increased support, from 30% to 38% of companies, and from a very low 2% of average companies' CSI spend in 2018 to 5% in 2019.

#### Distribution of CSI funding by development sector



% corporate support  
2019 n=79 | 2018 n=74

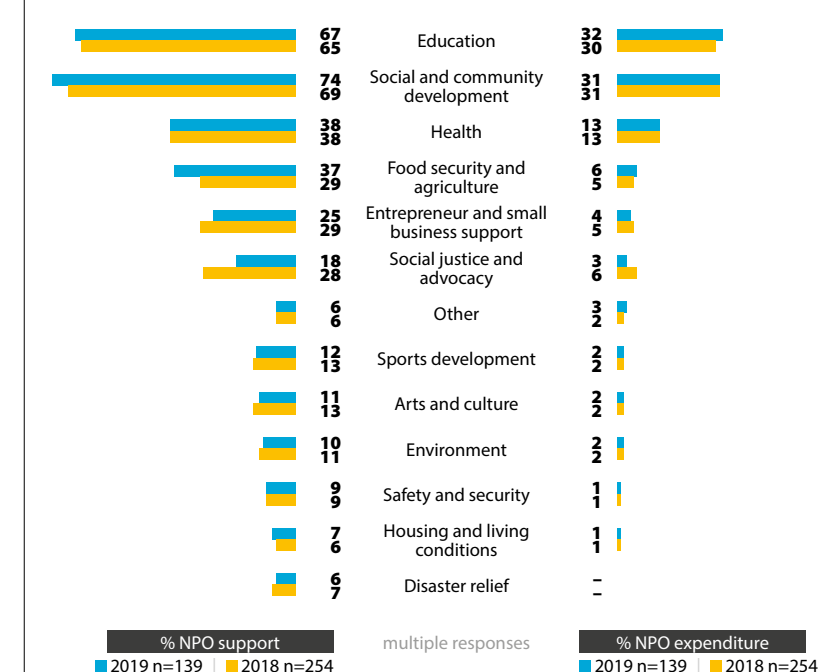
% CSI expenditure  
2019 n=76 | 2018 n=74

22

### NPO

- NPOs were involved in an average of 3.2 development sectors in 2019, consistent with findings in 2018.
- Social and community development (74%) and education (67%) remained the focus areas of more than two-thirds of all NPO survey respondents. These areas have also received about a third of all NPO spending each, or 63% in total.

#### NPO involvement by development sector



% NPO support  
2019 n=139 | 2018 n=254

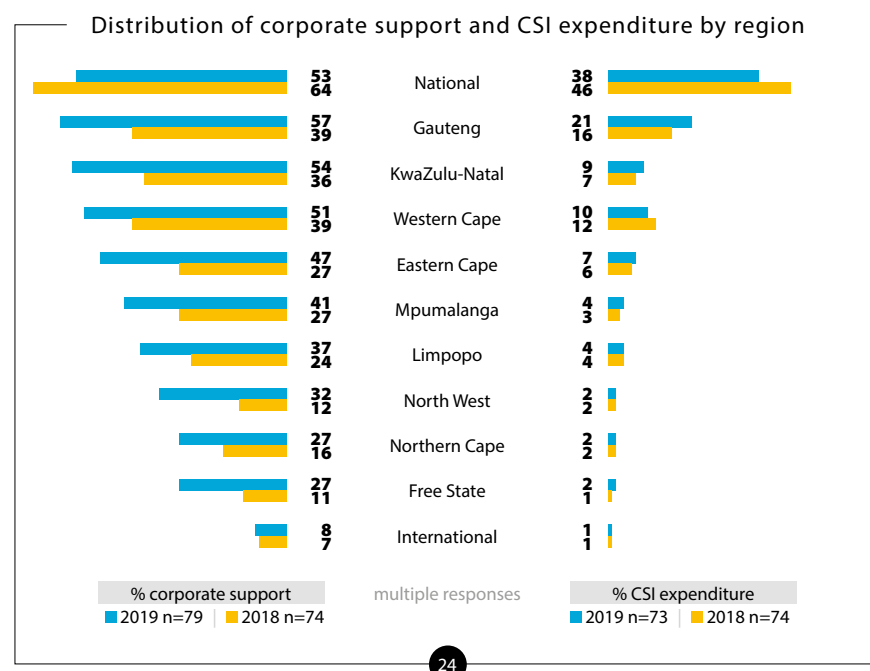
% NPO expenditure  
2019 n=139 | 2018 n=254

23

## Geographic distribution of funding

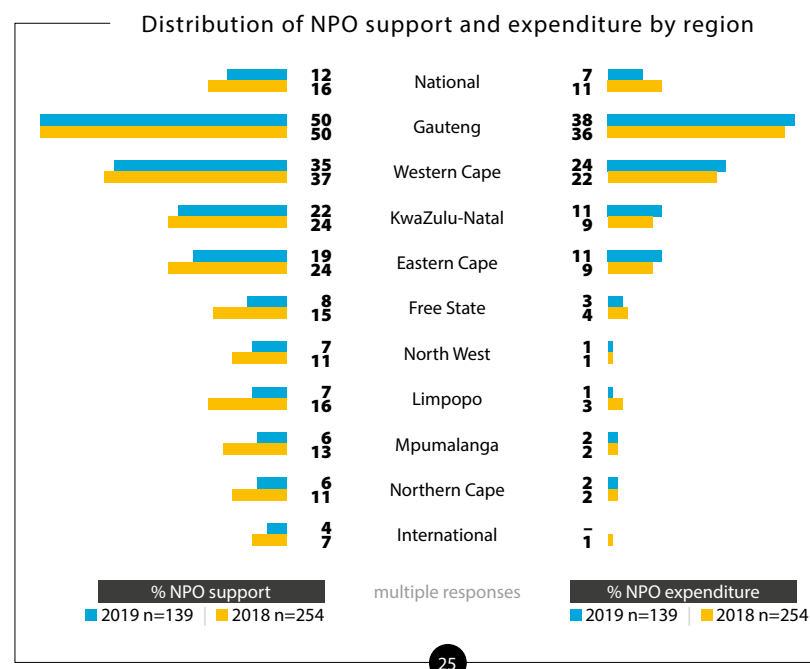
### Corporate

- Companies supported projects in an average of 3.7 provinces in 2019, excluding national projects (those operating in two or more provinces).
- More companies claimed to support projects in all provinces in 2019, with over half of companies supporting projects in Gauteng, KZN and the Western Cape. Only support for national projects fell from 64% of companies in 2018 to 53% in 2019.
- National projects continued to receive the largest portion of companies' CSI expenditure on average (38%), followed by projects in Gauteng (21%) and the Western Cape (10%).
- Only six of the companies surveyed (8%) supported projects outside of South Africa, and these received 1% of their CSI expenditure.



### NPO

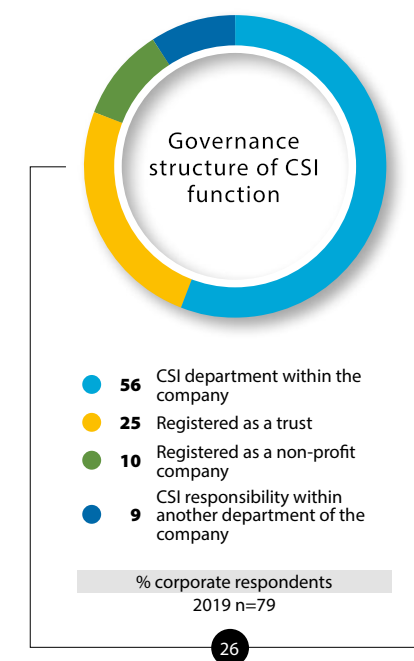
- NPOs operated projects in an average of 1.7 provinces, excluding those operating nationally and/or internationally. Seventeen NPOs (12%) in the sample operated projects nationally.
- The average distribution of NPO resources was similar to that of companies, with South Africa's economic hubs (Gauteng, the Western Cape and KwaZulu-Natal) cumulatively receiving almost three-quarters (73%) of NPO resources.



## Governance

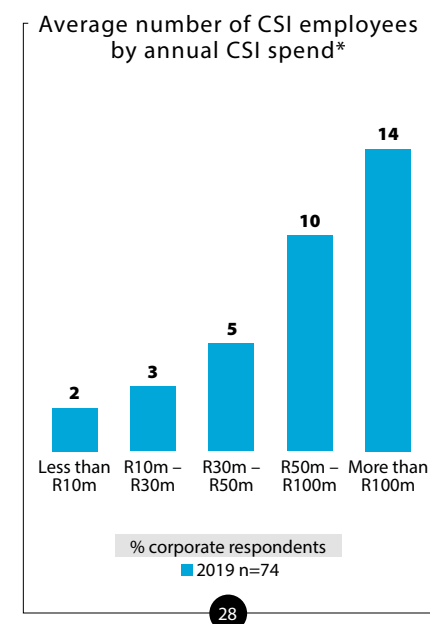
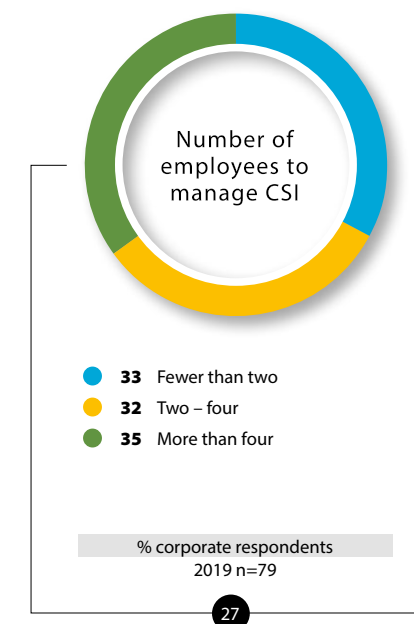
### Corporate structure

- Over half of companies (56%) managed CSI as a department within the company. Another 9% managed it within another department of the company.
- Thirty-five percent of companies managed CSI through a separate legal entity (25% through trusts and 10% through non-profit companies).



### Management of CSI function

- A third of companies (33%) had fewer than two employees managing and administering CSI. A third (32%) had between two and four employees, and 35% had more than four employees.
- Companies with total CSI spend (including cash and non-cash contributions, but excluding BBBEE trusts which are typically managed separately) of less than R10 million employed an average of two staff members for CSI, while those that spent over R50 million employed 11 people on average.



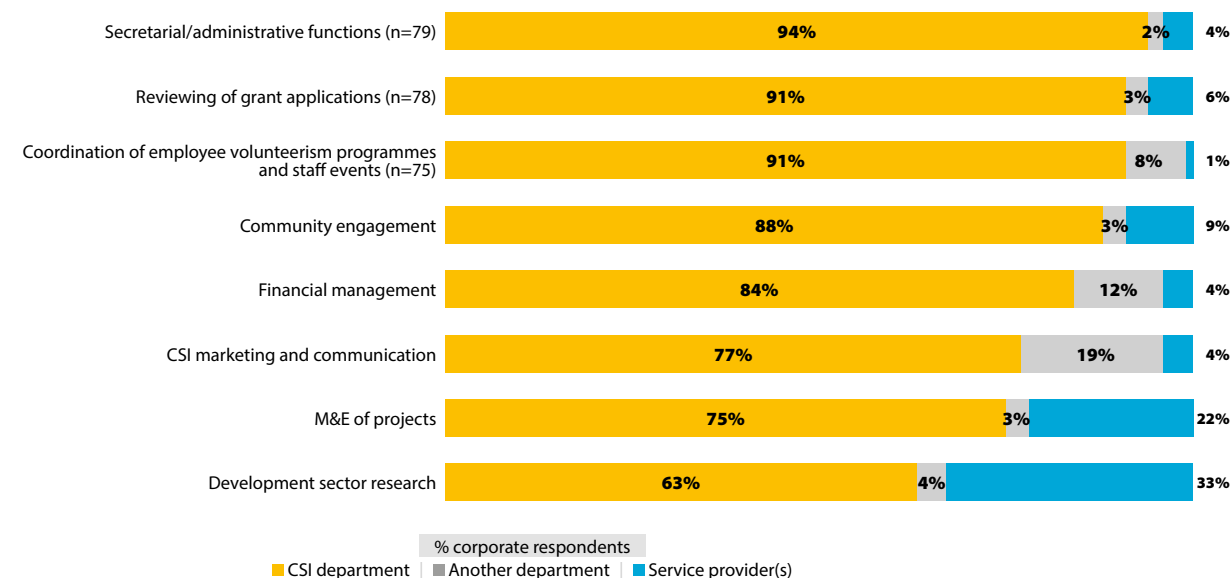
\* Total cash and non-cash CSI expenditure, excluding BBBEE trusts.



## Governance (continued)

- All CSI functions were managed internally by CSI departments in the majority of corporate respondents.
- The functions most managed by other internal departments were CSI marketing and communications (19% of respondents) and finance (12%).
- Development sector research (33%) and M&E (22%) were most likely to be outsourced to service providers.

### Corporate management of CSI functions

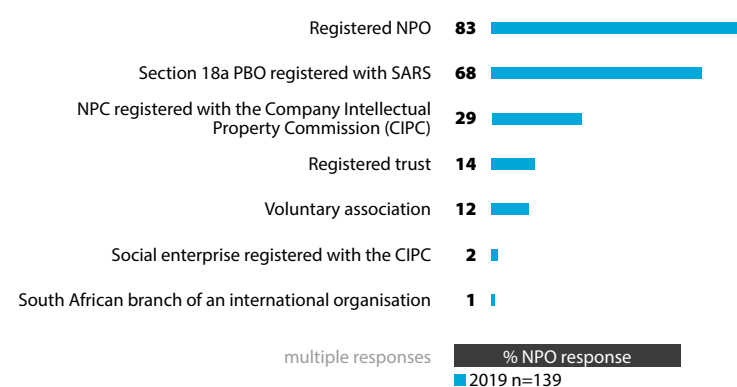


29

## NPO structure

- The most common forms of NPO registration were as an NPO with the Department of Social Development (83%) and as a public benefit organisation (PBO) with Section 18a status with the South African Revenue Service (SARS) (68%).

### NPO registration status

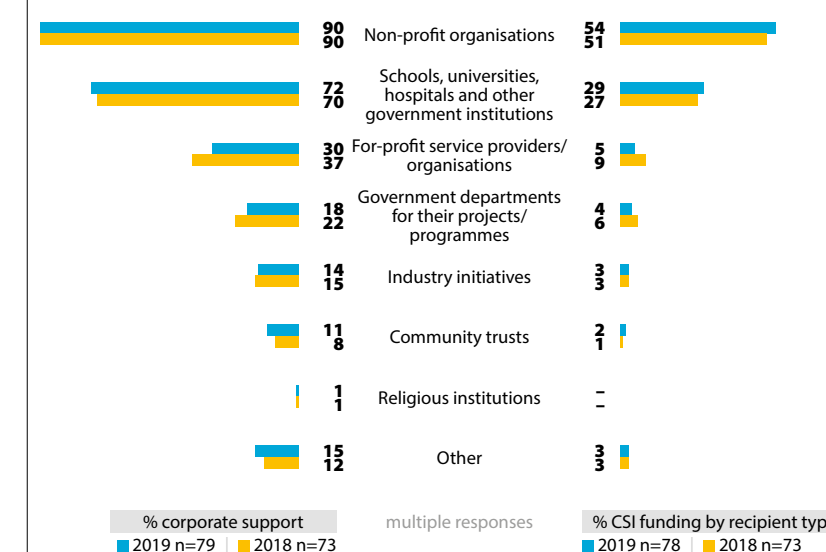


30

## Funding recipients

- NPOs remained the most popular recipient of CSI funding, with 90% of companies giving to NPOs in 2019. The average proportion of CSI funding directed to NPOs was 54% of spend.
- The next most common recipient was government institutions (including schools, universities, hospitals and clinics), which were funded by 72% of companies and received an average of 29% of companies' CSI expenditure in 2019.
- Funding of, and average expenditure on, government departments decreased slightly to 18% and 4% respectively.
- The increase in 'other' is due to increased support for social enterprises.

### CSI funding recipients



31

Most NPOs in the sample (75%) received support from South African companies: the source of an average of 29% of organisational income over the past financial year.

See pages 214–216 for more information.

- The duration of support NPOs received from funders was fairly evenly spread. Around a fifth of NPOs received funding for less than a year or as a once-off (22%), 17% for one year, 19% for two to three years, 22% for between three and five years, and 19% for more than five years.



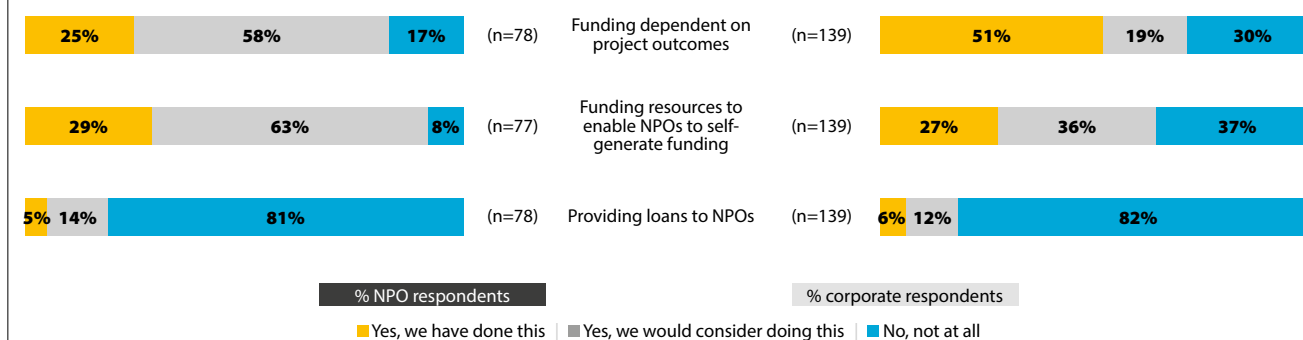
32

## Funding recipients (continued)

### CSI funding options

- Most companies would consider providing funding that is dependent on project outcomes, or do so already (70% cumulatively). However, only 25% of the NPO sample claimed to have received support of this kind.
- A further 63% of companies (cumulatively) already provide, or would consider providing, resources that would enable NPOs to self-generate funds. Again, only 29% of the NPO sample have received support of this kind.
- Most NPOs (81%) were not interested in using loans as a funding option, and the majority of corporates (82%) were unwilling to provide them.

#### Consideration of funding options

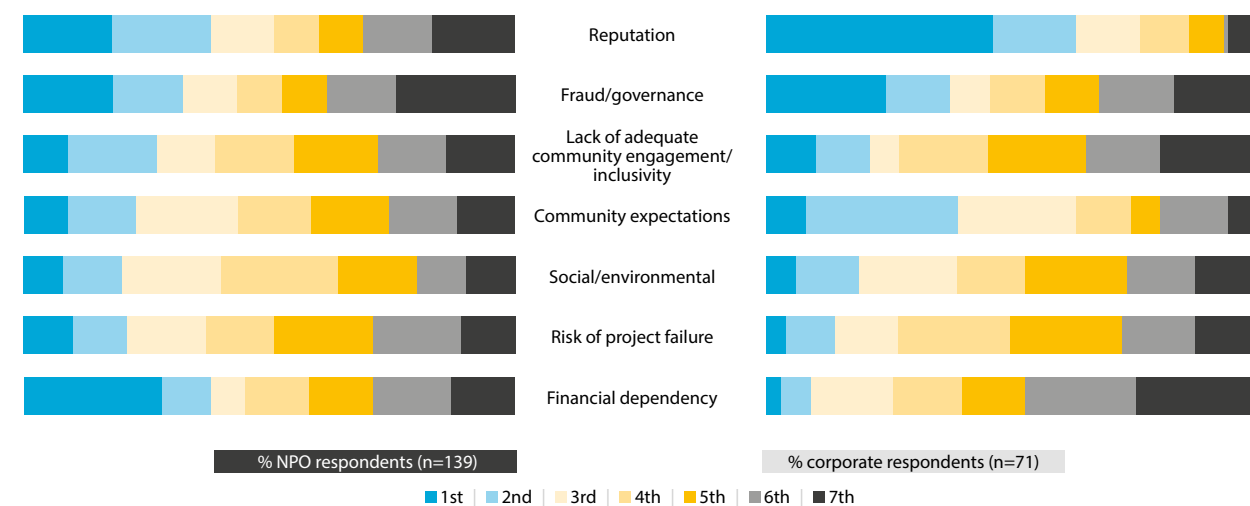


33

## Risk management

- For companies, reputation was most often identified as the top CSI-related risk (it was ranked first by 46% of companies). This was followed by fraud/governance risk (24% of companies).
- NPOs were most likely to rank financial dependency (28%) as the top CSI-related risk they face. Comparatively, companies viewed dependency by NPOs as among the least significant CSI-related risks they faced.

#### Ranking of CSI-related risks

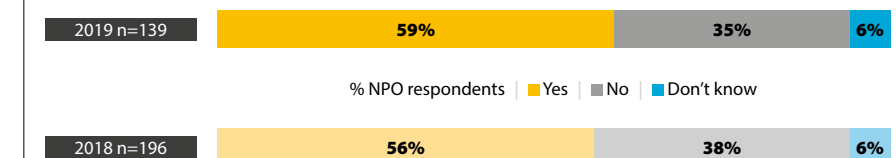


34

## Risk management (continued)

- Just over half of all NPOs (59%) indicated that they have formal risk management processes in place. Most (62%) had not been required to develop a risk management plan as a condition of funding.
- Despite the finding that most NPOs had risk management plans in place, only 37% had insurance to protect them against project-related risks, up from 29% last year.

#### NPOs with a formal risk management process



35

#### NPOs with funding conditional on a risk management plan



36

#### NPOs with insurance against project risk

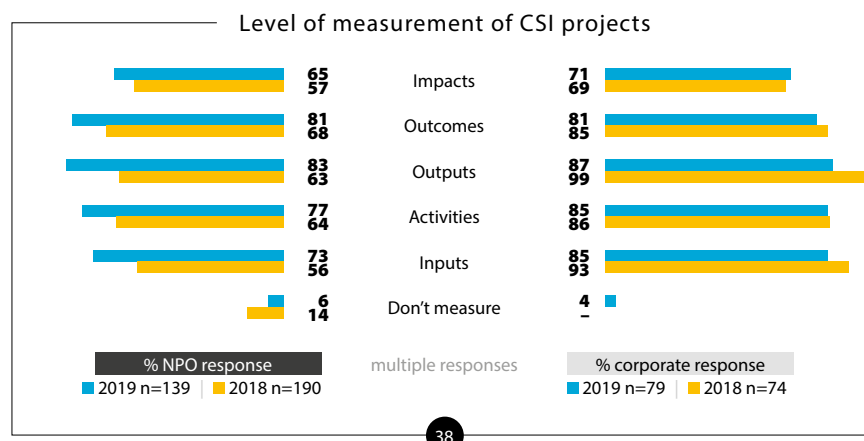


37



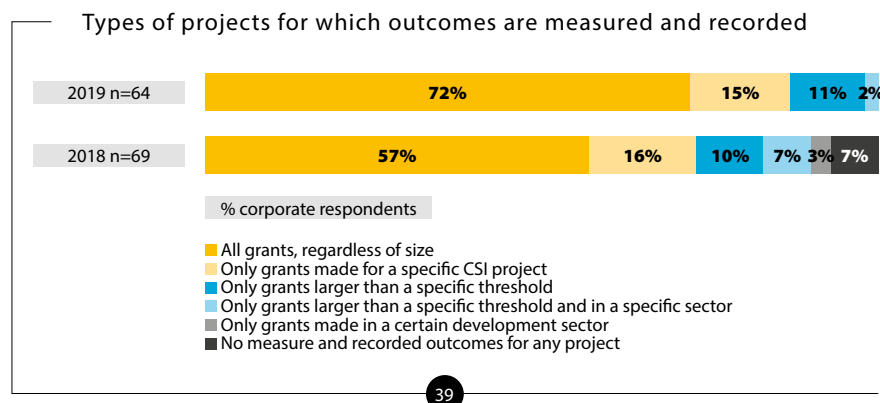
## Monitoring and evaluation

- Most companies reported measuring one or more of their CSI projects against all levels of the logic model. However, the percentages measuring CSI projects declined across most categories except impact from 2018, and 4% of companies did not measure at all.
- Comparatively, the percentage of NPO respondents measuring one or more of their projects against the levels of their logic models increased across all categories, and those indicating that they did not measure declined from 14% in 2018 to 6% in 2019.

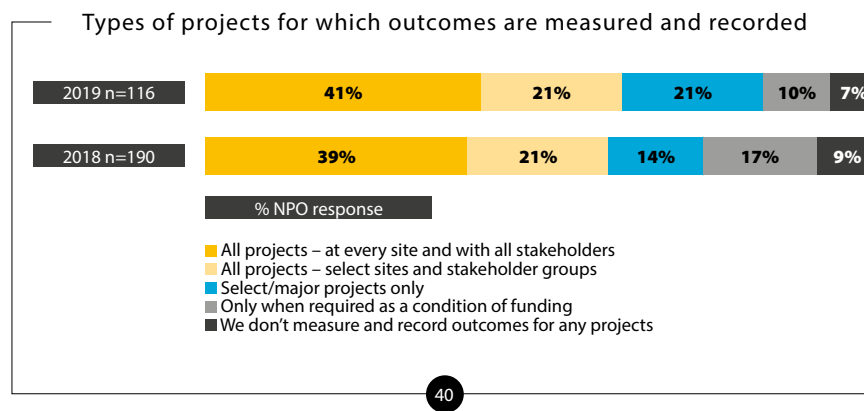


76% of NPOs had someone responsible for managing monitoring and evaluation (M&E).

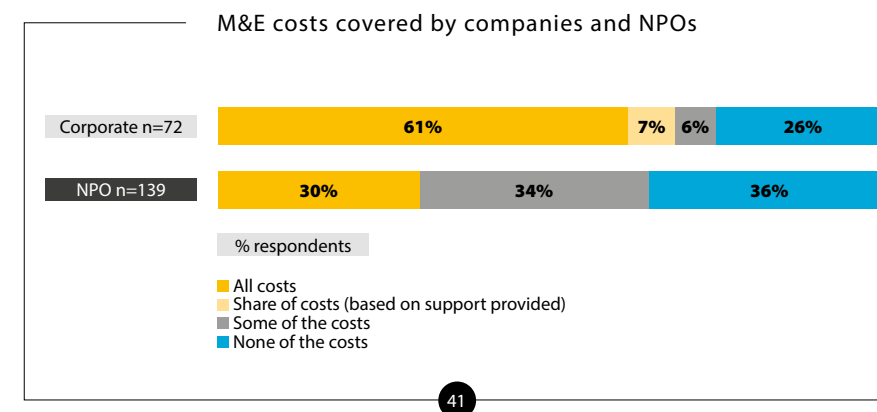
- Most companies (72%) reported measuring project outcomes for all grants, regardless of size, up from 57% in 2018.



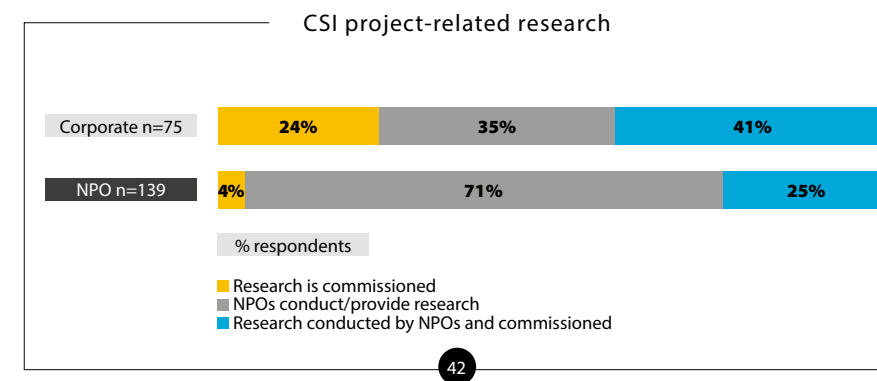
- Fewer than half (41%) of NPOs indicated that they measure and record project outcomes at all sites and with all stakeholders, up slightly from 39% in 2018. Lesser percentages measure and record outcomes across all projects but at select sites and with select stakeholders (21%), or at select/major projects only (21%).
- Ten percent of NPOs only measure and record outcomes when required as a condition of funding, down from 17% in 2018.



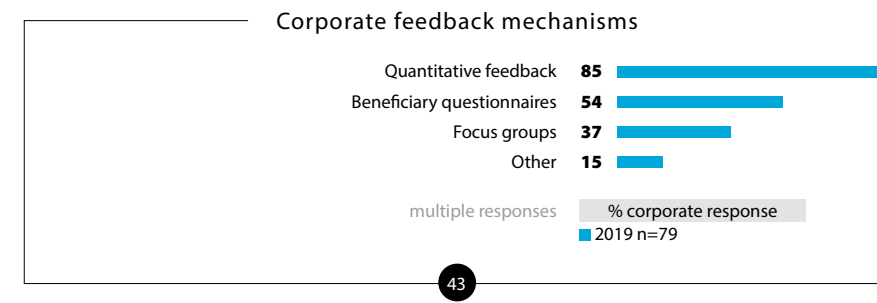
- Although the vast majority of companies claimed to measure, only 53% included M&E costs in their CSI budgets. Forty-seven companies reported on the percentage of CSI spend that goes to M&E: results ranged from 1% to 10%, with an average of 5%, higher than the average of around 1% reported in response to the budget question on page 39.
- Seventy NPOs reported on the percentage of their organisational budgets allocated to M&E. Allocations ranged from 1% to 35%, with an average of 11%; significantly higher than the corporate average.
- Fifty-three companies (74%) covered at least some M&E costs, and most (61%) claimed to cover all M&E costs.
- NPOs' contributions to M&E costs were relatively evenly split across organisations: 30% paid all M&E costs, while 34% covered some costs and 36% did not cover any costs at all.



- Most NPOs (71%) conducted their own project-related research, and a further 25% answered that they both commissioned research and conducted their own.
- The largest percentage of companies (41%) relied on a combination of commissioned research and research provided by NPOs.

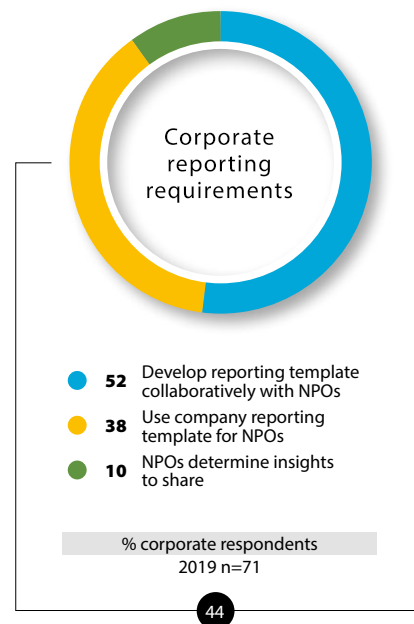


- Corporate survey respondents used a range of mechanisms to obtain feedback on their projects. The majority (85%) used quantitative feedback mechanisms, and over half (54%) used beneficiary surveys. Qualitative feedback from focus groups was less common (37%).

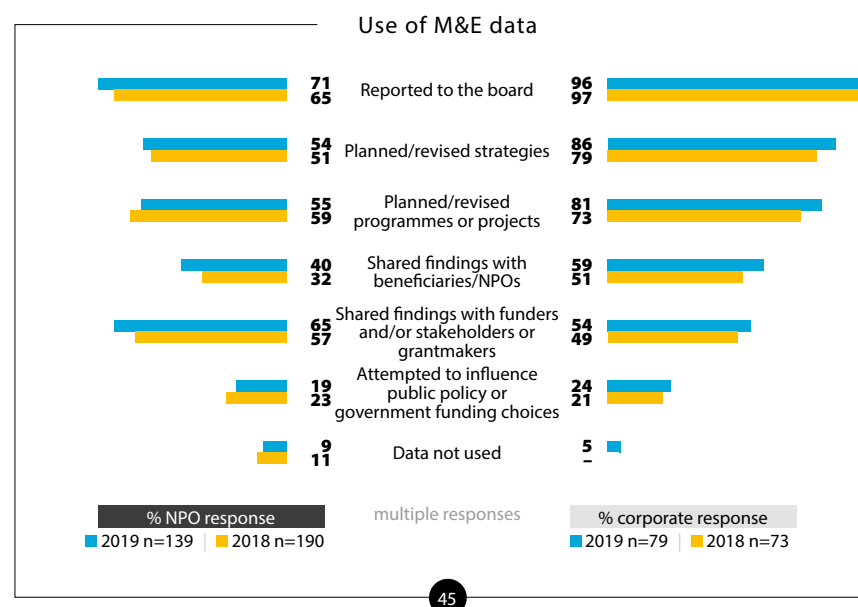


## Monitoring and evaluation (continued)

- When asked about reporting requirements, the highest percentage of companies (52%) indicated that they develop reporting templates collaboratively with NPOs that meet the needs of both parties. Only 10% allow NPOs to determine which insights they share.

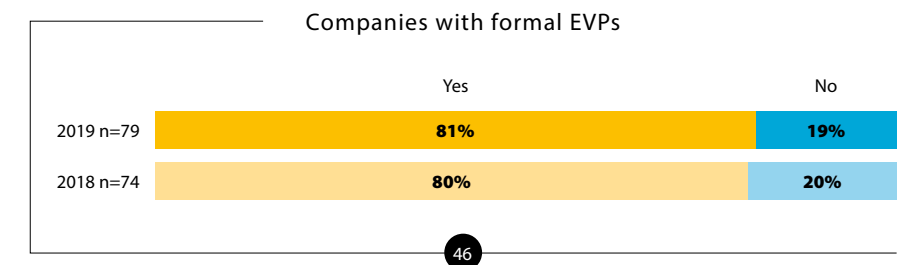


- Most commonly, companies and NPOs used the data gathered from M&E to report project findings to the board (96% and 71% respectively).
- Fewer than a quarter of companies and NPOs used M&E findings to influence public policy.
- Only four companies (5%) and 12 NPOs (9%) indicated that they did not use M&E data.

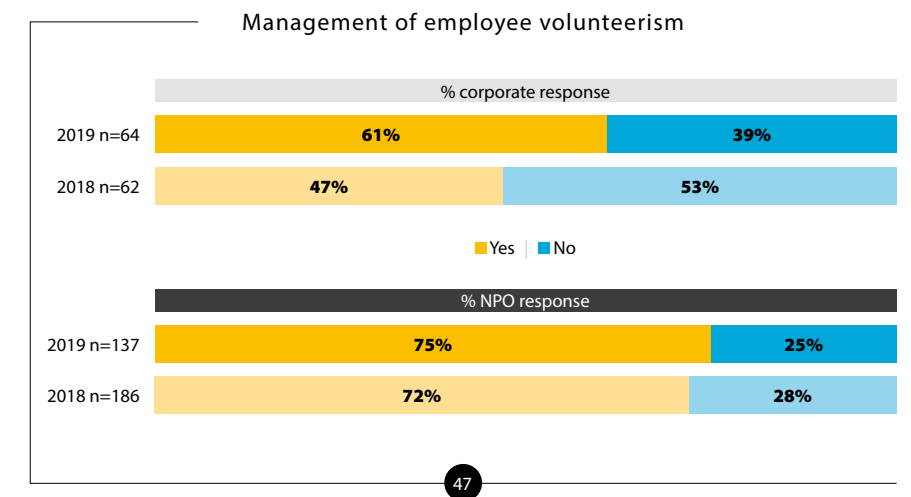


## Employee volunteerism

- Consistent with previous years, the majority of participating companies (81%) had formal employee volunteer programmes (EVPs) in 2019. Of those with EVPs, more than half (58%) had volunteering policies.
- Seventeen companies (27%, n=64) stated that employee volunteering time was quantified and included as part of their total CSI spend. However, only 12 companies (15% of the total sample) provided the data when disclosing total CSI spend. Across these 12 companies, the average value of employee volunteering time donated during working hours was just over R640 000.
- The degree to which companies restrict employee volunteerism initiatives to existing social investment projects varied across survey respondents. While 45% answered that no restrictions are applied, initiatives were partially restricted to existing social investment projects among 36% of companies and fully restricted by 19% of companies.



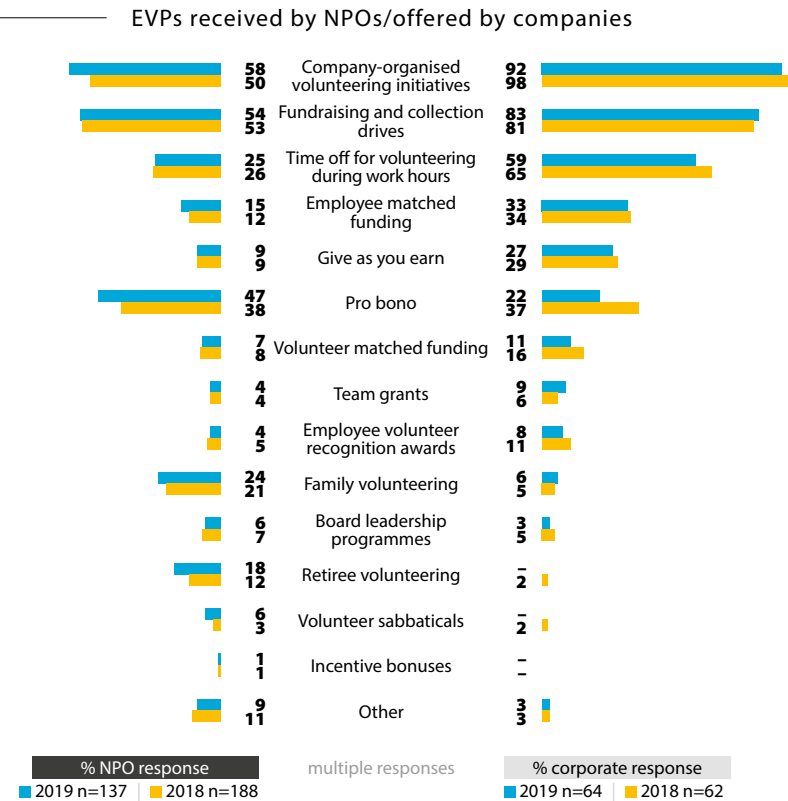
- Sixty-one percent of companies with EVPs had someone responsible for managing volunteers on either a full-time or part-time basis, up from 47% in 2018.
- Most (75%) NPOs indicated that they had someone responsible for managing volunteers.



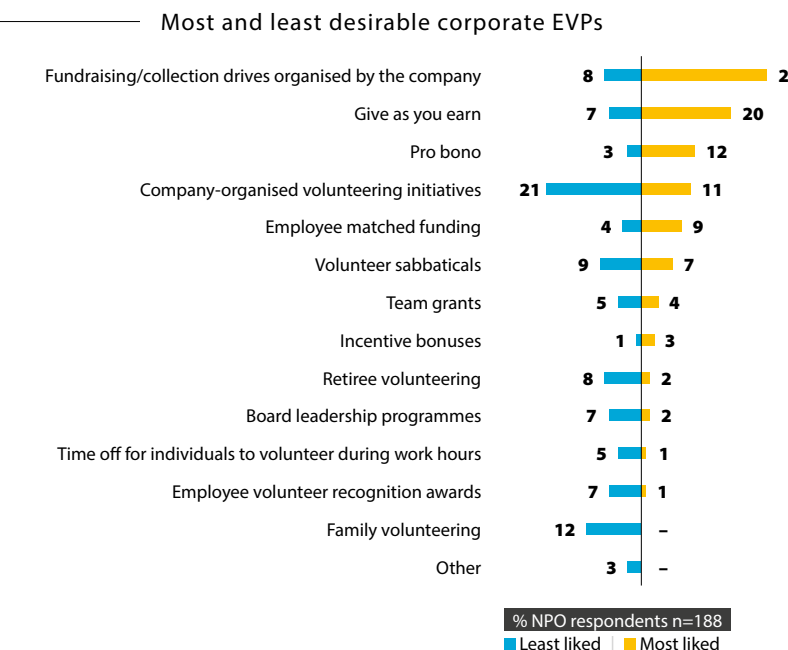


## Employee volunteerism (continued)

- Companies supported an average of four different types of employee involvement in 2019. The most common type was company-organised volunteering initiatives, offered by 92% of respondents.
- Companies most commonly (44%) held four or more company-organised volunteering initiatives per year, while 24% limited these initiatives to Mandela Day only.
- Despite this type of initiative being the least popular among NPOs, it was the most common form of volunteerism support received by NPOs (58%), followed by fundraising and collection drives (54%).



- NPOs most liked EVPs that provide funding: fundraising and collection drives (28%), which were offered by 83% of companies, and give as you earn (20%), which was offered by 27% of companies.
- NPOs least liked company-organised volunteering initiatives (21%), which were offered by the large majority (92%) of companies.



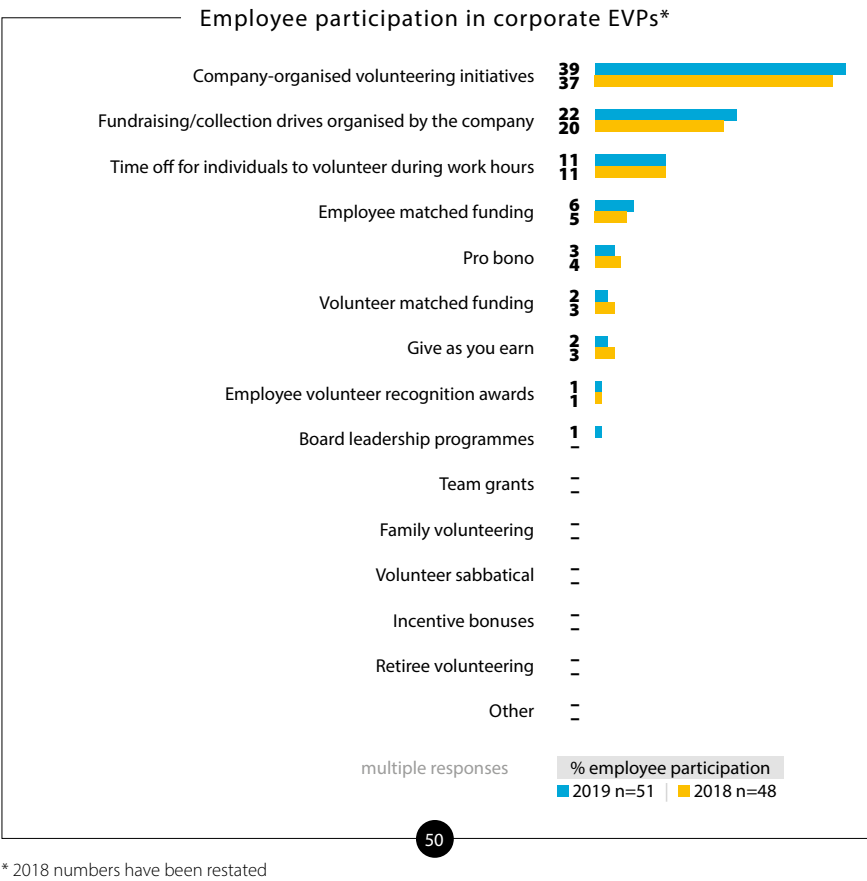
# Employee Volunteering made easy...

Top Corporate CSI Teams in South Africa use the **forgood** platform to setup, automate and measure their Employee Volunteering Programmes.

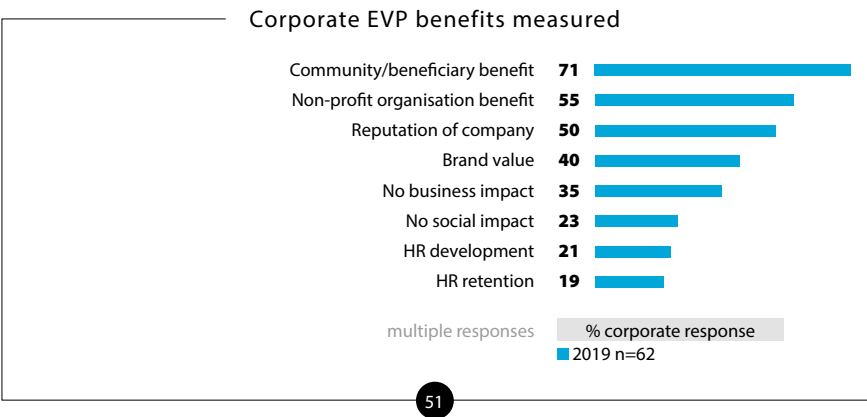
Visit [www.forgood.co.za](http://www.forgood.co.za) to see the platform in action.  
To learn more about running your own employee volunteering platform, call us on (011) 325 2594 or email [contact@forgood.co.za](mailto:contact@forgood.co.za)

Employee volunteerism (continued)

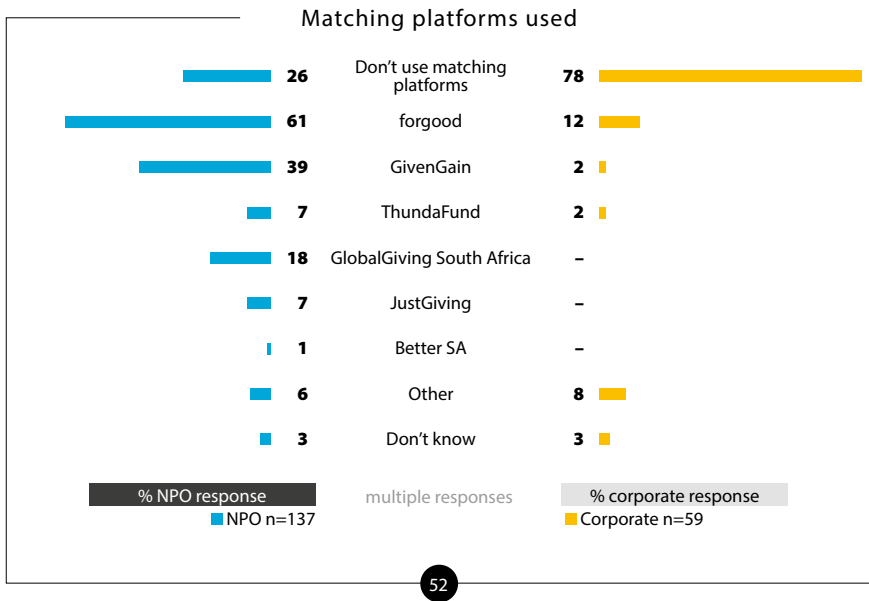
- Company-organised volunteering initiatives had the highest employee participation rate, at an average of 39% of staff, followed by fundraising drives (22%) and time off for volunteering (11%).



- Community/beneficiary benefit was the most commonly measured EVP benefit (71% of companies). This was followed by the measurement of benefits to NPOs (55%) and the impact of EVP on company reputation (50%).



- The majority of companies did not use online platforms for volunteering (78%). Among those that reported using online platforms, forgood was the most popular, used by seven companies (12%).
- Use of online matching platforms was much more common among NPOs, with the largest percentages of organisations reporting that they had used forgood (61%) and GivenGain (39%).



**OUR VISION**  
We will create a culture of reading in order to build a nation of readers.

- OUR MISSION**
- ★ To create more reading opportunities for children.
  - ★ To take the lead in bringing together like-minded NPOs, schools and communities to spark dialogue, and build strong, collaborative partnerships.
  - ★ To work directly with schools to develop approaches that are relevant, effective and sustainable.

**Shine Literacy: an overview**

Since its inception in 2000, Shine Literacy has taken an entrepreneurial approach to tackling South Africa's stubborn and unacceptably low literacy rates. Focusing on developing the reading, writing and language skills of Grade 2 and 3 children from low-income communities, with programmes that support literacy learning at home and school, equipping parents and communities to play an active role in promoting early literacy.

**Current snapshot of all our programmes**

Currently 1 176 volunteers deliver Shine Literacy programmes to 7 309 children in 77 schools across four provinces – Western Cape, Eastern Cape, KwaZulu Natal and Gauteng. Shine Literacy's Family Literacy Workshops reached 1 713 parents and caregivers across three provinces in 2017 and 2018. We have supported over 17 000 children since 2007. Shine Literacy's programmes are helping to transform the prospects of some of South Africa's most vulnerable children by;

- ★ breaking the destructive cycle of poor literacy
- ★ low educational attainment and
- ★ wasted potential and poverty



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**W: [shineliteracy.org.za](http://shineliteracy.org.za) @ShineLiteracy**  
**Shine Literacy Shine Literacy**



## Communication

- Communication about CSI was the responsibility of the CSI department in most companies (67%). Just over half of companies' corporate communications (52%) and marketing (51%) departments were also responsible. Percentages of companies using PR companies (12%) and advertising agencies (1%) for CSI communications dropped slightly from 2018.
- Forty-two percent of companies indicated that they included marketing and communications in annual CSI budgets, receiving an average allocation of 2% of expenditure (see page 39).
- CSI departments were responsible for managing CSI communications budgets among the largest percentage of corporate respondents (65%).

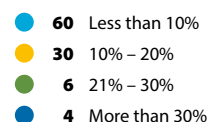
Corporate department/s responsible for CSI communications and budget



- Most NPOs (87%) had someone responsible for managing their communications. However, only 40% reported having communications budgets.
- Among the 77 NPOs that reported on the percentage of organisational budgets allocated to communications, this amount was 10% on average.

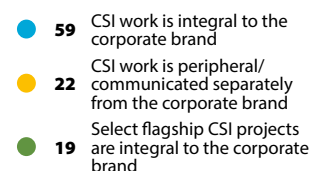
- Most companies suggested that their corporate brand leverages their CSI work, with 59% agreeing that CSI work is integral to the corporate brand.
- The majority of companies (74%) do not participate in cause-related marketing.

NPO percentage of organisational budget allocated to communications



% NPO respondents  
2019 n=77

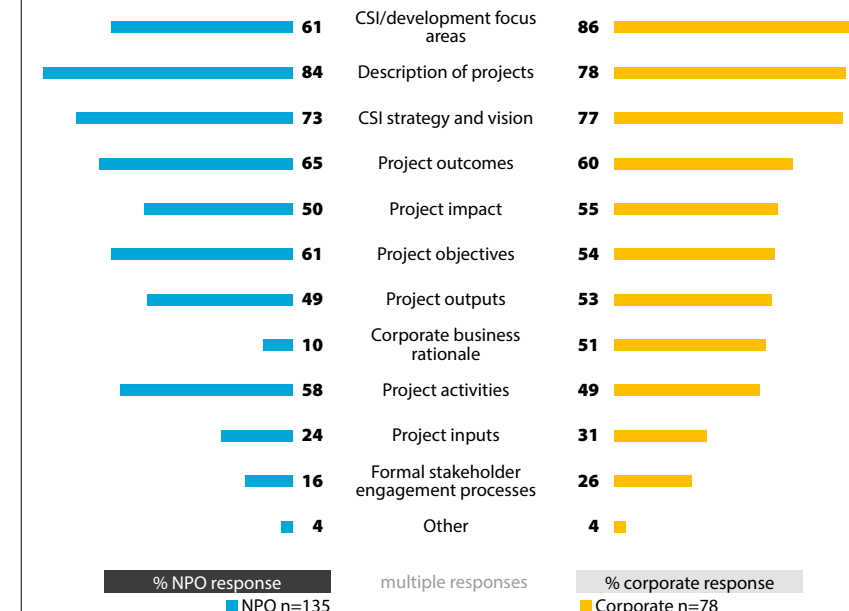
Corporate brand leveraging off CSI work



% corporate respondents  
2019 n=69

- The majority of companies communicated their CSI focus areas (86%), project descriptions (78%) and CSI strategy and vision (77%) in the public domain. Comparatively, fewer than a third communicated project inputs (31%) or formal stakeholder engagement processes (26%).
- NPOs were most likely to communicate descriptions of projects (84%), strategy and vision (73%) and project outcomes (65%) such as changes in the lives of beneficiaries. The lowest percentages of NPOs communicated project inputs (24%), formal stakeholder processes (16%) or the business rationale of donors (10%).

Content of communication about CSI work



## TRANSFORMING THE LIVES OF DISADVANTAGED STUDENTS THROUGH WORLD-CLASS EDUCATION

Despite significant investment in South Africa's education system, student performance is not improving. There has been a steady decline the matric pass rate, and education in South Africa still remains deeply unequal.

**School leaders play a key role in changing this trend.**

The Instructional Leadership Institute is a new non-profit that draws on the expertise of leading education organisations to train a generation of school leaders to serve in the nation's most disadvantaged schools.

We are currently training a network of 100 outstanding leaders, and aim to improve outcomes for more than 50,000 students from low-income backgrounds.

[www.ili.education](http://www.ili.education)

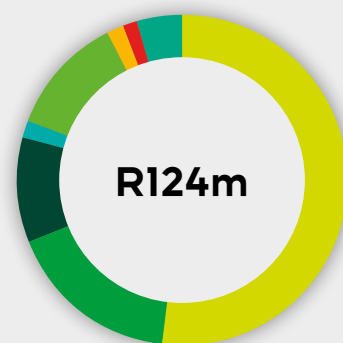
**INSTRUCTIONAL  
LEADERSHIP  
INSTITUTE**



# NEDBANK PURSUES SUSTAINABLE DEVELOPMENT GOALS IN A HOLISTIC APPROACH



**TOTAL CSI (%)**



- Education
- Skills development
- Community development (including Children's Affinity donations)
- Health
- Green
- Sports
- Arts and culture
- Staff volunteerism

Nedbank's 2017 Sustainable Development Review is the group's first attempt at aligning itself with the United Nations (UN) Sustainable Development Goals (SDGs), striving to marry business goals with societal impact.

In 2018 the publication offered a deep understanding of the interconnectivity of the three key areas of leverage, namely Operations, Corporate Social Investment (CSI), and Products and Services: Sustainable Development Finance. Doing good, but to measure and only what gets measured gets done,' says Nedbank Chief executive Mike Brown. The SDGs represent a single common set of measurement criteria for doing good or improving the state of our economy and society. And it is because of the power of this common measurement and aggregation that we chose the SDGs to measure the delivery of our "doing good", as set out in our purpose statement.'

In 2018 CSI projects delivered by the group were split across the two main pillars of education and skills development, as well as ongoing investment in staff volunteerism, environmental development and the highly effective giving

partnerships with clients through the four Nedbank affinities – the Green Affinity, Arts Affinity, Children's Affinity and Sport Affinity. The primary function of the education pillar is to improve science, technology, engineering and mathematics (STEM) and literacy results from early-childhood development to secondary school level. This pillar includes:

- School leadership (Partners for Possibility project); capacity building of teachers and early-childhood development practitioners;
- Systematic change (eg literacy programme);
- Learner wellness and empowerment; and
- Maths and science programmes (eg Maths Centre and the Coding and Robotics project).

Nedbank's view that the greatest contribution it can make to the SGD agenda is through its commercial offering was reflected in its R124 million CSI spend in 2018, all designed to meet the most pressing needs of communities, while leveraging Nedbank skills and expertise.

Given the scarcity of CSI funding, it was imperative to deliver maximum positive social impact through targeted investment in flagship projects that aligned with Nedbank's Sustainable Development Framework, employing the Nedbank Foundation as an implementation vehicle.

## WE SUPPORTED THE FOLLOWING PROJECTS:



### CODING AND ROBOTICS

This is a partnership with ORT SA, a special project aimed at primary- and high-school students with the objective to give them IT skills, and is focused on disadvantaged communities in Gauteng. Robotics helps develop problem-solving skills, as it fosters learners' abilities to design and engineer independently. It also motivates pupils to study STEM subjects and to choose careers in the science, engineering and Technology fields.





## DATA SCIENCE ACADEMY

The academy was created to address the shortage in data scientists across South Africa by offering an accredited skills programme for 17- to 35-year-old students. Participants are selected on natural talent, ambition and the potential to become great data scientists.

## THE EARLY-CHILDHOOD DEVELOPMENT PROGRAMME

his initiative is aligned with the Curriculum and Assessment Policy Statement (CAPS) and has specific outcomes in the home language curriculum (listening and speaking; reading and phonics; and writing). It focuses on structuring and using, as well as thinking and reasoning in all four language skills. Play-based learning mediated by teachers creates opportunities for incidental learning through structured activities per term, which eliminates the burden of lesson planning.



All resources required for activities to accomplish inclusive education over six months are contained in the Interactive Reading Solution kit

## NICHOLAS BHENGU FOUNDATION

The main objective of this foundation is to equip and prepare graduates for the world of work. The main focus is to enhance the personal development of the graduates so that they can obtain employment at the end of the programme. Three hundred graduates were placed on the programme for every entry-level positions available in 2019.

## COMMUNITY DEVELOPMENT AND HEALTH INITIATIVES FURTHER SUPPORT EDUCATION OUTCOMES

The skills development pillar aims to increase opportunities for sustainable employment through entrepreneurship (eg Buhle Farmers Academy) and addressing scarce skills (artisanship promotion, eg the Solar Plumbing Project).



### BUHLE FARMERS ACADEMY

Agriculture is a key development area in which Nedbank supports emerging farmers in partnership with Buhle Farmers Academy based in Vuwani, Limpopo. The programme addresses specific constraints that developing farmers face and supports them through training, skills transfer, coaching, mentoring and startup assistance. In 2018 the Nedbank Foundation invested just under R2 million, benefiting 10 farmers. This three-year intervention will see the farmers participating fully in the food value chain, contributing to general local economic development and food security as well as local employment.

There are also other education, skills development, community development and health initiatives that Nedbank staff participate in as part of the Community Builder Volunteer Programme. Over 10 years this programme, driven entirely by staffmembers, has raised more than R14 million in additional contributions.

## VIEWPOINT

# Supporting the growth of SA's social economy

The social economy, which refers to economic activities in which social and environmental benefit, rather than individual benefit, is intentionally prioritised, is recognised by the South African Government as an important economic sector. **Kerryn Krige**, chief technical adviser for the Social Economy Policy Project, provides an update on the draft policy document which aims to support the growth and sustainability of the social economy in the country.



### What is the social economy?

The social economy includes all economic activities that prioritise social and environmental outcomes. It is easiest to understand the social economy by looking at the organisations that constitute it – non-profit organisations (NPOs), cooperatives, stokvels and social enterprises. Government's work is to strengthen this sector so that we have a vibrant mix of organisations that focus on both social and economic value creation.

### What is the role of business – and corporate social investment (CSI) in particular – in the social economy?

The business of the future operates in the social economy, recognising that it is connected to and works with its community. The social economy is a collaborative, rather than a competitive economy. This is a big shift, which I believe will take time. This is where CSI funding has an important role to play as a catalytic funder that takes risks by supporting new and innovative ideas to facilitate social progress and allows us to figure out what works – and what doesn't – so that the institutional ecosystem can follow.

### Why is there a need to regulate the social economy?

There is a need to legitimise rather than to regulate the social economy. For too long it has been operating on the fringes, and the role of the current policy process is to consult with stakeholders on how we can mainstream it. Mainstreaming may require regulation, but our goal is to enable.

### What does South Africa's draft social economy policy aim to achieve?

The *Social Economy Green Paper* is currently being consulted on and makes a

number of proposals around recognising social enterprises, streamlining funding so that it reaches communities, agreeing on definitions and setting up systems of reporting so that we have a metric-based picture of what the social economy looks like: How much money is generated? How many people volunteer or are employed within it? What are the barriers? This all comes from setting up regular reporting mechanisms.

### What are the key components of the draft policy?

There are four main pillars: legal and regulatory, access to markets, new economies and finance mechanisms for the sector. But, as is usual in our space, these pillars overlap.

The legal and regulatory pillar looks at what changes we can make to laws, for example, do we legislate social enterprises? Access to markets makes recommendations around how we legitimise the goods and services that social organisations produce, such as by introducing a social enterprise trademark. Finance looks at what we can introduce to the system that mobilises funding to the social economy, and new economies introduces a focus on measuring our economy past GDP and how we can maximise technology to streamline processes for example, to minimise red tape.

### What is the status of the draft policy?

We complete the first round of provincial consultations at the end of 2019. We will then collate all the information that we have received, make changes to the Green Paper, and begin a second round of consultations in early 2020. The goal is to have the final policy recommendations to Parliament by the middle of 2020.

### How has the business community responded to the draft policy?

All sectors have responded positively and we have had excellent responses from big business, small business, cooperatives, social enterprises and NPOs. We hosted a specialist session for CSI managers, to get their feedback on the Green Paper, and continue to liaise closely with the National Economic Development and Labour Council.

### How can we innovate existing mechanisms to better fund and resource the social economy?

This is a big question! But it really is the question. South Africa has excellent mechanisms and policies, so the focus is on how we work with what is already in place, and make these relevant to people working in our cities, towns and villages. For example, one of our recommendations is that we do not believe that the social economy requires additional funding, but that there is clearly a problem with existing funding not reaching communities outside of the main centres. So how can we make this happen – through community foundations? By strengthening the cooperative banking model? By encouraging impact investing that has specific flows to rural areas? This is what we are still working on.

### KERRYN KRIGE

Chief technical adviser,  
Social Economy Policy Project  
International Labour Organisation  
krige@ilo.org

# Corporate and NPO reputations

As part of its annual research, Trialogue asks corporate and non-profit organisation (NPO) respondents to list three companies and three NPOs that they perceive to be having the greatest developmental impact. Rather than a gauge of actual impact, these rankings – based on the number of respondent mentions – tend to favour companies and NPOs that are better known because of their good communication and/or broad reach.

## Corporate developmental impact

### Top companies as ranked by companies

Ranking (n=79)	Company	Number of mentions*	Percent mentions
1	Vodacom	15	8
2	Nedbank	12	6
3	Woolworths	11	6
4=	Discovery	10	5
	Old Mutual	10	5
6	Sasol	9	5
7=	FNB	8	4
	MTN	8	4
9	Anglo American	7	4
10=	FirstRand	6	3
	Standard Bank	6	3

\* Multiple response question; 64 companies mentioned; total number of mentions = 188.

### Top companies as ranked by NPOs

Ranking (n=139)	Company	Number of mentions*	Percent mentions
1	Nedbank	25	7
2	Woolworths	15	4
3=	Old Mutual	14	4
	Vodacom	14	4
5=	Anglo American	11	3
	Discovery	11	3
7=	SABMiller	10	3
8=	FirstRand	8	2
	KFC	8	2
10=	FNB	7	2
	Absa	7	2
	Investec	7	2
	Pick n Pay	7	2

\* Multiple response question; 161 companies mentioned; total number of mentions = 353.

- **Vodacom** was ranked first by companies for the third consecutive year (tying with Woolworths in 2018). The company has been ranked in the top five since 2012. Also for the third consecutive year, Vodacom retained the third position as ranked by NPOs.
- **Nedbank** was ranked second by companies and first by NPOs for the fourth consecutive year.
- **Woolworths** was ranked third by companies after peaking in first position in 2018 (tying with Vodacom) and retained its second position as ranked by NPOs.
- **Old Mutual's** corporate ranking dropped one place, from third position in 2018, while its NPO ranking climbed from sixth to third position.
- **Anglo American** has made the corporate ranked list since 1999. However, its ranking dropped from the top five for the first time this year, to ninth position.
- **Discovery's** ranking by companies climbed from eighth in 2018, to fourth position. The company retained fifth position as ranked by NPOs.

## NPO developmental impact

### Top NPOs as ranked by companies

Ranking (n=79)	Organisation	Number of mentions*	Percent mentions
1=	Africa Tikkun	9	5
	Gift of the Givers	9	5
3	Nelson Mandela Foundation	5	3
4=	DG Murray Trust	4	2
	Food & Trees for Africa	4	2
	Harambee	4	2
	SECTION27	4	2
8=	The Clothing Bank	3	2
	Kutlwano Centre for Maths, Science and Technology	3	2
	Smile Foundation	3	2
	WWF South Africa	3	2

\* Multiple response question; 134 NPOs mentioned; total number of mentions = 187.

### Top NPOs as ranked by NPOs

Ranking (n=139)	Organisation	Number of mentions*	Percent mentions
1	Gift of the Givers	12	3
2	Africa Tikkun	11	3
3	SPCA	7	2
4=	CANSA	6	2
	Child Welfare	6	2
	CHOC Childhood Cancer Foundation	6	2
	IkamvaYouth	6	2
	LIV Village	6	2
9	The Clothing Bank	5	1
10=	Khulisa Social Solutions	4	1
	Red Cross Children's Hospital	4	1

\* Multiple response question; 134 NPOs mentioned; total number of mentions = 257.

- **Gift of the Givers** was ranked first by both companies and NPOs, and consistently ranks in the top three on both lists.
- **Afrika Tikkun** was ranked first by companies for the second consecutive year, this year sharing the top position with Gift of the Givers. The organisation consistently ranks in the top two. NPOs ranked Afrika Tikkun second, up from fourth position in 2018.
- **Nelson Mandela Foundation** retained third position as ranked by companies, but has not featured on the NPO list for the past two years.
- **SPCA** was ranked third by NPOs for the second consecutive year, but has not been ranked in the top ten by corporates since 2016. ■



# Vodacom pioneers ecosystem to improve the quality of basic education



**Vodacom in partnership with the Department of Basic Education showcase a new education ecosystem in Limpopo. In front of the newly revamped Divhani Community Crèche, from L-R: Sello Hatang (CEO of the Nelson Mandela Foundation), Imran Khan (Managing Executive for Vodacom Limpopo region), Chief Ravele of Mauluma, Takalani Netshitenzhe (Chief Officer: Corporate Affairs for Vodacom Group), Mr Enver Surty (Former Deputy Minister for Department of Basic Education), Hulisani Masindi (Principal at Divhani Community Crèche), Mr Solly Mabusela (Chief Director: Limpopo Department of Education) and Chebet Chikumbu (Africa Director at Global Citizen).**

In March this year, Vodacom unveiled an education ecosystem to support government's Vision 2030 comprehensive approach to education. The ecosystem recognises that the success of the education system depends on a smooth interface and implementation of various pillars, underpinned by partnership of various players.

Some research studies paint a despairing picture of our education system. For instance, authors of an IMF working paper which received wide media coverage in March 2019 indicated that despite relatively high levels of public spending on education – over 6% of our GDP – the country continues to suffer from weak educational quality. The paper concludes that, to improve the situation, what is required is to package interventions together that would include, *inter alia*, improving teacher training and accountability, and school management.

In his 2019 State of the Nation address, President Cyril Ramaphosa said government will make Early Childhood Development (ECD) compulsory for all children before they enter grade one, as this is essential in equipping children to succeed in education, in social skills

and in life. It is our firm belief at Vodacom that a renewed focus on ECDs will strengthen our basic education system and help our government produce well-rounded professionals and in this way we can overcome poverty, unemployment and inequality.

