Enhancing Business-Community Relations

The Role of Volunteers
in Promoting Global Corporate Citizenship

Global Report

New Academy of Business

UN Volunteers

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Global Report

'In the long run, all of us want more - for ourselves and for the next generation.
We may be constrained by need but, ultimately, we are driven by hope.

'Wanting our lives to count for something more is what motivates us to go that extra mile
both inside and outside the workplace. And as the world of work assumes a more important place in
our lives, the workplace is, in fact, becoming our community....The workplace now, as never before,
is one of the key settings where building social capital is an explicit daily concern.

'How can we create societies, institutions, organisations and groups based on trust?....It requires us
to challenge ourselves to think beyond things that can be easily measured and counted and be
reminded that just because something is intangible doesn't mean that it isn't real or it isn't important.'

Sharon Capeling-Alakija
from Foreword to Something to Believe In (Greenleaf, 2003)

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The findings, conclusions and recommendations of the Global Report constitute an important source of inspiration and information to enable stakeholders to take appropriate action. It is clear that there is a rich and promising future for corporate volunteerism and partnerships between the private sector and UN Volunteers.

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Executive Coordinator a.i., United Nations Volunteers

Foreword UN Volunteers

The United Nations has long recognized that the private sector plays an important role in development. The efforts of the Secretary-General to renew and reform the United Nations have provided the overall rationale and a policy framework for a broader engagement of the private sector in international development assistance. However, efforts to work with private businesses must be seen in the proper institutional context. While the United Nations is a global intergovernmental institution accountable to its member states, it is now better understood that drawing on the expertise and capacities of the private sector is necessary to achieve UN goals. The UN Secretariat has encouraged each UN organization to develop in-house capacities and clear lines of responsibility to devise, implement and evaluate cooperative arrangements with business.

Several UN Agencies have explored partnerships with private companies in themes related to their respective mandates. United Nations Volunteers (UNV) has done the same, within our overall mandate for the promotion of volunteerism, including the mobilization of volunteers. Our initial contact with the private sector, followed by pilot activities, has revealed that many companies realize that businesses have a responsibility, not only to shareholders, customers and employees, but also to society at large; that business has a role to play, not only in contributing to economic growth, but also to social and political stability. Many businesses are becoming interested in supporting development through volunteer initiatives rooted in a sense of global solidarity. This has further motivated UNV to work with private companies.

To better understand the interface between the private sector and volunteerism, and to prepare the ground for effective collaboration with the private sector, UNV developed a research project 'Enhancing Business-Community Relations', implemented internationally in partnership with the New Academy of Business, the United Nations Development Programme, and local partners in seven countries: Brazil, Ghana, India, Lebanon, Nigeria, Philippines and South Africa. This project has generated a wealth of knowledge, and this Global Report is its key publication.

Foreword New Academy

The roots of the 'Enhancing Business-Community Relations' project lie in an informal meeting that I had with Sharon Capeling-Alakija in New York in September 1997. Sharon and I were colleagues during our time with the Canadian volunteer-sending NGO CUSO in West Africa in the 1980s. We both had just learned that we had been selected for new positions beginning in January 1998: Sharon as Executive Coordinator of UN Volunteers (UNV) and I as Senior Researcher with the New Academy of Business. With enthusiasm for the new organisational challenges facing us, we made a commitment to find ways in which UNV and the New Academy might work together to strengthen business participation in volunteerism and development processes.

As we began to explore collaboration between UNV and the New Academy in 1999, all of us who were involved in the initial discussions agreed on the need to promote greater international understanding of the experience of responsible business practice in developing and transitional countries. At the global level, we noted the dominance of Northern and Western perspectives on corporate citizenship and corporate social responsibility. Much of the impetus for these new or reformulated business concepts appeared to be coming from European and North American multinational corporations and NGOs. So we wanted to find ways to give greater international voice to the diversity of business and community experience on responsibility issues in other parts of the world. We also wanted to identify and promote new models of doing business that would be relevant to local experience in the majority world.

The result of our explorations was the 'Enhancing Business-Community Relations' action research project, which UNV, the New Academy and the United Nations Development Programme launched in 2001 together with local partners and a team of UNV Specialists in the seven project countries. The project has produced a rich and diverse collection of case studies, national research reports and new partnership proposals and initiatives. Three of the UNV Specialists are already working on follow-up projects in Brazil, Lebanon and Nigeria respectively.

Related business and management education partnerships involving the New Academy are emerging in India. There are good prospects elsewhere for ongoing UNV and New Academy engagement with local partners in business, civil society and government.

During the course of the project, UNV Executive Coordinator Sharon Capeling-Alakija continued to lend her strategic advice and support. Sadly, Sharon passed away on 4 November 2003, and was unable to witness the project's final outputs. Sharon recognized the role of the private sector in supporting and engaging with the global volunteer movement to help meet key development challenges, and we would like to acknowledge her extraordinary vision, inspiration and leadership during her time at UNV.

With the publication of this Global Report, we bring together the wide experience and learning of the various individuals and organisations that have contributed to this project. We believe that the findings, conclusions and recommendations herein will offer UNV, the New Academy, businesses, NGOs and other organizations important lessons about the contribution of corporate volunteering and business-community relations to eliminating poverty and achieving sustainable human development.

We have very much valued this opportunity to collaborate with all of the people who have worked with us in UNV and our other partners on this project, and look forward to future, fruitful relationships.

David F. Murphy

Director New Academy of Business, Bath

Executive Summary of Global Report

Synopsis

United Nations Volunteers and the New Academy of Business have worked together on the 'Enhancing Business-Community Relations' action research project since 2001. Conducted in seven countries – Brazil, Ghana, India, Lebanon, Nigeria, Philippines and South Africa – the project researched and promoted new models of business-community relations and enhanced corporate citizenship practices at the local level in developing and transitional countries. The active participation of volunteers as facilitators of partnership between UNV, businesses and local communities gave the project an additional dimension.

There is a diverse set of meanings and experiences of business-community relations in the seven project counties. Various practices are being used to enhance the relationships between businesses and communities as they begin to recognize the mutually dependent aspects of their success. However, knowing how to deal with this sense of interdependence brings uncertainty and contradiction for both parties, because they often are perceived as separate sectors of society with opposing agendas.

The spirit and energy of volunteerism can be a vital anchoring point in a process where learning about a common future is increasingly grounded in direct engagement and reciprocity, rather than detached rhetoric and broad posturing. United Nations Volunteers has a particular role in strengthening this process. With its unique organizational characteristics, UNV could develop a skill in cultivating healthy business-community relationships through processes of dialogue and reflective learning. Using this skill in combination with practices of volunteering, UNV could support the ability of groups in communities and companies to work creatively with the inherent tensions of being in interdependent relationships.

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Background

In April 2001 United Nations Volunteers (UNV) and the New Academy of Business embarked upon a project,

entitled 'Enhancing Business-Community Relations: The Role of Volunteers in Promoting Global Corporate Citizenship'. Conducted in seven countries – Brazil, Ghana, India, Lebanon, Nigeria, Philippines and South Africa – the project was undertaken by seven locally based 'UNV Specialists in Business-Community Relations'.

The project was one of a number of initiatives that UNV launched during the 2001 International Year of Volunteers. This was a time when UN Secretary General Kofi Annan was promoting the role of the private sector in contributing to the aims and objectives of the UN, such as the Millennium Development Goals.

The project drew upon the strengths and resources of partners who hosted the UNV Specialists: Instituto Ethos in Brazil, the Association of Ghana Industries (AGI), The Energy and Resources Institute (TERI) in India, Philippine Business for Social Progress (PBSP) and the African Institute of Corporate Citizenship (AICC) in South Africa. In Lebanon and Nigeria, the UNVs were based at United Nations Development Programme (UNDP), which enabled their efforts to be coordinated with UNDP's broader private-sector engagement in these two countries. UNV Specialists combined on-the-ground research with partnership development and joint sense making in a process of collaborative inquiry.

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Key Findings

The idea of business-community relations across the seven project countries encompasses a wide range of insights and practices. An extensive series of case studies and seven country reports describe these diverse experiences. We have drawn upon the work of the UNV Specialists to produce a global report that identifies four broad areas of practices used as catalysts to enhance business-community relationships: corporate philanthropy and social investment, volunteerism, engagement, and corporate citizenship and responsibility.

1. Corporate Philanthropy and Social Investment

Corporate philanthropy and social investment are common practices in all seven countries. Traditional corporate philanthropy appears to be particularly prevalent in India, Lebanon, Ghana and Nigeria.

Companies such as Infosys and SPIC in India and Bank Saradar and FTML in Lebanon continue to support a range of charitable activities through corporate foundations but are beginning to recognize the value of supporting longer-term development programmes. The research in Ghana reveals that ad hoc approaches to corporate charitable giving of money or company products remain common.

In all of the project countries, companies try to re-brand their philanthropic activities as 'social investment', 'community relations' or 'social action' and to recast the activities as grounded in the needs of local communities. However, quite often these practices remain strongly paternalistic and imposed from the top of the business down to communities.

Examples of more developmental social investment include a case on the contribution of La Frutera and Paglas in the Philippines. The role of business in building development capacity was also evident in Brazil, where Telemig Celular invests in the strengthening of local councils for child and adolescent rights, and companies such as Docol, Deca and Tigre supports Agua e Cidade's water and sanitation programmes. In Nigeria, Elf Petroleum helps to fund the National Poverty Eradication Programme's skills development centres that promote youth self-employment. In the Philippines, Brazil and South Africa, a number of companies seeks to integrate their giving into the corporate planning cycle. This approach has the potential to transform ad hoc 'pet projects' of chairmen or CEOs into a form of 'social investment' that can add greater value to both the community and the business.

2. Volunteerism

We noted that all countries have a strong tradition of individuals undertaking voluntary work in their communities. However, we found fewer examples of long-term formal corporate volunteering or employee involvement programmes, particularly in Ghana, India, Lebanon and Nigeria.

The concepts and practices of corporate volunteering and formal employee involvement have emerged largely from business behaviour and culture in the West. Nevertheless, the mutual aid (or self-help) dimension of volunteerism has a long tradition in the seven project countries. Individuals and groups undertake voluntary activities in support of community development projects and other local causes. Much voluntary action is not necessarily captured as formal volunteering nor supported with formal institutional backup. Where present in the seven countries, volunteering programmes were generally spearheaded by large Western multinational companies.

One case explores the role of CAF Southern Africa in promoting volunteer programmes, such as the African Oxygen Ltd. Community Involvement Process and various other corporate volunteering initiatives in South African companies. The Philippine case study of Petron's Volunteerism in Action explores a programme that offers volunteering opportunities to its employees, employees' children, business partners and other stakeholders. The Brazilian utility company Companhia Paranaense de Energia encourages employees to volunteer as literacy trainers to

support the efforts of formal literacy teachers in the company-supported 'Light on Literacy' programme. Other Brazilian examples include Serasa's efforts to support and encourage employees and their families to provide financial and technical support to community-based organizations.

A more holistic understanding of volunteerism could be brought to formal corporate volunteering programmes, and participating employees need greater organizational support.

3. Engagement – Stakeholding and Partnership

Various businesses are managing and understanding the influence of groups of stakeholders upon their business operations and strategies. The research shows companies responding with a variety of engagement strategies. Companies involved in the extractive industries sector reveal particular interest in the concept and practices of stakeholder engagement. The cases of Chevron Texaco in Nigeria, Tema Oil Refinery in Ghana and Silangan Mindanao Exploration Corporation in the Philippines all explore how the companies seek to engage with local stakeholders in host communities. The companies connect with groups that range from traditional rulers and elders in communities, small businesses and future employees to youth groups and environmental activists. These stakeholders hold varying types of control over the 'licence to operate' of the company concerned.

Although the language of partnership and participation emerged as a theme to varying degrees in all seven counties, to define what constitutes a partnership is increasingly difficult. Case studies explore partnerships in all participating countries except India and South Africa. In Brazil and Philippines in particular, a strong emphasis upon partnership-type arrangements may be linked to the presence and work of two business-support organizations with an interest in corporate responsibility: both Ethos Institute in Brazil and Philippine Business for Social Progress work locally with businesses, and their role in creating the space for partnership to develop seems significant.

In only a few instances, business and community partners attempt to engage in some form of deeper conversation underpinned by a willingness to be changed and influenced. The rarity of this form of engagement is characterized by both confusion over and excessive faith in a generalized 'partnership-speak'. In contrast, micro-level issues, such as how groups are interacting or how individuals are talking to each other, receive little attention.

4. Corporate Citizenship and Responsibility

The idea of corporate citizenship or corporate responsibility has come to be recognized in recent years as both a framework to enhance understanding of the role of business in society and as an area of practice in its own right.

Various case studies across the seven countries offer examples of companies being challenged by stakeholders, as well as innovative corporate responses through improved citizenship and responsibility initiatives.

For SABMiller, Pick 'n Pay and practically all of the South African case companies, HIV/AIDS is a key focus of business strategy in areas such as scenario planning, risk assessment and human resource management. In South Africa, HIV/AIDS is also, not surprisingly, one of the more prominent areas of support for corporate social investment and philanthropy and corporate volunteering and employee involvement.

In the Philippines, the case of La Frutera and Paglas demonstrates how companies and communities can collaborate to create mutually beneficial economic opportunities and promote peace in areas where a history of conflict has undermined development.

The growing importance of environmental and sustainable development issues for business is evident in all project countries. The case of Schtroumpf and its 'Go Green' campaign in Lebanon illustrates how small and medium enterprises can integrate sustainability principles into their business, achieve financial success and foster wider social change.

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Main Conclusions

Those looking to strengthen the relationships between businesses and communities must work out how to deal with the challenge of shared destiny. Various practices are being used to enhance the relationships between business and communities as they recognize that their success, at least in part, is interdependent and full of uncertainty and contradiction.

Many businesses continue to struggle to balance domination and partnership approaches in their relationships with communities. Business strategists often advocate the need for corporate independence and control, whilst those in the community development department encourage collaborative engagement. Similarly, communities are often caught between assessing the benefits of satisfying current needs versus longer-term developmental purposes.

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Rethinking Strategy

In a number of consulting, academic and practitioner circles, the need to ensure the 'strategic' focus of corporate responsibility initiatives has become a new and powerful orthodoxy. In light of this, many of the practices observed in the seven countries might be construed as being insufficiently informed by strategic thinking. The role of business in these societies is critical for generating and sustaining long-term prosperity. However, project findings suggest that merely resorting to the language of 'corporate strategy' for enhancing relations with host or local communities offers an inadequate relationship framework.

We need to reconsider the understandings and practices of strategic thinking and strategy in the light of the development objectives of an organization such as UNV. Whilst individual company strategies and purposes are important for helping the people in the organization understand how they might act, an understanding of something as being 'strategic' will vary according to the perspectives of those involved. The notion of what is considered to be strategic depends upon context and perspective and is created by the actions of companies and communities. Businesses may recognize that their success depends upon the communities around them. However, quick and simple assessments based upon the language of 'strategic thinking' result in more disruptive antagonism, rather than achieving healthier relationships. The discourse of traditional competitive business strategy acts as a veil, blocking the development of mutual understanding.

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Learning To Work with Shared Destiny

Developing mutual understanding is particularly challenging in a world where flows of information are rapid, often overwhelming and diverse. The lesson of shared destiny is this: we cannot consider the strategy of a single firm outside the other strategies, purposes and actions that exist in society. We can learn how to cope and engage with the challenges of shared destiny so that interactions can create healthier relationships between businesses and communities.

Many businesses and communities sense their interdependence. On numerous occasions, people from communities and business experience this interdependence directly in face-to-face interactions. However, individuals often fail to attend to small-scale actions. For example, quite often little attention is paid to how people act or what they say in conversations and meetings. Whilst this might seem a minor factor, the research suggests that such small-scale actions in relationships between communities and organizations affect the assumptions that groups and individuals make about each other.

When the various truths of these assumptions are explored, actions will be better understood and conceived. And when individuals learn how to interact in ways that help them understand themselves and each other more completely, they will enhance the chances of mutual understanding. Such an approach could complement more traditional business language of strategy alignment, return on investment or competitive advantage.

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A Role for UNV

UNV as an organization and volunteerism generally can play a particular role to help businesses and communities learn about mutual understanding. Three characteristics enable UNV and volunteerism to contribute to this learning: 'knowing by doing', 'bridging' and 'legitimacy'.

These three characteristics combine the authority of the UN brand with an immediate awareness – from working on the ground and knowing by doing – to establish a recognizable legitimacy. As an action-oriented organization, UNV could use its capacity and legitimacy to act as a bridge between groups and individuals in businesses and communities. UNV has the convening power to create space and time to enable groups of people and organizations to come together for sustained periods of time to learn about shared destiny. As a result of its work on matters of practical and immediate importance, UNV is a relevant partner for both communities and businesses.

The spirit and energy of volunteerism could be a vital anchoring point in this process. Volunteering programmes generate an opportunity for face-to-face interactions between individuals in interdependent communities and businesses. These interactions support a shift away from the sound bites of corporate strategy making and the broad posturing of community development plans. A spirit of being engaged in volunteering often leads to better understanding of oneself – as an organization or an individual. The act of working together encourages individual conversations where people develop better understanding of each other in their respective roles in communities and businesses. In conversation, businesses and communities learn how to cope with and manage the sometimes-contradictory pushes of shared interests.

The unique advantages of UNV are even more relevant in these interactions. UNV can combine its capacity to act as a bridge, its legitimacy and its knowing-by-doing with a new skill in dialogue and reflective learning. We need to slow conversations down. A greater attitude of attention to the way that we as individuals speak, listen and think in relationships would open the way for mutual understanding. Volunteerism and the action of volunteering could support learning that is increasingly informed by and grounded in

direct engagement and reciprocity. Three areas of practical development for UNV concern learning, partnering and leadership. With attention to these areas, the chances of cultivating healthier business-community relationships based upon volunteerism and reflective learning are significant and novel.

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1.   Introduction – Project Context

Initial Orientation Workshop, Bristol, UK, September 2001

In April 2001 United Nations Volunteers (UNV) and the
New Academy of Business embarked upon an eighteen-month
project, entitled 'Enhancing Business-Community Relations:
The Role of Volunteers in Promoting Global Corporate Citizenship'.

This 'action research' project was conceived as one of numerous initiatives that UNV launched during the International Year of Volunteers 2001.[1] It was developed during a time when Kofi Annan, the United Nations Secretary General, was promoting the role of the private sector in contributing to the aims and objectives of the UN.

At the outset, the project recognized that little was known about the extent to which healthier relationships were being forged between communities and businesses in developing and transitional countries and the role that volunteerism plays in these relationships. Operating across seven countries, Brazil, Ghana, India, Lebanon, Nigeria, Philippines and South Africa, this project sought both to bridge these gaps in understanding and to cultivate relationships between communities and businesses that are more socially just and ecologically sustainable.

More specifically, the project aimed to:

- Enhance international understanding of the meaning and experience of business-community relations across different geographical and socio-economic contexts;

- Facilitate international learning and networking for the development of partnerships and promotion of locally grounded models of healthy business-community relations;

- Encourage the active participation of volunteers in the promotion of business-community relations and related global corporate citizenship practices.

A team of seven locally based 'UNV Specialists in Business-Community Relations' spearheaded the action research efforts. The project drew upon the strengths and resources of the UNV Specialists and their host partners:

Brazil: *Roberto Felicio and Instituto Ethos,*

Ghana: *Joseph Boateng and Association of Ghana Industries (AGI),*

India: *Aparna Mahajan and The Energy and Resources Institute (TERI),*

Lebanon: *Lubna Forzley and United Nations Development Programme (UNDP),*

Nigeria: *Leonard Okafor and UNDP,*

Philippines: *Charmaine Nuguid-Anden and Philippine Business for Social Progress (PBSP),*

South Africa: *Jean Niyonzima and African Institute of Corporate Citizenship (AICC).*

The UNV Specialists in Lebanon and Nigeria were well placed to coordinate their efforts with UNDP's wider private-sector engagement in these two countries.

During the project, each of the UNV specialists undertook a range of collaborative inquiry and networking activities. Following initial orientation in the UK in September 2001, the project specialists returned to their countries and began gathering information and resources regarding the state of business-community relations at the national level and documenting good practice examples. Between April and September 2002 national workshops were conducted in each of the seven countries. In seeking to go beyond traditional research, the specialists also developed their understandings by engaging in partnership-building at the national level and sharing experiences across the seven countries.

These various activities have informed the writing of seven national research reports. Each report offers the reader an overview of current national trends in business-community relations, corporate citizenship initiatives and the role of volunteers in these processes. Additionally_ each specialist researched ten case studies that highlight specific practices in the area. Finally, the research, action and sharing of experiences have been used for the development of a novel partnership involving UNV in each of the seven countries. These partnership proposals were, at the time of writing, at various stages of development.

