

# Corporate Social Investment in South Africa

## Launch of the CSI Handbook

*December 2011*



# Background to the **launch** of the CSI Handbook

---

- The CSI Handbook had now **turned 14**
- Each year we put in considerable effort to understand the **dynamics of the CSI sector** and explore trends, primarily through:
  - **Research** of leading corporate CSI programmes and NGOs
  - Review of **published CSI information**
  - **Case studies** and other consulting based interaction with companies
- The CSI Handbook is used to disseminate our findings (along with the conference and training) and intended to **transfer knowledge and improve practices** within the sector
- The launch serves to **acknowledge the support** of companies and highlight some of the findings contained in the book

# The results presented are based largely on the **primary structured research**

---

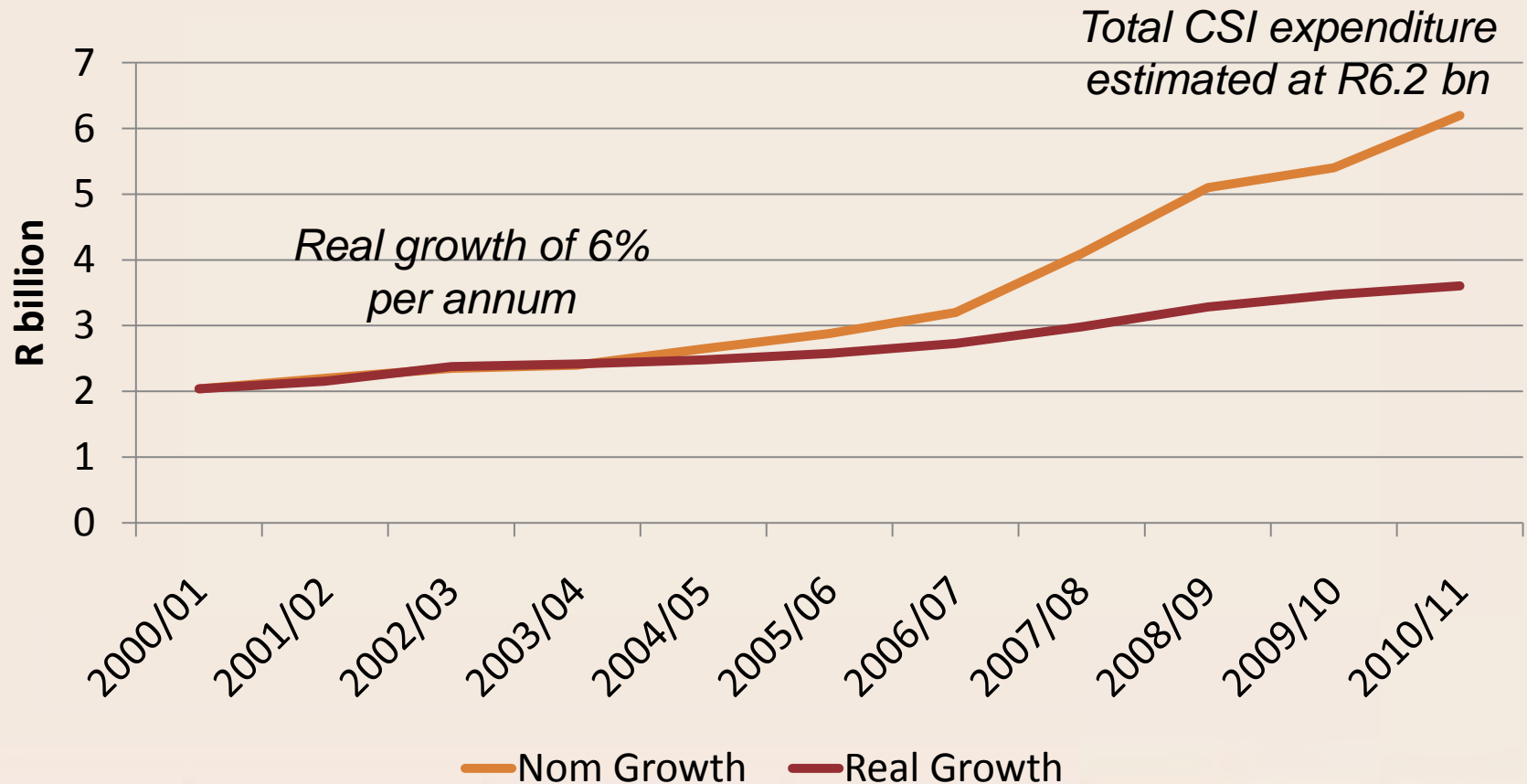
- **Corporates**
  - 97 face to face interviews
  - Targeting largest companies
  - Approximately 1 hour long with follow up as needed
- **NGO interviews**
  - 148 respondents
  - Self completion, internet-based
  - Spanning development sectors, size and region
  - Approximately 15 minutes long