At Vodacom we hold the firm view that the country remains a promising investment destination with a bright future. In our considered view, if our government is going to make any significant advances in improving the quality of education, the government in partnership with leading corporates such as Vodacom need to find innovative ways to improve the quality of basic education by building a solid foundation in education, particularly in the early years.

In this respect Vodacom, as a longstanding partner of government and as part of our 25-year existence, has pioneered a multifaceted education ecosystem model that looks at the interdependencies and interrelationships of ECDs and high schools, and incorporates teacher training, parents and local communities to significantly transform our education system.

## The six pillars of this multifaceted education ecosystem include:

A school of excellence model which supports 12 schools across the country selected from the 3 000 schools that Vodacom has supported with Information Communication Technologies (ICT) since 2008. Each school of excellence is closer to an ECD centre, a teacher centre and a Vodacom ICT youth academy. Since December 2018, after making a R500 million pledge over the next five years at the Global Citizen festival to support digital literacy and the eradication of pit latrines, the Vodacom Foundation has spent over R33 million on infrastructure development at the ECD centres and schools of excellence. The pillars below underpin the schools of excellence model:

- **Pillar 1 – ECD centres:** Vodacom Foundation has committed to upgrading and renovating 15 ECD centres. To date six ECD centres have been upgraded and renovated, and received an ICT trolley solution and a mobile library. We have also decommissioned pit latrines in these ECD centres.
- **Pillar 2 – Infrastructure and ICT:** We have provided each of our 12 schools of excellence with a computer centre and security. We have also decommissioned pit latrines in these schools.
- **Pillar 3 – Teachers and school leadership:** We collaborate with partners to train teachers on the integration of ICT in the classroom. In the 2018/19 year, we spent over R12.7 million in providing unlimited connectivity in 92 teacher centres and provided more than 92 centre managers with digital skills training.
- **Pillar 4 – Communities:** The above-mentioned teacher centres also serve as technology hubs where communities can access the internet. In South Africa, at these centres, more than 450 female farmers have received ICT training.
- **Pillar 5 – Partnerships:** Annually, the Vodacom Foundation invests R5 million in 12 Not for Profit Organisations (NPOs) that have improved the lives of more than 73 900 people through this support over the past 20 years.
- **Pillar 6 – Learning materials:** Learning materials play a key role in providing effective support to teachers and learners. Vodacom Foundation has partnered with the Department of Basic Education (DBE) to provide free unlimited internet access to quality digital Curriculum and Assessment Policy Statements (CAPS)-aligned content through e-School which is a zero-rated platform for Vodacom subscribers. This means Vodacom absorbs the costs of the service and does not generate revenues from the e-school service run in partnership with DBE.

Crucially, as part of our digital literacy training initiative for women, we provided basic computer training to more than 1 600 survivors of gender-based violence in government safe shelters nationally. We also trained just over 800 women farmers on using social media (Facebook, Twitter, Instagram, etc.), internet and email usage to enable them to reach out to the outside world, and promote their farm produce. Following this, these women farmers are then able to participate in the second phase of the programme which will connect small-scale farmers across the agricultural value chain to enterprises and potential suppliers looking to source agricultural goods, such as crops and livestock, by registering on Vodacom's Connected Farmer app.

Our approach is aligned to the foreword of the South African National Curriculum Framework for children from birth to four years old,



**Sello Hatang (CEO of the Nelson Mandela Foundation) reading to children at the newly revamped Divhani Community Crèche.**



**From L-R: Sello Hatang (CEO of the Nelson Mandela Foundation), Mr Solly Mabusela (Chief Director: Limpopo Department of Education), Takalani Netshitenzhe (Chief Officer: Corporate Affairs for Vodacom Group), Chief Ravele of Mauluma, Mrs N. Nduvheni (Circuit manager), Mr Enver Surty (Former Deputy Minister for Department of Basic Education).**

adopted in February 2015, which said: "Delays in cognitive and overall development before schooling can often have long-lasting and costly consequences for children, families and society. The most effective and cost-efficient time to intervene is before birth and the early years of life. Investment in Early Childhood Development should be a key priority."

We believe in strong public-private partnerships and our partnership with the DBE is testimony of our commitment to making a contribution to improve the quality of education guided by our technological innovations and government policies. We acknowledge that we exist in societies with high levels of inequality and abject poverty, and therefore it is incumbent upon us to collaborate with the public sector and non-government organisations to come up with innovative solutions to assist government to deal with some of the socioeconomic problems plaguing our society in this milieu. Given where South Africa finds itself right now, there is a pressing need to forge increasingly meaningful partnerships to deepen and accelerate the impact of our collective programmes and to help move South Africa forward.

For more information, visit [vodacom.co.za](http://vodacom.co.za)

## Connecting for Good.





# CSI expenditure per company

The following table contains published figures on CSI expenditure of over R5 million during the period 1 July 2018 to 30 June 2019, where available.

As far as possible, Trialogue has focused on South African expenditure on CSI. However, it is not always possible to discern South African versus multinational expenditure. Reported figures are also not consistent in how CSI is defined but, where possible, we have excluded expenditure on non-CSI-related activities. Where global figures are reported in dollars, pounds or euros, Trialogue has converted these to rands using the SARS average exchange rate for each company’s financial year. Notes are included to provide clarity in instances where reported numbers do not accurately represent South African CSI expenditure. Trialogue does not take responsibility for inaccuracy of published figures.

Company name	2018/19 published CSI spend	2017/18 published CSI spend	2018/19 development focus areas	Source of 2018/19 data
	(RSA, unless otherwise mentioned) Rm	(RSA, unless otherwise mentioned) Rm	(not in order of investment)	
<b>Absa</b>	Not available at time of going to print	95.6	Education, job creation, financial literacy, entrepreneurship, environment	
<b>ACSA</b>	46.0	44.0	Women and youth empowerment, environmental sustainability, disability, skills development, employee volunteerism	<i>ACSA Integrated Annual Report 2019, pg40</i>
<b>Adcock Ingram Holdings</b>	6.7	6.6	Healthcare, education, environment	<i>Adcock Ingram Intergrated Report 2019, pg23</i>
<b>ADvTech</b>	174.0 <sup>1</sup>	130.0	Education	<i>ADvTech Annual Integrated Report 2018, pg16</i>
<b>AECI</b>	30.0	35.0	Education, skills development, environment, community development, orphans and vulnerable children	<i>AECI Integrated Annual Report 2018, pg50</i>
<b>African Bank</b>	10.2	9.4	Education, early childhood development, sports	<i>African Bank Integrated Report 2018, pg88</i>
<b>African Rainbow Minerals</b>	27.4	20.5	Education, community safety, water and sanitation	<i>African Rainbow Minerals Integrated Annual Report 2019, pg5</i>
<b>Alexander Forbes</b>	5.5	4.6	Education, early childhood development, orphans and vulnerable children	<i>Alexander Forbes Group Integrated Annual Report 2019, pg54</i>
<b>Altron Group</b>	9.3	9.4	Education, skills development	<i>Altron Annual Integrated Report 2019, pg14</i>
<b>Anglo American</b>	1 085.2 <sup>2</sup>	1 171.5	Community development, education, training, water and sanitation, health and welfare, sports, arts, culture and heritage, institutional capacity development, environment, disaster and emergency relief	<i>Anglo American PLC Integrated Annual Report 2018, pg33</i>
<b>Anglo American Platinum</b>	264.2 <sup>3</sup>	301.1	Education and training, health and welfare, water and sanitation, institutional capacity development, community development	<i>Anglo American Platinum Integrated Annual Report 2018, pg84</i>
<b>AngloGold Ashanti</b>	66.2 <sup>4</sup>	79.9	Enterprise development, infrastructure, health, education, skills development, gender equality	<i>AngloGold Ashanti Integrated Annual Report 2018, pg83</i>
<b>ArcelorMittal SA</b>	14.0	23.0	Skills development, training, education	<i>Arcelor Mittal Integrated Annual Report 2018, pg9</i>
<b>Aspen Pharmacare</b>	15.9	15.0	Health, education, training, sports, community upliftment	<i>Aspen Pharmacare Integrated Annual Report 2019, pg80</i>
<b>Assmang</b>	Not disclosed	101.2	Education, enterprise development, community upliftment, poverty alleviation	
<b>Assore</b>	Not disclosed	31.5	Education, enterprise development, community upliftment, poverty alleviation	

Company name	2018/19 published CSI spend	2017/18 published CSI spend	2018/19 development focus areas	Source of 2018/19 data
	(RSA, unless otherwise mentioned) Rm	(RSA, unless otherwise mentioned) Rm	(not in order of investment)	
<b>Astral Foods</b>	15.0	40.8	Education, skills development, enterprise development	<i>Astral Foods Integrated Report 2018, pg53</i>
<b>Aveng Group</b>	12.8	17.8	Education, environment	<i>Aveng Integrated Report 2019, pg55</i>
<b>Barloworld</b>	16.0	18.0	Education, youth development, health and welfare, environment	<i>Barloworld Integrated Report 2018, pg77</i>
<b>Bauba Platinum</b>	6.1	7.8	Education	<i>Bauba Platinum Integrated Annual Report 2019, pg25</i>
<b>BHP Billiton</b>	1 326.5 <sup>5</sup>	990.7	Enhancing livelihoods, health, education, training, social inclusion	<i>BHP Billiton Annual Report 2019, pg6</i>
<b>Bidvest</b>	100.0	117.0	Community development, environment, enterprise development, training	<i>Bidvest Integrated Report 2019, pg29</i>
<b>Blue Label Telecoms</b>	15.3	9.3	Youth, sports development, technological development	<i>Blue Label Telecoms Integrated Annual Report 2019, pg 52</i>
<b>BMW</b>	Not available at time of going to print	495.5	HIV/Aids, community development, education, sports development	
<b>British American Tobacco</b>	275.1 <sup>6</sup>	320.7	Sustainable agriculture, environment, empowerment, civic life	<i>http://www.bat.com/csi</i>
<b>Calgro M3 Holdings</b>	Not disclosed	9.6	Education, skills development, social development	
<b>Capitec Bank</b>	56.9	10.6	Community development, education, skills development, enterprise development	<i>Capitec Integrated Annual Report 2019, pg142</i>
<b>Cashbuild</b>	159.7	155.0	Education, community development, enterprise development	<i>Cashbuild Integrated Report 2019, pg6</i>
<b>Central Energy Fund (SOC)</b>	34.5	92.0	Education, skills development, infrastructure, economic development	<i>Central Energy Fund Integrated Annual Report 2019, pg9</i>
<b>Clicks Group Ltd</b>	18.4	17.8	Health, skills development	<i>Clicks Group Integrated Annual Report 2018, pg64</i>
<b>Coronation Fund Managers</b>	Not disclosed	19.8	Education, skills development, entrepreneurial development, financial education	
<b>Curro Holdings</b>	81.0	51.0	Education	<i>Curro Holdings Annual Integrated Report 2018, pg33</i>
<b>Datatec</b>	5.9	7.0	Education, skills development, ICT	<i>Datatec Integrated Report 2019, pg46</i>
<b>Discovery</b>	40.2	32.0	Health, education	<i>Discovery Integrated Annual Report 2019</i>
<b>Distell Ltd</b>	67.0	24.0	Alcohol abuse-related harm reduction, youth and entrepreneurial development, arts and culture	<i>Distell Integrated Report 2019, pg17</i>
<b>Engen</b>	22.0	35.0	Education, safety, environment, disability	<i>Engen Integrated Report 2018, pg55</i>
<b>Eskom</b>	132.4	192.0	Education, health, community development, enterprise development	<i>Eskom Integrated Report 2019, pg29</i>
<b>Exxaro</b>	77.0	51.0	Community development, infrastructure, education	<i>Exxaro Resources Ltd Integrated Report 2018, pg37</i>
<b>Famous Brands</b>	21.5 <sup>7</sup>	23.2	Education, sports, health	<i>Famous Brands Integrated Annual Report 2019, pg18</i>
<b>FirstRand</b>	428.0	342.0	Community development, education	<i>First Rand Group Annual Integrated Report 2019, pg11</i>
<b>Glencore Xstrata</b>	1 234.4 <sup>8</sup>	1 264.7	Education, enterprise development, economic diversification, health, environment	<i>Glencore Annual Report 2018, pg36</i>
<b>Goldfields</b>	344.1 <sup>9</sup>	226.3	Infrastructure, education and training, economic diversification	<i>The Gold Fields Integrated Annual Report 2018, pg7, 111</i>



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CSI expenditure per company (continued)

Company name	2018/19 published CSI spend	2017/18 published CSI spend	2018/19 development focus areas	Source of 2018/19 data
	(RSA, unless otherwise mentioned) Rm	(RSA, unless otherwise mentioned) Rm	(not in order of investment)	
Growthpoint Properties	40.9 <sup>10</sup>	35.9	Education, enterprise development, early childhood development	<i>Growthpoint Properties Ltd Integrated Annual Report 2019, pg82</i>
Harmony Gold Mining	7.0	15.0	Education, socioeconomic advancement, health, arts, culture, sports and recreation	<i>Harmony Gold Mining Company Limited Integrated Annual Report 2019, pg124</i>
Hudaco Industries	6.4 <sup>11</sup>	2.5	Education, skills development, enterprise development	<i>Hudaco Integrated Report 2018, pg3</i>
Impala Platinum Holdings Ltd	86.0	137.0	Community development	<i>Implats Annual Integrated Report 2019, pg65</i>
Imperial Holdings	22.2	17.0	Health, youth development, road safety	<i>Imperial Holdings Integrated Annual Report 2019, pg13</i>
Industrial Development Corporation of SA	50.6	31.8	Education, training, skills development, consumer education, community development, entrepreneurial development, employee volunteering and giving	<i>IDC Integrated Report 2019, pg53</i>
Intu Properties	Not available at time of going to print	32.8	Community development, education, environment	
Investec	168.7	94.2	Education, entrepreneurial development	<i>Investec Integrated Annual Report 2019, pg26</i>
Italtile	15.6	27.2	Education, sports, conservation	<i>Italtile Integrated Annual Report 2019, pg17</i>
JSE	Not disclosed	10.8	Education, financial literacy	
KAP Industrial Holdings	17.5	14.6	Community development, environment	<i>KAP Integrated Report 2019, pg7</i>
Keaton Energy	24.0 <sup>12</sup>	0.0	Education, enterprise development	<i>Wescoal Holdings Ltd Integrated Annual Report 2019, pg38</i>
Kumba Iron Ore	123.5	106.7	Education, health, infrastructure	<i>Kumba Iron Ore Ltd Sustainability Report 2018, pg17</i>
Landbank	5.2	5.1	Agriculture, education	<i>Land Bank Group Integrated Annual Report 2019, pg46</i>
Lewis Group	Not disclosed	7.6	Education, OVC, health, community development, training	
Liberty Group Ltd	45.6 <sup>13</sup>	41.3	Education, community development, enterprise and supplier development	<i>Liberty Holdings Ltd Integrated Report 2018, pg37</i>
Life Healthcare Group	71.0	43.0	Community upliftment, health, education	<i>Life Healthcare Integrated Report 2018, pg100</i>
Massmart	25.4	23.4	School nutrition, early childhood development, school sports maintenance and infrastructure	<i>Massmart Integrated Annual Report 2018, pg68</i>
MediClinic Corporation	27.7 <sup>14</sup>	29.3	Health, training, education	<i>MediClinic International Annual Report 2019, pg93</i>
Media 24	15.6 <sup>15</sup>	19.6	Education, digital media training, enterprise development	<i>Media 24 Annual Report 2019, pg20, 21</i>
Merafe Resources	49.9	27.1	Enterprise development, skills development, education, health, human rights	<i>Merafe Resources Integrated Annual Report 2018, pg37</i>
Metair Investments	11.2	10.1	Arts, sports and culture, social development, education, health, infrastructure development, small business support, skills development	<i>Metair Integrated Annual Report 2018, pg65</i>
Momentum Metropolitan Holdings Ltd	26.8	25.0	Education, health, disability, sports development	<i>Momentum Metropolitan Integrated Annual Report – <a href="https://www.momentummetropolitan.co.za/en/investor-relations/annual-reports">https://www.momentummetropolitan.co.za/en/investor-relations/annual-reports</a></i>

Company name	2018/19 published CSI spend	2017/18 published CSI spend	2018/19 development focus areas	Source of 2018/19 data
	(RSA, unless otherwise mentioned) Rm	(RSA, unless otherwise mentioned) Rm	(not in order of investment)	
Mondi Group	123.3 <sup>16</sup>	144.4	Education, health, infrastructure, enterprise development	<i>Mondi Group Integrated Annual Report 2018, pg21</i>
Mr Price Group	29.5	28.2	Education, skills development	<i>Mr Price Integrated Annual Report 2019, pg15</i>
MTN SA Foundation	56.2	44.8	Education, health, entrepreneurial development	<i>MTN SA Foundation 2018 Annual Report, pg51</i>
MultiChoice Africa	148.0 <sup>17</sup>	60.1	Education, skills development, sport, arts and culture, environment, health	<i>MultiChoice Africa Integrated Annual Report 2019, pg11</i>
Nampak	7.6	9.7	Education, health and welfare, environment	<i>Nampak Ltd Integrated Report 2018, pg11</i>
Nedbank Group	124.0	168.0	Education, community development, skills development, health, sports, arts and culture	<i>Nedbank Group Integrated Report 2018, pg80</i>
Netcare	35.0	26.0	Health	<i>Netcare Ltd Annual Integrated Report 2018, pg9</i>
Pan African Resources	8.3 <sup>18</sup>	2.6	Education, community development, housing, arts and culture	<i>Pan African Resources Integrated Annual Report 2019, pg91</i>
Peermont Global	Not available at time of going to print	39.4	Education, entrepreneurial and community development	
PetroSA (Pty) Ltd	16.0	8.4	Education, health, community development, environment	<i>PetroSA Integrated Annual Report 2019, pg63</i>
Pick n Pay	34.1	30.5	Food security, job creation, skills development, environment, community and enterprise development	<i>Pick n Pay Integrated Annual Report 2019, pg25</i>
Pioneer Foods	12.1	9.6	Nutrition, education, community development	<i>Pioneer Foods Integrated Annual Report 2018, pg88</i>
PPC	Not disclosed	10.0	Education, community development, infrastructure	
Rand Water Foundation	Not available at time of going to print	18.9	Education, infrastructure, health	
Raubex Group	5.5	6.3	Education, health, community development, sports	<i>Raubex Group Integrated Annual Report 2019, pg64</i>
RCL Foods	12.3	15.4	Income generation, agriculture, enterprise development	<i>RCL Foods Integrated Annual Report 2019, pg13</i>
Redefine Properties	5.8	0.0	Community development, environment, education	<i>Redefine Properties Integrated Annual Report, pg6</i>
Remgro	24.0	27.0	Education, financial literacy, community development, social welfare	<i>Remgro Limited Integrated Annual Report 2019, pg7</i>
Reunert	13.0	14.0	Education, childhood development, community development	<i>Reunert Ltd Integrated Annual Report 2018, pg49</i>
Rio Tinto	2 540.9 <sup>19</sup>	2 343.1	Education, health, environment, community development, agriculture, business development	<i>Rio Tinto Sustainable Development Report 2018, pg36</i>
RMB Holdings	428.0	342.0	Education, community development	<i>RMB Integrated Annual Report 2019, pg11</i>
Royal Bafokeng Platinum	63.2	40.5	Skills development, education, health, housing, community infrastructure, poverty alleviation, job creation	<i>Royal Bafokeng Platinum Integrated Report 2018, pg9</i>
SA Reserve Bank	18.3	15.2	Education	<i>South African Reserve Bank Annual Report 2018/19, pg70</i>
Sanlam Ltd	62.0	93.0	Education, health, skills development	<i>Sanlam Integrated Annual Report 2018, pg238</i>

CSI expenditure per company (continued)

Company name	2018/19 published CSI spend	2017/18 published CSI spend	2018/19 development focus areas	Source of 2018/19 data
	(RSA, unless otherwise mentioned) Rm	(RSA, unless otherwise mentioned) Rm	(not in order of investment)	
Santam	11.5	11.5	Community development, environment, skills development, education	<i>Santam Integrated Report 2018, pg22</i>
Sappi	56.0	56.0	Education, early childhood development, youth development, enterprise development	<i>Sappi Annual Integrated Report 2018, pg53</i>
Sasol Ltd	Not disclosed	747.1	Education and skills development, small business development, environment, community development	
Sekunjalo Investments	6.7	15.9	Arts and culture, education, sports development, enterprise development, social development, OVC	<i>AEEI Abridged Annual Report 2018, pg111</i>
Shoprite Holdings Ltd	95.9 <sup>20</sup>	139.0	Food security, early childhood development, community development, skills development	<i>Shoprite Holdings Sustainability Report 2019, pg43</i>
Sibanye Stillwater	1 400.0 <sup>21</sup>	1 159.0	Education, training, sports, conservation and environment, health, enterprise development, infrastructure, local economic development/ social and labour plans	<i>Sibanye Stillwater Integrated Annual Report 2018, pg11</i>
Standard Bank	141.0	106.0	Education	<i>Standard Bank Annual Integrated Report 2018, pg35</i>
Sun International	23.7	16.0	Education, sports, arts and culture	<i>Sun International Integrated Annual Report 2018, pg116</i>
Super Group	15.7	8.7	Education, food security and nutrition, welfare	<i>Super Group Integrated Report 2019, pg15</i>
TFG	26.7	23.2	Education, community development, enterprise development	<i>TFG Integrated Annual Report 2019, pg25</i>
Tiger Brands	32.0 <sup>22</sup>	39.0	Nutrition, food gardening	<i>Tiger Brands Integrated Annual Report 2018, pg56</i>
Tiger Brands Foundation	28.7	23.9	Nutrition, food gardening	<i>Tiger Brands Integrated Annual Report 2018, pg56</i>
Tongaat Hulett	Not available at time of going to print	124.4	Healthcare-related activities, education	
Transnet	151.0	219.0	Education, health, sports, socioeconomic infrastructure development, community upliftment	<i>Transnet Integrated Report 2019, pg 21</i>
Tsogo Sun Holdings	64.0	57.0	Education, training, arts and culture, sports	<i>Tsogo Sun Integrated Annual Report 2019, pg32</i>
Vodacom Group	153.0	111.0	Education, health, entrepreneurship	<i>Vodacom Group Integrated Report 2019, pg3</i>
Wesizwe Platinum	29.4	53.9	Education, enterprise development, community development, skills development, infrastructure development, health, sports	<i>Wesizwe Integrated Annual Report 2018, pg53</i>
Woolworths Holdings (Pty) Ltd	852.0	817.0	Education, food security	<i>Woolworths Holdings Integrated Annual Report 2019, pg16</i>
York Timber Holdings	20.0	17.0	Education, enterprise development	<i>York Timbers Integrated Annual Report 2019, pg77</i>

- <sup>1</sup> The group awarded bursaries to the value of R174 million
- <sup>2</sup> Group spend, \$82 million 2018 @ \$13.2. Includes expenditure outside South Africa. Includes Chairman's Fund, Group Foundation and enterprise development programmes
- <sup>3</sup> Total social investment – CSI spend including contributions paid to community trusts and dividends paid to communities
- <sup>4</sup> Group spend, \$5 million 2018 @ \$13.2. Includes CSI expenditure
- <sup>5</sup> Investment of \$93.5 million to communities around the world. \$93.5 million 2018 @ \$14.2. \$93.5 million, consisting of \$55.7 million in direct community development projects and donations, \$8.9 million equity share to non-operated joint venture programmes, a \$16.57 million donation to the BHP Foundation and \$4 million to the Matched Giving and community small grants programmes. Administrative costs to facilitate social investment activities at our assets totalled \$6.27 million and \$2 million supported the operations of the BHP Foundation
- <sup>6</sup> Group spend, £15.6 million 2018 @ £17.6. Includes expenditure outside South Africa and in-kind donations
- <sup>7</sup> Includes sports sponsorships, funds raised for charities and donation of products
- <sup>8</sup> Group spend, \$95 milion 2018 @ \$12.9. Includes expenditure outside South Africa
- <sup>9</sup> Southern Africa spend. Group spend, \$25.7 million 2018 @ \$13.2
- <sup>10</sup> Group spend
- <sup>11</sup> Spent on education and skills development of non-employees as well as loans and contributions to small enterprises
- <sup>12</sup> Wescoal's CSI through its SLP exceeded R24 million, partly off-set by R5 million received as a Mining Qualifications Authority grant. In addition, R3.7 million was spent on training personnel
- <sup>13</sup> Includes employee matching and employee volunteering
- <sup>14</sup> Southern Africa spend
- <sup>15</sup> Includes donations in-kind and media coverage
- <sup>16</sup> Group spend, €7.9 million 2018 @ €15.6. Includes expenditure outside South Africa
- <sup>17</sup> Group spend
- <sup>18</sup> Group spend, \$581.7 2018 @ \$14.2
- <sup>19</sup> Group spend, \$192 million 2018 @ \$13.5. Includes expenditure outside South Africa
- <sup>20</sup> Includes surplus donations of grocery and non-food items (R60 346 931)
- <sup>21</sup> Invested R1.4 billion in socioeconomic development and CSI
- <sup>22</sup> Total SED spend



# YOU CAN GIVE 100%

## Touching communities, changing lives

Ubuntu Community Chest Durban is a registered non-profit organisation (002-143-NPO) that improves lives and touches communities in positive, practical ways.

We partner with donor investors in providing a conduit of support to 88 welfare organisations that are compliant, accountable and sustainable.

We provide peace of mind to corporate and individual donors, ensuring that donations received are meeting genuine community needs and their impact monitored on a monthly basis, to ensure that your investment is benefiting those who really need it.

The Community Chest Section 18A fund has Level 1 B-BBEE status. Donors can receive a Due Diligence Report & Sworn Affidavit on request. Make a difference today and help us give 100% of all donations to our Community Impact Partners.

**To donate to Community Chest, please visit [www.giving.org.za](http://www.giving.org.za)**





# Sanlam: investing in bettering lives for 101 years

Sanlam has invested approximately R550 million in corporate social investment (CSI) over the past decade – the third largest investment of any South African corporate.

We are deeply committed to empowering people to live their best life possible. This is what drove us in 1918 when we were founded to empower the marginalised. This is why we partnered with Patrice Motsepe in 2004 via the seminal Ubuntu-Botho black economic empowerment deal, which created R15-billion in value. This is why 424 000 children a year benefit from our numeracy, reading and financial literacy projects. This is what still drives us today.

Paula Barnard, Head of Sanlam Foundation says CSI figures are powerful, but the real story is not how much was spent or what was done. “The real story is what happens next. Like the Ubuntu-Botho beneficiary who now owns her own home and is paying for her grandkids’ education. Or the 11-year-old child falling asleep reading Soweto, Under the Apricot Tree because he is now literate. Or the happy chatter of teachers during break who know their learners are attending a clean, fully functioning school where the best possible learning experience can take place. Barnard says Sanlam’s approach to CSI of empowering people to empower themselves provides a powerful guiding light as to where to invest efforts.

“For instance, in schools we are committed to capacitating teachers and pupils through maths and science literacy programmes. A country that is proficient in maths literacy is better equipped to economically prosper.”

## Our impact: literacy and education

**328 000 children** have improved their literacy through one of our literacy projects over the past year; that’s 328 000 brighter futures for young South Africans. Futures that will impact countless others. Barnard says that Sanlam believes the best way to ensure a young person has the requisite skills to land a job or start a business venture is through linguistic and numerical literacy. “This means more people are able to contribute to the economy, which catalyses growth and development for all.”

**96 000 learners** now participate in more than 100 ‘Blue Ladder Schools’ initiatives. This project upgrades school infrastructure so that learners can attend safe, clean schools which allow them to focus and thrive. It also offers intense training for teachers in maths, boosting academic performance at the Blue Ladder Schools.

So far over 2 000 maths teachers benefitted from this in-service training.

There has been a 7-10% improvement in numeracy levels on average where our programmes are run.

## “I mastered Maths!”

Mcebisi, a past Sanlam Blue Ladder School grade 10 pupil and now pharmacy undergraduate.

## Our impact: business

-  **R23 million** spent on SME development
-  **R73 million** spent on investment and procurement
-  At least **308 sustainable jobs created**
-  Ongoing micro-enterprise development for SMMEs servicing the school environment

Barnard says, “We believe in empowering young people with the entrepreneurial mindset and skill arsenal to start something of their own. We’ve seen that younger business owners tend to bring a strong aspect of social conscience to their businesses – they have a deep-seated desire to do good. That’s a game-changer for our country, and for our continent. We need to support the SMEs and entrepreneurs who have all the potential to turn our economies and social systems around. Their success means our success. For us, that means real empowerment that goes far beyond window dressing.”

## Our impact: YES and Cyril Ramaphosa’s CEO initiative

As a leading financial services company, we are always looking for opportunities to build lasting legacies in order to help people live their best possible lives. Our Sanlam Group CEO Ian Kirk says, “We believe we have a role and responsibility to support the transformation of our economy and our society as a whole.”

One of these programmes is The CEO Initiative, which brings together CEOs, business leaders and government to collaborate on building a stable social and business environment in South Africa. With huge collective influence, this endeavour has the potential to shape the social narrative and drive an agenda of positive advocacy. So far, the CEO Initiative established an SME Fund to stimulate entrepreneurship and job creation, along with the Youth Employment Service (YES), ISFAP (Ikusasa Student Financial Aid Programme) and the Black Industrialist Programme. To date, we have contributed R35 million to these initiatives and we have pledged our continued support.

## Active across Africa

Today, we are a truly African group, with a presence in **33 countries**.



According to UNICEF, by 2050, 25% of the world will be African

By that time, 1 in 3 children in the world will live in sub-Saharan Africa. By as

“We are so grateful to be in a position to play the role we play on the continent. Co-creating stories of life-changing literacy, stories of entrepreneurial success, stories of wealth creation, stories of better todays and a better tomorrow,” Paula Barnard, head of Sanlam Foundation.

early as 2026, sub-Saharan Africa will have the greatest number of children under 18. Traditional skills simply won’t remain relevant. We don’t know what the jobs of the future will be, but we must start instilling the right capabilities, including inherent human skills like creativity and problem-solving,” says Barnard.

“We are supporting education on the continent such as our initiative that sponsors bicycles for kids to get to school in Morocco”.

## More Sanlam work to enrich lives

➤ **We’ve invested in South Africa’s Takalani Sesame children’s education programme for nearly 20 years via television and radio, reaching millions of children daily. In the past four years we’ve reached 21 254 children through its Sanlam Every One Counts Tour.**

➤ **We’ve supported 31 students with bachelor’s degrees and national diplomas through the JB Marks Education Trust Fund.**

➤ **Sponsoring postgraduate studies for black students at the African Institute of Financial and Risk Management at UCT.**

➤ **Sponsoring more than 250 Thuthuka Bursaries awarded annually to black and coloured students aspiring to be chartered accountants or enter the financial services sector.**

➤ **Over R50 million invested in water security through our partnership with WWF-SA since 2007.**

➤ **Financial literacy education to students through Sanlam for Professionals initiative and to unions and workplaces through Wage Wise, impacted the financial futures of over 50 000 South Africans.**



## A Blue Ladder School story

Dr Machen Mistry Primary School was chosen as the cleanest of 27 schools in KwaZulu-Natal in late 2017. A proud moment for Principal Pompey Sukool who joined the school in 2014 when it had a serious sanitation problem. Now the school gleams not only physically, but also academically. Teachers are provided intense maths and science workshops and the effects permeate the classroom measurably. 35 computers allow learners to thrive technologically. The improvements were catalysed by funding from a Sanlam project but driven by passionate school staff.

Dr Machen Mistry is just one of 100 schools in which Sanlam’s Blue Ladder Schools programme is currently active. It’s a project that provides funding for the upgrading of school infrastructure as well as uplifting the standard of maths, science and technology. So far it has impacted over 96 000 learners and almost 2 000 teachers.

## CHAPTER TWO

The parameters and overlaps of responsible business concepts; criteria applied to determine strategic CSI and a profile on the winner of Dialogue's Strategic CSI Award 2019; and how investing in quality research can support system improvements in education.

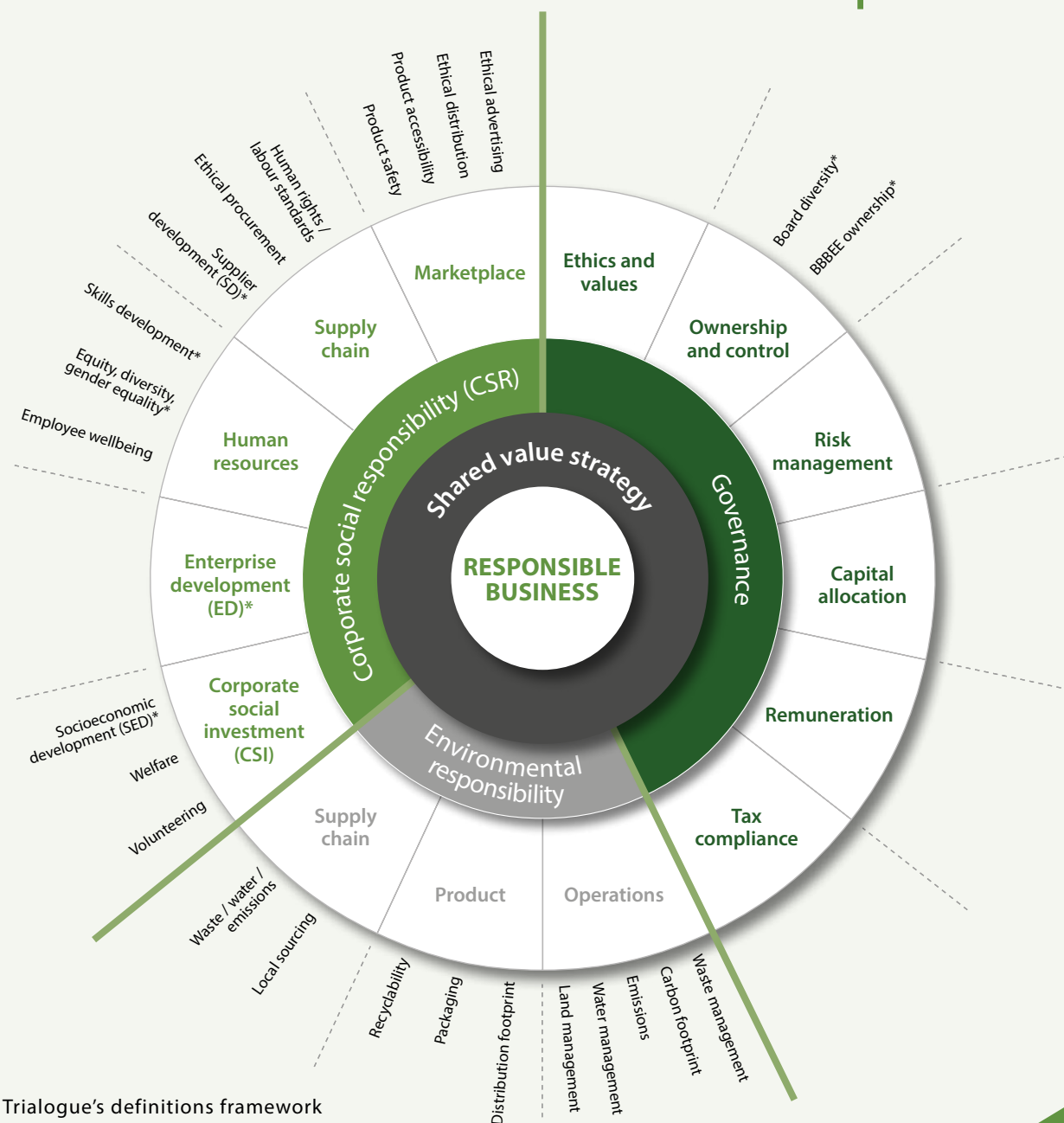
## STRATEGIC THINKING

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# RESPONSIBLE business concepts



Dialogue's definitions framework

\* Elements of BBBEE Scorecard

In recent years Dialogue has broadened the focus of its knowledge-sharing platforms, including the Handbook and its annual conference, from corporate social investment to the more holistic role of business as an integral part of society. To some extent this shift mirrors the trajectory of a maturing approach to corporate social responsibility in South Africa, with many companies looking well beyond their CSI departments to affect meaningful change in society and some interrogating how their management strategies can address social issues.

Despite considerable advancement in the sector, questions remain about the parameters and overlaps of responsible business concepts. This article unpacks commonly used terms and is intended to help companies map their interventions and to support potential implementing partners to better understand the various responsible business touchpoints to which they can appeal.

## Definitions

### *Inclusive capitalism*

An alternative form of capitalism that uses market-based solutions to address poverty and inequality.

### *Responsible business*

All of the activities and investments aimed at enhancing the social and/or environmental impact of the business. These can be internal to the business (e.g. products or services offered, employee wellness or environmental initiatives) or external to the business, including CSI and SED.

### *Shared value*

A management strategy focused on companies creating measurable business value by identifying and addressing social problems that intersect with their business. CSI and SED can contribute to the shared value strategy if they create business value as well as social value.

### *Corporate social responsibility (CSR)*

Activities and investments aimed at enhancing the social impact of the business. These can be internal (e.g. employee wellness initiatives, products or services offered) or external, including CSI and SED.

### *Corporate social investment (CSI)*

Investments of money, time, products and/or services in projects external to the company and with a primarily developmental intent.

### *Broad-Based Black Economic Empowerment (BBBEE)*

This legislative framework aims to ensure that the economy is structured to enable meaningful participation of the majority of its citizens and to create capacity within the broader economic landscape at all levels; through skills development, employment equity, socioeconomic development, preferential procurement, enterprise development, promoting the entry of black entrepreneurs into the mainstream of economic activity, and the advancement of co-operatives.

### *Socioeconomic development (SED)*

Investments of money, time, products and/or services in projects external to the company and with a primarily economic developmental intent. While similar to CSI, in order to claim SED points on a BBBEE Scorecard, at least 75% of beneficiaries must be black.

### *Local economic development (LED)*

Investments of money, time, products and/or services in projects external to the company and with a primarily community-focused economic developmental intent.

### Responsible business can propel societal development

Responsible business must permeate all aspects of a company, from ethical operations and value chains, to quality and accessible products and services, responsible marketing, taxpaying, fair employment practices (including diversity, equitable pay and working conditions), respect for human rights and sustainable environmental practice.

There are a plethora of frameworks, codes and standards that coerce business towards greater transparency and societal responsibility. The Global Reporting Initiative Standards, the International Integrated Reporting Council, the King IV Report on Corporate Governance for South Africa, and the FTSE4Good Index refer to concepts such as materiality, stakeholder centricty, and value addition via the six capitals (financial, manufactured, intellectual, human, social and relationship, and natural capital), etc. Despite significant annual effort and resource dedicated to integrated reporting, we continue to see corporate failures, bloated executive pay, destruction of value and neglect of social and environmental responsibilities. In part, this could be attributed to short-term investor performance horizons, inappropriate reward structures, directors who do not hold executives to account and, at times, blatant fraud and greed that so often go unpunished. While the codes, standards and focus on responsible business *are* making a positive difference, the pace of change is too slow to make the necessary impact on the socioeconomic pressures faced.

Today’s societal challenges are complex – globally and most definitely in South Africa. Business recognises that a disruptive and unstable socioeconomic environment is not conducive to good business and while some companies are resigned to this situation, others are adopting a more outwardly-focused and visionary response. Such response can take on a number of forms. The most obvious and yet hugely significant contribution is realised when the core business exists or orientates itself to addressing societal needs.



Companies create shared value by identifying business opportunities in response to social problems: opening up new markets, tapping into skills and pooling various corporate resources, including research and innovation. Shared value does not, however, replace a company’s philanthropic responsibility to support welfare causes that cannot be addressed with profit-based solutions.



The shared value proposition works well when the core business links neatly to societal benefit. However, this is not always the case and shared value alone will inevitably neglect certain developmental areas. As a result, there remains a critical role for business to address causes and issues that fall outside of their direct value chain or immediate interest. An effective way of doing this is through a ‘corporate voice’ (i.e. corporates advocating for a particular issue or cause). In the past, companies were reticent about being openly critical of government, but this is changing. In South Africa at present, the stakes for business to secure a stable political environment and policy certainty are so high that there is almost no choice but to speak out individually, through a sector body or through a big business grouping. Our CEOs, if they choose, can be powerful advocates for change.

Business can also act collectively and collaboratively with government and other stakeholders to effect change. Over the years we have seen the establishment of initiatives such as the Joint Education Trust and the Business Trust – collective business contributions to tackle difficult social challenges. The YES (Youth Employment Service) initiative is an example of a current collective business

response, in partnership with government, to expose unemployed youth to the world of work. What is unique about this initiative is that structures exist that reward corporate participants for supporting the programme (for instance through a BBBEE incentive score). This is a form of collective shared value which shifts the response from one of societal obligation to mutual vested interest.

### Creating shared value versus strategic CSI

Creating shared value goes well beyond the notion of CSI, making far greater demands on the business than a negligible percentage contribution of their net profit after tax. While CSI has social and, if done strategically, business benefit, shared value must form part of the business model and strategy, and be driven from the top. Companies create shared value by identifying business opportunities in response to social problems: opening up new markets, tapping into skills and pooling various corporate resources, including research and innovation. Shared value does not, however, replace a company’s philanthropic responsibility to support welfare causes that cannot be addressed with profit-based solutions.

### CSR versus CSI

CSR and CSI are often used interchangeably. However, Trialogue defines CSR as an overarching value-based framework that encompasses all social aspects of business operations, ensuring that a company manufactures its products and conducts its business responsibly and ethically.

CSI, which forms part of CSR, refers to a company’s financial and non-cash contributions – beyond its commercial operations – to disadvantaged communities and individuals for the purpose of social upliftment and welfare. While CSI programmes do not operate in isolation of other CSR considerations, CSI is only one way in which companies fulfil their social responsibility obligations and, as such, is only one element of the broader CSR agenda. Nevertheless, in South Africa, CSI has become an important part of this agenda. This is reflected in CSI’s evolution from ad hoc philanthropy to a strategic business consideration.

### Strategic CSI

Recognising the need for business activities to extract a degree of return on investment if they are to be sustained, Trialogue advocates for companies to practice strategic CSI that has significant developmental impact, as well as a positive impact on the business, beyond reputation.

Triologue’s strategic CSI positioning matrix helps companies to plot the

developmental and business impact of its CSI projects. This assists in refining CSI strategies and in resource allocation decisions.

While developmental CSI offers beneficial social outcomes, it does not always have significant corporate benefit. Similarly, commercial grantmaking prioritises corporate benefit over social return. Strategic CSI projects deliver a high combination of positive social and business outcomes. Since 2014, the Trialogue Strategic CSI Award has recognised projects that exemplify best practice. See pages 84–88 for more information on the recipient of this year’s award.

### How does CSI relate to SED?

In terms of the BBBEE Codes, there is considerable overlap between CSI and SED.

The BBBEE Scorecard requires companies to spend 1% of their net profit after tax on SED initiatives that facilitate sustainable economic inclusion for previously disadvantaged beneficiaries, 75% of whom must be black. SED initiatives, as defined in the Codes, clearly fall within the traditional scope of CSI. However, CSI has a broader ambit that includes areas not directly linked to economic inclusion, such as food security, arts and culture, environment, safety, disaster relief and sporting initiatives.

The Department of Mineral Resources requires mining companies to develop social and labour plans that include local economic development (LED) programmes, which must focus on three objectives at community level: poverty eradication, community upliftment and infrastructure development. These objectives and project activities fall well within the scope of CSI. However, a LED programme must also include measures to address employee wellness, as well as procurement progression plans for suppliers – elements which are not considered to be part of CSI as they fall within the company value chain.

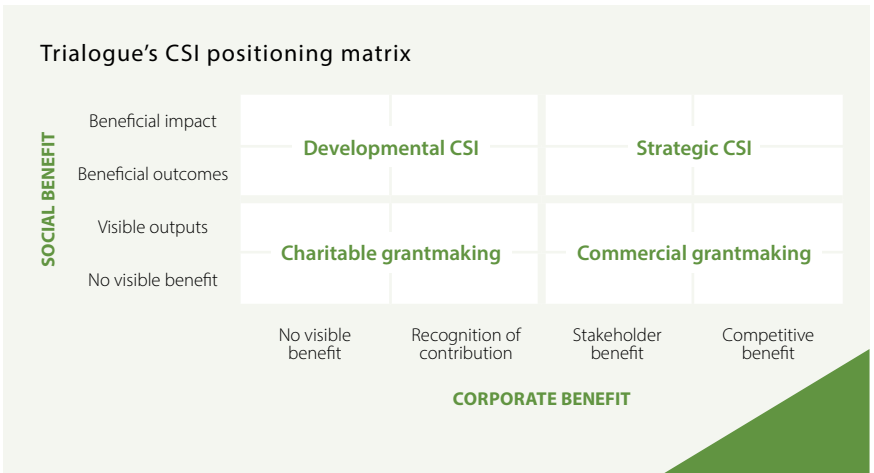
### Sector Transformation Charters

Each industry is required to align their individual Sector Transformation Charter with the overarching Amended Codes of Good Practice, setting social spending targets as a licence-to-operate requirement. Sector Charters gazetted under Section 9(1) of the BBBEE Codes to date include the Agri-BEE Charter; the Financial Sector Charter; the Information and Communication Technology (ICT) Charter; the Property Sector Charter; the Chartered Accountancy Sector Code; the Integrated Transport Sector Codes; the Marketing, Advertising and Communication Sector Code; and the Tourism Sector Code.

These are not easily comparable, with some industries operating within stricter measures and criteria than others.

### Striving for systemic change

The role of business in society is multifaceted, complex and evolving. As CSI becomes more integrated with other business in society programmes and the parameters and overlaps of corporate interventions and contributions to society are increasingly blurred, the achievement of greater social impact is in sight. Efforts to collaborate, with organisations bringing their unique competencies and resources together to achieve a common purpose, may be great in theory and difficult in practice, but is essential if we are to achieve systemic change. ■





## VIEWPOINT

# Evaluative thinking

While monitoring and evaluation (M&E) is a growing practice in social development, it is still a largely siloed process, data from which is not always used to inform programmatic improvements for greater overall impact. **Dr Fatima Adam**, programme director of research and evaluations at Zenex Foundation, explains that evaluative thinking is about embedding an organisational culture of holistic and responsive approaches to work



### What is evaluative thinking?

Evaluative thinking is a form of critical thinking that emphasises the adoption of a methodical approach to deciding on the appropriate course of action to minimise risk and maximise return, to solve developmental problems. Simply put, it's an attempt to make our thinking more explicit and to align programme design, strategy and evaluations, rather than creating silos.

### Does evaluative thinking replace M&E?

One doesn't replace the other – they are complementary. Social development has evolved from simply implementing projects and programmes to capturing data and finding evidence of what works and what doesn't. Programming and M&E have typically been viewed as separate processes. While there has been an uptake of M&E practice, it remains separate from daily work and the utilisation of data has been limited. Evaluative thinking takes M&E beyond the metrics and embeds a culture of holistic thinking into all aspects of an organisation, to transform the way that work is conducted. The M&E spectrum ranges from formal evaluation, to adaptation, to reflective evaluation, and the goal is to move the dial to strong reflective reasoning and an adaptive organisational and evaluative environment.

### Which tools can be used to support evaluative thinking?

Evaluative thinking is based on the principles and practices that underpin how problems are assessed and how solutions are provided. We must listen to claims, examine the supporting evidence and measure the validity of them. So, the 'tools'

are more strategic and philosophical, and aim to drive organisations to engage differently. They aren't about ticking boxes but about how an organisation functions, based on its system of beliefs.

When a problem is identified, its validity and backing evidence, as well as the types of assumptions that inform it, should be questioned. Evaluative thinking is always hinged on solutions that come from understanding where the assumptions around a problem stem from. It is important that we ask ourselves what assumptions underpin our development programmes and how these assumptions were informed. In this way we can assess the merits of the range of assumptions we make. We should also try to generate alternate assumptions to test the veracity of initial assumptions. In addition to assessing the evidence basis of different assumptions, it is also important to establish the value base of different assumptions. For example, if your organisation only funds randomised controlled trials to evaluate social development initiatives, there is an assumption about what comprises evidence, which speaks to your organisation's notion of what constitutes knowledge.

### How can evaluative thinking be integrated into organisational culture?

In order to ingrain this kind of thinking into an organisation there must be a safe enough space to openly share, question and critique work. Time and opportunities to reflect and engage as a team must be intentionally set aside. Additionally, the views of internal and external stakeholders must be considered to avoid becoming

insular about the assumptions and evidence that the organisation holds, and to ensure that these are constantly being unpacked. Working in this manner is about weighing the validity of the different perspectives presented in evidence and making the practices clear in all activities that an organisation engages in. It can be a slow process.

### What steps has Zenex Foundation taken to embed evaluative thinking and what are some of the outcomes?

Zenex Foundation has embraced and successfully integrated evaluations into its work. In this regard, most of Zenex's projects are evaluated and there is rigorous thought surrounding the evaluation commissioning, design and management process. However, it has come to recognise that this does not always result in maximum utilisation and uptake of report findings. Also that focusing only on evaluations without integrating it into all aspects of our work has limited value. As such, we are trying to shift from evaluations to evaluative thinking which is more encompassing. We subject our strategy, projects and programmes to significant critique, we try to ensure tight and logical alignment from the problem being addressed to the proposed solution, and we make explicit all our thinking that informs the design of strategy and programmes.

#### DR FATIMA ADAM

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# Corporate Responsibility in an unequal country: Lessons from the Zenex Foundation

South Africa has been described by the World Bank as the most economically unequal country in the world. 29% of South Africans are unemployed<sup>1</sup> and 30.4 million South Africans live in poverty<sup>2</sup>. Education is the primary and most effective route to addressing the challenge of inequality in South Africa today, but the country's education system is currently failing to meet its fundamental requirement, namely that of ensuring that all children are literate, which is the foundation of all learning. South Africa has performed poorly in the SACMEQ research into Grade 6 reading performance across SADC countries and its performance in PIRLS (Progress in International Reading and Literacy Study) 2016 indicates that nearly 80% of South African learners leave the Foundation Phase and go into Grade 4 without being able to read for meaning in any language.

The challenge for South Africa is great, and all stakeholders in the country need to be part of addressing it. Consequently, the support of the corporate sector is a vital component of the solution. Strategically focused, well-designed and effectively executed corporate social responsibility programmes have the potential to make a significant impact. In order to ensure that they do help to bring about change, corporate social responsibility programmes must have a well-designed strategy, a clear focus and should ensure that they partner with government, the NGO sector and other donors in order to maximise their spend and their impact.

### Lessons from the Zenex Foundation

The Zenex Foundation's vision is for "an equitable and just education system that empowers young people to participate in the growth, development and transformation of South Africa". Our work is deeply rooted in the belief that our funding must address the challenge of inequality. We are guided by three grantmaking principles: a focused strategy; collecting and sharing evidence; and collaborations and partnerships. Underpinning these principles is the dynamic concept of innovation. Our learnings for effective grantmaking are threefold:

**1. Have a clear strategy to target inequality:** Our strategic focus at Zenex is on work in the public school system, particularly in schools with learners from poor socioeconomic backgrounds. Our interventions take the form of pilots which develop and test models, and identify critical levers for 'what works'. We also work directly with government to scale-up at a systemic level. Donors have the flexibility to innovate, test new ideas and take risks but these innovations should not be an end in and of themselves. At Zenex, we have innovated with structured lesson plans and coaching in its School Development Programme, which is now being scaled by the National Education Collaboration Trust.

**Learning:** Donors should innovate with scale-up or systems impact in mind.

**2. Focus on early grade literacy:** At the core of the Zenex Foundation is its drive to improve literacy, reading, and language; we believe that building strong reading skills in the early grades is the remedy for combating illiteracy and improving learner performance. All the evidence points to children from poorer communities or lower quintile schools facing the biggest challenges in this regard. Not only have we historically worked extensively in this area, developing graded reading materials in a range of languages and strengthening

teaching through professional teacher development programmes, for example, but we have also committed R200 million over the next five years towards this. An example of the work we will be doing is Ulwazi Lwethu, Zenex's African Language Reading Materials Project.

**Learning:** Donors should have a focused strategy and commit resources accordingly.

**3. Work together:** Solving the challenge of inequality requires effort from all corners of society as changing the education system as a strategy to eradicate poverty is a colossal task which can only be achieved through considered collaborations and partnerships. The Foundation depends on partnerships to fulfil its mandate, working with others to achieve wider impact, share and learn, and pool appropriate expertise and mitigate risks. The partnerships the Foundation pursues are diverse and include government, donors, non-governmental organisations (NGOs), academics and researchers, and schools. Each partner plays an important and critical role in adding to the value chain of improved services for learners.

Collaboration amongst the donor community remains a key imperative for success. The Foundation has, over the last few years, increased the number and scope of its partnerships with donors.

**Learning:** Partner with donors to leverage funding, resources and skills; learn more together; work at bigger scale; and create greater impact.

Government is a critical partner as it owns and manages the public schooling system. As such, the Zenex Foundation works on the extent and quality of its relationships with government at national, provincial and district levels. In many instances, Zenex also partners with government as a funder, strategic adviser, and project manager on large-scale government projects.

**Learning:** Partner with government to align with government priorities; ensure your work has a mandate, and make a contribution at a systemic level (even if your project is a small-scale one).

NGOs are the implementing agents in the system who are able to test and deliver innovative and responsive programmes. They are also well-positioned to reach targeted communities.

**Learning:** Partner with NGOs to get close to your targeted beneficiaries and to benefit from their flexibility, responsiveness and innovation.

### Conclusion

South Africa's glaring inequality gap will continue to widen if education is not placed at the heart of poverty-alleviation solution-finding. Schooling is central to this effort, but the challenges of the public schooling system are huge and require concerted effort to address it effectively. Through work that has a clear strategic focus, as well as in collaboration and partnership with ALL the players in the education sector, the corporate social responsibility sector is able to add value to the fight against inequality in South Africa.

<sup>1</sup> <http://www.statssa.gov.za/?p=12370>

<sup>2</sup> <https://www.iol.co.za/the-star/news/oxfamreport-304-million-south-africans-live-in-poverty-18893988>

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accenture

# IMPROVING THE WAY THE WORLD WORKS AND HOW PEOPLE LIVE

Accenture's success is linked to the success of the countries in which it operates. For Accenture South Africa, it means becoming part of the fabric of South Africa – understanding its needs and challenges, and adopting policies and creating solutions to help address them. With a GINI coefficient of 0.63, South Africa has one of the highest inequality rates in the world. To turn it around, the country needs to improve job creation, education and skills training. Our corporate citizenship strategy, powered by our people, is delivering excellent results.

Accenture's vision is to improve the way the world works and how people live. This vision is reflected in our core values and comes to life daily through the decisions and actions of our people. It is seen not only in our corporate social investment (CSI) initiatives but in our engagement with clients and suppliers. In all our interactions we take thoughtful action to bring positive change – for today and for the future – convening people and organisations to drive sustainable economic growth and create long-term value for our communities.

Corporate citizenship is central to this vision. In keeping with our 'broad impact' sustainable development approach, Accenture South Africa focusses on CSI initiatives that offer the greatest downstream benefits to the country's previously disadvantaged citizens, the ICT sector and society, and the economy at large. These initiatives include skills development and socio-economic development.

**The Skills to Succeed Academy, the Accenture Education Trust and the Accenture Foundation have proven extremely successful. Between 2015 and 2018, 8,500 young people have been trained and placed into jobs, representing an 85 percent success rate.**

Skills development has always been a priority for Accenture. We believe strongly that it must underpin all other empowerment programmes if they are to be sustainable. These efforts are crucial to grow the pool of skills available to the South African market, help people secure employment and start businesses and, ultimately, to sustain Accenture's success as a high-performance business.

## Skills to succeed

The tremendous progress Accenture is making through Skills to Succeed, an initiative we launched in 2009 to advance employment and entrepreneurship opportunities, is one of our proudest accomplishments. It addresses the global need for skills which open doors to employment by drawing on two of Accenture's unique capabilities: our training talent and our ability to convene powerful partnerships.

Together with strategic partners, Skills to Succeed will, by 2020, have equipped more than three million people around the world with the skills to get a job or build a business. In South Africa, we have focused our efforts on programmes run by the Accenture Education Trust and the Accenture Foundation that equip youth with these skills. They have proven extremely successful. Between 2015 and 2018, 8,500 young people have been trained and placed into jobs, representing an 85 percent success rate.

Our Skills to Succeed initiatives offer an excellent example of how collaboration across organisations and sectors can create sustainable employment opportunities for young people. These initiatives offer skills development in market-relevant, in-demand ICT skills; arrange employment opportunities for previously disadvantaged young South Africans in partnership with commercial partners, non-profit organisations and institutions of learning and research and development; and reach into communities to encourage entrepreneurship.



- **Accenture Education Trust Scholarship.** This not-for-profit independent education trust assists financially needy Black students with strong academic ability who intend pursuing studies in Information and Communications Technology (ICT). Since its inception in 2001, the Accenture Education Trust has awarded full university scholarships from second year to honours level to more than 200 South African students.

- **CE3 Project (Connectivity, Electricity and Education for Entrepreneurship).** The CE3 programme serves as a catalyst for local economic development in rural communities. It strengthens existing businesses, creates employment and builds new businesses through the provision of affordable electricity, Internet connectivity and training programmes for residents in basic computing, entrepreneurship and workforce readiness skills. The CE3 business model is designed to be self-sustaining, covering its own operating expenses, including the cost of maintaining a microgrid infrastructure. To date, CE3 ICT labs have opened in Ndumo and Mansomini in KwaZulu-Natal. A solar energy system will power the Ndumo packhouse, as well as irrigation for local farmers. These are the first steps in building a CE3 framework to boost economic activity in the area.

- **Joburg Centre for Software Engineering (JCSE).** This is a three-way partnership between government, academia and industry. Based at Wits University, the JCSE is multifaceted. With various programmes and facilities, it aims to

become a focal point of the software development industry in South Africa and the rest of the continent.

- **Mentec Foundation.** This South African based but global aspirant non-profit organisation (NPO) was founded to develop African ICT digital artisans in townships and in rural South Africa. It focuses on industry-specific ICT, BPO, mining, portable and entrepreneurship skills. Mentec has created work opportunities for more than 20,000+ beneficiaries since inception.
- **Quirky30.** This non-profit company was founded by two ex-inmates as a disruptive solution and a pathway out of poverty, inequality and crime for South African youth. It teaches coding and entrepreneurship skills to the unemployed and disadvantaged youth of Langa township and the surrounds in Cape Town.
- **Southern Africa Youth Projects.** This youth-managed, income-generating NPO was established in 2005 to empower the youth to be responsible citizens in disadvantaged townships. It reaches youth aged 18 to 35 from disadvantaged communities, giving them access to technology, education, health and employment.

## Powered by our people

At Accenture, we find that our people place great emphasis on giving back to their communities – it's one of the major reasons they choose Accenture as a place to grow their careers. Our corporate citizenship initiatives are powered by our people who volunteer as mentors and tutors, and give time towards pro bono projects.

- **Voluntary Giving Programme.** Currently, over 70 percent of our workforce donate monthly to our internal donor programme. Accenture is a member of The Giving Organisation which supports charities across South Africa.
- **Matching Employee Contributions to Charities.** Established in 2008, this programme encourages and supports individuals and/or groups within Accenture who raise funds for registered charities, non-governmental organisations (NGOs) and NPOs.
- **Adopt a Student programme.** Mentorship is a key component of Accenture's corporate citizenship work in South Africa. Adopt a Student was created to mentor Accenture Education Trust scholarship beneficiaries, supporting job readiness and lessening the shock of transition between university and the corporate world. Mentors include Accenture employees and former student beneficiaries of the Trust.
- **The Coder Dojo Initiative.** Coder Dojo is part of Accenture's commitment to inspire and expand the opportunities for students to learn basic coding and computer science skills. The year-long programme aims to foster a love of science, technology, engineering and mathematics (STEM) by teaching these skills to 40 learners (Grade 1 to Grade 11) from disadvantaged backgrounds. This helps Accenture make a measurable difference in local communities.





# CELEBRATING STRATEGIC CSI

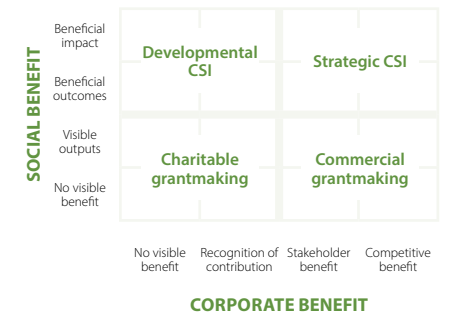
For corporate social investment (CSI) to be strategic it must have positive developmental impact that is aligned with and contributes to the priorities of the business. Since 2014, the Dialogue Strategic CSI Award has recognised projects that exemplify best practice. Through this award, Dialogue aims to encourage CSI practitioners to think more strategically when planning and implementing their initiatives.

Learn more about what constitutes strategic CSI and find out about the winner of this year’s winner.

## Dialogue’s CSI positioning matrix

Based on years of experience, Dialogue has developed and refined a CSI positioning matrix, with multiple criteria behind each axis, that allows companies to position their projects according to their social and business results, and to allocate CSI funds strategically across the four categories of giving. This award seeks to identify projects that best demonstrate ‘Strategic CSI’.

Strategic CSI projects deliver a high combination of positive social and business outcomes. While developmental CSI offers beneficial social outcomes, it does not always have significant corporate benefits. Similarly, commercial grantmaking prioritises corporate benefit over social return. Charitable grantmaking is typically more reactive, with social and business benefits not usually measured.



## Judging criteria

Companies submit entries for CSI projects that they feel are strategic, using a standard entry form. Each project is judged against its objectives, social benefits and corporate benefits, as set out below.

### Objectives

Targets need to be practical and realistic. Projects should have ‘SMART’ (specific, measurable, relevant and time-bound) objectives.

### Social benefits

**Visible outputs:** Evidence of short-term results that are immediate, visible and concrete (e.g. number of houses built, people trained, supplies or pamphlets distributed, community members treated, hours of service delivered, etc).

**Beneficial outcomes:** Evidence of specific changes in behaviour, knowledge, skills or wellbeing of the project beneficiaries. Medium-term developmental results that are the consequence of achieving a specified combination of short-term outputs (e.g. behaviour or attitude change, new knowledge or skills, improved grades, reduced isolation, improved access to health services, etc).

**Beneficial impact:** Evidence of broader long-term (three years or more) consequences of the project. Community, society or system-level changes that are the logical consequences of a series of medium- and short-term

results (e.g. improved effectiveness of the education system, reduction in HIV prevalence, new social norms, more educated/healthier population, inclusive decision-making, lack of stigma, increased capacity, etc). Government engagement, lesson sharing and advocacy are also taken into account.

### Corporate benefits

**Recognition of contribution:** Recognition of the project that improves the company’s reputation. This can include recognition of expenditure as socioeconomic development in line with the Broad-Based Black Economic Empowerment (BBBEE) Scorecard, as well as internal and external communication of the project.

**Stakeholder benefit:** Meaningful engagement with key business stakeholder groups in the funding, design or management of the project that improves the company’s relationship with that stakeholder group. Stakeholders can include communities, regulators, government, suppliers, customers or employees.

**Competitive benefit:** Project benefits that enhance the competitiveness of the business. This can be done by securing a licence to operate, opening up new markets for the business, introducing new products, reducing costs by developing suppliers or leveraging corporate resources, or securing specialised talent.

## About the judges

**Anthony Wilson-Prangley** lectures in the area of leading social change, with emphasis on the dynamics of leadership, human behaviour and diversity. He has experience in the areas of business in society, social entrepreneurship and public leadership, and helped to build the Centre for Leadership and Dialogue at the Gordon Institute of Business Science. The centre focuses on the context and capacities required for leading complex societies. His professional interests include the study of democracy in countries in transition, social change in the contemporary era and active citizenship.

**Makano Morojele** headed the Skills Development Unit at the National Business Initiative (NBI) since 2011. She was responsible for the strategic direction and management of the Unit to foster meaningful partnerships between technical and vocational education and training (TVET) colleges and industry, with a view to create a framework for demand-led curriculum design and delivery. Makano holds a Master of Education in Curriculum Development from Queen’s University, Canada.



The Dialogue Strategic CSI Award 2019 was conferred on Investec for its Promaths programme (pages 86–87).



# Promaths by Investec

Winner of the Dialogue Strategic CSI Award 2019

Promaths provides extra maths and science tuition for black learners in grades 10 to 12, at under-resourced schools across South Africa. Investec supports Promaths centres, run by implementing partner, Kutlwanong Maths, Science and Technology Centre, in townships and rural communities in six provinces. The programme supports learners who show potential in maths and science to produce results in these subjects that will enable them to gain entry into scarce skills studies and careers, as well as access funding for tertiary studies and, ultimately, become active economic participants.

Founded in 2005, Promaths is a partnership between Investec, Kutlwanong Maths, Science and Technology Centre, and the Department of Basic Education (DBE). Kutlwanong is responsible for the recruitment of maths and science teachers and learners who show potential in these subjects; teacher development, including workshops and weekly subject meetings for more than 2 000 teachers; monitoring and evaluation; and assisting learners with career planning. The DBE recommends feeder schools in each of the districts where the programme operates. The Promaths programme operates a total of 22 centres in seven provinces.

## Social benefits: Boosting matric results and tertiary participation

Investec funds nine Promaths centres in six provinces and, since the programme's inception, the company has funded around 7 500 participating learners. Grade 10s, 11s and 12s spend six, eight and 12 hours in extra lessons each week, respectively, which amounts to a total of 40 weeks of additional support annually.

In 2018 alone, Investec funded 3 960 Promaths learners from 379 schools, 1 176 of whom wrote matric maths and 1 173 of whom wrote matric science exams. Matric results showed substantial improvements among learners compared to when they first joined the programme in grade 10, in 2016. The Promaths matric cohort's pass rate in both maths and science in 2018 was 99% – up from 77% in maths and 83% in science in 2016.



A total of 267, or 23% of learners who wrote matric maths, obtained distinctions for maths and 412, or 35% of learners who wrote matric science, obtained distinctions for science – constituting 5% of the country's matric distinctions in maths and science.

Promaths learners, including those from non-Investec-funded centres, contributed approximately 7% of the country's matric distinctions in maths and science.

