

## Community Development through Corporate Social Responsibility in Livingston, Zambia: Are Hotels Actually Changing Business Practices?

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### Abstract

Corporate social responsibility (CSR) presents unique prospects for both local development and valuable business returns for tourism companies. However, optimization of CSR-generated development impacts may largely depend on the willingness of companies to change their corporate practices more. This paper explores CSR practices of hotels and lodges in Livingstone, Zambia, and associated community development impacts of activities they implement in the surrounding Mukuni communities. Findings from research amongst eight hotel and lodge companies, show that where the voluntary process of change of CSR practices was accompanied by multi-stakeholder involvement, which tended to ameliorate adverse power relations, substantial community development benefits were widely captured by communities from CSR initiatives. These findings suggest that in situations where companies willingly incorporate pro-poor approaches in their business practices, multi-stakeholder involvement in CSR might be a plausible approach for ensuring equity and for augmenting the CSR community development impacts.

**Key Words:** Corporate social responsibility, community development, hotels and lodges, multi-stakeholder involvement, Mukuni communities, Livingstone, Zambia

### Introduction

There are optimistic claims from a wide range of scholars on the potential of CSR. For example, there are claims that CSR offers prospects for community development and poverty reduction in communities of developing countries (Ashley & Haysom, 2006; Ite, 2004; Kabir, 2011; Sharp, 2006). This view is supported by arguments that CSR presents an important opportunity for governments in developing countries to collaborate with the private sector to optimise the impacts of CSR for community development in poor communities (Fox, Ward, & Howard, 2002). Imperatively, this argument asserts that governments are presented with the opportunity to harness the potential of CSR and to align CSR initiatives with priorities for community development. Optimistic arguments from a business perspective regard CSR as a strategic concept that not only improves the competitiveness of a corporation but also contributes to the wellbeing of the society or community within which it operates (Burke & Logsdon, 1996; Porter & Kramer, 2002, 2006). Some scholars have

even suggested that CSR should be broadly rooted in the understanding that corporations and society need each other (Porter & Kramer, 1999, 2011).

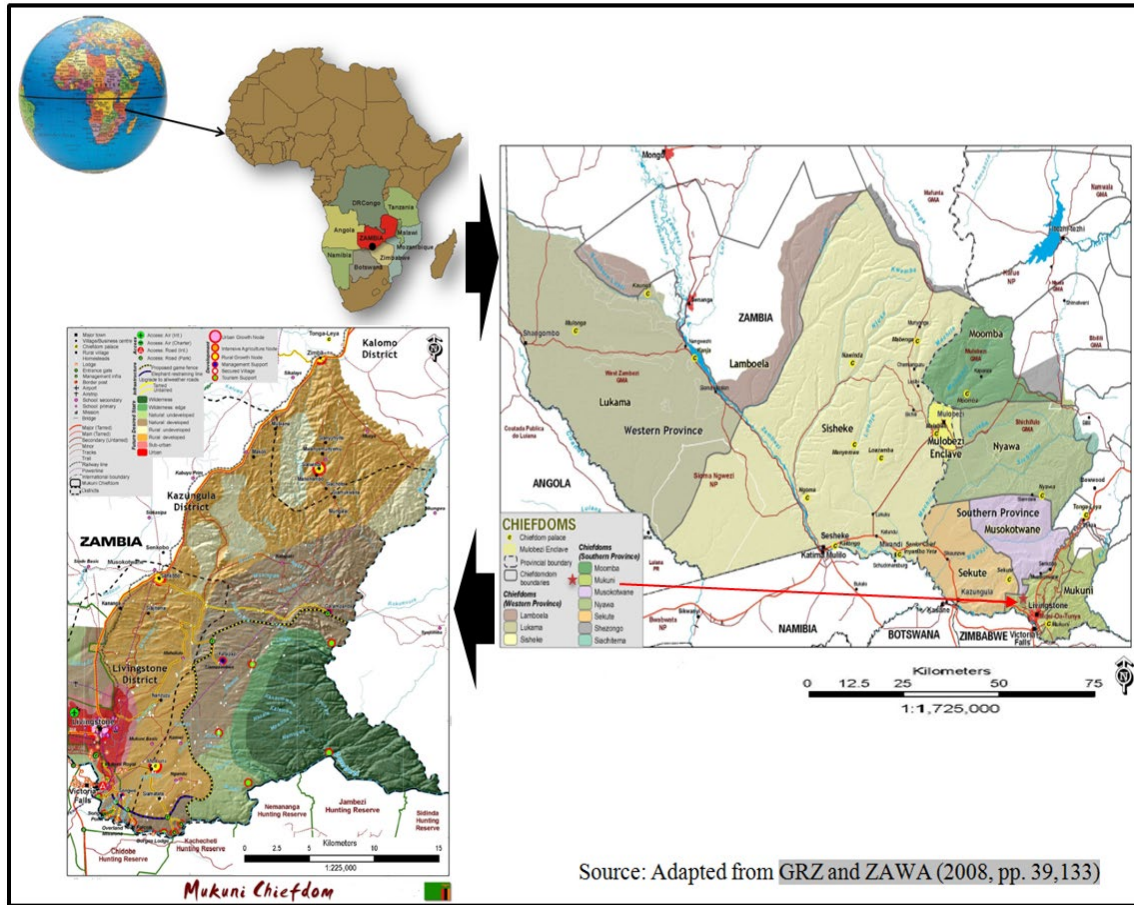
However, criticisms of CSR also exist. These criticisms include claims that too few empirical studies have been conducted to verify the contribution of CSR interventions to community development and poverty reduction in developing countries (Banerjee, 2002; Frynas, 2005; Jenkins & Obara, 2008). Furthermore, some academics have argued that unless CSR adapts to local contexts, it will fail to sustainably contribute to the development of poor communities in developing countries (Banerjee, 2008; Hamann, 2006; Idemudia, 2011). Still others have questioned how companies whose main aim is to make profit (Blowfield, 2007; Hamann, 2003) and who lack essential expertise to undertake development, can effectively play the role of development agents (Blowfield & Dolan, 2010). Companies have also been criticised for “smoke-screening” community development without substantial emancipation (Clark, 2000), and for using CSR to justify their neo-capitalistic goals (Jenkins & Obara, 2008). This literature, therefore, shows that there is yet no consensus in the global arena about what CSR can and cannot do, especially when it comes to community development.