trialogue

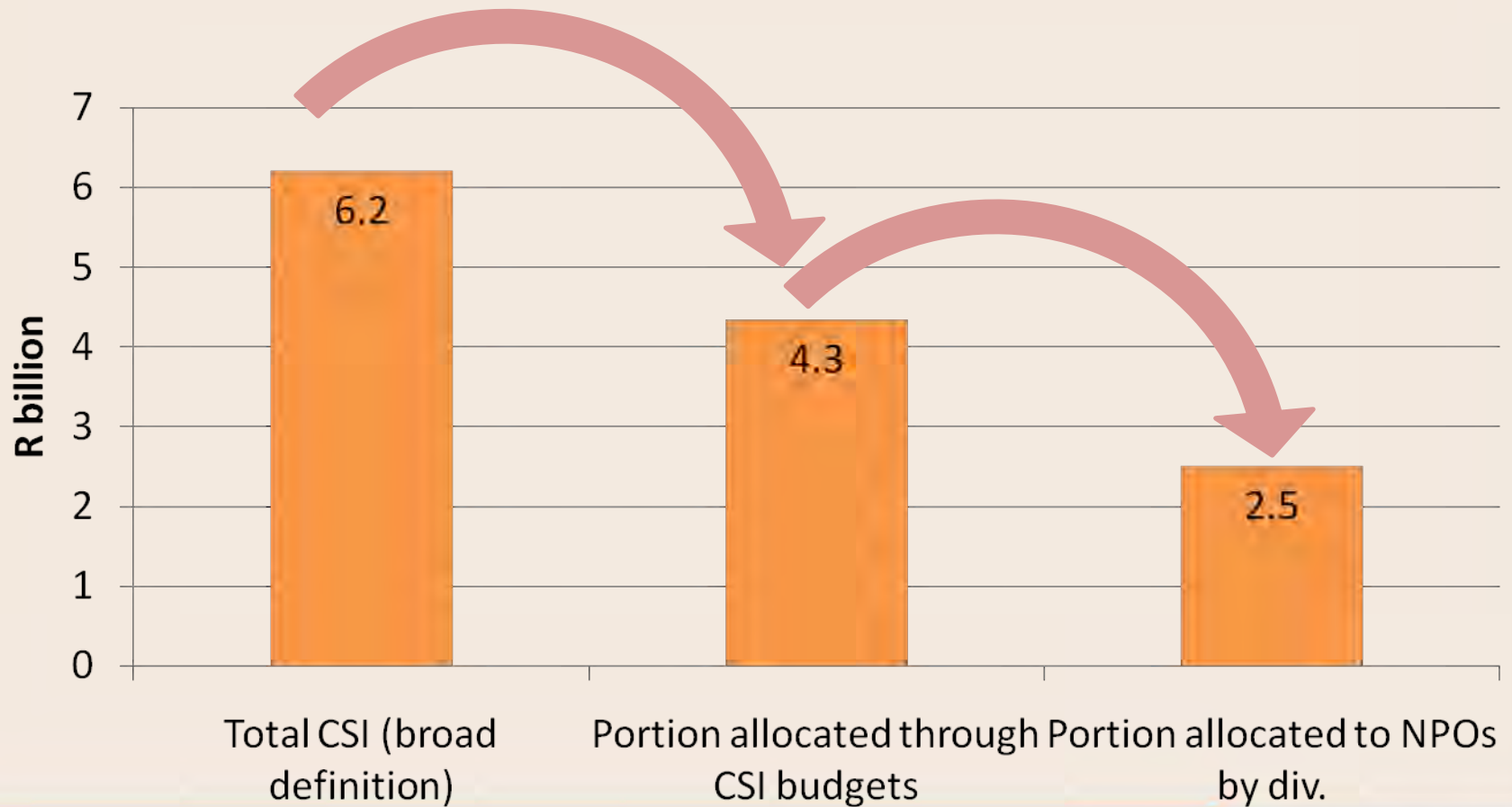
## CSI spend in 2010/11



# CSI expenditure has grown at 6% per annum above inflation over the past ten years



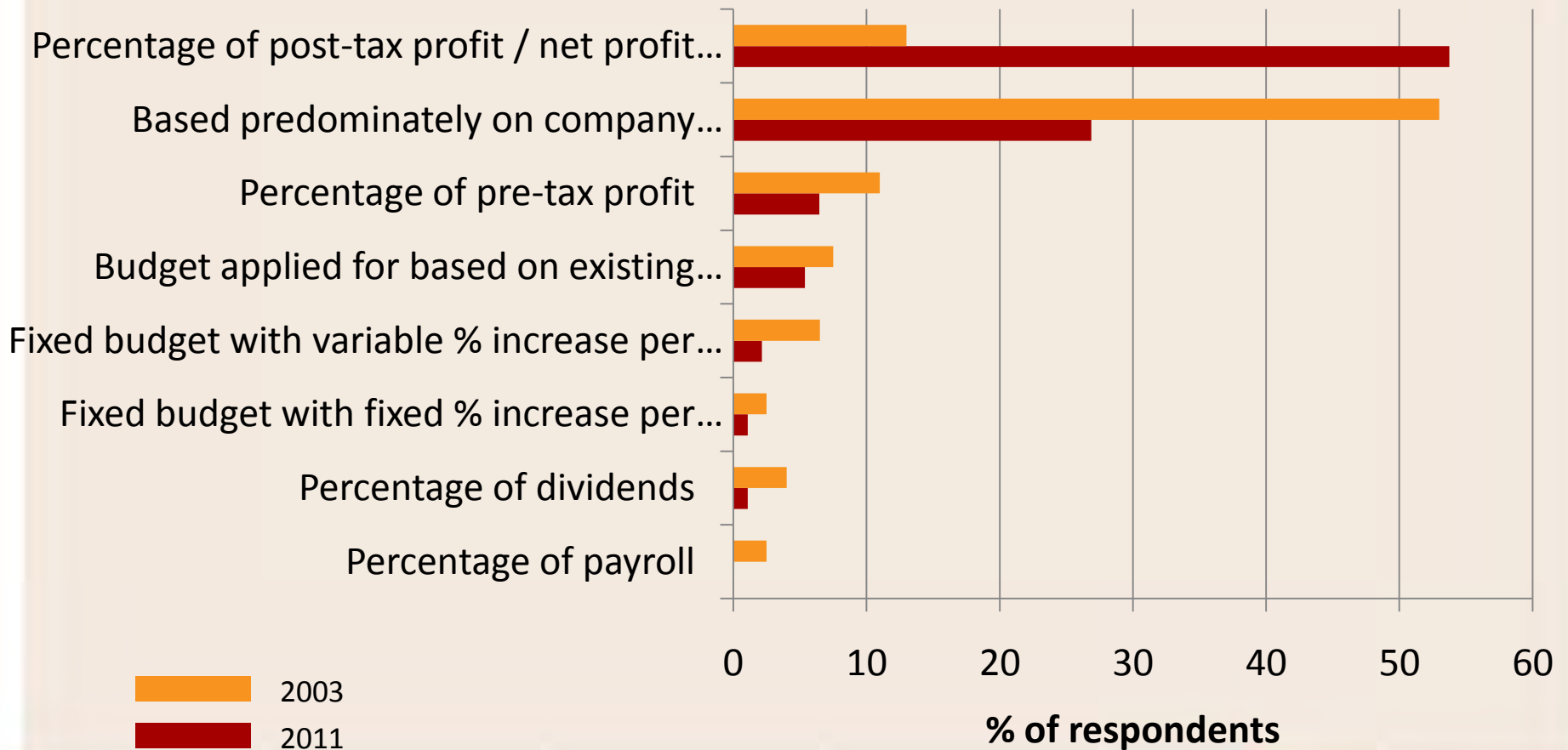
# Less than half of this funding is allocated to NPOs



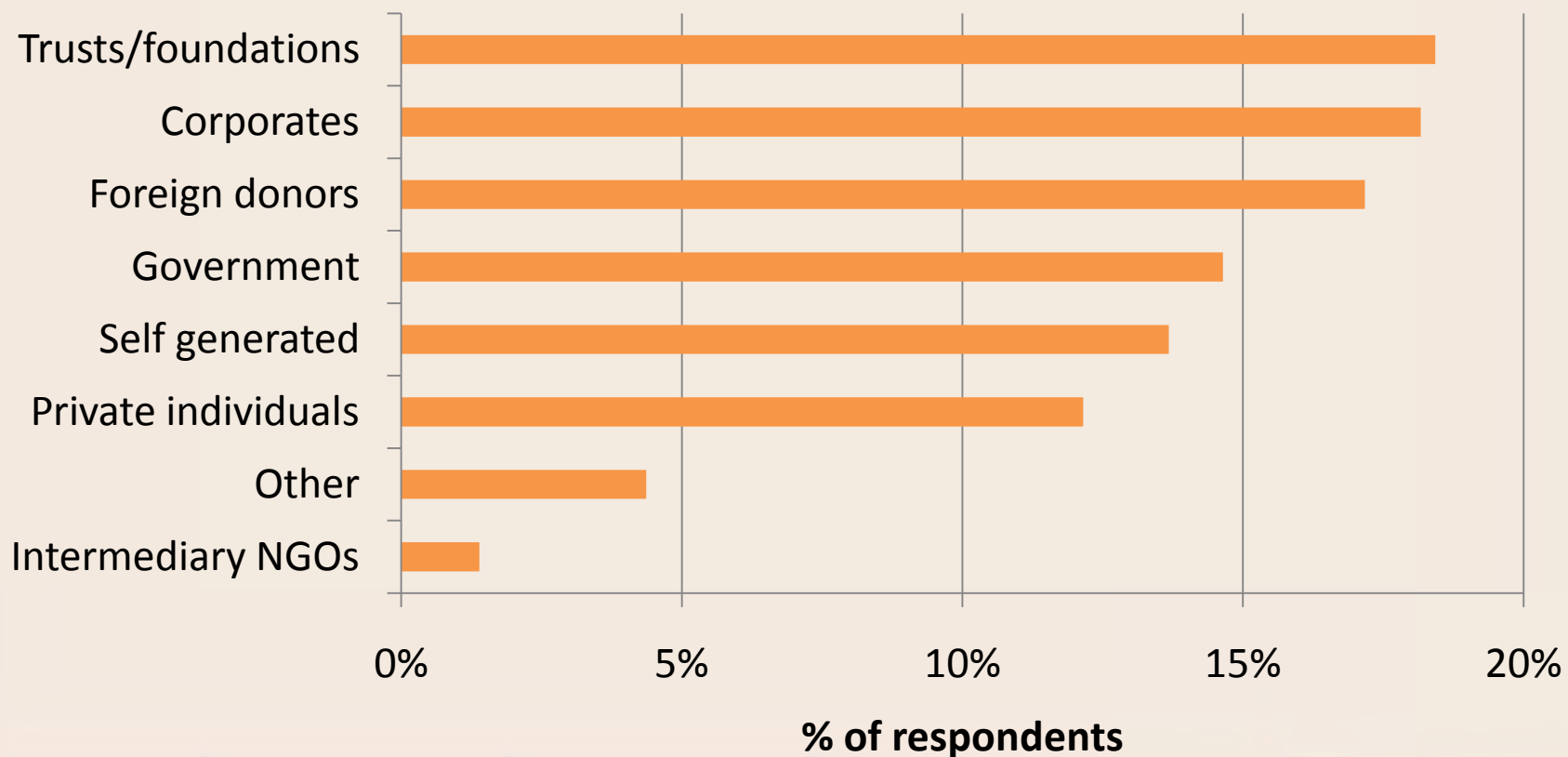
# Ten large 'published' spenders

Company	Spend (Rm)
Anglo American SA	512
Woolworths	314
Kumba Iron Ore	134
Standard Bank Group	132
Anglo Platinum	119
Truworths	105
Impala Platinum	88
Transnet Foundation	85
Absa	83
Harmony	82

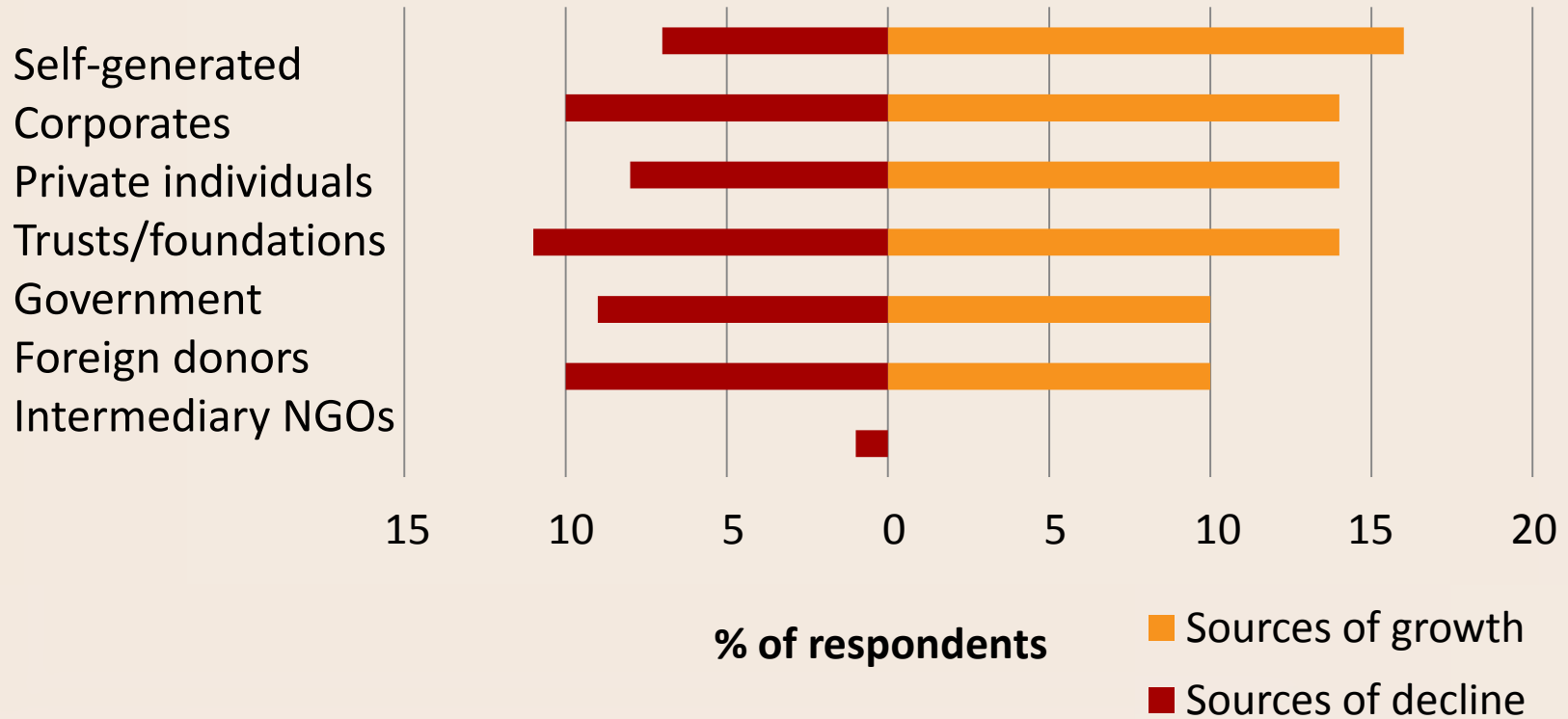
# The method of determining CSI budgets has shifted towards a percent of NPAT



