Nottingham University Business School

STAKEHOLDER ENGAGEMENT IN CORPORATE COMMUNITY INVESTMENT: THE CASE OF GUINNESS CAMEROON

BY

MELVIN KAJUM BAMUH

2009

A Dissertation presented in part consideration for the degree of MBA in Corporate Social Responsibility

ABSTRACT

Corporate community investment has become an important part of business strategy with company executives claiming that local communities are benefiting from their presence. However, how they balance business goals and stakeholder expectations in the process is not properly understood. Since stakeholder engagement is critical in effectively ensuring that the most important social needs are identified and properly executed, this study seeks to develop and test a model of stakeholder engagement in corporate community investment. The aim is to provide practitioners and academicians with practical guidance and tools.

Using the stakeholder theory as the bases of the framework, an investigation is made on the nature of stakeholder engagement in Guinness Cameroon in view of obtaining empirical evidence. The main source of primary data is through interviews with company officials and corporate responsibility personnel as well as representatives of key stakeholder groups that have participated in the company's community investment engagement process.

A number of important findings have emerged. First, Guinness Cameroon engages different stakeholders at various stages of corporate community investment projects based on their stake as well as contribution and expertise in realising successful project outcomes. Another key conclusion after testing the model is that the purpose, choice and intensity of engagement with various stakeholders, and the engagement strategies determine the extent to which company and community expectations are met. Lastly, stakeholder engagement has been instrumental in solving problems related to prioritising corporate community investment projects while enhancing transparency and trust.

Recommendations on how the company could effectively balance business goals and expectation on the one hand and community needs and expectations on the other are made. The study equally elaborates on directions for future research.

Key words: Corporate community investment, corporate community projects, stakeholder engagement, stakeholders.

TABLE OF CONTENTS

LIST OF FIGURE AND TABLES

LIST OF ABBREVIATIONS AND ACCRONYMS

CC: Corporate Citizenship.

CCI : Corporate Community Investment.

CI: Community Investment.

CSR: Corporate Social Responsibility.

NGOs: Non-governmental organisations.

UNDP: United Nations Development Programme.

ACKNOWLEDGEMENTS

Much respect and gratitude go to my supervisor, Dr. Judy N. Muthuri for her guidance and directives from the conception phase of the research idea to its realisation. Appreciation is equally channelled to the entire academic team at the Nottingham University Business School and the International Centre for Corporate Social Responsibility (especially Pr. Jeremy Moon) for their constant availability and purposeful assistance in developing my intellectual capacity that facilitated the accomplishment of this demanding task.

I am equally grateful to the management and staff of Guinness Cameroon as well as representatives of various stakeholder groups who sacrificed time and resources to provide information that resulted in the realisation of this study.

The ceaseless encouragement and support received from my family has also been instrumental.

CHAPTER 1: INTRODUCTION

1.0: Chapter Introduction

In recent years, businesses are increasingly acknowledging the significance of communities and are becoming actively involved in civic activities (Dunham et al, 2006). In the effort to enhance societal welfare, the community investment activities of corporations is more and more about engaging stakeholders as companies recognise that engagement helps them to understand stakeholder expectations and improve the success of project outcomes (Moon et al, 2007). This study seeks to examine the nature of stakeholder engagement in Guinness Cameroon's community investment activities. Four major sections make up this chapter: 1.1 provides an overview of the research area; 1.2 explores definitions of key concepts and contextualises them to suit the objectives and scope of the study; 1.3 translates the research idea into specific questions and objectives; and 1.4 discusses the emergence of the research idea. A summary chapter highlights the key issues raised and paves the way for subsequent chapters.

1.1: Background to the Study

In recent decades, there has been unprecedented interest from diverse stakeholder groups in the quest for solutions to social issues confronting communities. This has led to new and surprising sorts of co-operations between businesses, non-governmental organisations (NGOs), competitors and communities (Whadcock, 2008). Such partnerships intensified following the Millennium Summit in 2000 where world leaders established a 2015 social development vision (Holliday et al, 2002). This landmark event has shaped the strategies of many businesses as they have an important part to play in supporting development goals, especially through their community investment activities. Business reaction to these happenings have been reinforced by the fact that major development problems directly impact the competitive business context – the availability of skilled and motivated employees; the efficiency of the local infrastructure (including roads and telecommunications); the size and sophistication of the local market; and the extent of government regulation (Porter and Kramer, 2006). At the same time, the communities in which corporations operate are increasingly demanding a share of the benefits that a firm receives by operating in the community, thereby, making corporate community investment an important part of business strategy (Kapelus, 2002). The strategy is to devise new ways in which business interests can be aligned with community interests so that there is a win-win solution to community problems and issues (Centre for Corporate Affairs, 2000).

Companies are not only recognising that they have a social responsibility for the overall well-being of the society but are equally accepting responsibility to a diversity of stakeholders rather than just shareholders (Loza, 2004). This is evident in the increasing claims from businesses that communities are benefiting from their presence and that where there are negative impacts on communities; they are under control (Kapelus, 2002). Being the oldest form of Corporate Social Responsibility, corporate philanthropy (Chapple and Moon, 2005) has evolved into more complex forms with ever-broadening impacts (Hess et al, 2002). The traditional approach to corporate community investment whereby businesses used communities as disposal sites for used goods and spare money has given way to an era where the business sector is turning to the community as its learning mechanism on which to develop innovative business models in sustainable ways (Moss, 1999). Today, successful companies are those that are able to effectively engage a wide range of stakeholders in view of balancing shareholder value-added with society value-added (Wheeler and Grayson, 2001).

The transformations in corporate community relations practices have been as a result of a number of significant developments. Besides the process of globalisation and the development of alliances that have increased the number of communities in which corporations operate and for whom they are responsible for their actions. (Waddock and Boyle, 1995), firms observed how trouble kept pounding industry after industry due to the improper management of community concerns (Whadcock, 2008) each time from a different stakeholder group. On the one hand, non-market actors – such as NGOs, local communities, governments and the media – have made it difficult for corporations to sweep issues under the carpet (Baron, 2003). On the other hand, socially responsible investors and universal owners are concerned (more than ever before) on the long-term performance of corporations (Solomon, 2007, pp. 272) and a strong reputation with stakeholders is necessary for the long-term success of the firm (Hess et al, 2002). Moreover, talented employees shy away when their firm's reputation is damaged (Bhattacharya et al, 2008). In addition, the "Millennium Poll" conducted by Environics International Limited in twenty-three countries highlighted widespread public demand for corporations to go beyond making profits and creating jobs to "help build a better society for all" (cited in Hess et al, 2002). Similarly, Hess et al (2002) hold that corporate social initiatives have become an important part of business strategy as they offer avenues for competitive and comparative advantages to corporations, adding that firms cannot afford to neglect the new "moral" marketplace pressures.

Like the case with most corporate social responsibility activities, implementing community investment projects require difficult judgements due to conflicting demands and pressures from shareholders and other stakeholders (Strong et al, 2001). While some shareholders object to community investments on grounds that they are costly and deprive them of their potential earnings and dividends, others recognise the value when such activities are properly aligned with corporate strategy (Hess et al, 2002). On their part, some stakeholders may object to the choice and manner in which community initiatives are carried out. In seeking to respond to these criticisms, companies have increasingly looked towards processes of stakeholder engagement to increase trust and accountability (Burchell and Cook, 2006) and in balancing the competing values, interests and costs of these shareholder and non-shareholder stakeholders (Porter and Kramer, 2006). It is in this light that stakeholder engagement is increasingly becoming a central aspect of company social responsibility strategy as businesses strive to get direct input from community leaders and other stakeholders (Holme and Watts, 2000, cited by Greenwood, 2007).

Despite considerable progress so far made in meeting the 2015 social vision, the world is not on track to achieve the Millennium Development Goals (United Nations Report on the World Social Situation, 2009), thereby necessitating renewed calls for businesses to support community development initiatives, especially in sub-Saharan Africa. Major issues range from poor water and sanitation, through inadequate healthcare and educational infrastructure, to poor communication and road network. In response to these challenges and in meeting the expectations of its stakeholders, the world number one alcohol company (Diageo – present in 180 markets with 150 brands) has reaffirmed its commitment to enhance the well-being of its local communities in Africa. The manner in which the company desire to implement this pledge is best expressed in the words of the company chairman, Franz Walsh: "we benefit from working with our stakeholders, from the prosperity of our communities and from the stability of the environment" (Diageo, Corporate Citizenship Report, 2008, pp. 1). Through its subsidiary, Guinness Cameroon, the company established the "Guinness Community Fund" in 2003 which has been providing considerable assistance to local communities in this important market – 5th Guinness market in the world; yet rank 150 out of 179 countries on the UNDP's human development index (UNDP, 2008). In the quest to accomplish its community investment goals, Guinness Cameroon strives to maximise benefits by engaging stakeholders in view of meeting stakeholder expectations. It is within this context that this study seeks to develop and test a model of stakeholder engagement in CCI. A logical first step in understanding the study is to define the key concepts used, which is covered in the ensuing section.