Relatively few studies of CSR in the tourism sector and in the Southern African region, particularly in countries like Zambia, exist. As Holcomb, Okumus, and Bilgihan (2010, pp. 316-317) have observed: ‘there is still limited knowledge about the CSR practices of companies in the tourism industry’. Nyahunzvi (2013) further states that there are very few such studies undertaken in developing countries, particularly from the African Continent compared to elsewhere in the world. Scholars have called for more research on CSR practices to contribute to filling the information gaps that exist on CSR, tourism and community development.

This working paper, firstly, outlines current evidence in the literature on CSR and community development in developing countries, and the challenges of power relations that exist in the delivery of CSR benefits to communities. It then goes on to present and discuss the findings from research undertaken in Livingstone, Zambia. Finally, this paper concludes by arguing that multi-stakeholder involvement (particularly of Government and other sector stakeholders) in CSR can be an important incentive for encouraging beneficial and widely spread changes in CSR practices among tourism companies that optimise benefits for people in poor communities and for community development in general.

## **Methodology**

The fieldwork for this study was conducted in Livingstone, covering the Mukuni Chiefdom communities, in which tourism businesses operate and extend their CSR initiatives (see Figure 1). According to Metcalfe (2006), Metcalfe and Kepe (2008) and Mbinji (2012), the Mukuni Chiefdom consists of approximately 120 hamlets/villages divided into 12 zones, each containing 10 villages. The chiefdom’s population of approximately 30,000 people live in an area of about 2000 Km<sup>2</sup> or 200,000 hectares of land bordering the Zambezi River in the South and Livingstone City on the North-West. Mukuni Village, the capital, has a population of between 8,000 and 10,000 people. Figure 1 shows the location of the study area.



**Figure 1: Location of study area**

Given the exploratory nature of the study, and the lack of literature on CSR and development in Africa, and particularly, the Southern African Region, the researcher found it appropriate to use qualitative research methods. This is because qualitative methods allow for a detailed exploration of the kind of research issues that the study in Livingstone aimed to interrogate.

Data was collected over a period of six months from July to December 2014. The study focused on indigenous Mukuni communities neighbouring hotel and lodge resorts in the tourist town of Livingstone, which is adjacent to the world-renowned Victoria Falls in southern Zambia. Primary data was collected through a total of 113 interviews with senior government officials, managers of 8 hotels and lodges, the local tourism association, leaders of local and international NGOs, along with curio traders, small-scale farmers and other Mukuni community members. Data was also collected through group interviews, network mapping, pairwise ranking and comparison analyses with community farmers and crafts traders.

### **CSR and Community Development in Developing Countries**

The global recognition of CSR and the role of the private sector in development delivery (Sharp, 2006), have potentially conferred the private sector with a responsibility to contribute to an inclusive, sustainable development effort globally or locally. Some official development agencies and

members of the OECD<sup>1</sup> and DAC<sup>2</sup> have been enthusiastic about the perceived development capabilities of CSR. For example, the Department for International Development (DFID) of the UK, argues that the private sector through CSR can generate equitable, poverty reducing and more inclusive growth by following socially responsible practices (DFID, 2001 - 2004). Although this optimism is good, it may be too simplistic considering the potential problem of power relations between companies and poor communities, and the fact that local contexts, especially those of communities in developing countries, entail extremely varied and complex structural, engagement and participation problems.