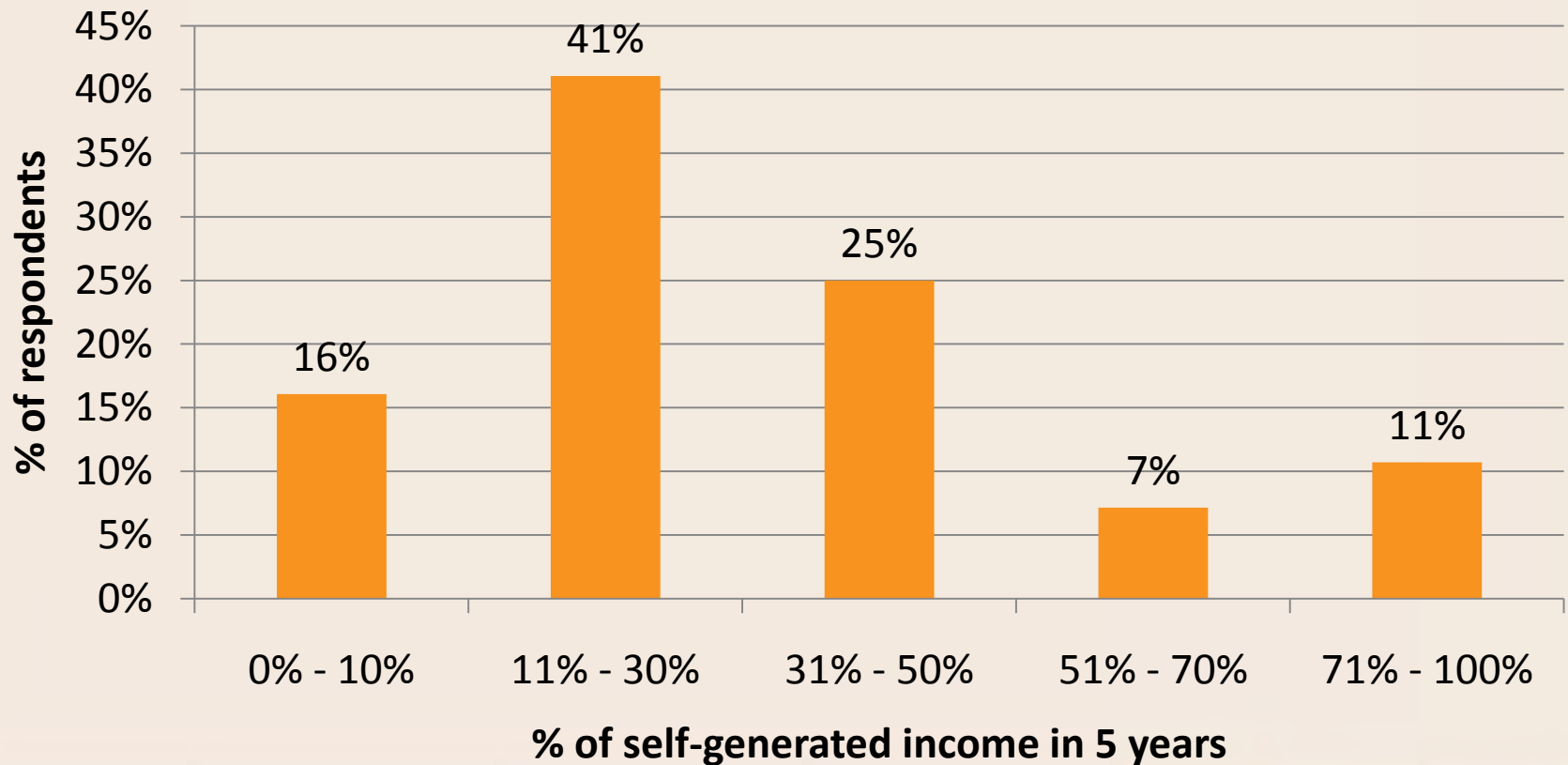
# Corporates account for less than 20% of NPO income



# Self-generated income has been the largest source of growth for NPOs



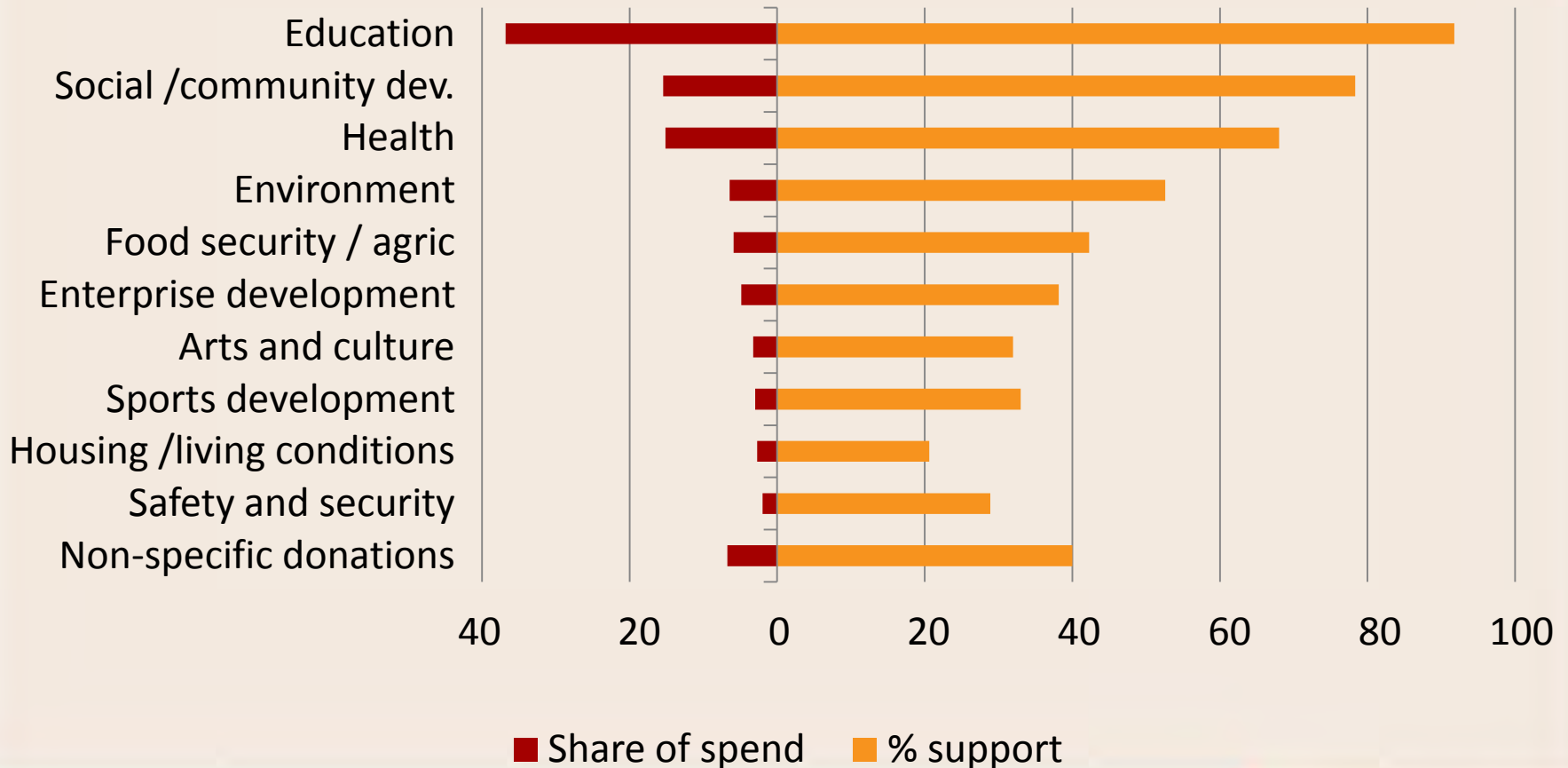
# NPOs expect self-generated income to make up a significant portion of their income by 2016