1.2: Definition of Key Terms

The generalised controversy that reign in defining CSR extends to some fundamental notions that are often used within this discipline and a number of them constitute the base of the present study. In order to better appreciate the context of this research piece, it is important to define and delimit key concepts. These include: the notion of a stake, stakeholder, stakeholder engagement, the community, and community investment.

Stakeholder

The range of definitions and the widening of the term stakeholder – to include all kinds of external bodies – has created confusion and diluted the concept (Fassin, 2009). The necessity to define and contextualise this notion is justified by the fact that Friedman and Miles (2006, pp. 5-8) summarised fifty-five different definitions of a stakeholder covering seventy-five texts. Given that a stake refers to an interest in or a share in an undertaking or a claim – a demand for something due or believed to be due (Buchholtz and Carroll, 2009, pp. 83), Freeman's (1984) original definition of a stakeholder will be considered within the context of this study. Other reasons for the choice of this definition are that it is the most commonly used in academic circles (Friedman and Miles, 2006, pp. 4) and following this initial definition, almost every aspect of the internal and external environment of the company has been integrated into a more and more devaluated definition of stakeholders (Pedersen, 2006).

Freeman (1984) established a narrow and broad definition of stakeholder, with the former limited to those groups who are vital to the survival and success of the corporation – notably, employees, customers, investors and suppliers. However, the varieties of internal and external stakeholders that are usually involved in corporate community investments necessitate the use of Freeman's broad stakeholder definition. Hence, the working definition of a stakeholder within the context of this study is: ***"any group or individual who can affect or is affected by the achievement of the organisation's objectives"*** (Freeman, 1984, pp. 46). This means that just as stakeholders may be affected by the actions, decisions, policies or practices of the firm, these stakeholders may also affect the organization's community investment actions, decisions, policies, and practices – hence, there is a two-way interaction or exchange of influence with stakeholders (Buchholtz and Carroll, 2009, pp. 84).

Given the wide range of stakeholders and the different categorisations that exist, it is important to appropriately classify stakeholder groups as used in the study. Although some authors have widened the term to include trees, ecosystem processes, and future generations (Starik, 1995), these could fit within the agendas of particular stakeholder groups. Also, there may be a multiplicity of other smaller stakeholder groups within a major stakeholder category. For example, investors might comprise of: institutional, private and potential shareholders while civil society organisations might encompass non-governmental organisations (such as; human rights groups, environmental activists, and child labour organisations, among others). Phillips (1999) argues that "stakeholder theory is meaningless unless it is usefully delineated". Hence, within the framework of this research study, the following broad categories of stakeholders (and examples of various sub-groups) culled from the works of Fassin (2009), Moon et al (2007, pp. 16-17), Friedman and Miles (2006, pp. 181), Crane and Matten (2004, pp. 345), Mitchell et al (1997) and Freeman (1984) will be used:

1) Investors: Institutional, private and potential investors; ethical and socially responsible investors; and universal owners.
2) Management: Chief Executive Officer; senior managers and heads of division.
3) Consumers: individual consumers; institutional consumers; competitors' customers; and consumer groups.
4) Employees: Individual employees; and employee unions.
5) Business partners: Suppliers; contractors and sub-contractors; partners; industry associations; distributors; wholesalers; and retailers.
6) Civil society organisations: These include actors such as: pressure groups; non-governmental organisations; charities; religious groups; and local development organisations.
7) Community: represents local and/ or national communities given geographic considerations.
8) Government: municipal authorities; state government; national government; regional and international governmental organisations; and legislators.
9) Media: News; business and financial media; lifestyle; specialised social and environmental publications; international; radio; television; and newspapers.

Stakeholder Engagement

One approach by which companies implement the transactional level of strategic management capabilities is by engaging stakeholders using different strategies Buchholtz and Carroll (2009, pp. 110). However, various depictions of stakeholder engagement from business ethics, social accounting and human resource management perspectives exist as over eighteen different forms of engagement are classified by Greenwood, 2007 (pp. 319) based on responsibility, managerialism, and social control and construction. From a managerialist theory standpoint, Greenwood (2007, pp. 318, citing Sillanpaa, 1998 and Deegan, 2002) hold that ***"engagement of stakeholders is a means by which the organisation may glean contributions or manage risks posed by influential stakeholders"***. From a social accountability point of view, stakeholder engagement describes a range of practices where organisations take a structured approach to consulting with potential stakeholders (Unerman, 2007, pp. 87 – quoting Thomson and Bebbington, 2005).

Although these definitions have a number of similarities, the managerial perspective is most appropriate for this study given the research objectives (outlined in section 1.3). The stakeholder engagement process follows a reasonably well defined path which includes: identifying the stakeholders, understanding the issues, prioritising the issues from the company perspective and initiating the stakeholder engagement process to involve those key stakeholders in consideration of the issues (Hoskins, 2008 pp. 235).

Community

Definitions of community are necessarily open to contestation, both in terms of the limits and the structure of the community because communities can be defined on the basis of any number of shared traits such as; geographic territory, religion, culture, history, and kinship – hence people can have multiple overlapping identities which can change over time (Kapelus, 2002). Kapelus adds that this means that any definition of a community is always a construct, an imposing of order that does not necessarily fit the lived experience of the people in question. This view is supported by Dunham et al (2006) who cited a 1955 study by Hillery that examined over ninety definitions of community and concluded that the only element they held in common was that they dealt with people. Dunham et al (2006) recognise that most scholars generally use geography, interaction and identify in defining communities and relied on this to establish four subcategories of “community” relevant to stakeholder theory: “community of place”; “community of interest”; “community of virtual advocacy group”; and “community of practice”. Interest in the Dunham et al (2006) categorisation is due to the fact that it was developed to buttress stakeholder theory and the current study is underpinned by this famous theory – as firms are expected to respond to the many constituencies being affected or capable of affecting the realisation of their goals.

The fact that the community investment activities of Guinness Cameroon are generally within small neighbourhoods and well defined localities in rural and urban areas in Cameroon, the “community of place” advocated by Dunham et al (2006) and the United Kingdom’s Business in the Community (BITC) definitions (www.bitc.org.uk/take_action/in_the_comunity/community_investment/) are adjusted to fit within the context of this study. Hence, a community refers to a ***“group of people living within a particular geographic territory”***. In addition, the community issues that businesses strive to address refer to the key social problems affecting people in a given geographic region.

Corporate Community Investment

Companies may invest in communities in various ways: giving money to other organisations that actually deliver the social benefit (Porter and Kramer, 2002); donating products and services especially in times of disaster in addition to money (Hess et al, 2002); and donating the time and talents of managers and employees (volunteerism) besides financial and product contributions (Buchholtz and Carrol, 2009, pp. 651). While some authors will include cause-related marketing that supports worthy social causes

(Cone et al, 2003), Porter and Kramer (2002) argue that this is marketing and must stand on its own merits. There is, therefore, the need to clearly define what community investment represent in this study.

Corporate community investment will refer to a situation where business donate and apply its resources to carryout social activities that benefit society in a specific geographic location. These resources may include: financial, equipment and infrastructure, employee and management time and expertise, and other business assets (such as clout and experience in other communities (Porter and Kramer, 2002)). The fact that a survey outcome highlighted by Hess et al (2002) indicated that 80 per cent of respondents value other forms of company contribution than money; for any project to constitute a community investment within the framework of this study, it must meet the following criteria:

- The company must contribute more than one type of resource; and
- The project must go through at least two of the three major community investment project stages described in section 3.2 – emergence, implementation and closure stages (Moon et al, 2007).

These criteria equally take into consideration the fact that mere corporate cash donations is on the decline (Porter and Kramer, 2002). Hence, simple cash donations will not be considered a community investment project within the present circumstances. It is also necessary to clearly delimit the scope of the study by establishing the research questions and objectives as outlined in the next section.

1.3: Research Questions and Objectives

After an initial examination of available literature, the quest to generate new insights in the area of stakeholder engagement in corporate community investment necessitated this study. Fundamental considerations that guided the establishment of the research questions and objectives ranged from the limited timeframe of three months; through access and availability of data; to the financial and material resources available.

Furthermore, given that companies engage stakeholders at strategic and implementation levels in their community investment activities (Moon et al, 2007), this study excludes strategic engagement as it focuses on country level implementation in a multinational company where strategic directions are defined at headquarter level. In expressing the research idea, the starting point is by posing one general focus research question (Saunders et al, 2009, pp.33). Hence, in view of balancing company goals and community expectations so as to maximise benefits to a company and its stakeholders, the study seeks to answer the following question:

- What is the nature of stakeholder engagement in corporate community investment projects?