Prepared by David F. Murphy and Rupesh A. Shah of the New Academy of Business, this global research report is an overview publication that draws together the work from the seven countries to develop a synthesis of international trends in business-community relations and the role of volunteers in promoting responsible business practice. We first offer the reader some background to the involvement of UNV in this project. We provide a brief description of the organization's understanding of itself and volunteering. We then connect this to a short review of the relationship among UN, UNV and the private sector. This introductory chapter concludes with an outline of the remaining chapters, with some suggestions about how to read this report.

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1.1 UNV and Volunteerism

United Nations Volunteers supports sustainable human development globally through the promotion of volunteerism and the mobilization of volunteers. It serves the causes of peace and development through enhancing opportunities for participation by all peoples. It is universal and inclusive, embraces volunteer action in all its diversity. UNV values free will, commitment, engagement and solidarity, which are foundations of 'volunteerism'.

In recent years, UNV has promoted the value and importance of volunteerism in the development process. At the 2002 World Summit on Sustainable Development, UNV championed voluntary action as the 'fourth cornerstone of sustainable development', arguing that volunteerism provides a conduit for the achievement of the other three cornerstones: economic growth, environmental protection and social development. UNV states that volunteerism, therefore, should underpin all sustainable development strategies and actions.

UNV's leadership role in the International Year of Volunteers 2001 enhanced global understanding of the social and economic contributions of volunteer action and helped to focus attention on ways in which volunteerism could be strengthened further.

A UNV background paper prepared for the Expert Group Meeting on Volunteering and Social Development held in 1999 outlined a framework for volunteerism (or voluntary action) with the following defining principles:

*   Actions should not be undertaken primarily for financial reward, although reimbursement of expenses and some token payment may be allowed.
*   Free will is an essential element of voluntary actions.
*   Actions can occur within or outside formal organizational or institutional settings.
*   Actions should benefit some individual or group other than just the volunteer himself/herself.
*   Levels of commitment can vary depending on the person, activity and resource.

Building upon these principles, UNDP's October 2003 issue of Essentials on 'Volunteerism and Development', noted four predominant manifestations of volunteerism:

*   Mutual aid or self-help,
*   Philanthropy or service to others,
*   Participation,
*   Advocacy or campaigning.

In the same piece, UNDP also emphasized the reciprocal nature of volunteerism: 'The benefits of volunteering accrue to both beneficiary and volunteer alike.'[2]

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1.2   UN-Private Sector Relations

Various, non-state actors, such as businesses, have played an active role (in various forms) in the United Nations since its inception in 1945. At its most simple level, the private sector has been and continues to be used to service the procurement needs of an organization as large as the UN.

The first formal initiative related to business and the conditions of doing business in the UN emerged following the Second World War. Proposals were made by the United States to coordinate action on 'restrictive business practices' that might restrain competition, restrict access to markets or foster monopoly control in international trade.[3] In 1974 the General Assembly of the United Nations noted: 'All efforts should be made to formulate, adopt and implement an international code of conduct for transnational corporations (TNCs).'[4] The resolution, among other provisions, sought to prevent interference in the internal affairs of countries where TNCs[5] operate, to bring about assistance and transfer of technology to developing countries on equitable terms and to regulate the repatriation of profits from operations of TNCs.[6]

The Commission on Transnational Corporations, which was established by the Economic and Social Council of the UN in the same year, suggested that the approach of the UN towards the private sector had a strong multi-lateral and regulatory element at the time. Since then, and particularly in the last 10 to 15 years, the role and impact of the private sector upon the institutional objectives of the UN has shifted this stance somewhat.

Since the early 1990s the relationship with the private sector has become infused with the flavours of collaboration, partnership and voluntary action. This reconsideration comes in the light of the growing impact and reach of business activities within society and a new rationale, promoted by Kofi Annan, for 'closer cooperation and partnership between the United Nations and non-state actors, including the business community'. The rethink also comes in light of a sense that the 'business community is increasingly appreciative of the role of the United Nations…helping provide a stable and favourable framework for business and development'.[7]

According to a report on 'Building Partnerships' commissioned by the UN:

> *The majority of the world's people now live in some form of market economy. Although government spending has increased in many countries, the process of privatisation has resulted in a transfer of many publicly owned assets to the private sector. Linked to this, the private sector has come to play a more prominent role not only in creating new wealth and internationalizing economic transactions, but also in influencing policy-making at the national and global levels.*[8]

The current attitude towards the private sector within the UN can be seen in the emergence of the UN Global Compact, launched in 1999 by Kofi Annan.[9] The Global Compact 'seeks to advance responsible corporate citizenship so that business can be part of the solution to the challenges of globalisation'.[10]

BUSINESS-COMMUNITY RELATIONS

In this project we have sought to use the term 'business-community relations' to refer to the ways in which communities and businesses interact with one another. The scope of our work goes beyond a narrow focus on philanthropy to draw in notions ranging from cause-related marketing to strategic business involvement in local communities, such as employee volunteering, corporate citizenship practices and stakeholder accountability.

Our understanding of 'community' is broad, en-compassing groups of people who share a geographical place as well as those who share emotional, professional or religious ways of understanding or who create common interests and attitudes through collaboration. As such, community could include a local village in which a factory is located, a collective of female employees or an international coalition of activists, for example.

The forms, structures and processes of such interactions and relationships between businesses and communities are diverse and dynamic. Our use of term 'business-community relations' in-cludes relationships that are strong and weak or exhibit harmony and discord, closeness and distance, collaboration and conflict.

It is a voluntary initiative based upon nine principles clustered around the themes of human rights, labour stan-dards and environment. Although it is not a prescriptive or regulatory instrument, the UN aims to provide 'a framework to promote good corporate citizenship through committed and creative leadership'.[11]

The desire for partnership with the private sector was emphasized in July 2003 with the formation of a high-level commission on the Private Sector and Development. Kofi Annan suggested that the commission 'underscores the importance of partnership [between the United Nations and the private sector] in our work to reach the Millennium Development Goals'.[12]

Current private-sector-related work within the UN varies considerably in form and structure. For example, the UN conducts research and organizes conferences on the role of companies in development from a distance.[13] Other orga-nizations within the UN system act more directly on the ground with businesses. For example, the New Academy of Business has been collaborating with the International Labour Organi-zation to design, develop, implement and evaluate social

marketing/mobilization campaigns on job quality aimed at micro- and small enterprises (MSEs) in Ghana, India and Vietnam.[14]

Although the language of cooperation increasingly infuses the UN's work with the private sector, the collaborative attitude is not without its critics. For example, Judith Richter, who has worked as a consultant for UNICEF and WHO, expresses concern over the influence of large corporations upon the UN system.[15] Naomi Klein suggests in No Logo that American industry opposition led to the end of the UN Commission on Transnational Corporations.[16] Kenny Bruno explores the term 'Bluewash' in his report Greenwash + 10 and notes that companies are 'now wrapping them-selves in the UN flag and claiming to be champions of UN values such as human rights and poverty elimination, as well as environmental protection'.[17]

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1.3   UNV-Private Sector Relations

Although UNV has a long history of volunteerism in a development context, it has had less experience working directly with the private sector than many other UN organizations. Since 1985 UNV has offered individuals with private-sector skills and experience various volunteering opportunities throughout the world via two programmes: initially known as Short-Term Advisory Services (STAS) and later transformed into United Nations International Short-Term Advisory Resources (UNISTAR). However, UNV has only recently begun to work in formal partnerships with private-sector companies. As part of the UNV's efforts to work more closely with the private sector, UNISTAR recently was renamed the 'Corporate/Private Sector Programme'.

In the late 1990s, UNV, as part of a major trend in the UN, also became interested in partnering more formally with the private sector. Each UN agency has approached the private sector from the standpoint of its respective mandate. UNV engaged the private sector to seek ways to promote volun-teerism. In order to do so, it was first important to conceptually understand the interface between volunteerism and the private sector. UNV already had some experience with corporate volunteering, but little with business-community relations. Therefore, the Enhancing Business-Community Relations project came to fill in an important knowledge gap at UNV.

UNV has therefore identified two ways to mobilise the support of the private sector for volunteerism and develop-ment: corporate volunteering and business-community rela-tions. For UNV, corporate volunteering involves a given company encouraging its own employees (often supported by the company) to work on social development projects. On the other hand, the idea of business-community relations is about corporate support for volunteerism and development

within a given community. For UNV, business-community initiatives normally include the work of organized voluntary groups within communities (often community-based organizations), and sometimes also individuals (not organized in groups). In addition to including volunteerism and development in the community, UNV recognises that business-community relations may also include corporate volunteering. Many business-community initiatives are often supported by the voluntary efforts of company employees.

UNV sees the Global Compact as providing an 'overall value framework for cooperation between UN organizations and the business community'.[18] The organization highlights the invitation in the Global Compact for business to join the UN in partnership projects. Within this emerging collaborative context, since 2000 UNV has developed partnerships with the private sector on a range of activities, including corporate volunteering, project sponsorship, thematic image campaigning and events sponsorship. Leading examples include:

- A partnership with Kraft Foods to send employee volunteers to Jamaica, Lesotho and Uzbekistan in 2000. The UNV-Kraft volunteers contribute to development by providing their knowledge and experience to help address food-processing and quality-control issues in host countries.
- The Benetton-UN Volunteers Campaign: Volunteers in Colors launched in September 2001.[19]
- A programme partnership with the Cisco Least Developed Country Initiative,[20] which brings professional networking technologies training through the establishment of Cisco Networking Academies.[21]

The research and action from this Enhancing Business-Community Relations project was informed by the emerging interest in collaboration and has, in turn, informed the perspective of UNV on its policy framework for partnering with the private sector. The following UNV objectives help to demonstrate how the organisation sees the possibilities of its work:

1. To stimulate the business sector to take responsible action in development, on its own or in partnership with other development actors, particularly in areas related to UNV's mission.
2. To tap the vast knowledge, human and material resources available from the private sector to achieve development goals.
3. To project itself as a neutral, trustworthy and efficient development agency for communities and as a partner for the private sector, by (i) facilitating the private sector in its effort to fulfill its social responsibility and (ii) helping communities to derive maximum benefit from contributions from the private sector.[22]

In order to meet these objectives, UNV outlined three types of support given by the private sector:

1. Human resources, with private-sector companies contributing their employees.
2. In-kind contributions, that is, donation in the form of goods and services produced or owned by the company for use in ongoing UNV projects, as well as initiatives such as campaigns to promote volunteerism.
3. Financial contributions.

UNV also divided the potential initiatives it could take with the private sector into three broad types:

1. Fielding of volunteers: Promoting corporate volunteering and placing employee volunteers in the projects managed and executed by UNDP and other UN agencies. This consists of private companies sending their employees as UN volunteers to work in assignments identified by UNV.
2. Projects: UNV plays a role in conceptualizing the supply of volunteers as human resources and its support of community development.
3. Advisory work: Assistance is given to companies for setting up a corporate volunteer programme.

In the midst of this evolving context and understanding, the Enhancing Business-Community Relations project emerged and has been taking place. Exploratory discussions about potential collaboration between UNV and the New Academy of Business date back to 1999 when UNV began to take on the language of partnership and collaboration with the private sector. However, UNV is unlike many of the other organizations in the UN system in that it has a presence 'on the ground' with an emphasis upon the spirit of volunteerism. The project, then, was concerned with conducting research as well as undertaking action in communities and businesses.

For the New Academy, cooperation with UNV offered an opportunity to bring a deeper understanding of the role of business in development in Africa, Asia and Latin America to its education and training programmes for managers and students of business and management. By working with UNV and new Southern partners in Africa, Asia and Latin America on an action-oriented project, the New Academy aimed to bring new and diverse perspectives to debates about corporate social responsibility (CSR). The New Academy's perspective was that most of the CSR debates over the previous decade had been framed at the international organizational or Northern country level with little attention to many of the particular issues and concerns of Southern stakeholders. Ultimately, the New Academy saw collaboration with UNV and Southern partners as a means of bringing voices from the majority world to international discourses concerning responsible business practice. The resulting awareness, abilities and publications were to be used as

catalysts for further change, particularly through our education work with various organizations.

Another major objective of this project was to bring new voices and understanding to the practices of enhancing business-community relations. This report gives one form of expression to these new understandings. They were also expressed in the partnership proposals that were developed in the seven countries by the UNVs. The action-oriented nature of the project has also meant that the unfolding understandings have been expressed during the course of the project in the actions taken by the UNVs locally and will also be reflected in their future work.

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1.4 How To Read this Report

The remainder of this report is divided into five additional chapters:

After this introduction, Chapter 2 describes the broad outline of the activities undertaken during the course of the project. It is not a complete description of the methodology used; however, it aims to provide the reader with an understanding of the flow of research and action between mid-2001 and 2003.

In the next part of the report, we review the main findings and outcomes of the project. The key findings are divided into two chapters (chapters 3 and 4).

Chapter 3 provides a summary of activities and findings from each of the seven countries. This provides information about what happened during the course of the project in the country, a list of the case studies and some ideas about the drivers of business-community relations in each country. Each country summary also highlights some of the interesting outputs and messages from the research and gives a series of vignettes, ideas or activities and dilemmas or questions that came out during the course of the research in each country.

Chapter 4 brings together the range of practices that are being used in the seven countries for enhancing business-community relations. In this chapter, we bring together the findings from the seven countries to offer an overview of the practices and briefly to explore some theoretical lenses through which to consider the practices.

Chapter 5 provides a synthesis and analysis of the findings and outcomes of our research in the context of the role of UNV and volunteerism. We offer the reader some deeper insights about relationships between businesses and communities and suggest how UNV could interpret its role in enhancing practices for healthier business-community relations through volunteerism.

In Chapter 6, we finish the report with some concluding thoughts and recommendations for specific follow-up actions regarding learning, partnering and leadership.

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1 See www.unv.org/infobase/anrep/2001/ar01_en.pdf
2 UNDP (2003) 'Volunteerism and Development'. Essentials 12, October, United Nations Development Programme Evaluation Office, New York, p 2
3 Dell, S (1990) The United Nations and International Business, United Nations Institute for Training and Research and Duke University Press, Durham
4 Cited in Dell (1990)
5 In this report we have used the terms 'transnational corporation' or 'corporation' to refer to large multinational enterprises. The terms are used interchangeably.
6 General Assembly Resolution 3202(S-VI), 1 May 1974. According to Sidney Dell, this resolution was adopted with strong reservations about its content voiced by the United States, Japan and members of the European Community.
7 See Guidelines on Cooperation between the United Nations and the Business Community. Available at www.un.org/partners/business/otherpages/guide.htm
8 Nelson, J (2002) Building Partnerships: Cooperation between the United Nations System and the Private Sector. Report commissioned by the United Nations Global Compact Office. United Nations Department of Public Information, New York, p.17
9 See www.unglobalcompact.org/
10 See www.unglobalcompact.org/Portal/Default.asp. See also McIntosh, M, Murphy, D and Shah, R (co-editors) (2003) Journal of Corporate Citizenship 11, Autumn. Special issue on the Global Compact
11 McIntosh, M, Thomas, R, Leipziger, D and Coleman, G (2003) Living Corporate Citizenship: Strategic Routes to Socially Responsible Business, FT Prentice Hall, Harlow, UK
12 For more information about the Millennium Development Goals, see www.un.org/millenniumgoals/
13 See Bendell, J (2003) Waking Up to Risk: Corporate Responses to HIV/AIDS in the Workplace. United Nations Institute for Research on Social Development Programme on Technology, Business and Society, Paper No. 12, October 2003. See also 'Gender and Trade: Challenges and Opportunities', to be presented in June 2004 at the United Nations Conference on Trade and Development (UNCTAD) XI meeting in Sao Paulo, Brazil.
14 This work was conducted for the ILO InFocus Programme on Boosting Employment through Small Enterprise Development (ILO-SEED).
15 Richter, J (2002) Holding Corporations Accountable: Corporate Conduct, International Codes, and Citizen Action, Zed Books
16 Klein, N (2000) No Logo, HarperCollins, London
17 Bruno, K (2002) The UN's Global Compact, Corporate Accountability and the Johannesburg Earth Summit, CorporateWatch and Tides Center, Oakland, CA. Available at www.corpwatch.org/campaigns/PCD.jsp?articleid=1348 See also CorpWatch (2000, September) Tangled Up In Blue. Available at www.corpwatch.org/un
18 From UNV Policy Framework for Working with the Private Sector (2003). Emphasis added.
19 See www.benetton.com/UNV/home.html
20 See cisco.netacad.net/public/digital_divide/ldc/index.html
21 From UNV Policy Framework for Working with the Private Sector (2003)
22 From UNV Policy Framework for Working with the Private Sector (2003)

2.   Project Approach

Panel session at India National Workshop, New Delhi, India, April 2002

In this section of the report we briefly highlight the activities that took place during the course of the project. It is not a complete description of the methodologies adopted in the project across the seven countries. These are available in each of the national research reports. Here we describe the general flow of the research and action in the seven countries.

2.1   Outline of Activities

As noted in Chapter 1, the origins of this project lie in exploratory discussions about potential collaboration between United Nations Volunteers (UNV) and the New Academy of Business dating back to 1999. UNV sought innovative ways to support UN Secretary-General Kofi Annan's challenge to business leaders at the January 1999 Davos World Economic Forum to join a 'global compact of shared values and principles' and give globalization a more human face. As the key UN agency concerned with volunteerism and development, UNV wanted to explore the promise of working more closely with the private sector and mobilizing businesses globally to become stronger advocates for volunteerism.

In mid 2001 UNV and the New Academy of Business launched a collaborative project to explore the meaning and experience of business-community relations and enhanced corporate citizenship practices at the local level in seven countries: Brazil, Ghana, India, Lebanon, Nigeria, Philippines and South Africa. An additional dimension of the project was the active participation of UN volunteers as partnership facilitators between UNV, businesses and local communities. Funded primarily from UNV's Special Voluntary Fund,[1] the project also benefited from some additional fundraising by the New Academy, which resulted in donations from four private-sector companies. The total project funding was approximately US$ 500,000.[2]

In each of the seven countries, the work was guided by a 'UNV Business-Community Relations Specialist'. During the course of the project, between mid-2001 and mid-2003, the seven UNV Specialists each took on multiple roles as researchers, collaborative inquirers and partnership brokers/activists.

The seven UNV Specialists were recruited and selected in early to mid-2001. In September 2001 they met in the UK for an initial orientation workshop. This orientation workshop allowed fellow UNVs to meet each other. They were also invited to make suggestions as to the kinds of activities that could take place during the course of the project. The UNVs were offered a chance to influence the activities, so for example, discussion amongst UNVs at the workshop decided the number of case studies to be developed and their focus.

After the workshop, the UNV Specialists returned to their countries and began gathering information and resources regarding the state of business-community relations at the national level and documenting good practice examples. The UNV Specialists spent time conducting a variety of research tasks and conducted reviews of academic and practitioner-oriented literature, documents and media. In addition, the UNV Specialists conducted research interviews and discussion groups and, in some countries, administered surveys.

> We sought extensive and balanced geographic breadth through the spread across seven countries and six sub-regions. The criteria for the selection of the countries was that
> - They either showed a **critical mass** of business-community relationships from which to extract learning or/and
> - There were **good prospects** for establishment of UNV-private sector partnerships.

Between April and September 2002 national workshops were conducted in each of the seven countries. The workshops supported the research tasks and also enabled the UNV Specialists to explore the possibilities for the two other tasks: being engaged in collaborative inquiry and facilitating partnerships between businesses and communities. Each workshop sought to create an interactive forum to enable the UNV Specialists to work with practitioners, other experts and academics to develop deeper understanding of the state of business-community relations in the country. The workshops were also important in allowing the UNV Specialists to examine possible areas for creating new partnership initiatives involving UNV.

After the intensive period of activity in their countries, the UNV Specialists travelled to the headquarters of UNV in Bonn for a second project workshop held in October 2002. In this workshop, the UNV Specialists were supported in their sense-making activities. Additionally, the workshop was a way to provide information about the project outcomes and stories about the research to a broader audience within UNV.

After this workshop, the UNVs returned to their countries and completed the production of case studies and a national research report covering their country and local region.

The UNVs were also required to outline a new 'partnership proposal' for their country or region involving UNV and a business-community relationship.

The national research reports were written as overviews of national trends in business-community relations and corporate citizenship initiatives and described the role of volunteers in these processes. These reports contain the experiences of each of the UNVs in trying to foster partnerships between companies and local communities. The ten case studies that each of the UNV Specialists produced offer more detail on specific practices in the area of business-community relations. The cases were selected on the basis of the perceived importance of the activity and the interest of the UNV Specialist in the activities concerned. The availability of information and research access also influenced which case studies were documented.

Key questions arising and lessons learned from the case research we explored with specific attention to the following:
- **Advocacy: Does the project promote self-help, volunteerism and a specific call to action?**
- **Efficacy: Is the project meeting its stated objectives?**
- **Capacity building: Has the project contributed to building capacity both in the community and the company?**
- **Sustainability: What are the prospects for long-term action beyond the life of the project?**

After the UNVs completed their research and partnership-building activities, the New Academy of Business then attempted to work with the outcomes and outputs to draw together this global research report.