First, CSR needs a strong government policy framework that is supportive to communities for CSR to function effectively as a vehicle for community development. Supportive or enabling policies aim to protect poor communities from undue exploitation or exclusion from sharing in the benefits of development taking place around them (Scheyvens & Momsen, 2008; Scheyvens & Russell, 2012). As observed by Fox et al. (2002), policy choices can be a critical driver in shaping CSR relationships, activities and distribution mechanisms for community benefits. In situations where policies are weak, poor communities, for lack of voice, are at the mercy of companies that are mostly favoured by neo-liberal policies of governments in developing countries.

The scenario is that lowest income countries in Southern Africa, as elsewhere, are in a hurry to develop. As a result, they are desperate for foreign investment. However, as observed by Scheyvens and Momsen (2008), in the absence of community-enabling and equity-enhancing policies, poor communities have not benefited from investments by foreign capital made on their customary land. Instead, they have lost both ownership and access to their communal land assets and livelihoods to large foreign companies. In the absence of policy mechanisms that protect poor communities and allow them to benefit from development around them, poverty is exacerbated. For this reason, in conceptualizing and practising CSR, local issues relating to policy and policy practices that affect community development in different localities should be recognised.

Second, CSR needs a supportive social-cultural setting for it to function effectively as a vehicle for community development. Academic debates have acknowledged contextual-process issues such as corporate-community power relations, traditional power and cultural influences as a potential problem that could adversely impact on the delivery of development benefits from CSR in poor communities (Hamann, 2003, pp. 247-249; Hamann & Kapelus, 2004; Jenkins & Obara, 2008; Jick, 1979; Muthuri et al., 2012; Newell, 2005). However, these issues have not been fully researched empirically to determine how they affect CSR as a vehicle for community development and poverty reduction, particularly, in communities of developing countries. The academic literature suggests that in order to overcome these issues, there is need for sincere commitment on the part of corporations and other stakeholders to innovate CSR practices (initiatives and processes/approaches) to ensure the equitable and genuine involvement of community stakeholders in CSR initiatives (Muthuri, 2008).

The power relations problems cited above, coupled with the lack of innovation, have a bearing on participation, governance and accountability in CSR initiatives. So far, little is known about how companies are endeavoring to involve communities in developing countries in Southern Africa in CSR processes, how the corporate-community relationships are working, and the effects the imbalance of power on the effectiveness of CSR. The dearth of scholarly information on corporate-community power relations has also been observed by Muthuri (2008, p. 185), who states that “Research on how

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<sup>1</sup> OECD stands for Organisation for Economic Corporation and Development

<sup>2</sup> DAC stands for Development Assistance Committee

communities participate in decision-making and governance structures in [CSR] programmes is largely lacking. [CSR] approaches as examined still demonstrate business dominance in decision-making processes and practices....” Similarly, governance and accountability concerns related to CSR undertaken in communities are raised in academic literature but have not been fully researched empirically. Muthuri (2008) also rightly points out that prominent models and arguments on CSR scholarship have focused more on preconditions, antecedents, trends, and outputs at the expense of questioning the [CSR] process.

Austin (2000, p. 35) notes that tokenistic and philanthropic practices are often characterized by a donor-recipient relationship and low levels of corporate–community interaction. Conversely, systematic and coordinated community involving CSR initiatives would involve more corporate–community interactions. Therefore, the effects of undesirable power relations discussed above would remain entrenched in CSR, if companies are not encouraged to shift their corporate behaviour from tokenism and philanthropy to community involving CSR initiatives. As such, studies on process issues in CSR, particularly regarding situations in communities of developing countries, are very important as they serve to inform decision-making and development practice.

## **Findings and Discussion**

### ***Definition and Meaning of CSR***

Findings about how CSR is defined and understood in the study area show somewhat mixed local perspectives. Two of the top hotels in Livingstone that took part in the study stood out from the rest. These two large hotel companies view CSR as an investment because they expect some returns. Thus, they commonly use the term corporate social investment (CSI) instead of CSR. This view has influenced and shaped the CSR practices of these two companies, which claimed that their CSR initiatives, approaches and outcomes are mostly those which generate both business and community benefits. However, according to Government and community participants, the hotel companies reap more benefits from the CSR initiatives than communities do. Government and community participants were of the view that companies are using CSR to achieve a good corporate image, as a selling point for business competitiveness and to reduce input costs.

In contrast with these two large hotel companies, most small, locally-owned lodge companies view CSR as “giving or ploughing back” into communities in which they operate. Likewise, this belief has influenced and shaped the initiatives of these small lodge companies. Although comparatively small, the extent of CSR interventions done under this philosophy is significant and somewhat altruistic. Thus, if the numbers of these small lodge companies carrying out CSR based on this philosophy are to be increased, the initiatives could potentially offer more benefits to communities. The two large hotel companies seemed to offer higher opportunities and benefits to communities mainly because of the size of their CSR programmes than the type of initiatives. These findings indicate that it is not just about putting large investments in CSR programmes that is likely to drive benefits into the community, it is also about having a corporate philosophy that is genuinely responsive to the plight of communities.