The company's longstanding partnership with the DBE around Promaths programming has fostered a relationship of trust and collaboration that helps to secure government buy-in when Investec wants to pilot new programmes in schools.

## Business benefits

As its flagship CSI initiative, 24% of Investec's South African CSI spend goes to Promaths. Internal and external PR about the programme contributes to the company's positive reputation.

Investec's support of the programme helped the company receive the full five points for socioeconomic development on the BBBEE Scorecard, contributing to its Level 1 BBBEE rating in 2019.

Research shows that the type of employees that the company wants to attract are drawn to businesses that give back to the communities in which they operate, and Investec believes that its commitment to the success of Promaths helps to demonstrate its commitment to the progress of our society. By investing in the success of scarce skills learners, Investec is also ensuring a pipeline of potential employees and clients.

In addition to group CSI funding, funding is also provided by the Investec Property Fund, the Investec Charitable Trust and the Entrepreneurship Development Trust which Investec supports. The company also plays an instrumental role in ensuring that Promaths expands through Kutlwanong's partnership with other corporate funders. Kutlwanong has established Promaths centres in partnership with companies such as Liberty, Royal Bafokeng Institute, Datatec, Aveng and Bankseta.

## Judges' feedback

"This was a really strong application. Investec provided considerable detail across a number of areas of the marking rubric, based on many years of project monitoring and evaluation. The information is especially compelling in the social benefit category and has strong business connectivity and alignment."

## Programme in numbers

<b>R483 million</b>	Total company expenditure on project between 2005 and 2019
<b>R34 million</b>	Total company expenditure on project in 2018/19
<b>7 500</b>	Investec-funded Promaths learners between 2005 and 2019
<b>3 960</b>	Investec-funded Promaths learners in 2018



# Commendable projects

All Dialogue Strategic CSI Award 2019 entrants are commended for their innovation and commitment to development in South Africa. However, since the focus of this award is strategic CSI, entries demonstrating direct and measurable social and business benefits were rated most highly. In addition to the 2019 winner, judges made special mention of the following high-scoring initiatives.

## MySchool MyVillage MyPlanet

partnered with GROW Educare Centres to fund 10 new early childhood development (ECD) centres in Cape Town and Johannesburg. GROW's unique model uses the principles of micro-franchising to support ECD centres in under-resourced communities with curriculum development, equipment, intensive teacher training, business mentorship, financial management and governance, so that they are empowered to provide exceptional education. Companies that support MySchool MyVillage MyPlanet are able to present their brands as caring and engaged among the communities from where their future customers will come.

**Judges said:** "This is a good example of strategic CSI but the initiative is in too early a stage to properly evaluate. In a few years, with more data and results, this project could be a strong contender."

## WNS Youth4Change

encourages WNS employees to nominate under-resourced schools with sound reputations and that are within a seven kilometre radius of one of the company's seven sites. The schools that receive the most nominations and fit the criteria are chosen. WNS employees volunteer alongside implementing partner, Khulisa Social Solutions, to provide leadership programming and mentorship. In 2018, 11 WNS volunteers spent 196 hours on mentorship.

**Judges said:** "While good detail was provided about the partnership with Khulisa Social Solutions, there was not enough information on the corporate benefit of the initiative."

## Pick n Pay School Club

is an online educational platform that was started in 2003 to deliver curriculum-compliant support such as teacher guides, learner worksheets, posters, videos and recognition programmes. The platform has reached more than 3 000 schools, 100 000 teachers, 2.2 million learners and 3.4 million guardians across South Africa.

**Judges said:** This application provided excellent information across the social and business benefit categories. However, there was insufficient proof of how this initiative leads to improved school performance.

Entries for the Dialogue Strategic CSI Award 2020 will open at the Dialogue Business in Society Conference on 22 April 2020. The entry form will be available for download from [www.dialogue.co.za](http://www.dialogue.co.za). Previous entrants are welcome to resubmit tweaked applications. Entries should explore what makes CSI projects strategic and provide evidence of the social and business benefits of the project. For more information, please email [mahlo@dialogue.co.za](mailto:mahlo@dialogue.co.za). ■



## African Angels Trust Building a community through education

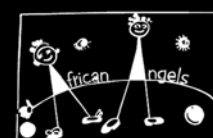
Inequality is pervasive in South Africa. Located just 40 kilometers outside East London, is African Angels Independent School, a Corporate Social Responsibility beneficiary of Mercedes-Benz South Africa (MBSA). Established in 2008, by Lou Billett, African Angels provides quality primary school education for children from the Chintsa East and Glen Eden townships and surrounding farms. Children in this area are severely deprived across multiple developmental areas because of deeply entrenched poverty.

Billett's vision is to "disrupt the inequality that exists in South Africa through the provision of high-quality educational programmes to socio-economically disadvantaged children in Chintsa and surrounds." A beacon of hope for the parents and children in the area, the school provides well-equipped classrooms, qualified and experienced teachers, a properly applied curriculum, porridge for breakfast and a hot lunch for the 136 Grade R - 7 children who attend the school. With a Learner Educator Ratio of 20 to 1 in each classroom, learners benefit immensely from the individual attention and assistance they receive from their educators.

In alignment with the United Nation's Sustainable Development Goals, Education is a core pillar of MBSA's Corporate Social Responsibility, which is why the company has been principal donors to African Angels for the past six years. MBSA has a great passion towards the communities in which it operates. Consummately, African Angels takes a whole community approach to development and engages the broader community, particularly parents and caregivers, to ensure the successful development of children participating in the various programmes offered at the school. As Kofi Annan said, "Education is the premise of progress, in every society, in every family."

Since 2017, more than 40% of the learners who completed their primary schooling at African Angels have been placed into quality high schools on scholarships. Through supporting African Angels, Mercedes-Benz South Africa continues to contribute strategically towards inclusive and quality education in the Eastern Cape.

**For more information visit:** [www.mercedes-benz.co.za/corporate-social-responsibility](http://www.mercedes-benz.co.za/corporate-social-responsibility).







**VOLKSWAGEN**  
**Community Trust**  
— 30 YEARS —

# Promoting EQUALITY through early education

Since the establishment of its legacy literacy programmes in 2015 the Volkswagen Community Trust has focused on a clear and ambitious goal: to ensure all learners are functionally literate by the age of 10 years. If this can be achieved, socioeconomic equality could be well within reach.

## Volkswagen Community Trust: 30 YEARS OF CHANGE

The Community Trust at Volkswagen Group South Africa (VWSA) was established in 1989, as an answer to the needs of the communities in and around Uitenhage, where the company's local plant is based. Today, the Trust is still the vehicle for VWSA's corporate social investment initiatives and programmes.

"We saw the need to invest in communities as early as 30 years ago," explains Nonkqubela Maliza, VWSA's Director: Corporate and Government Affairs. "The circumstances were very different then. The political situation has changed radically over the years, but the socioeconomic issues are still there and, therefore, we are still investing deeply in the communities – though our focus areas have changed in keeping with the changing times and circumstances."

While the Community Trust also invests in community development, its main focus areas are education and youth development. "We believe these are the key drivers to solving the problem of inequality in our immediate society and in South Africa. Through education and youth development, people have access to opportunities that can drive up income levels and contribute towards reducing inequality.

"Within the education space in particular, we have shifted our focus to the first 10 years of life. Our legacy initiatives are

about making sure learners are functionally literate – in other words, able to read for meaning – by the time they are 10 years old. We believe this is a gateway to all education and learning. Investment in the early years of education yields better outcomes – not only for individuals, but for societies, economies and countries – than any other interventions later on in life."

The Community Trust runs a range of projects that benefit and support the youth across different age groups: from its five literacy centres, established at schools in Uitenhage and manned by volunteers who assist children in learning to read, to the Ikhwezi Lomso Montessori Early Childhood Development Centre, a school started by VWSA in 2011 in the impoverished community of KwaLanga.

"We're also very proud of our loveLife Youth Centre, which I believe is one of the very best," says Maliza. "It is a multifaceted youth centre in Kwanobuhle in Uitenhage, with a fully staffed clinic, a computer centre, sports facilities, a radio station, an arts and culture centre, and much more. It's about giving young people from the local community a safe place to go after school and on weekends, where a spectrum of their needs are attended to."



## Joining Hands: Employee involvement in CSI

In 2010 VWSA conducted a survey among its employees in Gauteng and the Eastern Cape to gauge their interest in participating in the company's various CSI projects. "The response was overwhelmingly positive. Employees said they definitely wanted to give of their time and talent towards uplifting the community. They were also interested in our existing focus areas, such as children and education."

This is how the Show of Hands programme was born – an initiative that brings employees together to volunteer to the benefit of the local community. The most recent Show of Hands events in July 2019 saw the Uitenhage employees renovating the Dr Ambrose Cato George Skills Development Centre in Port Elizabeth and packing 20 000 meals for local charity organisations. Meanwhile, the Gauteng-based employees partnered with Rise Against Hunger and packed 40 000 meals, which were donated to 153 Early Childhood Development centres through the organisation Ntataise.

"We also have a mentorship programme running in Johannesburg in partnership with the Alexander Education Committee, where our employees mentor young learners on weekends. It is about giving them exposure to the world of work and preparing them for what they can expect. Many of these children live less than 10 kilometres from Sandton but some have never been to the cinema, for example. We try to bridge the gap for them, so that they are socially prepared when they go to university."

Aside from offering their time to benefit their communities, many VWSA employees also opt to contribute financially. "We have partnered with One Hour for the Future, which is a global Volkswagen programme through which employees can choose to contribute the equivalent of one hour's salary to a CSI programme. In South Africa this programme is Ikhwezi Lomso. There is definitely a lot of interest and involvement from our employees, and we continue to inform and involve them, because we believe they are the best advocates of the work done by VWSA."



## The importance of outcomes

"One of the challenges of our CSI initiatives is that socioeconomic development is never linear or immediate. It takes time and continuous investment, and you must be willing to learn as you go along and correct your course if needed."

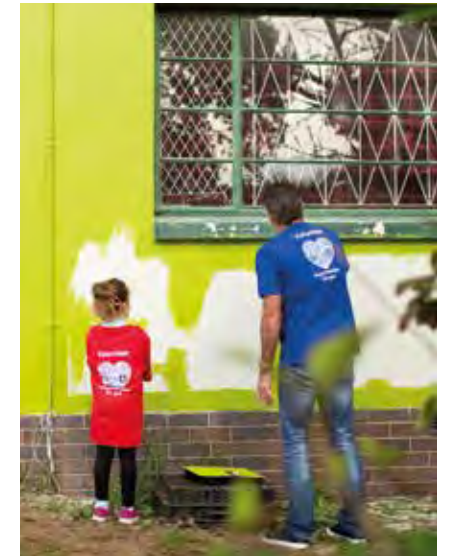
"In order to do that, you have to be quite scientific in your approach. You can't be sentimental or emotional; you have to let the facts speak for themselves and then respond to that. We are focused on not just doing things that feel right and good to us, but things that really show objective results. We measure and evaluate constantly, and focus on outcomes and impact."

This methodology proved crucial in the Community Trust's literacy programmes, which is now in its fifth year. "When we started, we conducted a survey to find out how many grade three learners in the Uitenhage area were functionally literate and found that only two out of ten learners could read with understanding. We put our programme in place and two years later when we did the survey again, we found that – even though there had been some improvement in that more children were reading – the results had hardly moved. The difference we were making was not significant enough, so we had to make a decision.

"We decided we would be fooling ourselves if we kept giving children books and posters for their classrooms and doing nothing more, so we did a further evaluation of the programme. Since then we've introduced coaches in the classrooms and focused much more on the teachers, because what happens in the classroom is the most important driver of our outcomes."

The Community Trust has partnered with Rhodes University in Makhanda and the non-profit organisation Funda Wande, in order to train teachers specifically for the purpose of teaching children to read. "People think the problem is that children don't have enough books, but that is only a part of it; you still have to make sure there is someone who is able to teach them how to read the books you give them."

The Community Trust continues to monitor the impact of the literacy programme and its new interventions. "Monitoring and evaluation is integral to what we do. You have to be clear on the result you want, and then measure and keep measuring, so you can understand the root cause of the problem and address that, as opposed to just addressing the symptoms."



## Partnering for systemic change

Though corporate social investment programmes in South Africa are contributing approximately R10 billion each year to upliftment and development, Maliza believes this is not sufficient to change the country's socioeconomic problems.

"It is a sizeable contribution from the private sector, but CSI initiatives on their own are not able to bring about systemic change; it can be a catalyst but it is too small – relative to the size of the country and the size of the problem – to bring about total systemic change.

"Only through effective partnerships with government can these initiatives bring massive change. That is what we try to do with our literacy programme. We piloted an approach at five schools, and once we have an approach that works, government may be able to expand it to 20 or 50 schools. On our own we don't have the capacity to run the programme in 50 schools, but once we can show it is effective, government could support us and expand it across Uitenhage or Nelson Mandela Bay. As corporates we might have more freedom to pilot such projects and we are more agile; that is why we can innovate and test things."

Going forward, the Community Trust aims to continue and expand its efforts in eradicating illiteracy. "So few learners are able to read and write for meaning by the time they are 10 years old. That is why we would really like to see our programmes around literacy expand. You cannot have an equal society when the bulk of your young people cannot read or write."





## Supporting system improvements in education by bolstering **RESEARCH EFFORTS**

Morningside, Durban, 2018 | © Johnny Miller, *Unequal Scenes*

If nations are to meet their commitments to offer better education to their citizens, as expressed in the United Nations' Sustainable Development Goals 2030, there is an urgent need to improve the quality of education offered in schools. This is no truer than in South Africa. Well over R16 000 is spent each year to educate a South African child in a public school. The efficacy of this investment leaves much to be desired, with fewer than two out of every 10 children in grade four able to read for meaning in any language<sup>1</sup>. Education economist **Dr Gabrielle Wills** makes the case for the critical value of research in informing quality improvements: from experimental research such as randomised control trials (RCTs) that explore new models to improve teaching in classrooms, to identifying the cost-effectiveness of competing models.

Equally important as experimental research is the need to use existing administrative data to assess how well the system is functioning, and to develop new tests to monitor learning improvements over time. Yet most education systems in the world spend far too little on high-quality education research. Even in wealthier countries, education research receives less attention than it should, with startling differences in how much is spent on research in education relative to other sectors. For example, in 2010/11 spending on medical research in the United Kingdom was about 33 times more than spend on education research.<sup>2</sup> This is absurd when the lion's share of national budgets is usually allocated to education.

While there is no official data on how much the South African public sector spends on education research, what is clear is that it is minimal. If one just considers experimental research studies in education in South Africa, these have mostly been paid for by private philanthropists or development agencies such as USAID, UNICEF or the Department for International Development.

Furthermore, despite the majority of learners performing at or below lower-income country standards, South Africa's middle-income country status often disqualifies researchers from accessing development funding for research projects. It is no surprise then that few experimental research studies in education have been implemented in South Africa. In a recent review, Taylor (2019)<sup>3</sup> identified just six published RCTs investigating primary or secondary school learning improvements in South Africa over the span of a decade (2009 to 2018).

### Why is so little spent on education research?

If a private company were to spend a significant share of its budget on one piece of equipment, they would go to great lengths to ensure that the most appropriate product was purchased for their needs, that it worked properly, and that they invested in research and development to ensure that they were able to sustain the best possible yields from the equipment. Despite the fact that the largest proportion of South African taxpayers' money is spent on education (16% to 17% of total annual government allocations)<sup>4</sup>, we invest so little in ensuring that it is serving citizens in the most effective way. There are various possible explanations for this irrationality.

First, the benefit of education research is usually viewed as a public good – the private collection of knowledge in this field is difficult and the possibility of private returns less apparent.<sup>5</sup> Contrast this with medical research, where experimental trials of new drugs yield significant private benefits for pharmaceutical companies. With private funds channelled into these studies, medical research has made great strides. The collective work of lots of small yet well-executed experimental studies have contributed to breakthroughs in medical research, the effective treatment of disease and ultimately to saving lives. Or consider the agricultural industry in which research into plant hybrids that are disease-resistant and produce greater yields has resulted in significant returns for farmers and private providers of agricultural goods. Without a broader and longer-term view on how educational

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progress prospers a society, the private sector is unlikely to invest in research.

The lack of spend on education research may also be attributed to the perceived low value of research outputs, relative to their cost. This is a legitimate concern in the context of too many low-quality studies in education that are of little use to funders, government or practitioners. However, even when empirical evaluations of new programmes or interventions are well executed, the impact of these programmes on learning is often disappointing.<sup>vi</sup> Funders get frustrated and implementers become disheartened. But we need to continue trialling new approaches, reiterating new versions of those that show some promise, and learning from existing studies.<sup>vii</sup>

The history of the commercialisation of the light bulb is a good analogy. Edison was not the first person to invent the light bulb. There were at least 22 inventors that came before. He was building on existing knowledge and is widely quoted as failing 1 000 times. His real success, relative to his predecessors, is attributed to developing an entire integrated system of electric lighting where the lamp was just one component of a wider system of generators, mains and feeders that powered the lamp.<sup>viii</sup> In the same way, the research process eventually strikes gold. After learning from others, reiterating versions of what may work, we find the most effective programme components – and the system components that support their success – to positively alter the learning trajectories of children.<sup>ix</sup>

Finally, and most importantly, too little is invested in research (and, closely related to this, monitoring and evaluation) because the national value of quality education is often not fully understood. Education is often viewed as a luxury – something that we spend on when times are good. Viewing education from this lens is incorrect. Education is primarily an investment where the economic value of building human capital is confirmed time and again across studies.<sup>x</sup> Economists Hanushek and Woessmann<sup>xi</sup>

used 40 years of data from 50 countries to show that having a better educated population, as measured by cognitive skills on international tests of learning, has significant economic impact. When a country’s test scores are one standard deviation higher than the average, that country’s annual economic growth rate (in GDP per capita) will be about two percentage points higher than the cross-country average. Furthermore, in South Africa, with the highest levels of income inequality in the world, improving the quality of education in no-fee schools is likely to have significant implications for reducing this inequality. Roughly 60% of the differences in wages (the largest component of incomes earned) across historically privileged and disadvantaged South Africans are attributed to differences in the *quality* of education they received.<sup>xii</sup>

### Investing in education research in a slow growth environment

If differences in cognitive skills lead to economically significant differences in economic growth, then expenditure on education should certainly not be reduced in difficult times. In South Africa, we are observing declining trends in the purchasing power of every rand spent in public education and rising learner-educator ratios.<sup>xiii</sup> In this context, investment in research, monitoring and evaluation is critical for enhancing efficiencies within the sector; in other words, increasing how much is learnt in school for every rand spent per child. There is a desperate need for the South African education system to run ‘leaner’ per learner. Public expenditure per child in South Africa was at least thrice as much as in Kenya in 2007<sup>xiv</sup>, yet in the same year grade six South African learners (even when limited to those in our two most functional provincial administrations, Gauteng and the Western Cape) did worse than similarly poor Kenyan grade six students on the same mathematics test. This result holds at every level of learners’ socioeconomic status.<sup>xv</sup>

### How to support educational efficiency through research

Monitoring and accountability systems are imperative for ensuring that funds are effectively allocated and used. We need better monitoring systems, including data management, tracking of per-learner spending, as well as accountability processes for redress. Building institutional capacity in these areas could contribute to significant savings and improved functionality.

While monitoring and tracking are the responsibility of the state, funded research using existing datasets can support these efforts, offer solutions and reveal areas for improvement. For example, new research on the cost of repetition in South Africa<sup>xvi</sup> shows that if learner repetition was better managed, there could be large savings for the public system. Spending on repeaters accounts for at least 8% of the national government allocation to education. The study suggested that just halving grade 10 repetition rates – where at a minimum one learner in every five repeat each year – could free up roughly R2 billion that provinces could use towards alternate programmes such as early remediation. This study also highlighted the poor quality of available school data on repeaters. At a minimum, realising improvements in the monitoring and implementation of repetition policy – and realising large savings – requires significant improvements in the quality of data collected from schools. This is just one example of many possible studies that could be funded using existing data to guide improved monitoring efforts.

Supporting experimental research to identify programmes or policies that yield the best possible learning gains in context-specific settings is another way to improve system efficiency. In the face of political pressure, too often the promulgation of policy and its implementation occurs well before an evidence base has identified whether favoured programmes may foster learning gains or, worst case, erode opportunities to learn<sup>xvii</sup>.

Unfortunately, South Africa has a history of spending on education programmes that were either insufficiently or not at all piloted or evaluated in our schools. The failure of outcomes-based education (OBE or Curriculum 2005) – arguably the worst mistake made in post-apartheid education – is a case in point. We owe it to children to rigorously test curricula, programmes and new approaches to teaching before making an entire generation the guinea pigs of new fads or favoured ideals. Even if something works in another context, it is untested if it has not been trialled and evaluated in South African schools, across a variety of socioeconomic settings. Business, non-profit organisations and philanthropic funders can play a significant role here.

As Stephen Taylor, current director of Research, Monitoring and Evaluation in the national Department of Basic Education, described in a recent book:

“... the basic education sector faces an environment of increasingly tight budget pressures. Therefore, more than ever, public and corporate social investment (CSI) spending must be directed to those programmes and policies that we know actually impact on the most important education outcomes. And if we are to know what works, then experimental research will have a valuable role to play in figuring out South Africa’s education policy questions.”<sup>xviii</sup>

### Identifying the causal effects of programmes or policies

If children’s test scores are higher after participating in an intervention programme, this is not evidence enough that the intervention has worked. The Reading Catch-Up Programme (RCUP)<sup>xviii</sup> – a randomised control trial implemented in the KwaZulu-Natal district of Pinetown in 2014 – is a good example of why an experiment is needed. RCUP was aimed at supporting grade four learners with English as an additional language. It had been reported to be highly effective

We owe it to children to rigorously test curricula, programmes and new approaches to teaching before making an entire generation the guinea pigs of new fads or favoured ideals.

in Gauteng as part of the Gauteng Primary Literacy and Mathematics Strategy with learner test scores increasing notably after the programme intervention. However, a programme is only effective if children learn more than they normally would. This can be tested using experiments. A sample is selected and the programme is randomly allocated to some groups (the treatment group) and not others (control group), but all groups are tested. The RCUP was randomly assigned to some schools and not others in the district. The results showed that learners in both control *and* treatment schools experienced learning gains, but by the *same* amount. In other words, the programme was not effective in its current form. If this had not been evaluated, extra spending could have gone to a programme that yielded no additional improvements in learning. This programme was subsequently revised and built upon, culminating in the success of the Early Grade Reading Study<sup>xix</sup>.

On rare occasions there are also opportunities to explore whether programmes or policies have causal effects on learning using existing data, rather than implementing experiments. For example, Gustafsson and Taylor (2018)<sup>xx</sup> took advantage of a unique event where provincial boundary lines were redrawn. They could evaluate provincial effectiveness by comparing how schools performed in the matric examinations before and after they had been shifted to a new provincial administration. It turns out that provincial functionality matters a lot for matriculation outcomes.

### Developing research capacity improves the quality of research

Equally important to the need for funding of research projects and experimental programmes is the need to build research capacity within the country. Implementing the kind of analyses described here requires researchers with technical quantitative skills who are well acquainted with available administrative datasets, understand the policy context and have the experience to ask the right questions. Qualitative researchers are also critical for exploring why programmes do or do not work.

Ensuring both a sustainable stream of high-quality research outputs and the effective monitoring and evaluation of spending within provincial departments of education will depend on building capacity for this work. Corporates could support these efforts by offering post-graduate funding for study in relevant fields, targeted at promising young students or officials within public institutions. Beyond building technical quantitative skills, we need civil servants who understand the value of research and can discern its quality. Without this, research uptake will be slow and ineffective.

In conclusion, there are both direct and indirect routes for funders to positively shape the research landscape in education: funding research and investing in a future stream of highly capable civil servants. This will lead the way for improved service delivery in basic education.



## Practical tips for effective research for development

### When should research be conducted?

If funders want to know whether a programme directly results in improved outcomes for its beneficiaries then the research process should start well before the programme is implemented. Before implementation starts, the sample size necessary to detect programme impact must be determined; the sample must be randomly assigned into the group receiving the programme (treatment) and the one that does not (control); and baseline data must be collected. Often, programmes charge ahead without the necessary research preparations having been conducted, making it impossible to identify causal impacts. Alternatively, if the intention is to pilot a programme before a scale-up, then a study on the feasibility of this programme for impact could be initiated during the piloting process.

### At what stage should a research budget be decided on, and what are the unexpected/hidden factors in research processes that could be overlooked when budgeting?

The approach used for costing a research process should be informed by the complexity of the research questions to be answered. Sometimes, the amount required to adequately answer the proposed research questions will be clear to the research team. At other times, a research scoping exercise is needed to determine *if* and *how* the research question can be answered. Prior questions will need to be asked such as ‘does the necessary data exist?’, ‘is it of sufficient quality?’, and ‘what new data needs to be collected?’ In this case, budgeting for a scoping study may, in turn, be necessary to establish a reasonable research budget.

The importance of quality data for quality research outputs should not be underestimated and this requires a sufficient budget. If answering the research questions requires collecting new data, this is usually the largest research cost component. Alternatively, if existing administrative data is required to meet project objectives, the time and resource required to adequately prepare the data for analysis should not be underestimated. Funders should also ensure that budget is allocated for the dissemination of research findings to maximise research uptake, as well as allocating resources for the preparation of new data to be shared through online data repositories.

### Who should lead the commissioning of research and how can confirmation bias be guarded against?

The question of who should lead the commissioning of research involves a prior question: Who will *use* the research? Increasingly funders require that strategies for research uptake or impact are embedded into the entire research process. The best strategy for uptake, however, is to ensure that the key stakeholders using the research, or adopting intended policies or practices, are involved in the research project from design to dissemination. This may mean that the intended user commissions the work. For example, if research recommendations (or programmes or policies that are proven to work) are to be adopted by public institutions, then the relevant public institution should commission the research with the backing of funders. This can also be used as an opportunity to build research capacity within government departments.

Steering committees and governance processes can be used to manage power dynamics with respect to who has the largest influence on how the research is undertaken. These measures can also limit

possibilities for confirmation bias that may be driven by stakeholders that would like research findings to be positioned in their interests.

### How can implementing partners ensure that research is integrated into their work, thereby also securing research funding?

Time constraints and limited research capacity generally constrain the ability of implementers to conduct ‘in-house’ research on their specific programmes. But it’s also difficult for implementers to be objective about the impact and efficacy of their programmes when they are fully invested in day-to-day operations. For this reason, it is recommended that the research process be outsourced. While it may be infeasible for implementing partners to fund fully established researchers, many new PhD and Masters students are looking for exciting possibilities for their dissertations. Promising students and their supervisors may also be able to connect the research to wider projects that have secured funding.

### Which platforms can be used to share research findings?

Academics should publish the results of funded evaluations or research projects in good journals. This can help validate study findings and foster analytical rigour which, in turn, supports funders to get value for money. Briefs and summary reports that articulate results, lessons learnt and recommendations for next steps are also needed to disseminate research to a wider audience. If there are key policy messages or issues emerging of relevance to the public, it is highly recommended that the research team write editorials for the media. Recommended platforms for publicly sharing outputs include the websites of research institutions or government departments, but preferred repositories for information sharing are often sector specific. ■



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# Uplifting and empowering our youth

As a major player in the telecommunications industry and employer of a large workforce, MTN believes it has an important role to play in providing youth with opportunities to enhance their ICT skills and long-term career prospects. MTN also has a role to play in creating an enabling environment for innovation, entrepreneurship and job creation in the digital economy.

The MTN SA Foundation has always looked to initiatives that are relevant and impactful. Their interventions are therefore designed to respond to this challenge and through their continued commitment to bring ICT access and skills into the hands of the people in our communities.

## Enterprise Skills Development: Equipping young people for the future

The youth of our country are amongst the most powerful drivers of social change and the MTN Foundation wants to harness that spirit to help create the business leaders of the future. ICT in education is vital as it delivers specific scholastic content to individual learners, adapting to the learner's needs. By harnessing the power of information and communication technologies, learner outcomes can be improved and students adequately prepared to play a meaningful role in the digitised world.



At **school level**, the MTN SA Foundation has been supporting Primestar's **Step-up 2 a Start-Up** programme and the **SAGE** global teenage entrepreneurial programme for the past six and three years respectively. These programmes are targeted at teenagers from across the country and the young people are challenged to design and develop homegrown solutions that contribute to a more sustainable world, while demonstrating their entrepreneurial skills and aptitude.

The initiatives are aimed at fostering an entrepreneurial mindset among high school learners and challenging the next generation to find solutions through innovative ideas to address the world's most pressing challenges – such as unemployment, poverty and environmental protection. These initiatives have to date exposed over 80 000 young people to entrepreneurship and underscores MTN's belief in the important role young people have to play in the development of South Africa.

At **university level**, the MTN SA Foundation partners with **Enactus** South Africa to focus on its goal of using entrepreneurship to foster self-reliance among youth by supporting early-stage business ventures, achieved through delivering business training and mentorship to tertiary students across the country. In 2019 this initiative involved 22 universities and a total of 2 590 students participating and showcasing their entrepreneurial skills and aptitudes.

The MTN SA Foundation is exceptionally proud of the team from the Durban University of Technology (DUT) who, for the second consecutive year, won the South African championship and went on to present South Africa at the Enactus World Cup finals hosted in San Francisco, USA.

By addressing some of the most pressing social issues facing our country, the teams' initiatives have already made noticeably positive impacts in their communities.

As an organisation with a deep understanding of the important role that **small, medium and micro enterprises (SMMEs)**

play in stimulating economic growth and generating employment opportunities, the MTN SA Foundation continues to focus on using entrepreneurship to foster self-reliance among vulnerable communities.

In 2019 the MTN SA Foundation partnered with Datacomb Development Hub (DDH), the University of the Free State and Hodisang Dipeu Holdings to run business support programmes that imparts much-needed skills to small businesses in the ICT sector. MTN's support of these initiatives is very much in line with their commitment to stimulate the growth and

sustainability of SMMEs in order to foster economic growth and self-reliance and to ensure our continued commitment to bring ICT access and skills into the hands of the people in our communities.

These partnerships date back to 2013 when the Foundation teamed up with Datacomb to run a 12-month accelerated business development programme for SMMEs. The programme continued in 2019, working with 50 entrepreneurs in Soweto, Alexandra, Thembisa, Bloemfontein, Welkom and surrounding areas in the Free State, equipping them with the tools they need to run successful businesses. The SMMEs supported by the programme range from app developers, ICT skills training academies, web and software developers, to small businesses responsible for the roll-out of fibre networks.



All the initiatives the MTN SA Foundation support in enterprise skills development will ensure that the next generation of entrepreneurs are equipped with the skills needed to grow and sustain their businesses and become the business leaders of the future.



General enquiries about the MTN SA Foundation can be made through the central switchboard  
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## VIEWPOINT

# Responsible business education

With the role of business in society increasingly in the spotlight, Prof Arnold Smith, Head of Social Impact and Associate Professor of Business in Society at the University of Stellenbosch Business School (USB), shares insight on the role that responsible business education must play in developing ethical future leaders.



### What is the role of business education in developing more conscious capitalists?

Business education has an important role to play in helping business professionals develop the knowledge, skills and attitudes that will prioritise and integrate responsible business practices into daily operations, as well as long-term strategies across all business functions. This task is not about conscious capitalism as an option, but about responsible business as an imperative. A business school that does not do this fails its students and, ultimately, society.

At USB, we strive to embed responsible management education and the development of responsible leaders into all our postgraduate and executive education programmes. It is USB's explicit intention that students develop a thorough understanding of what it means to be a responsible leader and steward of society. Apart from the content knowledge, students must develop the critical-thinking and decision-making skills that are required to integrate ethics, responsibility and sustainability into finance, investments, human resources, marketing, operations, supply chain management, technology, etc.

### Do you think that ethics can be taught? If so, how does USB do this?

Ethics can certainly be taught. However, this is not only the task of a university. We develop an understanding of what is right or wrong from an early age – in our homes, communities, schools and social circles. What a business school can do during the relatively short duration of a postgraduate programme is augment the ethics that students already possess with conceptual and theoretical depth and build ethical awareness and decision-making skills for different areas of business application.

At USB we do not have a course in ethics as such, but we share a commitment to

embedding ethics, responsibility and sustainability into all our programmes. In addition to our academic work, the same holds true for how we live our mission, vision and values, and manage our operations. The institution must be a space in which students can experience the alignment of teaching and practice. This comes from our conviction that ethics is both caught and taught.

### USB has commented on the need for a new social compact – please elaborate?

South Africa today falls short of the vision spelled out in our Constitution – a society characterised by mutual respect, unity in diversity, social justice and human rights, democracy and openness, a place where the potential of every citizen can be fulfilled. We seem to need a new social agreement or compact in which we commit, once again, to making our Constitution the guiding light towards a positive future for our country, in terms of the economic progress that we have to achieve, the social wellness that will make the country a fair, just and safe place for all its people, and the environmental stewardship needed to secure a sustainable existence for generations to come.

If we want to get this right, leaders from politics, business, labour, civil society and academia will have to re-enter into positive dialogue and agreement to collaborate, spurred by the will to place the common good above selfish interest.

### What role can business education play in creating this new social compact, and what specifically is USB doing to this end?

Business education must first and foremost see its task as one in which it not only educates managers for business, but citizens for leadership roles in society. Business school students must be able to connect their institutions to society and its intersectoral networks, and develop the

skills of working across boundaries for the sake of the common good for all. Business schools must become convening spaces where leaders from the public, private and civil society domains come together to learn from one another and deliberate on an ideal social compact.

USB also encourages public discourse. Our well-established Leaders Angle forums focus on business-related, social and environmental matters. We also work with the Kgalema Motlanthe Foundation in staging public dialogue about matters crucial for a renewed social compact.

### Please comment on the need to strengthen leadership within civil society.

No society can afford to neglect its social sector, especially now. There is balance needed between the responsibility of governments to develop relevant and future-minded policies; the entrepreneurial capacity of businesses to generate employment, products and services; and the social and environmental justice orientation of civil society organisations to keep government and business accountable and society fair and compassionate.

USB has stepped up its commitment to social sector capacity building through the development of the Postgraduate Diploma in Leadership Development for Non-profit Organisations. The inauguration of this programme in 2020 will enable us to incorporate more civil society perspectives into what we do.

#### PROF ARNOLD SMITH

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# Leadership Development

## Postgraduate Diploma for NPOs

**NEW FOCUS 2020**

*"USB's new focus area will benefit both myself and my organisation."*

Benita Petersen, prospective PGDip in Leadership Development for NPOs student



# Secure the future of your NPO

Since 1998, Benita Petersen has been dedicated to the League of the Friends of the Blind (LOFOB) – a non-profit organisation that caters for the needs of the blind and the visually impaired.

With the knowledge that USB's PGDip in Leadership Development for NPOs focuses on cultivating leadership qualities specifically for the non-profit industry, Benita looks forward to advancing her career through the programme, as well as sustaining the prosperity of her NPO.

**Benita seeks to benefit herself and her NPO**

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### CHAPTER THREE

In-depth profiles of select companies’  
CSI strategies, approaches to and  
lessons in development.

### CORPORATE PRACTICE

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# Absa

## Focus on education, employability and entrepreneurship for economic growth

Absa Group recognises that its success is interlinked with the wellbeing of the societies in which it operates. The company is committed to finding local solutions to uniquely local challenges, with emphasis on enabling greater socioeconomic prosperity. Its developmental focus areas, which are aligned to the goals of the 2030 Agenda for Sustainable Development, include supporting the education ecosystem and entrepreneurship, improving access to financial services, and environmental stewardship in its operations and lending practices.

### Strengthening the education ecosystem

According to Statistics South Africa, one in three South Africans between the ages of 15 and 24 are unemployed and not enrolled in educational programmes or involved in training initiatives. Lack of skills among youth leads to long-term unemployment for many, exacerbating inequality. Absa is committed to investing in developing young talent and, in doing so, contributing to improving the employability of South Africa’s out-of-work youth. The company aims to promote economic inclusion while developing a skilled workforce equipped to succeed in the workplace of the future.

The Group also creates platforms and opportunities to address knowledge gaps that increase the employability prospects of young people, and support institutions and administrators with technical assistance to improve the delivery of quality education.

ReadyToWork is Absa’s free e-learning platform that provides four soft skills modules – work, money, people and entrepreneurship – to improve employment or self-employment prospects for job seekers. There is specific focus on the placement component of the programme, with young people receiving work exposure, internships or placement opportunities through Absa’s employability partnerships with Afrika Tikun, Catalyx, Lulaway, GoodWork Foundation and Columbia Leadership Academy in South Africa, and universities, non-profit organisations and trade associations in other regions of operations.

Absa continues to provide financial support to tertiary students, aiming to boost the availability of scarce critical skills and opportunity for previously disadvantaged youth. The indirect impact of the sponsorship programme is to uplift families and communities.

- In the 2017/18 financial year, R266 million in education disbursements benefited:
- 4 142 students who received scholarships, across 100 universities
  - 1 112 students from 50 TVET colleges who completed their workplace exposure with Absa
  - 2 107 governing body members from 656 schools in South Africa who received training in financial management and governance
  - 9 298 young people in South Africa and 4 223 in Absa’s regional markets who received work exposure, internships or placement opportunities

### Supporting entrepreneurship

Small and medium enterprises (SMEs) create jobs and foster innovation, playing a vital role in advancing inclusive and sustainable economic growth. Absa assists emerging SMEs in South Africa to grow and prosper through various enterprise development initiatives, including offering innovative financial solutions and business development support services. Absa also offers development funding solutions to qualifying emerging SMEs in collaboration with corporate clients and other partners. Through the company’s structured approach to value chain funding, it is able to offer solutions to emerging businesses that would not otherwise qualify for traditional finance. These blended financing solutions combine commercial funding with more affordable funds and guarantees from third parties, to provide more affordable financing rates.

There are also several high-impact, high-value business solutions available, such as the Absa Enterprise Development Programme and the Absa Accelerator. The Accelerator is a four-month programme for Absa-banked SMEs with a turnover between R500 000 and R1 million. For companies with a turnover of over R1 million, Absa offers a six-month one-on-one mentorship and coaching programme.



However, to build a successful, competitive and sustainable business, entrepreneurs need more than access to finance. They need intellectual capital such as business skills, information and access to networks and markets. Absa provides training and business development support to suppliers and entrepreneurs. These include training activities, strategic events, and partnerships with non-profit organisations, global development organisations and government. Absa’s Procurement Portal unlocks numerous opportunities for SMEs to penetrate existing markets. The portal is a virtual marketplace that connects emerging SME suppliers and corporate procurement teams.

- In the 2017/18 financial year:
- 9 550 entrepreneurs benefited from one or more business development support intervention/s
  - 974 SMEs benefited from the Absa Accelerator
  - 550 Absa-banked businesses benefited from the mentorship and coaching programme
  - R156 million was invested into supplier development for SMEs in Absa’s supply chain
  - R88.3 million of the supplier development contribution was lending at preferential rates, including zero-rated loans
  - R371 million was invested in development loans to SMEs in the corporate value chains across Absa’s African markets

### Improving access to financial services

Access to finance empowers people and financial inclusion is critical for accelerating inclusive economic growth, creating jobs and addressing inequality. Absa’s entry market range of products, such as Group Savings and PEPmoney (South Africa), Atlas (Ghana) and Motshelo (Botswana), are increasing financial accessibility. The company enables digital and non-digital access to underserved consumers through real banking and value-add products and services. In support of the South African government’s affordable housing development projects, Absa increased its loans to R12.8 billion, with loan customers benefiting from the company’s borrower education programme, covering key aspects of home ownership, home maintenance and personal financial matters.

Through its consumer education programme Absa empowers individuals to make informed choices and improve their lives through responsible personal financial management.

The company also targets schools and unemployed or low-income individuals, and supported the Banking Association of South Africa’s Starsaver programme directed at schoolchildren in grades seven to nine. Absa also assisted the Association of Savings and Investments

in implementing the Saver Waya Waya financial literacy programme for TVET college students.

Absa Regional Operations also conducted financial literacy training in Ghana, Uganda, Zambia, Botswana, the Seychelles and Mauritius.

- In the 2017/18 financial year:
- R1 140 million in affordable housing loans was accessed by 3 519 customers from households earning less than R23 300 per month
  - R1 697 million was provided to 47 150 customers in micro and personal loans for building
  - R32.3 million was invested in consumer education training for 100 746 customers across South Africa
  - 4 308 customers benefited from Absa’s borrower education programme
  - 100 746 South Africans received consumer financial education
  - 7 168 individuals received financial literacy training across Absa’s regional operations
  - 4 318 consumers in Ghana attended financial literacy workshops
  - 2 380 consumers in Uganda received financial literacy training
  - 230 in Zambia attended financial literacy events and exhibitions

As Absa looks to the future, we strive to lead the conversation and action on the biggest challenges facing Africa. The company is committed to investing its time, expertise and views to the causes that it believes can have the greatest impact, and will drive thought leadership, promote sustainable practices, create value and facilitate strategic engagements to this end.



**Sazini Mojapelo**  
Head of Citizenship  
<https://www.absa.africa/absafrica/citizenship/>

## Airports Company South Africa

# New socio-economic development strategy set to soar

Airports Company South Africa recently shifted its social focus to more rigorous efforts in socio-economic development (SED). The company's new SED strategy, which is aligned with the National Development Plan 2030, prioritises youth and women empowerment, education, disability, protection of the environment and employee volunteerism. In the 2018/19 financial year the company spent R46 million on SED projects around the country.

### Youth and women empowerment

Airports Company South Africa acknowledges that to invest in youth and women is to invest in the broad and sustainable development of the country. Since its sustainability and growth are reliant on excellence in construction, engineering and related services, the company's SED strategy is designed to equip previously disadvantaged youth and women with related skills, thereby creating a pipeline for business services.

The company has partnered with Northlink College to provide construction training to 32 unemployed youth and early childhood development (ECD) training to 35 women living in informal settlements around the Cape Town International Airport. A similar project with 80 women from Ekurhuleni Municipality is in progress with the University of South Africa (UNISA). In response to the need for more women firefighters in the area, Airports Company South Africa also facilitated the internationally accredited training of 15 young women in Upington.

The Tshimologong Precinct Partnership is a three-year collaboration between Airports Company South Africa and the University of Witwatersrand that aims to empower 100 unemployed youth to become IT entrepreneurs. Through its youth and women empowerment programming, the company aims to improve employment opportunities to help realise long-term impact.

The company's Retail and Entrepreneurship programme, implemented in partnership with Goodbye Malaria, develops youth business skills and provides them with retail space at three of the company's airports. This project also indirectly empowers more than 100 women in townships and rural areas to manufacture products. A portion of the funds raised from sales of these products goes towards the fight against malaria in southern Africa.

### Widespread investment into education

Airports Company South Africa recognises that, in order to improve the quality of and access to education, investment into skilled teachers, creating conducive learning environments, the provision of necessary resources and infrastructure, and supporting effective school management is essential. During the 2018/19 financial year the company spent more than 70% of its SED budget on education projects related to these core issues. The company specifically aims to improve science, technology, engineering and maths (STEM) outcomes since it relies on the availability of these skills to fuel its core business.

#### Learner and teacher development

Airports Company South Africa funded extra mathematics, science and accounting classes for matriculants at selected under-performing schools. Through this intervention, matric results have improved at Umtiza High School in East London, from 52% to 70%, and at Walmer High School in Port Elizabeth, from 21% to 76%. In Gauteng the project has contributed to the improvement of results at Tsakane Extension 8 Secondary School, from 50% to 69% and KwaDukathole Comprehensive School, from 42% to 96%.

Learner programming is coupled with teacher development programming. In the Western Cape the company funds the English Literacy Programme which operates in four primary schools, benefiting more than 560 learners. In addition to improving literacy skills, the programme also aims to develop learners' confidence.

#### Infrastructure development

This programme aims to empower under-resourced schools with the necessary infrastructure and resources that will help to create more conducive and dynamic learning environments and enable these schools to perform at the same level as their more affluent counterparts. In 2018/19 the company donated a science centre



and a resource centre to Tsakane Extension 8 Secondary School in Gauteng; an ECD centre to a township in Bloemfontein; two classroom blocks to Walmer Primary School in Port Elizabeth; a mobile library to a primary school in the Northern Cape, and in KwaZulu-Natal an educational resource centre to Uminathi Junior College in Umbumbulu, a computer science lab to Nkosibomvu Secondary School, mobile computer labs to Sarasvati Primary School and Verulam Primary School, and a library to Cottonlands Primary School.

#### Training of ECD practitioners

This programme aims to contribute to the professionalisation of the teaching industry, to ensure that learners' needs are met. In partnership with UNISA and Northlink College, Airports Company South Africa aims to improve the teaching skills and provide continuous professional development opportunities to ECD practitioner students. Through this partnership, a total of 80 practitioners from Gauteng are in training and 35 from the Western Cape receive training with Northlink College.

#### Partnering to tailor spaces of learning for children with disabilities

Focusing on education that benefits persons with disabilities, Airports Company South Africa partnered with the Department of Social Development to establish the Nombuso Disability Development Centre in Ndwedwe, KwaZulu-Natal. The centre accommodates 110 learners and boasts a specially designed play area and state-of-the-art computer lab.

The company also partnered with the South African National Deaf Association (SANDA) to provide skills development programmes to people with hearing impairments across the country. Through this partnership SANDA also provides Basic Sign Language training to front-line airport staff in an effort to provide reasonable assistance to deaf passengers.

#### Efforts in environmental sustainability

The Airports Company South Africa Nature Guides programme, in partnership with BirdLife South Africa, is an initiative where unemployed youth are given skills in the male-dominated industry of wildlife management. The wildlife officers are currently doing their in-service training at nature reserves in Limpopo to complete a NQF Level 4 qualification accredited by the Field Guides Association of Southern Africa.

Through its Green Energy Project, Airports Company South Africa also provided renewable energy to homes in Freedom Farm and Malawi Camp, near the Cape Town International Airport.

### Philanthropic giving and volunteerism

For the past few years the company has also partnered with the Smile Foundation to assist vulnerable children from disadvantaged communities to benefit from facial and reconstructive surgeries.

In the past year more than 1 000 people benefited from philanthropic contributions made to the Cancer Association of South Africa (CANSA). In addition to financial support, Airports Company South Africa employees are also encouraged to participate in the annual CANSA Shavathon. Employee volunteerism is an area of its new strategy which Airports Company South Africa aims to develop further.

### Emphasis on impact

Airports Company South Africa's SED strategy is far-reaching, but the company is committed to focusing on the long-term benefits and impact of all its programmes. In order to do so the company intends to monitor its programming closely.

In terms of replication and the scaling up of programmes, Airports Company South Africa recognises the importance of public-private partnerships. The company also emphasises the value of working with locals to ensure that programming is responsive to the most pressing community needs, has the necessary buy-in, and a strong sense of community ownership from the very start. Keen community involvement also reduces long-term dependency on sponsoring companies.

Airports Company South Africa ensures that it has a well-communicated and negotiated exit strategy for each of its projects. However, the company also understands that projects may evolve during partnership periods and that flexibility in development programming is key.

Ultimately, these initiatives are designed to achieve maximum social impact by creating systemic change that addresses social inequality and improves the quality of life for millions of previously disadvantaged South Africans.



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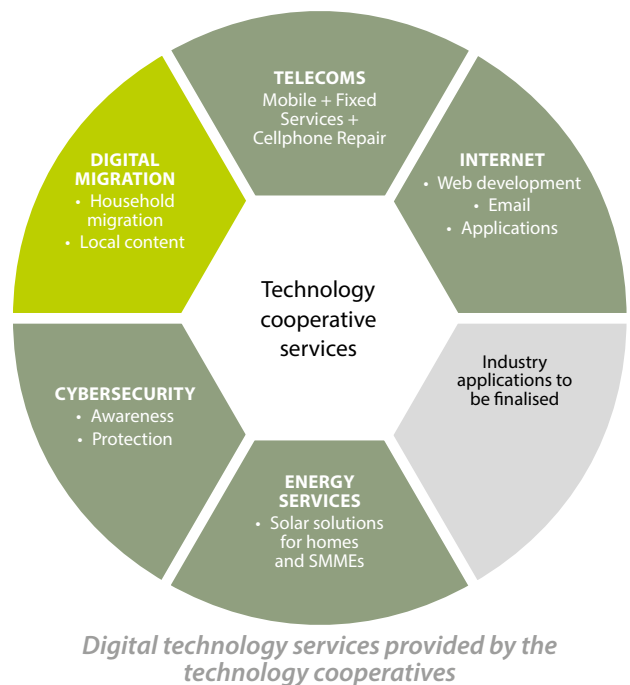


# Exxaro

## Preparing youth for the digital demands of the future

As one of South Africa’s largest black-empowered resource mining companies, Exxaro recognises that in order to future-proof its business it must prepare the new generation for the digital demands spurred on by the Fourth Industrial Revolution. To this end, Exxaro partnered with the South African Digital Content Organisation (SADICO) to implement a youth development programme that upskills participants in the exciting fields of innovation and technology.

Exxaro aims to create significant value for its stakeholders and to contribute meaningfully to the South African economy. “The community projects that we invest in, address the current socioeconomic challenges and offer solutions beyond the life of our mines, in order for our communities to become independent and sustainable,” says Tebogo Leepile, Community Development Manager.

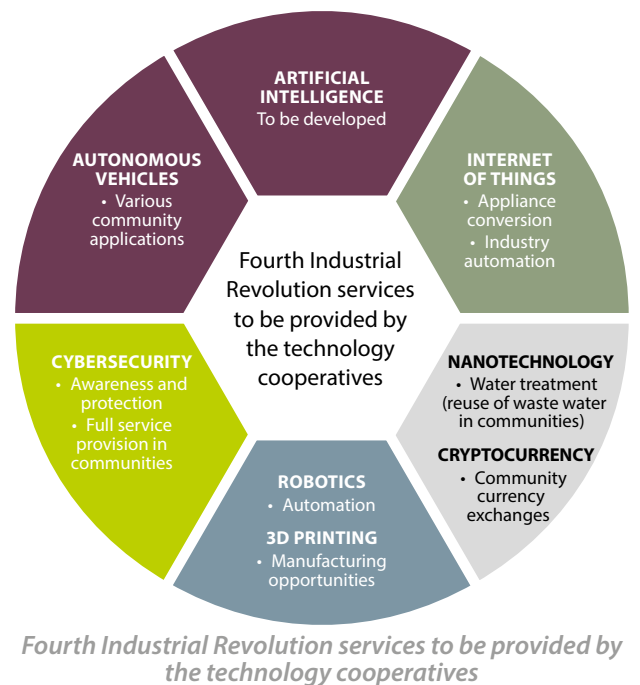


### Developing digital skills and fostering a spirit of entrepreneurship

In support of youth development in the Fourth Industrial Revolution – a collaborative economic enabler led by business, government and labour – Exxaro and SADICO implemented the Youth Exponential Development programme, known as ‘YDx’. Some 3 000 unemployed youth who expressed interest in technology and entrepreneurship applied to participate in the programme – reflecting the need for economic opportunities. SADICO conducted a situational analysis of the population and economic environment in order to get a clear sense of the number of technology cooperatives that would be needed, as well as the community and local government buy-in to the project.

Exxaro invested R40 million into the programme over a 12-month period to provide digital technology training to 400 youth in Lephalale and Thulamela municipalities in Limpopo, and Emalahleni, Victor Khanye, Emakhazeni, Steve Tshwete and Govan Mbeki municipalities in Mpumalanga.

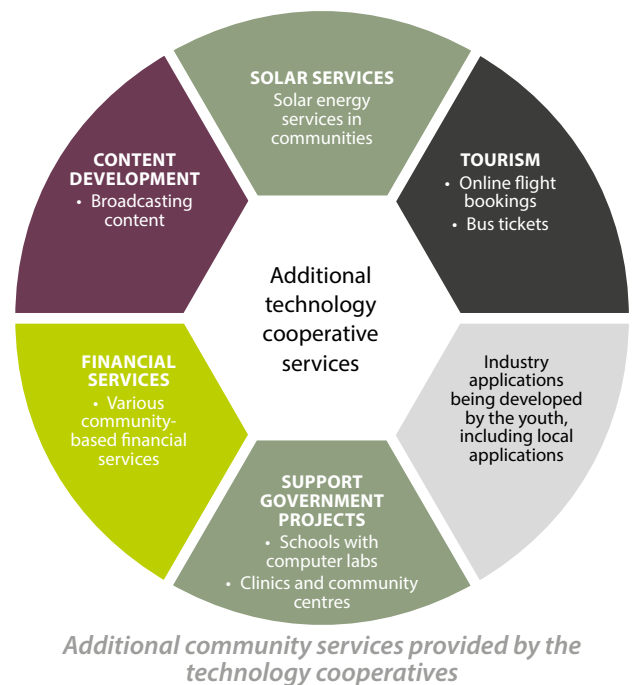
In May 2019, 34 participants engaged in ‘train the trainer’ programming which touched on digital technology concepts,



including telecommunications and broadcasting, as well as Fourth Industrial Revolution concepts such as the internet of things, artificial intelligence, robotics, 3D printing, nanotechnology, autonomous vehicles, cryptocurrency and cybersecurity. Those initial participants have in turn begun training an additional 366 local youth in digital skills such as website and mobile application development, cellphone and computer repairs, digital migration, airtime sales and e-financial services.

In addition to training, participants were also assigned to various technology cooperatives that would receive mentorship and support for one year. Under SADICO’s guidance, it is intended that these cooperatives grow into fully-fledged businesses.

Youth from Exxaro host communities are now introduced to digital technology, with immediately implementable skills that enable them to be economically active within the digital technology industry. Linda Khumalo, SADICO’s CEO, explains that the organisation aims to equip each trainer to manage between 10 and 20 technology cooperatives over a period of two years, with Exxaro’s support for the first year of the project, aligned with the Youth Employment Service initiative.



### What the YDx experience has meant to participants

“The programme is one of a kind and the information has a lot of value. In a couple of weeks, mindsets have changed from young people asking for employment, to them taking responsibility for their own futures and creating jobs for others. The support we have received from the SADICO team has been exceptional and they are pushing us to solve our own problems/challenges. We thank Exxaro for this amazing opportunity to address youth unemployment in our communities through this programme. For me, personally, it all boils down to being ready to be challenged, and then for the YDx programme to take you further.”

– Sebo from Lephalale

“Truth be told, there’s no other programme like this one. We now know it is within our power to make the change from unemployed to employed. Through this programme our mindsets have changed. This is the way to go about solving the unemployment challenges we face as a country. What I appreciated the most is that the skills and knowledge we received are not only going to develop us as youth, but the business we bring to our community is a solution to daily challenges. The solution all along was not to tell companies to create employment, but to show people an alternative way to be employed by employing themselves while creating employment for others at the same time”.

– Siyabonga Msibi from Govan Mbeki



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# FirstRand Volunteers

## Active citizenship for lasting impact

The FirstRand Volunteers Programme was launched in 2003 to encourage active citizenship and community involvement across FirstRand’s core businesses which today include First National Bank, Rand Merchant Bank, WesBank, Ashburton Investments, DirectAxis and MotoVantage. FirstRand’s various employee volunteering initiatives encourage active citizenship and community involvement while ensuring that global best practices and trends are followed.

There are many ways that employees can get involved in volunteering initiatives, including organising programmes within their own business units; joining existing initiatives; volunteering in individual capacities; sharing their time, skills and knowledge with non-profit organisations (NPOs); mentoring high school learners and university students; or contributing to monthly payroll giving programmes. They are also able to register for group drive incentives – for example, the annual School Education Drive assists employees with incentives for under-resourced early childhood development (ECD) centres, and primary and high schools in their communities. According to Desiree Storey, manager of the FirstRand Volunteers Programme, “In the current tough economy, characterised by tight work deadlines and other pressures, many employees do not have the time and money available to make donations to causes they care about. Annual group drives make funding available so that employees can still make a meaningful difference. Through these drives we also see new employees joining the programme each year.”

Employees are allowed to match their donations of time and money to causes they are most passionate about. The volunteers intranet platform helps to keep employees informed about volunteer initiatives and an annual awards programme which aims to motivate and inspire staff to go the extra mile. Since the employee volunteer programme’s inception R80 million has been contributed to worthy causes and, in the financial year ending June 2019, R9 million was contributed to partner organisations.

With so much opportunity to give back, it is no surprise that FirstRand employees are highly engaged. In 2019 more than 1 955 employees donated an average of 9 616 hours of their time to their chosen projects. Employees supported more than 59 schools, 40 ECD centres and 125 NPOs across various sectors.

### Broad participation in far-reaching volunteerism

Rooted in the belief that an educated workforce is the key to a robust economy, FirstRand has long committed itself to making a positive impact in the education sector. More than 45% of employee support was channelled into ECDs, schools and NPOs supporting education in 2019. Other causes included youth and community development, as well as animal welfare.

The annual School Education Drive saw teams from 76 business units across the country qualify for a total of R1.15 million in programme grants last year, enabling them to support their chosen schools. “Teams assisted schools with the purchase of school shoes, uniforms, library books, stationery, sporting equipment, educational toys for crèches, feminine hygiene products, winter jackets, nursery school-in-a-box kits, school bags, mathematics kits, office chairs, office administration equipment, interactive white boards, catering for tutoring sessions, fans in classrooms and new equipment for cooking classes,” says Storey. “They also helped build libraries and jungle gyms, repair toilets and revamp playgrounds.”

The programme supported 32 organisations that care for persons with disabilities. Volunteers donated white canes, talking alarm clocks and calculators, braille paper, therapy aids, support rails for minibuses, upgraded security systems, a manual lift, wheelchairs and a wheelchair ramp, learning aids, hearing aids, reading glasses, audio-visual equipment and tablets for communication purposes. They also donated a beauty therapy unit and a kitchen to a special needs school, where children with disabilities could receive related NQF-level accreditation that could lead to employment.

FirstRand’s Unsung Heroes Programme offers funding support to individual employees who support registered organisations of their choice in their personal capacities and in their own time. In 2019, 23 employees and their chosen organisations received support. “The programme supported organisations by repairing ceilings and building a new gym at ECD centres, purchasing stoves, refrigerators and two microwaves for economic and management sciences subjects, purchasing calculators and study guides, and covering the costs for matric learners to register at tertiary institutions,” explains Storey. “It also helped with disparate initiatives, like raising funds for cancer awareness, providing learners with school shoes and socks, equipping a mobile library with early childhood reading and literacy aid kits for parents, augmentative and alternative communication interventions, and support for young children in the Valley of a Thousand Hills. Computers were donated to a rowing club and a daycare centre, school toilets were upgraded, and cooked meals were provided to learners at an afterschool care centre.”



The programme strategy is broadly aligned with the objectives of the National Development Plan 2030 and the FirstRand social investment strategy. Initiatives are carefully positioned with the help of feedback and surveys, as well as employee and non-profit partner engagement. “We strive for maximum participation and impact every year – that is our main goal,” explains Storey.

### Beyond Painting Classrooms (BPC)

FirstRand’s BPC initiative was started by the FirstRand Volunteers Programme in 2012, with the aim of taking employee volunteering further than just ‘painting a classroom’. It was kick-started with the support of NPO, Charities Aid Foundation Southern Africa (CAFSA).

BPC is a platform that actively organises and empowers employee volunteer practitioners to create a volunteering ecosystem – one that encodes active citizenship in the DNA of employees. Its aim is to scale and increase the impact of its initiatives. Its activities include networking sessions, regular workshops held countrywide and a biennial conference.

In 2019 the BPC initiative expanded its reach to both KwaZulu-Natal and the Eastern Cape, with an asset-based community-led development workshop held in both provinces. These workshops were attended by more than 50 CSI managers and service providers, employee volunteer programme managers and NPO representatives. BPC produces reports, articles and other resources that inform practice and showcase examples of volunteering around the country.

In May 2019, a breakfast was held at which delegates were consulted and invited to vote on topics they wanted to see covered at the conference, which took place in Johannesburg on 11 and 12 September. Themed *Inspiring employee volunteering*, the conference focused on the future of volunteering, making South Africa an employee volunteering country and collaborating for sustained change. More than 165 delegates attended and 39 local, regional and international speakers shared their knowledge. International guest speaker Lorrie Foster, director of corporate strategy at the International Association for Volunteer Effort, shared current global trends in volunteering – most notable of which were how to align initiatives with the Sustainable Development Goals, how to leverage technology, measure impact, respond to humanitarian



and natural disasters, and how to form cross-border teams and multi-company collaborations.

The winners of the second BPC Employee Volunteer Programme Awards were announced at the conference. According to Storey, “The winners provided inspiring examples of programmes run by both corporates and non-profits. They stood out because they went beyond the more traditional approach – creating real, measurable value for volunteers, business and communities.” Winners in the Inspiring Leadership category were Momentum Metropolitan and U-Turn, an organisation that provides people with skills and work opportunities so that they can overcome homelessness. Winners in the Collaboration and Partnership for Real Change category were forgood, a platform that connects people and causes, and the Do More Foundation, which sets out to do more for young children, to ease hunger and to support youth. Finally, the winner in the Creating and Measuring for Impact category was Volkswagen South Africa (who won in the Partnering for Real Change category in 2017). An independent panel of judges evaluated all the entries and selected the winners.



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## Industrial Development Corporation

# Strategic investments to improve youth employability

The Industrial Development Corporation (IDC), a state-owned financial institution that facilitates industrial development, has long thrown its weight behind the expansion of skills among young people. Knowing that youth unemployment is at an all-time high, the IDC is deepening its commitment to supporting youth through a number of strategic initiatives.

In the IDC's 2019 *Integrated Report*, Minister of Trade and Industry, Ebrahim Patel, writes that economic inclusion is an urgent priority, particularly for young people, women and black industrialists. Many of the IDC's corporate social investment (CSI) projects focus on developing young people. In the 2018/19 financial year, the company allocated 68% of its CSI budget to education and skills development. Its CSI initiatives are broadly aligned with the country's developmental priorities, as the need to create employment in order to lift people out of poverty is emphasised.

"Our CSI approach is deliberate and focuses on selected development priorities, in order to uplift and empower disadvantaged people and communities. These priorities include education, skills development and entrepreneurship development. We believe that education is the key to reversing the cycle of poverty, and helping entrepreneurs is linked to the IDC's mandate of employment creation."

– Tebogo Molefe, Head: Corporate Social Investment

### Supporting skills development for employability and transforming under-resourced schools

The IDC has targeted technical vocational education and training (TVET) colleges around the country as part of its focus on higher education. It has supported these TVET colleges since 2013, acknowledging that focusing on vocational and technical skills training makes sense due to the high demand for skilled workers and artisans in South Africa.

The IDC's intervention is twofold: it supplies machinery and equipment to the colleges, but it also assists them to design their curricula, in partnership with employers who typically shy away from taking on students due to the vast gap between industry requirements and what they are trained to do. By working with employers, the IDC gains insight into real-world needs and ensures that curricula are sufficiently pragmatic. It also keeps the

colleges up to date with current market trends. "Skills and capacity development have been among our most notable achievements," says Molefe. Since launching the programme in 2013, the IDC has invested R11.3 million, supporting 11 colleges.

Additionally, the IDC has invested more than R102 million into 30 schools in South Africa, in partnership with the Adopt-a-School Foundation. Through its involvement in basic education, it hopes to transform under-resourced schools into functional schools – and it has already devoted six years to this project, which largely focuses on uplifting the academic, infrastructural, social and security environment at four schools in Limpopo and five schools in the Eastern Cape. The Adopt-a-School Foundation manages how the programme is implemented in the adopted schools.

The IDC also offers training and support to school governing bodies, senior management teams and learner representative councils, hoping to improve the quality of management, leadership and governance in schools. It partners with departments such as Home Affairs and Social Development to ensure that learners can access grants and other services they may need.

According to Molefe, significant successes include an improvement in the performance of gateway subjects and Bachelor's passes, as well as the growth of income-generating projects in communities. Just as importantly, the provision of decent ablution facilities at adopted schools has restored children's dignity.

### Preparing for a technological future

Thirty schools have received ICT intervention programmes, thanks to the IDC's commitment to preparing learners for a future in which technology will play a primary role. "Our activities include the provision of ICT equipment, infrastructure and training of educators and learners in the use of technology to help enhance academic performance, lesson plans and research," explains Molefe.



*The IDC has been contributing towards improving the livelihoods of poorer communities since 2004 and takes great pride in the impact it has made thus far, with an average of R40 million spent every year.*



Working with the private sector has also been part of the IDC's strategy. For example, it has partnered with Wipro Technologies at all 30 schools it is involved with, providing IT equipment and running ICT programmes in each school. Wipro and the Nelson Mandela Foundation partnered with the IDC and Adopt-a-School Foundation to upgrade selected schools in the

Eastern Cape. The IDC invested R20 million in these schools, constructing a library in honour of Nelson Mandela's centenary, as well as 15 new classrooms, a science lab, an administration facility and two ablution facilities. The money also helped to renovate nine structures and convert two classrooms into ICT centres.

### Pneuma Academy of Excellence

Collaboration and partnerships are vital to the success of the IDC's projects. It supports a number of dynamic projects and, under its entrepreneurship/community development portfolio, the Pneuma Academy of Excellence in Gauteng is one of the most impressive.

Pneuma Jewellers CC was a social enterprise registered in 1983. Started in 2002 by Michael Pneuma, a qualified goldsmith and jeweller, the small business grew into a training provider for learners keen to learn the trades of goldsmithing and diamond mounting and setting. "In 2002 I joined the NQA Global Certification Body to write and validate all learning materials," explains Pneuma.

The company became fully compliant in 2015 and participated in the development of a new goldsmith qualification, which is now an accredited programme. In 2017, the Pneuma Academy of Excellence was registered, with financial support from the IDC.

According to Mike Pneuma, managing director of the Academy: "We have successfully delivered the most goldsmith training in the sector – 148 learners have completed their training on our premises to date and 19% of graduates have gone on to start a business as either entrepreneurs or sole traders," he says. "Some 42% of the trainees have 'super achieved', that is, excelled above the average, including entrepreneurs, super artisans, managers and teachers, as well as deaf candidates. We have a good success rate in the market

– around 93% of our graduates are assisted and placed within the industry."

Pneuma was one of the first companies to kick off a university graduate internship and is proud of the pioneering work done by the programme. The first black trade test official at Indlela, the National Artisan Development Support Centre, and the first black learner to become a teacher at the Central University of Technology in Bloemfontein were trained and mentored at Pneuma. Around 90% of the learners are from previously disadvantaged backgrounds and although Pneuma is a white-owned business, it considers itself 90% black empowered. Some 34% of learners are women. The academy also supports the hearing impaired.