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2.2   Making Sense

As described above, the UNV Specialists gained information and developed knowledge about business-community relations and volunteerism through a variety of interconnected channels. At one level, they explored second-hand information, such as academic literature and case studies, about the interaction between businesses and communities.

In addition to this, the UNV Specialists developed contacts with company management and staff, community leaders and local NGO representatives. These contacts were established to explore business-community relations through the first-hand experience of those who were involved. This contact came through external events, such as workshops and conferences, as well as through meetings, research interviews and discussion groups initiated as part of the research activities. The national workshops that were convened in each country also provided valuable fora for the UNV Specialists to explore such matters in greater depth.

It is worth noting that the involvement of participants in the various aspects of primary research – such as interviews, discussion groups and workshops – is a fairly unambiguous indication of an attitude of volunteerism in the community and company.

Throughout the course of the project, the UNV Specialists were also engaged in attempts to build and promote partnerships. This activity took a variety of forms and connected with other aspects of the project, such as the workshops. We asked the UNV Specialists to view their experiments of seeking to nurture an engagement between business

and community as sources of information, valuable for their understanding and sense making.

Finally, we also sought to create a space in the project for the UNV Specialists to understand their activities by sharing experiences across the seven countries through discussion. These discussions, which were mainly conducted over email, seemed to help the UNV Specialists explore the meaning of business-community relations from a variety of perspectives.

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2.3   Our Reasoning

When we embarked upon this project and brought together the various individuals and organizations that were to be involved, we found that we had a number of questions. Some of the most important of these concerned how we would develop and share our understandings of what we were trying to achieve.

The project was conceived with a specific purpose: to create new understanding and, as a result, foster healthier relationships between business and communities.

Rather than planning to write about business-community relations as an abstract concept, or even draw up case studies of best practice, we were interested in changing actions and understanding. For this reason, we choose a collaborative and action-oriented research methodology for the project (see text box on action research).

We allowed appropriate local roles for the UNV Specialists – to research and bring together companies and communities as potential partners – to emerge during the course of the project. We offered them opportunities to adapt the research and learning approach locally. As a result, the journeys that each UNV Specialist took in each of the seven countries were quite disparate. Whilst we had some constant marker posts that we asked them to seek out, we did not insist that they did their 'travelling' in the same way. This made it difficult for us to manage the operations or the learning in a very tight manner. However, we think that it also allowed the UNV Specialists several degrees of freedom to direct their work according to the local context and their emerging understanding.

In order to maintain a quality of coherence across the seven countries, the UNV Specialists were asked to connect with their fellow researchers in the other countries. We asked them to share their experiences, discoveries and questions. By asking the researchers to connect with each other, we aimed to build shared understandings of the work being done. We also sought to develop skills in collaboration that were directly relevant to the partnership-building task.

WHAT IS ACTION RESEARCH?

Action research can be best thought of as a range of approaches, in which participants seek to act in ways that both are useful to the people involved and empower other participants as they construct and use knowledge. As a process, the intention is to conduct research not on people, but with people.

Interest is in producing knowing that is relevant and practical, as well as engaging in research and inquiry processes that raise people's awareness of the world around them and their ability to question their interactions therein.

One of the key flavours of an action research process is the attempt to bring the values and the 'theories' (or models about how the world works) of a participant into closer contact with what they say, do and think.

Researchers and participants are encouraged to move between moments of action and reflection. Individuals and groups experiment with action, observe experiences and then reflect upon these to generate more meaningful action. This requires finding a balance between inward, reflective attention and outward, practical attention.

Collaborative inquiry is a form of action research that seeks to promote open, shared reflection about organizations. It requires the development of a 'critical' perspective: being able 'to create distance' between both the action and the experience and to evaluate them in the light of ideas, theory, reading and others' perspectives. This in turn enables participants in the research process to address organizational and personal value differences and to find creative ways of resolving paradoxes.[3]

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2.4   Some Thoughts about Our Approach

Numerous aspects of this research worked very well, and some others did not. Differences between countries affected how things worked. For example, country size made a difference to practical issues of getting around to see companies and communities. Similarly, cultural differences influenced how people approached the research process.

These challenges are related to issues of methodological process in a variety of ways. We have chosen not to explore these issues in great detail here, except for one problem that is particularly relevant to the theme of business-community relations and volunteerism. This problem concerns the disparity in levels and quality of involvement that we managed to create with different groups in the research. Looking across the work of the UNV Specialists in the seven countries it is clear that people speaking for businesses were far more involved in the construction of the research outputs – such as the case studies – than people speaking from the community perspective. This disparity was demonstrated in a number of ways. Given that participation in a research project such as this is in many ways an act that involves volunteerism on behalf of the participants, this methodological consideration seems to have relevance to the substantive work of the project. In the following paragraphs we explore this issue.

In order to conduct their research into business-community relations, the UNV Specialists were asked to write ten case studies about specific examples of relationships or engagement issues between businesses and communities and/or the role of volunteers. For the majority of these cases, the UNV Specialists were expected to gain first-hand information, for example, by talking to individuals in both companies and communities.

As a result, the UNV Specialists spent considerable time interviewing and talking with relevant people from companies and communities to build up a picture of the relationship between business and community. As mentioned above, the involvement of these participants in the research indicates an attitude of volunteerism in the community and company.

In the majority of instances, the process of researching the case studies required the UNV Specialist to negotiate and discuss with the companies the production of the case, before having access to interviewees and documents. We had collectively decided that to help in this process, companies (and in some cases NGOs[4]) would be allowed to 'sign off' the material that would be written about them. In effect, we were offering the organizations the chance to consider whether the research output reflected their perspective or understanding. As well as seeming to be a reasonable request, the checking of research data with participants is an important part of the process of collaborative sense making in action research. In general, this process worked smoothly. Individuals in the organizations concerned that had participated in the research responded to requests to sign off the cases fairly readily. In the end, only three case studies were not officially signed off and were therefore published anonymously.[5]

However, it is interesting to reflect upon the fact that we did not offer 'communities' – as the other side of the business-

community relationship coin – similar opportunities to sign off the information and knowledge that was being disseminated in our research. The challenges of doing so in a community setting are different to doing so in a company. For example, the difficulties of identifying the core of a community or of maintaining a single contact person mean that it is a far more time-consuming task for a researcher to get a community to sign off a case study than a company.

These differences resulted in the research failing to create the same level of participation with communities as with companies. We can be quite sure that this must have affected the outputs we have produced in this research in some ways. For, although only three cases needed to be published anonymously as a result of the process, the ability of companies to influence the outputs more subtly was clearly present. In one instance, the UNV Specialist told us that the manager of a company felt that their organization was portrayed in a 'bad light' by the case and that they wanted to make sure 'that the facts are right'. The original draft of the case contained some 'facts' about prices and costs of their products. After the manager made the comments to the UNV Specialists, these facts were removed in the revised draft. Thus, the case study that we published was changed as a result of the interaction. In contrast, very few of the communities involved in this research were offered this opportunity to interact in such a way with the written outputs of the research.

We do not suggest that the 70 case studies, therefore, are particularly biased towards the companies and need to be viewed as pieces of corporate propaganda. We do recognize, however, that some form of filtering process[6] has been at work here, and we would encourage the reader to think about this as they read outputs from this project. Moreover, the dilemma posed by this aspect of the research process has great relevance for the substantive issue of enhancing business-community relationships and the role of UNV in this process.

The force of pragmatism – suggesting that we do certain things because of a lack of time or resources – seems to be with us most of the time. Rather than denying this, the above dilemma can be seen as an invitation to partnership and research brokers to hold a very simple question in mind during the course of their engagement:

How can we bring more integrity to our research or partnership-building process, when it is relatively easy to allow some groups of people to influence what we do and have their views published more easily in comparison with the views of other groups?

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1   Some of UNV's resources come from country and regional funds provided by UNDP. Other significant sources include the regular programme budgets of UN agencies, contributions from host governments, special-purpose grants by donor governments and the UNV Special Voluntary Fund (SVF). The SVF was established in 1970 in parallel with the formation of UNV. Governments, non-governmental organizations and private individuals can contribute voluntarily to the SVF, which is used to finance pilot projects.
2   A total of US$60,000 in cash and in-kind donations was received from the following companies: The Body Shop International, British Airways, M. H. Alshaya Co. and Shell International.
3   See, for example, Argyris, C & Schon, D (1974); Fals Borda, O (1991); Fisher, D, Rooke, D and Torbert, W R (2000); Freire, P (1982); Marshall, J (1999); Park, P (1993); Reason, P (2001); Schon, D (1987); Shah, R (2001); Swantz, M-L and Vainio-Matitila, A (1988); Torbert, W R (2000).
4   Some of the case studies (particularly in Brazil, Nigeria and Ghana) focused on NGO efforts to promote and strengthen business-community relations.
5   The Aluminium Company and Cement Company cases in Ghana, and the Telecommunications Company case in South Africa.
6   Herman, E S and Chomsky, N (1988) Manufacturing Consent: The Political Economy of the Mass Media, Vintage, London.

3.   Country Summaries

David Murphy and Lubna Forzley with other UNV team members, Lebanon

In this chapter we provide summaries of the key project activities and outputs in each of the seven countries. These brief summaries outline what happened during the course of the project, including a brief description of the project proposals that have been developed. The summaries provide a list of the case studies and offer some ideas about the drivers of business-community relations in each country. Each country summary highlights some of the interesting outputs and messages from the research. Finally, the summaries also include a series of vignettes, energizing ideas or activities and dilemmas or questions that came out during the course of the research in each country. Given the limitations of space, these sections offer only a small taste of the outputs from each country, and more information and understanding can be found in the case studies and national research reports themselves. The purposes of this chapter are to bring together the findings from the seven countries, provide an overview of the practices and briefly touch upon some theoretical lenses to help make sense of the practices.

Throughout this chapter, we signpost various case studies from the research that can offer the reader more insight into the practices. Where we have chosen to refer a reader to a particular case study, it is because the case contains some specific information about the issue being discussed or the actual relationship between business and community raises some interesting points of reflection.

In the next chapter (Chapter 4) we identify a range of practices that are being used in the seven countries for enhancing business-community relations.

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3.1 Brazil Country Summary

UNV Specialist: *Roberto Carlos Felício*
Host Institution: *Instituto Ethos, São Paulo*

The research and partnership work in Brazil indicated that many Brazilian companies are beginning to move beyond philanthropic and paternalistic models of engaging communities, with a shift towards more participatory models of engagement with communities. The research revealed that NGOs have had difficulties finding committed volunteers from companies and other sources. This scarcity is attributed to both the absence of a strong 'volunteering tradition' and the presence of a culture that depends upon the state to solve social problems within the country.

3.1.1 What happened?

The project in Brazil was hosted by Instituto Ethos, an association of companies that have come together to share their interest in developing social responsibility. This setting permitted the UNV Specialist to benefit from numerous business contacts. Moreover, Roberto Carlos came to the project with a background in the NGO sector. In many ways, the confluence of interests between corporate support and social development reflects the nature of business-community relations in Brazil.

In parallel to the other six countries, the project in Brazil worked at multiple levels. Whilst traditional research methods were a strong strand of the activities, including a questionnaire distributed to NGOs and a series of interviews, the UNV Specialist also spent considerable time working with companies and communities to develop understandings of their activities. The project also featured prominently during the Ethos National Conference on Enterprise and Social Responsibility held in São Paulo in June 2002. In order to analyse the outcomes and outputs of the project, Roberto developed a system of indicators that referred to some of the main aspects of the business-community relationship. The analytical frame included aspects such as strategy, dynamics of the relations, communication,

resources, assessment system, alignment of expectations and sustainability.

> **One of the key cross-woven themes of the case study research in Brazil was an analysis of the sustainability of initiatives between companies and communities. The research in Brazil defined a number of ways in which to understand this element:**
>
> **One group of responses suggested that companies should not support one-off projects of unlimited duration, since this could create dependency relations between the company and community. Another suggestion was that initatives would only be sustainable if they work towards the development of new partnerships.**
>
> **Finally, another group of responses took this idea further, proposing that any subsequent work or partnership must build upon the learning and energy of the original project, such that participants develop appropriate managerial knowledge and control.**

The Brazil follow-up project involves Serasa, a company that provides information services to banks and was one of the project case studies. Serasa has a successful initiative of inclusion of disabled people as employees. In 2003, UNV joined hands with Serasa to transfer the experience to other interested companies. At the time of writing, the UNV-Serasa project had already started working with one company, IBM. Roberto Felicio is working as a UN Volunteer on this initiative. A few other private companies have already expressed interest to replicate the Serasa model with technical assistance from UNV and Serasa.

3.1.2 General summary – drivers, outputs and messages

According to Instituto de Pesquisa Econômica Aplicada (an institute of applied economic research), 70% of companies in Brazil conduct some kind of social activity with local communities. The work of many of these companies come from quite a holistic standpoint, whereby many areas and perspectives of social issues are considered as worthy of company attention. The movement for creating responsible companies in Brazil is grounded in a tradition of community development work and compares with the stronger role of corporate drivers that exist in the Philippines and UK. A number of the companies house professional 'development' units dealing with community issues (see for example the case of Telemig Cellular). A trend seems to be that formally established activities in the company emerge from small

initiatives out of these development units. One result of such organic development of programmes is that it is less possible to distinguish clearly between social investment and partnership (see for example the Belgo-Mineira Foundation case).

In the Brazilian national research report, Roberto noted that Brazilians do not have a very strong volunteering ethic. He backed this up with stories that suggest social organizations have difficulties in finding committed volunteers. This difficulty, he suggested, jeopardizes the consistency and delivery of community development projects.

The notion of 'consciousness raising' seems to be an important element in the work of a number of companies that sought to enhance relations with communities. For example, one of the cases from Brazil explored the 'Luz des Lettres' literacy programme of COPEL – a state-owned electricity company. The case looked at COPEL's work in tackling problems of illiteracy through the development of computer-based training for employees, their families and communities where the company operates. Whilst the issues of human rights and the empowerment of disadvantaged groups are central to the motivation of the programme, the company used employee involvement as a way to strengthen the delivery and enhance corporate performance. As mentioned above, the tradition of volunteerism in the community is not particularly strong in Brazil, and so this kind of engagement seems to hold a possibility for enhancing the attitude of community members towards volunteerism.

A number of the case examples revealed evidence of a strong leadership role being taken by an individual or group of individuals. The importance of involving leaders from within the company was noted (see for example Accenture, Serasa and Telemig Institute). This, again, resonates with the situation in the Philippines, where a number of cases describe the presence of a strong leader in driving the enhancement of healthy relations between businesses and communities. The case of Learner City School provides a good example of the role of leadership in driving such initiatives forward.

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How can companies learn about
their relationships with communities
through employee volunteers?

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The research activities demonstrated the value of creating communication learning between companies for encouraging more healthy community-business relationships. Another important aspect emerging from the research was that social responsibility in Brazil is strongly associated with the workforce. Considered to be key stakeholders, a number of the companies in the Brazil research – for example Reckitt and Benckiser, Accenture and Serasa – seemed to be keen to use and develop the skills of employees through social initiatives.

Table 3.1: Brazil Case Studies[1]

Organization	Case Title	Case Focus	
Accenture	Consciencia Group	Corporate Volunteering/ employee involvement	Volunteerism and development in the community
Agua e Cidade	Water and City: Sewerage is life	Corporate social investment	Volunteerism and development in the community
Belgo-Mineira Foundation	The Qualification of Public Schools	Corporate social investment	Partnership
COPEL	Light of Literacy Programme	Corporate Volunteering/ employee involvement	Corporate social investment
Doutores da Algeria	Doctors of Joy: The clown's art of generating transformation	Volunteerism and development in the community	Stakeholding
Learner School City	Learning to Learn	Volunteerism and development in the community	Partnership
Organização da Sociedade Civil (OSC)	Viva Guarulhos (Long Live Guarulhos)	Partnership	Volunteerism and development in the community
Reckitt and Benckiser	People Taking Care of People: Developing employee volunteers culture	Corporate Volunteering/ employee involvement	Corporate social investment
Serasa	Teams of Volunteers in Social Organizations	Corporate Volunteering/ employee involvement	Volunteerism and development in the community
Telemig Celular & Telemig Institute	Protecting children's Rights in Minas Gerais	Corporate social investment	Corporate Volunteering/ employee involvement

The research uncovered some of the reasons why employers felt that employee involvement was a valuable practice. Individuals developed social awareness, allowing them to act in ways that resonated with the company's mission. Relationships across the company seemed to improve as a result of employee involvement, for example, across functional groups and up and down the corporate hierarchy.

SERASA – CASE VIGNETTE

Serasa provides information to give support to credit and business decision making to financial institutions. This case described the company president's view of the stakeholders. In an interesting transformation of traditional social responsibility perspectives, the company used values to understand its stakeholders. Normally concentric circles are used to define stakeholder engagement. This metaphor suggests that the 'spheres of influence' which companies should be concerned with can be understood in terms of how close, physically and operationally, stakeholders are to the company – for example, employees and suppliers near the centre, 'the environment' and international communities further away. This case suggests a complementary perspective, in that it might be possible to consider how close the company and other stakeholders are to each other in terms of the values they hold. Rather than looking at spheres of influence in terms of which stakeholders are physically important to you, this perspective suggests that it could be valuable to consider who is close in terms of ethics, attitude and culture. How might such a perspective affect the way in which different stakeholders are engaged?

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3.2   Ghana Country Summary

UNV Specialist: *Joseph Yaw Boateng*
Host Institution: *Association of Ghana Industries, Accra*

In Ghana, the need to improve the relations between businesses and their host communities and the importance of citizens and media in fostering this improvement emerged as clear areas of interest. The research revealed that on the whole, corporate social and environmental responsibility is not dealt with as an integrated part of business strategy and planning. Some Ghanaian companies appear to be moving away from a 'minimalist' towards a 'discretionary' corporate responsibility agenda. The pace of this transformation has been hindered by a lack of support systems that could serve as a catalyst in promoting responsible corporate behaviour.

3.2.1 What happened?

The project was hosted by the Association of Ghana Industries (AGI), a business membership organization that supports companies in the manufacturing and services sectors. From his base at AGI, UNV Specialist Joseph Boateng noted at the outset a lack of awareness on the part of Ghanaian companies about the challenges presented by issues of business-community relations and corporate social responsibility (CSR) in the country. He also identified limited literature on the topic in the country. The Ghana research, therefore, sought to generate sufficient data to serve as a decision support tool for business, government and civil society action to enhance business-community relations and CSR more generally.

The main research methods used in Ghana were survey questionnaires, face-to-face interviews, observation and secondary data analysis. These approaches were complemented by the preparation of ten case studies. An overall emphasis on participatory action research enabled the UNV Specialist to undertake in-depth analysis of a diverse set of findings.

The initial research findings of the project were presented at a national workshop at the British Council in Accra in September 2003.

The Ghana follow-up project proposal seeks to create a centre for entrepreneurial development. The idea involves providing unskilled, unemployed youths with vocational training and then providing post-training support services. In addition the centre would provide production space and facilities, as well as marketing space. The project aims to help the newly trained entrepreneurs launch their business ideas in a commercial setting with some back-up support.

3.2.2 General summary – drivers, outputs and messages

The development of business-community relations is gradually emerging as a management concern in Ghana. Recent developments are visible in many parts of the country, but the rate of progress is still hard to measure in terms of concrete frameworks, indicators, reporting guidelines, etc. Notwithstanding such gaps, business-community initiatives are progressing steadily, with larger companies and sub-sidiaries of multinationals setting the pace.

Businesses surveyed noted the following trends and drivers, which challenge the private sector in Ghana to enhance its efforts to support business-community relations and CSR:

- Locational influences: where the concentration of businesses in a locality encourages companies to be more socially responsible.
- Protecting or enhancing image: where companies adopt policies and practices that are sensitive to community concerns to promote an image of goodwill.
- Parent company influence: where support for business-community initiatives is heavily influenced by parent company desire to infuse consistency in corporate values and policies.
- Intensity of competition: where support for enhanced business- community relations can become a differentiation tool in the marketplace.

> The Mining Industry case study explored the challenges facing mining companies in Ghana in their efforts to communicate with host communities. This dilemma is explained in the following excerpt:
>
> 'Another challenging issue borders on communication. This is an issue of major concern because community members who feel cut off from constructive communication may seek other, perhaps less constructive means of expressing their views (e.g., demonstration, vandalism, sabotage, etc.). In order not to cause mistrust or inflame opinion, the mining companies must provide information to the community and must be willing to receive and consider information from the community. Information concerning public health, safety and the environment must be made readily available. Good community relations involve listening to the concerns of the community, not simply getting the message out. Person-to-person contacts are crucial for good community relations. Successful community relations require building positive personal relationships with key individuals and groups in the community.'