There is another company, which is an exception. Although this company is one of the top-ranking luxury lodge companies in Livingstone, its understanding and interpretation of CSR is the same as that of small, locally-owned lodge companies; “giving or ploughing back” to communities. This company’s investments in CSR are larger than the small, locally-owned lodge companies and

their CSR generates higher benefits for communities. This finding is mainly due to the brand philosophy of this luxury lodge. A critical comparison of findings reveals that the community impacts generated by the initiatives of this company might be far more than those of the two other top companies described earlier, in terms of size of investments, sustainability and community reach. Overall, these findings show that the beliefs or philosophies of companies shape and drive the company's type of involvement in CSR. Moreover, corporate briefs can be used to determine levels of power dominance in CSR. As reflected in the types of CSR practices, there is still considerable corporate dominance in CSR in the study area.

### **Evidence of Changing Practices Among Hotel and Lodge Companies in Livingstone**

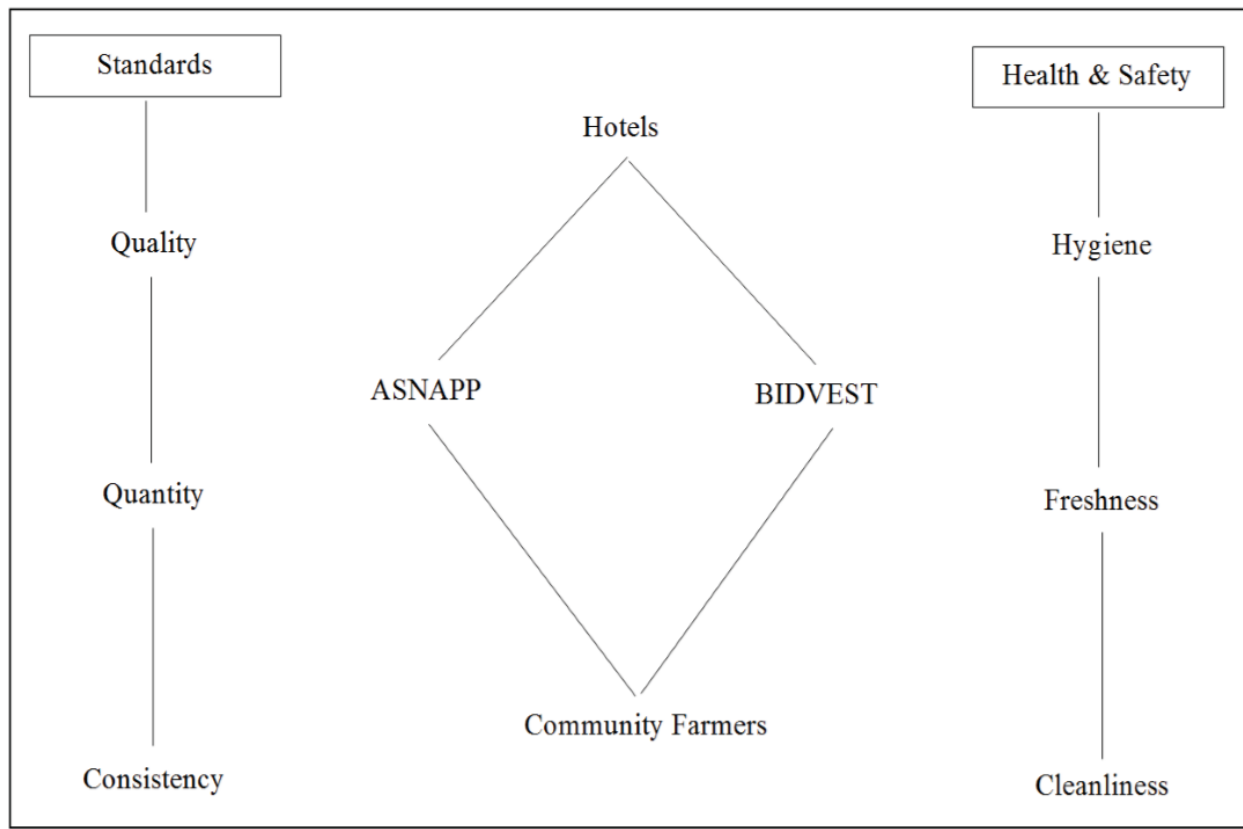
Changing CSR practices was evident for some hotel and lodge companies in Livingstone. Such companies included elements of community development in their core business practices. Although, the CSR practices were predominantly philanthropic, tokenistic and largely corporate-centric, the willingness of some companies to change practices is an indication that the process of change is in progress. The observable change of practices is in the form of the manner in which CSR initiatives are undertaken as well as the introduction of new, and more participatory initiatives. Examples of this include attempts to enact better community engagement approaches to train and support community farmers involved in vegetable and fruit gardening, and attempts to reorient procurement policies to purchase some of the locally-produced vegetables and fruit. As previous studies have indicated, the support of other stakeholders is needed to sustain the changes in the behaviour of hotel and lodge companies (Ashley & Haysom, 2006). The findings of this study concur with the insights of scholars such as Hooft (2006), Idemudia (2007) and Utting (2007) that the role of government and other stakeholders can help to stimulate favourable conditions for nurturing this process of change and this could lead to more equitable CSR approaches. The innovations taking place in Livingstone are towards engendering more long-term and broad-based community development impacts, as discussed below.