In order to strip away various layers and clarify the research question, Clough and Nutbrown (2002, pp. 34) recommend the breaking down of the original question until the very essence can be expressed. Hence, specific research questions that will guide investigations and analysis are:

- Why are stakeholders engaged at various stages of corporate community investment programmes in Guinness Cameroon?
- Which stakeholders are engaged at the different phases of community investment and why are they engaged?
- How are they engaged at various stages of community investment projects?
- What have been the key benefits and challenges for engaging stakeholders in Guinness Cameroon's community investment activities?

To establish a clear sense of purpose and direction with greater specificity (Saunders et al, 2009, pp. 34), the specific research questions are expressed as research objectives. Hence, the objectives of this study are to:

- Determine the purpose of engaging stakeholders at various stages of community investment projects in Guinness Cameroon.
- Identify the stakeholders that are engaged at different levels and explain the motive for engaging them.
- Examine the stakeholder engagement strategies that are used.

- Develop a framework for engaging stakeholders in corporate community investment.
- Evaluate the benefits for and challenges of engaging stakeholders in Guinness Cameroon's community investment projects.

These objectives permit a clear focus which is crucial in orienting the rest of the study. However, simply outlining the research objectives without explaining how the research idea originated may seem insufficient. This justifies the subsequent section that provides the reasons behind the selection of the topic.

1.4: Rationale for Choosing the Topic

This research study is the result of three main sources of inspiration. First, the research idea was motivated by one of the areas of further study that rose following the findings of Moon et al (2007) in their study on "The Role of Stakeholder Engagement in Corporate Community Investment". They raised the issue of how companies balance their business goals and the expectations of other stakeholders in their community investment activities. It, therefore, became necessary to investigate into the practical nature of stakeholder engagement in corporate community investment projects so as to contribute to the debate.

Second, increasingly firms claim that communities are benefitting from their presence (Kapelus, 2002). This is evident in the remarkably high utilisation of the phrases "community investment" and "stakeholder engagement" in recent years in corporate boardrooms; speeches and interviews of business leaders; company press releases and memorandums; social and environmental/ CC/ sustainability reports; and company web sites; among other communication channels. Objective and transparent businesses have echoed the challenges of balancing the often diverse and conflicting stakeholder expectations with company goals given available resources. These developments inspired the research idea as the researcher sets out to assist managers in the delicate and complex task of effectively dealing with these numerous stakeholders demands.

Hence, one objective of the study is to develop a framework to guide practitioners in their attempt to balance business goals and community expectations in corporate community investment activities.

Lastly, the fact that the researcher originates from sub-Saharan Africa which is experiencing serious development challenges contributed to the research interest in community investments. While governments and civil society organisations have been actively involved in the search for solutions to community development issues from time immemorial, the business world has demonstrated significant interest in enhancing the well-being of the population in recent decades. Moreover, the researcher's past experiences and personal involvement in the organisation of corporate philanthropic gestures (notably: donations to local hospitals, and building employee capacities in small and medium-sized enterprises while working as head of retail banking) was an encouragement to research in this area. This is because mixed reactions came from stakeholders regarding the manner in which the community projects I piloted were selected and realised. Hence, the desire to acquire insights on dealing with multiple stakeholder claims generated enthusiasm to investigate into the topic. It should be noted that the motivations behind the choice of case study country and company are discussed in section 3.1 (research design).

1.5: Chapter Summary

Today, the business-community debate has shifted from whether businesses should invest in solving community problems to how benefits could be maximised for the company and its stakeholders. The successes recorded by leading companies have portrayed the need to effectively engage stakeholders at all stages of the community investment process. These developments have caught the attention of this researcher who has elaborated a number of objectives that will guide the study in order to contribute to existing debates. After presenting an overview of the study, and setting its boundaries and objectives in the preceding sections, the next chapter is aimed at providing the foundation on which the research is built.

CHAPTER 2: LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

2.0: Introduction

This chapter begins with a critical evaluation of the works of other authors (that are related to the research questions and objectives) in section 2.1. The goal is to appraise the strengths and shortcomings of these studies so as to portray the gap in the existing literature that this study seeks to fill. The review of existing literature will be useful in generating ideas that will facilitate the development of the conceptual framework in section 2.2. The model developed will be essential in guiding analysis and discussions in chapter four.

2.1: Situating the Topic within Existing Literature

As corporate social responsibility has swept across the world to become one of the buzzwords of the new millennium (Pedersen, 2006), two themes have tended to dominate debates and shape the actions of corporate managers: the commitment of business to the communities in which they operate and the integration of the views of its stakeholders in all areas of corporate strategy. Given that this study is based on corporate investments in local communities coupled with the fact that it seeks to understand the nature of stakeholder engagement in these activities, the most relevant research related to these areas have been explored. In order to improve the transparency of the literature review process, an explanation of how the selected literature was obtained is provided (Tranfield et al, 2003) before critically evaluating the works of other authors and situating the present study within existing literature (Saunders et al, 2009).

The search for the literature included in this section followed an initial generation and selection of relevant key words and authors from a variety of established text books and journal articles. The decision to focus on the stakeholder theory as well as the choice of key words and publications was guided by the research questions and objectives. It should be noted that the International Bibliography of the Social Sciences/ Business Source Premier (EBSCO) data base was particularly useful in gaining access to the published works of other authors given the wide range of business and CSR-related journals available. The unpublished works of former students (those that scored sixty-five per cent and above) at the ICCSR, Nottingham University Business School, were equally vital in ascertaining the current state of knowledge in this research area. In presenting and relating the works of other authors to the current study, discussions in the subsequent paragraphs shall be in a coherent and logical manner – beginning with the broader aspects and narrowing down into the area of focus (Saunders et al, 2009).

First, given that this study constitute part of the broad business-society agenda, the "old and new paradigm" thinking on which business-community relationships are founded (Wheeler and Grayson, 2001) will be appraised. Second, studies highlighting the bases and usefulness of the stakeholder theory in CSR are assessed as the theory underpins the conceptual model developed and used in this study. Third, an assessment of publications aimed at guiding managers to effectively implement stakeholder engagement notions is made to evaluate the existing state of knowledge on "why" and "how" companies engage stakeholders in their CSR activities with due consideration to community investment projects. Fourth, the literature review will narrow down on publications that focus mainly on stakeholder engagement in corporate community investment. At each stage of the review, the merits of the author(s) will be discussed and the limitations highlighted in view of identifying the gaps in the literature. Lastly, the contributions that this study seeks to make are presented.

2.1.1: Business-Community Relationship

Over the years, business leaders have had to choose between two contrasting schools of thought in formulating their community relationships strategies – the “old paradigm” thinking (masterminded by Adam Smith and Milton Friedman) and the “new paradigm” thinking (propagated by Freeman, Porter and Kramer, Carroll, among others). In formulating the famous free market enterprise system and its relationship to society, Adam Smith proposed that capitalism works to create greater wealth than any other economic system and maximises liberty by allowing individuals freedom of choice in employment, purchases and investments, thereby benefiting the common good (cited by Lantos, 2001). While urging managers to work strictly in the interest of shareholders, the eighteenth-century philosopher did not see business benefits that could accrue as a result of aiming to satisfy the social needs of society. This view was upheld by Milton Friedman (1970) when he declared that *“there is one and only one responsibility of business: to use its resources and engage in activities designed to increase its profits, so long as it stays within the rules of the game”*. Although these remarkable contributions have been criticised for encouraging short-term benefit management styles to satisfy the profit motives of shareholders, they set the stage for an era of further research and debates on business-community relationships that gave rise to the “new paradigm” thinking.

In developing the new long-term approach a number of authors have been instrumental. Mulligan (1986) made a valuable contribution by criticising Friedman’s misrepresented nature of social responsibility and proposed a different paradigm, arguing that a commitment to social responsibility can be an integral element in strategic and operational business management. Further, in demonstrating the need for business contribution to society, two broad paths have emerged – one elaborates on the nature of the relationship and the other focuses on “who” the corporation is responsible to. In elaborating the nature of the business-community relationship, Carroll (1979) and Buchholtz and Carroll (2009) identified four responsibilities that businesses have towards society, notably: economic, legal, ethical and philanthropic – of which corporate community investment constitute part of the philanthropic responsibility. In addition, Porter and Kramer (2006) demonstrates that wealthy businesses require healthy societies as markets would collapse if societal conditions deteriorate, making it difficult for businesses to achieve their profit motives. Their contribution was compounded by the use of empirical evidence from Cisco Systems to demonstrate how leading companies were gaining competitive advantage through their community activities (Porter and Kramer, 2002).