Table 3.2: Ghana Case Studies[2]

Organization	Case Title	Case Focus	
Aluminium Company[3]	Exemplary Social Responsibility or Compensation for Economic Cost of Operations?	Corporate social investment	Corporate philanthropy
Ashfoam	Becoming a Victim of Your Social Responsibility: The case of Ashfoam	Corporate social investment	Stakeholding
Cement Company[4]	Competition, the Salt of Business Community Initiatives	Corporate philanthropy	Corporate social investment
Corporate Social Responsibility Movement	Demanding Corporate Responsibility Is the Key	Supporting, promoting and communicating BCR	Volunteerism and development in the community
Ecobank	Getting Involved	Corporate social investment	Corporate philanthropy
Ghana Agro-Food Company Ltd.	Ignorance as an Obstacle to Employee Health and Safety Research	Government-faciliated business-community relations	Corporate Citizenship and responsibility
Ghana Mining Industry	Do these Initiatives reflect Community Expectations	Stakeholding	Corporate Citizenship and responsibility
Prima Woods	Missing the Point	Corporate social investment	Corporate philanthropy
Tema Oil Refinery	Enforcement Dilemmas	Stakeholding	Corporate Citizenship and responsibility
Tungteiya Women's Group	Trading Fairly: The Body Shop and a Local Women's Group	Partnership	Volunteerism and development in the community

The research in Ghana also revealed various factors that impede the development of business-community initiatives:

- **Lack of recognition for good performers:** limited consumer and citizens action to reward responsible companies.
- **Community as minor stakeholder:** many Ghanaian businesses do not perceive host communities as key stakeholders and lack established formal mechanisms for community engagement and consultation.
- **Community engagement skills deficit:** limited business skills and competencies required to manage community programmes effectively and efficiently.
- **Regulatory enforcement gaps:** ineffective enforcement of the 'polluter pays' principle, a tendency of environmental laws to protect corporate enterprises at the expense of civil society and existing penalties that do not act as an adequate deterrent.
- **Low public awareness and tolerant social norms:** limited civil society understanding and mobilization about the nature, extent and impacts of irresponsible corporate behaviour, particularly related to environmental matters.

Analysis of the various group discussions at the national workshop revealed that action to enhance business-community relations in Ghana has been insufficient to date. Workshop participants indicated that monitoring, preventing and controlling irresponsible corporate acts require sustained effort, commitment and collaboration among many groups in the public and private sectors and involvement of the general public. They also require support and leadership from the central government and a willingness to address complex and sometimes controversial social, environmental and economic issues.

Some of the key recommendations emerging out of the Ghana research were as follows:

- **Create Public Awareness and Strengthen Social Norms:** mobilize the support of civil society on BCR/CSR issues as a means of protecting natural resources and strengthening local communities.
- **Build Capacity:** particularly at the post-secondary education level, by integrating social responsibility issues into business and management courses and also building the capacity of NGOs to enhance knowledge and skills in designing, implementing and managing corporate accountability programmes.
- **Promote Constructive Corporate Communications:** improve the quality of and access to relevant information concerning public health, safety and the environment, making it readily available, and build positive personal relationships with key individuals and groups in host communities.
- **Develop Award and Recognition Programmes:** NGOs and other civil society groups should initiate recognition and awards programmes to honour companies for good corporate responsible practices.
- **Improve Media Coverage on BCR/CSR Issues:** through sensitization, award schemes, journalism course development and innovative information sourcing strategies.
- **Advocate for Review of Environmental Laws:** NGOs and community groups should collectively advocate for a review of environmental laws and for the development of innovative approaches and systems of environmental regulation.
- **Build Business-NGO Partnerships:** to overcome community engagement skill deficits, companies should develop new partnerships with NGOs.

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How can effective demand for responsible business behaviour be encouraged and developed in a culturally appropriate manner?

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CORPORATE SOCIAL RESPONSIBILITY MOVEMENT – CASE VIGNETTE

One of the cases explored the development of a civil society 'movement' for corporate responsibility in Tema, a town of 300,000 on the eastern coast of Greater Accra. In an area with significant industrial activity, a coalition of youth groups came together to see how they might influence the actions of companies. As the case noted, people are attracted to the town because of the promise of jobs, and as a result, it is growing rapidly. The movement has been seeking to bring attention to the deterioration of the social and environmental conditions of the town, using a variety of media and public mobilization strategies.

3.3   India Country Summary

UNV Specialist: *Aparna Mahajan*
Host Institution: *The Energy and Resources Institute (TERI), Delhi*

In India the research indicated that the tradition of paternalistic philanthropy remains strong. The review of the literature suggested that business-community relations are generally non-confrontational in the country. The work also found that some companies were experimenting with participatory approaches in their relationships with communities; however, this was quite limited. There was a strong emphasis upon corporate initiatives and involvement in education, training and healthcare.

3.3.1 What happened?

The project was undertaken by Aparna Mahajan in India and was hosted by TERI (The Energy and Resources Institute) in New Delhi. People within TERI have been developing their response to the corporate responsibility agenda through various initiatives that include institutionalisation of Corporate Awards in Environment Excellence and Corporate Social Responsibility. This organizational development was a strong influence upon the research conducted in India.

Given the size of the country and the reach of the private sector, at the outset it was recognized that the potential scope of the research was vast and dispersed.

Early on, a decision was taken to focus attention upon large companies. This decision was reflected in the research of case studies, interviews and questionnaires, as well as the various activities, such as the national workshop. In these activities, the main sources of information were large Indian corporate houses and some multinational companies. Research attention was also given to the influence of the non-governmental sector in India upon the quality of relationships between businesses and communities.

One of the follow-up project proposals in India was prepared for a joint project with UNV and other UN organizations, involving partners from industry, NGOs and government, focusing on slum upgrading. Subsequently it was decided that the follow-up project should aim at exploring synergies with on-going UNV projects in the country, particularly the ones related to disaster mitigation – bearing in mind the interface between disaster mitigation and upgrading of low-income areas. The possibility of building such synergies is currently being explored.

3.3.2 General summary – drivers, outputs and messages

According to the research, 85% of the businesses questioned agreed that they had a responsibility to the community in which they were located. 80% of respondent companies reported to have policies and practices in CSR. The research also found that many companies are in the process of mainstreaming CSR as an integral part of their business strategy and operations.

Table 3.3: India Case studies[5]

Organization	Case Title	Case Focus	
Coca Cola India	Social Responsibility Initiatives	Corporate social investment	Corporate philanthropy
Indian Farmers Fertilizer Cooperative	Farmer Development, Environmental Stewardship and social Initiatives	Corporate social investment	Corporate Citizenship and responsibility
Infosys Technologies Ltd.	Social Responsibilities by Infosys Foundation and Infosys Technologies Ltd.	Corporate philanthropy	Corporate social investment
Lupin	Welfare and Research Foundation: A Step Towards 'Blue Revolution'	Corporate social investment	Volunteerism and development in the community
Seshasayee Paper and Boards	Waste into Wealth	Corporate Citizenship and responsibility	Corporate social investment
Southern Petrochemical Industries Corporation (SPIC)	Social Initiatives by MA Chidambaram Trust and AC Muthiah Trust	Corporate philanthropy	Corporate social investment
Tata Engineering and Locomotive Company (TELCO)	Health Volunteers and Education Initiatives	Corporate volunteering/ employee involvement	Corporate social investment
Tata Steel	Governance and Community Initiatives	Corporate Citizenship and responsibility	Corporate social investment
The Energy Resources Institute (TERI)	Promoting Corporate Responsibility in India	Supporting, promoting and communicating BCR	Corporate Citizenship and responsibility
Wipro	Applying Thought in Schools	Corporate social investment	Corporate Citizenship and responsibility

During the national workshop in India, one example came from a company that was concerned about the way managers were treating their domestic staff.

The company asked managers to ensure that they treated their domestic staff with respect, care and attention.

This could be seen as a fairly externally oriented and low-cost way for a company to work with stakeholders and corporate interference in private lives. Yet it is also a subtly attractive expression of employee involvement. Some of the reasoning for the programme was to influence the culture in the workplace. There was an intention to shift the orientation of control and power that many managers brought to their work.

One of the most striking features of the corporate landscape in India is the philanthropy of many businesses across the country. Although this is not a particularly novel finding (other research has painted a similar picture [6]), the India national research report did suggest some of the reasons for this reality. The research also suggested that there was a strong weight upon foundations as a method of delivery of philanthropy and social investment. Again, this had been noted in previous research [7], but through four of the ten cases – Southern Petrochemical Industries Corporation, Tata Steel, Lupin and Infosys – we develop an understanding of this phenomenon. The research noted that companies are generally understood to have a commitment to social initiatives and communities but that there is an absence of conversation regarding how to engage with communities. The cases offer some more in-depth exploration of how these foundations work in mediating relationships between business and community.

Meanwhile, in terms of formal employee involvement or volunteering programmes, the research suggested that there was little evidence of any widespread programmes in Indian companies. There were some significant instances and examples, for example the 20,000 employees of the Tata Group, the work of the Bharatiya Yuva Shakti Trust and the programmes of various non-Indian companies such as Citibank, HSBC, Hughes Software Systems, ICI and Voltas. However, in Indian companies other than some financial contributions and donations from employees, there seemed to be minimal service of employee volunteers on a sustained and planned basis. This contrasts with the strong and deeply ingrained attitudes towards volunteerism that exist in many communities in India.

Another key theme in India was the strong paternalistic attitude of many large companies towards local communities. For the various philanthropic actions of the companies and their foundations, the presence of leadership and figureheads was a strong theme. Similarly, the strong emphasis upon initiatives in the fields of education and health could be seen to reflect an attitude of care and concern towards the local communities in which companies have been operating.

What is the relationship between the type of control and leadership used within a company and the way in which companies and communities engage with one another?

A possible relief to this perspective can be made from developing some understanding of citizenship in India. A number of symbolic struggles have taken place between local civil society and business – for example, the Chipko movement in the early 1970s and more recent movements such as Narmada Bachao Andolan. Although these movements have not been translated into the kind of consumer-based activism seen in the West, they do show that there is a strong emphasis upon activist volunteerism in the community.

There may be many connected reasons for this difference – from an assessment of levels of consumer wealth and choice to deeper considerations of the role of materialism in giving meaning to personal, family and community life.

BRITISH COUNCIL AND NEW ACADEMY OF BUSINESS – PARTNERSHIP VIGNETTE

One of the key recommendations that emerged from the participants during the national workshop was the need to develop capacity for fostering responsible business practice across different sectors and within different regions of the country. The national workshop involved collaboration among TERI, UNV/UNDP, the New Academy of Business and the British Council. One of the direct outcomes of this event was the decision by the British Council to collaborate with the New Academy on delivering a training event for managers. This project has now developed into a complete package in which the New Academy and the British Council will develop training capacity for corporate social responsibility through its network of offices in 100 countries worldwide.

3.4 Lebanon Country Summary

UNV Specialist: *Lubna Forzley*
Host Institution: *United Nations Development Programme, Beirut*

The outcomes of the research and promotion work in Lebanon showed limited awareness and understanding of business-community relations and the benefits the field brings to corporations and communities. A specific focus of the action research in Lebanon was the promotion of employee volunteering and strategic partnerships in various Lebanese and global companies.

3.4.1 What happened?

In Lebanon the project was housed within the local country office of United Nations Development Programme (UNDP) in Beirut. When the project was embarked upon, the awareness of issues concerning the relationship between business and communities in Lebanon was limited in formal debates and research. In addition, a limited degree of practical knowledge was available. Unlike most other project countries, no readily apparent host organization could offer specific support in the field of society and business.

As a result of this and the specific energies of Lubna Forzley (UNV Specialist working on the project), considerable effort was directed towards developing and disseminating information about the relationships between businesses and communities. During July 2002 a national workshop was held in Beirut. Eighty-two media articles were written about the project in a variety of newspapers, magazines and print media. The project also managed to attract attention from the television media and was reported on 11 occasions in the television news. Alongside this, a series of workshops, focus discussion groups and one-on-one interviews with businesses, government agencies and other actors were facilitated. These discussions were held with the staff of some of the companies involved in the case studies, as well as with members of the media and advertising industries and UN agencies. A survey of local NGOs was also conducted. A team of local volunteers facilitated much of the intensity of this work and helped Lubna Forzley throughout the course of the project.

Two follow-up proposals were developed in Lebanon. The main project proposal targeted private-sector organizations as a pilot and a stepping-stone for other long-term, strategic programmes for UNV. The central focus was the development of a local corporate volunteering model, called 'In-corporate Volunteerism (ICV), to involve the private sector with social development challenges. ICV is a Lebanese national initiative that aims to promote volunteering through corporate social responsibility; the Ministry of Economic and Trade has already adopted the ICV concept. This project intends to build upon

the lessons learned through the Enhancing Business-Community Relations project. Initiatives jointly implemented by the business sector and the Ministry of Economy and Trade with UNDP's support, are aimed at bridging gaps and forging strategic multi-stakeholders partnerships. Many components of this proposal will be re-visited by UNV/UNDP Lebanon in 2004-2005 through the new national initiative 'Promotion of Local Governance in Lebanon', as a complementary project to the Government of Lebanon's efforts. A Private-Public Partnership component of this second proposal was a pilot modelling of the first proposal.

3.4.2 General summary – drivers, outputs and messages

The project identified a vibrant tradition of philanthropy in the country connected to the presence of strong family ties.[8] This aspect of the Lebanese cultural landscape can also be linked to impacts of the 17-year civil war. In the reconstruction efforts that emerged in the country following the end of conflict in 1989, a number of companies built upon the traditions engendered through family and community ties during the war by way of philanthropic giving. Whilst the post-war reconstruction effort has some parallels with the post-apartheid era in South Africa, it is interesting to note the different extent to which businesses have formalized their relationships with communities through social investment, employee involvement or partnerships.

> **The discussion groups that were conducted in Lebanon created some interesting learning points for the project. For instance, Lubna suggested, 'During the focus group discussion that was held at UNDP, media representatives confirmed that indeed they needed to enhance their accountability and transparency standards and become more personally involved in community development practices and providing more coverage of the field.' As well as highlighting the troubled and troubling issues of transparency and accountability, the shared nature of the media discussion groups (as opposed to one-on-one interviews) allowed the quality of discussion to be opened. Thus, as well as the raising specific themes, the project created novel space for shared reflection within various communities, such as media, UN agencies and the advertising industry. Are there other possibilities for UNV to foster sector-wide discussion to support development goals?**

In contrast to some of the other countries in the project (particularly Ghana) the cases in the Lebanon research focused upon companies and their perspectives, rather than upon the relationships between communities and companies. In some ways, this attention towards what

Table 3.4: Lebanon Case Studies [9]

Organization	Case Title	Case Focus	
France Telecom Mobile Lebanon (FTML)	Generations Programme and Corporate Volunteerism	Corporate volunteering/ employee involvement	Corporate philanthropy
Go Green Partnership	Multi-Stakeholder Partnership for Development	Partnership	Corporate volunteering/ employee involvement
Lebanese Broadcasting Corporation International (LBCI)	Effective Fundraising through Media	Corporate social investment	Supporting, promoting and communicating BCR
Media	Role of the Media in Corporate Social Responsibility and Sustainable Development in Lebanon	Supporting, promoting and communicating BCR	
Mimosa	Workforce Diversity	Corporate Citizenship and responsibility	Government-faciliated business-community relations
Office of the Minister of State for Administrative Reform (OMSAR)	The Citizen Enterprise	Partnership	Government-faciliated business-community relations
Bank Saradar	Saradar Information Technology Programme	Corporate social investment	Corporate philanthropy
Schtroumpf	Environmental Responsibility in a Small Enterprise	Corporate citizenship and responsibility	Corporate social investment
Societé National d'Assurances (SNA)	The Help Lebanon Project	Corporate social investment	Volunteering and development in the community
Tera Pak East Med	Captain Mike School Feeding Marketing Programme	Cause-related marketing	Corporate social investment

businesses are doing and could be encouraged to do, reflects the emergent nature of action by companies to demonstrate their wider contributions to social and environmental conditions in Lebanon. The examples covered a diverse set of practices, from the social investment and philanthropic activities of Banque Saradar and Societé National D'Assurance to the employee involvement activities of FTML and Schtroumpf.

Throughout the course of the research, companies were encouraged to think beyond traditional forms of philanthropy – best illustrated perhaps by the fundraising efforts of Lebanon Broadcasting Corporation International. The suggestion was that companies could consider more strategically aligned work, such as that of FTML, a local operating company of the French telecommunications firm, which has involved staff in the company's 'Generations' programme for delinquent, abused and disabled children.

What is the relationship between the type of control and leadership used within a company and the way in which companies and communities engage with one another?

Although Lebanon does not have a fully established business-community relations institution to further develop

the field, an encouraging sign is that the majority of Lebanese and multinational organizations have a history of supporting their communities through philanthropic cash and in-kind donations. Many do so on a low-profile basis because they strongly believe in contributing to the development of their communities. In her work, Lubna Forzley argued that companies could be encouraged to engage in more strategic types of activity when relating to communities, suggesting that the possibilities for partnership were significant. Through these partnerships, companies can tap into the desire for reconstruction and the attitudes that create strong family ties to nurture a culture of volunteerism in the community. In part, the project went a considerable way to facilitating such linkages between sectors, creating momentum, interest and energy for the development of cross-sector partnerships in Lebanon.

The recommendations in the national research report included the establishment of a centre to link businesses and communities together. In addition, the report suggested that UNV could take on the role of a partnership broker to develop the field of corporate volunteering. Other more specific recommendations were grouped by sector, namely: companies, NGOs, media, advertising and UN agencies and, finally, government institutions.

'GO GREEN' – PARTNERSHIP VIGNETTE

The 'Go Green' partnership, an environmental awareness programme, was implemented over five months in 2002 in Lebanon. It was initiated as part of the research process by Schtroumpf – a local restaurant chain – and supported with collaboration from UNDP/UNV, FTML, Coca Cola and Tetra Pak East Med.

The programme interlinked a number of awareness-raising activities with more direct environmental and educational actions, involving staff from businesses, local communities and UN agencies. For example, an awareness campaign within universities was complemented by an environmental contest, in which students were invited to devise environmental projects in the fields of engineering and communication. Targeting close to 20,000 students in major universities across Lebanon, 200 projects were submitted and a total of US$11,000 was distributed in awards. The partnership was completed with an environmental regeneration project, in which employees of the 'Go Green' partners volunteered to help clean up an area of Nahr Ibrahim river.

The programme was replicated in 2003, and we regard this as an indicator of the success of the partnership development.

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3.5   Nigeria Country Summary

UNV Specialist: *Leonard Okafor*
Host Institution: *United Nations Development Programme, Lagos*

The work in Nigeria indicated that issues concerning the presence of large multinational oil companies in the country have affected the way companies relate to communities. In particular, the legacy of community neglect and ecological disasters in the oil-rich Niger Delta has made engagement problematic yet necessary. Despite the attempts of oil companies to re-engage with host communities, the social responsibility practices of other businesses remain limited. The research analysed the situation by focusing on the sustainability of these practices and how they have helped build capacity in host communities. Another feature of the research was the limited practice of volunteerism in formal organized activities, despite being a concept that is deeply embedded in the local culture.

3.5.1 What happened?

As in other countries, the project in Nigeria existed at a number of levels simultaneously. Whilst Leonard Okafor collected secondary data through reading of literature, articles and website surveys, he also developed primary data through research interviews and meetings with companies. At the same time, he worked on bringing new energy to specific business-community engagements through the formation of a partnership and organization of a national workshop.

Three main questions were formulated that helped to guide the work in Nigeria:

1. What is the private sector perception of corporate responsibility and state of corporate citizenship in Nigeria? The research examined and attempted to establish trends on how corporations operating in the country perceive and practice corporate responsibility.
2. Business and communities – partners or mutual antagonists? The research sought to explore how stakeholders perceive each other's involvement.
3. What is the role of government in Nigerian business-community relations? This aspect of the research tried to determine the role that government could play in facilitating responsibility in business.

From the work in Nigeria, one follow-up project proposal has been successfully developed involving Elf Petroleum Nigeria Limited (EPNL), a subsidiary of oil company Total. The company requested the UN Volunteers Programme to support its attempts towards a more meaningful involvement with host communities. Activities in this direction commenced with an initial stakeholder workshop in October 2002,

where the UN Volunteers led other UN agencies to facilitate discussions. At the time of writing, discussions are ongoing with regards to the exact nature of the partnership between UNV and EPNL. UNV Specialist Leonard Okafor is playing a key role in facilitating this emerging partnership on the ground in Nigeria.

3.5.2 General summary – drivers, outputs and messages

The types of initiative described in the case studies indicate that there is recognition of the need to build capacity within businesses, communities and NGOs so that the dominant culture can be transformed into a more inclusive one. For example, the case on the German development organization, GTZ, explored the attempts to develop abilities for conflict management and to cultivate attitudes of social integration amongst youth within oil-producing communities. The emphasis upon youth and training was echoed in the case of Fate Foundation, which described the attempts to offer mentoring services to young, aspiring entrepreneurs, and that of Schlumberger (an oil services company), which has developed a social investment programme for training individuals so that they can work for the company.

The presence of the oil sector is legendary in Nigeria. What mythic forces might this exert upon the ways in which businesses and communities relate to one another?

As well as the two other cases on the oil industry – Chevron Texaco and Elf Petroleum – a substantial stream of discussion in the national workshop focused on the oil industry's relationship with various local communities.

