

Enhancing effective CSI initiatives

By  Helen Fraser

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The last few years have seen vast growth in corporate social investment (CSI) programmes. Businesses are taking heed of the strategic advantage generated from social programmes, and are beginning to understand and appreciate how a commitment to a healthier society drives the sustainability of business.



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Successfully implementing a CSI programme means delivering impactful and sustainable outcomes, while still running the core business effectively and optimising a return on investment.

Focus areas

CSI targets often depend on the nature of the business, the employees' project focus and available funds. For a corporate, like Nashua, food security and the provision of school and educational needs are our key social issues – with most of the CSI budget pumped into this sector.

In general, major CSI focus areas in 2016 included education, children, food security, infrastructure, health and the elderly. In 2017, businesses will direct their focus to youth development. Feeding schemes, education and employment also still remain prevalent areas for CSI initiatives in South Africa.

What to invest

In the next few years, more CSI initiatives will be registered and the need for social development will increase. Charities want a share of available funds, goods, services and volunteer time. A valuable business contribution to charity is firstly spending money, then donating products and services and finally, volunteerism. Without funding a charity can't function. Running costs and ongoing needs must be met. Giving time is important but volunteerism is fruitless if a charity can't operate properly.

CSI compliance

CSI has become almost obligatory in the corporate world – especially for companies chasing a perfect BBBEE scorecard. Some companies support charitable causes purely for altruistic reasons. However, in the new year, it'll be incumbent upon all businesses to help those less fortunate. Compliance to stringent regulation and scrutiny from government, stakeholders and investors will increase as society puts pressure on corporates to do their part.

Measuring impact

Most businesses are doing their best to help solve social issues within the constraints of the current economic climate. But there are companies who don't do enough, with many donating less than 1.8% of their profits to needy causes. More should be done to actively encourage CSI practices in both the public and private sector. Progress made in tackling social issues is still slow, and companies will need to make a concerted effort to ensure more effective and efficient development initiatives.

The future of CSI

With CSI funding decreased over the past two years, charities themselves are going to have to look at innovative ways to raise funds. Companies will need to boost CSI funding through partnerships with business associates, using their products as a means of increasing their available funds and offering incentives to employees to participate in fundraising projects.

In the future, we'll see an increase in new and creative ideas to effect change in society. Many companies are starting to consider social and community development programmes with a broader focus like food security, water scarcity, unemployment, waste management and climate change. New corporate structures are emerging through oversight committees and new job titles such as community relations and community engagement practitioners.

Going into 2017, it's essential corporates and development practitioners take stock of new and emerging trends and practices in CSI. This will allow companies to remain relevant in the ever changing regulatory and governance landscape while still addressing real social and community development needs.

ABOUT HELEN FRASER

Helen Fraser is the operations director of the Nashua Children's Charity Foundation. Under Fraser's guidance, the NCCF supports almost 15,000 underprivileged children on a daily basis. The foundation provides food, cleaning materials and toiletries to a network of 75 children's charities, in the hopes of creating sustainable, child-friendly living conditions. With Fraser at the helm, the NCCF also supplies stationery, school clothes and bags to needy children in townships.
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