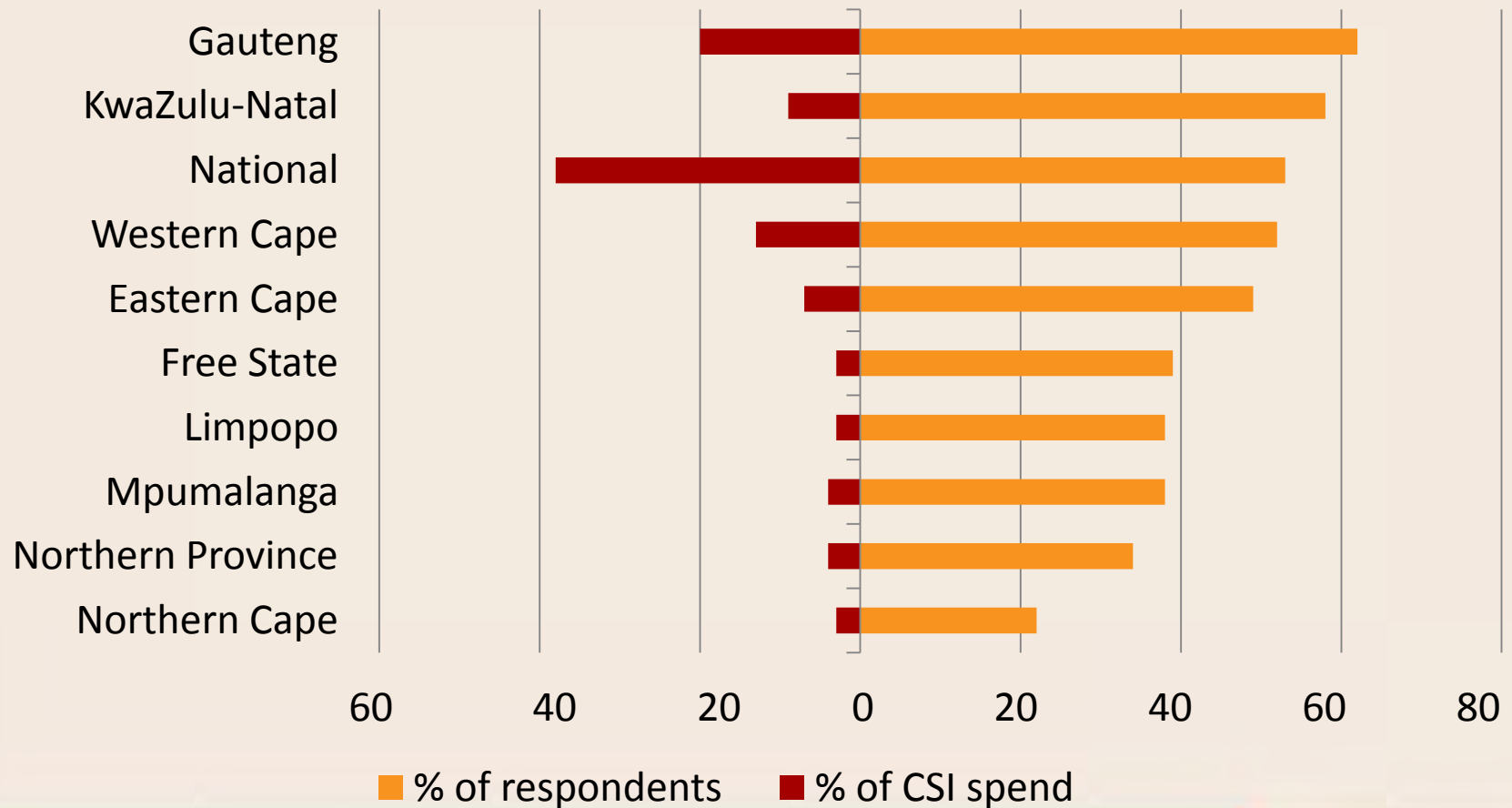
trialogue

## Allocation of CSI funds

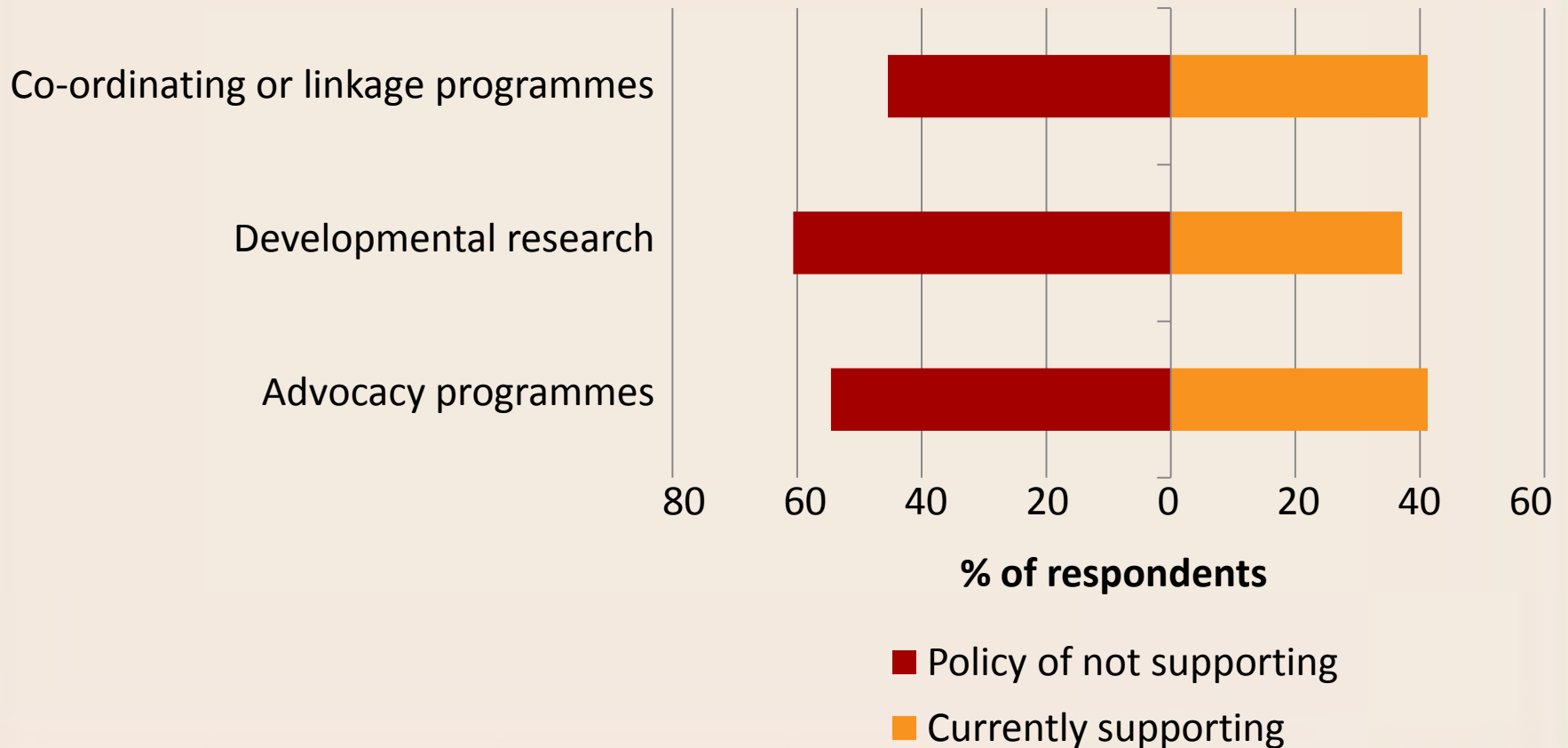
# Education is supported by most corporates and receives the largest share of spend