The theme of government involvement was the source of a network of ideas and issues that emerged in the research. For example, the type and level of presence of government in the oil-producing regions was one of the important influences upon the quality of relationships that were found to exist between communities and business. The lack of a significant administrative presence in the region was contrasted with the role of government organizations as operational/economic partners in the oil industry. The national workshop, held in the capital Abuja, seemed to highlight this notion through the limited participation of government. Thus, the Nigerian research raises some valuable questions regarding the leadership of government in promoting responsible business practices, which may have relevance for some of the other project countries, such as India and Ghana.

Another governance-related influence upon the condition of business-community relations in Nigeria is the presence of a military regime in the country for 28 years since independence in 1960. The research suggests that this presence has had an effect of 'enthroning dictatorship in all structures'. The implication is that this has influenced the culture in which organizations and groups relate to one another.

Table 3.5: Nigeria Case Studies [10]

Organization	Case Title	Case Focus	
Alternative Trade Network of Nigeria	Empowering Disadvantaged Groups through Fair Traded	Stakeholding	Volunteerism and development in the community
Anpez	Empowering Communities through Education	Corporate social investment	Partnership
Chevron Texaco Nigeria	Stakeholder Engagement: What is the ideal approach	Stakeholding	Corporate philanthropy
Citizens International Bank	Corporate Volunteerism and Philanthropy: A Can Day	Corporate volunteering/ employee involvement	Corporate philanthropy
Fate Foundation	Challenging Youth Unemployment	Volunteerism and development in the community	Corporate volunteering/ employee involvement
Gesellschaft für Technische Zusammenarbeit (GTZ)	Enhancing the Quality of Stakeholders' Involvement through Development Assistance	Volunteerism and development in the community	Stakeholding
Olashore International School, Iloko Ijesa and Lead Bank	The Power of Knowledge	Partnership	Volunteerism and development in the community
Schlumberger Oilfield Services	In Support of local Content in the Oil Industry	Corporate social investment	Corporate Citizenship and responsibility
Sir David Osunde Foundation	Promoting a Local Plan of Action for Disabilities through Volunteerism	Volunteerism and development in the community	
Elf Petroleum	Business-Community Relations Practices of Elf Petroleum Nigeria Limited in Oil Mining Lease 58	Corporate social investment	Stakeholding

The recommendations take due consideration of this. One of the recommendations in the national research report is for a comprehensive corporate governance framework that would be crucial for the delivery of responsible citizenship. Leonard Okafor noted that this cannot be attained without the effective leadership and participation of government. However, he cautioned, 'The right framework for corporate responsibility by government must de-emphasize coercion and banal legalities because these frameworks have long existed but never guaranteed compliance. Instead, heavy reliance must be placed on advocacy and leadership for companies to see and appreciate the business case for social responsibility through demonstration, incentives and other avenues that promote self-regulation.'

Leonard's research raises a very interesting question regarding the relationship between the visions of corporate citizenship that are constructed in corporate headquarters and the way in which the visions are interpreted and enacted locally. As he stated in the national report: 'As companies begin to appreciate the business case for corporate responsibility, in terms of community empowerment and operating in a hitch-free environment, they would begin to evolve and further solidify strategies for sustainable development. One critical snag…however, is a growing disconnect between global corporate vision and local managers' mission and interpretation of that vision.' This issue will determine the success of most sustainable development programmes being adopted by multinationals. How might volunteerism in the community and company help to bridge such gaps?

ELF PETROLEUM– PARTNERSHIP VIGNETTE

The action research framework for this project offered local researchers opportunities to engage directly in creating new action as a source of learning and research. In this frame, the project in Nigeria encompassed an emerging partnership.

As a result of the initial scoping work for the case study research, Elf Petroleum requested the support of UN Volunteers Programme in forming strategies towards a more meaningful involvement with the company's host communities. After subsequent discussions, an initial stakeholder workshop was facilitated by UNV and other UN agencies in October 2002. The national report described this engagement in some more detail; however, one comment from the document suggests the type of learning that has been fostered through this process: 'Stakeholders must intermittently pause to reflect on approaches and systems, to enquire, whether they address the issues of their involvement, or whether they are getting involved in a beaten track. The failure of development assistance is the penchant for…trying to repeat what has been done elsewhere without recourse to previous impacts and present local conditions – for the simple reasons of rigidity, bureaucracy and a lack of drive for innovation.'

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3.6 Philippines Country Summary

UNV Specialist: *Charmaine Nuguid-Anden*
Host Institution: *Philippine Business for Social Progress, Manila*

The experience of the research and action in the Philippines suggested that business responsibility towards various communities is advanced in many areas. Large companies are involved in diverse and progressive practices, often integrated into core business activities to ensure sustainability for both business and community. Two key themes of the research were corporate-community partnership in the context of volunteerism and state and civil society interventions in business-community relations.

3.6.1 What happened?

The project was hosted by Philippine Business for Social Progress (PBSP), a corporate-led foundation that promotes business-sector commitment to social development. Here, Charmaine Nuguid-Anden, the UNV Specialist, used the experience and background of PBSP and set out to focus upon three areas:

1. Government influence on corporate social responsibility.
2. The community and civil society: stakeholder or beneficiary?
3. Organized business involvement: PBSP as model of CSR/Corporate Citizenship in the developing world.

The initial review of literature included the findings of a 2001 scoping survey conducted by the American Chamber of Commerce and PBSP on Employee Involvement. At the same time, the case research analysed the efforts of three major sectors (government, business and civil society), employing a mixture of key informant interviews, focus-group discussions and document analysis.

Aside from the case writing and research, a survey was conducted to examine the effectiveness of current government incentives towards the promotion of socially responsible behaviour of companies. The initial research findings were presented to the Asian Forum for Corporate Social Responsibility, coordinated by the Asian Institute of Management in Manila in July 2002.

Various different follow-up proposals were initially discussed. Subsequently, a local consultant has been hired in order to develop a specific proposal related to the construction sector. The idea is to bring together a pool of construction companies to support the upgrading of low-income settlements. At the time of writing, the consultant is currently negotiating with the companies concerned.

3.6.2 General summary – drivers, outputs and messages

The national research report explored four key drivers:

1. Societal demand and market forces,
2. Government as external agent,
3. Societal demand as articulated by civil society,
4. Corporate interests.

Table 3.6: Philippine Case Studies [11]

Organization	Case Title	Case Focus	
CEMEX	CEMEX with a Heart: A Holistic Approach to Community Development	Corporate social investment	Stakeholding
Davao Light and Power Company	Street Lighting Programme	Corporate social investment	Corporate volunteering/ employee involvement
Figaro Coffee Company	Save the Barako Bean: The Philippines in the Coffee Belt	Partnership	Cause-related marketing
La Frutera and Paglas	In the Business of Making Peace	Corporate social investment	Corporate Citizenship and responsibility
Petron Corporation	Volunteerism in Action	Corporate volunteering/ employee involvement	Corporate social investment
Philippine Business for Social Progress	Organized Advocacy for Corporate Citizenship	Supporting, promoting and communicating BCR	Corporate Citizenship and responsibility
Quezon, Department of Trade and Industry and Nestlé	Kapihan sa Quezon Programme: A Partnership towards Community Development	Partnership	Government-faciliated business-community relations
Silangan Mindanao Exploration Corporation	Building Community Partnerships: The Community Technical Working Group Experience	Stakeholding	Corporate Citizenship and responsibility
Sun Microsystems Philippines	Open Source/Star Office Training Volunteering Case	Corporate volunteering/ employee involvement	Corporate social investment
Unilever and Department of Trade and Industry	Growing Cucumbers	Partnership	Government-faciliated business-community relations

Other interesting forces affecting the quality of business-community relations in the Philippines were identified as the role played by a widening gap in income distribution between the rich and the poor, the state of basic social services, and the link between poverty and religious strife. With a largely Roman Catholic outlook, historically there has been a philanthropic and paternalistic attitude of power-holding elites towards social responsibility. Some of this influence possibly can be observed in the examples from the case studies where employee involvement and volunteerism related to the business has been noted (see for example three cases on Davao Light and Power, Petron and Sun Microsystems). The case on Philippine Business for Social Progress (PBSP) also considered the lessons learned from PBSP and its Centre for Corporate Citizenship, providing valuable learning about the role of organizations that promote and support responsible business practices.

How does the structure and form of organizations that are set up to promote responsibility in business affect the types of activities that are advanced in a country?

Though still mostly within the purview of larger companies, smaller companies have begun to 'professionalize' their community relations' practices by entering into partnerships with communities or civil society groups. Even in the face of constant economic challenges over several decades, corporations often consider social responsibility an investment and not just a cost of doing business. For example, the poor quality of infrastructure in several areas of the country has been interpreted to contribute to the high cost of business and development. In the national research report for the Philippines, the authors argued that business has had to respond to these conditions by engaging in social- and economic-development-related activity.

Three case examples from the project explored the relations between business and government in contributing to local economic development of communities, which might help to understand the responses of business to this phenomenon: 'Growing Cucumbers', about the Department of Trade and Industry's (DTI) work with Unilever and RamFoods; the 'Kapihan sa Quezon Program', exploring DTI's community development initiative with Nestle; and 'Community Technical Working Group', about the government-facilitated community relations work for Silangan Mindanao Exploration Company. Together, these cases led to the reminder in the research report that 'Community relations is a long, drawn-out process and companies do (but sometimes forget to) recognize this by viewing it as an investment with a relatively uncertain timeframe'.

An interesting idea coming from the research concerned the contribution of employee volunteering to the relationship between Filipino companies and communities. In addition to reputational and staff development benefits, the research noted that some types of employee volunteering were able to offer valuable avenues for risk management. For example, engagement within the community through voluntary dialogue groups has afforded some company staff in the Philippines an ability to understand better the communities that they interact with. This in turn has implications for the quality and timeliness of information received about the company's ever-changing operating environments. This type of reasoning about volunteering is challenging for those who view such voluntary practice as concerned less with functional reasoning and more with opened-ended notions of spirit.

The national research report concluded with recommended action points:

- Improve the quality of stakeholders' engagement through six features of successful engagement.
- Enhance the role of government, including the suggestion that government could accelerate the process of empowering local government to assist in promoting the practice of CSR among businesses in its territory.
- Maximize volunteerism as a strategy for enhancing business-community relationships, such that 'One of the UNV's biggest roles is to catalyze the discourse and work towards promoting the 'reciprocity' aspect of volunteerism'.
- Ensure the effectiveness of engagements between businesses and communities through enabling factors, such as promoting corporate champions for CSR, measurement and reporting.

'SAVE THE BARAKO' – CASE VIGNETTE

There are four coffee bean varieties: Arabica and Robusta (the two most popular) and Liberica and Excelsia. The high demand from large corporations for Robusta coffee had shifted most coffee production in the Philippines to this variety. However, as corporations buy the crop at the prevailing low world price, coffee farmers have begun to shift to other crops, and some have chosen to sell off their lands. Meanwhile, demand for the 'Barako' – the Philippine variety of the Liberica – has fallen. The case explored the attempts of the Figaro Coffee Company – a retail company – to establish a foundation that would boost coffee production of the local Barako variety, aid local family farmers and create demand for the local coffee.

3.7   South Africa Country Summary

UNV Specialist: *Jean Niyonzima*
Host Institution: *African Institute of Corporate Citizenship,
Cape Town*

The work in South Africa suggested that the culture of corporate community involvement and corporate social investment (CSI) is well established. This culture has evolved over time from a simplistic philanthropic approach to a more integrated corporate citizenship and more pro-active sustainable development approach. The process is driven by a combination of regulatory measures, social needs and market forces. The research indicated that pursuing this agenda will require organizational transformation to move companies from a defensive stance of risk management and philanthropy towards the integration of social and environmental performance imperatives in all aspects of organizational activities.

3.7.1 What happened?

Jean Niyonzima sought out three ways of exploring business-community relations: consulting historical records; seeking input from people through interviews, discussions or questionnaires; and observation of behaviour in workplaces, meetings and conferences. The location of the project within the African Institute of Corporate Citizenship was a valuable resource, allowing him, for example, to attend breakfast meetings with companies. During the research, he also consulted members of businesses through organizational visits and had discussions with NGO representatives and community-based groups.

Additional information on business-community relations was collected through observation and listening to various speakers in workshops and conferences. These included the Local Economic Development Exhibition, Simon Zadek's workshop on Accountability and Social Auditing, the First African Corporate Citizenship Convention, the Charities Aid Foundation Briefing on Employee Involvement and Amalgamated Banks of South Africa's (ABSA) Annual Employee Involvement events. In addition, a specific workshop related to the research project was held in Johannesburg in April 2002.

Jean analysed the work of the project according to a variety of criteria. For example, he considered the employee involvement programmes of companies through the lens of the principles of excellence in community services established by The Points of Light Foundation, a US-based non-profit organization devoted to promoting volunteerism.

The South Africa follow-up proposal is centred on HIV/AIDS in the country. The main partner is Charities Aid Foundation Southern Africa, one of the project case studies. There are good corporate practices with well thought strategies that can be promoted and yield a significant impact

in the fight against HIV/AIDS together with poverty alleviation. The proposal aims at bringing together a group of private companies to implement such practices via corporate volunteering programmes.

3.7.2 General summary – drivers, outputs and messages

The drivers for business-community relations that were identified in South Africa can be grouped into three categories:

1. Government legislation – the government policies of black empowerment, the Employment Equity Bill and Skills Development Act are among the factors that continue to define the nature and extent of business-community relations in South Africa.
2. Societal needs – the legacy of apartheid has created an estimated ten years time lag in social service delivery. The government has called upon businesses to get involved in the transformation and development of the country, while civil society organizations, such as Charities Aid Foundation, advocate greater corporate community involvement.
3. Market forces – the release of the King Commission Report II, as well as the introduction of the Social Responsible Investment Index on the Johannesburg Stock Exchange, are among the market forces driving the practice in South Africa. Other market drivers include overseas listing by some South Africa multinationals and supply chain issues.

The motives for corporate community involvement vary from one company to another. However, most companies affirm that they are motivated by the desire to become more socially responsible and contribute to the national reconstruction objectives. On the other hand, the views and perceptions of non-governmental organizations contrast sharply with the business motives for engaging with communities. A 2001 survey conducted by Vanessa Rockey[12] indicated that most NGOs rank corporate profiling and tax deductibility incentives as the top two priorities for business interactions with communities.

Companies engage in a variety of practices for enhancing business-community relations in South Africa. The level of pure philanthropy and funding of community-based projects is considerable. There are also numerous examples of corporate volunteering and deeper partnerships with civil, professional and non-profit organizations. According to the CSI Annual Handbook for 2001, 51% of corporate contributions were in cash, while in-kind and time contributions accounted respectively for 27% and 22%.

In recent years, the approach to business-community relations has changed, with companies becoming more focused and strategic. This has resulted in the creation of support organizations, such as the African Institute of

Table 3.7: South African Case Studies [13]

Organization	Case Title	Case Focus	
African Oxygen (AFROX)	Community involvement Process	Corporate volunteering/ employee involvement	Corporate social investment
Amalgamated Banks of South Afrcia (ABSA)	Employee community involvement programmes	Corporate volunteering/ employee involvement	Corporate social investment
BHP Billiton	Matched Giving Programme	Corporate volunteering/ employee involvement	Corporate philanthropy
Blue Pepa Communication (Pty.) Ltd.	The Role of Small and Medium Enterprises in Promoting Business-Community Relations	Corporate social investment	Corporate volunteering/ employee involvement
Board of Examiners (BoE)	Corporate Citizenship and employee involvement	Corporate volunteering/ employee involvement	Corporate social investment
CAF Southern Africa	Promoting Employee Community Involvement	Supporting, promoting and communicating BCR	Corporate volunteering/ employee involvement
Electronic Data Systems (EDS)	Global Volunteer Day	Corporate volunteering/ employee involvement	Corporate philanthropy
Piuck's n Pay	HIV/AIDS Programme	Corporate social investment	Corporate Citizenship and responsibility
SABMiller	Corporate Citizenship Reporting	Corporate Citizenship and responsibility	Stakeholding
Telecommunications Company [14]	Developing Sustainability in a Business Context	Corporate social investment	Corporate Citizenship and responsibility

Corporate Citizenship and the Corporate Citizenship Centre at the University of South Africa.

Businesses and NGOs in South Africa have had difficulties working together. Reasons cited by business include:
- **Too many proposals,**
- **Requests for operating costs,**
- **Duplication of activities,**
- **High turnover of NGO staff,**
- **Request for long-term commitment,**
- **Lack of understanding of corporate programmes,**
- **Insufficient evaluation and monitoring,**
- **Insufficient publicity.**

NGOs cited difficulties such as:
- **Delays in replying to proposals,**
- **Need to cover operating costs,**
- **Difficulties in establishing funding criteria,**
- **High turnover of company staff,**
- **Need to gain long-term commitment,**
- **Lack of understanding of NGOs' work and community needs,**
- **Lack of involvement in projects,**
- **Excessive marketing requirements.**

Why are many of these difficulties parallel to each other? How might an attitude of volunteerism contribute to resolving these problems of mutual understanding?

The main emphasis of the cases was upon employee involvement (or corporate volunteering). Five of the case studies focused mainly on employee involvement, while others looked at reporting, the role of non-government organizations, small and medium enterprises and CSI more generally. The research revealed that corporate employees can and should play a leadership role in the transformation process by building relationships with various stakeholders, including the community.

A one-day workshop was organized in April 2002 to deepen the inquiry into business-community relations and frame the research questions. It was noted by community representatives that activities by companies in the community were still concentrated in urban areas. The roles and responsibilities of non-government organizations (including building capacity, transparency and accountability) were raised. Participants also indicated that there was no visible impact of the social investment made by business and that some projects lacked focus. The workshop recommended a number of options to enhance relations between businesses and communities, ranging from providing financial incentives for companies to investing in community engagement, developing employee involvement, involving industry leaders and creating competition among companies. It was generally believed that employee involvement/volunteering would greatly benefit business-community relations.

The lessons learnt from South Africa indicate that business-community relations are becoming integrated into broader corporate strategies.

How might employee involvement and
corporate volunteering contribute to the role
of businesses in mitigating and preventing the impact
of HIV/AIDS in South Africa?

There is growing attention to corporate volunteering and
employee involvement as a way of leveraging philanthropy.
This constitutes both an opportunity and a challenge for
companies, employees and non-governmental organiza-
tions. Organizational transformation within companies
is needed to enable these programmes to succeed. NGOs
will also need to develop an understanding of the benefits
of corporate volunteering as a means of helping them
to achieve their development objectives.

One of the recommendations from the national research
report was for businesses to explore the potential role of
employees in promoting corporate citizenship. The report
added that a challenge for employees is to play a leadership
role in the organizational transformation process and
strengthen business-community relations.

CORPORATE ACCOUNTABILITY – CASE VIGNETTE

**SABMiller produced its first corporate citizenship
report in 1998 when the company was known as
South African Breweries. Since then, the report
has been produced annually and circulated to
some 37,000 stakeholders. In a 2001 survey of
global sustainability reporting by UNEP and
SustainAbility, SABMiller (then SAB) was ranked
20th in the world. SABMiller is currently ranked
9th in the world, receiving top scores in economic,
social and ethical fields and considered an
industry leader in overall management quality,
including corporate governance. Following the
integration of Miller Brewing Company in 2002,
SABMiller published its sixth annual (re-named)
Corporate Accountability Report in mid-2003. The
Board has a Corporate Accountability and Risk
Assurance Committee to lead the governance
arrangements which help to ensure that the Board
and senior management implement the group's
mission, values and guiding principles.
SABMIller's experience is part of a trend by a
growing number of South African-based
multinationals to demonstrate their corporate
accountability by contributing to the development
of global best practice models and tools.**

1   For access to these cases studies, please visit:
    www.new-academy.ac.uk/research/businesscommunity/unvpages
2   For access to these cases studies, please visit:
    www.new-academy.ac.uk/research/businesscommunity/unvpages
3   The company concerned requested that the case study not be published with the
    company's name identified.
4   The company concerned requested that the case study not be published with the
    company's name identified.
5   For access to these cases studies, please visit:
    www.new-academy.ac.uk/research/businesscommunity/unvpages
6   See, for example, Kumar, R, Murphy, D F and Balsari, V (2001) Altered Images:
    The State of Corporate Responsibility Poll, TERI, New Academy of Business
7   See, for example, Kumar, R, Murphy, D F and Balsari, V (2001) Altered Images:
    The State of Corporate Responsibility Poll, TERI, New Academy of Business
8   See for example, UNDP (1998) National Human Development Report of Lebanon,
    Chapter 4
9   For access to these cases studies, please visit:
    www.new-academy.ac.uk/research/businesscommunity/unvpages

10 For access to these cases studies, please visit:
    www.new-academy.ac.uk/research/businesscommunity/unvpages
11 For access to these cases studies, please visit:
    www.new-academy.ac.uk/research/businesscommunity/unvpages
12 Rockey, V (2001) The CSI Handbook 2001, Fourth Edition, Trialogue Publications,
    South Africa.
13 For access to these cases studies, please visit:
    www.new-academy.ac.uk/research/businesscommunity/unvpages
14 The company concerned requested that the case study not be published with the
    company's name identified.