Pneuma's 'super artisans' describes learners who are mastering two or three trades and becoming more valuable employees, trainers or business owners because of this. "Typically, a master artisan is someone with a qualification and many years of experience, but we encourage our learners to learn a few trades – say, goldsmithing and diamond setting plus engraving or computer-aided drafting (CAD)," says Pneuma. "The majority of our trainers were learners at Pneuma – we keep the cream of the crop."

Pneuma's success rate appealed to the IDC. In 2017, the Development and Impact Support Department (DIS), a unit within the IDC, approved an investment of R878 000 and in 2018 just under R5 million, which has enabled Pneuma to acquire high-tech equipment that will enable the students to compete in the Fourth Industrial Revolution.

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**Your partner in development finance**



## Land and Agricultural Development Bank of South Africa

### Developing ‘agripreneurs’ to strengthen SA’s farming future

The Land and Agricultural Development Bank of South Africa (Land Bank), together with the Industrial Development Corporation (IDC), the National Youth Development Agency (NYDA) and Buhle Farmers’ Academy (BFA), aims to graduate ‘agripreneurs’ and prepare them to enter the commercial farming sector.

South Africa has a well-developed agricultural sector, with approximately 32 000 commercial farmers in production. However, there is an urgent need to transform the sector and empower previously disadvantaged individuals – particularly youth and women – with the knowledge and skills required to go beyond subsistence farming and contribute to the broader economy. This is increasingly vital within the context of the current land reform debate. It is also vital as the National Development Plan envisages creating one million new jobs in agriculture by 2030.

The Land Bank’s corporate social investment (CSI) programme has a number of focal areas, including the Agri-Teen Symposium, the Communal Wool Growers’ Association Programme, employee volunteerism and BFA. Through its CSI programme, the Land Bank has helped to create a range of opportunities for youth to be absorbed into the agricultural sector. The Land Bank has a well-established relationship with BFA, a non-profit organisation dedicated to training and developing entrepreneurial skills for the sector – particularly among emerging black farmers. Some 98% of the beneficiaries of Buhle’s programmes are black and close to half are women. With a 16-year track record and Agricultural Sector Education and Training Authority accreditation, BFA is the ideal partner for the Land Bank, which spent R1.55 billion on transformational projects in 2018.

Trainees from all over the country attend BFA’s Mpumalanga and KwaZulu-Natal campuses, with training as practical as it is theoretical. Courses cover crops, vegetables, poultry and livestock production, as well as mixed farming. The Academy has trained more than 6 000 farmers and created over 8 000 jobs in the agricultural sector to date – no mean feat (around 65% of its trained alumni are able to either establish or improve their existing farming operations). By partnering with the Academy, the IDC and the NYDA, Land Bank is looking at ways in which these emerging farmers may be able to access finance eventually – one of the bottlenecks that hampers the growth of the sector.

#### Introducing the smallholder farmer development project

The latest initiative that Land Bank is supporting, in conjunction with BFA, the NYDA and the IDC, is a three-year smallholder farmer development project that will enable 10 emerging farmers to become viable, sustainable commercial businesses within the agricultural sector. The programme was established in 2019 and is expected to run until 2022. The emphasis thus far has been on recruiting, selecting and contracting with the programme’s beneficiaries who were carefully selected by the project’s partners. The approximately R3 million allocated to the project has been used to cover grants to the selected farmers (R200 000 each), as well as for ongoing training (R10 000) and support or mentorship (R90 000) for each farmer. Every year, R3 million is allocated for specific focal areas.

The partnership model is one of shared responsibility and shared value creation, says Lion Phasha, Land Bank senior specialist in stakeholder relations and CSI. The Land Bank’s focus on the agricultural sector aligns with the IDC’s investment in agro-processing. The timing could not be better, as government is reprioritising agriculture, knowing that it plays a vital role in terms of driving job creation and GDP growth.

While the sector is robust, it is notoriously untransformed. However, the project will go some way towards assisting with transformation – the ten farmers selected are predominantly young black-owned farming enterprises (nine are youth-owned). The type of farming varies, from vegetable production, broiler/poultry production, livestock (including goat, cattle, sheep and pig production) and fruit production. Five provinces are represented and six farms are rural, with three urban and one peri-urban farm.



#### Developing commercial farmers

Phasha believes that BFA is taking the right steps to develop farmers because it insists on practical, hands-on farm experience – the inductees must spend time with ‘master farmers’ learning how to plant, irrigate, use pesticide and much more. However, mentorship does not stop there.

“Thanks to this initiative, farmers will be able to acquire not just hands-on farming experience, but also enhanced awareness of how to run a business – they gain business management skills, their economic vulnerability is reduced, and their bankability is vastly improved. This means they will be able to access loans. At the moment, a lot of farming in South Africa is purely subsistence farming. Our aim is to follow a step-up approach – to take these small businesses to the next level in order to develop new commercial farmers. In this way we will be able to completely transform the sector,” says Phasha.



Phasha is adamant that the Land Bank is looking for people passionate about agriculture and excited at the idea of forging a multi-generational career. “We want this initiative to have a sustainable impact,” he says. “We encourage farmers from previously disadvantaged communities, women and the youth to farm – but the proviso is that they must love farming; they must want to make a career out of agriculture. Eventually, we would like to train thousands of farmers and ensure that the best-performing of those continue to produce and go on to create employment and maintain food security in the country. Primary producers are very important. We want to graduate them to be bankable – not just with the Land Bank but with any financial institution.”

This incubator for ‘agripreneurs’ will go a long way towards making the agricultural sector more vibrant and inclusive, helping to remove the legacy of racial and gender discrimination. It will also create the farmers of tomorrow, who will help to safeguard food security in the face of drought, the current climate emergency and economic uncertainty. The importance of such a project can therefore not be underestimated.



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# Momentum Metropolitan Foundation

## Ensuring the economic participation of our youth

Momentum Metropolitan Holdings (formerly MMI Holdings) is a South African-based financial services group that integrates its corporate social investment (CSI) initiatives through the Momentum Metropolitan Foundation (MMF). The Foundation aims to enable the life aspirations and sustainable earning potential of youth through employment programmes, job placement and financial literacy.

The growing number of young people of a working age in developing countries can either exacerbate or improve poverty rates, depending on their economic participation. South Africa's National Development Plan 2030 recognises that the future of this country depends on youth who are employed and empowered to contribute to the country's economic growth. MMF's CSI strategy, implemented in 2018, strives for the realisation of this goal by addressing the youth unemployment crisis. More than half of young people aged between 15 and 34 years are not in employment, education or training according to Statistics South Africa's *Quarterly Labour Force Survey Q2:2019*. MMF aims to economically activate this population through a focused and holistic approach, developing youth employability, aligned to the eighth United Nations' Sustainable Development Goal. Helping to grow a sustained workforce also ensures future customers and employees.

"Everyone in our organisation stands united behind our focused investment that delivers actual, sustainable jobs or income-generating activity for young people in our country. We achieve this through our six partner organisations that take young people on a comprehensive employment journey, ensuring that they are job-ready and employable before assisting with their job placement."

– Charlene Lackay, Momentum Metropolitan Group CSI Manager

Since July 2018 a total of 669 young people who participated in employment and skills development programmes supported by MMF have been placed in various entry-level jobs.

### Future-proofing for the digital economy

MMF emphasises the importance of technical and digital skills in order to remain globally competitive and to meet the needs of the future of work. To this end, MMF supports two organisations that help to ensure the tech and overall job-readiness of youth.

WeThinkCode offers digital skills training through an innovative peer-to-peer learning model and placed 98% of its 2018 cohort into sustainable employment. In line with MMF's commitment to foster an inclusive and equal workforce, the Foundation is piloting a WomenThinkCode initiative with the organisation which will focus on developing young women in technology.

Salesian Life Choices Academy, which provides state-of-the-art job training programmes to give school-leavers the direction needed to land meaningful and well-paid jobs, is also supported by MMF.

The Foundation's support of projects that enable youth to take their place in the digital economy is complemented with vocational skills training.

### Vocational skills development

MMF believes that by investing in vocational skills development that contributes to job security or ongoing income generation, young people will be supported to break the cycle of poverty. Through its partnership with non-profit organisation, Rhiza Babuyile, 793 youth received vocational skills training, with 525 placed in jobs in 2019. Acknowledging that social and health challenges often impede young people's abilities to learn, Rhiza Babuyile's holistic approach to youth development includes health services that run parallel to education programming.

Through business incubation with Rhiza Babuyile, Josephine Morake has been able to better define her business offering and purpose of creating employment in the Diepsloot Community. "I am determined to succeed and move Diepsloot forward. I aim to deliver the best service. Giving PURPLE JM SERVICES an opportunity within your organisation benefits the community members who will be employed to carry out these services. This will help with job creation and access to sustainable income, in turn curbing the crime rate and improving the socioeconomic state of the township."

Ubuntu Pathways' comprehensive service model recognises that young people's success and employability are linked to their development in childhood, including their access to quality education, healthcare and psychosocial support. MMF partners



with this organisation to provide vocational training that supports youth to get and retain jobs. Ubuntu Pathways has a nearly 70% placement success rate.

Sparrow FET College delivers skills development that is aligned to industry requirements, ensuring the likelihood of employment for its students. During their studies youth also have access to psychosocial support services and job coaching. MMF and Sparrow FET College's 2019 partnership has provided 124 unemployed youth with accredited training and learnerships.

MMF's commitment to supporting job creation takes into account the different experiences of differently abled people. The Foundation supports the QuadPara Association of South Africa (QASA) which provides business administration training for young people with quadriplegia and paraplegia. QASA has a 92% placement success rate, leveraging and supporting its network of business partners to ensure diverse and inclusive workforces.

By participating in QASA's work-readiness programmes, supported by MMF, Mohammed Khan has been able to gain important skills and confidence. He is currently completing his matric through the QASA education fund and is on an internship. "Thanks to the QASA work-readiness programme, I am motivated to become the best version of myself".

### Creative approaches to financial literacy at school

MMF's youth employment strategy includes financial literacy programming to support long-term financial wellness. The Foundation supports Motheo Financial Dialogues which targets technical, and vocational education and training students, preparing them to properly manage their finances as they enter the world of work. Since the beginning of 2019 over 1 000 young people have benefited from interactive financial literacy workshops.

By seeding financial education within schools the Foundation is able to foster healthy financial habits and positive attitudes towards money among youth. In 2015 the Foundation rolled out its Making Money Matter financial literacy board game to grade nine learners in Gauteng. The board game is currently in ten schools across South Africa and aims to assist learners to make well-informed transactional choices by demonstrating the impact of different financial decisions.

MMF supports financial literacy and ignites entrepreneurial habits among high school learners with MetroKickstarz, a sneaker business simulation that teaches the basics of financial and business management.

By August 2019, 2 033 high school learners had already benefited from MMF's consumer education programming.

### A refocused strategy that draws lessons from challenges

Following an in-depth review period, MMF embarked on a carefully considered exit strategy, which included honest conversations and clearly negotiated and communicated notice periods, to reduce the number of organisations that it supported from 36, down to six key implementing partners that would contribute significantly and holistically to the Foundation's revitalised youth employment strategy. Fewer strategic partnerships enables MMF to be more proactively involved with and responsive to the specific needs of these organisations.

During its strategy transition period, the Foundation quickly learnt that the numbers drawn from its monitoring and evaluation processes tell an important story. What at face value may appear to be negative outcomes is in fact important information to understand the underlying issues that deter implementing partners and the communities that they serve from reaching their full potential. High dropout rates, for example, demonstrate the need to consider the individual set of circumstances of each impacted learner and to work with intervention models that incorporate softer skills and support services.

After reviewing the low potential earnings in some of the skills development courses offered by their implementing partners, MMF revised its expectations of well-paid IT and ICT roles as a key outcome. Far too many young people who have not had access to quality education or the opportunities to attain the necessary life skills to fully understand the complexities of the working environment are in need of immediate work that can help to support their households. Spurred by this sense of urgency, the Foundation's youth employment drive has expanded to include vocational and life skills development that may lead to lower-paying jobs, but can help to avert the country's current unemployment crisis. Shorter vocational skills offerings and accreditation processes are able to yield a higher number of beneficiaries who are able to access the job market more quickly.

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## Old Mutual

# Research lays the foundation for leadership in education

Old Mutual is committed to educational interventions that deepen leadership and governance within the context of basic education. The company's strategic refocus of its flagship education project should provide even better outcomes for learners and teachers alike.

The Old Mutual Education Flagship Project (OMEFP), a multi-partner national initiative that set out to boost education at underperforming public high schools in South Africa, comes to an end in 2019. The seven-year project had two main objectives: to increase the number of grade 12 learners passing maths and science, and to build the management and leadership capacity of underperforming schools. The core focus of the project was to improve learner outcomes by strengthening the leadership, management and teaching capabilities of these schools. It was envisaged that matric learners would be able to pursue tertiary education and would eventually be included in the broader economy.

A strategic review of the project indicated that, by the end of 2018 over R265 million was invested with 225 000 learners at 327 schools across four provinces (the Eastern Cape, the Free State, Limpopo and KwaZulu-Natal). However, return on investment proved difficult to measure in some respects. For example, the number of matric science and maths pass rates did not prove to be a suitable measure for the performance of leadership programmes.

As such, the pan-African investment and banking group has decided to change its focus in the next phase of the project, which is due to be rolled out between 2020 and 2024. The project will be redesigned to prioritise outcomes, rather than reach. In addition, monitoring and evaluation will receive more attention, along with what has materially changed as a result of the interventions.



### Back to basics: Developing literacy and numeracy at foundation phase

The OMEFP represented a departure from the way in which Old Mutual previously thought about corporate social investment (CSI), being more strategic and coordinated in its approach. However, the Group recognises that there is room to improve and achieve more tangible results. Narrowing its focus within the education sector will allow the company to target fewer beneficiaries but invest more heavily in each beneficiary selected.

According to Kanyisa Diamond, Senior Project Manager at the Old Mutual Foundation, the next phase of the project will continue to focus on learning and leadership, but will pursue an entirely new strategy, which will be announced soon. The aim is to fill some of the chronic gaps in the curriculum, as well as to strengthen the institutional capacity of the public school system.

It is well known that South African schoolchildren often fail to acquire numeracy and literacy skills, and learners entering grade one start from a low base. A *Progress in International Reading Literacy Study* (PIRLS) conducted in 2016 showed that 78% of grade four learners could not read for meaning in any language, and the *Trends in International Mathematics and Science Study* conducted in 2015 showed that 61% of grade five learners could not do basic mathematics. Approximately 45% of primary schools do not have a single learner who can read and make inferences, and 47% of high schools do not have a single child who can reach the intermediate benchmark in mathematics. Educationist Nic Spaull has referred to these schools as "cognitive wastelands". It was therefore felt that focusing on mathematics and science for learners in grades 11 and 12 would be ignoring a more fundamental challenge: the lack of cognitive readiness among learners due to profound gaps in the curriculum.

Old Mutual will conduct a scoping exercise, the outcomes of which will inform the company's future strategy along with the goals set out in the National Development Plan 2030 (NDP). For Old Mutual, it is important to align their strategy with that of the Department of Basic Education and that the strategy they employ is sustainable from a CSI perspective – it has a vision to collaborate with other funders and primarily with provincial education departments in order to scale up learning interventions. Diamond believes that this is vital in order to reach the educational goals set out in the NDP.



### Investment into research on school leadership

Because leadership plays such a crucial role in influencing educational outcomes, it will remain an ongoing focus for Old Mutual. The company has invested heavily into research conducted by the Seed Educational Trust, on how leadership methodologies inform behaviours, decision-making and the functioning of schools. The research will inform Old Mutual's strategy in the foreseeable future, particularly as quality leadership drives development in weaker schools.

Relying on psychological and organisational models that include Insights Discovery (a psychometric tool based on the psychology of Carl Jung), Transactional Analysis (a system of psychology based on childhood conditioning), the Competing Values framework (a way of understanding four organisational culture types), Spiral Dynamics (a data-based psychological approach to understanding worldviews), Theory U (a change-management method) and Force Field Analysis (a management technique that influences decision-making), the research seeks to identify the primary leadership styles of school and district leaders in 750 schools (Seed Educational Trust has run 35 leadership programmes since 2006).

The research sets out to understand organisational culture and the development of a new leadership culture that would support effective management and leadership in contexts with challenging and complex socioeconomic matters. It goes on to state that there is incongruence between personality and culture at school and district level across four provinces in South Africa. This results in leaders and managers working at cross purposes and in self-cancelling ways. The extent of the organisation working at odds with itself is so great that it calls for redefining what leadership is and renegotiating a cohesive leadership culture in an organisational redesign. The research suggests various ways of shifting bureaucratic and hierarchical approaches into more collaborative conversations by adopting a coaching and mentoring leadership style, especially where low levels of trust and ineffective teamwork have been identified. In this way, naturally caring educators, by personality, could create a congruently supportive learning environment, by organisational culture. Who they are will align with who they need to be at work.

### The importance of informal adult learning in leadership development programmes

The second piece of research conducted with the support of the Foundation examined the most effective and viable ways of developing teachers and school leaders in South African schools as well as the role that informal adult learning (including coaching and mentoring) could play in this regard.

The findings showed that with regard to coaching and mentorship, 73% of informal learning practitioners within South Africa's basic education sector mostly regard themselves as coaches or mentors, with the other 27% regarding themselves as 'thinking partners' (14%), facilitators (18%) or supervisors of informal adult learning (9%). More than 50% have formal coaching or mentoring qualifications and 91% undertake a form of continuous professional development (CPD), but only 22% have more than ten years of experience at offering these services in schools and districts. This information has implications for the education sector given that this is a sector that is highly complex and challenging to work in; experience therefore is a valuable commodity. Exploring how to change this outcome was one of the goals of the research papers funded by Old Mutual.

The biggest hurdle faced when rendering informal adult learning is motivation (77%), followed by resource constraints (63%) and complexity (37%). A systemic response is therefore vital. Using the six emotional leadership styles enumerated by Daniel Goleman, Richard Boyatzis and Annie McKee, mapped onto John Heron's Six Categories of Intervention, as well as Jon Kotter's Eight-step Change Model, the researcher proposed various solutions, including the creation of professional learning communities and the necessity for educators to have a philosophy of learning. By applying various instructional design models within the context of the basic education sector, Old Mutual's research has laid the foundations in which future leadership programmes can be rooted. This aligns with Old Mutual's aim to not only improve leadership within South African schools, but to create a model of governance that can be adopted beyond the classroom – that is, at circuit, district and provincial level.

It was suggested that a more enabling environment for coaching and mentoring can be created when the education system becomes more learner-centred, systemically integrated and underpinned by consistent reflective practice.

The veracity of the research is currently being tested on a major district level intervention in the Eastern Cape.



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## PPS Foundation

# Holistic student support to strengthen STEM studies in SA

The Professional Provident Society (PPS) Foundation's targeted approach to assisting students and new graduates with accessing quality tertiary education will ensure increased participation in science, technology, engineering and maths-related (STEM) careers, and the broader economy.

As a financial services company, PPS recognises that STEM degrees are of great value to both the financial services sector and the economy as a whole, particularly in the Fourth Industrial Revolution.

PPS only launched its foundation in 2017 (although it was established in 2016), but it has already made significant strides in carrying out its primary mandate: to make a contribution to STEM-related fields in tertiary education. "The PPS Foundation was created as a central hub where the PPS Group's CSI objectives and initiatives could be carried out. We chose a STEM focus due to our core business and membership base. Most of our clients are professionals within these fields," explains PPS Group HR Executive, Masenyane Molefe. "Focusing on tertiary education was a natural fit for us, as well as to contribute to filling the skills gap in the country. This creates an ecosystem whereby students or beneficiaries working towards their professional qualifications can still be part of the work done by PPS Foundation, from a point of giving back, since we consider PPS to be the home of graduate professionals."

The Foundation has taken an approach that will bolster innovation and entrepreneurship in the country, without neglecting more basic skills such as financial literacy and emotional intelligence in the workplace. Its holistic approach ensures that students and graduates from disadvantaged backgrounds can make great strides towards achieving their professional goals.

The Foundation partners with various stakeholders in an effort to increase socioeconomic impact through collaboration. Its 'pay it forward' philosophy finds its greatest expression in mentorship, and employee and member volunteerism. PPS Foundation is not only committed to knowledge and skills transfer, but to nurturing successive generations of capable and caring professionals. "Working together is how we create positive, lasting change, which is why we choose to partner with like-minded organisations and individuals. Simply put, as we say – success is better shared," says Molefe.

### Nurturing students and graduates

The PPS Foundation takes a pragmatic approach to student concerns – its bursary programme takes care of the most basic needs of promising undergraduates, covering the cost of their tuition, books, meals and student accommodation. Sixty-one students were funded in 2018 and funding focused largely on science (68%) and maths (18%), with engineering (9%) and other disciplines (5%) making up the balance.

In addition, the Foundation's food donation programme, which it runs in partnership with Rise Against Hunger Africa, ensures that students in need can focus on their studies without the distraction of hunger. It is well known that hunger leads to a lack of concentration and a drop in academic performance. Last year, employee volunteers prepared more than 60 000 food packs.

The Foundation also runs the highly successful University Support Programme, which goes out of its way to ensure that the teaching and learning experience is improved in public universities and universities of technology. Aside from meal donations, it funds technology centres and labs, and facilities for students living with disabilities, among others. Some 64% of the Foundation's budget is allocated to the University Support Programme. Its commitment to developing young professionals doesn't end with tertiary education. PPS Foundation offers two distinct yet complementary programmes for graduates ready to enter the world of work.



### Learned, Engaged, Accelerated Professionals

The first of these is LEAP (Learned, Engaged, Accelerated Professionals) – a work-readiness programme that provides candidates with the skills, tools and mechanisms that will allow them to be readily assimilated into the work environment. It also helps to 'bridge the gap' between tertiary education and the work environment. Practical workshops focus on some of the 'soft' skills that many take for granted, like developing a personal brand, cultivating emotional intelligence navigating the online and social media minefield, preparing for interviews, dealing with rejection, learning about punctuality and time management, and writing CVs. Financial wellbeing is also covered in the programme to help graduates manage their own finances – a critical skill for young professionals who have had to transition from being a student with little to no financial means to earning a salary and the responsibility that comes with that.

### Employment and mentorship opportunities

The Foundation's Graduate Internship Development Programme specifically targets graduates who want to work at PPS. It identifies young talent who would become interns at PPS and enrolls them into a 12-month formal programme that provides exposure to the world of work. At the end of the programme, the interns may have the opportunity to be absorbed as permanent employees at PPS. Molefe said that "the intention behind providing interns with hands-on experience and practical skills is to help them carve out their careers as entry-level professionals. "We have also observed that from the experience gained on the programme, there is the increased chance of employability within other reputable organisations, and for us that means a lot."

Furthermore, the GetReadySkills mentorship programme is offered in conjunction with the PPS Foundation's online career portal,

Professionals Connect. This portal allows students, graduates and entry-level employees to gain career advice and exposure to employment opportunities. This is part of an initiative to retain graduates in the country. Not being able to find a job after graduation is one of the factors driving young South Africans overseas.

The GetReadySkills programme is unique because it helps discouraged job-seeking graduates develop future-fit skills that will serve them well in the ever-evolving world of work. These graduates are mentored in problem-solving, critical thinking, teamwork, networking and a host of other competencies that will give them an edge in the market. "We know unemployment is very high – therefore partnering with GetReadySkills is one of the means whereby graduates are provided with skills that aim to increase their employability within other companies in the programme's network," says Molefe. "What we have found valuable is that the programme is keen on unearthing entrepreneurs who can also go on to employ others themselves," she adds.

### Mutuality that drives success

According to Molefe, the focus in 2020 will be on getting more PPS members, employees, as well as members of the public involved. "We want more people to join our circle because the ethos of mutuality drives our success. Therefore, after obtaining the Public Benefit Organisation status, we created a platform where one can now donate towards the PPS Foundation's work."

The donations platform: <https://ppsfoundation.pps.co.za> is where people donate money and help to further PPS Foundation's pay-off line of 'nurturing potential'. The benefit for donors is that they will receive a Section 18A certificate for tax purposes and assist PPS Foundation to continue educating and increasing the pipeline of future graduate professionals in South Africa.



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Telkom

## Commitment to responsive education programming unearths a wealth of insight

During its two decades of programming, Telkom Foundation's Connected Schools Programme (CSP) provided information, communications and technology (ICT) access to more than 2 000 under-resourced schools in South Africa, benefiting more than 600 000 learners and more than 20 000 teachers. Following a strategic review in 2017, the Foundation broadened its CSP model from a focus on ICT training to more holistic and integrated programming that also provides the necessary life skills, psychosocial support, leadership training, infrastructure and resources to adequately enable learners to compete in the Fourth Industrial Revolution (4IR). The Foundation has pledged R200 million to this High School Support Programme over a five-year (2017–2021) period.

In collaboration with Department of Basic Education (DBE) district offices and through dialogue with school governing bodies and parents, quantile one to three schools in Gauteng and the Eastern Cape were selected to participate in this programme. The Foundation intends to ensure that all participating learners not only improve their performance but acquire skills that will ready them for the future world of work. Beyond learner-focused interventions, the Foundation recognises that education systems and the introduction of ICT to improve the teaching and learning experience cannot be strengthened and sustained without dedicated focus on teacher and school leadership development.

### Responsive learner support programming

Telkom Foundation invests more than 65% of the pledged R200 million into teacher development; supplementary tuition for learners that focuses on addressing foundation gaps in maths, science and English tuition outside of school hours, so as not to interrupt the curriculum plan; and the deployment, integration and adoption of technology. The first group of learners to benefit from the programme were identified in 2017: grade eight learners in five high schools in Tshwane West. The Foundation's diagnostic assessments found several foundational gaps, especially in maths, among these learners. In the same year, Telkom Foundation also started deploying hardware, software, content and connectivity to these schools.

Schools in Port Elizabeth were introduced to the programme the following year. Diagnostic assessments revealed a similar pattern – that learners enter high school with severe foundational gaps which make it almost impossible for them to excel in their subjects and leads to lower literacy and numeracy rates. These results were key to Telkom Foundation's engagements with the district offices and the decision to take a remedial approach to teaching and learning, in order to close these gaps and improve overall performance.

Feedback on the results was shared with learners, and customised workbooks were developed specific to learner gaps. Tutors were also trained on the remedial approach in order to effectively support the learners. Post-assessment results found that learners were showing significant improvements in the content already covered. To date, over 3 000 learners have benefited from this programme. Telkom also supports 1 000 learners through supplementary tuition, in partnership with St Mary's Waverley and Alexandra Education Council, targeting learners from Alexandra.

### Facilitating teacher mentorship and support

Similar to the insight that influenced adaptations to the learner support programme, working with teachers since 2017 also challenged some of the initial assumptions that the Foundation held. For example, the Foundation assumed that teachers in the partner schools had, at minimum, basic content and pedagogical skills and, therefore, that the integration of ICT would be a critical enabler for improving the quality and learner experience in the classroom. Regular interactions, however, revealed teachers' lack of pedagogical and content knowledge. As a result, the programme was adapted to include in-classroom support, mentorship and integration of content and pedagogical skills in the development and support of teachers. To date, over 200 teachers are benefiting and a network of teachers is being created to collaborate and support one another, through the communities of practice approach. Telkom will leverage the use of technology to break geographical boundaries in its quest to drive collaboration.

As part of the programme, teachers are provided with laptops, mobile data, content and training to support the use of ICT in administration, lesson planning, teaching, learning and assessments.

The intention is to scale the use of technology and zero-rated content for use beyond partner schools, while simultaneously looking at how technology can be leveraged to drive collaboration beyond the current schools.



### School leadership development for improved educational outcomes

Embedded in the belief that the quality of school leadership is a key determinant for educational outcomes, the Foundation also invests in developing principals' instructional leadership through the communities of practice approach. Principals are required to wear many hats and do not always have the capacity or leadership skills needed to drive the vision for their institutions. Recognising this, the Telkom Foundation will continue to work with them through the school leadership development programme to strengthen their capacity to lead.

### ICT infrastructural, connectivity and content support prepares learners for 4IR

While ICT on its own will not be able to address systemic challenges in schools, the deployed ICT infrastructure, connectivity and educational content will go a long way in giving learners access to a much bigger world of information and innovative ways of thinking. The provision of devices, smart boards, computer labs, internet connectivity, curriculum-aligned content and training with technical support are part of the wider effort to drive integration and adoption of ICT in schools.

Beyond the formal curriculum, the Foundation also exposes learners to skills such as coding, gaming and robotics in order to prepare them for the future world of work. Learners have not only displayed interest in learning about technology, but have also shown great enthusiasm and curiosity for exploring technological possibilities.

### Psychosocial support for learners

Recognising the importance of understanding learners holistically, the programme has been deliberate in integrating psychosocial support in order to address issues that may impact learners from achieving their goals. The lack of discipline, high absenteeism and underperformance that learners have displayed are indicative of socioeconomic challenges outside of the classroom. To address this, the Foundation has partnered with non-profit organisations to provide learners with psychosocial support and counselling services. These organisations also provide psychosocial support to learners' immediate families.

Through this programme, learners are also provided with value-based leadership skills. Learners are encouraged to engage in community services, peer support and mentorship to cultivate resilience and personal development. They also focus on developing cognitive, linguistic, problem-solving and critical thinking abilities; all crucial for developing a leadership cadre that is crucial for building a promising future for South Africa.

### Key lessons

Telkom is already halfway through the journey that it has committed itself to with the schools and has extracted a number of very useful insights that are shaping its thinking on its investments. The Foundation will continue to share these lessons with like-minded organisations. Some of these insights include:

- **Holistic school programming:** The importance of viewing education as an ecosystem and designing programmes to tackle all parts of the system in order to achieve meaningful and lasting impact.
- **Supporting school management teams:** Greater effort must go into supporting school management teams in order to improve their instructional leadership.
- **Teacher development:** There is a system's bias to teaching and not learning, evidenced by continuous emphasis on the Annual Teaching Plan rather than on the quality of teaching or learners' ability to grasp the content. This creates educational gaps that learners carry over into higher grades, resulting in poor performance in critical subjects such as maths and science.
- **ICT integration and adoption:** Technology on its own will not solve system education. Attention should be given to the integration of pedagogy, content and ICT.
- **Psychosocial support for teachers:** Teachers are expected to go beyond teaching and are expected to show care and support to learners despite not being trained to do so. There is value in exploring provision of psychosocial support to teachers to empower them and ease the pressure.
- **Predefining success and how that will be measured:** It has become even more important for the Foundation to not only define, but to align everyone and ensure that continuous tracking is done against agreed metrics.



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## Tiger Brands

# An entrenched commitment to nourishing sustainable communities

In addition to providing nutritious quality food products, Tiger Brands – sub-Saharan Africa’s largest branded food manufacturing company – is a responsible corporate citizen, passionate about making a difference to the growth and development of all the communities in which it operates. Given the nature of its business, Tiger Brands understands its role in contributing toward food security. Providing nutritious food that is affordable is a significant responsibility and one which Tiger Brands takes very seriously. Crucially, this bodes well with the priorities of government.

According to recent findings by Statistics South Africa, around 20% of South African households had inadequate or severely inadequate access to food in 2017. As one of the leaders in food manufacturing, Tiger Brands, along with other corporates, has a critical role to play in enhancing food security and nutrition for all South Africans.

However, this task cannot be achieved alone and for the company to nourish lives, key partners are crucial. The company’s socioeconomic development (SED) strategy focuses on addressing hunger and ensuring that nutrition is accessible to all.

Worldwide, household food and nutrition security are under pressure, with the impact of climate change and tough economic conditions taking their toll.

Tiger Brands’ nutritionally balanced food parcels have been feeding tens of thousands of people for over a decade. In partnership with various non-profit organisations (NPOs), the company reached 30 000 households and 4 000 university students every month in 2018 alone. For Tiger Brands, an established network to help drive its ambition to nourish and nurture food-secure, sustainable and healthy communities is key.

Inspired by the United Nations’ Sustainable Development Goal 17 of ensuring partnerships, Tiger Brands believes that, as a society that wants to transform itself, we must move away from the traditional donor-charity dependent relationships, to partnerships of equality and empowerment; from philanthropy to sustainable community investment.

### Helping to ensure the sustainability of non-profit partners

Tiger Brands has a long history of working to improve food security in South Africa. However, the company has not built this legacy on its own. The NPOs that it works with – its SED partners – are its feet on the ground. Tiger Brands will enable these organisations to become self-reliant and sustainable and remains encouraged that its social partners share the same passion and vision.

The company is introducing a range of interconnected programmes that will develop the capacity of the NPOs it partners with, to ensure that they become sustainable beyond corporate support. This will be facilitated through the newly developed NGO Accelerator Programme which will equip non-profits with governance, compliance, business and other related skills. It is only through the capacitation of the NPO partners that Tiger Brands will be able to run sustainable and efficient operations. The company encourages its social partners to connect with as many other corporate and funding organisations as they deem fit, rather than to rely on just one company.

The NGO Accelerator Programme, an incubator to build professional and globally compliant non-profits, or self-sustaining businesses with access to capital and relevant business networks, is Tiger Brands’ flagship project when it comes to building food secure, resilient and economically active communities. This programme is crucial for ensuring that, when funders cut back on funding, participating non-profits will not close their doors.

Programme participants will gain important knowledge about nutrition and food preparation, sharpen their skills to grow their own food, identify potential projects in their communities for sustainable income generation, and successfully manage their income-



generating activities and small businesses – all in an environmentally responsible way.

Over time, Tiger Brands intends to grow its SED footprint and empower more people and organisations to become self-sustainable.

In partnership with various NPOs, the company reached 30 000 households and 4 000 university students every month in 2018 alone.

### Supporting subsistence farmers to become small-scale suppliers

Agricultural development programmes for subsistence farmers can play an essential role in reducing the vulnerability of food-insecure households. Individuals and communities that grow their own food have access to more nutrients in their own backyards. Tiger Brands is establishing vegetable gardens to enable communities to grow food to supplement food parcels, with a long-term view of fostering small-scale commercial farming. Small-scale farmers that demonstrate commercial potential could also be absorbed into Tiger Brands’ enterprise supplier development programme.

This programme, which upskills individuals to supply food to their communities, also provides assistance with logistics, equipment, and related activities, such as establishing community bakeries for additional income generation.

For Tiger Brands an established network to help drive its ambition to nourish and nurture food-secure, sustainable and healthy communities is key.

In collaboration with implementing partners like Food & Trees for Africa, Tiger Brands educates communities in organic farming practices and assists with the modernisation of their existing community food gardens. The company also assists with securing land, access to water, fertiliser and seeds, and provides capacity building support for farmers, who can then establish NPOs or businesses, while also supporting the community. This is done through EduPlant, a programme that teaches permaculture in schools and communities and creates opportunities for people to start microfarming enterprises and community food gardens.

For each programme the company has developed, it always builds scaling and exit strategies. As far as possible, Tiger Brands builds pathways for its beneficiaries into its supply chains and business networks. Notably, the company has negotiated deals in which its

retail partners will buy herbs from community gardens and micro-farming enterprises.

This approach of empowering communities through skills and network access makes them less reliant on government and corporate partners. Ultimately, Tiger Brands would like to see community enterprises reaching a stage of self-reliance.

### Enhancing economic activity

Tiger Brands’ skills development programme aims to empower communities to foster sustainable economic activity by improving employability. In collaboration with partner NPOs, programme participants are identified from the communities in which the company operates, such as communities in which the Tiger Brands Foundation’s in-school breakfast programming is run. Participants, most of whom are women in rural communities, acquire skills relevant to the company, such as food handling. This is an accredited skill that is in high demand in the food manufacturing and consumable goods industry, which can lead to careers and small enterprise opportunities.

The end goal is to improve employability by creating a pipeline of employees with skills that are required by companies well beyond Tiger Brands.

The company is also currently undertaking a social mapping exercise of the communities in which its SED programming is being run, to ascertain each community’s specific needs.

Its SED strategy is underpinned by a sound monitoring and evaluation process, to track whether the company is achieving its intended outcomes, with particular emphasis on whether the sustainability of its implementing partner NPOs are being bolstered.

To further the agenda of a future that is co-created through partnership, Tiger Brands hosts workshops with all of its NPO partners from across South Africa, creating a platform to share insight and lessons from successful case studies, as well as to facilitate collective problem-solving and innovation.

The company is passionate about and committed to the sustainability of its operations, communities and society at large, and recognises the interdependency thereof. To this end, Tiger Brands will continue to ensure that its operations will not compromise the future of the planet, and that it creates a lasting legacy.

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# Woolworths

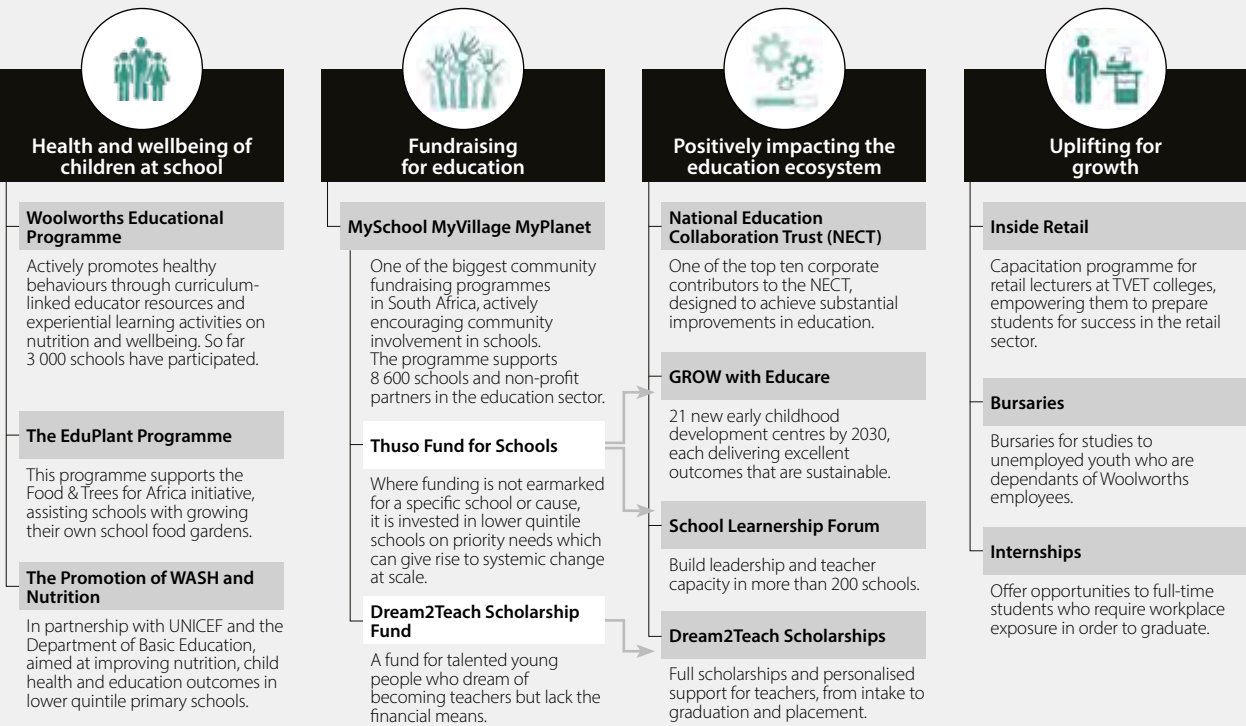
## Insight from Woolworths’ Good Business Journey

Driven by a vision to become one of the world’s most responsible retailers, Woolworths has been on the Good Business Journey since 2007, a journey that involves employees, customers, suppliers, partners and everyone in its value chain. This comprehensive and strategic commitment to responsible business practice aims to meaningfully contribute to the health and wellbeing of people, the inclusive growth of the economy, empowerment of communities, and the sustainability of the environment.

The establishment of the Woolworths Trust in 2003, as well as the company’s alignment of its developmental efforts with national and global development goals have further entrenched Woolworths’ commitment to be an active participant in society, with emphasis on getting involved in initiatives that create a lasting impact through meaningful partnerships. While there are various initiatives throughout the business that broadly aim to address poverty and inequality, Woolworths focuses on two key issues: contributing to food security – aligned with the second UN Sustainable Development Goal (SDG) of ‘zero hunger’ – and ensuring the provision of quality education – aligned with the fourth SDG.

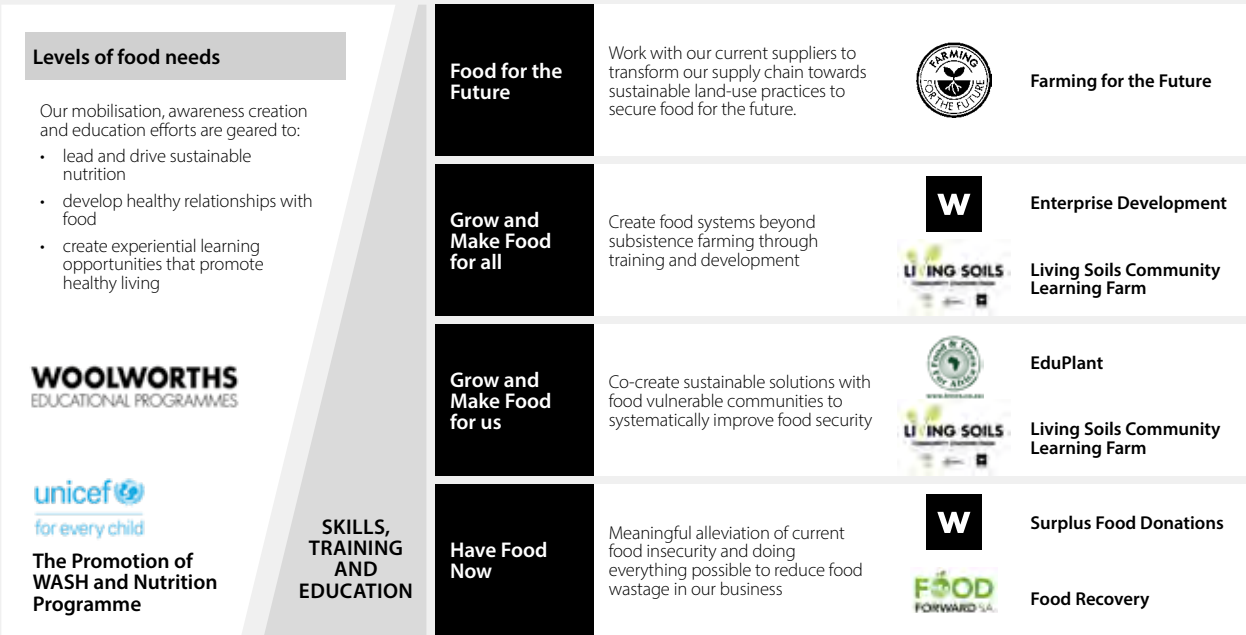
### Investment in education for a more equitable future

Woolworths recognises that business can only truly prosper in a society that is socially and economically inclusive, in turn growing the economy sustainably. The company’s holistic approach to interventions in education is detailed in the infographic below:



### Rebuilding a sustainable and inclusive food system

According to Statistics South Africa’s General Household Survey 2017, 21% of South Africans had inadequate or severely inadequate access to food. Since 70% of Woolworths’ turnover is generated from its food business, it makes strategic sense for the company to leverage its expertise and passion to affect change in this sector.



### Key lessons that have emerged from Woolworths’ responsible business journey

The understanding that responsible business is a journey, rather than a destination, is clearly articulated in the name of the strategy – the Good Business Journey – and embraced by the business at large. Woolworths realises that it is on a journey of learning and discovery whilst meaningfully contributing in an arena that has a multitude of complexities, and has the following lessons in development to share:

#### i. Making a meaningful impact

Woolworths has sustainability and socioeconomic performance functions and forums, including the Woolworths Trust, that carefully and critically assess each developmental strategy and action plan for authenticity and appropriate reflection of intent and, most importantly, for having the right impact.

#### ii. Pilot projects

Once the company has fully assessed its strategic response to a social need, developmental initiatives are then meticulously piloted before a decision is taken about whether or not to roll them out.

#### iii. Leverage business expertise for social advancement

Woolworths partnered with UNICEF South Africa, in support of the Department of Basic Education, to improve the health, education and nutritional outcomes of learners in quintile one to three primary schools. This is achieved by addressing the capacity gaps of volunteer food handlers and educating learners and broader school communities about effective water, sanitation and hygiene practices. The company committed R4 million over three years to the rollout of a pilot programme to improve nutrition for about 50 000 children at 50 under-resourced Gauteng-based schools



that participate in the National School Nutrition Programme. Drawing from the company's dietician expertise, through this pilot programme community members who volunteer as food handlers will be trained to safely and hygienically prepare balanced meals for schoolchildren. Specialist employee involvement in different initiatives realises Woolworths' intent to be active corporate citizens instead of just funders.

#### iv. Encourage all hands on deck

Woolworths encourages its employees to get their hands dirty – literally. Employees can get involved in various company-run volunteerism initiatives such as the EduPlant programme in which more than 200 employees volunteer in permaculture food gardens at schools across the country – digging, mulching, composting and planting alongside learners. Woolworths also expects its suppliers to share and contribute to its vision of sustainable development.

#### v. Beyond the Loyalty Swipe – Sustained Impact in SA

More than one million customers support Woolworths' award-winning MySchool MyVillage MyPlanet loyalty programme. The programme supports 8 600 schools and non-profit organisations that meet the criteria and, in its 21-year existence, has raised over R500 million. The Thuso Fund was created by MySchool to support under-resourced schools and charities across South Africa. The Fund invests in programmes that accelerate the systemic change in lower quintile schools, but selects partners on the basis that they show good leadership and resourcefulness. Thuso supports GROW with Educare, which aims to open 21 early childhood development centres using a social franchise model, as well as the school leadership forum programme which is building the leadership capacity of school principals and teachers in more than 200 schools. Ten teaching bursaries are supporting deserving individuals studying to become teachers and a further 18 are envisaged in the next two years.

#### vi. Collaboration with industry

Woolworths partners with FoodForward SA, a non-profit organisation that recovers edible surplus food at various stages of the food chain and distributes it to communities in need across the country. Several other food retailers also partner with FoodForward SA, highlighting the collective responsibility to address food insecurity in the country.

#### vii. Unlock the power of partnerships

Robust partnerships with non-profit organisations, based on shared vision, common goals and expectations, are crucial for the successful rollout of development projects. Careful consideration is given to partner selection, taking brand alignment, as well as geographic reach into account. As Katy Hayes, Corporate Affairs Programme Manager and Executive Assistant at Woolworths, explains, "When both parties understand what the partnership will bring, both sets of strengths can be fully utilised." Partnerships are also imperative for project scalability.

#### Living Soils Community Learning Farm

Woolworths partnered with one of its suppliers, Spier Wine Farm, and the AgroEcology Academy of the Sustainability Institute to launch the Living Soils Community Learning Farm, in the Stellenbosch Winelands. This three-year pilot project aims to establish a learning farm that will demonstrate ecologically restorative methods to grow nutrient-rich foods, to improve community food security. The project includes the training and development of young farmers to address local youth unemployment. The partners share a vision of a viable model of community-based food security and the sustainable development of local livelihoods that, if successful, could be replicated across the country.

Woolworths has provided R4.4 million funding over the three-year period and will bring to the project the sustainable farming expertise that has shaped the group's Farming for the Future programme. Kobus Pienaar, technical manager of Farming for the Future, brings his know-how to the partnership: coaching and training interns in sustainable farming and sharing valuable insights from years of experience in sustainable farming. Spier provides land and farming equipment; the neighbouring farmer manages the farm; and the AgroEcology Academy of the Sustainability Institute will host and drive the project with a dedicated project manager.

The Living Soils Farm exemplifies Woolworths' hands-on approach: employees participated alongside the initiative's partners in the first planting in August 2019, and will be present for the first harvest in November 2019.



**WOOLWORTHS**

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## Transforming the financial services sector of South Africa



As South Africa's public insurer, SASRIA has a special interest in the transformation and professionalisation of the insurance and broader financial sector. SASRIA's corporate social investment (CSI) practice therefore has a strong focus on tertiary education and professional development in this area. Through the SASRIA bursary programme and the South African Actuaries Development Programme (SAADP), SASRIA helps previously disadvantaged matriculants to access the opportunities they need to reach their dreams and contribute to a prosperous South Africa. The bursaries programmes are complemented by the Insurance Leadership Development Programme (ILDP) which provides mostly black professionals in the insurance industry an opportunity to further develop their leadership skills.

#### Bridging the 'first gap' into tertiary education

South Africa's tertiary education faces several challenges. Barriers to success are even more pronounced in the financial services sector given the stringent admission requirements for these qualifications and length of time required for one to become fully qualified. Bridging the 'first gap' into tertiary education is key and speaks to the integration of students from disadvantaged backgrounds into the higher education system.

The SASRIA Bursary Programme and SAADP provide holistic support to students. This includes robust recruitment, selection and induction processes, with the aim of attracting the right calibre of participants and provision of financial, academic and psychosocial support that students need to succeed.

#### Bridging the 'second gap' from tertiary education to employment

'The second gap' – and the final determinant to success in any bursary programme – is the leap from university to employment. Graduates, especially graduates from previously disadvantaged backgrounds, often have difficulty finding employment and successfully integrating into the workplace. Decades of experience and best practice show that getting young people into university is not enough and that there is a need for tertiary education programmes to address this gap. The review of SASRIA's two bursary programmes found that where the programmes had integrated work readiness and work placement interventions, graduates were more likely to find employment. In the SASRIA and SAADP programmes these have been integrated in varying degrees and include interventions such as career counselling, assistance with work readiness (CV writing, interview skills, etc.) and facilitating access to future employers.



#### Supporting ongoing professional development in the short-term insurance sector

The Insurance Leadership Development Programme (ILDP) was developed in 2015/16 on the back of research by the Insurance Sector Education and Training Authority (INSETA) showing that the insurance industry was not adequately transformed or professionalised.

Implemented in partnership with the Insurance Institute of Gauteng and the Gordon Institute of Business Science (GIBS), ILDP targets between 25 and 30 previously disadvantaged junior to middle-management professionals in the short-term insurance sector in a course delivered over a period of 10 months. The programme is underpinned by an accredited NQF Level 6 GIBS programme and covers topics such as operations, strategy execution and technological innovation, with the goal of developing the necessary management and leadership skills required

to support professional standards within the short-term insurance industry. As at the end of 2018, 71 professionals had completed the programme, with another 25 students expected to graduate at the end of 2019. In the 2019 survey benefits such as improved communication and teamwork, improved quality of work and improved motivation for work were reported as the greatest benefits of the course. The majority of respondents reported an increase in job responsibilities (72%) and a promotion (53%) as a result of having completed the course.

#### Spotlight on the South African Actuaries Development Programme

SAADP was established by SASRIA in 2003, with the specific aim of developing black South African actuaries. At the time there were 500 practising actuaries in South Africa and just over 900 actuarial graduates, but none were black South Africans. To address this, SASRIA, through the SAADP, began supporting black students to obtain university degrees in actuarial sciences. The programme also encourages and supports graduates to work in the South African actuarial profession, and study towards becoming qualified actuaries. The programme has grown tremendously since it began and now supports approximately 180 to 200 students per year, from just 19 in 2003. While SASRIA is the founder and anchor funder, several companies now also fund the programme.

SAADP's recruitment strategy is a comprehensive one, paying particular attention to schools in rural areas and townships that perform well in mathematics, physical science and English. A dedicated SAADP programme manager is located at each of the three universities where the programme is run and serves as the students' first and primary point of contact for challenges and support. The comprehensive recruitment strategy, as well as on-the-ground support tailored specifically to supporting actuarial students were found to be critical success factors in the programme.

In a survey of almost 40 current and alumni beneficiaries, all respondents rated their experience of the programme as either 'excellent' or 'good'. Academic, financial

and psychosocial support were also rated extremely high, with over 85% of respondents rating these aspects either 'excellent' or 'good'. The first-year induction process and support received excellent feedback and gives students a strong start in obtaining a notoriously challenging degree.

At the end of 2018, 390 students had graduated from the programme and an additional 45 students had qualified as professional actuaries. In the survey of 19 alumni, almost all found jobs immediately, with a handful taking between one and two months to find a job. None were without employment.

SASRIA would, however, like to see more of its graduates become professional actuaries.

## CHAPTER FOUR

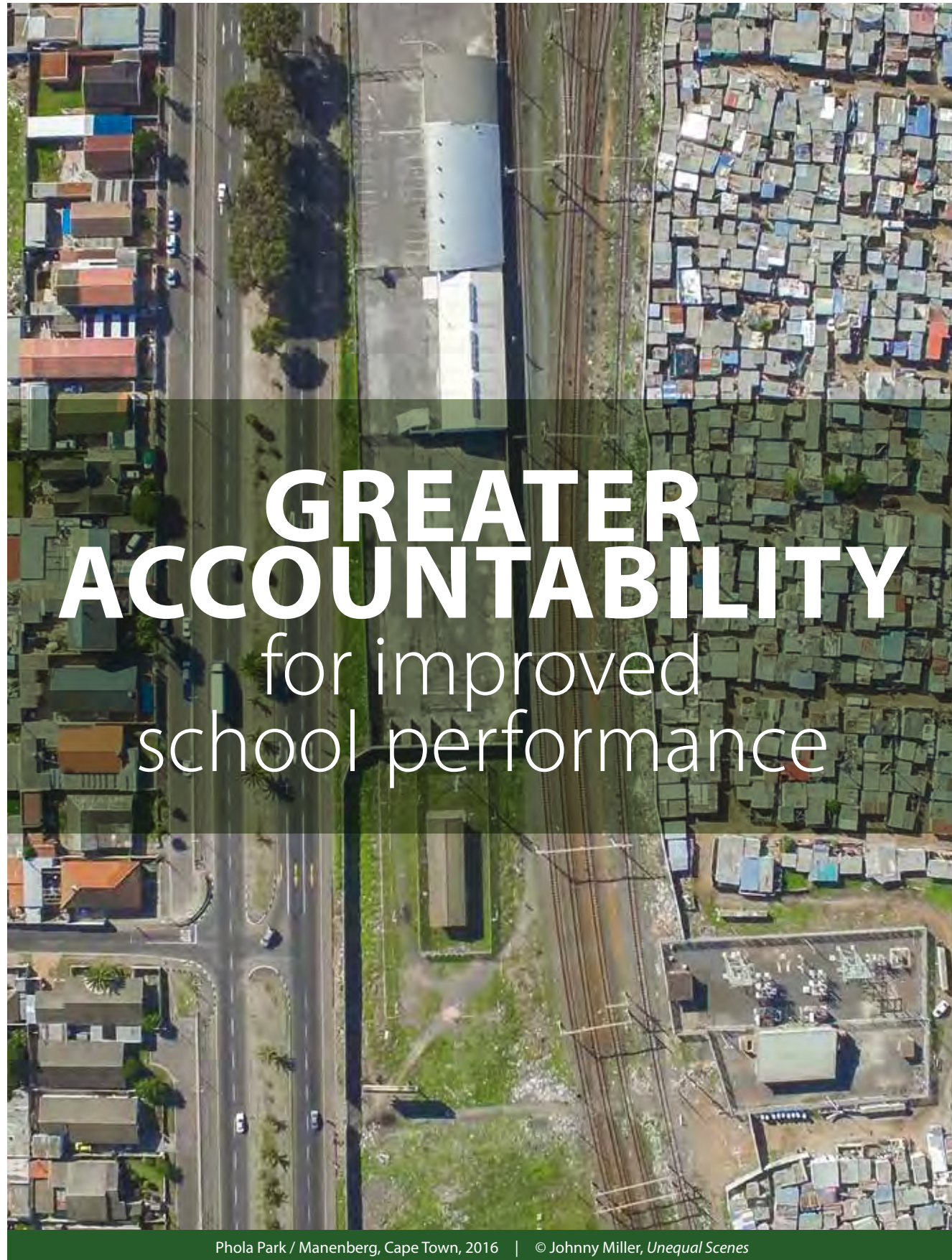
Articles on the role that business must play in helping to address key socioeconomic issues, including improving school performance by supporting accountability structures, unlocking employment opportunities for South Africa’s youth, strengthening the functioning of municipalities, and helping to address the country’s high rates of violence.

## FEATURES

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Phola Park / Manenberg, Cape Town, 2016 | © Johnny Miller, *Unequal Scenes*

It is well known that the South African school system grossly underperforms relative to the resources invested into education. This point is starkly illustrated by Pritchett<sup>i</sup> who demonstrates that we are the single biggest learning underperformer relative to GDP per capita among low- and middle-income countries. For example, the gap between Vietnam and South Africa on international comparative tests is equivalent to about six and a half years of schooling. A comparison closer to home is that, although South Africa spends 30 times more per primary school child than Uganda, the Southern and Eastern Africa Consortium for Monitoring Educational Quality (SACMEQ) language and maths scores for the two countries have remained virtually indistinguishable for over 15 years<sup>ii</sup>.

Poor accountability within the South African school system is frequently cited as a major cause of underperformance. In this article, education expert **Nick Taylor** explores the extent to which different forms of accountability may be helpful in raising the levels of learning and narrowing the huge learning gap between children from middle-class and poor families. He also explains why corporates should be focusing on initial teacher education.

### Bureaucratic accountability

The relationship between education policymakers and teachers is complex and indirect, entailing long lines of accountability that are stretched very thinly over a nested series of national and provincial departments of education, district offices, schools and, finally, classrooms. Under these circumstances, policymakers attempt to achieve accountability through inspections, monitoring procedures and reporting systems intended to ensure that the rules and regulations are being followed<sup>iii</sup>. Accountability with regards to three of these regulatory mechanisms – time management, monitoring curriculum coverage, and the use of assessment data – are discussed below.

#### i. Time management and teacher absenteeism

In South Africa, as in many developing countries, one of the most obvious manifestations of a breakdown in school functioning is poor time management,

including teacher absenteeism and late-coming. In a survey conducted in 12 high schools and 12 primary schools spread across four provinces, an average of 18% of teachers were not in class during the first period of the first day and the last period of the second day of the site visit<sup>iv</sup>. Across the sample, an average of more than four teachers per school were somewhere other than in class at these times, usually because they were absent. Only five schools in the sample exhibited reasonably good teacher attendance rates. Teacher absenteeism was so rampant at four of the schools that they lost up to half the time allocated in the timetable. Various studies indicate that this is a widespread problem that has persisted for many years.

#### ii. Monitoring curriculum coverage

One of the earliest studies of classroom practice in South African schools serving poor children noted the slow pace adopted by teachers and the low level of cognitive demand placed on learners<sup>v</sup>. School development interventions

have tended to incorporate a focus on speeding up curriculum coverage among teachers and directing school managers to monitor the extent to which teachers work systematically through the entire curriculum in the allotted time<sup>vi</sup>.

In a total of 536 primary and high schools visited between 2012 and 2014, evaluators from the National Education Evaluation and Development Unit (NEEDU) described a growing awareness among principals about the importance of curriculum planning and monitoring, and their own responsibility to lead the learning programme in the school<sup>vii</sup>. They also noted provincial and district level efforts to set up systems to monitor and support principals in this important function. However, although many schools were ‘talking the talk’ when it came to monitoring teachers’ work, their practices generally lacked substance. While principals and teachers corroborated their superiors’ claims that coverage was being monitored, and while evaluators noted the existence of signed and stamped monitoring ‘instruments’, the quantity and quality of written work in learner books diverged markedly from the norms specified by the curriculum. Clearly, school leaders were going through the motions of monitoring, but these practices lacked substance and traction in assisting teachers to teach more effectively.

In order to get around this ‘box-ticking’ approach to monitoring, the Programme to Improve Learning Outcomes (PILO), which operates in 1 200 schools in two districts in KwaZulu-Natal, is focused on building management routines at school and district level to support the improvement of curriculum coverage<sup>viii</sup>. PILO provides training and tools to curriculum leaders that are intended to help identify and solve problems within schools and between school and district officials. Since curriculum coverage is quantifiable, dashboards reflect coverage relative to learner performance that can be used for monitoring and support.

The assumption behind this approach – unconfirmed at this stage – is that if curriculum coverage improves, learning outcomes will improve. However, the degree of success of the project lies



in the extent to which managers have the curriculum knowledge needed to assist teachers to make the kinds of professional judgements that are required to navigate the complex terrain between a sophisticated curriculum, challenging institutional conditions, and learners from impoverished homes. Success ultimately depends on the capacity of teachers to exercise these judgements.

### iii. The use of assessment data to improve teaching and learning

The use of assessment data in the hands of parents, school principals and systems managers to pressure, guide and support teachers into performing better has been labelled ‘information-for-accountability’<sup>x</sup>. Studies in India, Liberia, Pakistan and Uganda show that, under certain conditions, information provision can stimulate actions on the part of school stakeholders or politicians, which result in increased learning outcomes<sup>8</sup>. This is one of the assumptions behind the systemic testing efforts that have had a mixed history in South Africa.

Van der Berg and Hofmeyr<sup>xi</sup> make the case that standardised assessment systems, such as the one provided by the Annual National Assessments (ANAs), offer a potential lever for increased accountability. A major obstacle to bureaucrats, principals and parents being able to hold teachers accountable for learner performance is the inaccessibility of information about classroom practices, in part due to union resistance to any attempts to monitor teachers in recent years. According to Van der Berg and Hofmeyr, standardised assessments pose a possible solution to this problem since they provide specific information on performance to parents and bureaucrats.

Resistance from teacher unions caused the ANAs to be discontinued in 2015, cutting short the opportunity to confirm or disprove these assumptions. However, the Western Cape Provincial Department of Education has mounted annual systemic tests in language and maths at primary school level across the province since 2002. If the accountability theory of assessment proposed above is valid, then the province should increase its

performance advantage over the other provinces on international comparative tests at primary school level. However, this expectation has not been met: instead of the gap between Western Cape scores and the South African mean widening, as the theory would predict, it has remained relatively constant over the four iterations of SACMEQ<sup>xii</sup>.

As Spaul<sup>xiii</sup> notes: “... simply providing principals and teachers with ANA results is unlikely to yield considerable improvement if the cause of low performance is not primarily effort-related (attendance, time-use and motivation) but, rather, is linked to the lack of core competencies of the staff”.

For information to have an impact, school-level actors must know how to improve service delivery<sup>xiv</sup>. Some behaviour changes, such as improved teacher attendance, may be straightforward, while others, such as more effective instructional techniques, are harder to achieve. Unless teachers are supported with the tools and scope for change, additional information may only produce frustration<sup>xv</sup>.

## Professional accountability

Bureaucratic accountability does not guarantee results; it concerns itself with procedures and is effective only when procedures are known to produce the desired outcomes, and when compliance is easily measured and secured<sup>xvi</sup>. The problem with the bureaucratic solution to the accountability dilemma in education is that effective teaching is not routine, learners are not passive, and questions of practice are not simple, predictable or standardised.

Professionals are obligated to do whatever is best for the client; not what is easiest, most expedient, or even what the client might want. They are also obligated to base a decision about what is best for the client on available knowledge – derived from personal experience, as well as from clinical and research knowledge acquired by the occupation as a whole, and represented in professional journals, certification standards and specialty training. Finally, professionals are required

to take into account the unique needs of the individual clients in fashioning their judgements about what strategies or treatments are appropriate.

These norms are not met in two important ways in the South African school system. First, it has become increasingly clear that university faculties of education are not preparing new teachers to exercise the kinds of professional judgement described by Darling-Hammond<sup>xvii</sup>. For example, recent research indicates that, on entry to university, around half of student teachers from three campuses in 2017 and seven campuses in 2018 who participated in a pilot test were unable to achieve 50% on a simple maths test which draws items from the primary school curriculum. These students did particularly poorly on questions involving fractions, decimals, ratios and proportions – topics which underlie high school mathematics. The most disturbing finding is that, after four years of study, final year students at three of these universities had made very little progress on learning these fundamental concepts, with the large majority still performing at around 40% and less<sup>xviii</sup>.

When insecure and ill-prepared teachers are placed under the pressure of curriculum coverage, there is an inevitable drift towards curriculum mimicry, or the pretence of compliance where teachers appear to be conforming to coverage requirements without actually doing so in practice. In order to combat this tendency, according to Jansen<sup>xix</sup>, the specific focus of teacher competence should be less on behaviours and more on subject matter knowledge and pedagogical (how to teach) content knowledge which, research illustrates, is the bridge between curriculum coverage and learner outcomes.

The second way in which professional competence among teachers is undermined in the South African school system is that, no matter how well educated teachers are, the lack of school leadership and management, coupled with the demanding environment, has the potential to demotivate the most dedicated and competent young teachers. Simply put, the good intentions

South African schooling is caught in a vicious cycle: inadequately educated teachers are released into indifferently managed schools where, unsurprisingly, very little learning occurs.

behind the legislation that governs the recruitment, development and promotion of teachers are widely perverted by nepotistic and corrupt practices, at great expense to the quality of schooling, particularly in schools serving poor families and, ultimately, the nation<sup>xxi</sup>.

As a result, schools and teachers have a poor public image and, under these conditions, who would want to be a teacher? Consequently, education faculties have to make do with the academically weakest students, whom they educate inadequately, and the cycle continues. Building a virtuous cycle, such as that maintained by countries with high-quality schooling, starts with selecting the brightest and most highly motivated students into initial teacher education (ITE) and providing them with the best theoretical and practical training; supporting them to exercise effective pedagogical practices in their classrooms, and identifying and developing the best leadership skills to take the system to higher levels of performance.

High-performing school systems teach us that these goals take decades to achieve, as a critical mass of competent teachers builds up in the system and the status of teaching gradually rises, within an environment of policy consistency and scrupulously sound governance.

## The role of the private sector

Regarding the two great problems that beset South African schooling – poor human resource management, of which the most obvious manifestation is the inefficient use of time, and weak teacher subject and pedagogical knowledge – the former is, in the first instance, a political problem characterised by a reluctance to demand that civil servants fulfil the terms of their contracts<sup>xxii</sup>. This is a problem that only government, as the employer of civil servants, can address.

However, the second problem – weak educator knowledge and skills – is an issue to be shared between universities, government and the private sector. The first point to note is that the knowledge foundation of the large majority of teachers is extremely weak. For example, most grade six maths teachers have an inadequate grasp of multiplication<sup>xxiii</sup>. This means that, in order to get them to the required level to teach the grade six maths curriculum, they need to be nurtured into a very good understanding of multiplication and division, then fractions and decimals, then ratio and, finally, they are ready to undertake the topic that underlies the high school curriculum: a flexible understanding of proportional reasoning. Clearly, this process will take more than a couple of afternoon workshops scattered over the year. This is not to say that we should not work with in-service teachers in order to build their knowledge and skills, but what this point emphasises is that we can only expect modest progress in upskilling teachers through in-service training (continuous professional development).