A good example of this process of innovation is illustrated in Figure 2. The innovation depicts a chain of relationships involving two large top-hotel resorts in Livingstone and two expert partners (ASNAPP<sup>3</sup> and BIDVEST<sup>4</sup>). ASNAPP is an NGO with expertise in agriculture and BIDVEST is an expert in food wholesaling and handling.

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<sup>3</sup> ASNAPP stands for: Agribusiness in Sustainable Natural African Plant Products

<sup>4</sup> The Bidvest Group Limited (commonly known as Bidvest Group or simply Bidvest) is a South African services, trading, and distribution company ([https://en.wikipedia.org/wiki/Bidvest\\_Group](https://en.wikipedia.org/wiki/Bidvest_Group)).



**Figure 2: Chain of CSR relationships in local procurement of vegetables and fruit**

Previously, the two hotels had serious concerns with the quality, quantity and consistency of local vegetable and fruit supplied by community farmers. According to the managers of the two companies, these concerns prompted them to partner with ASNAPP and BIDVEST. Findings revealed that this chain of relationships has helped (the two top hotel resorts) to overcome some capacity constraints among some groups of vegetable and fruit gardening farmers in Mukuni. The two hotels have gone beyond paternalistic practices to establish ways of enhancing the knowledge and skills of community farmers. As Idemudia (2007, p. 400) makes clear, “emphasis in CSR initiatives needs to shift from just infrastructural provision to issues of capacity building and poverty reduction, which are the main concerns of communities”.

Some community farmers interviewed in Mukuni proudly confirmed that they are now able to meet the produce standards (quality, quantity and consistency), as well as the health, safety and cleanliness demands/requirements of these companies, and are even able to supply the surplus to local supermarkets in Livingstone. The innovation in Figure 2 has continued to expanded opportunities for local people in Mukuni communities to sell their produce to hotels and lodges locally and to benefit from this chain of CSR relationships. Manteaw (2008, p. 441), has argued that “when local people’s natural capabilities are enhanced through skill and knowledge-based approaches, they acquire the ability to become efficient in managing their lives and to live well in their places”. Therefore, this innovation is important for use as an emancipation tool for local farmers and other related groups, such as the curio and crafts traders, in the study area.

The chain of CSR relationships in Figure 2 reflects important linkages, from a policy planning and development perspective, that potentially exist between tourism, agriculture and commerce which, if exploited could assist to optimise community development impacts in the area through CSR. Therefore, in promoting CSR in the tourism industry, there is much to be done by decision makers and practitioners in government. That is, there is need to fully explore local tourism value chains and to utilise all tourism sector and inter-sector linkages from which communities can potentially benefit. However, the findings of research in Fiji, argues that “while there is much to be done at the government level to expand and sustain tourism-agriculture linkages, there is equally significant scope for resorts to further develop procurement policies which prioritise purchasing of local goods and services (Scheyvens and Russell, 2012, p. 430)”. This finding also applies to the study in Livingstone.

There are additional benefits that the chain of relationships in Figure 2 provides for the people of Mukuni from which lessons could be drawn. For example, the chain indirectly facilitates the transfer of specialist skills (in production and business) from ASNAPP and BIDVEST to farmers, and connects the farmers to the hotels and lodges to sell their produce. Given Government’s constraints in providing consistent agricultural extension services to the area, this arrangement not only offers possibilities for meaningful community empowerment and capacity building to Mukuni farmers, but it is also compensating for Government’s limited capacity to fully meet its obligations to its people in this area.

Regarding future prospects, the chain in Figure 2 presents two possible points for expansion. The first point is the market or demand, which refers to future growth in numbers of hotel and lodge companies, and even local supermarkets wanting to purchase locally grown vegetables and fruit. The second point is community farmers or production, which refers to anticipated growth in numbers of farmers wanting to join the local chain of CSR relationships as producers or suppliers.

However, while opportunities are acknowledged, there are also challenges. The lack of equity, due to dominant corporate power, appears to limit opportunities for communities to benefit more and fairly from this local chain of CSR relationships. This proves that crucial components of equality related to empowerment and redistribution are still marginal in this corporate-community relationship (Utting, 2007). Equitable corporate-community engagement approaches, that treat communities as stakeholders in CSR, are required if the transformative and emancipatory effects of corporate innovations are to promote greater benefits and sustainable community development (Manteaw, 2008; Muthuri et al., 2012; Van Alstine & Afionis, 2013). Even though ASNAPP claims to negotiate fair prices with the companies on behalf of community farmers for their produce, the huge differences and tilt in the scales of power relations between the communities and the “others” (companies, ASNAPP and BIDVEST), does not fully guarantee that communities get a fair deal.