4. Practices for Enhancing Business-Community Relations

UN Volunteers – Jean Niyonzima, Aparna Mahajan, Joe Boateng, Leonard Okafor and Roberto Felicio at Initial Orientation Workshop, Bristol, UK, September 2001.

In this chapter we present an overview of some of the key practices identified in the research as contributing to the enhancement of business-community relations in the seven project countries. There was a considerable variety of ways in which businesses and communities sought to enhance their relations and contribute towards development. This section highlights the more dominant or relevant practices emerging from the research in the seven countries.

Over the past thirty years, a growing field of practice and inquiry has emerged particularly in Western Europe and North America related to corporate community involvement (CCI) and business-community relations more generally. While the UNV-New Academy project has illustrated a long history of business-community relations in Southern countries, much of this experience remains invisible within Northern practitioner and academic circles. When we launched the project in 2001, we noted the limited knowledge and awareness at the international level about the extent to which business-community relations are being strengthened in Southern countries. The project, therefore, offered an opportunity for UNV, New Academy and our partners to give greater voice to the recent experience of business-community relations within the context of local development processes in the seven project countries.

One of the key aims of the research was to explore practices for enhancing business-community relations through action research. As noted earlier, the research process has encompassed national overviews of existing practices, development of case studies, promotion of partnerships and international exchange of experiences.

Numerous practices can be situated within the broad framework of business-community relations. If we move beyond the narrow Northern CCI framework, business-community relations could encompass formal and informal initiatives that may emerge from within individual companies or community groups, or via the joint efforts of various individuals and organizations. Business-community relations could also include adversarial interactions between companies and host communities. Business-community conflict has the potential to be a necessary precursor to collaboration as it provides space for the parties to articulate their respective expectations and aspirations.

Four broad areas of practice have emerged from the research as key catalysts for enhancing business-community relations in Southern countries:

1. Corporate philanthropy and social investment,
2. Volunteerism,
3. Engagement,
4. Corporate citizenship and responsibility.

In addition to these four general categories, a number of other ways for enhancing relationships between businesses and communities were identified, including cause-related marketing and government-facilitated business-community relations.

In the following sections, we explore each of the practice areas in turn, with specific reference to case studies and examples from the seven project countries.

4.1 Corporate Philanthropy and Social Investment

Business philanthropy and charitable giving have a long tradition in the practices of companies across the globe. European businesses in the Middle Ages made substantial donations to orphanages, education, the arts and other social causes at a time when commercial activity was not held in high esteem.[1] Forms of corporate philanthropy continued to thrive with the emergence of the Industrial Revolution, with philanthropists in many different parts of the world promulgating the idea of 'enlightened self interest'. In addition to providing workers with housing, their philanthropy extended to a range of public and social buildings, such as churches, shops, parks and hospitals. Employer provision of welfare benefits and wider social amenities was seen as one of the means of attracting and retaining workers. For example, Jamsetji Tata, the founder of the Tata Group of companies in India, combined industrial innovation with worker welfare in the 19th century. In addition to introducing health and safety measures to his factories, he launched a pension fund in 1886 and an accident compensation scheme in 1895.[2] Such industrial philanthropists recognized the relationship between long-term profitability and the health and welfare of the local communities where their businesses were located.

In the context of more recent practices and conversations about corporate social responsibility, practitioners and academics pose questions about how philanthropy can be considered through the lens of business benefits and the strategic direction of the firm. David H. Saiia (2001) of the University of Northern Iowa describes strategic philanthropy as follows:

1. Being professionally managed;
2. Funding projects that have a logical fit with the funding organization;
3. Engaging the full array of organizational resources, in an appropriate measure, in the giving process;
4. Considering giving activities at all levels of the organization;
5. Being a function that is driven by the corporate mission; and
6. Being a program that is regularly evaluated and revised.[3]

The influential weekly magazine Business Week labels it 'new philanthropy', characterizing it as a more ambitious, strategic, global and results-oriented enterprise than 'the cautious and unimaginative check-writing that dominated charitable giving for decades'.[4] For example, billionaire financier and philanthropist George Soros has channelled hundreds of millions of dollars to support what he calls 'open societies' that embrace freedom of speech and religion. Related examples include cable-TV mogul Ted Turner's donation of US$1 billion to the United Nations in 1997 and Microsoft CEO Bill Gates' US$25.6 billion allocation to The Bill and Melinda Gates Foundation

for various health and education initiatives including the global fight against HIV/AIDS.

Another way of looking at corporate philanthropy is through the lens of social investment. The Brazilian grantmaker association GIFE [5] defines the concept of 'private social investment' as 'the planned, monitored and voluntary use of private funds coming from individuals, families or corporations for projects of social interest'. In South Africa, 'corporate social investment' is more commonly referred to as 'the recognition of the relationship between business and society, and the conscious planning of the corporate actions taking this into account'.[6]

Whether we are talking about strategic corporate philanthropy or corporate social investment, the common characteristic appears to be a commitment by companies to seek greater mutuality in their relationships with communities. Colleen du Toit, Executive Director of the Southern African Grantmakers' Association, describes the way in which corporate social investment approaches are changing in this regard in her country:

Organisations are moving away from old concepts of philanthropy and welfare and are interacting more with recipients. We find that where organisations engage with implementers, there's a much better chance of the project having impact. They can see what effect it's having because they're involved actively in the project and continue their relationship with the recipient.[7]

Despite such laudable efforts to redefine corporate philanthropy and social investment, one of the limitations of both of these concepts is that they continue to be largely based on a business perspective of what is strategic. Strategic approaches to corporate philanthropy and social investment equally need to take into account broader development questions. How do corporate philanthropy and social investment encourage communities and companies to relate in relationships and contribute towards the achievement of the Millennium Development Goals? When do corporate philanthropy and social investment increase the likelihood that communities and companies relate in ways that promote sustainable development? Without due attention to these kinds of questions, there is a danger that corporate philanthropy or social investment could create energy sapping dependencies between 'uppers' – those with power and influence – and 'lowers'.[8]

Evidence from the seven project countries suggests that corporate philanthropy and social investment remain common practices. Traditional corporate philanthropy appears to be particularly prevalent in India, Lebanon and Ghana. Companies such as Infosys and SPIC in India and Bank Saradar and FTML in Lebanon continue to support a range of charitable activities through corporate foundations but are

beginning to recognize the value of supporting longer-term development programmes. The research in Ghana revealed that ad hoc approaches to corporate charitable giving of money or company products (e.g., bags of cement) remain common. In all of the project countries, there have been efforts by companies to re-brand their philanthropic activities as 'social investment', 'community relations' or 'social action'. Although some of this new language represents genuine efforts to be more responsive to the needs of local communities, much corporate philanthropy and social investment remains paternalistic and imposed from the top down.

If social investment is usually what designated government departments or community organizations do, then companies that invest in communities should approach this area of activity with due care. Key differences between ad hoc philanthropy and long-term developmental social investment emerge from the way in which the work is connected with community needs and the official development plans and activities of public institutions. Ad hoc philanthropy tends to be less concerned about the influence of the act of giving upon existing processes and relationships.

Some of the more innovative examples of this kind of developmental social investment include the contribution of La Frutera and Paglas in the Philippines towards the economic empowerment of Muslim communities and, more generally, the promotion of peace in Mindanao region. The role of business in capacity building was also evident in Brazil, where Telemig Celular has invested in the development of local councils for child and adolescent rights and companies such as Docol, Deca and Tigre have provided funding for Agua e Cidade's water and sanitation programmes. In Nigeria, Elf Petroleum has supported the National Poverty Eradication Programme's skills development centres that promote youth self-employment.

Across all seven countries, corporate philanthropy and social investment is most prominent in the health and education sectors. Health care examples include Coca Cola India's support for Primary Health Centres in areas close to company units and Ecobank Ghana's adoption of a hospital children's ward. Educational projects encompass funding for formal and non-formal education and training institutions and programmes, such as a South African telecommunications company's efforts to connect 90 schools to the internet. In India, IT company Wipro has gone a step further by supporting an innovative programme called 'Applying Thought in Schools', which works with teachers to introduce new educational methods in the classroom and ultimately develop the critical thinking skills of school children.

In making the transition from traditional philanthropy towards more collaborative forms of social investment, businesses need to consider how their actions sit alongside community understanding and government planning.

The role of government in enhancing business-community relations is also of central importance in developmental social investment by companies. This was particularly noteworthy in the Philippines. Later in this chapter, we explore government-facilitated business-community relations as a separate practice area.

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4.2   Volunteerism

As noted earlier, this research collaboration among UNV, the New Academy and our partners in the seven countries aimed to consider the role of volunteers in enhancing business-community relations and in promoting global corporate citizenship. The broader role of volunteerism in development has indeed been of central importance to UNV since its establishment in 1970, as noted in Chapter 1.

International experience of volunteerism and development reveals a number of key lessons learned, which are relevant for all development actors working in this area:

* Volunteerism has the potential to reduce dependency and promote local empowerment.
* Volunteers have the capacity and knowledge to act as brokers, by linking know-how with community needs.
* Valuing volunteerism only based on cost saving undermines strategic development thinking and anticipated results.
* Volunteerism helps to strengthen and build trust within and between communities, particularly in post-conflict and crisis situations.
* Volunteerism to fight diseases such as HIV/AIDS is critical in mitigating the spread and impacts of pandemics.[9]

Within the context of business-community relations, volunteerism emerges from the community involvement of individual employees, the coordinated efforts of corporate volunteer programmes and the facilitation or support of bottom-up community development processes. As part of our analysis of practices that enhance business-community relations, we review volunteerism from the business and community perspective respectively.

4.2.1 Corporate volunteering and employee involvement

As a concept and practice, formal corporate volunteering and employee involvement programmes have largely emerged from the experience of Western-based companies. Also, various Western-based organizations support corporate efforts to develop corporate volunteer and employee involvement programmes. For example, the US-based Points of Light Foundation offers guidance to companies on effective company-supported employee volunteer programmes. Similarly the UK-based Charities Aid Foundation (CAF) assists corporations to design and develop community involvement programmes, including charitable giving schemes for employees.

In her research in Lebanon, UNV Specialist Lubna Forzley investigated the business benefits of corporate volunteering and employee involvement programmes. In the Lebanon national research report, Forzley argued that 'Companies nowadays are increasingly looking at their community involvement activities from a strategic perspective – harnessing a portfolio of financial and non-financial resources to meet targeted community involvement goals' with corporate volunteering and employee involvement 'seen as a key part of the mix'.[10]

Many of the business benefits of corporate volunteering and employee involvement programmes are similar to those often articulated for business-community relations or corporate social responsibility more generally. What distinguishes corporate volunteering from other forms of community or stakeholder engagement, according to Forzley, 'is that this type of involvement provides a 'medium' for employee development and ultimately enhanced human resources practices and market leadership'. Corporate volunteering and employee involvement programmes have the potential to strengthen interactions between employees in various departments and levels of the company and ultimately make important contributions to employees' personal and career growth through developing and enhancing their skills in areas such as employee leadership, teamwork, confidence and social and interpersonal skills.

Some of the benefits of corporate volunteering and employee involvement for communities, employees and companies are summarized in Table 4.1 (opposite top).

Findings from the research suggest that there are few examples of long-term formal corporate volunteering or employee involvement programmes, particularly in Ghana, India, Lebanon and Nigeria.

In South Africa, CAF Southern Africa is playing a key role in the promotion of such programmes, particularly to South African companies. CAF SA is also building upon and promoting local 'best practice' examples as part of its strategy to mobilize private-sector action in this area. Some of these examples were included as case studies in the research undertaken by the UNV South Africa Specialist. For example, the African Oxygen Limited (AFROX) Community Involvement Process dates back to 1995 when the company's chairman launched an initiative to engage employees in community activities for the benefit of children. In 2002-2003, AFROX employees were involved in 128 child health and development projects. The AFROX approach encourages team volunteering and staff ownership of the projects to build staff skills and commitment.

Table 4.1: Benefits of Corporate Volunteering and Employee Involvement

Communities	Employees	Companies
Promotes community cooperation & cohesion	Enables integration into local community	Promotes community cooperation & cohesion
Helps break down barriers and increase understanding	Provides satisfaction from doing worthwhile work	Helps to meet corporate social responsibility aims
Enhances the local skills base	Develops and enhances skills & broadens employee experience	Develops teamwork and internal networking
Improves local understanding of company activities	Enhances community awareness	Fosters employee commitment
Provides community with potential for longer-term corporate commitment	Improves mental and spiritual well-being	Improves company image
Makes more resources available	Build personal networks	Faciliates recruitment of good people

In the Philippines, companies such as Petron offer their employees specific opportunities to volunteer within formally structured and supported programmes. Via the Petron Foundation, Petron's Volunteerism in Action programme offers volunteering opportunities to its employees, employees' children, business partners, such as contractors and dealers, and other stakeholders in the communities. Another Philippines example, CEMEX's 'With A Heart' programme, also recognizes and engages the volunteer contributions of employee families.

The Brazilian company COPEL encourages employees to volunteer as literacy trainers to support the efforts of formal literacy teachers in the company-supported 'Light on Literacy' programme. Other Brazilian examples include Serasa's efforts to support and encourage employees and their families to provide financial and technical support to community-based organizations.

The experience in Lebanon suggests that there are various informal employee volunteering efforts that can be built upon. UNV Specialist Lubna Fozley focused considerable effort on the promotion of formal corporate volunteer programmes by providing Lebanese companies with access to information and resources compiled from Points of Light and other organizations.

Although the field of corporate volunteering and employee involvement remains relatively new in many of the project countries, this area of practice appears to offer considerable scope for enhancing business-community relations in a development context. There is also a potential role for UNV to promote locally relevant models of corporate employee volunteering in parts of the world where formal schemes have yet to be introduced.

4.2.2 Volunteerism and development in the community

The mutual aid or self-help dimension of volunteerism has a long tradition in the seven project countries.

This involves individuals and groups undertaking voluntary activities in support of community development projects and other local causes. Much of this voluntary action is not necessarily captured as formal volunteering. This form of community volunteerism also generally is not provided with formal institutional backup (such as in the UK with Community Service Volunteers).

The UNV Nigeria Specialist noted that there are few formal volunteering programmes in his country. However, much of what happens at the community level in Nigeria occurs when individuals give time without payment to various groups or activities – such as the building and management of community schools. In this context, giving time to the community is an inherent part of the way in which one's identity is constructed.

Various case studies across the seven countries offer a wealth of experience about the value of community-based models of volunteerism as a means of enhancing business-community relations. For example, the emergence of the Corporate Social Responsibility Movement in Ghana illustrates how organized groups of individuals can come together to tackle local sustainable development concerns by challenging businesses to become more accountable to their host communities. Another good example is Help Lebanon's efforts to reconstruct and beautify damaged and destroyed buildings and public places. While the financial support of insurance company SNA and other businesses for Help Lebanon played a key role in this process, the project's success was perhaps influenced much more by the voluntary actions of concerned and committed citizens of Lebanon. In Nigeria, the Fate Foundation and Alternative Trade Network of Nigeria are examples of volunteerism and development in the community that are less reliant on corporate philanthropy or social investment. Some of the Brazil case studies, namely Doctors of Joy, Organizaçào da Sociedade Civil and Learner School City, also offer examples of local volunteerism that benefits from business involvement but is not ultimately dependent upon the voluntary actions of companies.

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4.3   Engagement

There is a long history of business engagement with other sectors of society on a range of business and development concerns. In addition to more traditional business constituencies – such as employees, shareholders, trade unions, regulators, suppliers and sub-contractors – business stakeholders and partners often now include local communities, NGOs, multilateral organizations, government aid agencies, religious organizations, the media, academic institutions and various other internal and external interest groups. In seeking to balance competing interests in a rapidly changing world, businesses are developing new relationships with their stakeholders, including formal cross-sector partnerships.

Some of these new business-stakeholder and partnership relationships bring together businesses and non-commercial organizations (e.g., governments, NGOs and trade unions) to address a business concern (e.g., eliminating child labour or developing green products). If planned and implemented appropriately, such partnerships can offer both business and its partners useful tools to discuss and promote global corporate responsibility and sustainable development.

4.3.1 Stakeholding

The findings from the research suggest that a number of businesses are managing and understanding the influence of groups of stakeholders[11] upon their business operations and strategies. The cases from the research tend to show companies responding with a variety of engagement strategies. This practice of proactive engagement to manage situations is an emerging phenomenon. However, few businesses have noticed the value that groups of stakeholders can bring to their business (that is, few have tapped into the more positive potential of working with external stakeholder groups to change internal organizational dynamics).

In general, we found there was particular interest in the concept and practices of stakeholder engagement amongst companies involved in the extractive industries sector. The cases of Chevron Texaco in Nigeria, Tema Oil Refinery in Ghana and Silangan Mindanao Exploration Corporation in the Philippines all explored how the companies sought to engage with local stakeholders in host communities. The groups that companies seem concerned about range from traditional rulers and elders in communities, small businesses and future employees to youth groups and environmental activists. These stakeholders hold varying types of control upon the 'licence to operate' of a particular company.

In general, most attention concerning stakeholder engagement has come from the company perspective. The pictorial representation of stakeholders tends to place the company at the centre of a series of concentric circles. In Denmark, Novo Nordisk – a pharmaceutical company – has a different image in which it places itself on one of the nodes of a web of relationships. The Ghana Mining Industry case attempted something similar by looking at stakeholding from the perspective of the communities, rather than the companies.

The sense of being part of a web of relationships in which there are mutual and reciprocal stakes seems to be one of the key lessons from the research. If we are interested in enhancing relationships between groups, then it suggests to us that we need to find ways to consider groups equally without giving particular priority to one or the other.

4.3.2 Partnership

The 1990s could be characterized by the growing impetus for solutions-based relationships between businesses and other stakeholders with the emergence of numerous cross-sector partnerships to promote voluntary initiatives for sustainable development and socio-economic justice. In this period in the world of business, the language of partnership grew from an emphasis upon partnership between companies to include partnerships with other non-corporate actors, such as NGOs, governments, and so on. Some of the novel multi-sector partnerships that developed during the last decade include New Directions Group (Canada, 1990), Paper Task Force (US, 1992), Forest Stewardship Council (Mexico/Global, 1993), Marine Stewardship Council (UK, 1997), Social Accountability International (US, 1997), Fair Labor Association (US, 1998) and Ethical Trading Initiative (UK, 1998).

The research findings suggest that it is increasingly difficult to define what constitutes a partnership. Case studies explored partnerships in all of the seven countries except India and South Africa. In Brazil and Philippines in particular there seems to be a strong emphasis upon partnership-type arrangements. This might have something to do with the presence and work of two business support organizations with an interest in corporate responsibility. Both Ethos Institute in Brazil and Philippine Business for Social Progress have been working locally with businesses, and their role in creating the space for partnership to develop seems significant.

The cases of Unilever and the Department of Trade and Industry (DTI) (Philippines); of Quezon, DTI and Nestle (Philippines); and of the Office of the Minister of State for Administrative Reform (Lebanon) involve companies and communities and governments working together with a view to supporting community and economic development through partnership.

Although such partnership initiatives involve more formal practices, such as contracts and agreements, it is interesting to note that nearly half of the cases covering partnership also involve some form of volunteerism – whether employee involvement, corporate volunteerism or volunteerism in the

community. Three of the cases – Organizaçào da Sociedade Civil and Learner School City (Brazil), Olashore International School-Iloko Ijesa (Nigeria) and Lead Bank (Nigeria) – suggest how partnership and volunteerism in the community can build upon each other.

In many respects, the notion of partnership is grounded in volunteerism. Partnerships are based upon the voluntary interests of parties to come together for a project of mutual interest. Partnerships are also often seen as being inherently good or positive. One of the expected outcomes from this project was for the promotion and development of new partnerships between businesses and communities. However, in the lead up to the 2002 World Summit on Sustainable Development, WWF-International (formerly known as World Wide Fund for Nature) argued that partnerships 'on their own will not deliver a solution' to many of the issues on the table in Johannesburg. Rather than an open-ended endorsement of all partnerships or an outright rejection of the possibilities they present, there is a need to develop a capacity to evaluate and enhance existing partnerships. Specific ideas about how to take such an evaluation process forward are outlined in Chapter 6.

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4.4   Corporate Citizenship and Responsibility

Building upon the three broad areas of practices delineated above – Corporate Philanthropy and Social Investment; Volunteerism; and Engagement – the idea of corporate citizenship or corporate responsibility has come to be recognized in recent years as both a framework to enhance understanding of the role of business in society and as an area of practice in its own right.