Moreover, while countering Friedman's assertion that social development is the responsibility of government, Hess et al (2002) demonstrated that businesses could play complementary roles to government when they exercise a core competence in responding to social needs given their knowledge bases and stocks of resources. This view is supported by an economist who equally opposes the views of the famous economists, Adam Smith and Milton Friedman. Sen (1997, pp. 7) states that *"to see business behaviour exclusively in terms of profit maximisation misses out many subtleties of commercial conduct, including the influence of social conventions and mores, and the roles played by dialogue, compromise and the acceptance of give and take"*. While the contributions of these new paradigm proponents have been instrumental in shaping the thoughts and actions of today's business leaders; their main shortcomings have ranged from inadequate elaboration on the actors to whom corporations are responsible, to limited guidance on how managers can effectively handle diverse demands from such actors in particular circumstances, especially in community investment programmes.

2.1.2: New Paradigm Thinking and the Stakeholder Model

In an attempt to fill some of the perceived gaps in the literature, Freeman (1984) in developing the famous "stakeholder model" argued that business and society are "interpenetrating systems" in that each both affects and is affected by the other. The framework suggests that corporations have responsibility to all the parties affected by business activity – that is, responsibilities towards the stakeholders of the firm. Using this view to emphasise that business is indeed part of society, Clarkson (1995) defined stakeholder theory as *"the firm is a system of stakeholders operating within the larger system of the host society that provides the necessary legal and market infrastructure* *for the firm activities. The purpose of the firm is to create wealth or value for its stakeholders by converting their stakes into goods and services"*.

A valuable addition to this "new" way of thinking came from Fassin (2008) who in identifying the shortcomings of Freeman's (1984) graphical model argue that the heterogeneity within stakeholders and their multiple belonging to stakeholder groups makes it impossible to draw a clear line between business and community. For example, a manager is an employee but can also be a shareholder and a member of the local community. Fassin (2009) adds that managers have to seriously consider the views of the local community as they provide the infrastructure, impose local regulations and levy taxes. Despite the fact that these studies have been instrumental in justifying business contribution to communities as well as identifying business stakeholders (to include: investors, management, consumers, employees, business partners, civil society organisations, community, government and the media), they provide little practical guidelines on how managers can effectively balance the expectations of various stakeholders.

Past dissertations have also been indispensible in appraising the current state of knowledge in this area. Londer-Medd (2003) made an interesting contribution by comparing academic expectations of how companies should engage stakeholders and the reality in twenty top companies on the Business in the Community's 2003 corporate responsibility index and concluded that only 40% exhibited formal stakeholder dialogue procedures. Another study by Vermeylen (2003) investigated the extent to which the corporate discourse on stakeholder management is applied to contribute to sustainable development in ten mining companies operating in Africa. The findings reveal that only two companies were close to the normative stakeholder approach and the respective states owned 50% of the shares in these companies. Although these studies did not have a particular focus on community investment programmes, they confirm the "considerable gap between the corporate CSR rhetoric and actual practice on the ground because of difficulties in making it operational" (Grayson and Hodges, 2004, pp. 9).

2.1.3: Practicalities of Stakeholder Engagement in Corporate-Community Projects

Although specific practical guidance is important in the implementation of stakeholder engagement in corporate community investment activities, a good starting point is to examine the drivers of corporate community investment and stakeholder engagement. With regards practicalities, focus is on the identification of stakeholders; how they influence corporations to engage with them; engagement strategies and the degree of engagement; and assessing stakeholder engagement as these are closely related to the research objectives. These aspects are discussed in relation to the research topic as they are useful in orienting and informing the study.

2.1.3.1: Drivers of CCI and Stakeholder Engagement

The contributions of a number of researchers are examined here in order to explain the motives behind firms' increasing participation in community activities as well as their desire to balance company goals and stakeholder expectations. On the one hand, the licence to operate, goodwill, reputational benefits, and legitimacy (Porter and Kramer, 2006) alongside competitive advantage, comparative advantage and moral pressures (Hess et al, 2002) have been identified as some of the driving forces behind business investments in community initiatives. Moon and Muthuri (2006) made an important addition by identifying compliance with governmental expectations or "soft law" as well as business function benefits in the areas of marketing, human resource and public relations (Centre for Corporate Affairs, 2000, Waddell, 2000). On the other hand, companies that are willing to take active criticism and consider changes in approach to meet the needs of society are encouraged to engage with stakeholders (Hoskins, 2008). The drivers of stakeholder engagement include: reputation, employee motivation, and competitive advantage and innovation (Moon et al, 2007). Burchell and Cook (2006) highlight the desire to build trust and be accountable to stakeholders. Lawrence (2002) adds that constructing and implementing successful dialogues *"encourage both companies and stakeholder organisations to engage more often in the difficult, but* *productive, task of listening to and learning from one another"*. However, the findings of Parry (2004) after an investigation at Experian, UK, demonstrate that engaging employees in community investment activities have little influence on employee attraction and retention. Nevertheless, the results of a study by Peruzzo (2008) identified instrumental, relational and moral motivations that led to "Lafarge – Care" partnership in France which tie with the motives raised by some authors. On the whole, while the works of researchers who have focused on the motivations for community investment and stakeholder engagement have greatly advanced the case for engaging stakeholders in community investment projects, they offer little guidance on who to engage, the forces that influence companies to engage, engagement strategies, and the quality of engagement. These are discussed in the four successive sub sections.

2.1.3.2: Stakeholder Prioritisation

Recognising the centrality of stakeholder identification in practically implementing corporate social responsibility activities, Mitchell et al (1997) made a landmark contribution to the stakeholder theory debate by developing the stakeholder typology and salience model. They argue that since in reality managers cannot meet the demands of all stakeholder groups, they should prioritise following the power, legitimacy and urgency of stakeholder claims. Mitchell et al (1997) hold that managers should consider those with all three attributes as high priority in the allocation of resources while those who possess two and one attribute(s) are moderate and low priorities, respectively. Another significant development emerged when Agle et al (1999) empirically tested Mitchell et al (1997) model using Chief Executive Officers in eight American companies and found that urgency was the best predictor of salience. Though these guidelines might be useful in identifying stakeholders to engage with at the emergence stage of a community investment project given limited company resources, they might not be readily applicable at all stages. Other limitations of these studies are that besides relying on evidence from a limited number of American companies. Observing gaps in the literature, Moon et al (2007) identified key stakeholder groups to be prioritised at different levels of the community investment process. Their framework indicate that opinion formers, business coalitions, customers, employees, senior management and business functions should be engaged at the emergence stage; while charities, community, employees, business functions, customers, research/ consultancies, media, government, shareholders and business coalitions should be engaged at the implementation phase; and research/ consultancies, senior management and business functions engaged at the closure phase. Despite these explicit clarifications, the study provides a rather inadequate account on how external stakeholders influence companies to engage them, as this is important in corporate community investment activities.

2.1.3.3: Stakeholder Influencing Strategies

Other important contributions to the stakeholder engagement literature have focused on stakeholder behaviour and how their actions influence organisations to include them in the engagement process. After Frooman (1999) established a model that used resource-dependence to determine how stakeholders behave and the choice of strategy a stakeholder might choose to influence a firm, other researchers have sought to test the validity of this theory. In the quest to validate Frooman's logic of stakeholder behaviour in the resource-dependence theory and the exchange theory, various findings and models have emerged. On the one hand, evidence suggests that resource relationships constitute a key aspect of the logic of stakeholder action (Frooman and Murrell, 2003); while both structural and demographic variables can act as determinants of strategy choice, capable of complementing or inhibiting one another (Frooman and Murrell, 2005). On the other hand, in seeking to fully understand stakeholder organisations' strategies for influencing businesses, empirical evidence from other researchers has revealed important weaknesses in Frooman's model. Hendry (2005) made a valuable addition to the literature after interviewing twenty-eight representatives of environmental NGOs, with findings that revealed that while power-dependence balance in stakeholder relationships is one factor affecting the influence strategies and alliances, other factors are important – as most environmental NGOs pursue several strategies at once. Furthermore, following a study of twenty-eight downsized firms in

Taiwan, Tsai et al (2005) proposed a new model that uses both resource-dependence and institutional legitimacy theories after identifying shortcomings in Frooman's model.

However, while the broad perspective of Frooman (1999), and Frooman and Murrell (2003, and 2005) might not readily suit within the community investment context because a significant proportion of the resources are held by the firm, the methodology used by Hendry (2005) and Tsai et al (2005) in their empirical investigations limit prospects of generalisation. Also, these models are constrained by the fact that they concentrate on a specialised group of stakeholders – the former being environmental NGOs and the latter, employees. Although these stakeholder categories are limited when compared to the broad range of stakeholders that companies generally engage with, the models are useful in understanding how different stakeholders influence their way into community investment activities. There is, therefore, the need for a more practical framework capable of assisting practitioners and academicians on why and how to effectively stakeholders.