The corporate and non-profit sectors have been actively involved in teacher development for over three decades, but what is there to show for all this

investment of funds and effort? Do we have tried-and-tested models that have been demonstrated to work? The answer is, at best, maybe, some of the time, under certain conditions. A big weakness of all activity in the continuous professional development (CPD) terrain is that it is largely under-researched and unevaluated and, therefore, we have learnt very little from our efforts. Arguably, the priority with respect to CPD is knowledge building through research and development, monitoring and evaluation, and a fearless attitude towards reporting the results of programme evaluations, however discouraging they may be. Less than successful programmes offer important learning opportunities for the entire field, if only to discourage other investors from trying the same idea and wasting their time and money.

Finally, given the fact that the potential impact of CPD on school performance is likely, at best, to be very modest, the primary focus of efforts to improve teacher effectiveness must lie in the terrain of ITE. Not only are students in ITE far younger than the average in-service teacher – and hence far more amenable to learning new concepts and skills – but they have far more time – four years of full-time study – to do so. Surely in that time our universities can develop the required language and mathematical skills needed for South African classrooms? This is an area in which corporate donors have largely confined their efforts to providing bursaries to student teachers. This is important work and should be continued, but an even more urgent priority is to work with teacher educators to improve the quality of teacher undergraduate education. ■

Nick Taylor is senior research fellow at JET Education Services. He writes here in his personal capacity.

A failed or weakly successful programme is only a failure and waste of resource if the results are not shared.





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## Contributing to economic growth through education

Liberty, a South African insurance and investment business for over six decades, has long understood the importance of education in empowering communities to reduce poverty and inequality.

Each year we spend over R30 million on corporate social investment (CSI) and our centralised CSI strategy changes lives through three approaches: its flagship programmes, focusing on maths, science and financial literacy; employee volunteerism; and ad-hoc bursaries.

### Flagship programmes

We believe that personal financial freedom and South Africa's economic growth relies on learners receiving a strong educational foundation in maths and science as well as financial literacy. The majority of Liberty's CSI expenditure goes towards these goals every year. During 2019 we invested in the following successful programmes:

- Kutlwanong Centre for Maths and Science, to fund a maths and science tutorial for 1 000 learners in Grades 10 to 12 in KwaZulu-Natal and Eastern Gauteng.
- Mindset Education, to fund the broadcast of maths and science tutorials on DSTV channels. Liberty also sponsored Mindset Education's maths and science tutorials delivered through the TenFold app, available on Apple's App Store and the Google Play Store.
- South African Maths Foundation, to fund the South African Maths Olympiad each year. In 2019, 91 003 learners from 1 320 schools participated in the first round of the Olympiad. Six learners were selected to represent South Africa at the 60th International Maths Olympiad, where South Africa won four bronze medals. South Africa now ranks 46th out of 112 countries.
- Liberty has entered a three-year partnership with St Andrew's Foundation in Grahamstown, to fund maths and science tutorials for 45 male learners from previously disadvantaged schools, which take place on weekends and during school holidays. The aim is to improve their overall matriculation results to secure more university entry passes in the Eastern Cape, one of the poorest-performing provinces.

### Financial literacy

#### ADULTS

Liberty established the Mind My Money programme, which involves training members of the community on financial literacy, some of whom go on to be employed as trainers, sharing their knowledge in a relatable way that it is easy to understand. We conduct training in businesses, community forums and schools Teachers' toolkits provide 300 teachers with training and standard materials to pass on financial literacy knowledge to learners.

#### YOUTH

Financial literacy and education are key to unlocking the potential of young South Africans. To address the low financial literacy rate in South Africa amongst youth, we partnered with Prime Stars to deliver a programme called "Mind Your Moolah". The programme is delivered through a movie, showcased in four Ster-KineKor cinemas across the country during the months of May and July. The programme teaches around 15 000 learners from Grades 10 to 12 about three key financial concepts: managing debt, saving and spending wisely.

### Helping employees become active citizens

Liberty encourages its employees to give back to the community. Every year hundreds of employees participate in a range of initiatives, including the Winter School Shoe Drive and Combating Hunger.

The Winter School Shoe Drive takes place between March and July. Employees donate R150 or more towards a pair of school shoes for children from previously disadvantaged communities. In 2019 employees raised money for 4 950 pairs of shoes, which were distributed to 27 schools across all nine provinces.

On International Nelson Mandela Day 2019 over 1 000 Liberty employees participated in Combating Hunger, an annual meal packing event, sponsored by Liberty in partnership with Rise Against Hunger. The meals were distributed to early childhood development (ECD) centres across the country, at a cost of over R1 million to Liberty.



### Bursaries

We provided bursaries to seven Actuarial and five BCom Accounting students through the South African Actuarial Development Programme and Thuthuka Education Upliftment Fund. A further 12 students are supported in commercial programmes in partnership with STANLIB. Liberty awards bursaries to previously disadvantaged first-year students who are in financial need and have exceptional academic results.

# The South African Maths and Science Teacher Intern Programme (SAMSTIP)

## A model that promises to develop a new breed of maths and science teachers

A partnership between Investec, Independent School Association of South Africa (ISASA) and the Department of Basic Education (DBE) offers an internship opportunity for young aspirant teachers at some of ISASA's affiliate schools across the country. These interns register for a Bachelor of Education (BEd.) either for four years or Post Graduate Certificate in Education (PGCE) for one year at UNISA. During this time each student is assigned to one of the independent schools in South Africa, for example St Stithians, Kingsmead, St Mary's and others where the student shadows and learns from the best teachers in the country with a specific focus on mathematics and how to teach it.

The number of applications received from aspirant teachers who meet and even exceed the programme's criteria, especially academically, has been encouraging more so given that they are spoilt for choice in terms of pursuing other careers that are considered more financially lucrative than teaching. It is not easy to get onto the programme as beneficiaries are carefully selected. Reflecting on how she got onto the programme, Paulinah Modikwe, who is now a qualified teacher after completing the programme in 2017, had this to say:

*"One day, browsing through Facebook, I came across the ISASA intern programme and decided to try my luck. I followed the link and applied. Fortunately, I got called for a placement test, which I passed and was then called for an interview which was also successful."*

**Paulinah Modikwe**

Once part of the programme, students receive financial support in the form of a bursary and a monthly stipend. The programme is a platform that also enables the following for its participants:

- Learn from and be mentored by experienced school teachers, often the best in the country
- Immersion as opposed to intermittent teaching practice
- Access to excellent teaching, learning resources and technology
- Experience being a teacher within functional, high-performing schools where they learn problem-solving approaches and styles of teaching from different teachers within the school

In addition, participants are exposed to academic workshops, targeted academic enrichment support, and other value-added services facilitated by ISASA and Investec CSI aimed at developing well-rounded educators. The programmes also expose teacher interns to the broadness of what it means to be a teacher, not only limited to teaching but also championing



**Paulinah Modikwe**

extramural activities such as debating, arts and culture as well as sports. The commitment of ISASA-affiliated teachers who mentor student teachers on the programme, has also contributed to the success of this initiative over the years.

Reflecting on the practical nature of the programme, Paulinah Modikwe says:

*"I went to a public school, therefore being able to teach in a private school can be counted as one of my personal highlights. I was able to gain experience in a good school. I learned how to manage a class, discipline learners and strengthen my confidence as learners believed in me as their best teacher."*

Although performing well overall, the programme has its own challenges, many of which revolve around the difficulty in long-distance education and adjusting to being in a different environment on the part of interns – suffice to say that the

Out of the Ordinary®



*"It can only be for the benefit of the broader society to produce more to produce many more future Science and Maths teachers who not only have a grasp of the subject knowledge but are also better experienced in the delivery of content."*

**Setlogane Manchidi, Head: Investec CSI**

culture shock can be a bit much to cope with. Hence the need for different psychosocial support interventions aimed at helping our interns cope better and make a success of the opportunity. As Setlogane Manchidi of Investec CSI points out:

*"A holistic approach is important here. One cannot just throw money at the challenge and expect it to be the answer, forgetting that we are dealing with people who will struggle with work-study balances as well as meeting new organisational demands. So focusing on technical abilities as well as interpersonal needs is equally important – that is what we had to do to increase the chances of realising success in this initiative."*

Although largely trained within private schools the aim is to develop teachers for the public sector, so upon graduating participants are placed by the DBE at various public schools across the country.

One of the programme beneficiaries, Petronella Mohale – who also happens to be a beneficiary of Investec's Promaths Programme – completed matric in 2012 as the overall top performer from the Investec Dobsonville Promaths Centre (Soweto). In essence, Petronella was spoilt for choice in terms of career options post matric because of her academic results. However, she chose to pursue a career in teaching. She became a teacher intern in 2013 and was placed at Roedean School for girls in Parktown for the duration of her internship programme. Petronella graduated from the programme as the overall top performer in 2017. She is now a fully qualified teacher and she has been recruited as one of the Promaths tutors. After graduating, she returned to her roots, bringing her maths teaching skills to the classrooms of Dobsonville, Soweto.

Petronella had this to say about her teaching in Soweto and not at a private school:

*"The truth is that I was tempted! There are so many resources and the classes are much smaller, but I would have always felt like my role would not have been as significant as it could have been. Most of the kids there have everything they need and their success is almost guaranteed – whether I was there or not. So I decided that I would have the greatest impact in the public sector where there is a huge gap in education."*

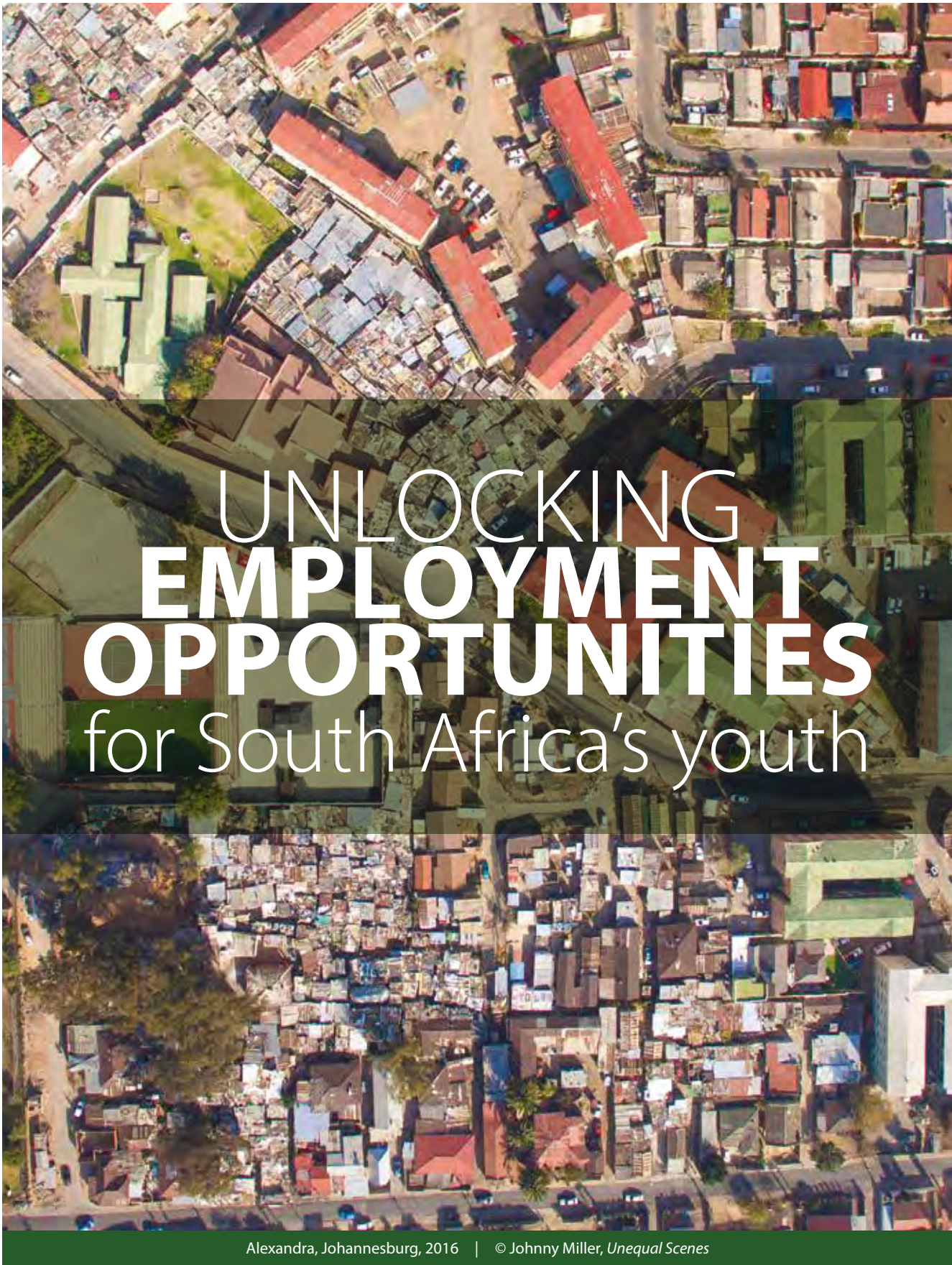
**Petronella Mohale**

The programme has graduated 139 teachers since 2012 and currently has 103 teacher interns going through the 2019 academic year. Investec's head of CSI, Setlogane Manchidi, says although it is a great achievement, the numbers are still a drop in the ocean. He is at pains to encourage other corporates and funders to join efforts so that this number of current teacher interns can be multiplied at least three times.



**Petronella Mohale**





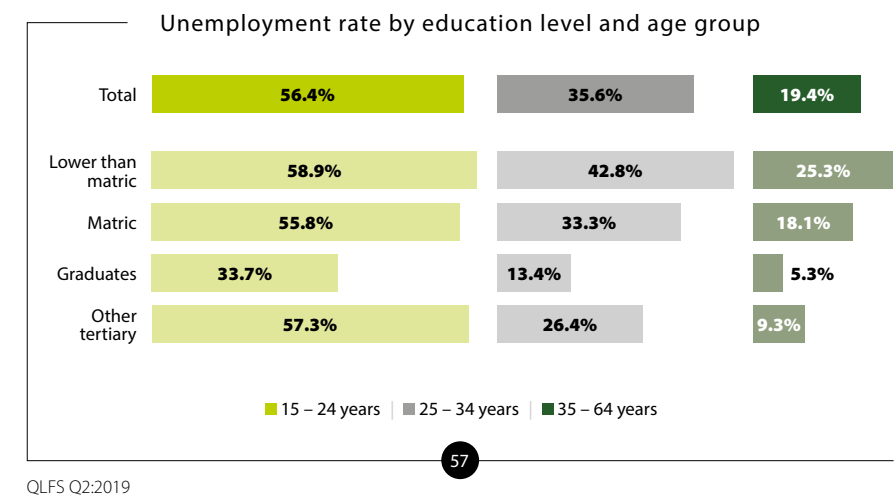
# UNLOCKING EMPLOYMENT OPPORTUNITIES for South Africa's youth

The national unemployment rate was at 29% in the second quarter of 2019, according to Statistics South Africa's (Stats SA's) *Quarterly Labour Force Survey* (QLFS). Even more concerning was the significant increase in the unemployment rate of young people between the ages of 15 and 34 years, to 56%. While South Africa is far from realising the employment goals set out for us in the National Development Plan 2030, there are pockets of progress being made in creating jobs for young people. This article considers the drivers of youth unemployment and some of the key public and private sector initiatives and partnerships for job creation.

## Unemployment continues to climb, disproportionately impacting the youth

According to Stats SA's QLFS for the second quarter of 2019, 6.7 million people, or 29% of the working age population, were unemployed, marking a 5.8 percentage point increase in a decade and the highest unemployment rate since 2003. Over 70% of unemployed people have been looking for work for one year or longer.

The overall unemployment rate is skewed by concentrated levels of youth unemployment. The unemployment rate for 15- to 24-year-olds is 56% and 25- to 34-year-olds is 35%, while 35- to 64-year-olds is 19%.



Trading Economics, a global economic indicator website, lists South Africa fifth highest in the world and third highest in Africa in terms of unemployment rates, following the Democratic Republic of the Congo (46% – however, this figure was recorded in December 2013), Namibia (33%), Bosnia and Herzegovina (33%) and Palestine (29%).

## Barriers that keep youth out of work

The primary barrier to employability is education. Within the youth cohort, university graduate qualifications clearly improve the chances of being employed, with 33% of young graduates unemployed. While still shockingly high, this is less than the average 15- to 24-year-old rate of 56%. Access to university education is not only impeded by financial restrictions for those who make it to tertiary level studies. The vast majority of young people in South Africa

do not even have university education as a prospect. Despite the country spending more than 6% of its GDP on education, about half of learners drop out before completing high school and fewer than 5% who start primary school end up with a university qualification, according to the International Monetary Fund 2019 Working Paper, titled *Struggling to Make the Grade: Weak Outcomes of South Africa's Education System*. The working paper goes on to note the long-term correlation between poor schooling results and the low employability of young people.

Based on insight from Harambee Youth Employment Accelerator's November 2018 *Breaking Barriers Quarterly Enrolment Report* which analyses Harambee's own data, having access to some form of finance positively impacts future labour market outcomes: "Access to any household income improves the probability of long-lasting employment by almost 50% because there is funding for the high costs of work seeking." Work-seeking costs which



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include internet access, printing and transport costs that entry-level recruitment company, Lulaway, estimates to start at around R550 per month.

Young work seekers from under-resourced communities also rarely have access to the social networks and contacts that can assist with job leads and provide career advice and professional mentorship. According to data from Lulaway, 30% of new young employees were likely to leave their jobs within three months if there was no support or mentoring in the workplace. The recruitment company advises companies to provide regular feedback, engagement and a clear indication of career growth.

To assist with the integration of young people who are new to the world of work, some companies are introducing mentorship programmes. Investec, for example, facilitates mentorship between staff and recipients of the company's bursary programme, while Aurecon pairs young employees who are new to the company with a mentor to help guide professional and personal development. Harambee advises that companies also offer financial literacy and wellness programmes, particularly to entry-level employees.

### Four key NDP recommendations for economic growth and increased employment

- To eliminate poverty and reduce inequality, South Africa has to raise levels of employment and, through productivity growth, the earnings of working people.
- South Africa needs faster and more inclusive growth. Key elements of this strategy include raising exports, improving skills development, lowering the cost of living for the poor, investing in a competitive infrastructure, reducing the regulatory burden on small businesses, facilitating private investment and improving the performance of the labour market to reduce tension and ease access to young, unskilled work seekers.
- Only through effective partnerships across society can a virtuous cycle of rising confidence, rising investment, higher employment, rising productivity and incomes be generated.
- South Africa requires both a capable and developmental state, able to act to redress historical inequities and a vibrant and thriving private sector able to invest, employ people and penetrate global markets.

## Cross-sector cooperation aims to propel job creation

**The Public-Private Growth Initiative (PPGI)**, initially positioned in the Presidency in 2018, is a five-year collaboration between government and the private sector. Between December 2018 and June 2019, government met with representatives from 21 business sectors to discuss how the two could work together. Forty-three private sector projects were identified as having the potential to create 155 000 jobs and inject R840 billion into the economy over the next five years. Projects include the expansion of an abattoir, the establishment of automotive parts manufacturers, forestry plantations and paper processing plants, and an agricultural development agency.

In his 2019 State of the Nation Address, President Cyril Ramaphosa referred to the success of the PPGI. The initiative has facilitated commitments to 43 private projects in 19 sectors of the economy over the next five years.

**The Presidential Jobs Summit**, convened by the National Economic Development and Labour Council (Nedlac) in October 2018, engaged government, business, labour and community to discuss how jobs could be retained and created. A total of 77 commitments were made, ranging from investment in job creation, small and medium enterprise (SME) development, education and skills development, to create at least 275 000 jobs over the next year. Banks also committed to targeted loans and investments for black-owned enterprises, to the value of R100 billion over five years. Reporting in August 2019 on progress made, minister of employment and labour, Thulas Nxesi, said that the most serious constraints to job creation since the summit have been the issue of electricity supply; bureaucratic government processes, including the difficulty for businesses to obtain water licences; and the visa issues that impacted the tourism industry. Nxesi committed to more robust implementation moving forward and said that stakeholders in the process would meet monthly, rather than quarterly.

**The Youth Employment Service (YES)**, launched in early 2018, aims to create one million work experiences in five years. This business-led collaboration with government and labour aims to stimulate demand-driven job creation through company investment and by leveraging existing government initiatives such as the Employment Tax Incentive and Broad-Based Black Economic Empowerment (BBBEE) Codes. YES aims to place unemployed youth in minimum 12-month work experiences and training opportunities; develop critical skills, particularly in digital, business administration and innovation; and develop SMEs in townships, through YES Community Hubs. Work-seeking youth register for employment opportunities on the YES website and, once selected, are invited to attend interviews. To date, 355 companies have registered and over 18 000 work experiences have been facilitated.

**The CEO Initiative**, launched in 2016 as a collaboration between business, labour and government, received an initial R1.5 billion investment from corporates for the development of SMEs, with the ultimate goal of creating new jobs. In 2019 the SA SME Fund, established by members of the CEO Initiative, received R1.4 billion from the Public Investment Corporation (R500 million) and 50 local companies.

**The Employment Tax Incentive (ETI)**, previously known as the Youth Wage Subsidy, was introduced in 2014 to incentivise the employment of inexperienced and untested young workers. A tax subsidy is paid to eligible employers for the first two years that a new and qualifying candidate below 30 years is employed, with the size of the subsidy dependent on the worker's earnings. According to the ETI website, 270 000 young people have been employed by 29 000 companies under the scheme. However, an ETI report found that companies are underclaiming by between 25% and 45%. The ETI was originally planned to run until December 2016 but was extended until February 2019 and then again until February 2029.

**The Jobs Fund**, an initiative of the National Treasury, was launched in 2011 with the target of creating 150 000 permanent jobs. Initially, an amount of R9 billion was set aside by the South African Government to co-finance projects through a combination of grant and match funding by public, private and non-governmental organisations that significantly contribute to job creation. The Jobs Fund offers funding in four categories: enterprise development, infrastructure, support for work seekers, and institutional capacity building. By December 2018, 170 000 permanent jobs, 55 000 short-term jobs and 20 000 internships had been created, and 220 000 beneficiaries had been trained. The Fund supported 126 projects and allocated R6.7 billion in grant funding, which leveraged co-financing of R9.5 billion towards job creation.

**Harambee Youth Employment Accelerator** works with employers from various sectors to promote inclusive hiring practices that focus on young people. The organisation sources, trains and places unemployed young people from under-resourced backgrounds into first-time jobs. Harambee identifies candidates where existing corporate recruitment networks do not reach, and assesses and trains the youth through bridging programmes. Newly trained youth are then placed in jobs that match their skills. To date, Harambee has supported over 600 000 work seekers, placed young people in 100 000 jobs and work experiences and partnered with 500 companies.

**Bonds4Jobs** is an innovative impact bond incubated by Yellowwoods and Harambee, together with the Gauteng Provincial Government and the private sector, including The Standard Bank Tutuwa Community Foundation. Impact or pay-for-performance bonds are a funding model in which investors provide working capital that is returned with interest when results are delivered. In this instance, funding is provided to organisations that upskill excluded youth and place them into jobs in growth sectors. The Gauteng Provincial Government has committed to repaying investors when results are delivered, using the Tshepo 1 Million youth skills empowerment initiative. Tshepo

1 Million targets unemployed residents from Gauteng, aged between 18 and 34 years old, with at least a grade ten education. Furthermore, the individuals must be first-time work seekers with no more than 12 months' work experience. Bonds4Jobs aimed to achieve 600 youth job placements in its first year of the four-year pilot study. This was achieved after nine months and all the investors had their money paid back with interest.

**The National Business Initiative (NBI)** is a membership-based organisation of companies from different sectors. One of its focus areas is skills development, particularly supporting company partnerships with technical and vocational education and training (TVET) colleges. For example, the Construction Industry Partnership, launched by the NBI in 2006, facilitated partnerships between TVET colleges and construction companies to improve the colleges' responsiveness to the industry's skills needs, with the Department of Higher Education and Training as a strategic partner.

## Big business can support small business to create jobs

A study by the Small Business Institute found that there were about 250 000 SMEs in South Africa in 2018, accounting for just 28% of formal jobs in the economy. Despite many public-private partnerships supporting SMEs and a range of corporate-run small business support initiatives, South Africa has low levels of entrepreneurial activity in relation to comparable developing countries, and a 70% to 80% failure rate for start-ups in the first five years of business.

*The Global Entrepreneurship Monitor 2016/17 report (GEM 2016/17) and Seed Academy's 2016 Startup Survey identified the most significant challenges faced by early-stage entrepreneurs as the inability to raise funds and access information on funding; lack of access to market opportunities; lack of guidance and mentorship; the inability to manage administrative and business processes; lack of financial management knowledge; lack of market research skills; and lack of*



# 4

## Unlocking employment opportunities for South Africa's youth (continued)

customised SME support for businesses at different life stages (i.e. acceleration programmes versus incubation).

According to the Aspen Network of Development Entrepreneurs (ANDE), there were 340 organisations providing support to South African entrepreneurs in 2017. This support is generally categorised into five business 'life stages': ideation, start-up, early stage, expansion and growth. The majority of the 27 companies in South Africa that ANDE tracked provide entrepreneurial support at the start-up and early stages. Only two out of the 27 companies provide capacity development support for entrepreneurs at the business ideation stage.

Based on GEM 2016/17 and research conducted by the Jobs Fund, the following factors have been found to influence the success of incubation and business support programmes:

**Finding the right type of entrepreneur,** one that is opportunity, rather than necessity driven; has conducted some degree of market research that indicates meaningful market potential and opportunity; and possesses favourable personal and behavioural qualities and competencies, including resilience and innovative thinking

**Rigorous recruitment and selection processes** in order to attract high-potential entrepreneurs

**Focus on a single sector or type of product** so that resources can be pooled, innovation encouraged, skills transferred and information exchanged

**A strong networking component** that facilitates access to corporate procurement opportunities

**Longer periods of incubation** (providing entrepreneurs with office space and services, etc.) spanning at least one year and running up to three years

**Post-incubation monitoring and support** for entrepreneurs, for at least three years

While entrepreneurial programmes with a higher entry threshold tend to have

better outcomes, they also marginalise entrepreneurs with limited education, experience and access to resources. By exposing learners at under-resourced schools to entrepreneurial education and opportunities early on, companies can help to foster opportunity-driven entrepreneurial mindsets.

Banks tend to view SMEs as risks, rather than opportunities. Corporate funders can play an important role in offering favourable terms and providing access to partners who may be able to offer discounts.

Large companies are beginning to realise that making small business part of their supplier base is more than corporate social responsibility – it is good business.

SMEs can be more flexible in providing innovative products or services to meet corporate needs. They can also be quicker and more responsive in delivering services locally, which can save on costs. Their knowledge of local markets can be extremely valuable for large companies trying to enter new markets.

The public and private sectors must closely collaborate to ensure a conducive policy environment and the resources required to realise accessible quality education and skills development, mentorship, entrepreneurial support and equitable employment that responds to the immediate unemployment crisis, while also steadily creating the systemic shifts that are needed for sustainable job creation and economic growth.

### BBBEE Codes incentivise companies to help address youth unemployment

The Amended Codes of Good Practice on BBBEE came into effect on 1 May 2015. The definitions in the Amended Codes relating to socioeconomic development expenditure, skills development, and enterprise and supplier development focus specifically on initiatives that promote economic inclusion, allowing excluded black people (i.e. those not employed or contracted to become employed) to become participants in the mainstream economy.

Working to fulfil the requirements of the Codes in an innovative and strategic way can enable companies to make a significant contribution to addressing unemployment in their communities and supply chains, while also benefiting their own businesses.

**Skills Development** is an absolute priority for achieving South Africa's economic growth and employment goals. This BBBEE element measures the extent to which employers carry out initiatives designed to develop the competencies of black employees and black people external to the business.

**Enterprise and Supplier Development** assesses the extent to which companies buy goods and services from empowering suppliers with strong BBBEE recognition levels (preferential procurement). Companies are encouraged to align their enterprise development and supplier development initiatives with their supply chain requirements. This element also measures the extent to which companies carry out supplier development and enterprise development initiatives intended to assist and accelerate the growth and sustainability of black enterprises.

**Socioeconomic Development (SED)** contributions are defined as monetary or non-monetary contributions initiated or implemented in favour of beneficiaries by a measured entity, with the specific objective of facilitating income-generating activities for targeted beneficiaries. The SED element measures the extent to which companies carry out initiatives that contribute towards South Africa's social and economic development. While CSI is not necessarily synonymous with SED, as it is defined in the Codes, there is substantial overlap between many traditional CSI activities and what can be considered SED.

## Enabling better futures through financial literacy

Hollard's homegrown basic financial literacy programme is designed to empower all South Africans to be able to make more informed financial decisions, thus enabling them to create and secure a better future.

Hollard recognises that financial inclusion is a crucial issue in South Africa; however, there is much more to it than only having the financial resources to participate in the country's economy. It is also about understanding how to manage money. Inadequate financial literacy is one more snare in the poverty trap. Hollard believes that if South Africans are given the opportunity to learn basic financial management skills, they will be empowered to make better financial decisions that can have a profound impact on the way they choose to live their lives, manage their financial affairs and, most importantly, allow them to retire comfortably.

In 2011 a group of Hollardites responded to this need by developing a picture-based programme to teach basic financial management skills to the people of South Africa, from grade ten learners to retirees, and everybody in between. The aim was to empower them to make more informed financial decisions. Eight years later, StreetWise Finance is now an intelligently and lovingly crafted four-module programme, run by trained facilitators including Hollard staff volunteers in both the CSI and consumer education arenas.

### The StreetWise Finance programme

The StreetWise Finance programme covers four key areas: needs vs wants and budgeting; saving; banking and lending; insurance; and retirement. The idea is to overcome the challenges posed by poor literacy and numeracy, as well as language barriers, by using posters, maps, games and other visual aids to give participants a working understanding of financial terminology and topics in a manner that they can understand. There are no formal presentations; instead, the format is highly interactive, which provides a real opportunity for people to engage, discuss and ask questions in a comfortable environment. This provides a practical understanding of basic money matters that can make a positive and immediate difference in participants' daily lives.

The programme is available free of charge and can be tailor-made to be delivered in all official South African languages, as well as sign language, and across all areas in South Africa. Hollard is focused on making a meaningful contribution to the communities in which it operates, thus the programme can also be customised to meet the needs of the participants.

To reach a wider audience, Hollard launched an e-learning platform in 2016 to provide further accessibility to those with the means. The StreetWise finance online challenge is available on [www.streetwisefinance.co.za](http://www.streetwisefinance.co.za) and uses a gamification methodology to make learning come to life.

Hollard appreciates the resoundingly positive feedback which has given us the impetus to broaden our focus on financial literacy. This forms a core part of our organisational purpose and enables Hollard to catalyse real, positive and enduring change for the benefit of all. As a company, we are further encouraged by our efforts to focus on rural areas and to solidify our partner philosophy by collaborating with all stakeholders to reach and empower vulnerable communities.

Hollard.  
**STREETWISE  
FINANCE**

To find out more about this programme,  
email [StreetWiseFinance@hollard.co.za](mailto:StreetWiseFinance@hollard.co.za)

<https://www.hollard.co.za/better-futures/streetwise-finance>





## Empowering Self-Belief in Others.

Belgotex believes in the power of work and individuals creating their own sustainable livelihoods, thereby contributing to society in a meaningful way. The Belgotex Foundation is responsible for driving the company's development agenda by investing in micro and small businesses and collaborating on projects anchored in economic inclusion and social wellbeing. In particular, The Foundation partners with enterprising individuals who have a significant impact in their communities in order to create a multiplier effect from the investment.

**“Choice is where dignity starts. The world will only change when we view truly low-income individuals as consumers and producers in the local economy rather than as passive recipients of charity.”**

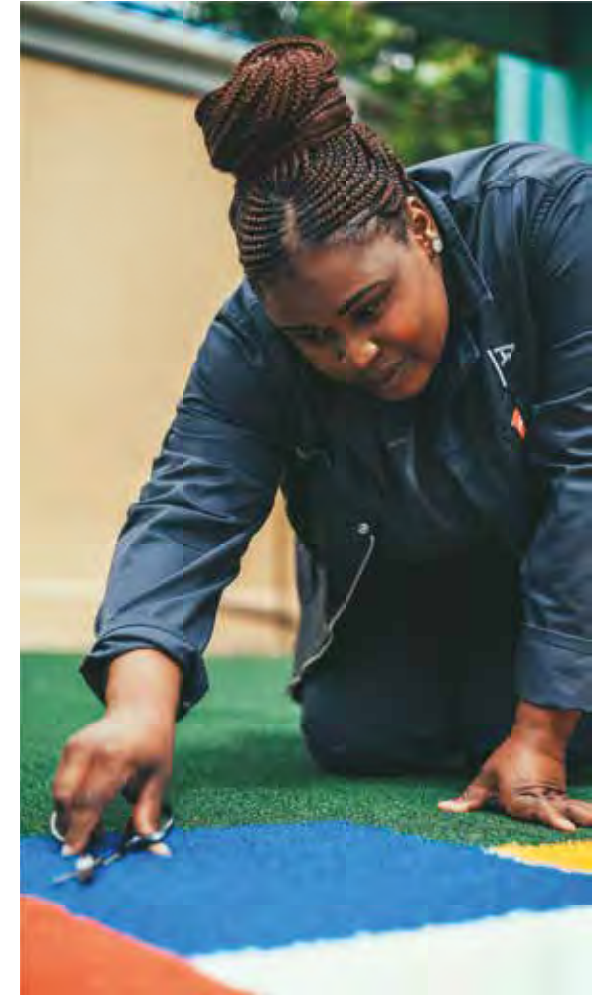
The above quote is taken from C. K. Prahalad's book *The Fortune at the Bottom of the Pyramid*, and has become a reference against which all investment decisions are made. Belgotex has always looked to form deep connections with people, product and the planet – The Foundation is contributing to resilient and economically active communities by investing in ecosystems of change, rather than ecosystems of chance. By embracing the concept of Occupational Intelligence and partnering with organisations that understand the facets of a healthy ecosystem, The Foundation promotes the theory of thought that an individual's self-belief is fundamental to their quality of life. This is the key to the disenfranchised moving from dependency to dignity, proudly proclaiming: I CAN DO THIS!

### Contributing to more 'I can' moments helps Belgotex to invest in people, product and planet.

Thanks to the success experienced by a key implementation partner, The Foundation has introduced the A2B methodology of Occupational Intelligence to all of its programmes. Occupational Intelligence is a person's ability to respond to challenges, and there are multiple factors that make up a person's OI level. Vivienne Schultz, A2B Transformation Movement founder, provides an example of one below:

“External Locus of Control is the first factor that works against empowerment. A client who has an external locus of control would have the conscious or unconscious belief that things outside of him are in control of his life and that his decisions or actions cannot change the outcome of events. They are thus blind to the law of cause-and-effect and the fact that their decisions would lead to a predictable end result.

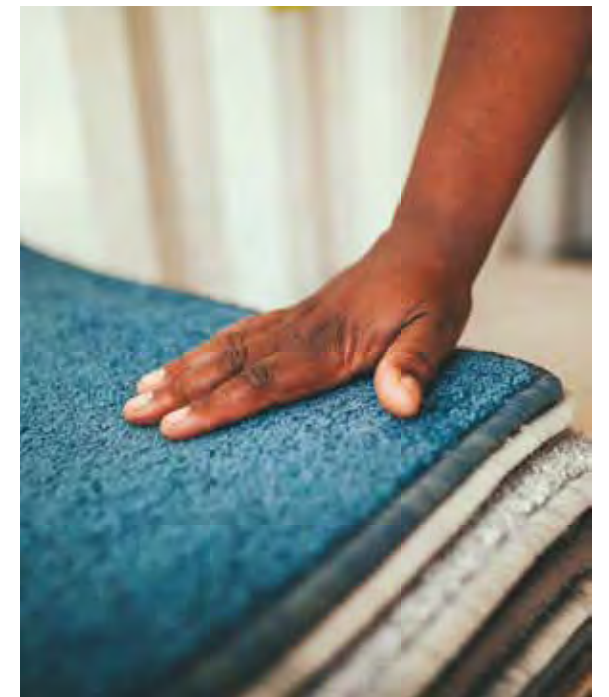
This can be seen in the example of someone who would 'make babies' throughout their lives and not take responsibility for supporting the lives they have created. Such individuals are normally totally oblivious of their part in creating poverty and the misery that is around them. Someone with an external locus of control has a pre-determined or a fatalistic outlook and would often sabotage their own change process because they cannot take ownership or responsibility for their actions and decisions.”



The A2B methodology and principles of healthy ecosystems have now been built into all programmes across the Belgotex Foundation's investment areas. The only way this would have been possible was through collaboration and sharing of knowledge amongst like-minded partners with a deep focus on systematic change in our beautiful country. We are privileged to be working with implementation partners who are wholeheartedly applying the principles of occupational intelligence to create sustainable development and a 0% dependency tolerance across the board – by empowering self-belief in others and investing in 'I can' moments, Belgotex is encouraging hands-on participation in the economy instead of providing a hand-out.

Ultimately, it is about empowering more people to proudly state:

**I can do this!**



# Belgotex™

**Cape Town Design Centre:** Showroom B, The Matrix, 8 Bridgeway, Century City.  
**Johannesburg Showroom:** 1 on Jameson Ave, Cnr. Glenhove Rd & Jameson Ave, Ground Floor, Melrose Estate.  
**Durban Showroom:** 31 Solstice Road, Umhlanga Ridge.

[belgotex.co.za](http://belgotex.co.za)





# Business can **PLAY A VITAL ROLE** IN STRENGTHENING MUNICIPALITIES

Durban, 2018 | © Johnny Miller, *Unequal Scenes*

The auditor-general's 2017/18 financial audit of municipalities, released in 2019, revealed a severe lack of due diligence in project planning, improper financial management and a significant decline in service delivery. The causes are varied, but can mainly be traced back to lack of accountability, poor governance and capacity challenges. For many people, the functioning of the municipalities in which they live or work are their most direct and consistent experience of government services. Poor service delivery at a local level, met with rising public protest action, severely impacts people's quality of life, social cohesion, opportunities for community development, as well as business operations and growth. Khumo Ntoane explores some of the ways that businesses can support municipalities.

## The high cost of municipal mismanagement

Municipalities' income sources can be grouped into two main segments: self-generated income from the collection of property rates, levies on services such as water, electricity, sanitation and removal of refuse and fines; and income from fiscal transfers and government grants. Statistics South Africa's *Quarterly Financial Statistics of Municipalities* survey, released in December 2018, reported that approximately three-quarters (72%) of municipal income was self-generated; 42% of which came from service charges. The balance of municipal income was generated through transfers and grants from national and provincial government, as well as donations from the public.

Despite legislation such as the *Municipal Finance Management Act* and the *Municipal Systems Act* that guides the revenue management of municipalities, the auditor-general's municipal audit report found that accumulated unauthorised, irregular and wasteful expenditure at municipalities had reached R122 billion in 2017/18. Performance reports by 65% of municipalities were dubious and close to unusable, with just 18 of the 257 audited municipalities (7%) managing to produce compliant financial statements and performance reports to receive clean audits – a comparative decline from the 33 (13%) clean audits produced in 2016/17.

The most underperforming and economically unstable municipalities in the auditor-general's report had issues ranging from improper investment to misappropriation of municipal funds. In the North West, for example, reckless investment in the now liquidated

VBS Mutual Bank has left some municipalities unable to deliver basic services, leaving towns with dry taps and overrun by rubbish and sewage.

The auditor-general's report also highlighted the inability of municipalities to collect debt from consumers. According to the Helen Suzman Foundation brief, *Municipal Consumer Debt*, reasons that consumers were not paying their debt ranged from unemployment and poverty, to inaccurate billings, poor creditor management and general dissatisfaction with service delivery. Service delivery protests have, in fact, more than doubled in the past decade. This increase was reported by the local government data and intelligence company, Municipal IQ, which recorded 237 protests across the country in 2018 demanding better service delivery, job opportunities and municipal governance.

Of course, consumers of municipal services are not limited to households. Companies rely on municipalities to provide uninterrupted services to ensure the smooth running of their businesses. Poultry producer Astral, in Mpumalanga, has reported a lack of water and electricity; Pioneer Foods has experienced limited access to electricity in its operations in the Eastern Cape and the Free State and, in KwaZulu-Natal, Island Hotel sued the eThekweni municipality for failing to adequately manage the stormwater infrastructure which caused damage when the area flooded three years ago. Smaller businesses are often the worst affected by municipal service delivery failures since they are less likely to have alternative sources for essential services.

Performance reports by 65% of municipalities were dubious and close to unusable, with just 18 of the 257 audited municipalities (7%) managing to produce compliant financial statements and performance reports to receive clean audits...



## How government supports municipalities

Government spends in excess of R2.5 billion a year on various forms of capacity building and support for local government which includes infrastructure development, municipal finance improvement, planning for informal settlement upgrading, supporting metros with service delivery optimisation and managing urbanisation.

The Municipal Infrastructure Support Agent (MISA) was introduced in 2012 to upskill municipal employees' technical, planning, implementation and service delivery capabilities after acknowledging lack of capacity as a core issue among municipalities. However, MISA has had problems of its own; experiencing capacity issues with some of its programmes as recently as 2018 and needing to outsource skilled professionals; leaving vacant the key role of facilitating skills transfer to municipal employees.

The Department of Cooperative Governance and Traditional Affairs established the Back-to-Basics programme in 2015 to ensure that municipal vacancies are filled with competent management, finance, corporate services, infrastructure, community development and development planning personnel. In partnership with the South African Local Government Association (SALGA), the programme monitors the functionality of local government labour forums to identify weaknesses and intervene where possible.

## How businesses can support municipalities

### 1 Partnering for risk resilience

According to state-owned short-term insurer, Sasria, municipal insurance claims related to service delivery protests increased from R800 million in 2017/18 to more than R1.7 billion in 2018/19. The company has partnered with Santam and SALGA on the Partnership for Risk and Resilience (P4RR) programme.

The National Disaster Management Centre categorises municipalities into three groups according to their disaster management capabilities: well functioning, functioning but vulnerable, or dysfunctional. Drawing from this data, the P4RR programme targets 53 municipalities in the second category. The programme has five focus areas: to drive community risk awareness; to build and increase the capacity for disaster response and relief; data mapping; exploring and providing alternative energy sources; and identifying fire hotspots. Not all focus areas are implemented in all municipalities.

A key priority of this programme is to be inclusive, multi-stakeholder and community driven. To achieve this, all disaster risk reduction projects are designed around the needs and priorities of communities, often as articulated in their Integrated Development Plans, creating conducive environments for strategic cross-sector partnerships that draw on the expertise of local government disaster response units, non-profit organisations and intermediaries.

### 2 Improving municipal capacity

Anglo American Platinum and the Development Bank of Southern Africa (DBSA) partnered on the Municipal Capacity Development Programme in 2014 to improve the functionality of 11 municipalities in mining communities across five provinces, by supporting skills transfer, systems development, processes and plans that promote stability, and improved opportunities for economic development in municipalities.

The mining company invested R120 million in the programme over

a three-year period, during which time, according to DBSA, there was improvement in the provision of electricity and water in four municipalities and an overall improvement in revenue collection. During the three-year period, 2 506 water meters and 407 electricity meters were replaced; 26 infrastructure plans were completed; 500 municipal officials were trained in areas such as water and electricity meter replacements, pothole repairs, meter physical verification, operations and maintenance, budgeting and planning, as well as call centre management; and 205 working opportunities were created. A total of 58 small businesses are estimated to have benefited from the programme.

### 3 Unlocking community talent and creating employment opportunities

Kagiso Trust is on an ambitious mission to change communities from the 'bottom up'. The trust recently launched capacity-building projects in six municipalities across the country, emphasising the need for local municipalities to collaborate with their communities while taking ownership of existing issues to find practical and sustainable solutions. Through a civil society approach, these interventions aim to create better results in education, entrepreneurship and skills building, while shifting the economic climate of unemployment.

The programme includes municipal internships that provide opportunities for local youth to gain practical experience and technical skills, as well as procurement strategies that grow and improve local buying power. By tapping into local skills, facilitating in-depth training that fosters proper management, and ensuring communication between the community and municipal leadership, these interventions have the capacity to decrease corruption and unlock the full potential of local municipalities.



Read more about how Kagiso Trust is helping to develop municipal capacity:

<https://dialogueknowledgehub.co.za/index.php/capacity-building-at-local-municipalities/>

## 4 Enhancing citizen engagement

Active and engaged citizenry is critical for compelling municipal improvement. Corporate interventions can include public education programmes that inform communities about their residential rights and empower them to access, monitor and report local government services. Companies can also support local government to run community consultation and feedback sessions as ongoing communication platforms that provide distinct alternatives to service delivery protests.

In 2016 the Department of Cooperative Governance and Traditional Affairs

introduced the GovChat website through which citizens can communicate with their local government and, in 2018, a WhatsApp version of the platform was also introduced. The Johannesburg Roads Agency (JRA) launched the Find and Fix mobile application in 2014 to improve its reachability and customer service. The app enables road users to photograph, register the location and notify the JRA of potholes, missing manhole covers, defective traffic signals and other related infrastructural faults. In 2017 National Treasury initiated Municipal Money – a website to keep citizens informed about local government's financial performance and health, holding municipalities accountable

by fostering greater transparency. The tool also allows municipalities to be compared to one another. Companies – particularly in the business of ICT – can play a key role in helping government to ensure innovative stakeholder communication and monitoring solutions such as these.

Aside from ensuring a functioning environment in which companies can operate, strengthening municipalities can have significant social benefits. Ensuring access to reliable service delivery and job opportunities where people live will help to address rapid urbanisation and facilitate more equitable growth of urban, peri-urban and rural communities. ■



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# BEAUTIFYING SPACES, BUILDING COMMUNITIES

Rand Water Foundation (RWF) is committed to building a healthier and more productive society by investing in initiatives that enhance healthcare, sanitation and school infrastructure.



## Community-based Health Infrastructure Development support project

We have, in the past five years, successfully renovated six clinics in Gauteng, Mpumalanga and the Free State. Gauteng healthcare facilities include Kalafong Hospital Pediatric Unit in Tshwane Metropolitan Municipality, Khutsong in Merafong Local Municipality, Bekkersdal in Rand West Municipality, Levai Mbatha in Emfuleni Local Municipality and Nelson Mandela Children's Hospital in the City of Johannesburg. Mpumalanga clinics include Agincourt in Bushbuckridge and Msogwaba Clinic in Mbombela. The Free State project includes Phedisong Clinic in Mafube Local Municipality. Our interventions range from infrastructural refurbishment to purchasing state-of-the-art medical equipment in support of community healthcare. The RWF has contributed funding of over R20 million, ensuring that communities within which Rand Water operates stay healthy.



**Cleopatra Sehloho**  
PROGRAMME MANAGER: HEALTH



## Households sanitation – Bucket Eradication project

The RWF undertook the Households Sanitation – Bucket Eradication project to help municipalities address sanitation challenges and eradicate bucket systems in communities. South Africa has a huge backlog when it comes to proper sanitation due to population growth which can be attributed to urbanisation and migration. We have been implementing this project in Viljoenskroon and Steynsrus towns within Mqhehaka Local Municipality in the Free State. We have, to date, constructed over 450 waterless toilet structures for households. Over the past 16 years the Foundation has worked with the City of Tshwane Metropolitan Municipality in the Winterveldt area, successfully restoring people's dignity. The partnership has benefited a total of 14 623 households in Tshwane and Mqhehaka. The RWF acknowledges that "Water is life and sanitation is dignity."



**Benjamin Tau**  
PROJECTS COORDINATOR: WATER AND SANITATION.



## Back-to-School Education support project – Investing in the Future

The RWF is proud to endorse the education initiatives of the country and I am pleased to have been able to work on the Back-to-School support project. The project was implemented in Mpumalanga and Gauteng Province, benefiting rural schools. Khokhovela Primary School in Mpumalanga touched my heart deeply: almost 99% of the learners were dressed in old, torn uniforms mixed with home clothing. At first glance it was difficult to tell that they all attended the same school. The RWF heeded the plight of the Khokhovela learners, providing them with learning resources such as stationery and full school uniforms. Supporting basic education in the country has been a journey for the Foundation. We have reached out to 75 schools, including 9 300 learners, with a total investment of over R12.5 million.



**Adziambei Tshisikule**  
COMMUNITY EDUCATION OFFICER



## Rural/urban greening and landscaping project

Through this project, valued at R4 million, the Foundation has developed 11 recreational parks in the municipalities of Metsimaholo in the Free State, Emalahleni and Govan Mbeki in Mpumalanga, Madibeng in the North West, and Rand West in Gauteng. The parks, which include outdoor gyms, swimming pools and multipurpose sports facilities, promote healthy lifestyles. This project also benefits local communities through job creation and entrepreneurial development.

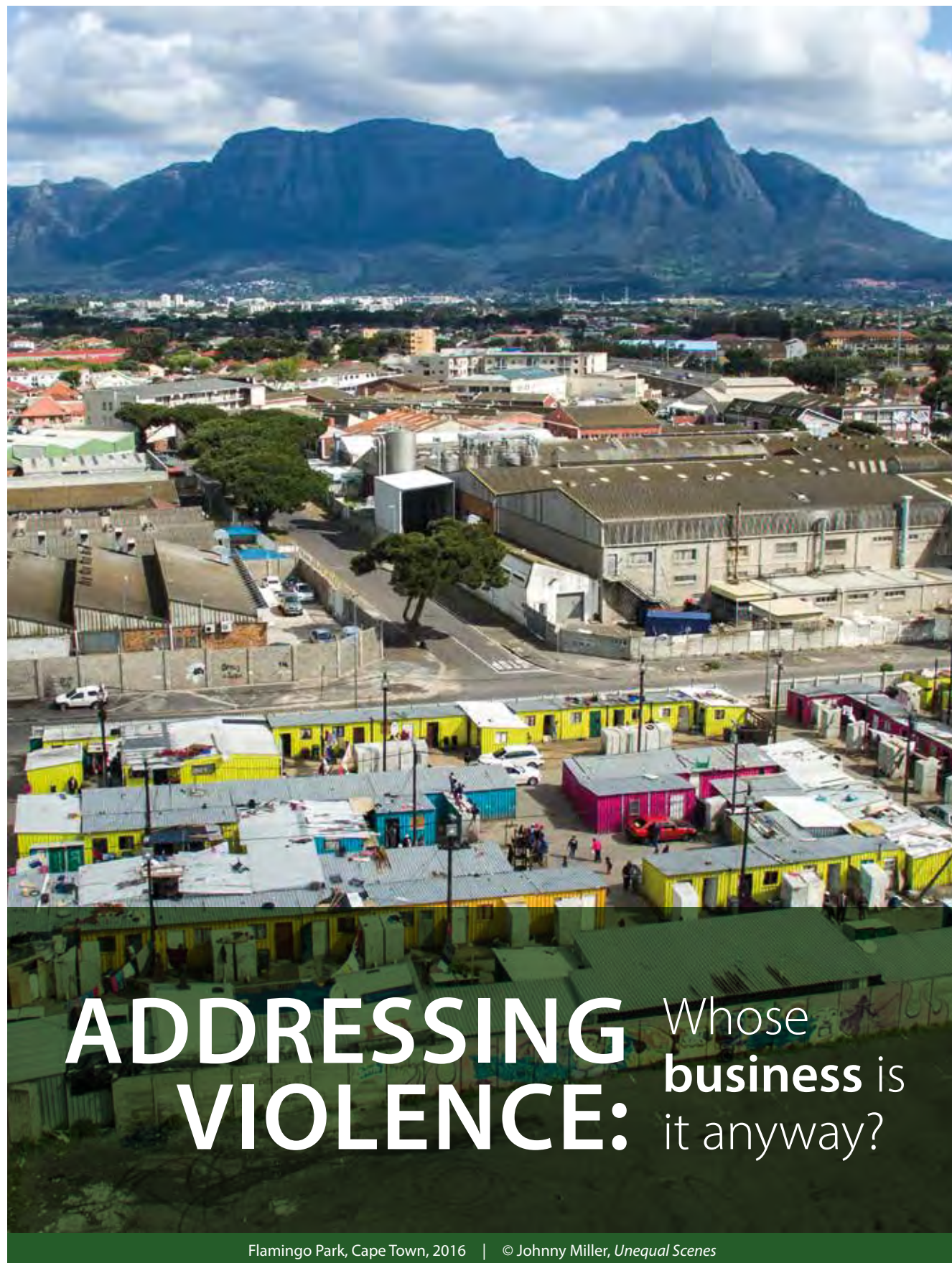


**Godfrey Lambani**  
PROJECT COORDINATOR: ENVIRONMENT

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# ADDRESSING VIOLENCE: Whose business is it anyway?

Flamingo Park, Cape Town, 2016 | © Johnny Miller, *Unequal Scenes*

Despite the fact that a safe society is good for business, and the economy as a whole, companies hesitate to get involved in addressing violence. Not surprising, since murder, robbery, domestic violence and child abuse are such difficult issues to engage, especially for organisations that do not have the necessary expertise to effectively navigate this murky terrain.

In this article, gang intervention specialist and executive director of the Safety Lab, **Nathanial Roloff**, and PhD psychologist and director of Restore Reconnect Rebuild (R-Cubed), **Lane Benjamin**, provide a situational analysis of violence and trauma as it relates to business in South Africa, as well as recommendations for how companies can help to address violence by reimagining workplace culture, establishing cross-sector partnerships, and prudently investing in community-based organisations and developmental initiatives.

Most South Africans have experienced a lack of safety and violence. According to 2015 findings by the South African Centre for the Study of Violence and Reconciliation, the country has one of the highest rates of violence against women on the continent and a rate of five times the global average. National annual crime statistics for the 2018/19 financial year detailed increases in murder by 3.4%, to 21 022, and *reported* sexual offences by 4.6%, to 52 420. Robbery with aggravating circumstances – including hijackings, cash-in-transit robberies and robberies at commercial and residential properties – increased by 1.2%, to 140 032 cases.

The highest number of murder cases were reported in Nyanga, Delft, Khayelitsha, Philippi East, Harare and Gugulethu in the Western Cape; Inanda, Umlazi and Plessislaer in KwaZulu-Natal; and

Mthatha in the Eastern Cape. It is no coincidence that these communities are under-resourced in terms of policing and the most basic social services such as adequate street lighting. It is also worth noting that these are the same communities in which many low-wage employees and service providers reside. Even if business leaders are not directly exposed to violence, the fact that so many of their employees and colleagues are, should compel them to get involved.

Furthermore, consistent exposure to violence and fear creates an anxious workforce that often feels powerless and unmotivated, ultimately slowing productivity. Multiple studies have correlated high violence with gross macro and micro economic output, placing business in a central position for violence intervention.

## South Africa's pervasive trauma

Trauma is misunderstood and the link between individual and collective trauma – in addition to the resultant antisocial behaviour – denied. People adapt quickly to survive in dangerous environments, but the impact of trauma is insidious. Exposure to and experiences of violence from childhood changes how adults perceive stress and, therefore, influences how they respond to potential perceived threats. Adverse childhood experiences (ACE) are traumatic events or toxic stress experiences that have been scientifically associated with poor work quality, low productivity, increased absenteeism, decreased morale, substance abuse, financial problems, and a host of physiological illnesses such as cardiac and pulmonary diseases, diabetes, chronic pain, depression and suicide<sup>1</sup>. Needless to say, ACEs often have significant negative impact on business.

Consider the example of one low-income urban community in the Western Cape. A 2013 study<sup>ii</sup> of 617 12- to 15-year-olds' exposure to violence in this community found that:

- 99% had witnessed community violence; 40% had been directly threatened or assaulted
- 77% had witnessed domestic violence; 58% had been directly victimised at home
- 93% had experienced more than one type of violence, while over 50% had experienced/been exposed to four or more types of violence.

What do such shocking statistics mean for the future workforce of South Africa?

Consistent exposure to violence and fear creates an anxious workforce that often feels powerless and unmotivated, ultimately slowing productivity.



### How can business respond?

Trauma and violence may be high-risk fields to engage with when there are so many other priorities in South Africa. Unfortunately, violence generates an intergenerational cycle of harm that affects all sectors of society. Without anti-violence interventions, South African communities that suffer with high levels of violence and trauma will continuously struggle to uplift themselves, perpetuating traumatised individuals that make up the collective workforce.

#### 1 Adopting a trauma-informed workplace culture

The responsibility of caring for individuals who are suffering from trauma – be it unresolved childhood trauma or current exposure to violence and threat – does not belong solely to the mental health sector. Businesses spend large amounts of money on health-related interventions as a result of toxic stress and also suffer financial losses as a consequence of low productivity and absenteeism. Often, these interventions have low to no lasting impact since the historical and root issues are not addressed or resolved.

A trauma-informed approach requires companies to invest in their people in order to maintain a healthy and productive workforce, rather than solely focusing on the goals that need to be attained in order to reach a profit margin. It goes beyond wellness interventions, to address how an organisation understands stress and trauma, and how it engages with employees on a day-to-day basis. For example, companies can engage with employees about their experiences of travelling to and from work, and living in their respective communities, in order to begin to understand some of their stress and trauma-inducing lived realities and related concerns. Implementing a trauma-informed approach means that the organisation's practice and policies are aligned with the understanding of trauma. The health of relationships among staff are influenced by how well a business understands, sees and listens to, and is able to provide psychological safety for its staff<sup>iii</sup>.

There is a wealth of research to support the notion that, in order for businesses to

be successful in the long term, the focus needs to be on the wellbeing of people<sup>iv</sup>. Helping people to make the connection between their past and present trauma and current wellbeing is critical to that process. Although employee needs and company responses vary depending on the institution and the communities from which it employs, R-Cubed follows a process that includes three steps that require some degree of cyclical reflection and evolution:

- i **Diagnose** – Analysis of the organisation through a trauma-informed lens in order to determine systems and behaviours that fail to respond to the pervasive impacts of violence.
- ii **Intervene** – The training process in which the key principles of trauma-informed business are explored and developed. These key principles include empathic engagement (by management); creating connection; self-regulation and stress management; shifting power and promoting collaborative practice within the business.
- iii **Sustain** (ensure systemic change) – Mentoring and coaching provided to leaders within the business to support action and reflection on the trauma-informed process.

Through this approach, companies can support healthier, more loyal and committed employees which, in turn, leads to healthier and more efficient places of work. Fostering a sense of belonging, empowerment, inclusion and care – often absent in our company structures – is cost-effective and critical in responding to the continued inequalities that plague South Africa.

#### 2 Establishing cross-sector partnerships

Business has the potential to lead the way in generating safety for all, whether there is an immediate or direct impact on their employees and customer base or not. Internationally, the projects most successful at reducing overall murder rates (notwithstanding massive national GDP growth) arise from business partnerships. Where these larger partnerships are elusive, business can support smaller initiatives driven by non-profit organisations (NPOs) that aim for economic inclusion for the most marginalised.

##### Chicago, USA – Business-led urban partnership

Chicago businesses collaborated to uplift communities that were suffering significant gang violence. A key outcome was the enhanced ability of the police to respond to and prevent violence, increase surveillance and build community relationships. Many of the large companies operating in Chicago elected to fund technology, including securing additional cameras, behaviour pattern recognition and crime radar prediction software, and technology that immediately notifies the police of indicators of criminal activity such as gunshots. The Chicago police force is now cutting-edge in its violence prediction and reaction time and as a result has successfully reduced violence in the most violent neighbourhoods.<sup>v</sup>

##### Juarez, Mexico – Cross-sector partnership

Juarez was once known as the deadliest city in the world<sup>vi</sup> – a drug cartel hotbed for murder, political assassinations and gang violence. National, state and local government, the non-profit sector and

business came together to generate a holistic response, inclusive of many of the drivers of violence and crime. This approach attempted to mitigate the effects of cyclical violence by funding various youth development programmes<sup>vii</sup>.

##### Santa Teresa, Venezuela – Business come conscious

The Santa Teresa Rum Distillery in the valley of Aragua grew despondent at government's failure to respond to crime and started to include youth in a change-making strategy. It began with the transformative approach of hiring a group of gangsters found guilty of robbing the distillery. By creating employment and providing entrepreneurial training and economic inclusion programmes for the community, 'Project Alcatraz' was able to generate substantial change on a local scale that is now being replicated in other cities throughout Latin America<sup>viii</sup>.

##### Los Angeles, USA – Non-profit wins private sector support

Homeboys Industries, started as a tattoo removal project by a non-profit in Los Angeles, attracted corporate support that enabled gang members to transform their lives. What began with a passionate priest helping members of his community transition out of gangs grew into a successful bakery. Creating gainful and regular employment within a moderately low-skill economy, providing economic stability, and developing new education and mainstreaming opportunities proved to be the primary need for many seeking a way out of a criminal lifestyle<sup>ix</sup>.

#### 3 Supporting non-profit innovation, research and development

Companies that invest in NPOs that specialise in violence and crime reduction can use their research and development skills to fill gaps in those NPOs. Often, the most effective NPOs lack the capacity or resources to effectively evaluate and review their outcomes. Additionally, there is little opportunity for critical thinking about interventions or reflective

innovation. If the business sector focused on supporting the research and development process within the non-profit sector, more innovative and effective projects could be established with direct trauma-informed and violence-reduction outcomes.

Youth self-identify eight reasons why they choose to join gangs and enter a life of crime. These factors can be reverse-engineered to help companies, NPOs and government determine a pathway and strategy to reduce the prevalence of gangs, and violence in general. The eight reasons established by various research agencies across the world are: belonging, goods, safety, revenge, boredom, identity, mastery and economy<sup>x</sup>. These reasons mirror Maslow's Hierarchy of Needs in many ways and, for far too many young people in South Africa, the only way to solve these problems on a realisable timeline is to join a gang. It offers them immediate access to security, food, goods, money, status, identity and purpose.

Violence in Cape Town is highly correlated with unemployment. Research conducted by the Safety Lab found the near-certain correlation that, if a person has lived in a community with relatively high unemployment, they have experienced violence in both direct and indirect ways. However, in Johannesburg, the highest correlation under the same study was between education and violence. This shows that not all interventions apply equally across areas. Similarly, in other urban centres around South Africa, median income had the highest correlation with violence. Whether it be education, income, employment or another factor, these drivers are based on opportunity and equality, or the lack thereof.

Perhaps most interestingly, studies of various economic interventions around the world suggest that the best-placed investment often lies with women<sup>xi</sup>. Traditional family roles in many low-income communities place women at the

heart of the family's wellbeing. This tends to translate to better spending and greater return on investment, per rand. So, one of the best-placed innovations would be finding ways for women to engage in the greater economic development of the community, disrupting some of the negative behaviour chains stemming from substance abuse, misspending, lending and direct gender-based abuse that occurs due to the distribution of money.

In essence, the priority for a funder to make an impact on violence without having to directly address the high-risk elements would be to determine the strengths of the current intervention; marry that with greater knowledge of the community and a geographic understanding of where the problem is most significant; place a deliberate and targeted intervention within that area in order to disrupt the driving forces; and, finally, provide oversight, monitoring and evaluation in order to determine success as well as diagnose future opportunities for investment and intervention.

Without critical evaluation and verification, millions are wasted on ineffective and inactive projects.

Too often, expectations of resilience are placed on the communities who are suffering. In a very different way, what is needed is resilience of funders, supporters, government and business in the task of supporting long-term, gradual, positive change toward the societies we want.



## High risk, but high reward for resilient funders

Anti-violence work is often hard to sell to business. It is challenging and seemingly fraught with risk. However, if the primary desire is to realise economic growth and greater equality then this work is imperative. One of South Africa's greatest inhibitors to development is the myriad forms of violence plaguing the working class, particularly in urban centres. Gang, youth, domestic, gender-based, social and political violence serve to hinder otherwise law-abiding citizens from basic roles and responsibilities in society. The frequency and pervasiveness of trauma and violence in our society restrains far too many people from participation and productivity.

Too often, expectations of resilience are placed on the communities who are suffering. In a very different way, what is needed is resilience of funders, supporters, government and business in the task of supporting long-term, gradual, positive change toward the societies we want. No intervention will quickly shift the entire national framework of violence. A broad mesh of networks will be required over time to have significant effect on the issue.

By investing first in supporting staff through trauma-informed practices, the work environment can become a place where violence is addressed. Businesses are further encouraged to invest in non-profit programmes with direct outcomes that mitigate the drivers of violence. Finally, where possible, reframing business as a citizen of South Africa requires thoughtful and respectful inclusion of marginalised communities. These practices would go a long way in contributing to uplifting individuals and communities to the benefit of all. ■



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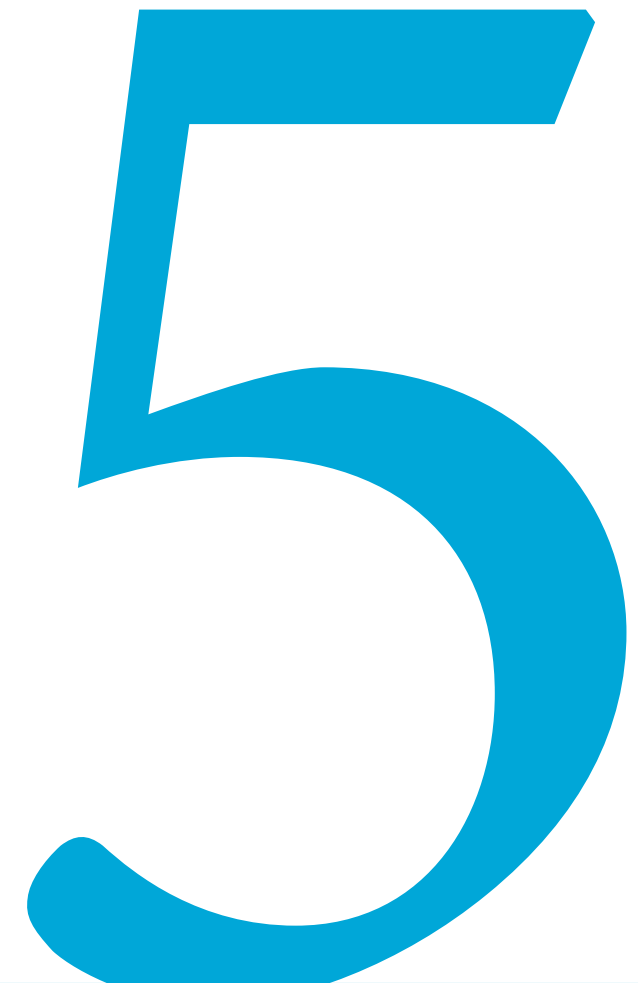


## CHAPTER FIVE

Dialogue is the southern Africa local authority for a global network of responsible business and social development-focused organisations, called the Global Exchange. This chapter includes insight from the Global Exchange network, including a comparison of philanthropy in the world's five largest emerging economies: Brazil, Russia, India, China and South Africa; local CSI tracked against international corporate giving trends; and an article on corporate responses to climate change and related disasters.