As a business-in-society framework, corporate citizenship brings together questions about the environmental sustainability of business practices, the role of business in urban regeneration, the creation of healthy communities and ethical dilemmas, such as child labour in the supply chain, bullying in the workplace and work-life balance issues. Current corporate responses nonetheless range from the minimalist to the discretionary to the strategic. Corporate citizenship embraces a 'complex relationship of interlocking [business] rights and responsibilities'[12] and is based upon three supporting pillars: the moral ('doing the right thing'), the social (community integration) and the economic (long-term survival).[13] Of particular relevance to this research project, current thinking about corporate citizenship has a strong emphasis upon global sustainable development issues.

As a means of enhancing business-community relations, citizenship and responsibility practices encompass a range of corporate accountability measures, such as workplace codes of conduct; social and environmental certification and labelling schemes; triple bottom-line accounting and

reporting; and other initiatives that promote business standards and accountability in labour practices, human rights, environmental sustainability and other ethical matters. Most of these corporate citizenship and responsibility initiatives have their origins in Northern industrialized countries and often have been responses to pressure from consumers, the media and civil society organizations (e.g., trade unions, NGOs and church groups). In some cases these activities have been developed by the private sector, while in others they have resulted from partnerships between business and other sectors, such as those outlined in the previous section.

Various case studies across the seven countries offer examples of companies being challenged by stakeholders, as well as innovative corporate responses through improved citizenship and responsibility initiatives. For example, SABMiller is strengthening its corporate accountability processes as the global reach of this South African-based multinational expands. Balancing global pressures and local needs in this context remains a major challenge.

For SABMiller, Pick 'n Pay and practically all of the South African case companies, HIV/AIDS is becoming a key focus of business strategy in areas such as scenario planning, risk assessment and human resource management. In South Africa, HIV/AIDS, not surprisingly, is also one of the more prominent areas of support for corporate social investment and philanthropy, and corporate volunteering and employee involvement.

In the Philippines, the case of La Frutera and Paglas demonstrates how companies and communities can collaborate to create mutually beneficial economic opportunities and promote peace in Mindanao, where conflict has undermined development. This case also illustrates how local businesses are beginning to recognize the value of measurement and reporting in environmental and social areas.

The growing importance of environmental and sustainable development issues for business is evident in all project countries. While many of the business responses are linked to environmental legal compliance, there are also examples of companies adopting proactive approaches to environmental sustainability in both a commercial and community context. The case of the Lebanese restaurant Schtroumpf and its 'Go Green' campaign illustrates how small and medium enterprises can integrate sustainability principles into their business, achieve financial success and foster wider social change.

Case studies of business support organizations and partners for this research project, such as the Philippine Business for Social Progress' (PBSP) Centre for Corporate Citizenship (CCC) and TERI's Corporate Roundtable for the Environment (CoRE) in India, illustrate how corporate citizenship and responsibility practices are being promoted and supported

in developing countries. For example, PBSP has played a major role in the development and promotion of business-community relations in the Philippines and is on par with other organizations that provide global leadership in corporate citizenship.

In addition to these two case studies, the experience of other UNV-New Academy partner organizations in Brazil (Instituto Ethos) and South Africa (African Institute of Corporate Citizenship) suggests that corporate citizenship and responsibility frameworks and practices also take on many different forms globally and locally.

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4.5   Other Practices

While most of the case studies comprised examples of the four general categories of practices outlined above, three other practice areas emerged from some of the case studies:

1. Cause-related marketing,
2. Supporting, promoting and communicating business-community relations,
3. Government-facilitated business-community relations.

4.5.1 Cause-related marketing:

Cause-related marketing is defined by Business in the Community as 'a commercial activity by which businesses and charities or causes form a partnership with each other to market an image, product or service for mutual benefit'.[14] Only two of the case studies included a specific focus on cause-related marketing: Tetra Pak in Lebanon and Figaro Coffee in the Philippines. While the Tetra Pak's 'Captain Mike' school feeding programme appears to be modelled on approaches from Western Europe and North America, Figaro's efforts to 'Save the Barako' seems to have stronger advocacy and development dimensions as the company is raising customer awareness about the need to support small producers in the Filipino coffee industry.

4.5.2 Supporting, promoting and communicating business-community relations

In addition to the case examples of business support organizations PBSP and TERI noted above, other examples of efforts to support, promote and communicate the importance of business-community relations included Charities Aid Foundation Southern Africa and two of the Lebanon cases: Lebanese Broadcasting Corporation International and the Role of the Media in Lebanon more generally. The unique case of the emergence of the Corporate Social Responsibility Movement in Ghana illustrates the role of civil society action in challenging businesses to recognize the need to listen more carefully to the demands of host communities for greater corporate social and environmental accountability.

4.5.3 Government-facilitated business-community relations

Although not a major focus of the research across the seven project countries, there was evidence from the Philippines and Lebanon of a more proactive government role in encouraging greater participation by the private sector in social development, particularly via cross-sector partnerships. Case studies from the Philippines, such as the Department of Trade and Industry (DTI) collaboration with Unilever and small producers in Guimba, and the DTI partnership with Nestle and coffee farmers in Quezon, suggest that there are appropriate roles for governments in enhancing business-community relations. Lebanon case studies, such as Mimosa and OMSAR, indicate that a mix of regulatory and voluntary partnership approaches is needed to challenge and encourage business to act more responsibly.

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4.6   Overall Reflections

One of the key lessons emerging from the research is that the effectiveness of philanthropy, social investment, volunteerism, engagement, corporate citizenship and other practices that enhance business-community relations ultimately depends upon the mobilization and capacity of beneficiary communities and organizations. For example, in India the Lupin Welfare and Research Foundation's efforts to support aquaculture in Rajasthan has relied upon the active participation of local farming communities and various other partners and stakeholders. Such business-supported community projects will only contribute to people-centred and environmentally grounded development if they are designed and implemented with the active participation and engagement of local voluntary action.

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1 Eberstedt N (1977) 'What History Tells Us about Corporate Responsibilities', in A B Carroll (ed) Managing Corporate Social Responsibility, Little Brown, Boston, pp17–22

2 Agarwala P N (2001) A Comprehensive History of Business in India: From 3000 BC to 2000 AD, Tata McGraw-Hill, New Delhi

3 Saiina D H (2001) 'Philanthropy and Corporate Citizenship: Strategic Philanthropy is Good Corporate Citizenship'. The Journal of Corporate Citizenship 2, Summer: 57–74. See also Smith C (1994) 'The New Corporate Philanthropy'. Harvard Business Review 72(2), May/June: 105–115

4 Byrne J A (2002) 'The New Face of Philanthropy'. Business Week 2(December). Available at www.businessweek.com/magazine/content/02_48/b3810001.htm

5 GIFE (Grupo de Institutos, Fundações e Empresas) is the first grantmaker association in South America. Based in São Paulo, Brazil, the organization was officially founded on 26 May 1995, after five years of informal activities. The word GIFE is an acronym in Portuguese, which stands for 'group of institutes, foundations and enterprises'.

6 Mersham, G M, Rensburg, R and Skinner, C (1995) Public Relations, Development and Social Investment: A Southern African Perspective, Van Schaik, Pretoria

7 Webster, E (2003) 'Corporate Social Investment: The Key to Successful Welfare Projects'. Business Day. Available at www.btrust.org.za/newsroom/225603.htm

8 Chambers, R (1997) Whose Reality Counts: Putting the First Last. Intermediate Technology Publications, London

9 See UNDP (2003) 'Volunteerism and Development'. Essentials 12, October, United Nations Development Programme Evaluation Office, New York

10 Forzley, L (2003) Enhancing Business-Community Relations: Lebanon National Research Report, UNV, UNDP and New Academy of Business, Beirut, p84

11 Defined as 'any group or individual who can affect, or is affected by, the achievement of a corporation's purpose'. See Freeman, R E (1984) Strategic Management: A Stakeholder Approach, Pitman, Boston, p53

12 McIntosh, M, Leipziger, D, Jones, K and Coleman G (1998) Corporate Citizenship: Successful Strategies for Responsible Companies, Financial Times Management, London, pxxi

13 Tichy, N M, McGill, A R and St Clair, L (1997) Corporate Global Citizenship: Doing Business in the Public Eye, The New Lexington Press, San Francisco

14 See www.bitc.org.uk/programmes/programme_directory/cause_related_marketing/index.html

5.   Synthesis and Analysis

**Participant at South Africa National Workshop, Johannesburg,
South Africa, April 2002**

In this chapter we bring together ideas, practice examples and questions from the seven countries to offer deeper insights about relationships between businesses and communities within a broader business and development context. We offer some reflection about the practices discussed in Chapter 4, some theoretical frames and a number of open-ended questions and ideas, drawing upon the experiences and research of the New Academy of Business and the UNV Specialists. We have used a large body of literature to inform our exploration in this chapter.[1]

The chapter begins with an exploration of the scope for companies and communities to rethink the meaning of strategic interventions and to develop a sense of shared destiny. The chapter concludes with an exploration of the relationship between volunteerism, business and development, by closely examining the role of UNV in facilitating such linkages and the potential for UNV to develop new skills in this area.

5.1 Rethinking Strategy

Businesses are defined to a large extent by their individual identities, purposes and strategies. However, there is also interdependence between companies and the strategies, purposes and identities of the communities that surround them. A similar situation of mutuality also applies to communities in their relationships with businesses and other stakeholders.

Many businesses and communities recognize that their success, at least in part, is dependent upon the other group. However, knowing how to 'work the tension' of this interdependence is full of uncertainty and contradiction. For example, many businesses struggle to work out the balance between domination and partnership approaches or between seeking short-term fixes and long-term solutions. Business strategists might advocate the need for corporate independence, control and competition. Meanwhile, communities are often caught between assessing the benefits of satisfying current needs versus longer-term developmental purposes.

Certain CSR advocates propose that actions taken by companies to improve relations with communities should be grounded in the strategic and operational objectives of the firm. For example, the national research reports from Lebanon and the Philippines paid considerable attention to the need for companies to develop more strategic thinking in their community engagement activities. Similar arguments are put forward by 'management guru' Michael Porter, who suggests 'Companies need to move away from defensive actions into a proactive integration of social initiatives into business competitive strategy'.[2]

In seeking to understand or evaluate the practices of companies in the seven countries through this lens, we might look at the practices from South Africa, Philippines and Brazil and suggest that they reflect more 'proactive integration of social initiatives into competitive strategy' (see for example the case on Figaro Coffee Company in the Philippines or COPEL in Brazil). The example of Wipro in India might also be contained in this conceptualization.

This perspective would also conclude that many of the current practices of companies (including examples that emerged during the course of this project) would not be considered strategic from this perspective of business

competitive strategy. In particular, many of the approaches and practices of companies in Lebanon, India, Ghana and Nigeria might be singled out for being generally reactive and poorly communicated to external audiences and for a lack of focus upon the core competitive advantages of individual companies. It is possible, however, to consider these practices from other perspectives than from the strategic objective of single firms.

The practices of strategic thinking and strategy in business have much to commend them. They allow companies to bridge the gap between the purposes that they hold onto and the actions that they take to reach their purposes.

However, in the context of the role of UNV and its development objectives, there is a need to consider the understandings and practices of strategic thinking more closely. From our experience, the form of thinking about strategy that is often promoted with regards to businesses and communities comes from an attempt to separate mentally the activities involved in doing business from the purposes of development in society. It also seems to come from an attempt to separate values of organizations from actual practices in which they are engaged on a day-to-day basis. Finally, many of these practices are based upon metaphors of systemic combat and antagonism.

Whilst competition can be a healthy force, UNV and other similar agencies are more concerned with collaborative ways of thinking and working. The actions and solutions that traditional thinking about business strategy is likely to promote could be contrary to UNV's longer-term objectives. The implication for the role of UNV with respect to the private sector is that a simple reversion to promoting and measuring programmes based on their strategic fit for the company could well counter the type of energy required to meet UNV's development objectives.

If UNV is seeking to understand its role and that of volunteerism in the enhancement of business-community relations, then the research suggests using a broader lens through which to assess the practices, one that could that could focus more on UNV's roles and objectives as a development organisation. There may well be instances where corporate strategy might be aligned with the roles and objectives of UNV. However, this may not necessarily be so in all instances. The following section explains why this may be the case and what other perspectives might help make sense of business-community relations from a development perspective.

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5.2   Learning To Work with Shared Destiny

The lesson of shared destiny for us is that it is impossible to consider the strategy of a single firm outside the other strategies, purposes and actions that exist in society. Moreover, the purposes, strategies and actions that we co-create through all of our interactions, are in a state of flux and emergence.

Take, the example of a firm that faces opposition to its operations in the local community. If it chooses to pay off potential saboteurs or protestors, it is possible to assess this practice as being either 'strategic' or 'un-strategic'; the conclusion you come to would probably depend on which perspective you take, whose 'purposes' you are looking at – business, community, government – and what time frame you are working from. Whilst individual company strategies and purposes are important for helping the people in the organization understand how they might act, our message here is that an understanding of something as being 'strategic' will vary according to the perspectives of those involved. The notion of what is considered to be strategic is dependent upon context and perspective and is created by the actions of companies.[3]

The lessons about understanding strategy, actions and outcomes in the terms of a surrounding culture and context seem to be similar in a variety of locations. In our research and collaborative action, we found that we could not simply treat the various groups and organizations with whom we were working as soulless, empty platforms where we could locate our research. Instead we had to learn how to work with them as living cultures, each with their own strategies, actions and purposes.

Similarly, a UNAIDS campaign document suggests how the culture of groups and communities is important in efforts to change attitudes to HIV/AIDS:

> When some men fail to protect themselves and others, it is often due to social and cultural factors. Family, religion, customs and beliefs, power structures, gender roles and relations, and social expectations all play their part in encouraging men to take risks and to disregard [their partners'] feelings and needs. In short, men's risk-taking behaviour may be better understood when viewed from a broader social perspective.[4]

The idea that strategy is dependent upon the strategies of others in situations of shared destiny is not a particularly remarkable statement. However, our research has shown that across these seven countries, the understanding that exists between businesses and communities about this sense of shared destiny and how to act upon it is varied. Where mutuality is lacking, we think that the discourse of traditional competitive business strategy tends to act as

a veil preventing the development of such understandings. The cases of Tungteiya Women's Group in Ghana and the Alternative Trade Network of Nigeria are examples of the way in which boundaries between businesses and communities are not understood as concrete or impermeable. Similarly, the example of the Indian company encouraging managers to change their relationship with domestic staff suggests a more fluid and organic sense of the relationship between business and community (see Chapter 3).

The above synthesis presents a critical point of reflection for UNV as it seeks to understand its role in enhancing relationships between businesses and communities.

HOW DO YOU ENHANCE RELATIONSHIPS BETWEEN COMMUNITIES AND BUSINESSES?

We have imagined that various people may be expecting us to make some suggestions on the above question in this research report. As we have sought to answer it, we have moved through various areas of certainty and clearness and various other patches of uncertainty.

One of the first things that we noticed was that if we wanted to talk about enhancing business-community relations, then we also needed to understand something about the kinds of relationships or interconnections that exist between businesses and communities. Some of the labels for relationship types might include conflict, harmony, dependency, marriage, partnership, dance partners, symbiosis, strong, weak, creative and many others besides.

We also noticed that we needed to understand what we mean by 'business' and 'community', which involved much more than merely delineating between enterprises and communities of different sizes, sectors or purposes.

As we started off asking about a relationship, we also wanted to understand the individuals, groups and organizations involved in that relationship. If you take the existence of a relationship as a starting point, it becomes impossible actually to understand a business fully without knowing something about the community. And similarly, the meaning of 'community' is defined, at least in part, by the businesses with which it interacts. This can quickly become quite confusing.

Enhancing business-community relations requires thinking about the ways in which 'community' and 'business' arise together through the actions of interdependent people:

- **The community of spouses of business leaders, whose companies are dispersed around the world (CEMEX case in Philippines);**
- **A physical community located near mining operations of a local firm in Ghana;**
- **An international community of computer programmers collaboratively working on a product for a dispersed information technology enterprise (see Sun Microsystems case in Philippines).**

Buddhists call it pratitya-samutpada: co-dependent arising.

Hindus call it Sohum: 'That is I,' and 'I am that.'

In South Africa they call it Umbutu: 'I am because we are'. [5]

There are two related changes that could enhance the ability of groups to engage with the challenges of shared destiny between business and communities:

1. Taking time and energy to understand the other individuals and groups;
2. Taking time and energy to understand one's own 'self' as an individual or group.

Our research and experience has shown that UNV is particularly well placed to support these changes.

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5.3   Volunteerism, Business and Development – A Role for UNV

We found three characteristics that UNV as an organization and volunteerism more generally have the potential to contribute to the challenge of enhancing business-community relations. These characteristics have come from an analysis of the various outputs, documents, dialogues and conversations that have taken place during the course of the project – from reports and notes taken during workshops to email conversations and more.

We have labelled these three characteristics as 'knowing by doing', 'bridging' and 'legitimacy'.

UNV does much work on the ground. The organization has direct links between its staff and the members of communities where the achievement of the Millennium Development Goals or government targets would be experienced. During a workshop in Bonn we heard from the UNV Specialists

working on this project about the importance of being able to sit alongside members of the communities and businesses during the course of their research and promotional activities. The UNV Brazil Specialist Roberto Carlos Felício suggested that his work required a specific strategy:

> *It's like any relationship – you have to go in with something…and each company and community is like an organism, and to get involved you have to feel for the movement.*

UNV Lebanon Specialist Lubna Forzley commented that 'it is important to try to understand the culture of the company.'

Similarly, Leonard Okafor, UNV Specialist in Nigeria, reflected upon his ability to engage with the culture of the community.

> *I needed to learn about the organization and how they work and so on. I also needed to learn about the culture in the community. Often I have come down to the community and realized the need to interact with individuals…For example, saying 'Bring Kola'.*[6]

Such ideas as 'feeling from the movement' and 'developing understanding' of groups and organizations seem to be quite central in the work of the UNV Specialists. In their exploration of business-community relationships, the UNVs seemed to be using their knowledge about the individuals and groups within them. This was not only a form of factual knowledge. The factual knowledge from books and libraries (stored from the 'neck up') was complemented with knowledge that came from sitting alongside people and staff on the ground, in production facilities or community centres. It is in these places that businesses and communities are experiencing challenges and have to define the way forward. Knowing situations by being directly engaged on the ground – a 'knowing by doing' – was certainly important during the course of this project.

Other organizations might share ability for this knowing by doing. However, in addition to this, UNV also has a type of legitimacy that comes from the authority of the UN brand. Joseph Boateng, UNV Specialist in Ghana, noticed that 'There is something [of legitimacy] in the UN name.' Meanwhile, Jean Niyonzima, UNV Specialist working in South Africa, reflected upon the potency of this legitimacy since 'When it [the UN brand] is working, it puts you in a position of power'.

Charmaine Nuiguid-Anden, UNV Specialist in the Philippines emphasized the double-edged nature of power when she suggested 'Some companies don't want to partner with UNV because they worry about being accused of 'bluewash''.

However, for UNV the legitimacy of the UN does not float freely in an unanchored world. Instead, it is combined with

a type of immediate awareness that comes from its work on the ground and the knowing that comes from doing. Together with the legitimacy then, this creates a form of power that allows individuals to convene or act as bridges between groups of people and organizations. The fact that UNV is an action-oriented organization – working on specific projects and tasks – combines the effects of the powerful UN name with the ability to connect people over sustained periods of time and with focused energy. For example, the connections in the communities helped Joseph Boateng to make suggestions or offers to both communities and businesses when he was engaging them. Similarly, Aparna Mahajan, UNV Specialist in India, felt her 'role was sensitising and encouraging'. She added that activities such as 'the national workshop encouraged and facilitated a learning process'.

Roberto Felício made the point about the bridging potential of his position in UNV very clearly when he described one relationship that he was able to facilitate in Brazil:

> By knowing something about the company's intentions and about what NGOs were doing, I was able to bring an NGO to the conversation. The company and the NGO started to share information and this helped us because we were seen as offering something, not just asking. We filled a gap, because until then they were working on their own.

Charmaine Nuguid-Anden acknowledged that UNV should be careful with this power, since 'It is important also to manage expectations – there is a limit to our credibility and to our reach'.

So together these three characteristics – 'knowing by doing', 'bridging' and 'legitimacy' – combine the authority of the UN brand with an immediate awareness that comes from working on the ground and the ability to bring groups of people and organizations together for sustained periods of time.

In the next section we interpret the meaning of these three characteristics and their relevance for enhancing business-community relationships in the context of the broader development goals of UNV.

5.3.1 Supporting mutual understanding

We appreciate that complete mutual understanding is impossible and particularly challenging in a world where the flows of information are rapid, often overwhelming and diverse. However, we note that there are some ways of engaging in face-to-face interactions that can enhance the chances of mutual understanding and some can reduce the chances of creating this understanding.

One of the subtle attributes that can help foster healthy relationships between businesses and communities that contributes to broader development goals is the ability of groups and individuals to understand more about themselves and each other.

Many businesses and communities sense their interdependence. There may in fact be numerous occasions in which people from communities and businesses come together in face-to-face interactions in which they experience this interdependence directly. However, in these interactions there is often a failure by individuals to attend to small-scale actions. For example, quite often little attention is paid to how people act or what they say in conversations and meetings. Whilst this might seem a minor factor, our understanding from this research suggests that such small-scale actions in relationships between communities and organisations affect the assumptions that groups and individuals make about each other.