2.1.3.4: Purpose and Strategies of Stakeholder Engagement

Identifying that the overall body of literature had fragmented practical ideas and concepts with regard the purpose of stakeholder engagement and engagement strategies, various authors have set forth different engagement postures that companies might follow. Wilcox (1994) simplified Arnstein's (1969) landmark eight-step ladder of public involvement in policy creation to propose five separate purposes of stakeholder participation, each building upon the one before – information, consultation, deciding together, acting together and supporting. Also, in developing a model for stakeholder participation in company environmental decision-making, Green and Hunton-Clark (2003) argued that the approaches of Wilcox (1994) and Arnstein (1969) are "community" focused and simplified existing frameworks to develop a "company" focused model which identifies three key levels of stakeholder engagement – informative, consultative and decisional.

On their part, Friedman and Miles (2006) outline engagement strategies given different levels of engagement in an effort to enrich the literature. These generally range from low levels of engagement with one-way strategies (such as: corporate reports, briefing sessions, and newsletters); through medium levels using two-way engagement strategies (such as: workshops, questionnaires, interviews, focus groups, task forces and advisory panels); to high engagement levels involving multi-way engagement strategies (such as: bargaining, constructive dialogues, strategic alliances, and joint ventures). Despite developing these useful models on stakeholder engagement strategies, these studies (Arnstein, 1969, Wilcox, 1994, Green and Hunton-Clark, 2003, and Friedman and Miles, 2006) offer modest orientation on who and when to engage, and rather concentrate on broad aspects ranging from public sector participation to engagement within the wider context of CSR. In an attempt to narrow the focus, Boehm (2005) made a crucial contribution by identifying the typical dimensions of the participation processes of business in community decision-making and provides guidelines on how to develop a participation strategy based on the unique conditions of each business and community. However, although Boehm (2005) suggests several guiding principles for developing a participation strategy, the study falls short of empirical evidence to critically appraise decision outcomes given different degrees of participation.

2.1.3.5: Assessing the Quality of Stakeholder Engagement

Considering that the quality of engagement is important in determining stakeholder engagement outcomes and in line with objective five of the study – to evaluate the benefits and challenges of engaging stakeholders in Guinness Cameroon's community investment projects – it is important to review studies that have focused on assessing the quality of stakeholder engagement in corporate social responsibility activities. Various researchers have examined the requirements for effective stakeholder engagement; the factors that determine stakeholder satisfaction; and the different dimensions of quality in the stakeholder engagement process. Zöller (1999) suggests that effective stakeholder engagement require symmetrical communication; transparency of the benefits and risks; unbiased facilitation; inclusivity and early start (to facilitate change if needed). Strong et al (2001) argue that three critical factors determine stakeholder satisfaction: timeliness of communication; honesty and completeness of information; and empathy and equity of treatment by managers.

Identifying the knowledge gaps with respect to the dimensions of quality in the literature, Zadek and Raynard (2002) made a significant addition by highlighting three facets of quality. The first is procedural quality, referring to whether the engagement process was undertaken such that stakeholders could have a say in terms of the broad structures and policies that impact them and whether it was consistent with the declared purpose. Here, quality characteristics include: the existence of formalised procedures; the facility for stakeholders to initiate engagement; and the assurance that stakeholders are empowered to raise the issues of most concern to them. The second is responsive quality, which relates to whether an organisation responded in a coherent and responsible manner and the way stakeholder views were dealt with. Lastly, the quality of outcome of stakeholder engagement is reflected in the extent to which an organisation adjusts its policies and practices in line with stakeholder engagements. Neligan (2003) made a useful addition by emphasising on the issue of whether mechanisms exist for stakeholders to air grievances regarding the engagement process, such as an ombudsman, complaints panels or tribunals. Neligan identified and added four dimensions of procedural quality to the literature, namely: access to timely and accurate information; terms of engagement; legitimacy of engagement; and procedures for redress. Even though these studies were instrumental in generating ideas that were valuable in the data collection process as well as in elaborating recommendations, the shortcomings were obvious. On the one hand, the empirical evidence used by Zöller (1999) was limited to Germany and the USA, excluding the developing world context and does not fall within the perspective of corporate community investment. On the other hand, the studies of Zadek and Raynard (2002), and Strong et al (2001) were within wider contexts of which certain aspects may not be readily applicable in the domain of stakeholder engagement in corporate community investment. Another major drawback is that they give little guidance on how corporate and stakeholder interests should be balanced.

2.1.4: CCI Implementation and Stakeholder Engagement

As existing literature on stakeholder engagement and business-community activities have expanded in different dimensions, studies that provide practical guidance on effectively applying these two concepts are relatively few. On the one hand, Hess et al (2002) provide guidance on designing community activities, highlighting that they must be connected to the firm's core values while responding to moral pressures; be related to the firm's core competencies; and clear objectives and means of measurement must be set. Additionally, Porter and Kramer (2002) argue that managers need to apply a "context-focused approach" which require five steps: examine the competitive context; review existing philanthropic portfolio to see how it fits company strategic activities; assess existing and potential social initiatives against the value it creates; seek opportunities for collective action with a cluster and with other partners; and rigorously track and evaluate results. Whilst these guidelines are crucial in community project appraisal and selection, they fall short of integrating the notion of stakeholder engagement so as to provide effective guidance to practitioners.

Whereas relatively few studies have concentrated on practical aspects of stakeholder engagement and corporate community engagement, fewer researchers have actually merged these two concepts. Using the case of Magadi Soda Company in Kenya, Muthuri et al (2009) made a vital contribution to the literature by highlighting that community participation offers opportunities to address criticisms of corporate community involvement – as it is often criticised for patronage and insensitivity both to context and local priorities. Drawing on socio-political governance and interaction theories, Muthuri et al (2009) argue that participatory decision-making in corporate community involvement requires building actors' capacities through training as well as the creation of a participatory climate in which actors can collectively set their goals, strategies, and principles governing such initiatives. Although these findings could greatly enhance engagement outcomes in corporate community investment projects, the study falls short of providing practical guidelines on how to effectively utilise the expertise of other stakeholders at various stages of community projects. On their part, Moon et al (2007) had a fundamental input to the literature by identifying the different stages involved in the corporate community investment process – emergence, implementation, and closure/ renewal – as well as appraising the roles of key stakeholders and the motives for engaging them at various stages. They argue that companies that fail to carefully identify and engage stakeholders at different stages in the community investment process are unlikely to maximise positive impacts for the business and the community, while missing out on significant learning opportunities. Compared with other studies within the stakeholder engagement in corporate community investment literature, this study offers more guidance on when, who and why managers should engage stakeholders. However, the research is limited in terms of engagement strategies that managers should use at different project stages so as to maximise outcomes and reap the benefits envisaged.

2.1.5: Contribution of this Study to Existing Literature

As indicated above, there are some clear merits in past research and theory as well as perceived gaps. This is a clear indication that there are ideas that the current research can develop. It is in this light that this study contributes to existing academic and practitioner literature in a number of ways. In relation to actual practice of stakeholder engagement in corporate community investment, a broad frame of reference is not adequately developed. It is for this reason that a succinct model is created to help practitioners, academics and researchers on when, why, who and how to engage stakeholders in corporate community investment in view of effectively balancing company goals and stakeholder expectations. To elaborate further, community investment project outcomes would be the product of a company’s purpose for engaging stakeholders and the degree of engagement at various project stages; the stakeholders they engage; and the engagement strategies. These elements are combined to provide the underpinning conceptual framework that supports the new model that the researcher develops in the next section. Moreover, in applying the nature of stakeholder engagement in Guinness Cameroon to test the framework, new knowledge will emerge to contribute to existing debates.

2.2: Conceptual Framework

Having identified the knowledge gap that exists in the literature and the need to simplify the complex practical realities involved in engaging stakeholders in corporate community investment, a model is proposed with the aim of serving as a useful guide to answering the research questions. Besides assisting in meeting the objectives of this study, the framework will provide practical guidance for corporate social responsibility managers and community relations personnel who face the challenge of responding to stakeholder pressures effectively. It will equally be relevant in orienting the thoughts and perspectives of students, researchers and academicians. This is justified by the fact that the importance of theory in research cannot be over emphasized as it “delves into underlying processes so as to understand the systematic reasons for a particular occurrence or non-occurrence” while emphasising the nature of causal relationships, identifying what comes first as well as the timing of events (Sutton and Straw, 1995, pp. 375). In connection with this view, the conceptual model developed in this section seeks to establish connections between the different stages in the community investment process, actors, and interaction mechanisms, which result in outcomes that either satisfies both company goals and stakeholder expectations or weigh more towards one party.

The stakeholder model underpin the elaboration of this framework given that it best reflects the modern understanding of companies as integrated in the rest of society (Pedersen, 2006). This is because like in most CSR activities, companies expect to achieve certain goals when they invest in community projects while society has social needs and expectations that have to be met. While companies may seek specific marketing, human resource and public affairs benefits (Centre for Corporate Affairs, 2000, Waddell, 2000); local communities look up to corporations to improve their social welfare through investments in social projects that cover areas such as; education, healthcare, road infrastructure, portable water, and environmental improvement – based on community concerns at a particular point in time. Company executives, therefore, have the utmost task of integrating these diverse stakeholder concerns into corporate strategy in order to achieve what Porter and Kramer (2006) referred to as “shared value”.