## GLOBAL PERSPECTIVES

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# PHILANTHROPY IN THE BRICS COUNTRIES

The Russian Donors Forum is a partner organisation in the Global Exchange to which Dialogue also belongs. This network unites country-based corporate societal engagement organisations to advance the corporate sector as a global force for good. In 2019 the Philanthropy Research Centre at Ural Federal University in Yekaterinburg, in partnership with the Russian Donors Forum, embarked on research on philanthropy in the world's five largest emerging economies: Brazil, Russia, India, China and South Africa (BRICS), including the development of the philanthropic culture and the influence of the economy on philanthropic patterns in these countries over the past two decades.

The research consisted of desktop research and 27 in-depth interviews with corporate and private foundations in each of the five countries (five in Brazil, seven in Russia, six in India, three in China and six in South Africa). It is one of the first attempts to collect and analyse data on the size of the total philanthropic sector in the BRICS countries, the factors and characteristics of its development, spending priorities, and the role of socially responsible business and individual donors.

## Quick facts

- The total BRICS population is **3.1 billion people**, or more than 40% of the world's population
- BRICS countries **occupy more than a quarter of the world's territory** on three continents
- BRICS countries contribute more than **15% of global GDP**

Mumbai, 2017 | © Johnny Miller, *Unequal Scenes*





## Economic overview

Radical socioeconomic and political changes, as well as rapidly developing economies that have contributed to increased levels of inequality are key factors that have led to the rise of philanthropy in the BRICS countries.

Amidst the global financial crisis, BRICS showed considerable gross domestic product (GDP) growth per capita, averaging 5.4% annually between 2008 and 2017. As a result, in recent years the aggregated size of the GDP of BRICS has exceeded 15% of the global GDP. According to forecasts, annual GDP growth per capita between 2023 and 2030 will decrease slightly, to about 4.5%, which exceeds similar forecasts for any block of developed economies, as well as for other countries with developing economies. Based on these higher rates of growth, it is predicted that the GDP of BRICS will exceed a quarter of global GDP by 2022.

Table 1. BRICS Population and GDP figures

Country	2017 Population (million)	2017 GDP (USD trillion)	2017 GDP per capita (USD)	2022 Forecast GDP (USD trillion)
<b>Brazil</b>	209	2.054	9 895	2.237
<b>Russia</b>	144	1.578	10 608	1.757
<b>India</b>	1 336	2.597	1 983	3.941
<b>China</b>	1 386	12.24	8 643	18.131
<b>South Africa</b>	56	0.349	6 180	0.438
<b>Total</b>	<b>3 131</b>	<b>18.818</b>		<b>26.504</b>
<b>% global GDP</b>		<b>15%</b>		<b>26%</b>

Source: International Monetary Fund

Despite impressive economic growth in recent years, the gap in income and living standards between more and less prosperous segments of the population is also growing in almost all BRICS countries.

The Gini coefficient is a statistical measure often used to gauge economic inequality by measuring income distribution or, less commonly, wealth distribution among a population. The index ranges from 0 to 100: a country with an absolutely even distribution of income, in which each person receives the same income, will have a Gini index of 0; a country with a completely unequal distribution, in which one person receives all the income, and all the rest do not earn anything, will have an index of 100. According to 2013 World Bank data, most of the countries with the highest Gini coefficients, and therefore the highest inequalities, were in Africa and Latin America. South Africa has the highest levels of inequality among BRICS.

Table 2. Summary of people's living standards in BRICS countries, 2015–2016

Country	Ownership of cars (per 100 people)	Proportion of research and development expenditure to GDP (%)	Share of public expenditure on education to GDP (%)	Share of public expenditure on health to GDP (%)	Gini coefficient
<b>Brazil</b>	4.9*	0.8*	5.7*	4.9**	0.49
<b>Russia</b>	31	1.1	3.6	3.6	0.41
<b>India</b>	1.9	0.7	2.9	1.2	0.34**
<b>China</b>	8.6	2.1	4.3	6.0	0.47
<b>South Africa</b>	8.7*	0.8*	6.9*	4.1*	0.64

Source: BRICS Joint Statistical Publication, 2017

\* As of 2014

\*\* As of 2013

## Philanthropic investment per country

China had the largest absolute amount of annual private donations, at \$23.4 billion (2018), while South Africa leads in terms of philanthropy to GDP ratio, with an indicator of 0.56% (2018). Russia is in second place with a share of philanthropy to GDP of 0.39% (2018), and India is in the middle position with 0.36% (2018). In comparison, the volume of philanthropy in the United States represented 2.1% of GDP (2018).

Table 3. Philanthropic spend in BRICS, 2018

Country	Private donations total (USD millions)	Private donations as % GDP	Institutional donations (companies, private and family foundations) (USD millions)	Individual donations (USD millions)
<b>Brazil</b>	5 500	0.29	4 200	1 300
<b>Russia</b>	6 154	0.39	3 231	2 923
<b>India</b>	9 800	0.36	3 800	6 000
<b>China</b>	23 400	0.17	15 210	4 680
<b>South Africa</b>	2 074	0.56	647	1 427

Sources:

Giving in Brazil: a philanthropy boom is not yet benefiting NGOs (2017) | Russian philanthropy 2018, SKOLKOVO Moscow School of Management | Bain, India philanthropy report 2019 | Asian Venture Philanthropy Network, Philanthropy in China Report 2017 | The Trialogue Business in Society Handbook 2018 | Charities Aid Foundation (CAF), South Africa Giving 2019, analysed by Analytical Center under the Government of Russian Federation

## Development priorities per country

As in South Africa, education is the most popular development sector for companies across all BRICS countries. There is also some evidence that corporate giving in all of the five countries is becoming more strategic.



### BRAZIL

According to a 2016 survey conducted by the Group of Institutes, Foundations and Enterprises, corporate and foundation funders directed their spend to education (84% of funders), youth development (60%), culture and art (51%), environmental activities (47%) and human rights activities (43%). Business representatives noted that the quality of education is being discussed at various levels in the country, spurred by the motto 'everything for education'.

In Brazil, business's social contribution is not only measured by the amount of money donated, but by the effectiveness of programming and the systemic impact created in each sector. Interviews with Brazilian business representatives found that companies:

- Tend to support projects for two to five years
- Are committed to evaluating the effectiveness of their social investments
- Strive to support projects that have a degree of financial self-sustainability
- Select local implementing partners and non-profit organisations (NPOs) that demonstrate the best results
- Do not seek to replace government – which should bear the main responsibility for social development – but rather support the state in the implementation of its policies.

Animal welfare and wildlife receive the most support from individual donors in Brazil, where 72% of donors are women and 51% prefer to donate online.



### RUSSIA

While there are many companies that still engage in traditional grantmaking, some companies are beginning to support NPOs and development sectors more strategically. Companies tend to run social programming in the communities in which they operate and align their activities with executive interests.

Companies prioritised the following goals when developing their social strategies:

- Increasing business sustainability and community presence (85% of companies)
- Addressing social problems (62%)
- Strengthening employee competence and corporate culture (13%)

The majority of corporate social funding went to education (supported by 87% of companies), ecology (79%), development of local communities (80%), and healthcare (75%).



### INDIA

In 2018, the government spent \$29.2 billion on social development and the private sector invested \$9.8 billion. With the government remaining the largest contributor to the social sector, India is now seeing the growth of private philanthropy. According to the recent Bain report, private funding grew at a rate of 15% per year between 2014 and 2018, while public funding increased at about 10% per year. The segment of individual philanthropy has seen strong growth – 21% per year in the past five years.

The majority of corporate social responsibility (CSR) funds in India are directed to education (32% of CSR funds), healthcare (26%) and environmental protection (14%). Access to sanitation and lowering mortality rates among newborns and mothers are often among top priorities. Although Indian corporations and foundations are trying to align their programmes with the UN SDGs, close collaboration with the government is a greater priority, as they believe that it will make their projects more sustainable in the longer term.

Funds are predominantly channeled to education, poverty eradication, health and wellbeing, and sustainable cities and regions. ■



### CHINA

China has the largest population in the world and the largest GDP calculated in international dollars.

Unlike Brazil and India, the predominant share of charitable donations reflected in official statistics falls on the share of the corporate sector – 60% to 70%, citizens' contributions make up about 20%. According to the Charities Aid Foundation (CAF), just 7% of the country's population participated in charity in 2016, implying significant growth opportunities. Individual participation in charity has fluctuated over the past few years. The sector suffered from natural disasters that stimulated short-term donations, as well as from scandals that reduced the trust and willingness of the population to donate. The total amount of donations from individuals decreased by 60% from 2011 to 2014, but has since recovered, increasing in aggregate annual terms by more than 60% from 2014 to 2016. This trend will continue as disposable income increases, and as the rapid development of digital infrastructure (such as internet, mobile, etc.) expands access to charitable organisations.





# Supporting Rise Against Hunger through a sustainable property solution

Johannesburg office staff

Our mission is to ‘create value for all stakeholders through innovative and sustainable property solutions’. Together with our business strategy of aligning with like-minded business partners, we have gone a step further, and encompassed a societal approach with this well-respected international hunger relief non-profit organisation. The company coordinates the packaging and distribution of much-needed food and other life-changing aid to people in developing nations, including South Africa.

The partnership with Rise Against Hunger has been in existence for four years and our support has been formally extended for a further five years. The focus area for 2020, will include concentrating on the first 1 000 days of a child’s life, with the aim to assist in reducing the unacceptably high number of children being born developmentally stunted. The current statistics reflect one in every four children are affected.

This emphasis on measurable interventions that are directed towards community development initiatives (for Early Childhood Development), is a key focus area for Rise Against Hunger. It also



Port Elizabeth office staff

aligns with our main Corporate Social Investment (CSI) strategy and is ultimately driven by our CSI objectives. These are directly aligned to the 2030 National Development Goals and the United Nations Sustainable Development Goals (which is to end hunger by 2030).

The initial engagement between the two companies included establishing an agreement to provide warehouse space in one of our operational properties. This arrangement yielded positive results as reflected by the 2018/19 Rise Against Hunger Africa impact report: 60 760 children were fed by the organisation in 524 Early Development Centres.

Further collaboration with Rise Against Hunger was achieved through our internal employee volunteering programme, G-squared (G<sup>2</sup>). Through this platform, our employees offered their time by packing food that was distributed to various centres. The event attracted a total of 110 staff members from the Johannesburg, Cape Town, KwaZulu-Natal and Port Elizabeth regional offices, with 330 hours committed away from a business day and 20 000 meals



Durban office staff

packed. At least 137 benefited from this exercise, receiving a meal at school for five days a week for the whole year.

We understand that for people to thrive, investment is crucial. As a committed partner to bettering South Africa and its children, we have ensured that we provide space to thrive and encourage collaborations that provide sustainable relief and assistance. By investing in worthy causes, we hope to have an enduring positive influence on the fabric of South African society, while also assisting others in making a measurable difference.



From the left, leading by example: Estienne de Klerk (Chief Executive Officer – SA), Francois Schindehütte (Chief Financial Officer – SA), Xolani Hlatshwayo (Group Legal Counsel), Engelbert Binedell (Chief Operations Officer – SA).

Cape Town office staff



# TRENDS

## IN GLOBAL CORPORATE GIVING



Los Angeles, California, 2017 | © Johnny Miller, *Unequal Scenes*

Dialogue tracks local trends in corporate social investment (CSI) against those taking place internationally, comparing the South African research findings presented in chapter one (pages 30–57) with those reported by our global partner, Chief Executives for Corporate Purpose (CECP). The CECP publishes two research reports annually: *Giving in Numbers*, which compiles data from 250 multi-billion-dollar companies, 90% of which are headquartered in the United States (US), and *Giving Around the Globe*, which presents high-level data from 86 companies in 17 different countries, including regional results from Africa derived from select companies that participated in Dialogue’s 2018 CSI survey.

### Benchmarking community investments

#### Global companies give more than US-based companies as a percentage of revenue

Dialogue’s research found that total estimated CSI expenditure in South Africa grew by 5% in nominal terms, reaching R10.2 billion in 2019. Among the 75 companies surveyed that provided expenditure data, total giving exceeded R3.6 billion. Average spending increased to almost R49 million from R46 million in 2018, although median spend declined from R22 million to R20 million.

Internationally, *Giving Around the Globe* reported aggregate total giving of \$3.6 billion among 86 participating companies in 2017. Median giving reached \$5.9 million and, on average, community investments accounted for 0.28% of companies’ total revenue. With a sizably larger sample, giving reported by the 250 US-based companies featured in *Giving in Numbers* increased to a record \$26 billion in 2018 from \$24 billion in the previous year, equating to 0.14% of companies’ total revenue. Median giving totalled \$20.7 million.

#### Changing needs, profit growth behind increased CSI

More than half of all participating South African companies (56%) reported increased CSI expenditure in 2019, for reasons including changing project requirements, greater need among recipients and increased corporate profits. CSI budgets are most often determined as a percentage of post-tax profit, at an average rate of 1%.

US-based companies have also continued to increase community investments over the past year. Among the companies reporting their contributions to *Giving in Numbers* between 2016 and 2018, investments increased by 11% overall. Reasons cited for this growth in CSI included a greater focus on strategic initiatives and programmes, as well as expanded international giving, improved business performance and changes in employee-directed giving programmes.

#### US companies outpace others in non-cash giving

Cash spending continues to far exceed non-cash contributions worldwide.

Although 35% of participating South African companies reported non-cash giving in 2019, it amounted to only 6% of total CSI expenditure. *Giving Around the Globe* found that non-cash contributions were also low internationally, at around 10% of total contributions, consistent with previous years in which non-cash giving generally constituted the smallest share of contributions across regions.

US-based companies were more likely than others to engage in non-cash giving. Two out of three made at least one form of in-kind gift in 2018, amounting to 19% of giving on average. These rates were particularly high in specific sectors including communications and consumer staples, where they exceeded 40%.



## Global businesses, global giving

### International giving on the rise

According to the CECP, as companies grow and achieve scale many also globalise their supply chain, customer base and operations, as well as their social programming.

International giving was particularly high among US-based companies, with two-thirds reporting international giving – an increase of 9% over the past three years. Contributions outside of the US typically amounted to 21% of a company's total allocation.

Although at a slightly lower rate than their US counterparts, 45% of *Global Giving* participants contributed to at least one international end-recipient in 2018. The CECP has also linked international giving with the establishment of foundations and trusts. Two-thirds of global respondents reported having a foundation or trust in 2018. Opening foundations and trusts outside of a company's headquarter country was associated with a number of advantages, including capacity to address local social issues as well as increased credibility, ease of legal and tax requirements and beneficial legal and fiscal frameworks.

### South African giving remains locally focused

Despite the globalisation of corporate giving, this practice is rarer in Africa than other regions. South African companies generally fall far behind the international average, with only 8% supporting projects outside of South Africa in 2019 and these receiving only 1% of CSI expenditure.

## Trends in community investment management

### Sustainable Development Goals lead corporate planning

The United Nations adopted the Sustainable Development Goals (SDGs) in 2015 and these have increasingly become the basis for planning among corporates, as well as governments and civil society. In 2018 the SDGs were identified as the most important among four main influences on social investment strategies. Just over half (51%) of global companies indicated that they would consider including the SDGs in content and reporting for CEOs and senior executives. Only 1% did not use the SDGs at all.

This growing importance is also evidenced in data from other regions. CSRone's *Taiwan and Asia Sustainability Reports Analysis* found that in 2019, 44% of the 528 Taiwanese companies surveyed included the SDGs in their sustainability reports, up from 28% in the previous year. In 2016 Trialogue found that 48% of participating South African companies already responded to aspects of the SDGs through their CSI strategies, and an additional 37% were likely to do so in future.

### Continued focus on education

Education and social issues continue to be the main focus areas for corporate giving in South Africa and worldwide.

Almost half of all US-based companies (49%) reported supporting educational initiatives, including at school level as well as higher education, with total contributions reaching an estimated \$351 million. Three-quarters of companies included in CSRone's *2019 Taiwan and Asia Sustainability Reports Analysis* invest in "science and education" while education was the top social investment area identified in Israel's *Maala Index 2018*, followed by youth at risk (12%), and social services and welfare (11%).

Education is an even greater priority among South African companies. In 2019, 94% of surveyed companies supported educational causes, which received half of all CSI expenditure on average. This was followed by social and community development, which was a focus for 77% of companies and received an average of 15% of CSI expenditure.

■ See *Philanthropy in the BRICS countries* on pages 162–165.

### Increased measurement of community investment impact

The CECP found that companies worldwide are increasingly using measurement, data analysis, and monitoring and evaluation (M&E) to better understand the results of social investments – both on communities and businesses themselves. *Global Giving* reported that in 2018, 44% of companies measured the business value of their community investments, with a focus on metrics related to employees, such as staff retention.

US-based companies also reported measuring social impact as a critical management practice. In 2018 nearly nine in ten surveyed for *Giving in Numbers* measured the outcomes and/or impacts of at least one partnership. The percentage of companies specifically measuring the social outcomes of strategic programmes rose from 36% in 2014 to 41% in 2018 while those measuring the outcomes of all grants increased from 14% to 25% over the same period.

Trialogue has also found a strong uptake of measurement tools and practices among South African companies. In 2019, 72% of survey participants measured project outcomes for all grants, up from 57% in 2018. Almost all companies that collected M&E data reported on this information to their boards (96%).

### Enough staff to maximise CSI impact?

Given the increase in giving worldwide, it is important that companies dedicate sufficient resources to philanthropic management. Among global companies, the CECP found the median number of full-time equivalent (FTE) social investment employees to be 7.5 in 2018. About a quarter reported to a corporate citizenship or corporate social responsibility department, while 16% each reported to a sustainability department or communications department. Notably only two in ten companies reported increased FTEs, which the CECP found surprising given growing demand for measuring, reporting and transparency. This trend could suggest a growing practice of outsourcing responsibility for managing and delivering social programmes.

In line with the global findings, the median number of CSI staff employed by South African companies decreased to two in 2019,

from three in 2018. Median staff numbers were highest among companies spending R50 million and above annually, but still declined from eight FTEs in 2018 to six in 2019.

Comparatively, US-based companies reported continued growth of FTEs – at a faster pace than overall employee numbers and, in some cases, even when total headcount decreased. In 2018 the median number of FTEs was highest among companies giving the most: companies contributing \$50 billion to \$100 billion employed a median of 15 social investment staff.

## Changing face of corporate leadership and activism

### Employees as key corporate stakeholders, collaborators

Research shows that worldwide, people's relationships with, and expectations of, their employers have begun to change. According to the Edelman Trust Barometer, employees now trust their employers (75%) more than non-governmental organisations (57%), businesses (56%), government (48%) or the media (47%).

The Edelman Trust Barometer found that many people looked to their employer as a trustworthy source of information about contentious social issues and more than three-quarters (76%) wanted CEOs to be change leaders. More than two-thirds expected prospective employers to join them in advocating around important social issues and, where this takes place, it has led to greater commitment (83%) and loyalty (74%) among employees.

One recent example of impactful corporate activism occurred following the US travel ban imposed by President Donald Trump, which was opposed by top technology companies and their CEOs. More than 175 tech companies including Apple, Facebook, Amazon, Microsoft and Google filed an amicus brief in the Supreme Court condemning the policy and citing the harm inflicted on American companies, their employees and the entire economy.

### Activating employees for social causes

Employee engagement strategies are often built around volunteering programmes and employee giving. Globally, the CECP found that in 2018 over half of all companies surveyed (56%) offered paid-release time or flexible scheduling for employee volunteering, followed by skills-based volunteering/pro bono services (35%). On average, about a third of employees at international companies volunteered at least one hour of their time over the course of the year. Engagement of this kind has been shown to improve employee motivation and retention.

*Giving in Numbers* reported that among US-based companies about a third of employees participated in volunteer initiatives over the past three years. Rates increased, however, where more flexible volunteering options were available such as paid-release time and flexible scheduling. Companies offered employees an average of 20 hours annually for volunteering of this kind.

Trialogue's 2019 survey results showed that, consistent with previous years, most participating companies (81%) had formal employee volunteer programmes. These were most commonly in the form of company-organised volunteering initiatives and fundraising drives, for which average employee participation rates were 39% and 22% respectively. While some companies also reported more flexible volunteering arrangements, such as time off during work hours (59%) and pro bono services (22%), rates of average employee participation were considerably lower for these.

### Millennial workforce shifts corporate values

Millennials now make up a quarter of the world's population. Nearly nine out of ten live in emerging economies and, according to the US ManpowerGroup's analysis, will represent 35% of the global workforce by 2020.

For global companies paid-release time and skills-based volunteering/pro bono are among the top offerings to employees, differing from the practice of most South African companies. These, the CECP has suggested, are closely aligned with key priorities valued by millennials: flexibility and achieving clear impact in real skills-based projects.

However, despite the growing millennial presence in corporate workplaces, and links between engagement and job performance, the Gallup *State of Global Workplace* report has warned that 85% of employees worldwide are not engaged actively, or even at all.

### Brands empowering consumers to accelerate change

In addition to focusing on corporate social leadership and employee engagement, companies are also shifting towards empowering consumers to accelerate change through their own choices.

As reported in *Giving in Numbers*, the *2018 Cone/Porter Novelli Purpose Study* found that most Americans (85%) would be likely to support a purpose-driven company in their community and eight in ten prefer to buy products or services from purposeful brands. Speaking at the first European Sustainable Brands conference in Paris, Danone CEO Emmanuel Faber urged companies to "be bold or die" in terms of shifting corporate purpose and changing consumer behaviour. One example showcased at the conference was the Loop reusable packaging platform developed by TerraCycle and partnered with Procter & Gamble, which aims to expand zero waste purchasing options and improve customer experience. Non-traditional, customer-centred approaches were linked with increased sustainability as well as brand reinvention around qualities such as ease, attractiveness, affordability, innovation and convenience.

Trialogue also explored prospects for leveraging CSI work in corporate branding. More than half of survey respondents (59%) agreed in 2019 that their CSI work is integral to their brand. However, most (74%) did not participate in any cause-related marketing. ■



# AVBOB: 101 YEARS OF SHARING VALUE AND VALUES

In 2006, American strategy experts Michael Porter and Mark Kramer raised the profile of “shared value” business models in an article they authored for the Harvard Business Review. Since then, the concept of “creating shared value” has become not so much a buzzword as the increasingly loud voice of corporate conscience for the sake of all concerned.

Unpacking this paradigm-shifting model within the context of South Africa’s socio-economic landscape, it is clear that **AVBOB** started practising in 1918 what Porter and Kramer started preaching in 2006.

*“Shared value is a fundamental business strategy that makes social needs the object of value creation.” – Marc Pfitzer*

The resurgence in interest in shared value business models was forged in the crucible of the 2008 financial crisis, where many accused big business of earning obscene profits at the expense of society. While **AVBOB**’s humble beginnings were also rooted in pain, its founding purpose was for the benefit – not the detriment – of its members.

To understand **AVBOB**’s compassionate roots, one has to go back to the Spanish Flu epidemic that arrived in South Africa in the wake of the First World War. This caused countless deaths and infinite trauma, both emotional and financial, with many families unable to afford dignified funerals. It was amidst this death and trauma that the original founders of **AVBOB** stepped forward with a solution: a business started by a community for the upliftment of the community.

From day one, the concept of uplifting their members has been not only **AVBOB**’s guiding force, but part of their corporate DNA. In addition, **AVBOB** believes that shared value is not a feel-good strategy they have adopted to gain competitive advantage or to improve their corporate image. It is fundamentally who they are. And it is not a one-size-fits-all solution.

Underpinning their commitment to shared value is a deep understanding that each continent and country has its own challenges, which is perhaps why it embraces the one term that perfectly encapsulates the core of creating shared value at the southernmost tip of Africa: “ubuntu”. Ubuntu, in the words of the late, great Nelson Mandela, is “the profound sense that we are human only through the humanity of others; that if we are to accomplish anything in this world, it will in equal measure be due to the work and achievement of others.”

Recognising the wide disparity of income and wealth distribution in South Africa and our responsibility to all citizens, **AVBOB** is deeply invested in the concept and reality of connectedness through caring and sharing. Informing everything they do, is their understanding of the reality that the costs associated with funeral preparations can often deplete savings and drive families into debt. Without access to financial markets and without meaningful participation in economic growth, the cycle

of poverty is never broken. And so, never before has **AVBOB** had a more relevant role to play in South African society than today.

**AVBOB**’s shared value business model is rooted in its status as a “mutual society”. As a mutual, it has no shareholders. The profits that arise from the various businesses in the Group are deployed solely for the benefit of its members (who are its policyholders).

As strong as **AVBOB**’s commitment to their policyholders is their passion for improving literacy in South Africa. **AVBOB** is actively engaged in the communities in which they operate. To date, they have donated 55 container libraries to underprivileged schools, with five more to follow. **AVBOB** has pledged to invest R150 million to the refurbishment and upgrading of rural schools in partnership with the Department of Basic Education. And on the economic front, **AVBOB** funeral branches procure services from the local communities, thus stimulating local economies.

What distinguishes **AVBOB**’s initiatives from CSI and moves it into the broader sphere of shared value, is arguably the fact that they are boosting the economic engines of tomorrow by improving the lives of all stakeholders – from policyholders and learners to entrepreneurs – today.

*“A company cannot succeed in a society that is failing.” – Sanda Ojiambo*

Equally important and ultimately crucial is **AVBOB**’s positioning of itself as a company that is part of the solution, not part of the problem. As a country with a renewed sense of optimism and business confidence arising from the ‘new dawn’, South Africa is finally moving into a political and individual space where the silver lining starts outshining the dark cloud. **AVBOB** is taking their lead from this and, as a corporation involved with millions of individuals, they are mobilised and inspired by the realisation that the time has come to stand up and be counted.



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# CORPORATE RESPONSES TO CLIMATE CHANGE AND RELATED DISASTERS

In the first half of 2019, 950 climate-related disasters had already been recorded in 102 countries and territories and nearly 11 million people had been displaced, seven million displacements of which were caused by natural disasters mainly in Africa and Asia. The Internal Displacement Monitoring Centre says that this was the highest number of climate-related displacements ever reported and investment bank Morgan Stanley estimates that climate-related natural disasters have cost the world close to \$650 billion over the last three years. Beyond the immediate devastation, natural disasters also have long-term effects on people, the environment and business, which are especially devastating in low-income countries that do not have climate adaptation and disaster management strategies in place.

Businesses are feeling the impact of climate change. Food producers increasingly contend with extreme weather conditions. In 2019 Australian farmers reported a loss of \$72 million and 43 000 cattle due to droughts and floods, in the United States poultry producers struggled to keep up with the cost of feed after rainfall and flooding impacted grain prices and, in South Africa, drought-imposed irrigation restrictions significantly impacted farming profits.

According to a KPMG International report, chief executive officers (CEOs) and investors' views on climate change as a top risk have aligned. CEOs are recognising that a sustainable future for their businesses is heavily reliant on the transition away from a coal-based to a low-carbon and clean economy.

Armed with its own comprehensive cyclone response system which included solar-powered radios, a warehouse stocked with emergency supplies and an evacuation boat, Mozambican non-profit organisation, AJOAGO, was among the first to respond when Cyclone Idai hit the city of Estaquinha in Mozambique in early 2019. Drawing from this experience, executive director, Jose Mucote, used the UN Climate Action Summit 2019 platform to call for low-income countries to be assisted with adequate resources to implement climate adaptation strategies.

Research from the Global Commission on Adaptation, which seeks to accelerate adaptation action and increase political support for building climate resilience, found that a global investment of \$1.8 trillion from 2020 to 2030 could generate \$7.1 trillion in total net benefits by future-proofing countries with early warning systems, climate-resilient infrastructure, improved dryland agriculture, mangrove protection, and making water resources more resilient.

In addition to financial investment, proactive measures include ensuring the availability of adequate data to account for damage caused and inform relief efforts. Most countries use satellite imagery for mapping, to inform policy development. In the case of a disaster, this technology can be leveraged to track people and facilitate evacuations. On a larger scale, the *Weather, Climate & Catastrophe Insight: 2018 Annual Report* recommends that the insurance industry begin to develop comprehensive risk insurance schemes for governments.



## Disparities in reporting on and responding to disasters

Wealthy economies accelerate climate change through their production processes and emissions, while poorer economies suffer the consequences due to their lack of adaptability and infrastructural resilience. A 2015 World Bank report estimated that climate change could push more than 100 million people in developing countries below the poverty line by 2030 and a 2019 Stanford University research paper, titled *Global warming has increased global economic inequality*, says that climate change will continue to exacerbate economic inequality. South Africa, for example, has become between 10% and 20% poorer over the last two decades due to climate change.

Not all disasters receive equal media coverage. It took the news of Cyclone Idai hitting Mozambique, Zimbabwe and Malawi four days to make headlines. While lack of coverage can be directly attributed to a lack of newsroom resources, in times of disaster media houses can team up with aid agencies to ensure that adequate information is widely shared. This lack of reporting is part of the reason that just 23% has been raised of the total \$390 million needed for immediate response to one of the worst natural disasters to hit the southern hemisphere, affecting nearly three million people.

A lack of resources is not the only stumbling block when it comes to reporting on climate-related issues. Media houses are also not speaking the same language. According to *Nationalizing a global phenomenon: A study of how the press in 45 countries and territories portrays climate change*, media in wealthy countries frame climate change as an issue of domestic politics, whereas media from “poorer nations tend to focus more on the international relations and natural impact aspects of climate change”. This is important because, until we have a shared global understanding of and plan to address this crisis, the situation will continue to worsen.

## Local companies should align with the SADC disaster preparedness and response strategy

As more companies commit themselves to the interlinked UN Sustainable Development Goals (see *How companies can help create a more sustainable planet* on page 178) which emphasise action against climate change, at a regional level the Southern African Development Community (SADC) Secretariat for disaster risk reduction also emphasises business responsibility in disaster management and risk reduction. The SADC developed a disaster preparedness and response strategy for the period 2016–2030, which speaks to four areas of competence in managing climate-related disasters in the region. This strategy, which calls for proactive public-private partnerships, highlights the need for SADC member states to develop standard operating procedures and guidelines, build capacity within industries, contribute to disaster management funding, and develop sustainability plans. The points that follow on the next page illustrate how companies in the region can support this strategy.

### How Santam is helping to build resilient communities

Through its operations Santam has learnt valuable lessons about the risks that vulnerable communities face, and where they lack capability and resources. The company uses its business skills to find innovative solutions to empower and mobilise communities through a holistic implementation of disaster and risk-reduction initiatives. Furthermore, by assisting vulnerable communities to manage and mitigate their risk, Santam is able to collect research data and minimise its own business risks.

The National Disaster Management Centre categorises municipalities into three groups: well functioning, functioning but vulnerable, or dysfunctional. Drawing from this data, Santam, through its Partnership for Risk and Resilience programme, consults and collaborates with municipalities in the second category. The programme has five focus areas: to drive community risk awareness, to build and increase the capacity for disaster response and relief, data mapping in municipalities, exploring and providing alternative energy sources, and identifying fire hotspots. Not all focus areas are implemented in all municipalities.

Through the programme and in coordination with organisations such as the South African Red Cross, Santam provides fire and flood risk management training to municipal staff and community volunteers. To further mitigate risk, the company installed smoke detectors and early detection devices in fire hotspots. In some cases, firefighting equipment was also distributed.

A key priority in this programme is an inclusive, multi-stakeholder, community-driven process. To achieve this, all disaster risk reduction planning and projects are designed around the needs and priorities of communities, often as articulated in their Integrated Development Plans. Importantly, disaster risk management is prioritised at a local government level. This provides a welcome space for Santam to enter into strategic partnerships with local government disaster response units, as well as to collaborate with non-profit organisations and intermediaries.



- 1 The development of standard operating procedures and guidelines** requires in-depth risk analysis, using data to map risk hotspots. For this, greater investment in education, research and risk analysis is needed on how climate-related issues will affect all stakeholders, including business, at micro and macro levels.
- 2 Building capacities in vulnerable areas** involves companies mitigating and preventing disasters in the societies in which they operate, by partnering with government to facilitate and disseminate disaster information and material. The private sector could use its agility and access to technical and financial resources to play a more significant role in supporting efforts for climate change adaptation and resilience. Resilience building could be as simple as the construction of gabions or more complex, including investing in research projects and training volunteers.
- 3 Business can strengthen disaster preparedness by contributing to the SADC disaster fund.** Companies can also partner with government to explore the use of risk transfers to protect the economies that they operate in through insurance. For example, the African Development Bank approved the Africa Disaster Risks Financing (ADRFi) Programme in 2018 for its member states. The ADRFi is a climate risk management programme which will promote swift insurance responses and financial support when disaster strikes.
- 4 The private sector's proactive investment into a sustainability plan** could ensure that the burden of reconstruction is minimal and that the next disaster is less devastating. Response and reconstruction are usually very expensive, especially for governments that do not have disaster relief funds allocated in their budgets. Furthermore, a lack of data on how disasters affect different communities also impacts the quality and turnaround time of responses. Insurer, African Risk Capacity, for example, offers disaster risk management and financing at country level. The company provides capacity building and innovative solutions around weather risks on the continent. It also offers protection of food security and livelihoods of vulnerable populations.

In addition to these four pillars, companies should examine how their own core business competencies can be leveraged for disaster preparedness and response work. For example, technology companies can assist with mapping, warning and response systems; food companies can ensure the provision of food; and insurance and financial services companies can drive risk mapping, preparedness and insurance against disasters. ■



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## VIEWPOINT

# How companies can help create a more sustainable planet

The Sustainable Development Goals (SDGs), adopted by United Nations member states in 2015, are a universal call to eradicate poverty, protect the planet and ensure that all people live in peace and prosperity by 2030. **Geeta Morar**, senior analyst in the environmental team at the National Business Initiative (NBI), shares how the organisation supports member companies to enhance their understanding of, and participation in, implementing the SDG agenda.



### What is the role of business in responding to the SDGs?

The SDGs call for the participation of business in the development agenda and emphasise the need for cross-sector partnerships for implementation. Momentum must be scaled if we are to achieve the targets and unlock the economic opportunities from a transition towards low-carbon, sustainable economies. Integrating the SDGs into core business models and innovation can enhance company sustainability and competitiveness, improve the stability of their operating environments and unlock new market opportunities. According to the Business and Sustainable Development Commission (BSDC), this integration could unlock close to \$12 trillion in market value and 380 million jobs, globally.

### How is the NBI working to ensure that companies in South Africa commit themselves to the SDGs?

The NBI is a voluntary coalition of national and multinational companies working towards sustainable growth and development. The NBI adopted the SDGs as a strategic framework towards a sustainable and inclusive socioeconomic transition for South Africa. We work with member companies to understand the importance of the SDGs for their planet and society, to identify related market opportunity, and to craft and sell the business case for doing business differently. The NBI also intends to replicate the BSDC study to determine the economic value of implementing the SDGs in South Africa.

The NBI SDGs programme is designed to operate at two levels. First, to foster collaboration at sectoral level and between various stakeholders to create an enabling environment where all sectors thrive. Second, to provide support to companies to prioritise SDGs and enhance their competitiveness within economic

contexts undergoing transition, using the methodology we provided.

This programme is relatively new and, in September 2018, the NBI ran a national SDGs roadshow in collaboration with Danish Industry to share information with member companies on the SDGs, related opportunities and global best practice. Since then, we have piloted our methodology with the Banking Association of South Africa and are currently running this process with companies in the agri-processing sector. Our work, including a leadership video and several useful infographics, can be found on the SDGs section of the NBI website.

### Please share more on NBI's learnings from Climate Week NYC 2019.

The link between responding to the SDGs and addressing climate change is becoming more apparent globally. Climate Week NYC is the business equivalent of the United Nations Climate Change Summit, where companies come together to enhance their role in mitigating climate change. Momentum is gathering behind the transition towards a low-carbon economy. Targets to support this transition are detailed within the targets of SDG 7 (clean energy) and SDG 13 (climate action). At Climate Week NYC, financial institutions such as HSBC and insurers such as Swiss Re shared how climate change and the low-carbon economy increasingly influence their investment and insurance decisions. Credit rating agencies such as Moody's also provided insight into how they are building climate and transition risk considerations into future rating decisions. By participating in Climate Week NYC, NBI was able to gain global perspective. If we want South Africa to compete in the low-carbon economy, our businesses must start interrogating how they can be more responsive to climate change.

### How responsive has corporate South Africa been to the SDGs and how does this compare to other countries?

In countries such as Denmark, where the SDGs are prioritised at national level, companies tend to adopt the SDGs more swiftly, whereas, in South Africa, more effort is made to engage companies on the SDGs. Furthermore, there are patterns relating to which sets of SDGs are prioritised in different regions. PwC analysed 729 sustainability reports from countries around the world and found that companies in developed countries tend to prioritise environment-related SDGs more often than companies in developing countries. The latter tend to focus on the SDGs relating to social development. These trends were also evident in the South African dataset and reflect differing socioeconomic contexts.

Some companies have already started to prioritise and report on their work in line with the SDGs, while others are still unfamiliar with their relevance to business competitiveness.

The NBI recommends that companies prioritise between three and seven SDGs since it is preferable to implement more focused SDG projects.

Larger corporations are more subjected to regulation, have departments that deal with sustainability compliance and have more resources to run SDG programming, while smaller businesses don't always have the resources to do so, although they may be more agile and able to implement SDG-related commitments and changes faster. All companies could benefit from running a robust SDGs process.

#### GEETA MORAR

Senior analyst of environmental sustainability, NBI  
geetam@nbi.org.za  
www.nbi.org.za

IMAGE: Khanyisa Nomoyi



**Airports Company South Africa has improved the quality of life for many South Africans, particularly the historically disadvantaged communities, by positively impacting on their lives. On its part, and as a key role player in South Africa's economic development in general, and aviation in particular, the company is uniquely positioned to significantly contribute to the country's social and economic development agenda.**

## Goodbye Malaria

Airports Company South Africa's Goodbye Malaria partnership is one that supports youth entrepreneurship and youth empowerment. This private-sector partnership was launched in November 2016 with two pop-up stores selling branded Goodbye Malaria merchandise at O.R. Tambo International Airport. Since then, Airports Company South Africa has opened a retail outlet at Cape Town International Airport and, more recently, at George Airport in the Western Cape.

To date, over eighteen jobs have been created for youth who live in the areas surrounding the three airports. The profits realised from the sales at the airport retail pods are shared between support for on-the-ground malaria elimination programmes in Mozambique and the youth on the retail programme.



**AIRPORTS COMPANY**  
SOUTH AFRICA



## CHAPTER SIX

An overview of the national context, fiscal and CSI support, as well as highlights of the disparities – mainly based on income inequality – in 12 development sectors.

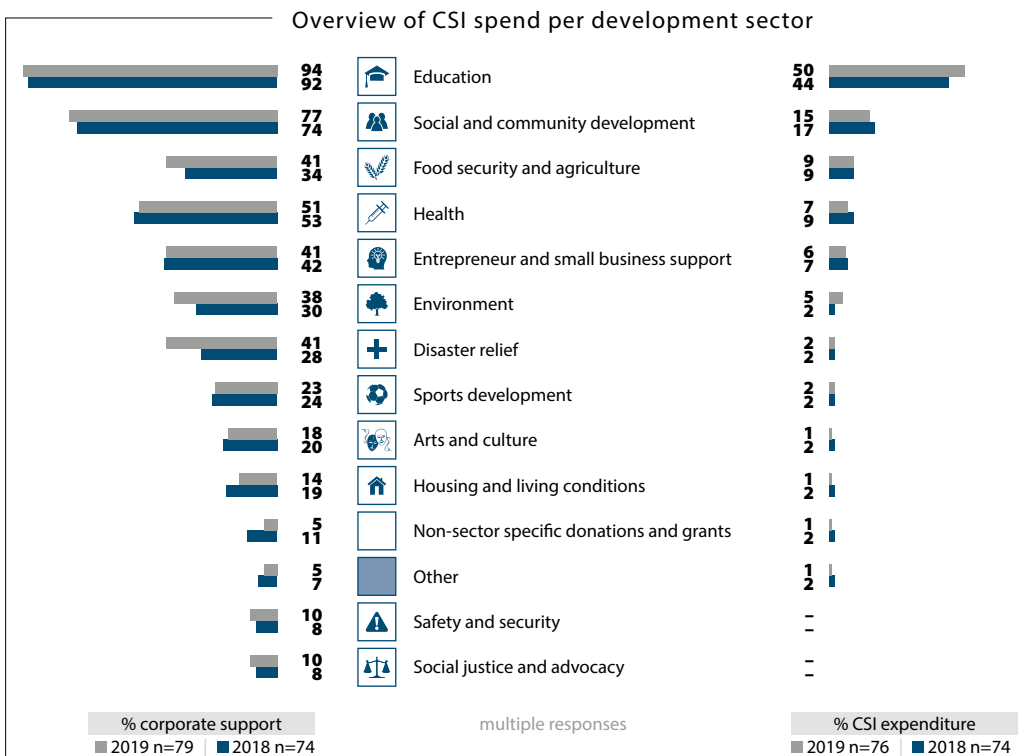
## DEVELOPMENT SECTORS

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# Support for development sectors

This chapter provides an overview of the national context, as well as the fiscal and corporate social investment (CSI) spend on 12 development sectors. CSI spend is based on data from the 79 large companies that participated in Dialogue’s primary research survey. In keeping with the overall theme of the Handbook, this chapter also highlights the unequal access and harsh disparities, mainly based on income inequality, in each of the sectors.



- Year-on-year corporate support for and average spend on **education** increased from 92% to 94%, and 44% to 50%, respectively. Average expenditure on education steadily increased, from 40% in 2012, to exactly half of CSI spend in 2019.
- Social and community development** remained the second most popular sector, with corporate support increasing from 74% of companies in 2018 to 77% in 2019. However, average CSI expenditure dropped slightly, from 17% in 2018, to 15% in 2019.
- Both corporate support for (53% to 51% of companies) and average CSI expenditure on (9% to 7% in 2019) **health** dropped in 2019, moving it from the third to the fourth most supported sector.
- Environment** was the only other sector besides education that experienced an increase in average CSI expenditure, from 2% in 2018, to 5% in 2019. Corporate support for the environment also increased, from 30% of companies in 2018 to 38% in 2019.
- Despite more companies supporting **disaster relief** in 2019 (from 28% to 41% in 2019), this did not impact the amount of expenditure directed to the sector.



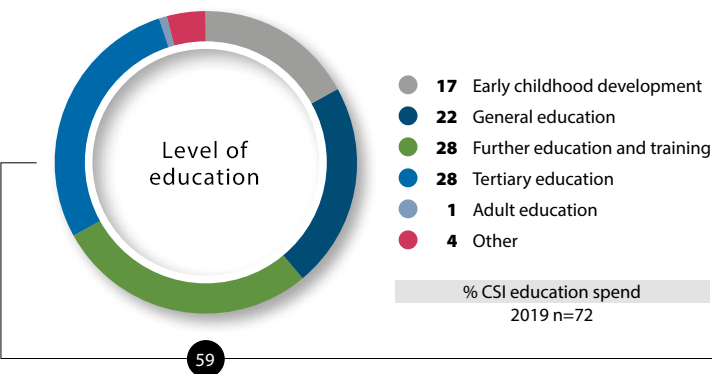
# Education

## National context

- Government’s spend on education increased from R351 billion in 2018 to R375 billion in 2019, constituting 20% of the R1.83 trillion total national budget for the year. More than two-thirds of the education budget was allocated to basic education (R250 billion), R37 billion went to university transfers, R33 billion to the National Student Financial Aid Scheme (NSFAS), and nearly R13 billion to technical and vocational education and training.
- In addition to the medium term (2019–2021) education infrastructure grant of R34 billion for building new and maintaining existing schools, an additional R2.8 billion school infrastructure backlogs grant was allocated to replace pit latrines at over 2 400 schools, 147 inappropriate and unsafe schools, and to provide water to 352 schools.
- The medium term maths, science and technology grant allocated R1.2 billion to help train teachers and provide equipment and software to schools.
- The number of bursaries awarded to students enrolled for initial teacher education decreased from 13 500 in 2018 to 13 000 in 2019 and will decrease further, to 12 500, in 2020.
- The National Senior Certificate pass rate increased from 75% in 2017 to 78% in 2018. However, nearly half of the pupils who enrolled in grade one in 2007 had disappeared from the schooling system by the time the cohort reached matric in 2018. Little research has been done about why students drop out, but a 2013 academic paper, titled *Progress through school and determinants of school dropout in South Africa* found socioeconomic issues to be a significant factor.
- According to the Department of Basic Education, over the past five years fewer than half of matric candidates wrote mathematics as a subject and, out of a total of 270 516 mathematics writers, only 37% passed with 40% and higher.
- In March 2019, the Department of Higher Education and Training announced that R967 million was being allocated to the NSFAS to settle historic debt owed to universities by 52 514 continuing students who had been funded on the previous NSFAS scheme prior to the new funding support that began in 2018.

## Overview of CSI spend

Education was supported by 94% of companies and received half (50%) of average CSI expenditure.



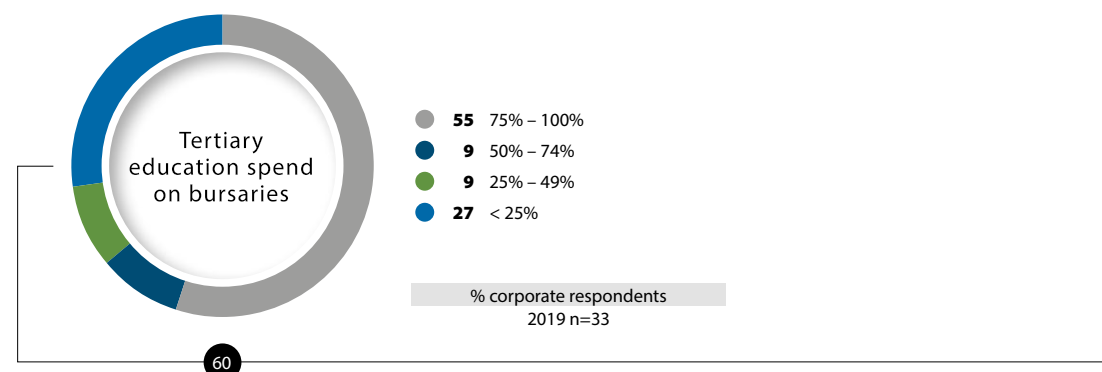
- Consistent with the 2018 findings, the largest percentage of CSI expenditure on education is on school-level education (general education plus further education and training), which received an average of 50% of education spend.
- While early childhood development and tertiary education spend were in line with 2018 allocations (17% and 28% of total education spend respectively), only 1% was spent on adult education – down from 3% in 2018.

Only 10 participating companies (14% of those supporting education) contributed to the National Education Collaboration Trust (NECT). Seven of these companies indicated that they were satisfied or very satisfied with the NECT.

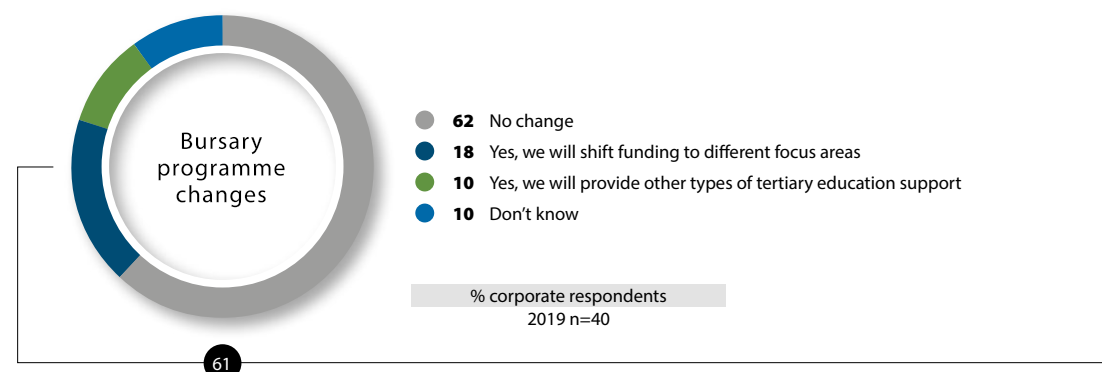


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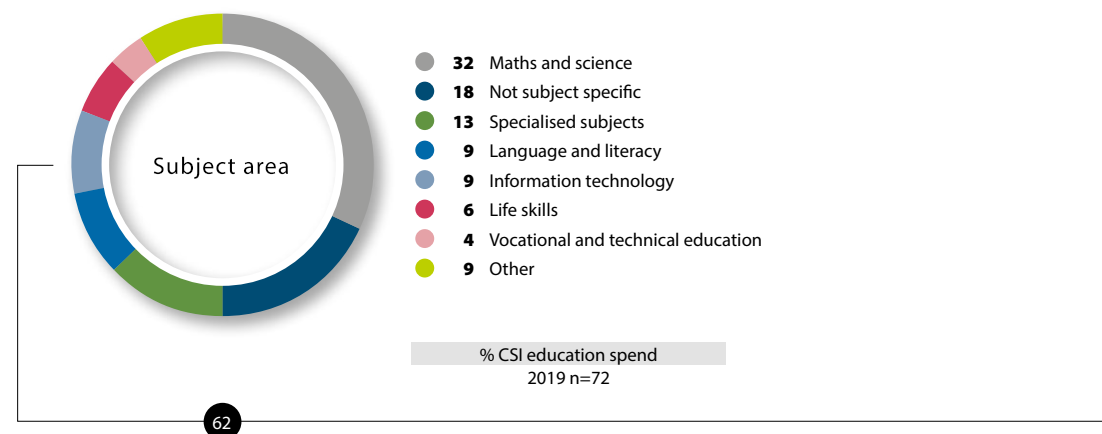
Development sectors: Education (continued)



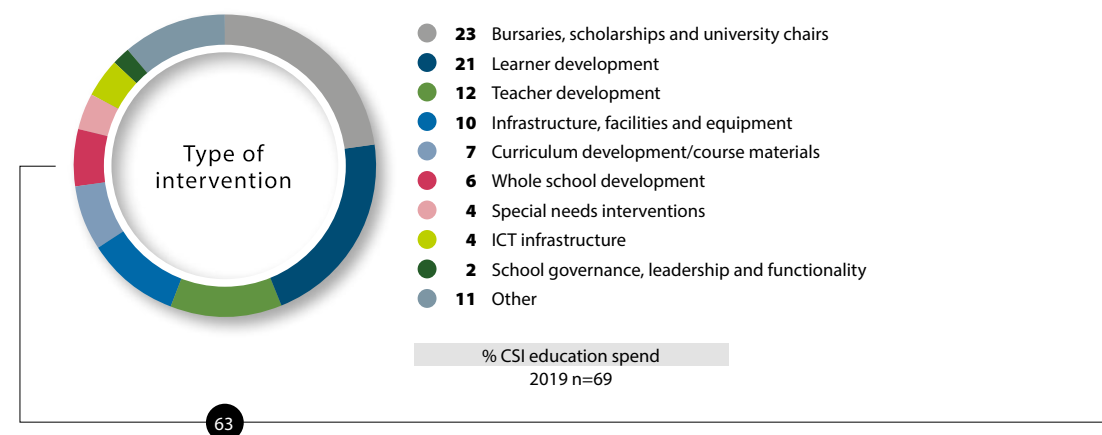
- There was strong support for bursary funding among the 33 companies that reported on their tertiary education expenditure. Over half of companies (55%) spent over 75% of their tertiary education budgets on bursaries, with 14 companies (42%) spending their entire tertiary education budget on bursaries.
- On average, companies supporting tertiary education spent 64% of their tertiary education budget on bursaries.
- The majority of companies fund upliftment-based (70%), rather than merit-based (30%), bursary programmes.



- Companies funding bursaries were asked about the likelihood of changing their programmes, given the announcement by government that tertiary education will be free for students from poorer households. In response, most (62%) answered that their programmes would not change.
- A further 18% indicated that education funding would be shifted to different focus areas and 10% said that they would provide other types of tertiary education support.



- About a third (32%) of CSI expenditure on education went to maths and science support.



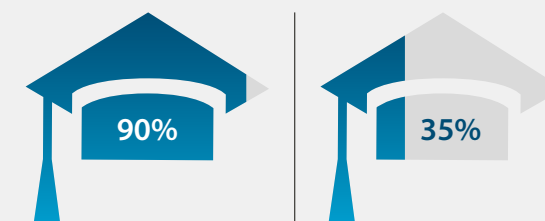
- Companies spent the largest portion of their education budgets on bursaries, scholarships and university chairs (23%), followed by learner development initiatives (21%), in line with previous years.
- School governance, leadership and functionality received the least support.
- Eleven percent of education funding was spent on other types of interventions, which included health initiatives, libraries, student hampers and food gardens.

### Independent versus government school matric results

There are two main types of matric examinations in South Africa: the Independent Examination Board (IEB) and the National Senior Certificate (NSC) exam. Government schools write the NSC, while private schools can choose one of the two. While both certificates are accredited by Umalusi and are considered equal, many private schools opt for IEB, claiming that this curriculum focuses on developing and testing problem solving abilities which better prepares learners for further studies.

Matric results 2018		
Independent Examination Board		National Senior Certificate
12 372	candidates	630 360
98.9%	PASS RATE	78.2%

Candidates who qualified for admission to degree studies.



Source: Department of Basic Education

See pages 92–97 for more on how investment into education research can bolster sector outcomes, and pages 132–136 for the importance of accountability in education.



# How to Leverage Data-driven Insights to Improve the Impact of Education Interventions



**new  
leaders**  
foundation

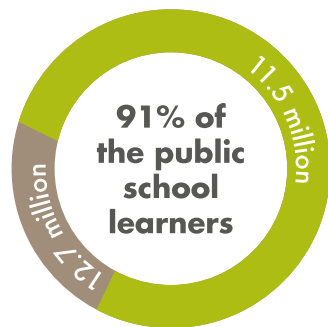
Despite significant public and private investment in education, poor learner performance in South African public schools remains a well-documented challenge. The quality of education interventions must be improved, and scarce resources must be allocated where they are most needed, if outcomes for the 12.7 million learners across more than 26 000 schools are to improve.

Making these decisions without credible data is difficult. In response to the need for quality data, the flagship Data Driven Districts (DDD) Programme was launched in 2013, in partnership with the Department of Basic Education (DBE) and the Michael & Susan Dell Foundation. In 2016, funding from the First Rand Empowerment Fund

enabled the national expansion of the programme which is owned by and supports the DBE's collection and use of education data to help learners succeed, and it is provided free of charge to provinces.

Integral to the Programme is the DDD Dashboard, an intuitive online tool that aggregates and visualises school-level data from school information systems including the South African School Administration and Management System (SA-SAMS). Educators across the country can easily access the dashboard via the web or a mobile device. It visualises the data in an approachable way and simplifies analysis to make it intuitive for those who need it most – district officials, curriculum implementers and educators.

## The DDD Dashboard represents



## How access to quality data can be used to improve the effectiveness of education interventions:

- Use data to develop social impact strategies on where and how to best intervene
- Plan targeted interventions, leveraging data to roll-out to schools or learners in most need of support
- Design and implement Monitoring and Evaluation systems, to track progress, identify pockets of success and opportunities to improve
- Bring stakeholders together, through a common, data-informed understanding of challenges to quickly shift to

- finding solutions
- Build a data-driven culture to develop data analysis capabilities
- Empower principals, School Managements Teams (SMTs) and teachers to achieve improved learner outcomes based on data-driven, easily digestible insights
- Develop early warning systems for highlighting areas needing support

New Leaders Foundation (NLF) has been working with education stakeholders nationwide to demonstrate how the dashboard builds data insights and helps translate insights into action.

Although the work started with the education sector, NLF demonstrated how the dashboard and DDD methodologies can provide significant benefits to CSI-funded programmes. One such programme has been the **Old Mutual Education Flagship Project (OMEFP)**, which brought together multi-disciplinary NGO service partners to address school leadership and curriculum implementation challenges in underperforming schools.

NLF, in its DDD Programme implementation role, was included as a service partner in the OMEFP in 2016 and quickly yielded benefits for the OMEFP and its service partners and schools.

For example, one of the OMEFP service partners, the SEED Educational Trust, is responsible for school leadership capability building with the School Management Team (SMT) at Madibong Primary School. Data played a pivotal role in planning a targeted intervention and empowering the SMT to implement these in critical areas. SEED's mentorship involved strengthening SMT management and leadership skills, which included performance analysis sessions on a subject and learner level.

The dashboard showed external assessment performance was lower than their school-based assessments (SBAs). With SEED's support, the principal and HODs used the DDD Dashboard to monitor subject performance and identify where the content knowledge gaps existed. This provided an objective basis for supporting teachers, who then responded vigorously to improve their performance, formulating interventions which produced impressive results.

DDD's highlighting of the difference in school-based and external assessments was a major learning for the school in terms of improving the quality of teaching. It showed where the gaps were and started the process for addressing the gaps. The improvement from this intervention has motivated teachers to work harder and achieve better results.



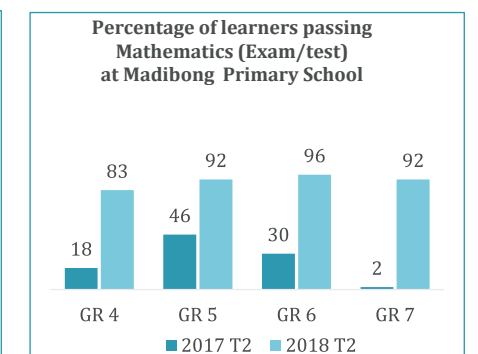
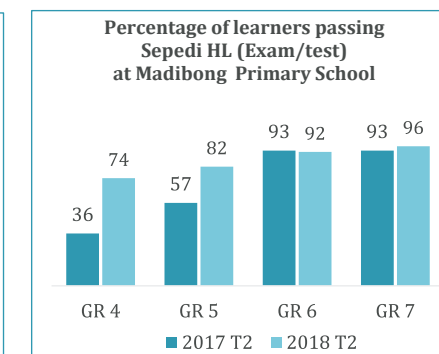
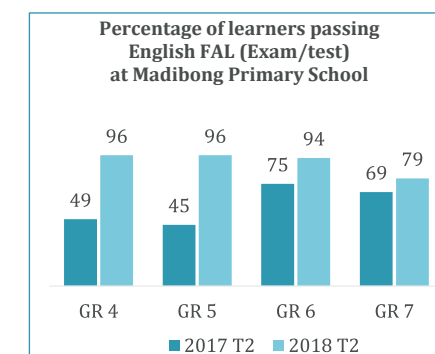
Mr Malata, Principal of Madibong Primary School

The improved results motivated teachers to engage more deeply with data and performance analysis, embedding a culture of data-driven decision-making in management and leadership practices. The school has since sourced external assessments from its own province and other provinces, such is their motivation to continue improving.

The graphs below show the marked improvement in English First Additional Language, Sepedi Home Language and Mathematics between term 2 of 2017 and term 2 of 2018 at Madibong Primary School.

The process of change is a long-term process but the DDD speeds up this process by making analysis easier.

Henry Harman, SEED Management Mentor



Source: Estimates from the Department of Basic Education

## To improve effectiveness of service partner interventions in schools, and meet the expectations of these service partners, the DDD Programme also allowed for:

1. Controlled, direct access to **validated data** that is **easy to source for partners**, saving them time. (The DDD Programme uses state-of-the-art security practices to safeguard data.) The data can be used to:
  - a. Enrich the partner's reports to funders and other stakeholders, giving evidence of results.
  - b. Understand the context for support and better planning for targeted interventions.
  - c. Facilitate constructive conversations on challenges and efforts for improvement.
2. **Visual representations** of key **education metrics**, giving funders **increased visibility** of schools', learners' and educators' performance and enabling funders to play an **active role** in programme implementation alongside their NGO partners. Visual representations can be used to:
  - a. Account for funding disbursed with evidence-based results.
  - b. Improve collaboration with implementing partners to address underlying challenges.
  - c. Revise strategies to achieve greater impact.

**Data is enabling South African schools to unlock vastly improved results.**

As in the case of the OMEFP, the DDD Dashboard can be a catalyst to achieve excellent outcomes in education interventions.

Contact NLF's DDD team for support in your next education intervention and leverage the power of data!

**Contact Peter Searle – Partners@newleaders.co.za**







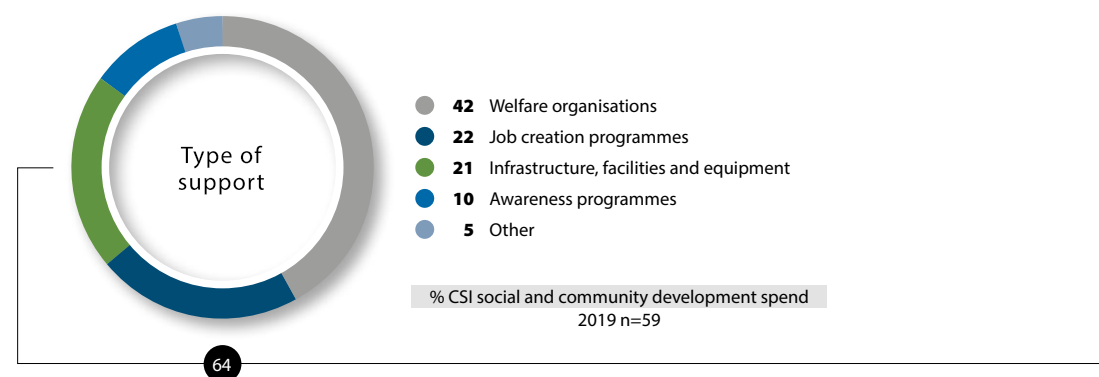
# Social and community development

## National context

- Government's spend on social development increased from R259 billion in 2018 to R278 billion, constituting 15% of the total national budget. The majority of the social development budget was allocated to old age grants (R77 billion), social security funds (R71 billion) and child support grants (R65 billion).
- According to Statistics South Africa's (Stats SA's) *General Household Survey*, there were about 58 000 children living in a total of 32 000 child-only households across South Africa in 2017.
- Stats SA's *Quarterly Labour Force Survey, Quarter 2, 2019* found that unemployment had risen to 29%, or 6.6 million people, up from 27% in the same period in 2018. This marks the highest level of unemployment that South Africa experienced since the first quarter of 2003. Youth unemployment also continued to rise, from 55% in 2018, to 56% in 2019.

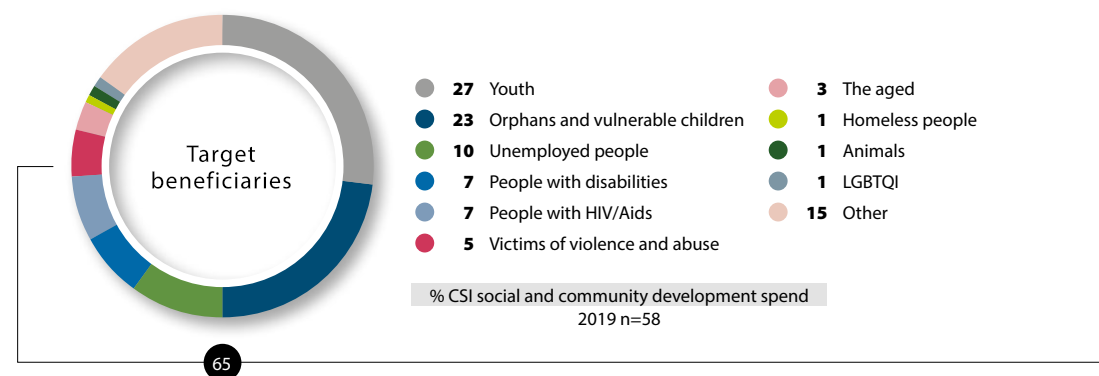
## Overview of CSI spend

Social and community development was supported by 77% of companies and received an average of 15% of CSI expenditure.



- Welfare organisations received the most CSI spend on social and community development, up from 40% in 2018.
- Support for job creation programmes decreased, from 29% in 2018 to 22% in 2019.

See 'Youth employment' article on pages 140–144.



- Young people were the main beneficiaries of CSI funding on social and community development, with 50% cumulative spend going to youth, and orphans and vulnerable children.

## The state of social welfare

South Africa has one of the biggest social welfare programmes in the world, servicing more than 17 million beneficiaries through child support, older persons, disability, grant-in-aid, care dependency, war veterans and foster child grants. Although modest, these grants protect many from extreme poverty and assist some recipients to pursue a life that is not dependent on government aid.

Black Sash is a non-profit organisation that works towards the realisation of socioeconomic rights, as outlined in the South African Constitution, with emphasis on social security and social protection for the most vulnerable in society, particularly women and children. In 2012, the organisation began to receive complaints about social grant recipients not receiving their money in full, during which time Net1, an electronic payment systems technology company, was the grant distributor on behalf of the South African Social Security Agency (SASSA). Investigations found that deductions were being taken from grant recipients who were unknowingly signed up for products and services. In some cases, recipients had been signed up to as many as six funeral policies, with monthly deductions coming directly off their grants while, in others, lenders were providing credit and diverting grants for repayment.

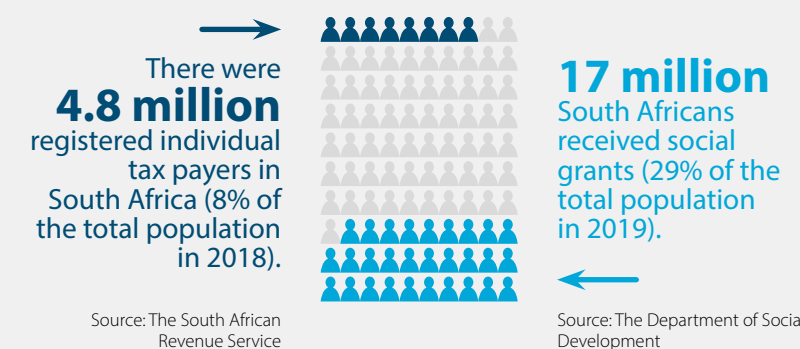
Black Sash explains that, because grant recipients had a guaranteed monthly income that was paid through a specific service provider, the ideal scene was set for grand-scale exploitation by Net1. The Black Sash-led #HandsoffOurGrants campaign was launched in 2013 to challenge the outsourced contract which gave rise to these debit deductions.