# CSI expenditure tends to mirror corporate geographical footprints

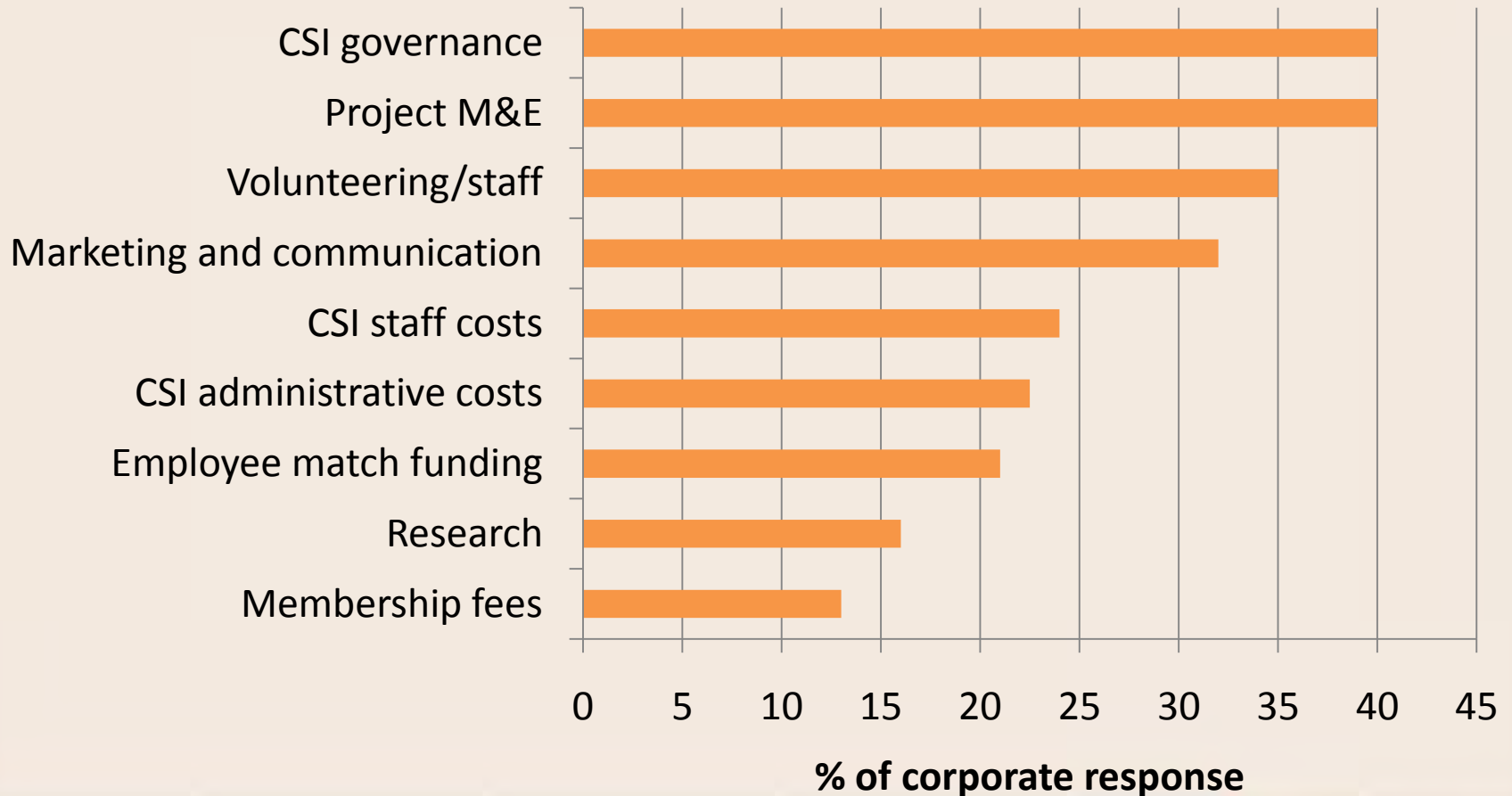


# Over 40% of corporates will **not** sponsor research, advocacy or co-ordination

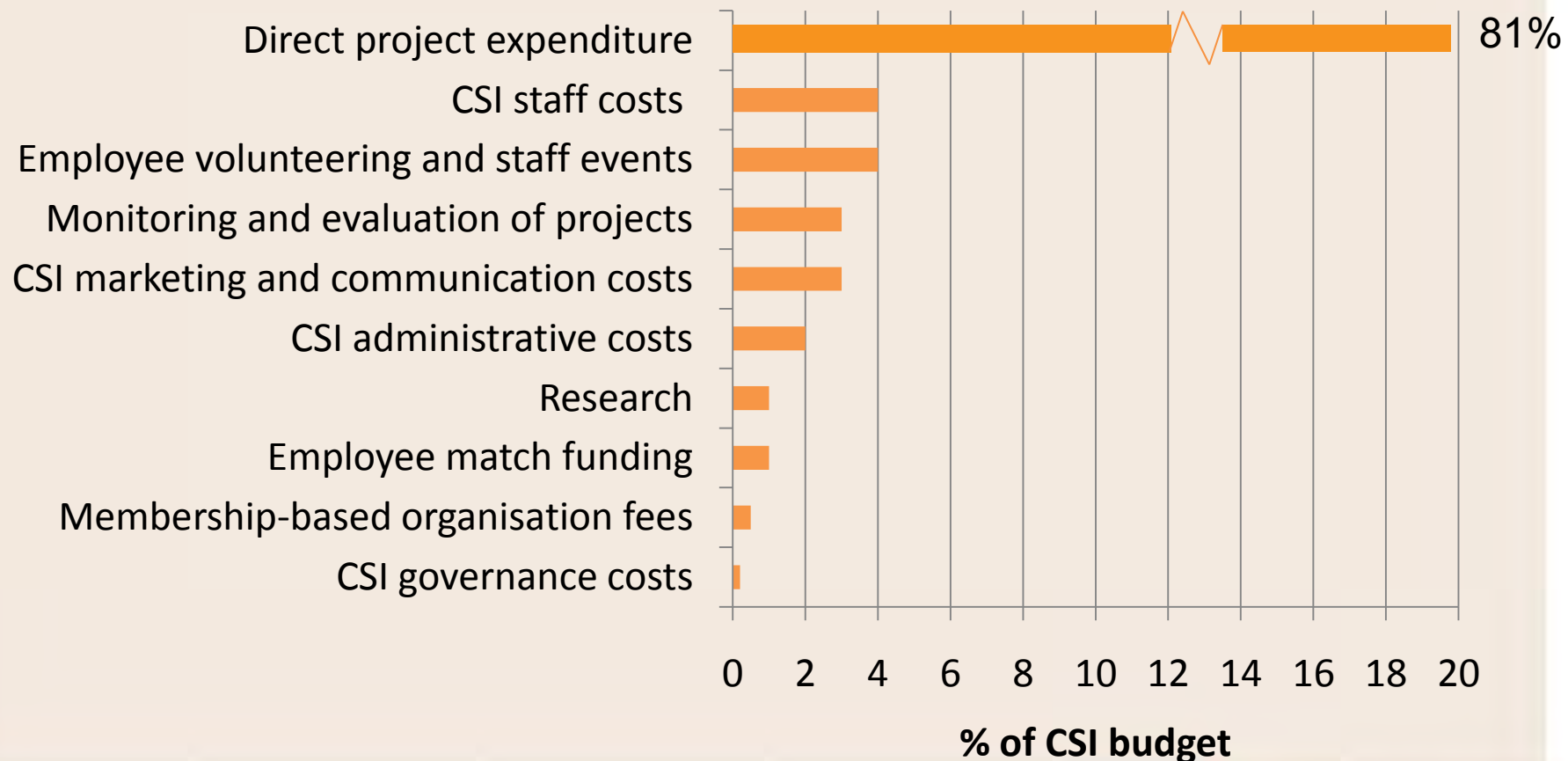


# Funding of CSI programme activities

# Only 23% of companies included staff costs in their CSI budget

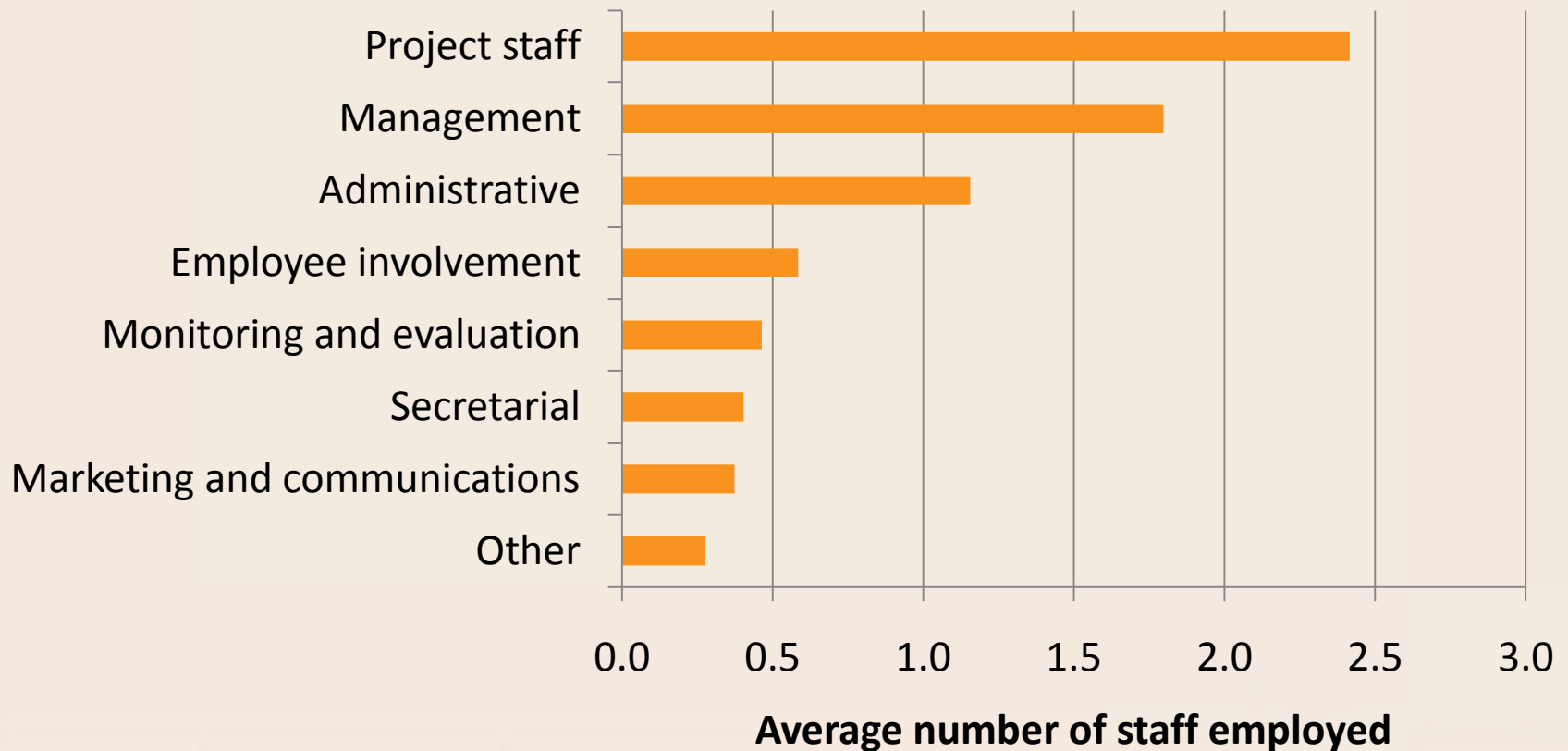