The proposed framework (figure 1.0) explores the relationship between independent variables (the purpose and intensity of engagement at various stages of corporate community investments, stakeholders engaged, and engagement strategies) and dependent variables (community investment outcomes) to develop a theory. However, analysis takes into consideration an intervening variable (company resources) that constitute practical constraints to desirable levels of engagement. In seeking to simplify the intricate relationship that exists between these variables in the real world, the works of various authors have been indispensible in developing the model.

The stakeholder theory developed with the aim of introducing a new perspective in strategic management (Freeman, 1984) has been borrowed to constitute the starting point of the framework – whereby managers need not focus only on satisfying the goals of their corporations and shareholders when investing in community projects but are called upon to consider the expectations of other stakeholders. The choice of the stakeholder theory is justified by the fact that it is “concerned with who has input in decision-making as well as with who benefits from the outcomes of such decisions. Procedure is as important to stakeholder theory as the final distribution” (Phillips et al, 2003, pp. 487). Moreover, Phillip et al (2003) add that the central admonition of the theory is based on its attention to the interests and well-being of those who can assist or hinder the achievement of company objectives. This is readily applicable within the context of corporate community investment initiatives because stakeholders are a major source of uncertainty in projects (Ward and Chapman, 2008) as they can either facilitate or distort the attainment of project goals. This uncertainty encompasses who relevant stakeholders are, how they could influence a project, and what their motives are in so far as their actions affect project activities (Ward and Chapman, 2008).

In order to understand when and why different stakeholders are engaged in corporate community investment projects, it is important to consider the different hierarchical stages in community projects. This is important given that decisions taken at each stage in the hierarchy determines the issues to be considered at the next level and serves as inputs in subsequent stages, with far-reaching consequences on the overall outcome and expectations of the company and its stakeholders. The work of Moon et al (2007) has been helpful in identifying the three broad hierarchical stages and the sub phases involved in corporate community investment projects, notably: the emergence; implementation; and closure/ renewal levels. The sub phases within the emergence stage include: partner/ issue identification; appraisal; and selection, while that of the implementation stage consist of: project design; execution; monitoring and evaluation; and communication and reporting. The last stage consists of overall evaluation of the entire project process – from identification to outcome in order to determine whether (or not) company goals and stakeholders' expectations have been met, and draws lessons for future improvement. Monitoring achievements is essential to continually improve the stakeholder engagement and community investment strategy as well as advancing project implementation as consistent improvement overtime brings the greatest value (Porter and Kramer, 2002).

To determine the purpose of stakeholder engagement – which eventually determine the stakeholders to engage and the engagement strategies – at different stages of the corporate community investment process, Green and Hunton-Clark's (2003) model of stakeholder participation for company environmental decision making is valuable. The choice of this framework stem from the fact that besides its simplicity, there is a close relationship between social and environmental decision making in companies. Green and Hunton-Clark's (2003) model is also credited for identifying three main purposes of stakeholder engagement in companies – informative, consultative, and decision-making – which are similar to company motives for engaging stakeholders at various stages in community investment projects. However, while Green and Hunton-Clark (2003) criticised other models (Wilcox, 1994, Arnstein, 1969) for being "community" focused and established a "company" focused framework, the model developed in figure 1.0 is both "company and community" focused. This is because the fact that stakeholder engagement is a two-way interaction, the company as well as the community can initiate engagement at any stage in a CI project. The purpose of engagement determines the degree of engagement as it is either inclusive or exclusive of stakeholder views. The former signifies decision-making and a high integration of stakeholder aspirations (high level of engagement), hence making a significant contribution towards balancing company goal(s) and stakeholder expectations. Conversely, in an exclusive scenario (informative), there is little or no consideration of stakeholder views in the engagement process (low level of engagement), thereby leading to outcomes that may favour company goals at the expense of the local community or vice versa. Midway, consultative engagement is a moderate level of engagement where the views of stakeholders are sought but stakeholders have no decision-making powers. These three key purposes for engaging stakeholders are further explained below:

1) Informative Engagement: Here, the purpose of engagement is mainly to educate, explain or inform stakeholders about corporate community decisions. The firm has total control over how stakeholders are informed and what they are told as information flow is essentially one way – from the company to stakeholders. However, the community can either accept or reject the firm's project offers. Engagement strategies could include: press releases, briefing sessions, newsletters, company social reports (Friedman and Miles, 2006, pp. 162), as well as company websites and other one-way engagement methods. However, where the purpose of engagement is to better understand stakeholder values and attitudes, a two way dialogue process becomes necessary and is generally in the form of basic surveys and workshops (Green and Hunton-Clark, 2003).
2) Consultative Engagement: Here, the aim of engagement is to obtain advice from stakeholders as the company and community has the decision-making rights. Stakeholders are asked for their views and perspectives at a deeper and more exploratory level with limited ability to influence the process (Green and Hunton-Clark, 2003). Material generated from the consultation is channelled to company and community decision makers and may (or may not) influence the community investment activities. Most commonly used two-way consultative engagement strategies are: questionnaires, interviews, focus groups, task forces, and advisory panels. Compared with informative

engagement, consultations can lead to more acceptable solutions. However, stakeholder expectations are raised while there might be potential problem areas regarding the prioritisation of concerns raised.

3) Decision-Making Engagement: This is the highest level of engagement where the purpose of engagement is to enable stakeholders participate in the decision-making process. They have an influence on decisions as their views and knowledge is shared and considered. Multi-way engagement strategies such as; bargaining, constructive dialogues, and strategic alliances may be established. A good example of a high level of stakeholder engagement was illustrated when McDonalds entered into an alliance with the Environmental Defence Fund to eliminate polystyrene packaging that was not biodegradable (Buchholtz and Carroll, 2009). Although such engagement methods require significant commitment from the company as well as the community, it is the most successful as decisions resulting from the process are likely to be more socially acceptable (Green and Hunton-Clark, 2003) and better satisfy company goals and stakeholder expectations.

The fact that communities have a wide variety of needs while firms have limited resources necessitates the engagement of stakeholders at every stage in the CCI process in order to effectively identify stakeholders. Companies might rely on the stakeholder typology and salience framework developed by Mitchell et al (1997) to identify stakeholders at the emergence phase – based on their power, legitimacy, and urgency, vis-à-vis the corporation. This is useful in determining stakeholders' stakes and their ability to influence the choice of community investment projects. Hence, at the initial stage, managers will consider groups cumulating these three attributes as the most salient to engage with (definitive stakeholders); followed by the powerful and urgent stakeholders (dangerous stakeholders); those with power and legitimacy (dominant stakeholders); those with legitimacy and urgency (dependent stakeholders); and stakeholders with single attributes. However, community input regarding the stakeholders to engage at the emergence stage is vital. At the implementation and closure/ renewal stages, an adaptation of the key stakeholders identified by Moon et al (2007) within the context of CCI projects is important as specific stakeholders need to be involved at different points in time. This is because corporations alongside communities have to integrate the specific expertise and resources of the different stakeholders into their motive for engagement based on the potential contribution of each stakeholder towards the success of a particular project stage.

The framework borrows the notion of “filters” used by Pedersen (2006) to explain how companies and communities manage the practical constraints they encounter when engaging in community investment activities. This concept is important because in practice stakeholder engagement means simplifying the complex by focusing on a limited number of stakeholders and a limited number of issues (Pedersen, 2006). Company as well as community resource limitations will be crucial in determining the purpose of engaging stakeholders as well as the stakeholders to engage at each level of the community project cycle. Therefore, in order to simplify the stakeholder engagement process and make it more practical, the “why filter” (representing the purpose of engagement) and the “who filter” (which stands for the stakeholders to engage) are introduced. The former aim at determining the exact company and community purpose for and degree of engaging stakeholders and the latter represents the company and community choice of stakeholders – since the engagement process require carefully selected groups of stakeholders. These filters are important because in practical terms, a selection that will have consequences for the process and outcome of the engagement have to be made (Pedersen, 2006). These “filters” are, therefore, useful to the company and community at every level of the community project.