When the various truths of these assumptions can be explored, it becomes more likely that actions are better understood and conceived. And when individuals learn how to interact in ways that help them understand themselves and each other more completely they enhance the chances of mutual understanding. Such an approach can complement more traditional business language of strategy alignment, return on investment, or competitive advantage.

One of the important aspects in this process is the way in which conversations can be **slowed down.** Many times groups fail to engage each other because the rush to 'get things done' means they fail to pay attention to how they affect the other individuals in the relationship. However, it is possible to **bring more attention** to the way that we as individuals speak, listen and think in relationships. For example, individuals can listen to each other with more or less judgment. Similarly, they can speak to each other with more or less clarity about their intentions. Finally, they can also bring an attitude of inquiry and openness to their relationships or something more closed.

These challenges might be seen as insignificant. However, we noted from the research that when we pay attention to the ways in which we engage with other people in specific ways during meetings, workshops, or email we can increase the chances of creating openness and mutual understanding.

There is a particular role in changing the way mutual understanding is created between businesses and

communities for UNV and volunteerism. UNV can use both its capacity to act as a bridge between groups and individuals and its ability to create space and time to enable people to come together.

The spirit and energy of volunteerism can be a vital anchoring point in this process. Charmaine Nuguid-Anden suggested that companies 'can have some volunteering initiative as the seed for re-evaluating the company's social responsibility'. Volunteering programmes create a space in which individuals in interdependent communities and businesses can come together in face-to-face interactions. These interactions support a shift away from the sound bites of corporate strategy making and the broad posturing of community development plans. A spirit of being engaged in volunteering can often lead to better understanding of oneself – as an organization or individual. The act of working together can also help to create individual conversations in which people develop better understandings of each other in their respective roles in communities and businesses.

5.3.2 Next steps – a new skill for UNV

This is not merely a simple act of faith. It is an attitude that needs cultivation. Individuals can be supported in their attempts to create mutual understanding or they can be prevented from doing so. Some of the things that support the chance of individuals cultivating this attitude are inherent in the characteristics of UNV and the spirit of volunteerism. As we have suggested above, UNV combines uniquely its role as a bridge with a quality of legitimacy and a perspective that comes from knowing-by-doing. These characteristics suggest the possibility of developing a new skill that can nurture healthy relationships between businesses and communities.

This new skill would be to support the ability of groups in communities and companies to engage in dialogue and reflective learning. That is, UNV could help individuals learn how to engage in more listening without judgment and how to speak with greater clarity about intentions and with attitudes of inquiry and openness.

The fact that UNV works in the field of volunteering is likely to enhance the potential of this skill to support people-centred development. Volunteerism offers much more to the enhancement of relationships between businesses and communities than the rather disengaged rhetoric and language of strategic planning or competitive advantage. The attitude of volunteerism and the action of volunteering can support learning about mutuality that is informed by and grounded in engagement and reciprocity. The chances of cultivating healthier business-community relationships based upon this form of energy are significant and novel.

This perspective carries a number of implications. In particular, there are three areas of practical interest: learning, partnering and leadership. In the final chapter of this report we explore these implications and conclude with some challenges for UNV and other organizations interested in enhancing business-community relations.

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1   See, for example:
    Bendell, J (2004) Barricades and Boardrooms: A Contemporary History of the Corporate Accountability Movement, forthcoming UNRISD Programme Paper, United Nations Research Institute for Sustainable Development, Geneva;
    Forstater, M, MacDonald, J and Raynard, P (2002) Business and Poverty: Bridging the Gap. International Business Leaders Forum, London;
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3   A similar argument about the need to change thinking about business strategy is put forward in a report by WWF-UK. See Kemp, V Stark, A and Tantram, J (2004) To Whose Profit?(ii): Evolution - Building Sustainable Corporate Strategy, WWF-UK, Godalming.

4   UNAIDS (2000) World AIDS Campaign 2000: Objectives and Ideas for Action, UNAIDS, Geneva

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6   A kola is a nut used by communities in West Africa to mark out 'space' for having meaningful or significant conversations

6.   Conclusions and Recommendations for Action

Initial Orientation Workshop, Bristol, UK, September 2001

One of the main reasons for embarking upon this project was to bring new voices and understanding to international debates and actions for corporate social responsibility. During the course of the research, we have discovered that there are diverse meanings and experience of the relationships between businesses and communities in the seven countries. We have also discovered a variety of practices for enhancing business-community relations – from corporate philanthropy and social investment to volunteer-ism in business and in the community, from engagement to corporate citizenship and government-facilitated practices. These diverse practices were used in a variety of ways to enhance business-community relations and the research does not recommend one form of practice over any other in this regard.

In the previous chapter, however, we did conclude our synthesis by suggesting that UNV has a potentially interesting and novel role with respect to the private sector. This role would bring together what we identified as a unique collection of three characteristics within the organization – knowing by doing, bridging and legitimacy. UNV could bring together these characteristics and support a way of enhancing business-community relations that does not fall into the trap of many other initiatives by merely solving short-term fixes or privileging competitive corporate strategy. It has an opportunity and ability to promote people-centred solutions that build mutual understanding through dialogue and reflective learning. It is towards this end that UNV could focus its attention in thinking about how to enhance practices for healthier business-community relations through volunteerism.

What are the practical implications of this synthesis? In this final chapter we suggest some of the specific actions that UNV could take to this end with 3 specific areas: learning, partnership and leadership.

> There are a variety of ways to understand UNV and its role with respect to the private sector. These understandings would vary somewhat depending upon how one conceptualizes and visualizes UNV as an organization.
>
> Some **models** or metaphors for considering organizations focus upon the buildings or the physical presence of the organization. These models might help us to interpret the engagement of the private sector in a way that focuses upon the practical activities that need to take place, such as whether to establish a new unit for working with the private sector. Another starting point might be to consider UNV as an **'accumulated set of tasks'.** This would allow UNV to think about whether to develop a new team of private-sector specialists or to ask current departments and units to integrate work with the private sector into current tasks and staff activities.
>
> We can also imagine UNV as a **'process of organizing'** within and through which values, and beliefs are discussed, expressed and played out. Looking at the organization through this perspective would then move our attention towards the impacts of engagement with the private sector upon the more ambiguous notion of the **culture** of the organization.

————————

## 6.1 A Learning Challenge for UNV

As noted in the introduction of this report, new forms of collaboration between UNV (as well as other UN agencies) and the private sector are a relatively recent phenomenon. Although Kofi Annan is promoting partnership with the private sector, UNV has shown foresight by seeking to develop understandings of how it should relate to the private sector. This project has been a chance for UNV to create a space for reflection – not an act of abstract and distanced conceptualization but reflection that was very much grounded in practical activities.

The flow chart in figure 6.1 (below) shows the pattern of engagement and learning that was integrated during the course of the research and the ways in which we sought to integrate action and inquiry. It is not so important to try to understand the starting point here, but rather to understand the pattern of activity described. Individuals and groups developed their understandings of business-community relations through collaborative sense making, such as with other UNVs via email or in workshops. These sense-making activities were used in the process of building partnerships and engaging in promotion activities. Sense was made of these activities through more opportunities for collaborative sense making, which in turn informed deeper understandings of business-community relations.

The development of the Corporate Social Responsibility Movement in Ghana, the Go Green partnership in Lebanon and the emerging UNV partnership with Elf Petroleum in Nigeria illustrate elegantly the form of engagement that was expected from the collaborative and emergent methodology of the project. As the findings of the project in Lebanon suggested: 'Partnerships contributed to the research phase of the project since they allowed for close collaboration with the partners and many other individuals from different sectors. They also contributed to the advocacy phase through the promotion of business-community relations'.

The above cycle shows the importance of attempts to make sense of new action. We think a similar process needs to be applied to UNV's work with the private sector. One of our major recommendations (which could be extended to any organization seeking to enter collaboration) is to find ways to make sense of new relationships that UNV enters into. This should be an ongoing activity of partners as well as something that is left to the end project cycle for a distinct group of evaluators. Some of the questions that partners might ask themselves during the process of engagement are:

Fig. 6.1: Flow chart showing pattern of engagement during research
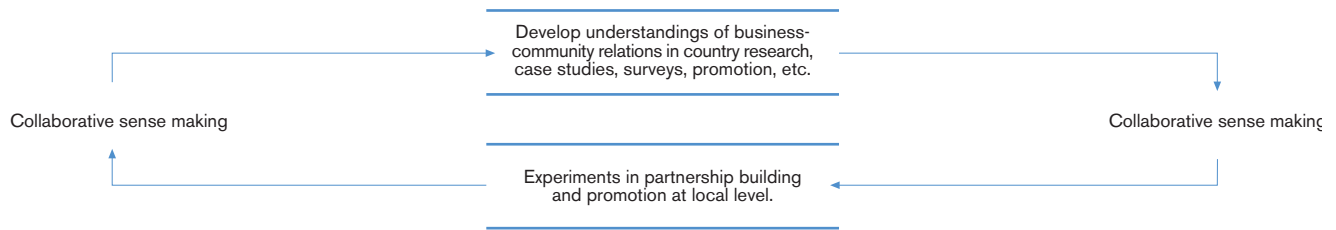
- How will we track the difference between the values to which you aspire and talk about promoting (e.g., solidarity, engagement, etc.) and the actual values that are 'enacted' through actions?
- How will we learn from this difference between values that are advocated and those that are acted out?

———————————

6.2   Partnership Relating

As mentioned above and in chapter 4, there have been numerous examples of practical partnership development during the course of this project. However, rather than an open-ended acceptance of all partnerships or a dismissal of the possibilities they open up, we wish to suggest that it is important to ask questions about how to improve partnership arrangements. Some key ideas for becoming partners are summarized below:

1. Process and content are important in different ways. These two aspects of partnership thrive off each other. Without something worthwhile or energizing to address, the process of engagement does not matter. Similarly, without good processes, working towards the desired content of a partnership will be meaningless.

   - How will a good process be facilitated? How is responsibility shared?
   - What would happen if the process is running well? How would individuals talk to each other? What kind of energy will be created?
   - How can you balance the time for paying attention to the process of engagement, when deadlines and resources are short?

2. Sometimes small is beautiful. It can be difficult to avoid the impetus to promote the partnership activity so that the relationship tries to grow up before it is ready. Pressures from various parts of the system (e.g., head office, other stakeholders and desires for social change) tend to call partners away from nurturing long-lasting relationships.

   - How can you give the relationship enough space and time at the beginning to develop slowly?

- How can you avoid the pressure to become big?
- What signals might indicate that you are caught up in the needs of the system for fabricating quick results?

3. Things go wrong (and do so fairly regularly). Partnerships do not make groups spend excessive amounts of time trying to prevent all possible mistakes. Instead, partners are prepared to talk and communicate about mistakes as they arise and seek creative ways to learn from them.

   - How can you learn to embrace the problems that will arise?
   - What techniques can you use to talk about the difficulties openly?

4. You cannot know everything and your 'ways of knowing' will never be sufficient. With multiple issues, perspectives and challenges emerging all the time, uncertainty and 'not knowing' are inherent parts of the process of engagement in partnership.

   - How can you balance the need for clarity with the sense of not being able to know everything?

5. The relationship between a community and business is something that is recreated every day through numerous interactions that occur at many different levels. Partners seek to create conditions for engagement throughout the system and organization since responsibility, impact and influence are dispersed. For example, the people in a community development office are not the only ones to create difficulty in relationships. Similarly, there are more people in a business than just the head of a company or its spokesperson who are responsible for creating a better relationship between a company and its community. Partnerships will only develop between businesses and communities when individuals expand their horizon beyond formal community development activities to relationships involving areas of core business operations.

   - How can you find ways to work on the boundaries of the organization?

———————————

6.3   Leadership, Sustainability and Volunteerism

This project has offered many useful points from which to reflect upon leadership. From the start of this project, when the New Academy of Business was given the title of technical leaders, the practice of leading has been an inherent part of the way we have understood the research and project outputs. In terms of business practices, the relationships between responsibility and leading have become important questions during the course of the project. As George W. Bush said following the series of scandals that confronted corporate America in 2001–2002:

> If you lead a corporation, you have a responsibility to serve your shareholders, to be honest with your employees. You have a responsibility to obey the law and to tell the truth… Business relationships, like all human relationships, are built on a foundation of integrity and trust.[1]

Across the seven countries, the research generated a number of interesting sources for reflecting upon the challenges of leading. For example, the case on the Corporate Social Responsibility Movement in Ghana highlights the need for skills and competencies of people who lead or nurture such initiatives. Other cases that highlight the role of leaders include Sun Microsystems in the Philippines and Learner City School in Brazil. The media case study in Lebanon explored the role of the local print and news media in its ability to influence public opinion.

The Sun Microsystems case also invites reflection about the role of volunteering and leadership. The AFROX case in South Africa connects with this theme, in its description of the how traditional hierarchies can be broken down.

Unsustainable human development is a systemic, cultural and multi-level problem. Many people realize that one individual or group cannot know enough about the world to change currently unsustainable patterns of development. Together, these two points lead us to conclude that multiple perspectives are required for understanding and acting. One of the main aims of this project has been to bring voices and perspectives other than those dominant voices from Western Europe and North America to international discourses concerning business practices that support sustainable human development.

In this context, we think that accepted ways of thinking about and practicing leadership can be usefully unpacked. Where we once might have been satisfied with a view of leadership as being exemplified by a 'man' at the helm, alternative visions of leadership are perhaps more suited to the emerging challenges in the desire to change unsustainable patterns of human development.

A key skill for any type of …leadership in situations of mutual dependency is the ability to communicate effectively and openly. We sought to encourage the UNV Specialists and ourselves to become clearer in our written or verbal communication.

For example, we asked the researchers to distinguish between 'four parts of speech' (identified by Bill Torbert)* in their communication. The four parts are:
- **Framing,** where you establish a context in terms of the purpose, intentions for communicating or the assumptions that you are making.
- **Advocacy,** where you deliver or assert a point, option or perception.
- **Illustrating,** where you exemplify the point with a 'story' or case of an incident.
- **Inquiring** when you open up conversation by asking a question to others.

When these parts of speech are out of balance in communication then our conversations were confusing or difficult. For example, by making sure conversations start with some 'framing' we can ensure that when we talk or email we do so a greater shared understanding of starting points, assumptions, boundaries and purpose of a situation.

Alternatively conversations can be manipulated and intentions hidden when someone mixes together different parts of speech. For example, the phrase 'Are you sure that makes sense?', can be used to ask a question (inquiring) when we already know the response that we want (advocacy). By separating the advocacy from the framing the communication can be more intentional: 'I do not think that makes sense (advocacy). What do you think? (inquiry).

What other methods can leaders use in situations of shared destiny to communicate more openly and effectively?
* Fisher, D, Rooke, D, and Torbert, WR (2000) Personal and Organizational Transformations through action inquiry. Edge Work, Boston.

The challenge to traditional hierarchies as expressed in the Sun Micro Systems and Afrox cases, brings with it an implication that there are more 'leaders' in an organisation than the one given the title of chairman or Chief Executive. Often we have seen that leadership in enhancing business-community relations comes from those taking different perspectives, espousing different values and providing complementary energy rather than from the traditionally accepted and feted leader. An attitude of nurturing connects with a number of cases from the research, which broadly concern the notion of stewardship. For example, the case of the Figaro Coffee Company in the Philippines and a number of cases about the mining and extractive industries across the seven countries connect with the relationship between companies and communities where the need for ecological and resource stewardship is at stake.

One of the reasons why these questions about leadership are deemed relevant is because of the degree of power held by companies. However, there is a dilemma here, in so far as the leader of an organization is not the same as the organization; in the same way that she/he cannot be responsible for having created all the profits or value in a business, similarly, we doubt that it is possible for a person in a leadership position to be able to create a responsible business on her/his own.

Two articles by leading academics reflect these emerging challenges for leadership in the context of development.

In a recent article, C. K. Prahalad and S. L. Hart explore the possibilities for companies to bring prosperity to those 4 billion people at the bottom of the economic pyramid whose annual per capita income based on purchasing power parity is less than $1500 (known as Tier 4). The authors suggest:

It is imperative, however, that managers recognise the nature of business leadership required in [serving] the Tier 4 arena. Creativity, imagination, tolerance for ambiguity, stamina, passion, empathy and courage may be as important as analytical skills, intelligence and knowledge. Leaders need a deep understanding of the complexities and subtleties of sustainable development in the context of Tier 4. Finally, managers must have the interpersonal and intercultural skills to work with a wide range of organizations and people.[2]

In another relevant article, H. Mintzberg, R. Simons and K. Basu argue that the notion of a heroic leader, who alone is responsible for the entire performance of the organization, needs to be replaced by an idea of leadership that is 'more quiet than heroic. It is connected, involved and engaged. It is about team working and taking the long-term perspective, building an organization slowly, carefully and collectively.'[3]

What both of these perspectives and our research suggest is that volunteerism has a significant contribution to make to the development of leadership for responsible business practices. The 'deep understanding' to which Prahalad and Hart refer has to come not from a detached person hearing and reading about people and their lives, but from those who have and are engaged with their realities directly. Volunteering as an act of exchange and reciprocity can provide this form of deep understanding and can open up space to develop leadership for responsibility and sustainability right the way through businesses and communities.

———————————

1   Speech made in Washington, DC, 7 March 2002
2   Prahalad, C K and Hart, S L (2002) 'The Fortune at the Bottom of the Pyramid'.
    Strategy + Business Magazine 26, First Quarter 2002. Emphasis added.
3   Mintzberg, H, Simons, R and Basu, K (2002) 'Beyond Selfishness'. MIT Sloan
    Management Review 44(1), Fall 2002: 67-74. Emphasis added.

List of Acronyms

ABSA	Amalgamated Banks of South Africa
AFROX	African Oxygen Limited
AGI	Association of Ghana Industries
AICC	African Institute of Corporate Citizenship, South Africa
BCR	Business-community relations
BoE	Board of Examiners, South Africa
CAF	Charities Aid Foundation
CCC	Centre for Corporate Citizenship
CCI	Corporate Community Involvement
COPEL	Companhia Paranaense de Energia, Brazil
CoRE	Corporate Roundtable for the Environment, TERI, India
CSI	Corporate social investment
CSR	Corporate social responsibility
DTI	Department of Trade and Industry
EDS	Electronic Data Systems, South Africa
EPNL	Elf Petroleum Nigeria Limited
FTML	France Telecom Mobile Lebanon
GIFE	Grupo de Institutos, Fundações e Empresas, Brazil
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
ILO	International Labour Organisation
ILO-SEED	InFocus Programme on Boosting Employment through Small Enterprise Development
MDG	Millennium Development Goals
MSE	Micro- and small enterprises
NGO	Non-governmental organization
OMSAR	Office of the Minister of State for Administrative Reform, Lebanon
OSC	Organizaçào da Sociedade Civil, Brazil
PBSP	Philippine Business for Social Progress
SNA	Societé National D'Assurances
SPIC	Southern Petrochemical Industries Corporation, India
STAS	Short-Term Advisory Services
TELCO	Tata Engineering and Locomotive Company, India
TERI	The Energy and Resources Institute, New Delhi
TNC	Transnational corporation
UN	United Nations
UNAIDS	United Nations Joint Programme on HIV/AIDS
UNDP	United Nations Development Programme
UNISTAR	United Nations International Short-Term Advisory Resources
UNV	United Nations Volunteers
UNV SVF	UNV Special Voluntary Fund

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An invitation to reflection and conversation

We have sought to write this report in a way that tells the story of the project and also encourages
the reader to reflect upon their role in creating healthy relationships between businesses
and communities. This is an opportunity for you, privately or with others, to consider what
this means for you and the organizations and communities in which you work and live.
You may wish to start a conversation with someone about the practices and ideas presented here.
You could think about questions such as:

**What do I/we currently do that helps
foster healthier relationships between businesses and communities?**

**What are the aspects of how I think and reason that might
inhibit the emergence of such relationships?**

**What do I need to learn to help me support
mutual understanding between businesses and communities?**

What support might I/we need to sustain such learning?

The work of the United Nations Volunteers (UNV) aims to inspire others to advance human development through voluntary action. Since the UNV programme started in 1971, UN Volunteers – more than 30,000 mid-career professionals from over 160 countries – have made a tangible contribution to the efforts of the United Nations, governments and community groups in fostering peace and improving living conditions.

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Front, top: **Micro enterprise in the community, Accra, Ghana**
Front, bottom: **UN Volunteer, Charmaine Nuguid-Anden**
Back, top: **Artisan workshop, Accra, Ghana**
Front, bottom: **Habitat Centre, New Delhi, India**

Inside front, top: **Participants at India National Workshop, New Delhi, April 2002**
Inside front, bottom: **Participants at South Africa National Workshop, Johannesburg, April 2002**
Inside back: **West Beirut, Lebanon**

Enhancing Business-Community Relations

The Role of Volunteers
in Promoting Global Corporate Citizenship

Global Report

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