# The largest **cost** incurred by CSI programmes is direct project expenditure

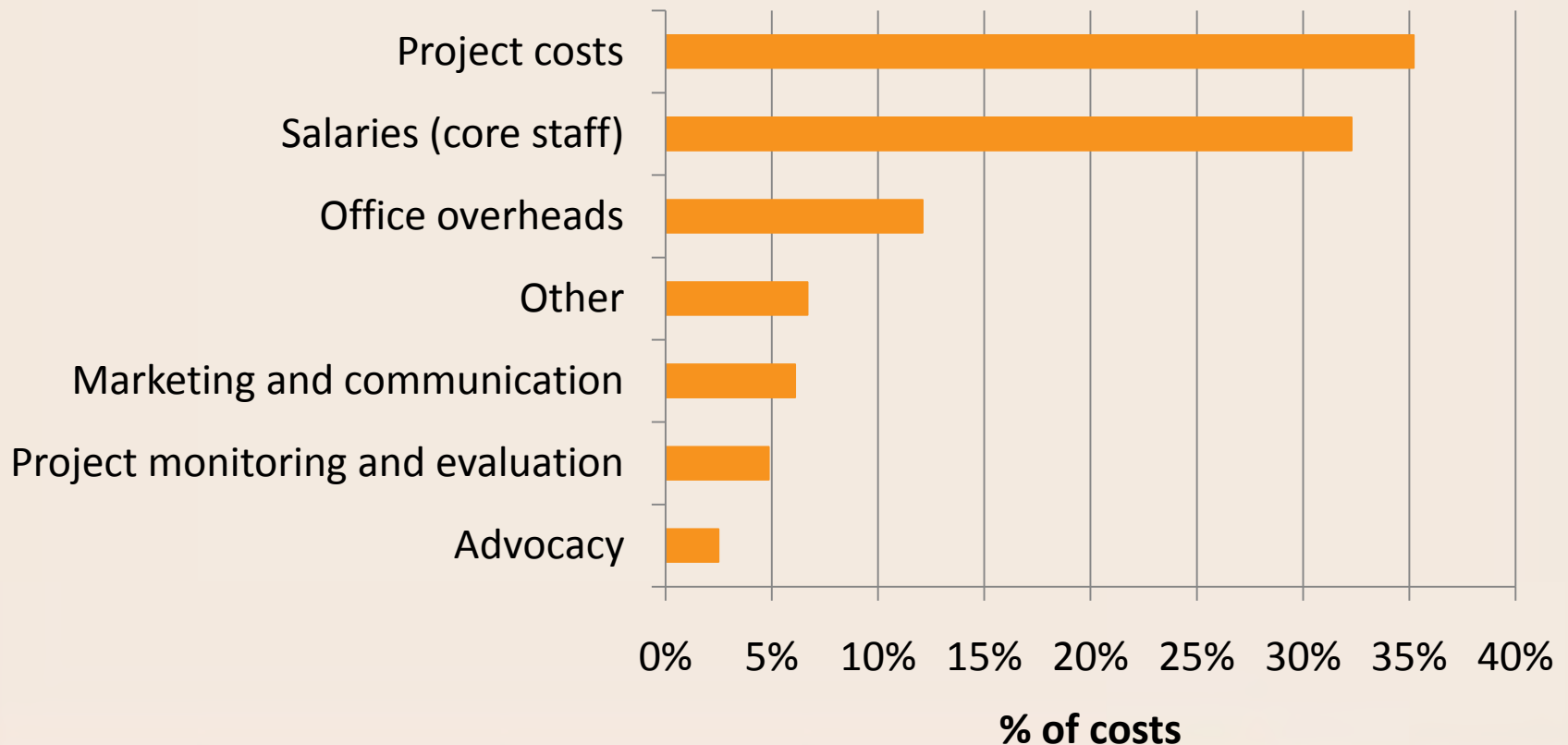


# The average number of people employed in CSI departments was 7.5

---



# Project costs (35%) and staff salaries (33%) were the largest NPO expenditure areas

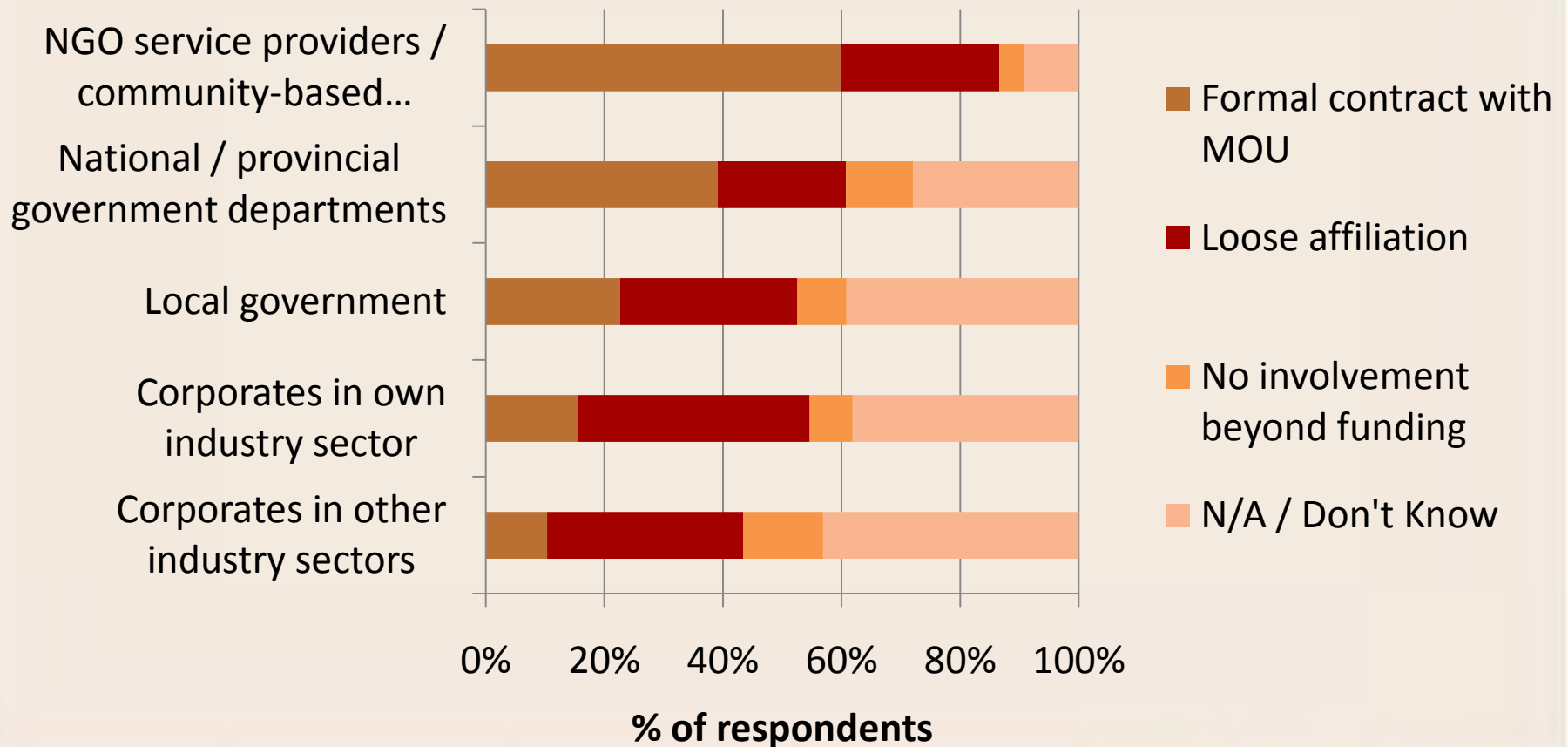