In developing the model for stakeholder engagement in corporate community investment, the following underlying assumptions are upheld:

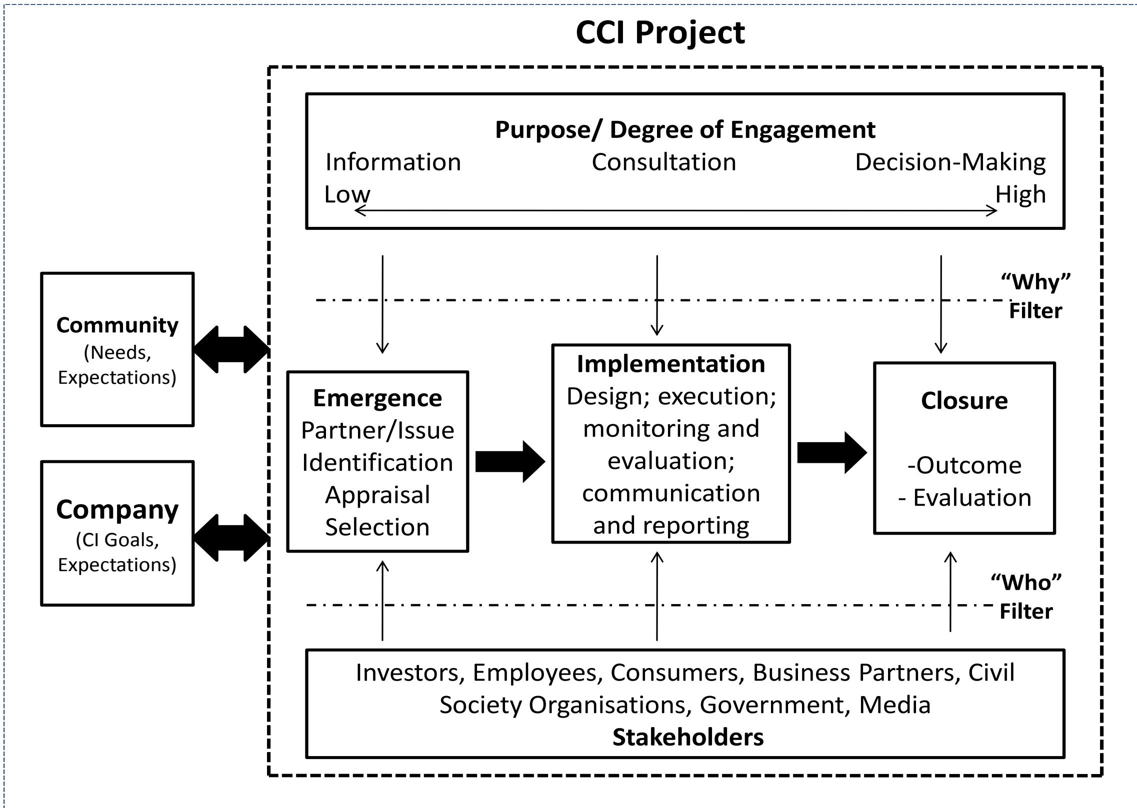
1) Companies strive towards effectively balancing their community investment goals and stakeholder expectations. This means that corporate expenditure is expected to produce simultaneous economic and social benefits as shareholder and stakeholder interests converge (Porter and Kramer, 2002). Thus, the ultimate aim of engaging stakeholders is to establish “win-win” outcomes.
2) Broad corporate community investment areas are initiated at group (in case of multinational companies) or head office level and incorporated into strategic

planning before being delegated to country or community relations personnel (Hess et al, 2002). Hence, the community investment projects that emerge at country or local levels must be in line with the overall strategic direction of the company. For example, Diageo has identified skills for life, water of life, local communities as their strategic areas of focus in community investment programmes across the group and country programmes are expected to fall within these strategic axes (www.diageo.com/en-row/CorporateCitizenship/Communityandenvironment/).

3) Companies strive to maximise the extent to which they engage stakeholders at various stages of a project. This is crucial given that little or no engagement at any level could erode the benefits to the company or community. Companies, therefore, make provision for taking into account the views and input of key stakeholders at various stages.

Based on these assumptions, a framework that seeks to provide generalised answers to the research questions and objectives is presented in figure 1.0 below. This will be tested in chapter four by examining the manner in which Guinness Cameroon engage its stakeholders in its community investment activities.

Figure 1.0: Model of Stakeholder Engagement in CCI Projects.



Source: Inspired by the works of Moon et al (2007), and Pedersen (2006).

The starting point of the framework presented in figure 1.0 above is depicted by the arena of engagement where the company and the community interact, which is the CCI project. The model is underpinned by the stakeholder theory as corporate management is expected to look after the health of the corporation, and this involves balancing the multiple claims of conflicting stakeholders (Evan and Freeman, 1988, pp. 151). This implies that on the one hand, managers engage in community investment projects in pursuit of business benefits/ goals capable of contributing in meeting shareholder expectations. On the other hand, community needs are vast and diverse as various stakeholder groups look unto the company for support to enhance societal well-being. While company-community relations necessitate corporate community investments projects, the three broad stages (and sub stages) of community investment are presented at the centre of the model – emergence, implementation, and closure. The starting point of engagement is at the emergence stage.

In an attempt to prioritise community needs; companies and communities have the difficult task of identifying, appraising and selecting the right partners and projects. The outcome of this first level of the community investment project will depend on: the company and community purposes for engaging stakeholders (information, consultation, or decision-making) after going through the "why filter" and the stakeholders involved – after going through the "who filter". Hence, engagement leads to a better understanding of community preferences by the company and stakeholders get to know the company's project goals, resources and capabilities.

At the implementation phase, a company and the community are once more expected to consider one of three motives for engaging stakeholders in the respective sub-stages – design, execution, monitoring and evaluation, and communication and reporting. Similarly, different stakeholders will be selected and engaged at the different levels based on their contribution to the overall project success. The inputs of stakeholders alongside that of the company will result in outputs that will serve as input for the final stage.

The purpose of engagement at the closure/ renewal stage will determine the choice of stakeholders. At this juncture, the project outcome is known and an overall evaluation of the stakeholder engagement processes, results, and shortcomings at the emergence and implementation stages is made. The project outcome is used to evaluate the attainment of the business goals, likewise the expectations of the community. Areas for improvement in the entire stakeholder engagement process are identified to enhance future projects and/ or renewals. The project outcome is then communicated to the general public and the benefits start accruing to society. Hence, the quality of engagement at various stages of a corporate community investment programme determines the extent to which business and community expectations are met.

According to the model, the more businesses and communities seek to engage stakeholders for the sake of decision making, the higher the level of engagement and the more acceptable is the outcome, and vice verse. This is important at all levels of the community investment project. First, at the emergence stage, the higher the level of engagement, the better the partners and issues that will emerge as any disparate objectives are reconciled. Conversely, engagement that is of an informative nature at the emergence stage will surely lead to outcomes that satisfy the goals of the company at the expense of the community or vice versa, regardless of the intensity of engagement at the implementation and closure levels – as stakeholder commitment will be superficial (Green and Hunton-Clark, 2003).

Second, the level of engagement at the execution phase is crucial in effectively utilising project resources and the expertise of respective stakeholders in delivering satisfactory results. This is important because even when the appropriate community projects are selected at the initial stage, improper planning/ designing, execution/ delivery, monitoring and evaluation, and poor communication and reporting might stifle the project. This will no doubt waste company and stakeholder time and resources while failing to satisfy their expectations.

Lastly, the closure stage is crucial as the outcome of the community investment is assessed against company goals and stakeholder expectations while a critical evaluation of the entire engagement process is carried out to serve as a guide for future improvement. Compared with the first and second stages of a project cycle, the degree of engagement at the final phase, adds little value to an existing project. Its relevance is most important for future projects as the shortcomings identified will enhance the firm's learning experience and contribute to improving subsequent projects. Hence, depending on the intensity of stakeholder engagement at various stages in the corporate community investment process, three major propositions arise:

1) High levels of stakeholder engagement at all stages of corporate community investment projects would certainly lead to project outcomes that fully satisfy company goals and community expectations.
2) A high degree of stakeholder engagement at the emergence stage and a low degree of engagement at the implementation stage would likely produce outcomes that fully satisfy the expectations of one party, regardless of the intensity of engagement at the closure stage.

3) A low level of engagement at the emergence stage would lead to outcomes that satisfy the basic expectations of one party, irrespective of the intensity of engagement at the second and third stages.

The ideal situation is for companies and communities to aim at decision-making engagement with stakeholders at all levels of community investment projects whereas the most undesirable is when stakeholders are engaged for informative purposes, especially at the emergence stage as the chosen project is unlikely to meet the most pressing community needs. While companies usually aim at improving the level of engagement in order to maximise outcomes, the general tendency is to move from low to high levels of engagement at every stage of their community investment project.

The development of a model at this stage of the research process is in line with the proposition of Creswell (2007) regarding a clear theoretical position prior to the collection of data. The model developed can be applied to predict corporate community project outcomes based on the manner in which stakeholders are engaged at various stages of a project. Moreover, companies have to be open and honest to stakeholders regarding the availability of resources and what they are willing and able to commit (Strong et al, 2001). These conditions are relevant to effectively balance corporate-community demands.