A Constitutional Court ruling declared the contract unlawful due to tender irregularities and suspended it until 2018. However, it took time for SASSA to appoint another distributing service provider. After several extensions to the Net1 contract, at the end of 2017 the South African Post Office (SAPO) was named the state partner to administer grants from April 2018. While SAPO provides a state-led hybrid model with a special disbursement account which is ring fenced from deductions, the organisation does not have the infrastructural capacity to administer these payments seamlessly, with grant recipients reporting that systems are sometimes offline or that money runs out on collection days.

Recipients wait in long queues without seating, shelter, water or access to adequate sanitation. There are also security issues when cash is delivered to SAPO sites. The initial 8 000 SAPO pay points have shrunk to just 1 740, with more expected to close, which results in beneficiaries having to travel far distances and pay additional travelling costs to collect their grants.

SASSA and SAPO could look at partnering with companies to ensure that the basic needs of grant recipients are met. Black Sash continues to monitor SAPO as part of their community-based monitoring programme. The organisation is also advocating for income support for vulnerable and excluded groups such as unemployed or precariously employed South Africans in the 18- to 59-year age group who do not receive any social assistance.

<http://blacksash.org.za/index.php/sash-in-action/education-and-public-outreach/social-security-seminars>







# A sustained focus on poverty eradication

**The National Development Agency (NDA) is constantly evaluating its poverty eradication programmes to meet the needs of communities, civil society organisations and cooperatives. It aims to deliver on its mandate by continuing to form strategic partnerships with various stakeholders.**

The NDA is a schedule 3A entity of government that reports to Parliament through the Department of Social Development. It conduits grants from the Government of the Republic of South Africa, private sector and international donors to Civil Society Organisations (CSOs). NDA provides capacity building to these organisations to implement programmes and projects targeting poverty eradication in their communities. The entity remains the only agency of government that is mandated to be the custodian of the CSO database in the country. The NDA conducts research, dialogues and mobilises CSOs to contribute to development policies.

During the 2018/19 financial year, the NDA undertook a number of interventions to aggressively combat poverty – its primary mandate. With the launch of the NDA's Civil Society Organisation Development Programme, which was fully implemented in the

previous financial year, the NDA has become even more effective in helping CSOs nationwide to implement projects that assist poor communities. This helps to accelerate service delivery to the most vulnerable people in the country. The weak economy has challenged CSOs, which is why the NDA also made a strenuous effort to secure funding from third parties during the current financial year. It raised funds amounting to R147 million, empowering CSOs and cooperatives, and helping them to achieve their goals.

In addition, the NDA focused on providing capacity building support to CSOs nationwide, in order to make it easier for them to manage and implement community programmes. At the end of March 2019 some 9 716 CSOs had received assistance. The NDA has managed to capacitate a total of 33 797 members of staff from 23 549 CSOs enrolled in the programme in all nine provinces of the country, with 70% of the CSOs registering as non-profit organisations as a result.

## PARTNERING WITH THE SABC TO SHOWCASE SUCCESS IN AGRICULTURE

One of the NDA's key focal areas is grant funding of community programmes – it processed 136 proposals during the 2018/19 financial year and funded 124. A highlight was the SABC 2 'Living Land' 13-part series partnership with the NDA, which focused on agricultural cooperatives. Each episode of the series, which was shown on SABC 2 from June to September, looked at seven case studies of poverty eradication programmes funded over the years. Emphasising the value of partnerships with other stakeholders, the series shared some of the challenges faced by the projects' beneficiaries, who went on to overcome various problems and succeeded.

A good example is the Tshilimangana Agricultural Cooperative, which was established in Limpopo in 2010. The ten members (three males and seven females, two of them disabled) breed pigs and produce tomatoes, butternut, spinach and maize cash crops. They face challenges like crop diseases, high temperatures and exorbitant electricity costs, but went on to be named the 2015/16 Best Small Scale Farmer in Rural Cooperative category Award from Department of Economic Development and Tourism in Limpopo. They further received a certificate for Outstanding Achiever in Productivity from Productivity SA in 2018.

**NDA National Office**  
26 Wellington Road, Parktown,  
Johannesburg  
info@nda.org.za  
011 018 5500  
www.nda.org.za

### EMPOWERING COOPERATIVES

The following cooperatives are some of those that were featured in the SABC 2 'Living Land' series. The NDA has unlocked their potential to attract other funders for sustainability and job creation.

NDA FUNDING
ESTABLISHED
COMMODITY
MARKETS
AGRO-PROCESSING
NO. OF BENEFICIARIES
★ AWARDS
📞 CONTACT



#### Umzamo Wethu Youth Agricultural Cooperative

**R932 646**

2013

Hydroponically produced vegetables including green peppers, green beans, cucumbers, tomatoes, spinach and onions

Spar, uThungulu Fresh Produce Market, Shoprite and community

Jam production

14 permanent staff (70 indirect beneficiaries)

★ 2018 Best Youth Cooperative in KwaZulu-Natal

📞 **Nothile Dhlodhlo**  
Phone: 073 081 1590  
Address: A224 Ngwelezane Road, Ngwelezane Township, Empangeni, 1708 (King Cetshwayo District Municipality)



#### Appelkloof Trust

**R1.2 million**

2011

1 – 3 graded apples (Granny Smith, Golden Delicious, Royal Gala, Pink Lady, Fuji and Topred)

United Kingdom, Taiwan and South Africa

Cape Fruit Juices

24 permanent staff, 60 seasonal workers (250 indirect beneficiaries)

📞 **Cathy Cornelius**  
Phone: 044 763 1005/060 503 2956  
Email: mistico@langkloof.net  
Address: R62 Highway, Haarlem, 6460 (Garden Route District Municipality)



#### Mantsopa Mothers Trust Cooperative

**R757 000**

2002

Tomatoes, green peppers, pumpkin, beetroot, beans, cabbage, onions and spinach

National Café, Spar and Cambridge Food

5 permanent staff (25 indirect beneficiaries)

★ 2014 Department of Agriculture Small Scale Farmer (runner-up)

📞 **Lydia Ntshangane**  
Phone: 083 753 1648  
Address: 1363 Los My Cherrie, Ladybrand, 9745 (Mantsopa Local Municipality)



#### Moya we Khaya Peace Garden Cooperative

**R251 200**

2013

Various hydroponic and open-air vegetables and herbs including green peppers, green beans, various lettuces, cucumbers, tomatoes, carrots, spinach, spring onions, oyster mushrooms, basil, mint and rosemary

Abalimi Be Zekhaya (Harvest of Hope), ILitha Labantu (Community Nutrition Development Centres), Mount Nelson Hotel

12 plot owners (60 indirect beneficiaries)

★ 2015 Department of Agriculture National Female Micro-farming Entrepreneur Award

📞 **Christina Kaba**  
Phone: 072 173 5781  
Address: Erf 400, Qondani Street, Khayelitsha (City of Cape Town Municipality)



#### Tshilimangana Agricultural Cooperative

**R480 000**

2010

Tomatoes, butternut, spinach, maize cash crops and piggery farming

Tiger Brands, Pick n Pay, Spar, local hawkers at Mozambique border

All Gold Tomato Sauce (Tiger Brands)

10 permanent staff, 32 seasonal workers (50 indirect beneficiaries)

★ 2015/16 Best Small Scale Farmer in Rural Cooperative category Award from Department of Economic Development and Tourism (Limpopo)  
2018 Outstanding Achiever in Productivity Certificate from Productivity SA

📞 **Prince Khwerana**  
Phone: 072 123 1906  
Email: tshilima.agric@yahoo.com  
Address: Site 10076, Zwigodini Village, 0995 (Vhembe District Municipality)



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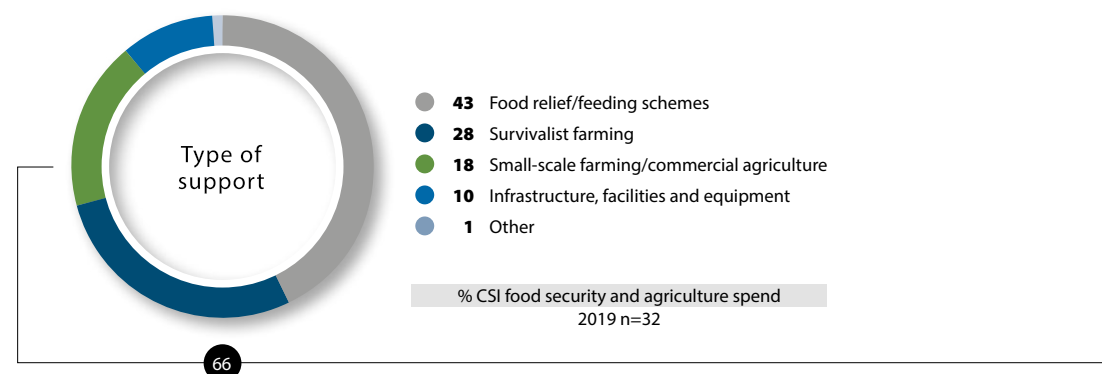
# Food security and agriculture

## National context

- The 2019 budget for agriculture and rural development was R30.7 billion, constituting less than 2% of the total national budget.
- The comprehensive agricultural support programme grant of R5 billion over the medium term (2019–2021) aims to create 450 black commercial farmers during this period, by providing more affordable credit through a blended finance mechanism developed by the Department of Agriculture, Forestry and Fisheries (DAFF) and the Land Bank, to leverage government and private funds.
- Through Operation Phakisa, DAFF has also allocated R5 billion to provide 435 000 subsistence farmers over the medium term with support which includes access to markets, repairing infrastructure damaged by floods, drought relief and revitalising provincial agricultural colleges.
- According to Stats SA's report, titled *Towards measuring the extent of food security in South Africa: an examination of hunger and food inadequacy*, released in 2019, 6.8 million South Africans experienced hunger in 2017. While this number dropped from 13.5 million in 2002, 1.7 million households are still affected, more than half a million of which had children aged five years or younger.
- The same report found that, out of the 16.2 million households in the country, 1.7 million (10%) were vulnerable to hunger in 2017; 63% of which were in urban areas. Despite Limpopo being one of the poorest provinces, it had the least number of households vulnerable to hunger due, in large part, to the popularity of subsistence farming in the region.
- According to The Economist's *Global Food Security Index 2018*, a measurement tool that reports on the affordability, availability and quality of food accessible to the population, South Africa ranked 45th out of 113 countries surveyed (down one place since 2017). The scorecard focuses on criteria such as the presence of food safety net programmes, nutritional standards, food loss, agricultural import tariffs, volatility of agricultural production, food consumption as a share of household expenditure and access to farmer financing.

## Overview of CSI spend

Food security and agriculture was supported by 41% of companies and received an average of 9% of CSI expenditure.



- Among companies supporting food security and agriculture, close to half of all CSI expenditure went to food relief and feeding schemes (43%).
- Cumulatively, an additional 46% of spend went to survivalist or small-scale farming and commercial agriculture.

## From survivalist to subsistence farming

With an estimated 14 million people at risk of hunger in South Africa according to Stats SA, farming is an important skill to hone and make more widely accessible. Abalimi Bezekhaya is a non-profit organisation (NPO) that works in townships in Cape Town to facilitate and support communities with home food gardens to supplement diets and participate in organic community markets for income generation.

Most farming land is leased by the community from local schools and ranges from 500m<sup>2</sup> to 2 500m<sup>2</sup>. These gardens are predominantly farmed by the older generation. In the early days, farmers struggled to market their produce.

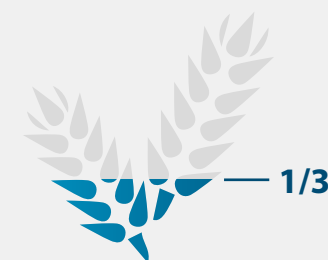
Harvest of Hope, a marketing programme, was developed in 2008 to buy vegetables from 40 community gardens. Customers subscribe to Harvest of Hope to receive a box of fresh organic seasonal vegetables weekly. While the business covered running costs, it did not make a profit and was also hit hard by the recent drought in the region.

Through its programme, Abalimi Bezekhaya has identified key areas of support to help transition survivalist farmers into subsistence and livelihood farmers:

- An increase in government-allocated land for small-scale farming.
- The Department of Basic Education could purchase produce directly from community-run food gardens for school feeding schemes.
- In addition to providing funding to cooperatives and NPOs that work in the food security and agricultural sectors, government departments and companies could also subsidise farming equipment and infrastructure such as boreholes, irrigation and containers, and resources such as organic compost, seedlings and manure that are often the most significant expenses for small-scale farmers.
- The private sector could sponsor more bursaries for agricultural studies, to ensure that the sector is strengthened with a combination of practical, technical and business skills.

## Food waste versus need

In South Africa,  
**10 million tonnes**  
or a third of all food produced  
go to waste every year.



Source: *Food Loss and Waste: Facts and Futures, Taking steps towards a more sustainable future* (2017) WWF Report



**14m**  
people were at risk  
of going hungry in  
South Africa in 2014

Source: Stats SA General Household Survey 2014





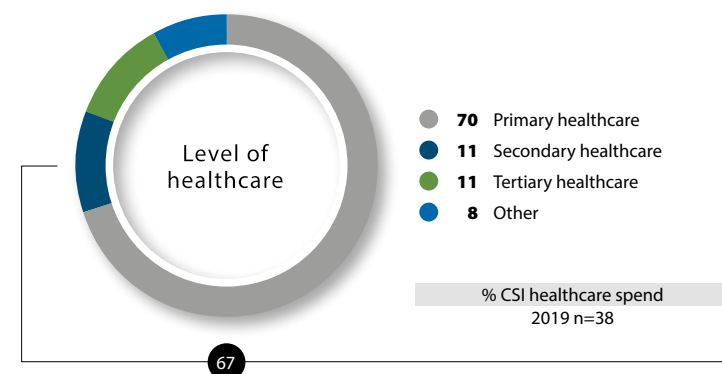
# Health

## National context

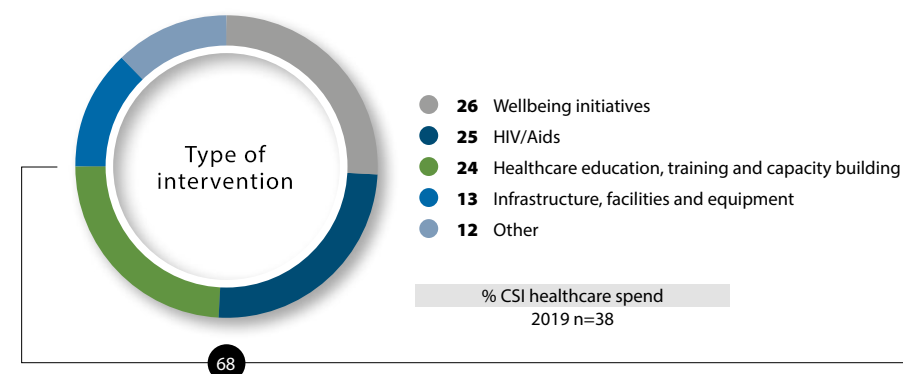
- The national health budget increased by 8%, from R205 billion in 2018 to R222 billion in 2019. This constitutes 11% of the total national budget. More than R98 billion was allocated to district health services and nearly R80 billion went to central and provincial hospital services.
- Spending on the National Health Insurance programme is set to increase from R1.2 billion in 2018/19 to R3 billion in 2021/22, with allocations continually reviewed in relation to policy and legislative developments, and expenditure trends. This spending was financed through limiting increases to the medical tax credit, which allows people to claim back taxes on their medical expenses.
- Findings from the *Global Burden of Disease Study 2017* showed that, contrary to global trends, tuberculosis remains the number one non-natural cause of death in South Africa (it is ranked 11th globally), followed by diabetes and heart disease.
- According to the South African Depression and Anxiety Group, 16% of the adult population has a mental health disorder.

## Overview of CSI spend

Health was supported by 51% of companies but only received an average of 7% of CSI expenditure.

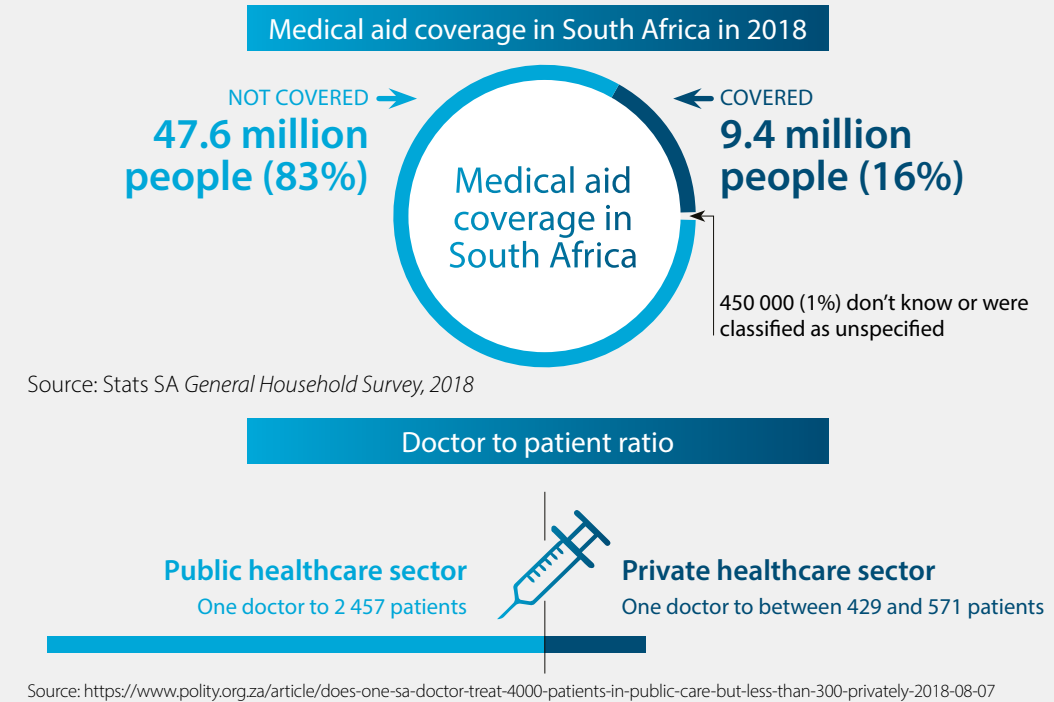


- The majority of CSI spend on health went to primary healthcare (70%), far exceeding funding for either secondary (11%) or tertiary (11%) healthcare.



- CSI expenditure on healthcare was relatively evenly allocated across several types of interventions, with about a quarter each going to wellbeing (26%), HIV/Aids and related initiatives (25%) and healthcare education, training and capacity building (24%).
- Most companies that support healthcare initiatives (92%) did not contribute to the Public Health Enhancement Fund (PHEF). Only one of the two companies that supported PHEF claimed to be satisfied with the performance of the Fund.

## Public versus private healthcare



**Invest early in the building blocks to create our skilled workforce for the future.**

**Give more children the advantage of a toy library where learning through play is nurtured.**

Cotlands purpose as an early childhood development organisation is to create an equitable cohesive society for a more sustainable future. We set up toy libraries and playgroups that offer quality play-based learning experiences that lay the foundation for all future development.

3.3 million children in South Africa live in poverty and do not have access to early learning opportunities. Our mission is to increase access and close this gap through toy libraries.



Visit [www.cotlands.org](http://www.cotlands.org) for more info

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## VIEWPOINT

# Mainstreaming disability

**Safoora Sadek**, owner and director of Ukuba Management, a consultancy that offers disability mainstreaming services, explains the difference between disability mainstreaming and disability programming, and shares how companies can create more inclusive spaces and opportunities for persons with disabilities.



To what extent are the public and private sectors mandated to employ and facilitate access to economic opportunities for persons with disabilities, and how are both sectors currently faring in this regard?

In terms of employment, the public and private sectors tend to stick to the 2% mandated target for the employment of persons with disabilities. This quota is calculated against the total number of employees in a department or company. As with all quotas, although this is a move in the right direction, it should not be the end goal. Government also has internal policies and legislation to create opportunities for persons with disabilities to be active in the mainstream economy. For example, the Preferential Procurement Act requires that 5% of government's annual procurement budget is awarded to businesses owned by persons with disabilities. Additionally, all government departments are required to include persons with disabilities as programme and project beneficiaries.

What does it mean to mainstream disability, both in the workplace as well as in corporate developmental programming, and how is this different from disability programming?

The social model to addressing disability requires us to assess whether the broader environment enables or prevents the participation of persons with disabilities. The model also requires us to focus on the abilities rather than the disabilities of the people that we are working with. This means that we must create environments that enable persons with disabilities to function at optimal levels. To mainstream disability is to incorporate the realities and needs of persons with disabilities at the conceptual stage of any project or initiative. Persons with disabilities

should be included as part of project target groups, rather than developing separate programmes. Mainstreaming at a conceptual level entails, for example, making provision for ramps for wheelchair users, investing in voice technology or supplying better lighting to enable sign language interpretation. An added benefit of a mainstreaming approach is that it is more cost-effective than creating separate programmes for persons with disabilities. Supporting businesses and initiatives that focus on universal and inclusive design, in the manufacturing, infrastructure and technology sectors, for example, is another way of supporting disability mainstreaming.

To what extent is disability mainstreamed in corporate social investment (CSI) programmes and what are some of your recommendations for CSI practitioners?

The most effective way to mainstream disability is to introduce inclusive thinking at the programme design stage. All CSI programmes should be designed to include persons with disabilities as beneficiaries alongside persons without disabilities. For example, programming to improve girls' access to education should, from the conceptual stage of the programme, provide for girls with disabilities. For MTN Foundation's ICT connectivity in schools' CSI programme, Ukuba Management recommended that the computer labs that the Foundation was setting up be designed for persons with various types of disabilities. The computers would need voice technology and braille keyboards and the labs would need wheelchair-accessible doors, ramps and adjustable desks. In that way everyone would be able to access the labs, rather than having separate specialised rooms for persons with disabilities.

Companies must also ensure that the non-profit organisations and implementing partners that they fund include persons with disabilities as beneficiaries. While not ideal, companies that have not mainstreamed disability from the onset of their CSI programming can do so concurrently to implementation, making adaptations as they go, rather than starting separate programming for persons with disabilities.

What are some of the practical and immediate ways that companies can ensure that their places of work, products and services are accessible to persons with disabilities?

Companies can provide reasonable accommodation for employees with disabilities by adapting the physical work environment: desks, light and sound, personal assistants, adequate pay and healthcare benefits. Companies can also sensitise and run awareness training for all employees, to help create an inclusive work environment. Longer term, to ensure that inclusive thinking becomes the norm, companies should invest in developing frameworks and toolkits to support disability mainstreaming. Importantly, these documents should be enlivened with follow-through and should be driven at a strategic level. FirstRand Foundation, for example, adopted disability mainstreaming as a cross-cutting CSI priority in 2009. The toolkits that they have developed are shared with implementing partners as well.

**SAFOORA SADEK**

Owner and director, Ukuba Management  
safoora@ukuba.co.za

# At P&G, we aspire to a world where everyone sees equal.



#WeSeeEqual

We aspire to build a better world for all of us—inside and outside P&G; a world free from bias and with equal voice and equal representation for all individuals. This is why we invest in removing gender-based barriers to education for girls, through our Always Keeping Girls in School programme; and in partnership with WeConnect, giving more women entrepreneurs opportunities and skills.

## OUR 3 YEAR COMMITMENTS IN INDIA, MIDDLE EAST AND AFRICA:

Educate more than **23 million** adolescent girls on puberty and hygiene.



Spend **\$100-million** on working with **women-owned businesses**.

**WEConnect**  
INTERNATIONAL



*always*  
keeping girls in school





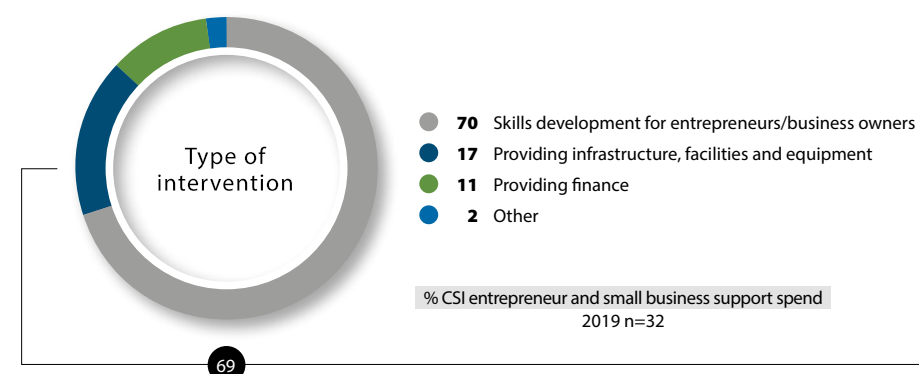
## Entrepreneur and small business support

### National context

- The Department of Small Business Development (DSBD) has a total medium-term (2018/19–2021/22) budget of R8.1 billion, R5.9 billion (73%) of which is allocated to operations of the Small Enterprise Development Agency (SEDA) and for the administering of the small business and innovation fund by the Small Enterprise Finance Agency. DSBD's budget is expected to increase at an average annual rate of 24%, from R1.5 billion in 2018/19, to R2.9 billion in 2021/22.
- The treasury in 2019 allocated R23.2 billion for job creation and labour affairs and R481.6 million towards SEDA to expand its small business incubation programme.
- A 2018 study by the Small Business Institute found that there are about 250 000 SMMEs in South Africa, accounting for 98.5% of formal firms in the economy, but for just 28% of formal jobs in the economy.

### Overview of CSI spend

Entrepreneur and small business support was supported by 41% of companies and received an average of 6% of CSI expenditure.



- Skills development remained the most popular mechanism for entrepreneur and small business support, increasing considerably, from an average of 57% of business support spend in 2018 to 70% in 2019.
- Dialogue survey respondents were asked about the percentage of entrepreneurs and small businesses that they supported through CSI, which also form part of the company value chain, for example as suppliers or distributors. Most companies (61%) answered that 75% to 100% of the entrepreneurs and small businesses that they supported were part of their value chain, with an average of 79% (n=18).

### Number of jobs in the non-agricultural formal and informal economies



### INTRODUCING A NEW APPROACH TO SOCIAL DEVELOPMENT: BARLOWORLD MBEWU

Barloworld Mbewu is the new approach to CSI and enterprise development. Launched by Barloworld in June this year, this programme seeks to scale up and grow social enterprises for greater impact across South Africa.

Through the programme, Barloworld Mbewu will provide tailored support for start-up social enterprises, established social businesses, organisations and institutions that actively solve social challenges using good business practices.

Each year, social enterprises will be selected for intensive development, over the course of the project. The programme is only open to South African social entrepreneurs who have a blended for profit AND for social value motive that benefits communities.

This approach focuses on our highly strategic investment to build self-sustaining communities and businesses, with measurable impact in the areas where it is most needed.

Our partnership with social enterprises is aimed at scaling up social value chain creation in the communities we operate in.

### BARLOWORLD MBEWU'S ACTIVITIES EXTEND BEYOND SIMPLE 'HAND OUTS'. OUR 'HAND-UP' APPROACH INCLUDES:



INCUBATION AND CAPACITY BUILDING THROUGH THE BARLOWORLD MBEWU PROGRAMME



SEED FUNDING FOR BUSINESS DEVELOPMENT



ACCESS TO FINANCE THROUGH STRATEGIC PARTNERS



ACCESS TO R&D INNOVATION



BRINGING THE ENTERPRISES INTO THE BARLOWORLD PARTNER ECOSYSTEM TO BUILD THE CONNECTIONS THEY NEED FOR FUTURE SUCCESS

With the first cohort of beneficiaries already selected following a grueling nationwide roadshow and application adjudication process, Barloworld Mbewu will begin the incubation of the first social enterprises in January 2020.

### FOCUS SECTORS



AGRI CULTURE / AGRO PROCESSING



AUTOMOTIVE VALUE CHAIN



GREEN ECONOMY / TECHNOLOGIES



EDUCATION



SOCIAL INNOVATION / CREATIVE INDUSTRY



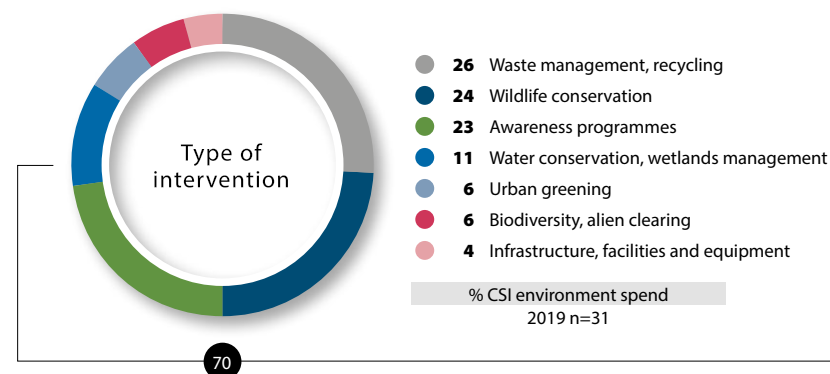
## Environment

### National context

- The amount allocated to the Department of Environmental Affairs (DEA) is expected to increase from R6.6 billion in 2018/19, to R8.2 billion by 2021/22.
- The carbon tax bill, aimed at businesses that emit high levels of carbon, was passed in June 2019. The bill aims to enable South Africa to meet the internationally determined commitments of the 2015 Paris Agreement on climate change (which comes into effect in 2020) and to reduce greenhouse gas emissions in line with the National Climate Change Response Policy. The proposed tax is R120 per tonne of carbon dioxide equivalent and the DEA and the South African Revenue Service will monitor the tax payments. Government anticipates that the tax will reduce business's carbon emissions by 33% by 2035.
- According to Plastics South Africa's 2018 recycling survey, the country recycled 352 000 tons (46%) of used plastic into raw material. In comparison, Europe's recycling rate was at 31%. Plastics recycling sustained nearly 8 000 jobs.

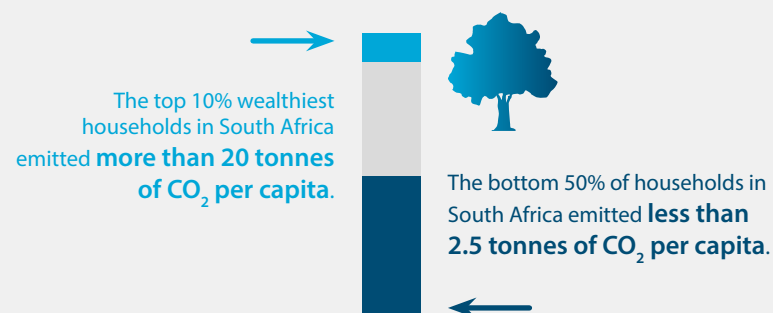
### Overview of CSI spend

The environmental sector was supported by 38% of companies and received 5% of CSI expenditure.



- Cumulatively, three-quarters of all CSI expenditure on the environment went to waste management and recycling (26%), wildlife conservation (24%) and awareness programmes (23%).
- Despite the ongoing drought in parts of the country, only 11% of environmental spending focused on water conservation and wetlands management, down from a peak of 24% in 2018.

### Carbon emissions driven by wealth



Source: Oxfam media briefing, 2 December 2015: Extreme carbon inequality – *Why the Paris climate deal must put the poorest, lowest emitting and most vulnerable people first*

# FIVE KEY LESSONS FOR POWERFUL PARTNERSHIPS

For over half a century, WWF-South Africa has worked to inspire all South Africans to live in harmony with nature, for the benefit of our country and the wellbeing of all our people. This would be well-nigh impossible without the help of a diverse range of stakeholders – from spheres of government, academic and research institutions and non-governmental organisation (NGO) collaboration, to corporate partnerships and passionate individual supporters.

Building a strong foundation for working together has been crucial in meeting our objectives, but it is not always easy to align different interests, organisational structures and business models. Over the years we've identified a few key principles for successful partnerships – and would like to share these learnings.

## 1

### Establish purpose

At the outset it's important to find agreement in terms of the overall purpose of the partnership – sounds simple and obvious, but hidden or conflicting objectives have derailed more than one partnership. Make sure you can articulate this purpose on paper and that all parties 'sign up' for it. A critical component is a values-match between all involved. NGOs, in particular, often struggle for financial viability and accept funding from many sources, but there is a danger of compromising one's integrity if the nature of the business or the culture of others involved differ too much from your own organisation's purpose and values set.

## 2

### Co-create

Co-creation of the partnership is imperative to ensure that the interests and views of all parties involved are represented and incorporated, so that they will be fully invested in a successful outcome. This doesn't just mean an engagement process to tick boxes, but rather a genuine attempt to make sure every party has participated in framing the priorities and objectives of the collaboration.

## 3

### Bed it down

Embedding partnerships beyond one relationship lead or manager is one of the most difficult but essential elements of real collaboration. One person's passion or enthusiasm may help develop a partnership, but you can't rely on this to carry it through over the longer term. You need multiple touchpoints in each partner organisation, to develop cross-functional teams that help with internal and partnership alignment and for putting good governance processes in place to oversee progress and ensure accountability.

## 4

### Aim high

Another important element is a joint recognition of a need to go beyond the partnership to bring about wider systematic change. We know a link to the core business or focus of the partners is critical, but we also want to pursue a broader agenda around economic, social and environmental development in our country. A spirit of learning and driving innovation is also a key ingredient – either in the type of partnership or the solutions being pursued, or ideally even in both!

## 5

### Keep focused

Finally, all the partners involved, but *especially* the coordinating partner, need to be prepared to demonstrate a mix of resilience, perseverance and ambition. Sometimes these partnerships take a significant period of time to gain momentum and show results. It's important to keep focused on the ultimate purpose and objectives.

### A world-class partnership

A partnership that I've been privileged to be on both sides of is between WWF-SA and Nedbank. It started almost 30 years ago around the Nedbank Green Trust (still going strong) and has developed into a transformational collaboration that has been recognised as a leader across the WWF global network.

For the past eight years the objective has been to support sustainable farming across South Africa. The next five-year phase of this work has now been scaled up with a R25 million investment to secure water source areas, strengthen sustainable local economies and improve rural livelihoods, with a strong focus on the Eastern Cape.

By taking collective action to safeguard one of South Africa's key water security and biodiversity hotspot regions, WWF-SA and Nedbank are ensuring that the ecological integrity of these vital catchments are maintained and restored. This will ensure that they continue to provide water, food, livelihoods, generate jobs and develop local SMMEs.

This 'Landscapes for Livelihoods' concept was born in the Eastern Cape's innovative and highly successful Umzimvubu Catchment Partnership Programme (UCPP), co-founded and led by local Matatiele-based Environmental Rural Solutions (ERS) and Conservation South Africa (CSA). The unique collaboration of more than 40 partners promotes a model that can be made applicable across many key catchments and is an amazing example of what partnerships can achieve.

**Justin Smith**  
Head of Business Development  
WWF-SA







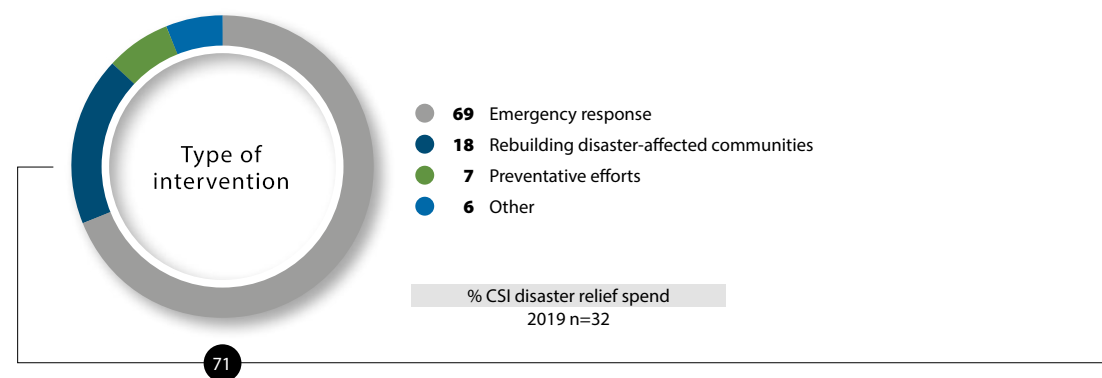
## Disaster relief

### National context

- The National Disaster Management Centre (NDMC) within the Department of Cooperative Governance is responsible for the disbursement of funds for emergency repairs to infrastructure for basic services, the provision of temporary infrastructure, humanitarian relief, and other immediate essential services after a classified state of disaster. Following a R1.2 billion allocation for drought relief in 2018/19, spending on the NDMC will decrease at an average annual rate of 31% – from R2 billion in 2018/19, to R636 million in 2021/22.
- While the Western Cape recorded above 80% dam levels thanks to heavy winter rains, managing to end the most severe drought that the region had experienced in a century, the Northern Cape and Eastern Cape remain drought-stricken.
- Cyclone Idai devastated the southern African regions of Mozambique, Zimbabwe and Malawi in March 2019, killing at least a thousand people and causing damages estimated at US\$2 billion.

### Overview of CSI spend

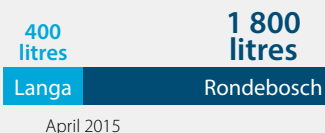
Disaster relief was supported by 41% of companies, significantly up from 28% in 2018, and received 2% of CSI expenditure.



- The largest portion of CSI expenditure on disaster relief went to emergency responses (69%), followed by spend on the rebuilding of disaster-affected communities (18%).

### A comparison of water usage and curbing

While water usage has dropped dramatically across the Western Cape since the recent drought, in April 2015 households in the high-income area of Rondebosch used around 1 800 litres of water daily, compared to just 400 in the low-income area of Langa.



However, of the 250 000 water management devices installed by the City of Cape Town to curb household water use, **most of them (64%)** were installed in low-income communities.

Source: <https://www.groundup.org.za/article/water-curbs-tale-rich-and-poor/>



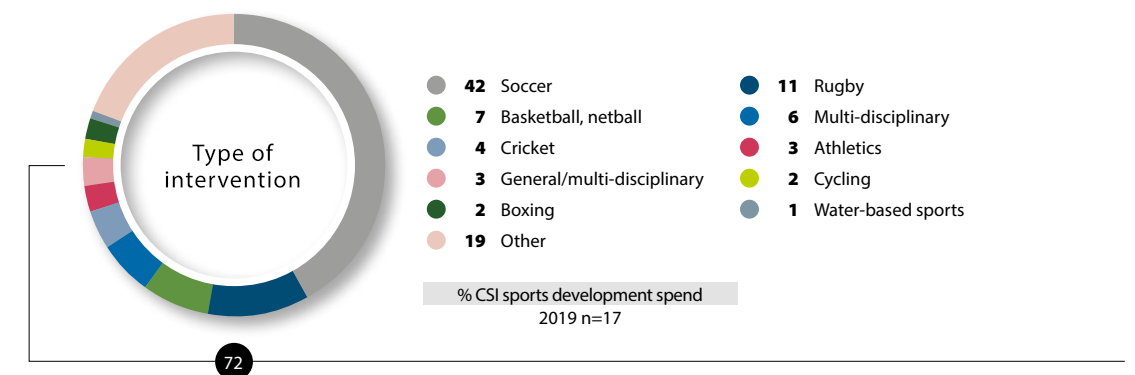
## Sports development

### National context

- The national budget for sport and recreation in 2019 remained unchanged from the R1.1 billion allocation of the previous year.
- The Department of Sport and Recreation, through its Sport Infrastructure Support programme, intends to provide 10 community gyms and children's play parks across South Africa, during each year in the medium term period (2018/19–2021/22) and with a R12 million budget, to ensure that community members and athletes in disadvantaged areas have access to opportunities for exercise. Through the department's partnership with the Sports Trust and a budget of R76 million over the medium term, 30 multipurpose sports courts will also be delivered.
- The *EPG Sport Transformation Status Report Overview 2017/18 Charter Scorecards* measured the rate of transformation in 19 sports federations that were signed up with the Department of Sport and Recreation in 2017/18. The report found that only nine out of 19 federations had achieved 50% of the required transformation target.

### Overview of CSI spend

Sports development was supported by 23% of companies and received 2% of CSI expenditure.



- Soccer continued to receive the most support, up slightly from 40% in 2018, to 42% in 2019.

### Levelling the playing field

The large majority of learners at public schools are deprived of meaningful participation in structured sports programmes.

There are approximately 15 000 public primary schools and 10 000 public high schools in South Africa.



Only **12%** of the total 25 000 public schools participate in structured sports programmes.

Source: *EPG Sport Transformation Report Annexure 2017/18, Volume 3*



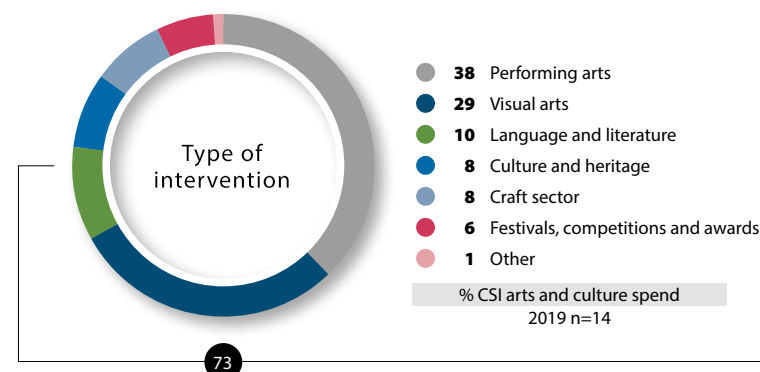
## Arts and culture

### National context

- The R4.6 billion budget allocated to the Department of Arts and Culture in 2019 is expected to increase to R5.1 billion by 2021/22.
- According to Stats SA's 2018 *General Household Survey*, isiZulu is South Africa's most common home language (25%), followed by isiXhosa (15%) and Afrikaans (12%). English is only the sixth most common home language, at 8%.
- According to the South African Book Development Council, 58% of homes in the country do not own a single book.

### Overview of CSI spend

Arts and culture was supported by 18% of companies and received an average of 1% of CSI expenditure.



- Performing arts continued to receive the most support, at 39% in 2018 and 38% in 2019.

### State subsidies must improve accessibility to art

In 2019, the five publicly-subsidised theatres, located in Cape Town, Mangaung, Durban, Pretoria and Johannesburg, received a total of nearly R350 million for operational and capital expenditure from the national budget, as well as additional funding from the relevant provincial and city budgets.



Source: Mike van Graan (2019) *Making arts and theatre accessible to the masses, not just the elites*.  
<https://www.dailymaverick.co.za/opinionista/2019-05-23-making-arts-and-theatre-accessible-to-the-masses-not-just-the-elites/>

**As a heritage, tourism and educational human rights precinct, Constitution Hill expresses the values of South Africa's Constitution. This iconic site pays homage to the liberation struggle and its heroes, as a landmark where people connect and history is not only remembered, but made. It is a place where a painful past inspires and informs current debates and motivates action for a more just future.**

Constitution Hill is also a place of democratic engagement, where human rights and social justice concerns find a natural home at the Constitutional Court, and where discussion and debate are facilitated outside of the courtroom.

Constitution Hill strives to be a:

- Global beacon for human rights, democracy and reconciliation, driven by public participation
- Vantage point which gives us an understanding of our society in transition
- Lekgotla for meeting to talk to one another and celebrate our diversity
- Gateway from which to explore Johannesburg and its diverse tourist attractions
- Sustainable mixed-use development
- World-class tourism destination

In addition to a strong social and cultural mission, Constitution Hill also supports the creative industry and contributes to economic growth. The site plays host to three annual events – the Human Rights Festival, the Basha Uhuru Freedom Festival and AFROPUNK – which inspire audiences, ignite connections and create market opportunities for small businesses. Constitution Hill also provides office and studio space to creatives.

The site also serves as a catalyst for the regeneration of the Johannesburg inner city by fulfilling commercial development potential as an equitable and integrated urban campus that unlocks employment, income opportunities, investment and growth, and strengthens education in the area.

For more information about Constitution Hill, please call +27 11 381 3100, or visit <https://www.constitutionhill.org.za>

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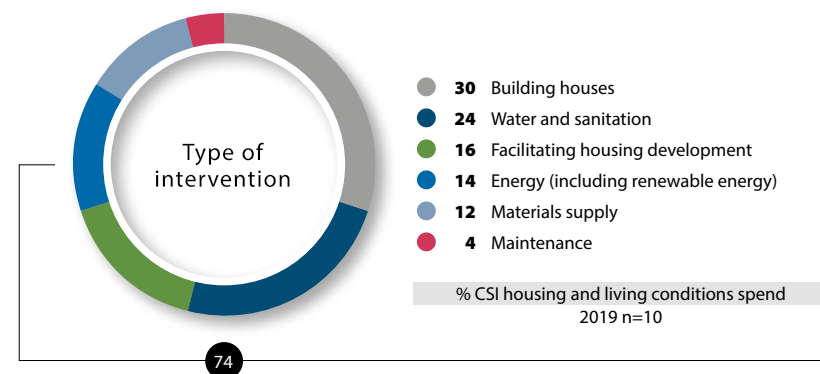
## Housing and living conditions

### National context

- The national budget allocated for Community Development, which includes human settlements, water and electrification programmes and public transport, increased by 6%, from R196 billion in 2018/19, to R208 billion in 2019/20.
- According to Stats SA's 2018 *General Household Survey*, 81% of South African households were formal dwellings in 2018, followed by 13% informal dwellings and 5% traditional dwellings.
- The same report found that the percentage of South African households that were connected to the main electricity supply increased from nearly 77% in 2002 to almost 85% in 2018.

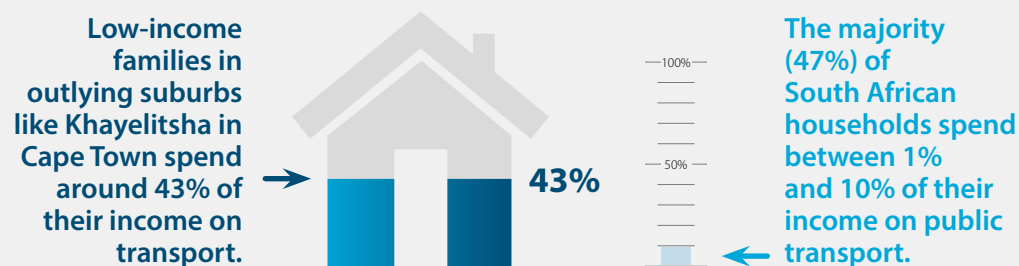
### Overview of CSI spend

Fourteen percent of companies supported initiatives focused on housing and living conditions, and this area received an average of 1% of CSI expenditure.



- Among the ten companies that reported CSI expenditure on housing and living conditions, almost a third (30%) of funding went to building houses. In addition, a quarter (24%) of funding went to water and sanitation.

### The high cost of transport for low-income families



Source: Brett Herron, Cape Town Mayoral Committee member for Transport and Urban Development, at the Planning Africa 2018 Conference, Cape Town

Stats SA General Household Survey 2018

# AVIS DRIVES SOCIETY IN A POSITIVE DIRECTION

Avis's corporate social investment (CSI) programmes reflect the company's brand purpose, where life-changing movement is the driving force behind giving South Africans the best quality of life.



Avis's approach to CSI programmes clearly demonstrates its business ethos of 'People are more important than cars'.

Programmes are aligned with its business values, policies and codes, demonstrating the organisation's corporate social responsibility and its commitment to the local communities and the countries in which it does business.

We prefer to focus on supporting fewer, larger projects rather than scattering funds and efforts on a lot of smaller initiatives," says Human Resources Executive, Doreen Lupton.

"This also means the business can focus more attention on our initiatives. This commitment is underpinned by the group's value-based management approach, which ensures that it searches for solutions that add sustainable value for its key stakeholders over time."

Avis's CSI programmes focus on:

**EDUCATION:** Programmes focusing on access to quality education with emphasis on improving science, technology, engineering and mathematics (STEM) education at high school level

**SOCIAL INNOVATION:** Youth development and empowerment programmes providing access to tertiary education, youth skills and leadership development skills, and social entrepreneurship and social innovation programmes that resolve local community challenges, including those of people living with disabilities

**ENVIRONMENT AND CONSERVATION:** Initiatives that ensure conservation and environmental sustainability

**WELFARE/CHARITY/HUMANITARIAN:** Initiatives that address the problems of thousands of South Africans in need, with their health and happiness top of mind



In addition, Avis encourages staff to get involved in CSI projects.

"We encourage our people to participate in community outreach projects and reduce their impact on the environment by recycling, saving water and using electricity sparingly. A large number of our brand ambassadors give their time to charity organisations," says Lupton.

This year, one initiative inspired and grabbed the nation's attention – a five-year-old boy experienced taking his first steps.

Hlulani Mkhabele, from Giyani in Limpopo, walked for the first time in his life. He was born with a birth defect, which caused his leg to stop developing just below the knee. Welfare and charity organisation Jumping Kids approached its long-time partner Avis Southern Africa to assist with the project.

After Hlulani had his medical assessment, a solution was found. Avis Rent a Car sponsored a vehicle to transport the child and his family from Giyani to Pretoria and, following the initial work, Avis also funded the fitment of a prosthetic leg.

"Without access to mobility, child amputees or children born with limb deficiencies are denied access to the best quality of life," said Lupton.

Since 2007 Avis has been on a journey to help preserve one of the world's most precious resources, water. Avis's initiatives save more than 149 million litres of water per annum.

"Avis invested significant amounts into infrastructure that would help us recycle water effectively in our six main depots – Johannesburg, Cape Town, Durban, Port Elizabeth, East London and Nelspruit Downtown. Avis also introduced water recycling and water harvesting systems in our vehicle cleaning processes," says Lupton.

Through its CSI, Avis Budget has successfully woven itself into a socio-economically and environmentally conscious narrative that bodes well for a brighter future for South Africa.

**AVIS**



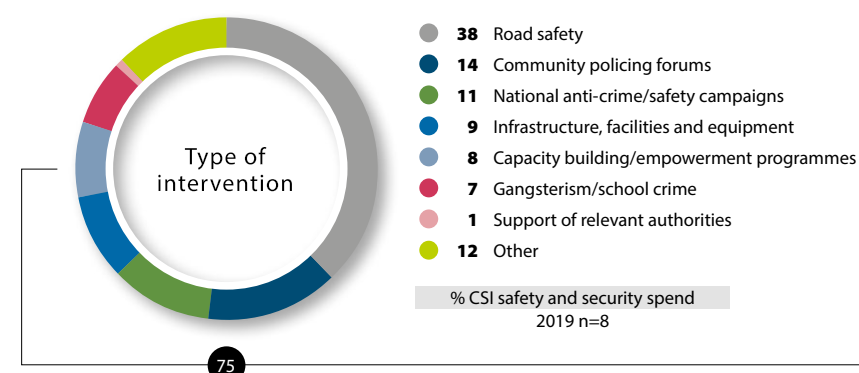
## Safety and security

### National context

- The Peace and Security budget increased by 5%, from R200 billion in 2018/19 to R211 billion in 2019/20. Police services received nearly half (R104 billion) of the total budget.
- There are more than 2.3 million security officers registered in South Africa according to the Private Security Industry Regulatory Authority (PSIRA) 2018/19 annual report, 498 435 of whom are employed by just over 9 000 registered and active security businesses. In comparison, the South African Police Service had 193 297 members according to its 2018/19 annual report.
- According to *A longitudinal perspective on violence in the lives of South African children from Birth to Twenty Plus cohort study in Johannesburg–Soweto*, two-thirds of children of school-going age reported having been exposed to community violence. The figure rises in adolescence and young adulthood.
- A 2018 Stats SA report titled *Crime Against Women in South Africa* found that 3 000 women – or one every three hours – was murdered in South Africa. This is five times higher than the global average, according to the World Health Organisation.

### Overview of CSI spend

Safety and security was only supported by 10% of companies and received less than 1% of CSI expenditure.



- Support for road safety increased from 4% of CSI spend on safety and security in 2018, to 38% in 2019, but based on a very small sample size.

### Private versus public security

There were **498 435** security officers employed in South Africa in 2018/19



The South African Police Service had **193 297** members

Source: Private Security Industry Regulatory Authority 2018/19 annual report  
South African Police Service 2018/19 annual report

# DELIVERING UNMATCHED DEFENCE INNOVATIVE SOLUTIONS

Armcor, the acquisition agency of the South African Department of Defence (DOD) and other organs of state, is renowned for its expertise in providing turnkey solutions to its clients. Armcor aims to deliver on its mandate – On Time, In Time, Every Time – in order to support peace-keeping operations in Africa and deliver defence and defence-related solutions effectively and efficiently.

### VISION

To be the strategic partner of choice for defence and security solutions.

### MISSION

To meet the defence matériel, technology requirements and management of strategic capabilities of the DOD, organs of state and other entities.

### YOUTH EMPOWERMENT, OUR PRIORITY

Armcor aims to respond adequately to the needs of communities to promote skills development, inclusivity and socio-economic development, thus contributing to the National Development Plan (2030). Armcor thus relentlessly implements initiatives to stimulate and encourage growth of engineers and scientists in the country. To this end, campaigns have been conducted countrywide to raise awareness about career opportunities available in the defence industry.



Learners visiting the Armcor stand at the Armed Forces Day in Khayelitsha



Learners at the SABCO Disability Career Expo at Auckland Park

### ARMSCOR'S NATIONAL FOOTPRINT FOR 2019/20 IS:

Gauteng	Winter school (Ekurhuleni); School in a Box (Hammanskraal); Career Awareness
Northwest	STEM Saturday classes (Bodibe); Mobile Laboratory; Career Awareness
Limpopo	Online STEM classes (Letaba); Mobile Laboratory; Career Awareness
Eastern Cape	STEM Saturday classes (Mt Frere, Mt Arthur)
Western Cape	Computer programming (Simonstown); Career Awareness
Northern Cape	Robotics programme (Kimberley); Mobile Laboratory; Career Awareness
Mpumalanga	STEM Saturday classes; Mobile Laboratory
Free State	Career Awareness

Over and above career awareness, Armcor offers bursaries to suitably qualified learners with good results in Maths, Science and English.

Through the Talent Development Programme, the organisation continues to expose graduates to a variety of exciting opportunities available at Armcor and within the defence industry. This programme allows graduates to acquire skills by working on advanced technologies and innovative projects.



Learners at the Armcor office during the Cell C Take a Girl Child to Work Day Campaign

### Corporate Communication Division

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Republic of South Africa  
Tel: +27 (0)12 428 1911  
Email: [info@armcor.co.za](mailto:info@armcor.co.za)  
[www.armcor.co.za](http://www.armcor.co.za)







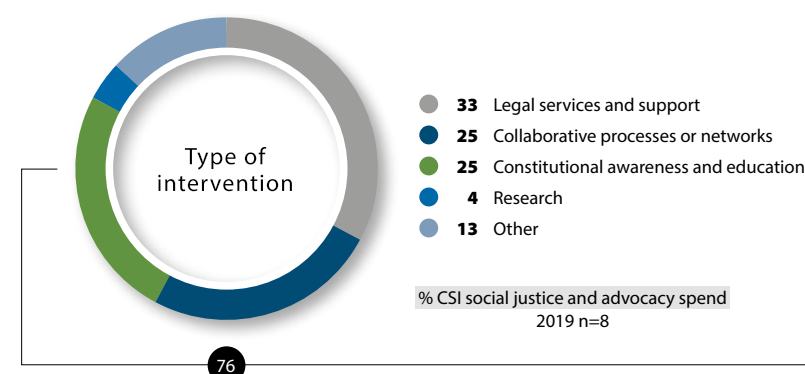
## Social justice and advocacy

### National context

- South Africa has the highest wage inequality among the 64 countries considered in the *Global Wage Report 2018/19*. The report found that the country has a Gini coefficient for wage inequality of 0.63 (zero expresses perfect equality and 1 expresses maximum inequality). The report also found that globally women earn 20% less than men.
- According to the Pietermaritzburg Economic Justice and Dignity Group's latest affordability index, more than half of the South African population (55%) lives below the upper-bound poverty line (R1 227 per month in 2019) and a quarter live below the food poverty line (R561 per month in 2019). The median wage in South Africa is R3 300 and each wage supports 3.5 people, which works out to R930 per person, per month.
- The Commission for Employment Equity's 2018 annual report detailed that top management positions in the private sector were still dominated by white males, at 56%. This figure climbed to 80% in sectors like agriculture. The same report found that women held just 33% of top management positions in the public sector.
- Corruption Watch's latest *Analysis of Corruption Trends Report* revealed that reports of police corruption had overtaken those related to schools, health services and local government.

### Overview of CSI spend

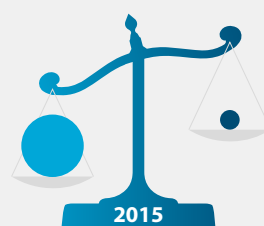
Social justice and advocacy was only supported by 10% of companies and received less than 1% of CSI expenditure, but based on a small sample size.



- A third (33%) of all social justice and advocacy funding went to legal services and support, up considerably from 20% in 2018.

### Income inequality in South Africa

**The richest 10%**  
of the population held  
around 71% of net wealth



**The bottom 60%**  
held 7% of the net wealth

Source: <https://www.worldbank.org/en/country/southafrica/overview>

**The Sizani Foundation** is a South African NPO that has been established to augment the government's effort to meet the Sustainable Development Goals.

### OUR MISSION

Our mission is to aid with the eradication of pit latrines in rural schools by providing safe, modern and environmentally friendly sanitation facilities, thus helping to break the poverty cycle.

### OUR VISION

We envision a holistic educational experience for the African child, one free from the shackles of poverty. South African rural schools suffer from lack of skills, resources and infrastructure and as our starting point we have embarked on a programme to eradicate undignifying and unsafe pit toilets. We provide safe, modern and environmentally friendly sanitation facilities.

Providing basic infrastructure will create a conducive learning environment for the previously disadvantaged child and, ultimately, help break the poverty cycle.

We strongly believe that no learner deserves to spend their days of learning in life-threatening environments.

### OUR IMPLEMENTATION PLAN

We do a thorough needs assessment to help with programme planning, monitoring, evaluation and accountability. Projects are then designed to address these needs, such as water scarcity, in which case we will implement the dry sanitation system.

By partnering with government and corporate companies to form public-private partnerships, we will contribute to the provision of decent sanitation facilities in rural schools.

### OUR OBJECTIVES

- 1 Improve sanitation and promote hygiene
- 2 Increase school attendance rates and improve students' academic performance. The positive impact of improved sanitation is especially observed in relation to girls' education
- 3 Restore dignity, as hygiene behaviour learned at school can lead to life-long positive habits
- 4 Poverty alleviation

### SETBACKS/ CHALLENGES

Due to the fact that we have no funds available we are currently unable to execute any projects. Unfortunately, because of the very fact that we have not completed any projects recently, we are unable to secure any funding.

### GOING FORWARD

We look forward to revamping more schools, especially in rural areas, by assisting them with infrastructure and resources not only regarding sanitation but also for STEM subjects (science, technology, engineering and maths). To succeed in this new information-based and highly technological society, students need to develop their capabilities in STEM.

### CONTACT DETAILS

**Tel:** +2711 789 9512

**Email:** [info@sizani.org](mailto:info@sizani.org) **Web:** <https://sizani.org/#/>

IMAGE ABOVE: Typical proposed toilets



## NPO DIRECTORY

An overview of non-profit income in South Africa; criteria applied to determine good monitoring and evaluation practices and profiles on the winners of the MTN Awards for Social Change 2019; a look at how RLabs is working to reconstruct communities through innovation, technology and education; and listings of non-profit organisations working across various development sectors.

## NPO DIRECTORY

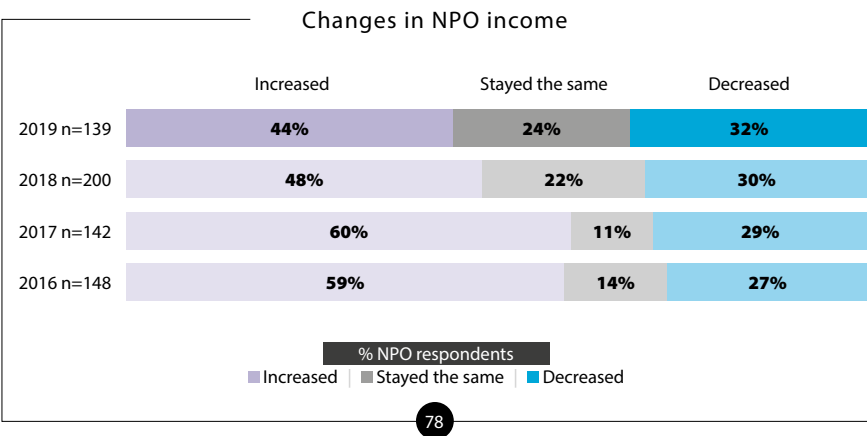
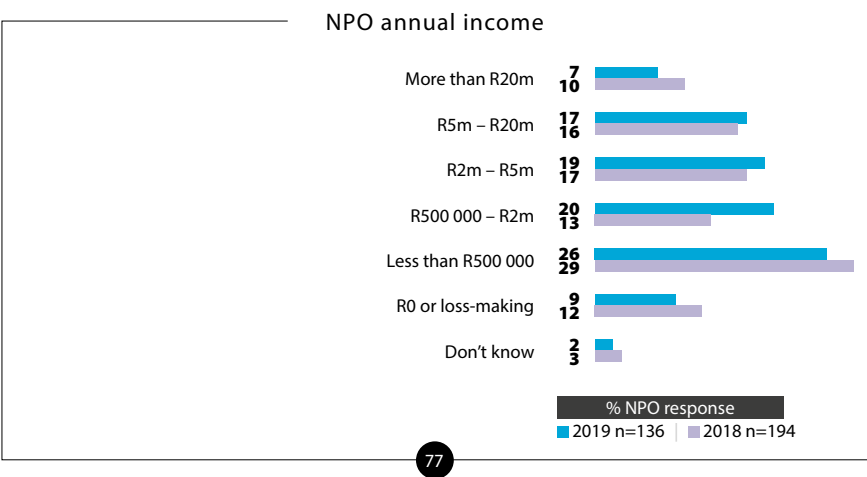
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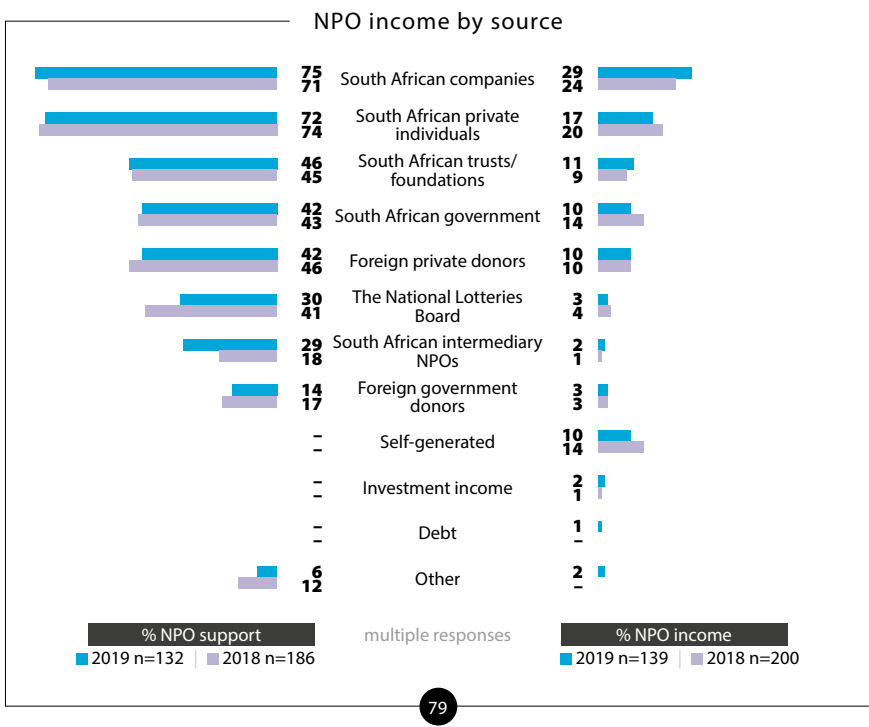
# Overview of NPO income in South Africa

Non-profit organisations (NPOs) provide support to some of the most vulnerable in society and play a crucial role in strengthening democracy and holding government and business to account. According to the most recent Department of Social Development (DSD) report of its kind, titled *The 2015/16 State of South African Registered Non-profit Organisations*, there were 153 677 registered NPOs in South Africa in 2016. By October 2019, according to the DSD website, this number had grown to 220 543, representing 43% growth in the sector in just three years. While financial information for the entire sector is not readily available, in this article Dialogue draws on its primary research, conducted with 139 NPOs during 2019, to provide an overview of NPO income in South Africa.

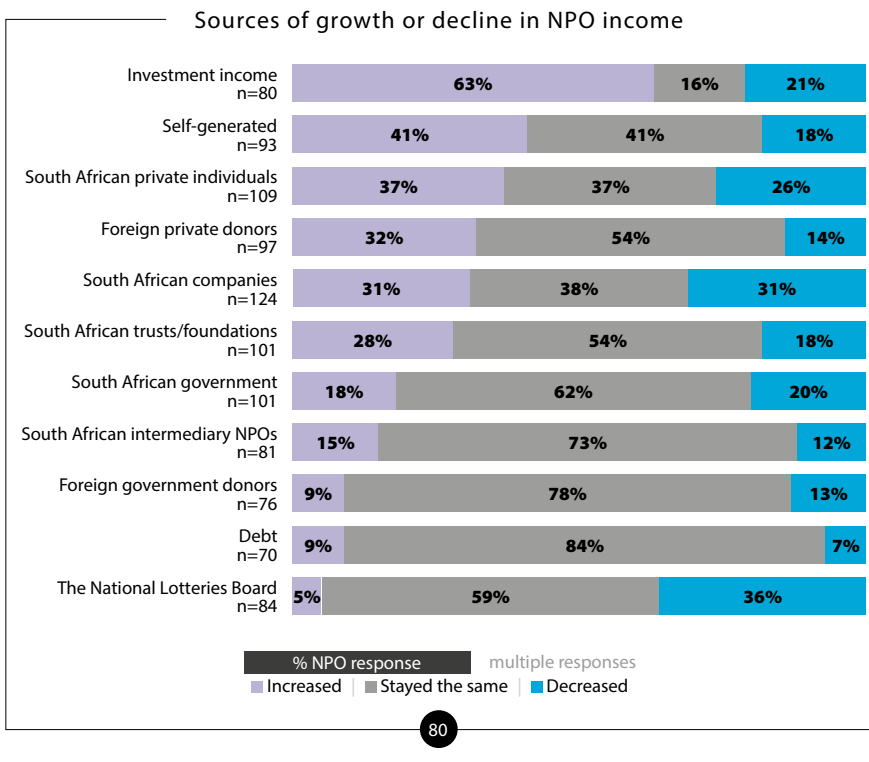
- Most surveyed NPOs (55%) had an income of less than R2 million.
- Less than half of NPOs (44%) reported that their income had increased from the previous year, down from 48% in 2018 and 60% in 2017. The proportion of NPOs reporting a decline in income remained consistent at around a third (32%), while those claiming no change increased to almost a quarter (24%).
- The majority of NPOs (88%) received non-cash donations in 2019 (products, services and/or volunteering time), but only 35% quantified these donations.