*dialogue*

## Partnerships



# Corporate partnerships are increasingly formalised

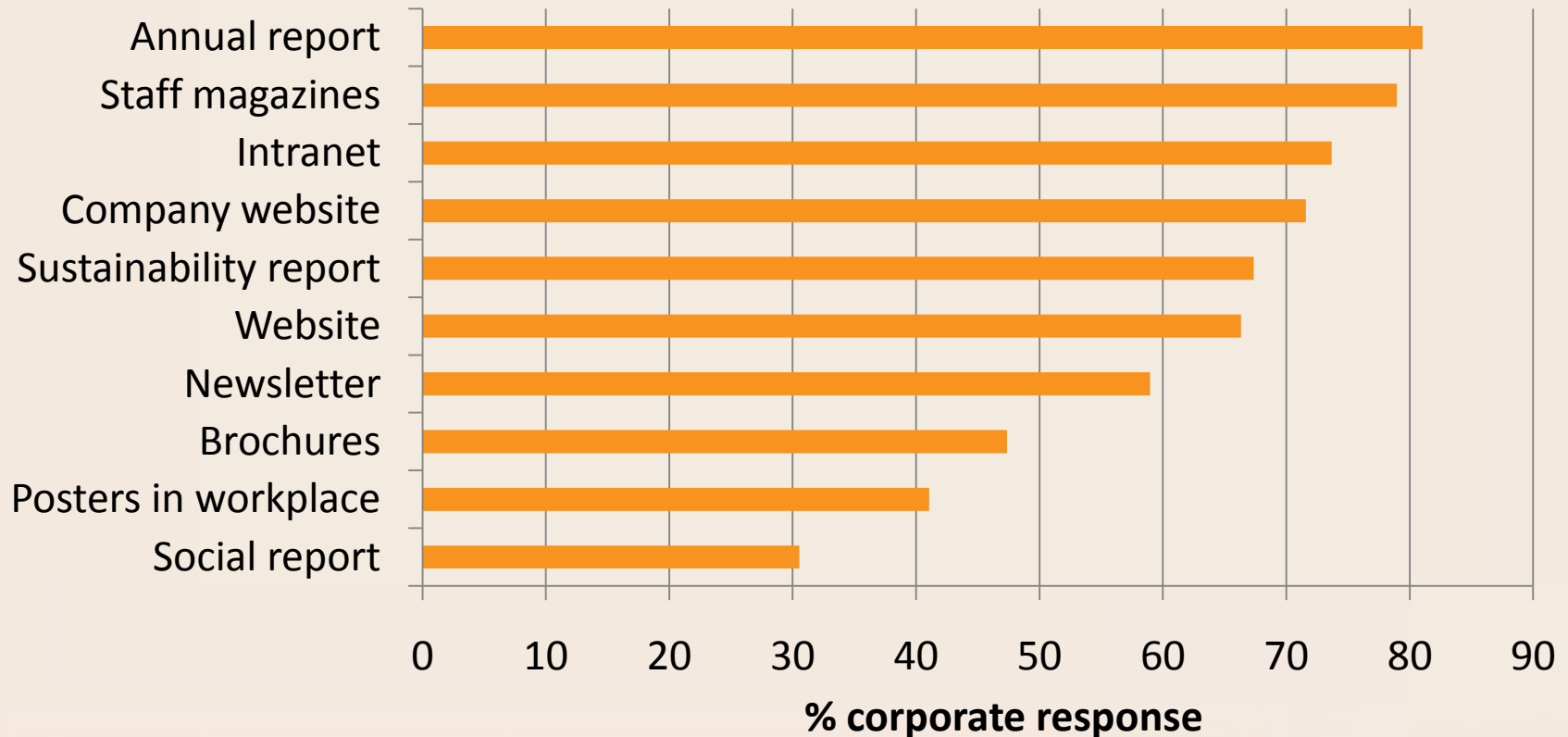


dialogue

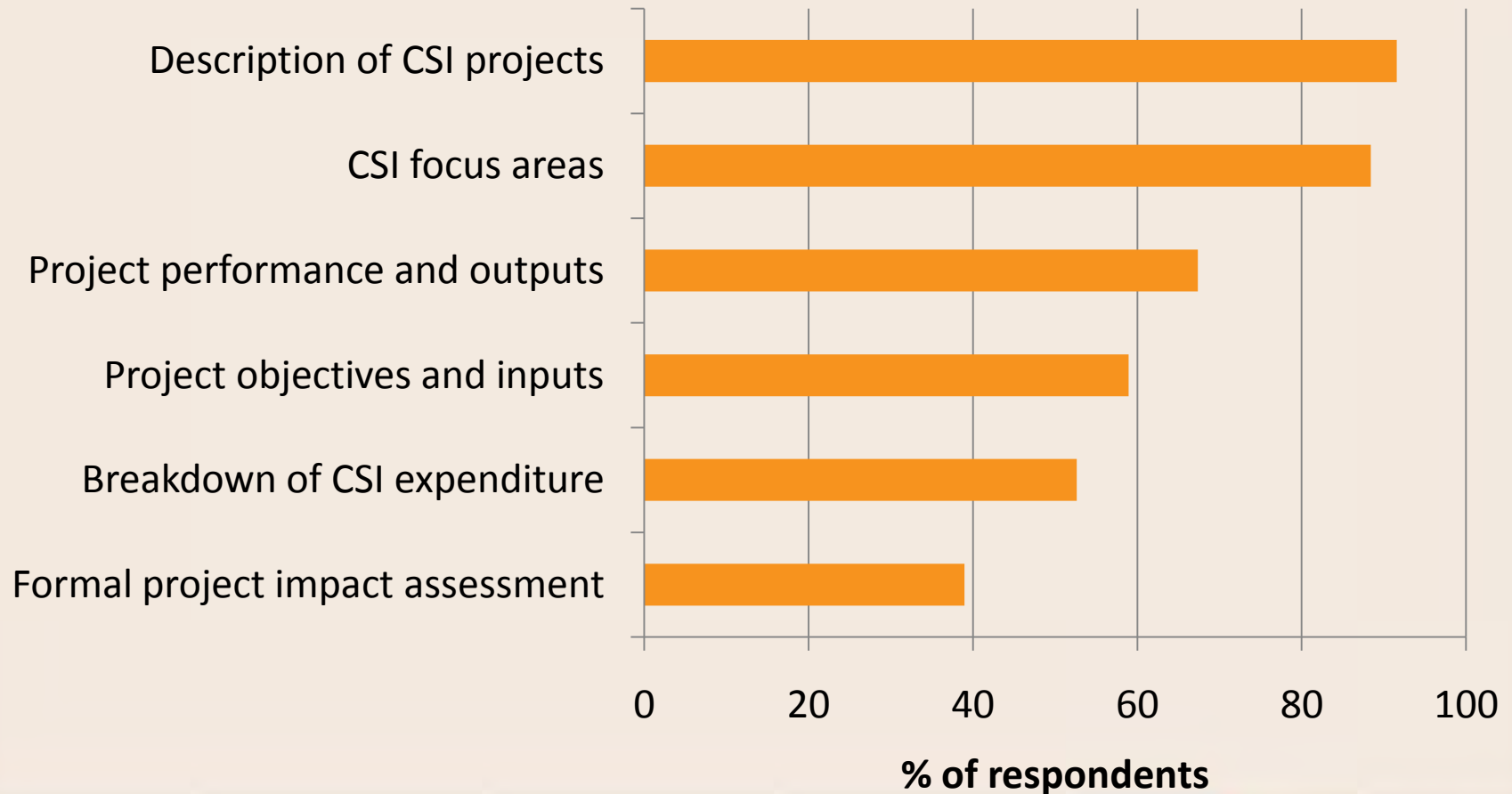
## Communicating CSI



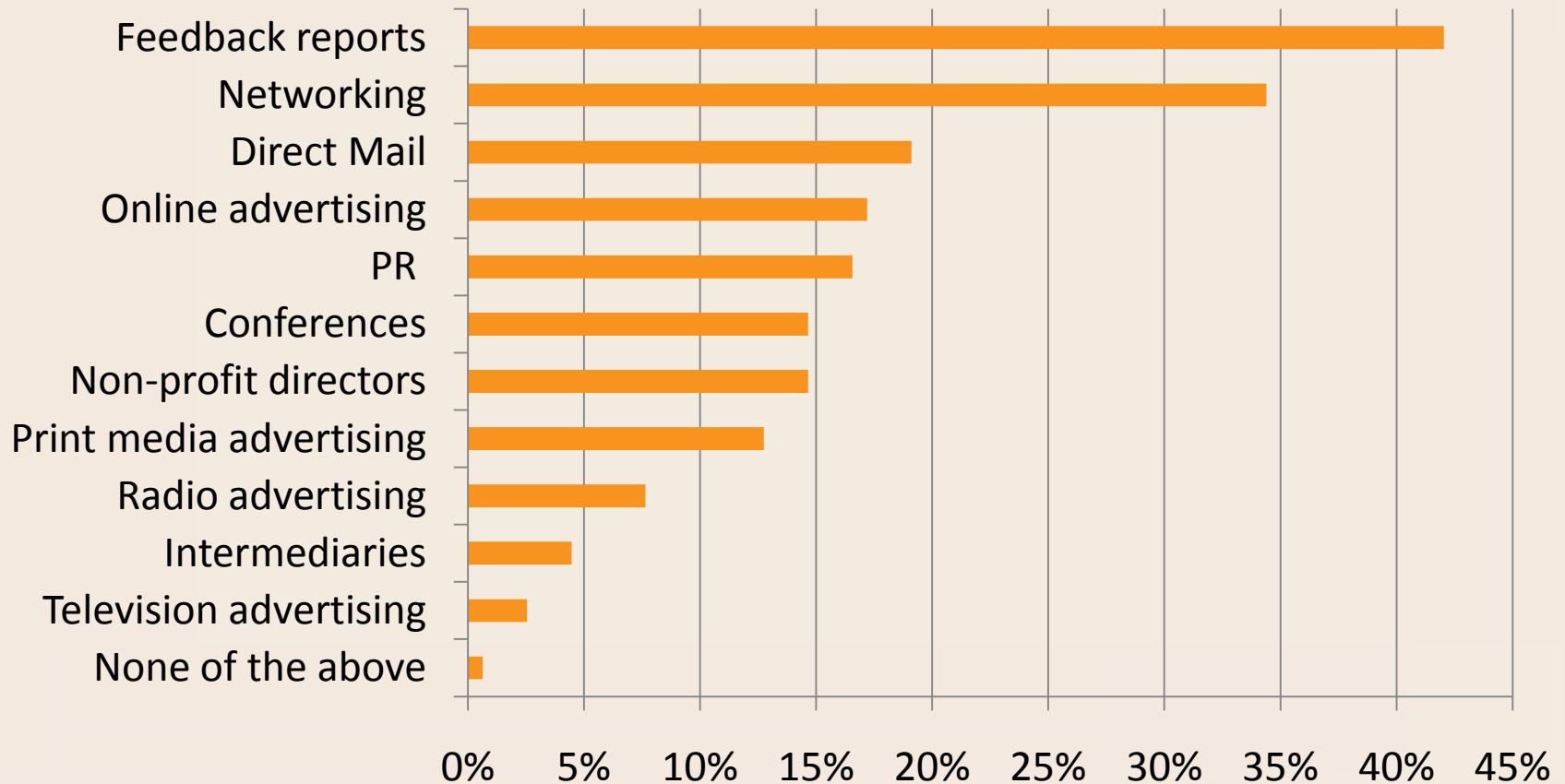
# 81% of corporates report on CSI in their annual reports