Currently, farmers do not have opportunities to negotiate fair prices and benefits for their produce directly. It would be better for farmer representatives to join the ASNAPP and BIDVEST team in negotiating prices with hotels, lodges and local supermarkets. The inclusion of external representatives from Government and appropriate NGOs in this team could also be considered an option if negative power relations are to be ameliorated and equity ensured. This is important if the interests of poor farmers are to be safeguarded, and if more benefits are to be directed towards communities. Besides, ASNAPP is a project with a limited duration. Therefore, even if ASNAPP is truly helping farmers to negotiate fair prices and benefits for their produce sold to companies in the area, the NGO Project will not be able to do so in the long-term. For this important reason, the more



active involvement of government and other more permanent stakeholders in CSR is necessary for inclusiveness and sustainability.

Another concern relates to the need to sustain and grow local procurement. As stated earlier, there is already an increase in the number of farmers that are being attracted to join the chain of CSR relationships. The ASNAPP leader summed up this concern as follows:

*“...potential farmers in the communities are many, but the ASNAPP project is not able to expand its coverage for training and support to all the farmers because of its limited resources and timeframe. However, if all the potential community farmers in Mukuni were trained, they would be able to supply all the hotels, lodges and supermarkets in Livingstone all year round and benefits could be increased for many people in Mukuni...” (ASNAPP Leader, 29th August, 2014).*

It is clear from this statement that: first, the capacity of ASNAPP to conduct training outreach across all communities in Mukuni is limited; and second, ASNAPP is a project with a limited life-span. Because of this, more stakeholders are needed to sustain growth of the local procurement innovation and to take over the role of ASNAPP once the project closes. It is imperative, as McEwan et al. (2017) and (Okoye, 2012) have argued, that CSR initiatives are aligned and integrated with local and national development planning policies and processes if they are to contribute to community development in a sustainable manner. If the chain of CSR relationships ends up not being sustained, it will certainly undermine the progress that has already started and could ultimately stifle the benefits for community farmers.

The study in Livingstone underscores the need to understand that there are factors that will motivate companies to do certain types of CSR and there are also those initiatives in which government and the interventions of other stakeholders are required in order to stimulate expected change in corporate behaviour. This research shows that the CSR initiatives in which hotel and lodge companies in Livingstone clearly demonstrated change of CSR practices, are mainly those where there is some significant business gain for the company.

Reflecting on the sentiments of participants in Mukuni communities on the types of CSR support they expect from hotels and lodges in Livingstone, social and economic investment projects and programmes were among the first three important categories of expectations (see table 1 below). This is because communities feel these types of CSR provide more opportunities and hope for a stable and prosperous future for their communities. This finding supports arguments which advocate the implementation of more social and economic investment-types of CSR projects and programmes coupled with effective community engagement, if long-term benefits for communities are to be greatly realised (Eweje, 2006; Muthuri et al., 2012; Newell, 2005; Van Alstine & Afionis, 2013).

Unfortunately, social and economic investments such as long-term investments in education, skills training, health, water supply, irrigation systems, roads and housing are not normally favoured by hotel and lodge companies in Livingstone and are not yet widely preferred compared with the enterprise types. The reasons could be because these initiatives demand special expertise, close interaction with communities and a long time of commitment. Above all, they generate more benefits for communities than businesses. Therefore, although these types of CSR are important for community development, they will not automatically be an easy option for companies. Therefore, this study has suggested that for real change in the CSR practices of hotel and lodge companies to occur and spread across the industry, there is need for incentives and encouragement through Government and other stakeholders.