- South African companies remained the largest source of NPO income, with 75% of NPOs receiving corporate funds, which accounted for 29% of NPO income (up from 24% in 2018). On average, NPOs were supported by 19 corporate donors each.
- Most NPOs (72%) also received funds from private individuals in South Africa. The average share of NPO income from South African private individuals decreased slightly from 20% in 2018 to 17% in 2019.



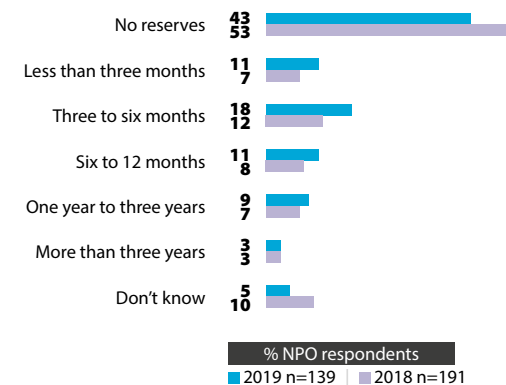
- The biggest sources of NPO income growth were investment income and self-generated income.
- The sources from which the highest percentage of NPOs reported a decline were the National Lotteries Board (36%) and South African companies (31%).



## Overview of NPO income in South Africa (continued)

- Most NPOs (43%) did not have any cash reserves, although this decreased from 53% in 2018.
- Of those that had reserves, most (29%) had less than six months of operating costs in reserve.

Months of operating costs in reserve



81

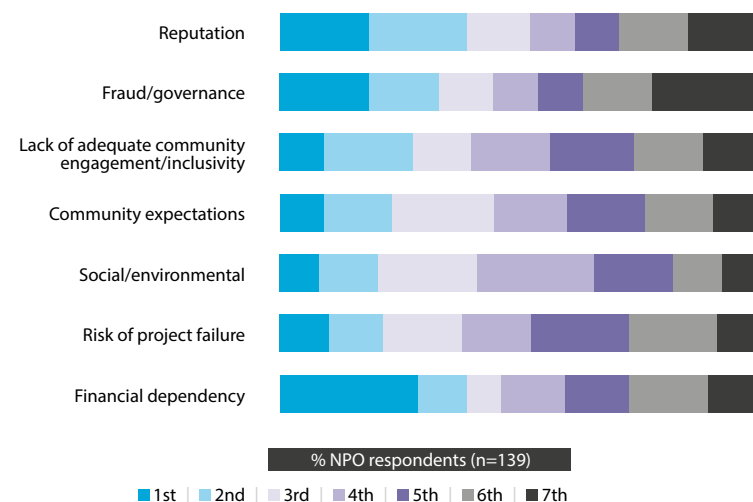
- The most cited challenge by NPOs was securing adequate funding for operations and reserves (94%).
- Challenges cited by around a third of respondents included communications and marketing, monitoring and evaluation, securing skills, and systems and technology.

Challenges affecting NPOs



82

Ranking of CSI-related risks



83



The Southern African Non-Governmental Organisations Network (SANGONET) has been providing networking, information and training services to South African NPO's since its inception in 1987. SANGONET's mission is to be a facilitator in the effective and empowering use of information communication technology (ICT) tools by development and social justice actors in Africa.

The organisation exists for the purpose of facilitating access, sharing information, building capacity, raising awareness, enhancing reach and impact, and linking people and organisations through the use of ICTs in Southern Africa.

SANGONET's services and interventions continue to be shaped by the challenge of strengthening the capacity of NGOs in finding long-term and sustainable solutions in response to Southern Africa's development problems. NGO capacity for service delivery increasingly requires that attention be given to their ability to integrate ICTs into their activities. Although many south African NGOs are already active users of ICTs, much more needs to be done to build the capacity of the sector in this regard.

### Vision

SANGONET's vision is to be a strategic leadership organisation influencing social transformation through ICTs.

We strive to contribute to a just, equitable and prosperous southern African society, where the impact and contribution of sustainable development programmes are supported by appropriate, relevant and affordable ICT solutions.

### SANGONET's 4 Pillar Strategy

INFORMATION & KNOWLEDGE BANK	CAPACITY BUILDING	ICT ADVOCACY	SPECIAL PROJECTS
● NGO PULSE	● Computer-Based Training	● Dialogues	● Partnerships
● CSI Project profiles	● Website Design Training	● Round Tables	● Campaigns
● Jobs Pathway Project		● Forums	● Needs-Based Projects/Interventions
● PRODDER NGO Directory		● Regional Interventions	● Emergency Interventions







# The MTN Awards for Social Change: Rewarding good M&E

The MTN Foundation, in partnership with Dialogue, launched the MTN Awards for Social Change in 2019, to encourage and reward good monitoring and evaluation (M&E) practice in the non-profit sector. A total of **R1 million of prize money** was awarded to winning non-profit organisations (NPOs) in each of the three categories, as well as a fourth bonus award winner.

### Competition categories:

MTN awarded R300 000 to each of the winning NPOs in the following categories:

1	2	3	
Small NPOs with a total annual income of less than R2 million	Medium NPOs with a total annual income greater than R2 million, but less than R10 million	Large NPOs with a total annual income greater than R10 million	A bonus award of R100 000 was also given to an NPO that provided the best evidence with regards to advanced M&E practice.

Seventy NPOs across the three categories entered these Awards. Entries were shortlisted by Dialogue, with the 20 shortlisted applicants reviewed and scored by three judges. Overall, the judges found that applicants have an appreciation for the value of M&E, building in processes and checks to monitor and track progress over time. However, such efforts are often limited to the monitoring of outputs, with significantly less emphasis placed on the measurement of changes at outcome level. One of the contributing factors to this is that the pathways to change (theory of change) for interventions are often unclear, such that organisations are unable to clearly articulate how their inputs and activities contribute to the achievement of their stated objectives. Where M&E was done well, organisations shared the findings internally and externally, and used these to improve both project design and implementation.

### Judging criteria

Registered NPOs and/or public benefit organisations were required to enter a project or programme that is creating positive impact, has been running for at least two years and has some level of associated M&E practice. Submissions were judged against project design, outputs, outcomes and advanced M&E practices as follows:

#### Project design

The design of the project, including the needs that are being addressed, are clearly defined and illustrate extensive stakeholder consultation. There is an evidence-based design with strong objectives and activities. Quality control and external factors or risks that could affect the project have been considered.

#### Outputs

The outputs are comprehensive and use appropriate data collection methods. The targets expressed are realistic, with coherent and truthful reporting on actual performance in terms of volume and scale, as well as whether there was a deviation of project outcomes.

#### Outcomes

The outcomes are understood, correctly identified and have appropriate data collection methods, realistic targets and actual performance data. Deviations from targets are explained and outcome information is backed up with qualitative case studies and evaluation reports.

#### Advanced M&E practices (for bonus award)

A sound theory of change or logic model with an understanding of systemic changes and an exploration of causality must be illustrated. The consideration of the unintended consequences and ethical practice of the M&E on the project should also be included.

### About the judges

**Zulaikha Brey** is a developmental economist who joined Dialogue in 2019 after seven years at DNA Economics. In this role, she analysed and evaluated development programmes, and the design and implementation of M&E frameworks for a range of public and private sector clients. She is passionate about helping organisations design and implement programmes that are impactful, and ensuring that their M&E accurately reflects their achievements and positively contributes to ongoing programme management and improvement.

**Asgar Bhikoo** is a South African Monitoring and Evaluation Association board member and participates in international M&E associations. He has served in M&E roles that are internal, intermediary and external to the organisations he has worked with in his eight years in the CSI sector. His passion for helping organisations develop their M&E to improve their sustainability and impact has led him to initiatives such as the Bridge Education Community of Practice, Man Impact Accelerator programme mentor and consulting with various NPOs and social enterprises.

**Kenneth Thlaka** is a development practitioner with more than 18 years of experience in the non-profit sector. He has extensive knowledge on fundraising, funders and stakeholder management. He is currently the executive director at the Southern African NGO Network, SANGONeT. He completed an advanced certificate in organisational development with UNISA, an Honours in Public Development and Management at Wits Public Development Management School and a Masters degree in Public Development and Management with Regenesys Business School.

### Shortlisted applications

Category	Name of NPO	Name of project
<b>Small</b>	Tears Foundation (winner)	Help-at-your-fingertips®
	Ezrah Community Training and Development	Drakensberg Child Protection Programme
	Jungle Theatre Company (JTC)	Muizenberg Drama Club
	Zenzeleni Children and Youth Village	Orphans and Vulnerable Children and Youth Programme
	Midlands Meander Education Project	Midlands Meander Education Project
<b>Medium</b>	gold Youth Development Agency (winner)	gold Youth Development South Africa
	The Unlimited Child	Early Childhood Development Programme
	Noah (Neighbourhood Old Age Homes)	NOAH Health
	JumpStart Development Trust	Ekurhuleni South Primary School Intervention
	Children's Radio Foundation	Promoting youth civic engagement to build safer communities
<b>Large</b>	Teach A Man To Fish (winner)	Entrepreneurial and Environmental Empowerment for South African Youth (EEESAY)
	World Wide Fund for Nature, South Africa	Environmental Leaders Graduate Internship Programme
	Molteno Institute for Language and Literacy	Mphahllolle Roger Federer Early Childhood Development Programme
	Kids Haven Child and Youth Care Centre	Kids Haven Child and Youth Care Centre
	Hoedspruit Training Trust	Sex Worker Project
<b>Bonus</b>	Ubunye Foundation Trust (winner)	Savings and Livelihoods Programme
	Amandla	EduFootball Programme
	gold Youth Development Agency	gold Youth Development South Africa
	The Unlimited Child	Early Childhood Development Programme
	Molteno Institute for Language and Literacy	Mphahllolle Roger Federer Early Childhood Development Programme

Find out more about the winners overleaf.

## The MTN Awards for Social Change: Rewarding good M&E (continued)



### TEARS Foundation, for Help-at-your-fingertips®

*Winner in the small NPO category (R300 000 prize)*

TEARS Foundation supports survivors of rape and sexual abuse and has an annual turnover of R1 million. The TEARS' Help-at-your-fingertips® programme, which began in 2012, provides support to survivors of domestic violence, sexual assault and child abuse using prompt-based mobile technology. When someone sends a distress message, using \*134\*7355#, they are geolocated. The person is then sent the locations of the nearest partner facilities that can assist them. In the last financial year, TEARS Foundation spent R1 million on the programme.

TEARS began developing Help-at-your-fingertips® in 2005, based on gender-based violence (GBV) data from the Department of Justice and Constitutional Development (DoJ), the South African Police Service (SAPS), Statistics South Africa, the United Nations and the University of Pretoria's Student Health Services. Input was also included from NPOs such as the Teddy Bear Foundation, Thuthuzela Care Centres, Shukumisa, Matla A Bana, Lifeline, the South African Depression and Anxiety Group, Families South Africa, Saartjie Baartman Centre, the Christian Social Council and Moshate.

To date, 57 318 survivors have received speedy responses and access to medical assistance, counselling and criminal justice support. Through the programme, 150 SAPS officers have been trained on how to treat GBV survivors with dignity, empathy and confidentiality. TEARS also drives education campaigns across the country and collaborates with various healthcare stakeholders.

Daily activity data is collected and analysed for quality assurance and internal improvements. TEARS is a member of Shukumisa, a coalition of 80 NPOs that contributes to a national database to inform service delivery in the country. The data also contributes to GBV trend reports produced by the DoJ.

#### Judges' feedback

"TEARS Foundation's Help-at-your-fingertips® programme has an in-depth understanding of the problem areas that it is addressing, and the programme is designed to serve a training, advocacy, intervention and citizen monitoring role. Monitoring within the organisation is strong, with activities and outputs actively tracked and the evidence used for programme strengthening. The organisation is also able to track the lower-level outcomes (improved access to services), but the higher-level outcomes around systemic changes to the justice system are yet to be evaluated in full. As the programme is attempting to address systemic issues, the new thinking around outcome harvesting (as an evaluation method) could be used to determine its contribution to change."



### gold Youth Development Agency, for gold Youth Development South Africa

*Winner in the medium NPO category (R300 000 prize)*

The gold Youth Peer Education Model was established in 2004 to train peer mentors, in order to improve school results and social behaviour among grade nine to 12 learners in 21 disenfranchised schools in Mpumalanga, KwaZulu-Natal and the Western Cape. The programme also aims to create internships, employment and income-generating opportunities for youth from the disenfranchised communities in which the programme is run. In the last financial year, gold Youth Development Agency, which has an annual turnover of R8.9 million, spent R8.5 million on the programme.

Peer educator training sessions are hosted weekly for 1 164 participants, community upliftment projects aligned to the Sustainable Development Goals are run in the 21 partner schools, 315 work shadow experiences for peer educators and alumni are facilitated, and one 'emerging market engagement' workshop is hosted per province, annually.

Peer education methodology, delivering quality education under difficult circumstances and HIV-prevention were researched in great depth, the learnings of which informed the programme design, curriculum and programme indicators. The design of the model draws on global best practice and is constantly refined with evidence-based learnings from 153 communities in southern Africa. All gold stakeholders, including interns, peer educators, programme graduates, social franchisees, youth from target communities and government representatives are engaged in curriculum revisions.

M&E findings are shared with all team and board members using the balanced scorecard approach. Quarterly reviews measure progress against indicators and all programme activity targets are assessed. Findings are used to inform programme and strategic refinement. M&E findings are also shared with external stakeholders, including directors of social franchisees, and decisions are taken to improve the programme as needed. Evaluation findings are shared with all stakeholders, including funding partners.

#### Judges' feedback

"The gold model uses peer education and mentoring to effect change. The programme is well designed, informed by academic research and was piloted before extended roll out. gold Youth has well-established M&E practices. M&E evidence is continuously used to assess the needs of communities and has been used to scale the operations of the organisation. It is also used to hold the organisation accountable to its stakeholders."



### Teach A Man To Fish, for EEESAY

*Winner in the large NPO category (R300 000 prize)*

Teach A Man To Fish helps schools create fully functional student-led businesses. The Entrepreneurial and Environmental Empowerment for South African Youth (EEESAY) programme started in 2016 to teach learners life skills that empower them to run environmentally responsible businesses. In the last financial year, Teach A Man To Fish which has an annual turnover of R19 million, spent R4 million on the programme.

Currently, Teach A Man To Fish trains teachers from schools in KwaZulu-Natal and the Eastern Cape. The schools are provided with multimedia educational resources, ongoing coaching, WhatsApp communication and school visits. To further support the schools, youth advisory boards have been set up and Teach A Man To Fish hosts annual provincial events to showcase learners' progress.

To date, EEESAY has worked with 3 967 young people in 35 schools. A total of 117 teachers have been trained since 2016. While the aim was 80%, only 45% of the learner-led businesses met the requirements of the environmental impact assessment. An unforeseen benefit is that several school businesses use part of their profits for social causes in their communities and to support disadvantaged learners.

M&E data is analysed at project, organisation and country level annually, and is used to determine impact and sustainability. Internally, annual organisational M&E reviews are used to refine the strategy, approach and content for training. Externally, Teach A Man To Fish shares data with district and provincial Departments of Education for participatory planning and problem-solving. Each school receives a report summarising learners' progress. Additionally, data is presented to national education working groups.

#### Judges' feedback

"This organisation has a good grasp of the objectives of its EEESAY programme and can clearly articulate how it perceives the change that needs to happen. The problem statement is clear, with the design of the programme informed by government and academic literature, as well as consultations with key stakeholders to ensure the appropriateness of the intervention. Internal M&E practices appear strong and there is evidence of good use of data and the sharing of findings with stakeholders. The programme is yet to be externally evaluated to test the theory of change and assumptions but, overall, a strong application."



### Ubunye Foundation Trust, for the Savings and Livelihoods Programme

*Bonus winner (R100 000 prize)*

Established as a rural development trust, Ubunye aims to address chronic economic poverty and marginalisation through an asset-based community development approach and has an annual turnover of R4.6 million. The Savings and Livelihoods Programme is a self-sustainable, community-led and owned financial savings and enterprise initiative started by the Trust in 2013. In 2018 a total of R1.5 million was spent on the programme.

Ubunye worked in partnership with SaveAct, an NPO that specialises in the formation of savings and credit groups in rural communities. Currently, SaveAct has over 80 000 members in five provinces, and a savings and credit model that incorporates financial education and enterprise development training. In 2013 Ubunye joined SaveAct in a joint five-year programme and, through this, contributed to a national savings and livelihoods M&E system which is still in effect.

Ubunye conducts two community engagement sessions, three financial health checks and six training sessions for savings group members, annually. The programme also includes training and monthly mentoring sessions. Seven savings events are hosted annually to evaluate the programme.

In 2018, 38 new savings groups with 720 members were formed and 30 groups successfully completed the programme, with the remaining eight completing their training in 2019. Twenty-six groups with 520 members moved onto the livelihoods module of the programme. Members reported increased savings, improved business and financial management skills, social capital and business competence and confidence.

Members have moved away from soliciting money from loan sharks to healthier ways of accessing loans, which has ultimately saved them money. The wider communities have come together to share saving experiences, stimulate business, collaborate and even introduce new ideas.

#### Judges' feedback

"This organisation has done very well to work with the community to shape its programme and ensure the relevance and appropriateness of design. The pathways to change for both programmes are clear, with well-articulated outputs, outcomes and objectives. The programme demonstrates an alternative way of collecting M&E data to show accountability and learning which complements their style of programme delivery, and the findings are clearly communicated to internal and external stakeholders, and to inform programme change."





# KAYA CARES



AS A GLOBALLY MINDED BUSINESS, KAYA FM IS CONTINUOUSLY BECOMING MORE CONSCIOUS OF OUR RESPONSIBILITY IN BUILDING OUR COMMUNITIES AT GRASSROOTS LEVEL. THIS IS SOMETHING THAT WE ARE ACHIEVING THROUGH OUR SOCIAL RESPONSIBILITY PROGRAMME KAYA CARES.



COMMERCIAL RADIO STATION OF THE YEAR 2019

Kaya Cares focuses on early childhood development specifically through education, health as well as information and communications technology. Some of our projects over the years include:

- The Brave Winter Campaign which has touched 16 800 learners and 14 primary schools.
- The Melisizwe School Computer Project which has reached 7500 learners across 11 schools.
- Walk this Way with Skhumba where, to date 600 learners have received wheelchairs.

For more information on Kaya Cares visit [www.kayafm.co.za](http://www.kayafm.co.za) or email [csi@kayafm.co.za](mailto:csi@kayafm.co.za)





# RLabs – Reconstructing communities through innovation, technology and education

For the Partnership Pitch session at the Dialogue Business in Society Conference 2019, three non-profit organisations (NPOs) were invited to showcase how they leverage technology to strengthen cross-sector partnerships for sustained developmental impact. RLabs’ ‘Zlto’ digital platform was voted the audience and judges’ favourite for its innovative approach to improving youth employability and incentivising community service.



RLabs was founded in 2008 by social entrepreneur, Marlon Parker, in the marginalised community of Bridgetown, in Cape Town. The organisation initially aimed to upskill former gang members and people recovering from drug addiction with technology training that would ultimately support their rehabilitation. RLabs’ programming draws from the lived experiences and needs of its participants to strengthen and equip both individuals and their broader communities. As word about the organisation’s good work spread, the demand for programming rapidly grew.

The organisation has since expanded into a low-cost community model that is franchised to RLabs’ alumni who pass onto others the knowledge and skills that they gained through RLabs programming. The RLabs network runs programming in community centres, schools and churches that are not only conveniently located, but that are also rent free during off-peak hours, thereby cutting down on operational costs. Programmes target a broad range of people with varying skill levels, from parents and their children to local business owners.

The organisation has three main focus areas: training and development, innovation, and incubation and acceleration.



i

### Training and development

**The GROW Leadership Academy** is RLabs’ flagship work-to-learn programme that focuses on skills development for matriculants.

**The RLabs University** offers upskilling programming to anyone keen to learn about various subjects, from basic computer studies to graphic design and project management.

**RLabs Women** trains women from communities on the Cape Flats on a broad range of skills, from teaching mothers how to use social media and other technology that their children may be using, to entrepreneurship and small business development.

ii

### Innovation

**The Living Lab**, a workshopping and knowledge-exchange platform, attracts local and international university students, as well as corporate and NPO participants who want to learn about social and community engagement, design-thinking processes and sustainability. Through this platform, RLabs also organises hackathons to encourage the development of practical and effective tools that can help ideas to launch.

RLabs also hosts opportunities for local businesses to test out their ideas with design-thinking processes. Viable business ideas are then supported to evolve into the next stage, known as the ‘validator phase’, with additional resources.

iii

### Incubation and acceleration

Business ideas that make it to the validator phase are incubated, tested for viability and have tailored business models developed. Bootcamps are also run to help small businesses expand their offerings.

RLabs has supported over 3 500 small and medium enterprises (SMEs) through incubation, technological support, funding and mentorship. Programming and courses depend on SMEs’ desired outcomes during and after their 12-month journey with RLabs. The organisation also aims to accelerate high-impact businesses to scale.

## Zlto – Incentivising community service and improving employability with technology

At an ‘un-conferencing’ event hosted by RLabs in 2013, youth from across Cape Town were asked about the barriers to education and work. Most of the barriers identified were poverty related, inspiring the idea of Zlto. This award-winning digital platform was piloted in 2014 in Mitchells Plain, Cape Town – an area infamous for socioeconomic scourges such as gangsterism and drugs. Here, young people struggle to finish school and find jobs. There are skills shortages and work experience is often the barrier to entry for most. “You make finding a job your job. If you start to make the calculation of how much it costs per day to actively look for a job, it could add up to about R1 500 a month,” says Zlto co-founder, Allan van der Meulen. That amount, he added, is likely a third of the total household income for most families living in the area.

Zlto incentivises youth to participate in community service, leverages the power of digital and blockchain technology to increase positive user behaviour, and enables partner organisations to track their impact via live data dashboards. The Zlto platform and data are not needed to use the app and users earn Zlto currency that can be exchanged for a variety of essential services and items such as electricity, food, clothing and more. Businesses, community members and organisations that partner with Zlto are able to set tasks with customised incentives. Partners range from other NPOs like Ikamva Youth and African Climate Alliance who set incentivised tasks, to big businesses like Shoprite who provide products that can be redeemed with the Zlto currency earned.

Zlto currency aims to foster a culture of hard work and to empower youth, rather

### Programme in numbers

23	countries in which RLabs has a footprint
3 500	SMEs supported
90 000	work opportunities facilitated
135 000	RLabs programming graduates
1 million	hours of community work facilitated
13.5 million	people impacted by RLabs programming

than to make them feel as though they are receiving handouts. Van der Meulen explains that the platform helps to make youth more employable by redefining work experience. Users can share the time spent and skills demonstrated through their community work, as well as references and evidence photos on the app. Top users review and moderate tasks – a process managed through blockchain technology. The platform also allows organisations to measure impact and return on investment for the community.

Top users review and moderate tasks, measure impact and return on investment for the community. Verification of tasks are based on reviewers voting on the legitimacy of the activity, based on compulsory data points. Once voting has been completed, partners are informed about the reasons for acceptance or denial of their activities. To eliminate bias, reviewers do not review activities completed by members of their own communities.

Van der Meulen, who himself is a youth from the Cape Flats, explains that income inequality extends well beyond economics, impacting people’s confidence

and dignity. Youth from low-income households often lack the social and cultural capital that enable them to enter or progress in professional environments. Through the Zlto platform, youth are able to validate a wide range of skills that would not otherwise be recognised as work experience that can bolster future work applications.

The app was recently updated to also track and incentivise education and employment milestones. Users can earn Zlto currency for completing high school, post-school qualifications, starting and sustaining a business or staying in employment for more than a year.

Zlto entered the Google Impact Challenge in 2018 and, along with three other NPOs, won R3.4 million. This prize money is being used to expand the programme to low-income communities in three other regions across the country.

RLabs aims to expand Zlto to all provinces and further into the African continent through its existing networks in southern and east Africa. The app already has an international footprint as RLabs also works with a UK-based NPO that supports unbanked refugees. ■

Zlto has more than 35 000 users, more than one million hours of volunteering and skills acquisition, and has impacted more than one million people to date.

021 699 453 | [info@rlabs.org](mailto:info@rlabs.org)  
[www.rlabs.org](http://www.rlabs.org)



## NPO LISTINGS





The following listings were collated from information submitted by the featured non-profit organisations (NPOs). More detailed information about these NPOs can be found on the Dialogue Knowledge Hub:

<https://www.dialogueknowledgehub.co.za/index.php/csi-resources/dialogue/npo-directory>

For more information about how to list an organisation in the next edition of the Dialogue Business in Society Handbook, please email [npolistings@dialogue.co.za](mailto:npolistings@dialogue.co.za).

### ABRAHAM KRIEL BAMBANANI

Abraham Kriel Bambanani is best known for the child and youth care centres that it has run since the turn of the last century. Beneficiaries are in residential care centres for abused, abandoned and traumatised children and youth. Abraham Kriel Bambanani also provides community service programmes to orphaned and vulnerable children, as well as early childhood development (ECD) programmes. Youth older than 18 are empowered in the Emdeni Skills Centre. Children who cannot adapt in mainstream schools and require specialised education are given personalised schooling through our Impact School.





 <b>BENEFICIARIES</b> Primary <b>1 298</b> children and youth	 <b>STAFF</b> <b>238</b> Permanent	 <b>FOOTPRINT</b> Gauteng <b>5</b>	 <b>ANNUAL TURNOVER</b> <b>R44m</b>
<b>ANNUALLY</b>			



REGISTERED: 1952/00010/08 NPC  
YEAR FORMED: 1902  
CONTACT DETAILS: **Hilda du Toit**  
011 839 3058/9 | [www.abrahamkriel.org](http://www.abrahamkriel.org)  
 AbrahamKrielBamabanani |  @abrahamkrielb  
 AbrahamKrielB

### BABUYILE COMMUNITY DEVELOPMENT TRADING AS RHIZA BABUYILE

Rhiza Babuyile develops township communities through a holistic approach to community development which includes programmes related to healthcare, skills development, enterprise development and education. Our main aim is to eradicate extreme poverty, close the inequality gap and help historically disadvantaged communities become sustainable. We train young, often unemployed, South Africans in skills such as fashion design, end user computing, technical support, IT programming, call centre training and ECD.





 <b>BENEFICIARIES</b> Primary <b>85 000</b> patients, students, learners and entrepreneurs Secondary <b>250 000</b> ECD children	 <b>STAFF</b> <b>54</b> Permanent <b>5</b> Part time	 <b>FOOTPRINT</b> Free State, Gauteng, KwaZulu-Natal, Limpopo, North West, Western Cape and Eastern Cape Continental Ghana and Uganda <b>7</b>	 <b>ANNUAL TURNOVER</b> <b>R13m</b>
<b>ANNUALLY</b>			



REGISTERED: 2005/028485/08 NPC  
YEAR FORMED: 2005  
CONTACT DETAILS: **Sbu Maseko**  
011 462 7431 | [www.r-b.org.za](http://www.r-b.org.za)  
 RhizaBabuyile |  RhizaBabuyile

### BRIGHT EYES CENTRE

Bright Eyes is an early intervention, stimulation and care centre for visually impaired children and their families. We offer early intervention and support to children from birth to five years old. We aim to allow visually impaired children to experience the highest level of care regardless of socioeconomic background. We offer an inclusive environment where sighted and visually impaired children can learn side by side. Our primary goal is to provide highly specialised and perfectly adapted intervention and foundational strategies to ensure the optimal and naturally healthy physical, cognitive and emotional development of our visually impaired young children.





 <b>BENEFICIARIES</b> Primary <b>100</b> children and families Secondary <b>300</b> children and wider community	 <b>STAFF</b> <b>4</b> Permanent <b>3</b> Part time <b>13</b> Volunteers	 <b>FOOTPRINT</b> KwaZulu-Natal <b>1</b>	 <b>ANNUAL TURNOVER</b> <b>R436 939</b>
<b>ANNUALLY</b>			



REGISTERED: 175-721 NPO PBO with Section 18a  
YEAR FORMED: 2009  
CONTACT DETAILS: **Cathryn Aylett**  
078 059 3870 | [www.brighteyes.co.za](http://www.brighteyes.co.za)  
 @bright\_eyes\_centre

### CHAMPION OF HOPE

Champion of Hope offers specialised services targeted at people living with disabilities, the hearing impaired and those affected and infected by HIV/Aids in the Northern Cape. Many people living with chronic conditions are isolated in a multitude of ways, some in a physical sense as well as by geographic and logistical factors because of limited access to resources.

 <b>BENEFICIARIES</b> Primary <b>650</b> persons with disabilities	 <b>STAFF</b> <b>2</b> Permanent <b>1</b> Part time	 <b>FOOTPRINT</b> Northern Cape	 <b>ANNUAL TURNOVER</b> <b>R2.6m</b>
<b>ANNUALLY</b>			



REGISTERED: 102-568 NPO  
YEAR FORMED: 2018  
CONTACT DETAILS: **Esme Fourie**  
078 886 7902 | [infocoh949@gmail.com](mailto:infocoh949@gmail.com)

## ETHELBERT CHILD AND YOUTH CARE CENTRE



The Ethelbert Child and Youth Care Centre (CYCC) has had its doors open for over a century and is still providing high-quality residential care services and protection to abandoned, abused and neglected children and youth. We promote optimal rehabilitative and growth outcomes for the children in our care. The aim is to ensure that every child is given the opportunity to heal from their trauma and thrive in an environment of care, love and security, free of prejudice.



<b>BENEFICIARIES</b> Primary <b>65</b> children/youth at a time	<b>STAFF</b> <b>29</b> Permanent <b>2</b> Part time <b>12</b> Volunteers	<b>FOOTPRINT</b> KwaZulu-Natal <b>6</b>	<b>ANNUAL TURNOVER</b> <b>R6m</b>
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ANNUALLY

REGISTERED: 002-283 NPO PBO with Section 18a  
YEAR FORMED: 1907  
CONTACT DETAILS: **Nazley Giquel**  
031 464 6555 | www.ethelbert.co.za  
ethelbert.cyc | Ethelbert1907

## FAMSA WESTERN CAPE



Families South Africa Western Cape (FAMSA WC) aims to help build a society where children and families are equipped with skills to live and connect with those closest to their heart. We work towards achieving our mission through our core business, which is counselling, training and supervision. Our mission is to support individuals, families, organisations and all of society to build, restore and sustain functional relationships as the cornerstone of a stable and thriving society.



<b>BENEFICIARIES</b> Primary <b>3 350</b> families Secondary <b>395</b> parents (including teen parents) and professional counsellors	<b>STAFF</b> <b>62</b> Permanent <b>11</b> Part time <b>19</b> Volunteers	<b>FOOTPRINT</b> Western Cape <b>6</b>	<b>ANNUAL TURNOVER</b> <b>R8.4m</b>
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ANNUALLY

REGISTERED: 002-888 NPO | 930006613 PBO with Section 18a  
YEAR FORMED: 1948  
CONTACT DETAILS: **Maxie Kamalski**  
076 120 7301 | www.famsawc.org.za  
FamiliesSAWesternCape | famsawc

## FOCUS ON ITHEMBA



Focus on iThemba believes in the potential of every child, the significance of quality education and investing in children as we grow hearts and minds. We are based in Hillcrest, KwaZulu-Natal where our campus is accessible to children from previously disadvantaged communities in the Valley of a Thousand Hills and surrounds. The two main pillars which steer and root our NPO are the elevating ECD initiatives and the life-changing iThemba Scholars programme.



<b>BENEFICIARIES</b> Primary <b>650</b> orphans and vulnerable children Secondary <b>60</b> community members	<b>STAFF</b> <b>7</b> Permanent <b>1</b> Part time <b>3</b> Volunteers	<b>FOOTPRINT</b> KwaZulu-Natal <b>11</b>	<b>ANNUAL TURNOVER</b> <b>R5m to R10m</b>
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ANNUALLY

REGISTERED: 035-958 NPO PBO with Section 18a  
YEAR FORMED: 2003  
CONTACT DETAILS: **Shelley Barron**  
031 710 1807 | www.focusonithemba.org  
focusonithemba | focusonithemba | @Fithemba

## FOOTPRINTS FOUNDATION



Footprints Foundation aims to empower and enable access to education, career guidance, puberty and health awareness for girls and boys in previously disadvantaged communities in South Africa. We have the vision to level the playing field for our beneficiaries, especially young people in rural communities. The Foundation implements several empowerment programmes countrywide. In some of our projects we partner with young and influential youth leaders with the hopes of inspiring the learners to become visionary, caring and morally upstanding young leaders.



<b>BENEFICIARIES</b> Primary <b>14 004</b> learners Secondary <b>45</b> student nurses and facilitators	<b>STAFF</b> <b>5</b> Permanent <b>5</b> Part time <b>3</b> Volunteers	<b>FOOTPRINT</b> All provinces	<b>ANNUAL TURNOVER</b> <b>R2.2m</b>
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ANNUALLY

REGISTERED: 162-690 NPO  
YEAR FORMED: 2004  
CONTACT DETAILS: **Eric Mlambo**  
060 452 1602 | www.footprintssa.org  
Footprintsfoundation\_SA | FP\_Foundation  
Footprintsfoundation\_SA

## GOLD YOUTH DEVELOPMENT AGENCY



Our audacious goal is to develop 10 million young African leaders with character and integrity to mobilise their generation with the knowledge, tools and support to reach their full potential, with concrete results in social behaviour change, education and job creation. gold Youth seeks to bring about sustained community change from the ground up, through an 'each-one-reach-one' model of youth peer education, which casts every young person as a future nation builder.



<b>BENEFICIARIES</b> Primary <b>16 881</b> peer educators Secondary <b>53 454</b> peer learners	<b>STAFF</b> <b>51</b> Permanent <b>5</b> Part time <b>1</b> Volunteer	<b>FOOTPRINT</b> Continental <b>7</b> Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape, Western Cape, Eastern Cape	<b>ANNUAL TURNOVER</b> <b>R10m</b>
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ANNUALLY

REGISTERED: 040-433 NPO  
YEAR FORMED: 2004  
CONTACT DETAILS: **Fiona Milligan**  
021 685 5038 | www.goldyouth.org  
goldyouth.org | gold\_youth | goldyouthdevelopment  
gold-peer-education-development-agency

## HANDS OF HONOUR



Hands of Honour creates jobs through upcycling unwanted goods into award-winning early learning tools and furniture. Corporates act as our partners, donating their obsolete goods rather than sending them to landfills. We are solving two problems: creating employment and providing ECD learning tools for children in disadvantaged communities. Hands of Honour employs those who are deemed unemployable in South Africa – the homeless, or those with experiences of crime and/or substance abuse. Workers process the waste, either rehabilitating material or stripping goods for sale.



<b>BENEFICIARIES</b> Primary <b>70</b> ECD centres Secondary <b>14 000</b> children	<b>STAFF</b> <b>8</b> Permanent <b>6</b> Part time <b>50</b> Volunteers	<b>FOOTPRINT</b> Western Cape	<b>ANNUAL TURNOVER</b> <b>R3m</b>
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ANNUALLY

REGISTERED: 086-155 Social Enterprise  
YEAR FORMED: 2011  
CONTACT DETAILS: **Paul Talliard**  
072 138 9150 | www.handssofhonour.co.za  
handssofhonour | handssofhonour

## HOPE THROUGH ACTION FOUNDATION SA



Hope Through Action Foundation SA uses sports to positively engage children and young people in communities in the Western Cape. Sports and recreation can be instrumental in effecting personal growth and development in the individual and promote social change within the community. We also provide facilities for early learning and later education. Through the Hope Through Action Foundation programmes, we aim to provide a safe place for young people to engage in a wide range of sports and recreational activities. We want to promote the core values of participation and community.



<b>BENEFICIARIES</b> Primary <b>6 753</b> children and youth <b>350</b> early learning	<b>STAFF</b> <b>12</b> Volunteers <b>33</b> Coaches, facilitators and programme leaders <b>6</b> Support staff	<b>FOOTPRINT</b> Western Cape <b>3</b>	<b>ANNUAL TURNOVER</b> <b>R8.5m</b>
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ANNUALLY

REGISTERED: 2009/016163/08 NPC  
YEAR FORMED: 2009  
CONTACT DETAILS: **Jeff Spinks**  
074 316 7700 | jeffspinks6@gmail.com  
mbekwenisportcentre | FranschhoekValleySportCentre

## JET EDUCATION SERVICES



JET works to improve the quality of education and the overall relationship between education, skills development and the world of work by providing insight, innovation and solutions to improve the quality of education and training systems. JET is currently involved in close to 40 education projects. We work with government, public sector and civil society organisations, local and international development agencies and educational institutions.



<b>BENEFICIARIES</b> Primary <b>8 000</b> teachers Secondary <b>105 900</b> learners	<b>STAFF</b> <b>33</b> Permanent <b>40</b> Part time	<b>FOOTPRINT</b> All provinces <b>5</b> Continental International	<b>ANNUAL TURNOVER</b> <b>R50m</b>
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ANNUALLY

REGISTERED: 2000/007541/08 NPC  
YEAR FORMED: 2000  
CONTACT DETAILS: **Maureen Mosselson**  
011 403 6401 | www.jet.org.za  
JETEdservices | jet-education-services | JETEdServices



## JUST GRACE NPC

Just Grace Non-Profit Company (NPC) has a mission to engage in people-centred community empowerment initiatives that contribute to meaningful and sustainable change in Langa township, Cape Town. We have a vision for the community to be a place where residents are safe and have access to quality education and meaningful employment. Our flagship project, Qhubeka!, is a youth development programme where learners are offered holistic support throughout high school and into further education, training or employment.

 <b>BENEFICIARIES</b> Primary <b>450</b> youth and community members Secondary <b>5 100</b> learners	 <b>STAFF</b> <b>8</b> Permanent <b>4</b> Part time <b>62</b> Volunteers	 <b>FOOTPRINT</b> Western Cape	 <b>ANNUAL TURNOVER</b> <b>R1.5 – R2.5m</b>
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ANNUALLY



REGISTERED: 930042369 PBO | 206-583 NPO | 2012/205872/08 NPC  
PBO with Section 18a  
YEAR FORMED: 2012  
CONTACT DETAILS: **Grant Edmond**  
072 556 3434 | www.justgrace.co.za  
justgracenpo | justgrace\_npo | just-grace-education

## KIDS HAVEN

Since 1992, Kids Haven has been dedicated to the care and protection of vulnerable children, including those who have been on the streets, through activities that uphold the rights of children. Children in these circumstances show their pain through behavioural challenges. We provide pre-care, in-care and post-care to children and families.

 <b>BENEFICIARIES</b> Primary <b>500</b> children Secondary <b>3 000</b> families	 <b>STAFF</b> <b>86</b> Permanent <b>3</b> Part time <b>5</b> Volunteers	 <b>FOOTPRINT</b> Gauteng <b>5</b>	 <b>ANNUAL TURNOVER</b> <b>R15m</b>
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ANNUALLY



REGISTERED: 2000/008607/08 NPC  
YEAR FORMED: 1992  
CONTACT DETAILS: **Susan Daly**  
011 706 7959 | sued@kidshaven.co.za | www.kidshaven.org.za  
kidshavenhome | kidshavenhome

## LOVE TRUST SA

The Love Trust is an NPO established in 2009 with a vision to grow a generation of servant leaders, and a mission to deliver excellent, values-based education to vulnerable children. Through careful consideration of our own unique skills and resources we have come to believe the most effective way to make lasting and positive change is through the delivery of excellent education. The purpose of the Love Trust is to address the most important problem facing South Africa – the lack of quality ECD teachers and quality education in rural and township communities.

 <b>BENEFICIARIES</b> Primary <b>321</b> student teachers and <b>379</b> children Secondary <b>15 700</b> children a year through our ECD alumni	 <b>STAFF</b> <b>65</b> Permanent <b>3</b> Part time <b>30</b> Volunteers	 <b>FOOTPRINT</b> Free State, Gauteng, KwaZulu-Natal, Northern Cape, Western Cape <b>12</b>	 <b>ANNUAL TURNOVER</b> <b>R15m</b>
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ANNUALLY



REGISTERED: 072-167 NPO  
YEAR FORMED: 2009  
CONTACT DETAILS: **Lydia Nekhunguni**  
011 318 2481 | www.lovetrust.co.za  
LoveTrustSA | lovetrust\_sa | LoveTrustSA

## MAHARISHI INSTITUTE

Maharishi Invincibility Institute (MI) is a non-profit educational hub which offers consciousness-based education, a uniquely effective approach to learning which leads to personal and career success. Access is provided to an internationally recognised four-year Bachelor of Arts Degree in Management through distance education by Maharishi University of Management, in the United States of America. MI has a unique atmosphere that makes studying enjoyable and effective. It is a low-stress environment where everyone supports everyone else.

 <b>BENEFICIARIES</b> Primary <b>80</b> teachers and <b>1 000</b> learners	 <b>STAFF</b> <b>52</b> Permanent <b>10</b> Part time <b>5</b> Volunteers	 <b>FOOTPRINT</b> KwaZulu-Natal, Gauteng	 <b>ANNUAL TURNOVER</b> <b>R40m</b>
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ANNUALLY



REGISTERED: IT9927/07 NPO  
YEAR FORMED: 2007  
CONTACT DETAILS: **Dr Taddy Blecher**  
011 492 0005 | www.maharishinstitute.org

## MEALS ON WHEELS COMMUNITY SERVICES SOUTH AFRICA

The Meals on Wheels Community Services South Africa (MOWCS SA) project was founded by Doctor Denis Baird. Considering the serious need among the ageing community in East London (South Africa), Dr Baird launched a fundraising project aimed at financing the first ever Meals on Wheels delivery vehicle. He then gathered caring women, arranged to use a local church kitchen during weekdays, and the rest is history. Through this vision MOWCS SA has grown from one kitchen to 210, delivering nutritious meals with 216 vehicles.

 <b>BENEFICIARIES</b> Primary <b>175 000</b> community members	 <b>STAFF</b> <b>61</b> Permanent <b>17</b> Part time <b>1 040</b> Volunteers	 <b>FOOTPRINT</b> All provinces	 <b>ANNUAL TURNOVER</b> <b>R108m</b>
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ANNUALLY



REGISTERED: 070-786 NPO  
YEAR FORMED: 1964  
CONTACT DETAILS: **Effort Bhebhe**  
073 262 0012 | www.mow.org.za  
mowcs\_sa | mowcs\_sa

## NEW LEADERS FOUNDATION NPC

Our purpose is to unlock excellence in education. We have the ambition to be a leading and high-impact catalyst in improving the quality of interventions in education districts across the country by 2022. Our flagship programme, the Data Driven Districts (DDD) programme, aims to put quality education data into the hands of those who want to and can improve education outcomes in South Africa. The DDD programme was designed to not only increase the quality of education data but to empower education officials on multiple levels to make use of that data to positively impact the learners of South Africa.

 <b>BENEFICIARIES</b> Primary <b>±10 000</b> education officials Secondary <b>±11.5m</b> learners	 <b>STAFF</b> <b>44</b> Permanent <b>10</b> Part time	 <b>FOOTPRINT</b> All provinces	 <b>ANNUAL TURNOVER</b> <b>R54m</b>
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ANNUALLY



REGISTERED: 2009/004922/08 NPC  
YEAR FORMED: 2009  
CONTACT DETAILS: **Giles Gillett**  
010 590 6100 | www.newleaders.co.za  
newleadersSA | new\_leaders\_foundation

## PACT

Pact is an international development organisation and our goal is to build thriving and resilient communities that are both heard and capable. We believe that stronger local organisations and networks with better internal policies, skills, procedures and practices will increase performance externally at a higher level and, as a result, have greater impact in their target communities. Pact's integrated development model supports private sector partners who generate shared value through corporate social investment strategy, grants management and improved community relations.

 <b>BENEFICIARIES</b> Primary <b>205 870</b> OVCY direct services Secondary <b>53 558</b> OVCY technical assistance	 <b>STAFF</b> <b>133</b> Permanent	 <b>FOOTPRINT</b> Provinces in South Africa <b>7</b>	 <b>ANNUAL TURNOVER</b> <b>R120m</b>
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ANNUALLY



REGISTERED: 1992/002985/12 NPC  
YEAR FORMED: 1992  
CONTACT DETAILS: **Ranahnah A. Afriye**  
012 754 1440 | www.pactworld.org  
pactworld | pactworld | pactworld

## QASA

QASA's mission is to be an effective coordinating, policymaking and supporting organisation striving to prevent spinal cord injury and to improve the lives of quadriplegics and paraplegics by securing resources to advocate, educate, capacitate, support and mobilise. The association protects and promotes the interests of people with mobility impairments by formulating a national policy and strategy, to develop and ensure the full potential and quality of their lives.

 <b>BENEFICIARIES</b> Persons with disabilities	 <b>STAFF</b> <b>15</b> Permanent <b>45</b> Volunteers	 <b>FOOTPRINT</b> Eastern Cape, Gauteng, KwaZulu-Natal, North West, Western Cape	 <b>ANNUAL TURNOVER</b> <b>R5.6m</b>
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ANNUALLY



REGISTERED: 000-881 NPO  
YEAR FORMED: 1978  
CONTACT DETAILS: **Raven Benny**  
031 767 0352 | www.qasa.co.za  
QuadParaSA

## READ EDUCATIONAL TRUST



READ's mission is to develop and successfully implement language, literacy and capacity building interventions in education. READ intervenes in every level of education, from ECD to high school, with a variety of offerings designed to target specific areas. READ advocates for the improvement in learner performance through the improvement in teacher practices, because the teacher often is a child's only access and guide to academic knowledge and skills.

<b>BENEFICIARIES</b> Primary <b>2 239</b> teachers Secondary <b>104 013</b> learners	<b>STAFF</b> <b>50</b> Permanent	<b>FOOTPRINT</b> Free State, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, Western Cape, Eastern Cape <b>4</b>	<b>ANNUAL TURNOVER</b> <b>R15m</b>
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ANNUALLY



REGISTERED: 000-774 NPO | 930011907 PBO with Section 18a  
 YEAR FORMED: 1979  
 CONTACT DETAILS: **Lizelle Langford**  
 087 237 7781 | www.read.org.za  
 f REAEduTrust | READeTrust

## SECTION27



SECTION27 is a well-established and widely respected public interest law centre that seeks to achieve substantive equality and social justice in South Africa. Guided by the principles and values in the Constitution, SECTION27 uses law, advocacy, legal literacy, research and community mobilisation to achieve access to healthcare services and basic education. SECTION27 aims to achieve systemic change and accountability to ensure the dignity and equality of everyone.

<b>BENEFICIARIES</b> SECTION27 aims to achieve systemic change in health and education. Our reach has a national impact.	<b>STAFF</b> <b>34</b> Permanent <b>6</b> Part time	<b>FOOTPRINT</b> All provinces	<b>ANNUAL TURNOVER</b> <b>R40m</b>
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ANNUALLY



REGISTERED: 2006/021659/08 NPC | 055-382 NPO | 930022549 PBO  
 YEAR FORMED: 2010  
 CONTACT DETAILS: **Elinor Kern**  
 011 356 4111 | http://www.section27.org.za  
 f SECTION27news | @SECTION27news | SECTION27news

## SHONAQUIP SOCIAL ENTERPRISE (UHAMBO & SHONAQUIP)



The Shonaquip Social Enterprise (Shonaquip Pty Ltd and Uhambo Foundation NPC) works to build capacity and an ecosystem of support to address the barriers to inclusion for children with disabilities and their families. We do this through the design, assembly and provision of mobility and assistive devices, advocacy and awareness-raising, clinical and social services, community empowerment programmes and inclusive ECD practitioner training.

<b>BENEFICIARIES</b> Primary <b>19 536</b> children, parents and practitioners Secondary <b>383 795 40</b> community members	<b>STAFF</b> <b>76</b> Permanent <b>1</b> Part time <b>2</b> Volunteers	<b>FOOTPRINT</b> All provinces <b>7</b> Continental International	<b>ANNUAL TURNOVER</b> <b>R38m</b>
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ANNUALLY



REGISTERED: 085-124 NPO | 2010/004598/08 NPC | 930033521 PBO  
 Social Enterprise  
 YEAR FORMED: 2010  
 CONTACT DETAILS: **Sarah Driver-Jowitt**  
 021 797 8239 | www.shonaquip.co.za | f Shonaquip  
 www.uhambofoundation.org.za | uhambofoundationsa

## SIYAVUNA ABALIMI DEVELOPMENT CENTRE



The Siyavuna Abalimi Development Centre (SDC) is a registered NGO, based on the south coast of KwaZulu-Natal. Through skills development and incubation of farmer-owned enterprises we have a vision to empower and enable rural smallholder farmers to be self-sustainable. We offer two SETA-accredited courses for sustainable farming practices and business development for smallholder farmers. Over the past ten years we have trained and mentored more than 2 000 farmers in vegetable farming, adhering to the sustainable, chemical-free farming methods promoted by the Participatory Guarantee System.

<b>BENEFICIARIES</b> Primary <b>300</b> farmers Secondary <b>2 400</b> families and community members	<b>STAFF</b> <b>6</b> Permanent <b>9</b> Part time	<b>FOOTPRINT</b> KwaZulu-Natal <b>5</b>	<b>ANNUAL TURNOVER</b> <b>R3.5m</b>
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ANNUALLY



REGISTERED: 096-012 NPO  
 YEAR FORMED: 2011  
 CONTACT DETAILS: **Sonja Pithey**  
 084 493 2654 | www.siyavuna.org.za  
 f SiyavunaKumnandi

## SMILE FOUNDATION



Smile Foundation is a South African NPO that is passionately committed to bringing expert surgical interventions and post-operative care to children with treatable facial anomalies, such as facial paralysis, cleft lip, cleft palate, craniofacial abnormalities, ear, nose and hand conditions, and burn wounds. Smile Foundation offers holistic support for any child without medical aid and provides additional assistance to patients in need of transport for hospital visits, shares educational information and arranges psychological counselling before, during and after surgery.

<b>BENEFICIARIES</b> Primary <b>250</b> children	<b>STAFF</b> <b>9</b> Permanent <b>5</b> Part time <b>10</b> Volunteers	<b>FOOTPRINT</b> Free State, Gauteng, Limpopo, Mpumalanga, Northern Cape, North West, Western Cape and the Eastern Cape <b>5</b>	<b>ANNUAL TURNOVER</b> <b>R11m</b>
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ANNUALLY



REGISTERED: 063-498 NPO  
 YEAR FORMED: 2000  
 CONTACT DETAILS: **Toni Jabour**  
 072 350 2891 | www.smilefoundation.co.za  
 f SmileFoundationSA | SmileFundSA

## SOUTH AFRICA VOLUNTEER WORK CAMP ASSOCIATION



South Africa Volunteer Work Camp Association (SAVWCA) is a community-based, volunteer membership, people-centred and development-orientated organisation. We are a youth-centred and gender-sensitive NPO with the aim of assisting those in primary school up to high school and the unemployed to prepare them for the future by conducting capacity-building training and skills development. We strive to see the volunteers give back to the programmes.

<b>BENEFICIARIES</b> Primary <b>80+</b> learners Secondary <b>20</b> unemployed youth	<b>STAFF</b> <b>4</b> Permanent <b>5</b> Part time <b>50</b> Volunteers	<b>FOOTPRINT</b> Gauteng Continental	<b>ANNUAL TURNOVER</b> <b>R32 000</b>
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ANNUALLY



REGISTERED: 103-758 NPO  
 YEAR FORMED: 2012  
 CONTACT DETAILS: **Enock Pedze**  
 073 241 1341 | www.savwa.org.za  
 f SAVWAza | savwca

## SPARROW SCHOOLS EDUCATIONAL TRUST



Sparrow educates children and youth who have problems learning. There is a pipeline that feeds the learners from the Sparrow Foundation School into the Combined Technical Skills High School into the Sparrow FET College. Sparrow's aim is to train learners in skills so they can become employable and contribute to the economy of South Africa. The school has since established and expanded organisational structures to address a wider range of needs found in the current South African environment.

<b>BENEFICIARIES</b> Primary <b>45</b> educators/facilitators Secondary <b>700+</b> learners/students	<b>STAFF</b> <b>104</b> Permanent <b>15</b> Part time <b>32</b> Volunteers	<b>FOOTPRINT</b> Gauteng <b>3</b>	<b>ANNUAL TURNOVER</b> <b>R33m</b>
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ANNUALLY



REGISTERED: 000-401 NPO  
 YEAR FORMED: 1989  
 CONTACT DETAILS: **Lois Grobbelaar**  
 011 482 1015 | www.sparrowschools.co.za  
 f sparrowschools | sparrowtrust

## SYAFUNDA



Syafunda provides maths and science content through the Syafunda Digital Library (SDL). We apply the best teaching practices and provide learning material through curriculum-aligned videos targeting both learners and educators. The videos, including worksheets and textbooks that form part of the SDL are distributed to teachers in previously disadvantaged townships and rural villages.

<b>BENEFICIARIES</b> Primary <b>57 000</b> high school learners from rural and township schools Secondary <b>860</b> teachers	<b>STAFF</b> <b>6</b> Permanent <b>9</b> Part time	<b>FOOTPRINT</b> KwaZulu-Natal <b>19</b>	<b>ANNUAL TURNOVER</b> <b>R1m+</b>
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ANNUALLY



REGISTERED: 2018/578430/08 PBO with Section 18a  
 YEAR FORMED: 2016  
 CONTACT DETAILS: **Zakheni Ngubo**  
 076 065 8048 | www.syafunda.co.za



## THE CRADLE OF HOPE



The Cradle of Hope focuses mostly on assisting women and children in need of safety. The women, teenage girls and children that come to our House of Restoration have been the victims of abuse and violence. They have the desire to put the past behind them, and to get their lives back on track. To do so, we help and give them hope indiscriminately, offering a hand up and not just a handout. We also assist those who are orphaned, vulnerable and homeless within the communities in which we operate.



<b>BENEFICIARIES</b> Primary <b>313 900</b> women, OVC, unemployed people, victims of violence and abuse and homeless people	<b>STAFF</b> <b>17</b> Permanent <b>3</b> Part time <b>32</b> Volunteers	<b>FOOTPRINT</b> Gauteng <b>3</b>	<b>ANNUAL TURNOVER</b> <b>R3.6m</b>
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ANNUALLY

REGISTERED: 062-511 NPO  
 YEAR FORMED: 2007  
 CONTACT DETAILS: **Melodie van Brakel**  
 076 262 0452 | www.thecradleofhope.org  
 TheCradleofHope

## THE FUNDZA LITERACY TRUST



The FunDza Literacy Trust believes reading changes lives. It promotes reading for pleasure among South African youth by producing exciting local content that inspires lifelong reading. FunDza uses technology to reach a broad readership through our 'cellphone library' and delivers reading and writing programmes nationwide. We are helping young people develop the literacy skills they need for school, work and life. Reading fiction is also linked to increased empathy, creativity, and an understanding of cause and effect, as well as the more obvious skills of language and vocabulary development.



<b>BENEFICIARIES</b> Primary <b>200 000+</b> readers	<b>STAFF</b> <b>10</b> Permanent <b>2</b> Part time <b>2</b> Volunteers	<b>FOOTPRINT</b> All provinces <b>12</b>	<b>ANNUAL TURNOVER</b> <b>R2m – R5m</b>
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ANNUALLY

REGISTERED: IT814/2011 Registered Trust  
 YEAR FORMED: 2011  
 CONTACT DETAILS: **Mignon Hardie**  
 021 709 0688 | www.fundza.co.za  
 FunDzaLiteracyTrust | FunDzaLiteracyTrust | FunDzaClub

## THE LEARNING TRUST



The Learning Trust is a conduit for grants for after-school programmes that serve under-resourced communities, as well as offering them organisational capacity support. We believe that finding, incubating and progressively building the organisational capacities of community-led non-profits is contributing to building the greater after-school (extended learning) field. In the last nine years we have increased, improved and extended learning opportunities for young people growing up in conditions of poverty and exclusion.



<b>BENEFICIARIES</b> Primary <b>500</b> leaders Secondary <b>100 000</b> learners	<b>STAFF</b> <b>6</b> Permanent <b>1</b> Part time	<b>FOOTPRINT</b> Gauteng, Western Cape, Eastern Cape <b>5</b>	<b>ANNUAL TURNOVER</b> <b>R10m</b>
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ANNUALLY

REGISTERED: 134-139 NPO | 930034953 PBO with Section 18a  
 YEAR FORMED: 2010  
 CONTACT DETAILS: **Sibongile Khumalo**  
 072 907 9004 | www.thelearningtrust.org  
 thelearningtrust | thelearningtrust | thelearningT

## THE PRIMARY SCIENCE PROGRAMME (PSP)



The PSP's vision is to have excellent primary schooling for all South Africa's children, where all educators are highly skilled, committed and confident, and are well-prepared and resourced to teach. We aim to improve the quality of teaching and learning of the sciences, language, mathematics and the environment by supporting teachers in their professional development. The additional projects we run include the development of quality teacher-support materials and resources, ad-hoc teacher training on demand and collaboration projects with other organisations in the education sector.



<b>BENEFICIARIES</b> Primary <b>2 140</b> teachers Secondary <b>107 976</b> learners (directly and indirectly)	<b>STAFF</b> <b>16</b> Permanent <b>3</b> Part time <b>2</b> Volunteers	<b>FOOTPRINT</b> Western Cape <b>5</b>	<b>ANNUAL TURNOVER</b> <b>R10m</b>
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ANNUALLY

REGISTERED: IT2806/99 Registered Trust | 015-822 NPO | 18/11/13/1351 PBO  
 YEAR FORMED: 1985  
 CONTACT DETAILS: **Zorina Dharsey**  
 021 691 9039 | www.psp.org.za  
 Western Cape Primary Science Programme PSP

## THE UNLIMITED CHILD



The Unlimited Child is a leading ECD and skills development NPO. We ensure that children between the ages of 0- and 6-years-old have access to high-quality and sustainable early childhood education so that they can develop to their full personal and educational potential. There are millions of children across South Africa that need access to these essential services. The Unlimited Child is one of the largest ECD centre-based programmes in South Africa with a current beneficiary list of 2 745 ECD centres, over 5 520 ECD practitioners and a current enrolment of over 134 000 children (for 2018).



<b>BENEFICIARIES</b> Primary <b>6 803</b> practitioners Secondary <b>198 308</b> children	<b>STAFF</b> <b>27</b> Permanent <b>19</b> Part time	<b>FOOTPRINT</b> Eight provinces	<b>ANNUAL TURNOVER</b> <b>R13m</b>
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ANNUALLY

REGISTERED: 2009/009783/08 NPC  
 YEAR FORMED: 2009  
 CONTACT DETAILS: **Catherine Clark**  
 083 633 3777 | www.theunlimitedchild.org  
 theunlimitedchild | unlimitedchild

## UBUNTU PATHWAYS



Ubuntu Pathways aims to break the cycle of poverty by providing South Africa's most vulnerable children with what all children deserve – everything, every day. Since our inception in 1999, Ubuntu has grown into a thriving community institution in the heart of Port Elizabeth's townships as well as forming a global model for poverty alleviation. Today, we are placing 2 000 orphaned and vulnerable children (OVC) on a pathway out of poverty, from cradle to career. To achieve this goal, Ubuntu has pioneered an integrated support system that encompasses education, health and household stability.



<b>BENEFICIARIES</b> Primary <b>1 257</b> learners, unemployed youth, people living with HIV and orphans Secondary <b>3 771</b> OVC caregivers	<b>STAFF</b> <b>20</b> Permanent <b>26</b> Part time	<b>FOOTPRINT</b> Eastern Cape <b>5</b>	<b>ANNUAL TURNOVER</b> <b>R79m</b>
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ANNUALLY

REGISTERED: 2001/018358/08 NPO  
 YEAR FORMED: 1999  
 CONTACT DETAILS: **Gcobani Zonke**  
 041 409 2700 | www.ubuntupathways.org  
 UbuntuPathways | @UbuntuPathways | ubuntupathways

## UNJANI CLINICS



The Unjani Clinic network is a nurse-led network of primary healthcare container clinics in the township communities of South Africa. The Unjani Clinics NPC raises funding to empower black women professional nurses. We improve access to primary healthcare, empower women and help create permanent employment in our communities. Having successfully conceptualised, tested and piloted the initiative from 2010 to 2014, 70 fully operational Unjani Clinics have been completed in eight of the nine provinces (2014 to 2019). We are on a journey to roll out 100 clinics nationally by the end of 2020.



<b>BENEFICIARIES</b> Primary <b>70+</b> empowered professional nurses Secondary <b>225+</b> work opportunities, 1 million+ patients	<b>STAFF</b> <b>11</b> Permanent	<b>FOOTPRINT</b> All provinces	<b>ANNUAL TURNOVER</b> <b>R20 – 25m</b>
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ANNUALLY

REGISTERED: 2014/089277/08 NPC | 930047735 PBO with Section 18a  
 YEAR FORMED: 2014  
 CONTACT DETAILS: **Lynda Toussaint**  
 012 621 4300 | https://www.unjaniclinic.co.za  
 Unjani-Clinics-NPC-988333104569213 | UnjaniClinics

## VUKUZAKHE ACADEMY



Vukuzakhe Academy aims to assist in increasing the matric pass rate in South Africa and the interest in sciences and technology at school. We manufacture mobile science laboratories, MobiLab, and donate them to disadvantaged schools. We provide teacher training in science, technology and geography. The MobiLab is a powerful, affordable and safe tool, and includes all the necessary instruments for an inquiry-based delivery of the science curriculum. The next phase of our project is to share the MobiLab around the country and assist teachers and learners in grades four to seven with science education.



<b>BENEFICIARIES</b> Primary <b>20</b> schools and <b>500</b> learners	<b>STAFF</b> <b>10</b> Permanent <b>30</b> Part time <b>10</b> Volunteers	<b>FOOTPRINT</b> Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga	<b>ANNUAL TURNOVER</b> <b>R50 000</b>
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ANNUALLY

REGISTERED: 094-548 NPO  
 YEAR FORMED: 2011  
 CONTACT DETAILS: **Dumisani Nleja**  
 079 656 6073 | www.vukuzakheacademy.org.za  
 Vukuzakhe Academy



## WATERAID SOUTHERN AFRICA



WaterAid is an international development organisation with a vision of everyone everywhere having access to clean water, decent toilets and good hygiene by 2030. Our mission is to transform the lives of the poorest and most marginalised by increasing access to safe water, sanitation and hygiene. We target schools, healthcare facilities and communities. In South Africa, we have partnered with Tsogang Water and Sanitation non-governmental organisation in Limpopo, working jointly together with funding from Kimberly Clark to transform children's lives through provision of clean water, sanitation and hygiene (WASH) in schools in Vhembe District.



**BENEFICIARIES**  
Primary **1 200** learners  
Secondary **5 800** community

**STAFF**  
**9** Permanent

**FOOTPRINT**  
Limpopo

**ANNUAL TURNOVER**  
**R16m**

REGISTERED: 2011/149371/12 NPO  
YEAR FORMED: 2011  
CONTACT DETAILS: **Charity Nshimbi**  
012 756 1931 | <https://www.wateraid.org>

## WORDWORKS



Wordworks focuses on early language and literacy development in the first eight years of children's lives. Since 2005 we have worked in under-resourced communities in three provinces with the adults best positioned to impact young children's language and literacy development – parents and caregivers, family and community members, home-visitors, ECD practitioners and pre-grade R to grade three teachers. Through collaborative projects, training courses, ongoing partner engagement and web-based portals we have opened our resources, programmes, training models, monitoring and evaluation tools to increasing numbers of partners to ensure greater reach.



**BENEFICIARIES**  
Primary **1 000** teacher trainers, teachers and community tutors  
Secondary **42 000** adults and children

**STAFF**  
**11** Full time  
**9** Part time

**FOOTPRINT**  
KwaZulu-Natal,  
**507** Western Cape,  
Eastern Cape

**ANNUAL TURNOVER**  
**R9m**

REGISTERED: 044-766 NPO PBO with Section 18a  
YEAR FORMED: 2005  
CONTACT DETAILS: **Shelley O'Carroll**  
021 788 9233 | [www.wordworks.org.za](http://www.wordworks.org.za)  
#wordworksSA | @wordworks.za

## WORLD WIDE FUND FOR NATURE SOUTH AFRICA (WWF-SA)



WWF works to look after our natural resources – oceans, land and wildlife – so that people can continue to benefit from what nature gives us in the form of food, water and energy. One of our key areas of work is around Water Source Partnerships. These community, public and private partnerships bring together the interests, actions and mandates of those connected to a local water source area. We currently have active projects in eight of South Africa's 22 strategic water source areas. We need more effective stewardship of strategic water source areas to protect the integrity of critical ecological infrastructure and to ensure water and jobs downstream. To reduce risks to the quantity and quality of water yields, it is essential to improve the management of water and land. This means improving the management practice of all the activities that happen here: forestry, agriculture, mining and settlements.



**STAFF**  
**76** Permanent  
**98** Fixed-term contractors  
**2** Temporary  
**5** Interns

**FOOTPRINT**  
All provinces

**ANNUAL TURNOVER**  
**±R14m**

REGISTERED: 003-226 NPO  
YEAR FORMED: 1968  
CONTACT DETAILS: **Dr Tsitsi Mkombe**  
081 597 3613 | [www.wwf.org.za](http://www.wwf.org.za)  
#WWFSA | @WWFSouthAfrica | wwfsouthafrica

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