# Most companies describe their CSI focus areas and projects in their communications



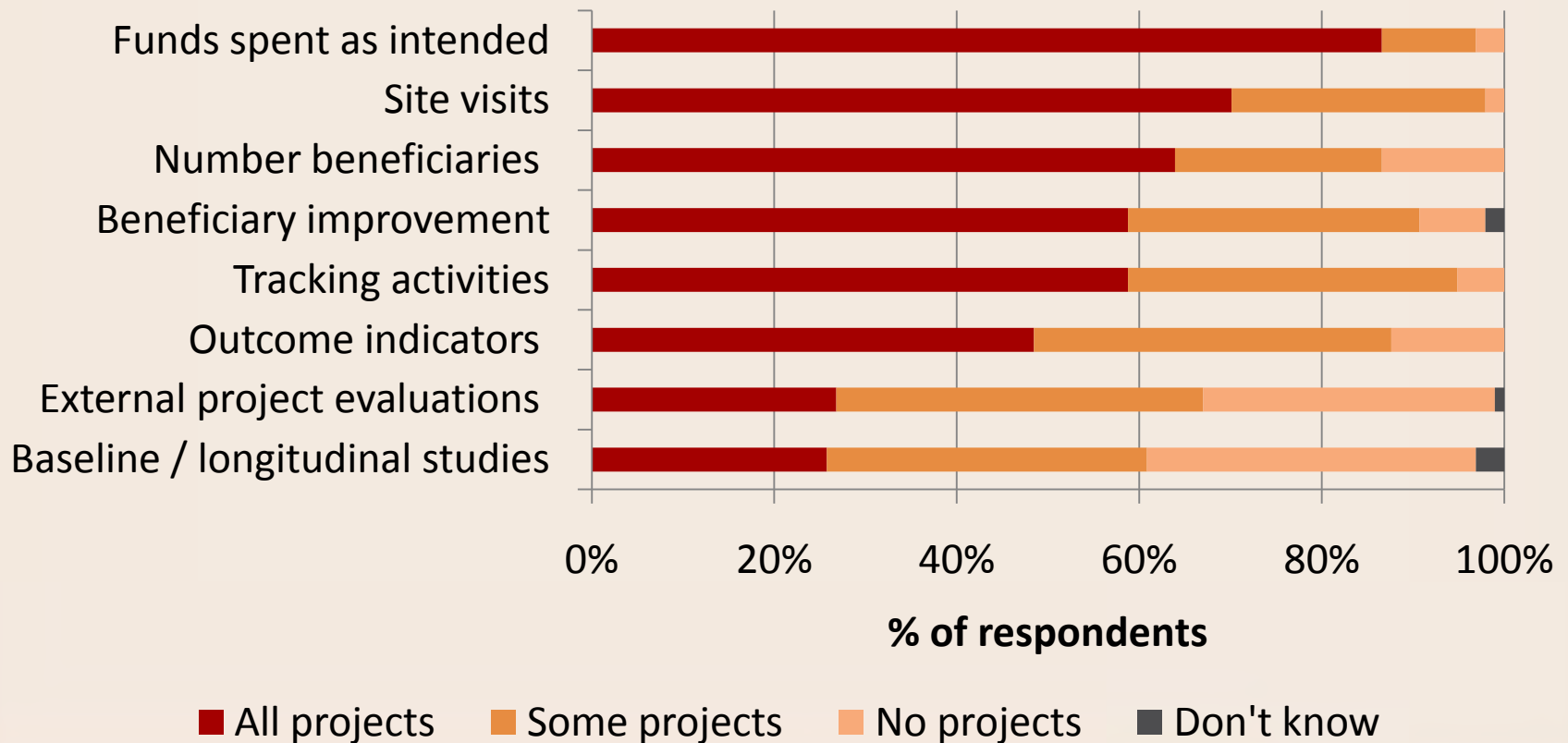
# The most common NPO communication channel is feedback reports



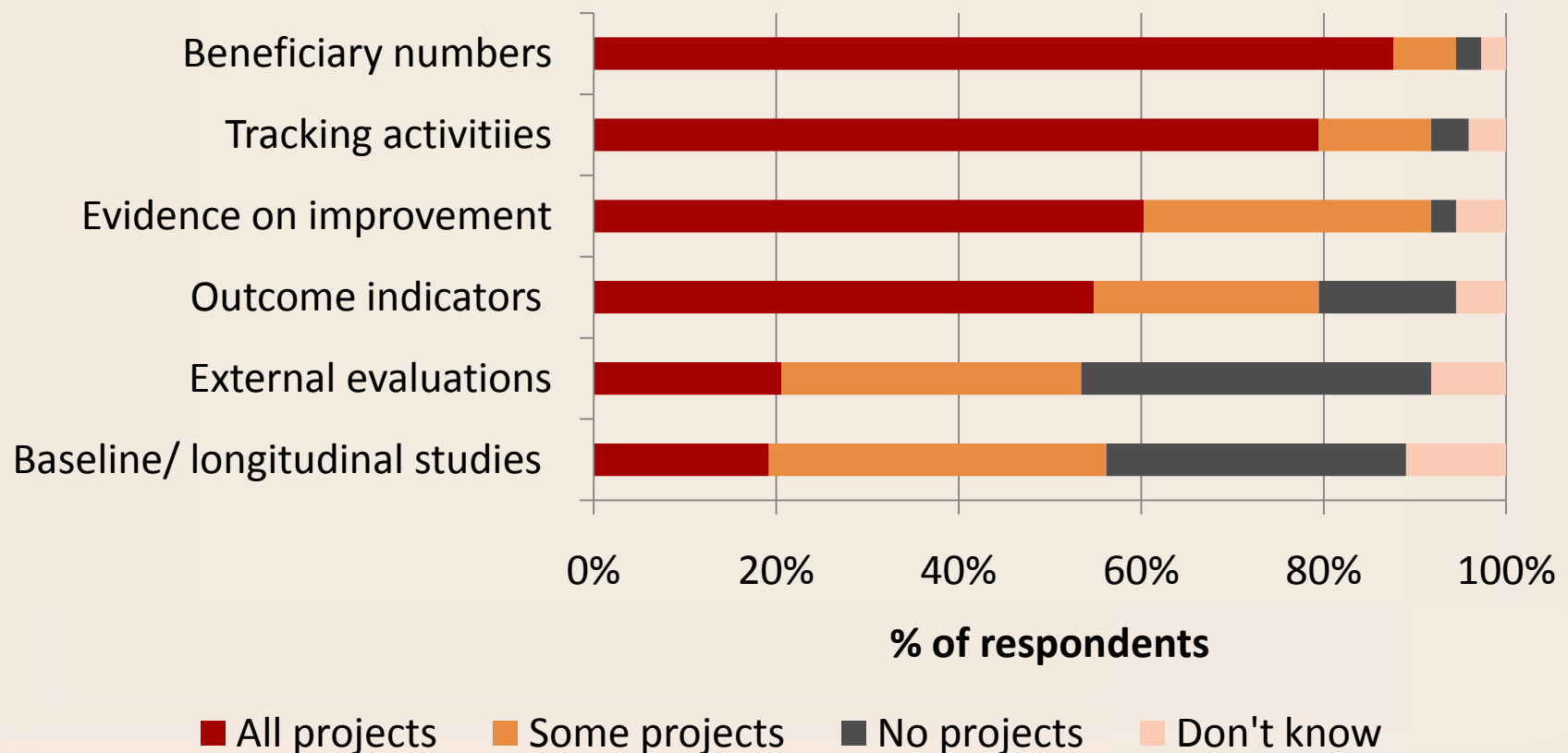
trialogue

## Monitoring and evaluation

# Most companies check that funds are spent as intended, conduct site visits and track beneficiaries



# Likewise, the vast majority of NPOs track beneficiary numbers



# Concluding points

---

- CSI continues to show **strong apparent growth**, driven by more inclusive accounting of community contributions
- Companies are a **key source of support for NPOs**, although other funding sources and self-generated funding are also being prioritised
- **Fund allocation** directed mostly to:
  - **National** programmes and urban centres
  - **Education**, health and social development type initiatives
- Many of the practices appear consistent with previous years, although there is evidence of **growing professionalism**, for example:
  - Establishment of **partnerships**, with government and other companies
  - **M&E** with some attention to outcomes
  - Multiple channels and methods of **communication**

*trialogue*

Thank you