**Table 1: Ranking of categories of community expectations from CSR**

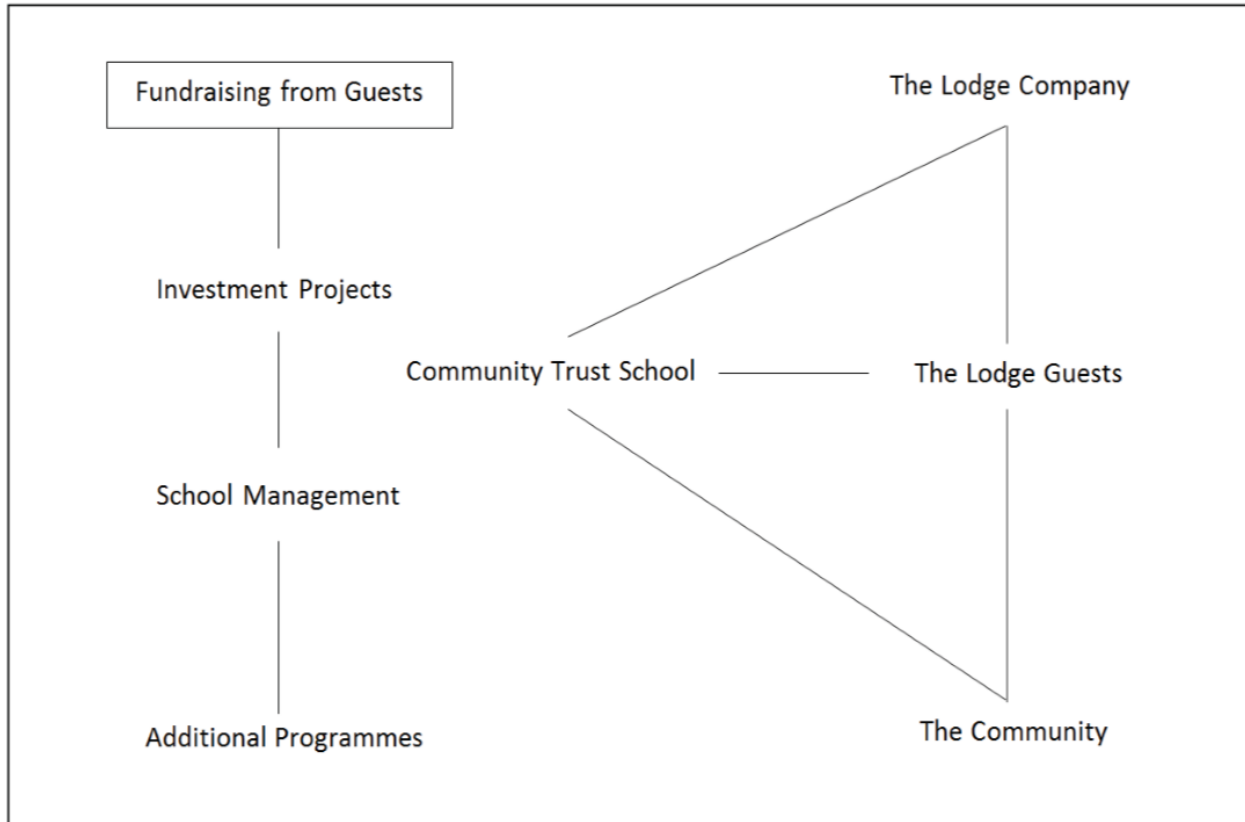
| <b>Community Expectation</b>          | <b>Rank</b> |
|---------------------------------------|-------------|
| Support to Small Community Businesses | 1           |
| Income Generating Opportunities       | 2           |
| Training and Capacity Building        | 3           |
| Social Welfare Needs                  | 4           |
| Financing (Loans) Schemes             | 5           |
| Job Opportunities                     | 6           |

Another good example of the process of innovation by tourism corporates found in the study area involves an education-CSR initiative. In this example, management of one of the top luxury lodges in Livingstone has supported a nearby community to fundraise for the construction (investments) and the day to day management of a community trust school since 1996, mainly through guest donations at the lodge. Fundraising for CSR through guest donations is one of the unique advantages of companies operating in the tourism industry. Out of the four upmarket hotel and lodge companies in Livingstone that took part in this study, three confirmed that they have mechanisms in place to fundraise for the costs of their CSR through guest donations. Research in Livingstone showed that fundraising through guest donations has helped to reduce input costs for companies in their CSR and has motivated these companies to do more to contribute to community development in the area. However, the real value of this finding on guest donations to the promotion of CSR in tourism needs further investigation.

This research found that the community trust school was the only tourism-based CSR social investment initiative that demonstrated direct, continuous and transparent CSR engagement through strong relationships between a company and a community. Moreover, the beneficiary community participants that are connected to this initiative explained that ‘power relations’ was not a serious problem or hindrance to community participation and access to opportunities and benefits generated by the initiative. The proof for this was that during separate interviews, participants provided accurate information about the activities of the initiative which agreed with the responses that came from the lodge management team. This shows that mechanisms are available to people in this community through which they are able to express their voices and to receive feedback on their concerns. Therefore, with this empowerment, they are able to hold both the company management and their community leaders accountable for their actions or inactions. The sentiments of community participants demonstrate commitment of the lodge management to ensuring equity in their CSR practices, and is a clear indication of the change of business behaviour.

Findings particularly showed that the lodge has allowed multi-stakeholder involvement through the composition, management practices and processes of the board of the community trust school. Changing CSR practices to ensure equity involves putting in place processes that seek to increase corporate – interactions and community benefits, and at the same time, seeking to remove or manage any adverse influences of power through multi-stakeholder involvement. This CSR initiative has demonstrated that where equity is ensured, problems of power relations arising from corporate power, traditional power and cultural influences can be overcome. Resolving the adverse effects of these power relations is important if a wider distribution of opportunities and benefits to more people in the community from CSR is to be achieved. Figure 3 below illustrates the chain of CSR relationships

in the community trust school (CTS) CSR initiative. This model can be developed further and applied to involve guests in driving responsible CSR practices and in ensuring strong governance and accountability systems for community development in tourism destinations.



**Figure 3: Chain of relationships in Community Trust School CSR initiative**

Research in Livingstone shows that the three companies (out of eight that were studied) that have shown clear signs of changing CSR practices have, until recently, been mainly involved in tokenistic CSR practices. The three companies started first with formalising their CSR programmes, and then embarked on a process that included upscaling their CSR portfolios for community development in terms of investments. Two of the three companies even identified appropriate partners to work with in their CSR and, in some cases, also identified targets and drew up strategic plans for CSR.

Deducing from the findings, the “process of change” has clearly been a long trajectory of events, marked with shifts in corporate behaviour along the way. However, a critical analysis of the business practices of the eight hotels and lodges that were examined in this study shows that only three are exhibiting noticeable changes. Others are at different stages of the continuum of changing CSR practices (see Table 2).

**Table 2: Continuum for Adapting Practice**

| Continuum of Adapting Practice   | Company  |
|--|--|
| <p><b>Advanced:</b></p> <p>Formalised CSR policies and programmes, make annual allocations of funds or fundraise to support their CSR activities, developed a strategic plan with targets and identified appropriate partners to work with on their CSR initiatives</p>  | <p>Sun International Hotel, Protea Hotel and Tongabezi Lodge</p>         |
| <p><b>Progressing:</b></p> <p>Are in the process of formalising their CSR policies and programmes, and are piloting some more substantial CSR initiatives other than minimalist donations and providing information to guests to encourage guests to shop locally</p>  | <p>Chapa Classics Lodge and Jollyboys Lodge</p>                          |
| <p><b>Beginning:</b></p> <p>Have plans to formalise, but still keep CSR initiatives in the periphery of their business strategies. Although their main focus is on achieving business profitability, they are contemplating the idea of adapting business practice and introducing more substantive CSR initiatives. Most of these companies are relatively new businesses or small lodge companies mainly focusing on simple donations to communities and support for packaged village tours.</p> | <p>Courtyard Hotel, Chanters Lodge and Mosi-oa-Tunya Executive Lodge</p> |

The three companies in the **advanced stage** are those that have formalised their CSR programmes and clearly include elements of community development in their business strategies and have also identified partners (donors, NGOs and academic institutions) to work with in their CSR projects and programmes. The inclusion of elements of community development in their core business strategies signifies a growing desire for long-term commitment by companies while collaborating with partners. It is also an indication of changing roles from “donor” to “facilitator” types. To emphasise, this process of changing CSR practices by companies in Livingstone needs the support of Government and other stakeholders to guarantee increased prospects for community development in the area through CSR. This shift in practices, if encouraged, can also lead to better designed CSR initiatives, approaches and outcomes and could allay concerns of entrenching undesirable dependencies in communities that have been highlighted by some scholars in CSR literature (Frynas, 2005; Jenkins & Obara, 2008).

## Conclusion

CSR presents unique prospects for local development, as well as valuable business returns for companies operating in the tourism industry. However, optimization of CSR-generated development impacts may largely depend on the willingness of companies to more fully change their corporate practices. The research conducted in Livingstone shows that where the voluntary process of change of CSR practices was accompanied by multi-stakeholder involvement, which tended to ameliorate adverse power relations, substantial community development benefits were widely captured by

communities from CSR initiatives. This suggests that in situations where companies willingly incorporate pro-poor approaches in their business practices, multi-stakeholder involvement in CSR might be a plausible approach for ensuring equity and for augmenting the community development impacts of CSR.

The study notes that changed business behavior is possible among companies operating in the tourism industry. This could be partly because the tourism industry uniquely offers companies possibilities to generate both business and community benefits through CSR. In addition, tourist contributions through mechanisms such as guest donations and contributions from other stakeholders (i.e. NGOs, Government and Cooperating Partners) can help to lower input costs for CSR in communities. Where these factors are present, it is probable that the community development impact of CSR could be greater and widely spread. Research in Livingstone shows that some companies are changing their CSR practices towards those which offer long-term benefits for more people in communities. Thus, if the change of CSR practices towards those that incorporate genuine community development elements were to be adopted across the tourism sector, the CSR impact for community development can be greater and more inclusive.

Finally, the incentive to change CSR practices seems to be linked to wanting to secure government recognition and reduction of input costs. However, involvement of Government and other stakeholder appears to introduce other benefits of good governance and accountability (which will be tackled in full in the later papers). Therefore, this paper concludes that multi-stakeholder involvement (particularly of Government and other sector stakeholders) in CSR can be an important incentive for encouraging beneficial and widely spread changes in CSR practices among tourism companies for optimising community development and benefits for local people.

## **Acknowledgement**

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