The perspectives and tools presented in figure 1.0 above are expected to contribute in making a company's stakeholder engagement process in community investment projects more effective. It would enable stakeholders to be more confident about the value of engagement and be more committed to the engagement process. The outcome will, therefore, be the achievement of satisfactory results for both parties due to a better division of tasks, and a more effective use of company and stakeholder resources. The proposed framework could be contextualised in given scenarios so as to attain the best possible outcomes.

2.3: Chapter Summary

The works of other researchers have been instrumental in generating ideas that have led to the development of a model for stakeholder engagement in corporate community investments. This sets the base upon which the subsequent chapters will rely as it guides the manner in which data is collected and analysed as well as informs the conclusions and recommendations of the study. At this point in time, it is imperative to discuss the research methods used in the study.

CHAPTER 3: RESEARCH METHODOLOGY

3.0: Introduction

After identifying the gap in the literature that this study aim at filling coupled with the desire to attain the objectives of the study, this chapter provides the general plan of how the researcher went about to answer the research questions – that is, turning the research questions into a research project (Robson, 2002). It describes the research strategies and justifies the design, and methods of data collection and analysis used given resource and practical constraints. Discussions in this chapter cover key aspects as identified by Saunders et al (2009), ranging from the overall plan of the study (section 3.1); through details relating to data collection and analysis (section 3.2), to the ethical issues that were considered (3.3). The chapter ends with a brief summary (3.4).

3.1: Research Design

Hakim (2000) holds that just like an architect designing a building; a researcher is expected to accomplish the purpose of a study by producing the best possible design guided by various constraints and influences. The choice of a case study approach was of particular interest given its ability to answer the research questions and meet the objectives of the research – as the researcher wished to gain a rich understanding of the processes and context (Morris and Wood, 1991) within which stakeholders are engaged in corporate community investment projects. Given that the research questions basically seek to understand how and why (Yin, 2009) Guinness Cameroon engage stakeholders in community investment activities, a case study strategy was the most appropriate. In line with Yin's argument, the fact that the 'how' questions were aimed at looking for explanations to establish relationships between key variables while the 'why' questions required the researcher to go beyond description to analyse relationships, make predictions, generalisations and develop a theory (Saunders et al, 2009) further support the case study strategy. Moreover, the short duration set aside for the Master of Business Administration research projects (three months) coupled with financial limitations did not favour a broader research project.

The choice of Cameroon is justified by the fact that despite the country's low ranking (150 out of 179) on the UNDP Human Development Index (UNDP, 2008), it is the world's 5th largest market for Guinness (www.diageo-careers.com/pages/cameroon-en-01.aspx). Fundamental social issues – such as: inadequate health and educational facilities; scarcity of portable water; enclave rural areas that inhibit access to markets; HIV/AIDS – still confront local communities and impact on the competitive business environment. This has necessitated the involvement of corporations in the search for lasting solutions to alleviate the plight of local communities alongside efforts from the government and other development partners. In addition, community investment is the most commonly practiced form of corporate social responsibility in Cameroon with subsidiaries of multinational companies taking the lead given their expertise and resource base.

The case study company, a subsidiary of Diageo, was carefully chosen as it is a shining example of a company that is having a direct impact on numerous local communities in the world's poorest region – sub-Saharan Africa. Of the ten Guinness markets worldwide, four are in sub-Saharan Africa and the company strives to distribute the value it creates to various stakeholders in exchange for their contribution (Diageo in Africa: Corporate Citizenship Overview 2008). Moreover, in its efforts to meet the expectations of stakeholders, Diageo has committed 1% of its annual operating profits to social investments and community projects (Diageo Corporate Citizenship Report 2008). In response to a United Nations 2007 challenge to companies to "adopt a Millennium Development Goal", Diageo business in Africa made a commitment to support target 10 of Goal 7 (to halve the proportion of people without sustainable access to safe drinking water by 2015) by agreeing to invest half of their community investment budget to accomplish the "Diageo One Million Challenge" – a programme that aim at providing one million people with access to water every year until 2015 (Diageo Corporate Citizenship Report, 2008). Guinness Cameroon's commitment to community investment was demonstrated in 2003 with the launching of the "Guinness Community Fund". Besides, in recognition of its outstanding CSR endeavours, the company won a "World Business and Development Award" from the International Chamber of Commerce in 2008 for initiating a project to develop local sources of grain (sorghum) for brewing in Northern Cameroon – a project that is expected to develop the capacities of local farmers and increase household incomes especially in rural areas. In addition, unlike most multinational companies operating in Cameroon whose community programmes focus on immediate communities that host their major activities, Guinness Cameroon's impact is felt in both rural and urban milieus as they finance community projects nationwide.

This broad span of community investment activities, therefore, poses significant challenges in effectively engaging stakeholders given the wide range of stakeholders involved. This demanding practical reality further justifies the choice of Guinness Cameroon. Also, the company works in collaboration with non-profit organisations and government agencies in realising most of its community investment activities, thereby, making it a good case study example. Lastly, an important reason for choosing the case study company was the ability to access and collect relevant data. Details regarding the manner in which the researcher went about collecting and analysing the data are presented in the ensuing section.

3.2: Data Collection and Analysis

In the quest for answers to the research questions and objectives, a combination of data collection methods was employed in view of collecting the most relevant information. Both secondary and primary sources of data were exploited at different stages. The former was useful in establishing the groundwork of the study; particularly in reviewing existing literature, developing the conceptual framework; informing the analysis, and recommendations; and guiding the researcher on the most appropriate research methods to adopt. A variety of textbooks and academic publications were consulted mainly from the University of Nottingham libraries and the EBSCO electronic database. Google scholar and other online institutional publications (from the World Bank, United Nations Development Programme and Diageo) as well as specialised magazines and newspaper sources (such as; The Economist Magazine and the Herald Newspaper – Cameroon) equally provided useful data. Insights on Guinness Cameroon and its community activities were obtained by consulting electronic copies of annual reports and project realisation reports from company sources.

Considering the need for detailed and precise information to facilitate the establishment of relationships between the independent and the dependent variables, the principal source of primary data was telephone interviews. The units of analysis were the corporate social responsibility division/ community relations service of Guinness Cameroon and representatives of diverse stakeholder groups. The former was important in elaborating on the motivations, engagement procedure and strategies, and decision-making implications while the latter provided information on stakeholder expectations and the extent to which their aspirations were met.

Since the research questions clearly express what the researcher was out to understand, the interview questions were aimed at effectively gaining the desired understanding (Maxwell, 1996). Considering the time and resource constraints of the study, seven people were identified and interviewed – three being corporate and community relations personnel of Guinness Cameroon and four being representatives of different stakeholder groups. Of the three corporate social responsibility employees, one was a senior management staff while the others handle various aspects of community investment activities. On the part of the stakeholder representatives, they had previously been engaged in community projects and one represented employee interests; another was from a non-governmental organisation; a third represented a local community; and the fourth was a representative of a local government/ municipal authority. The senior management representative was vital in providing information on the overall corporate social responsibility and community investment strategy/ policies and goals, likewise the relationship between stakeholder engagement and decision-making so as to enable the researcher answer the “why” in the research question. Community relations personnel were instrumental in describing the engagement processes and strategies, thereby providing answers to the “who” and “how” questions. On the other hand, the practical experiences of stakeholder representatives were important to complement and/ or dispute some of the claims made by Guinness Cameroon management and employees. Whereas access to the corporate affairs department (which host the corporate social responsibility division) followed a series of negotiations and undertakings to respect confidentiality of information provided, the community relations team was instrumental in facilitating access to the other stakeholder groups. An information sheet outlining the purpose of the research and expectations from the subjects to be interviewed was forwarded in advance to the company (see sample information sheet in appendix I) alongside the set of questions that were to be posed (see sample interview questions in appendix II). These were instrumental in securing access to data and enabled the interviewees to assemble the relevant information ahead of the interview.

Stakeholder representatives were carefully selected based on their stake in the project and the expertise they had to ensure the realisation of satisfactory project outcomes. Given the importance of collecting accurate data, the researcher upheld the multilingual nature of Cameroon and conducted interviews in three languages (although the official languages are English and French). The employee and non-governmental organisation representatives were interviewed in English while the municipal council representative was interviewed in French. The local community representative was interviewed in “pidgin English” – a local language widely spoken and understood among the less literate segment of the population. On the part of the CSR employees, two interviews were conducted in English and one in French. The services of a translator and/ or interpreter were not solicited due to the researcher's commendable mastery of these three languages. In sum, although certain difficulties were encountered in the data collection process (which are discussed in section 5.3), the researcher is confident that the data collected is healthy enough to generate a credible case study capable of being tested using the model developed in section 2.2. The case study has also generated new areas of study discussed in section 5.4.

With the case study approach, the adoption of a qualitative analytical strategy was preferred over statistical generalisations (Patton, 2002). Following the close to thirty minute in-depth interviews with various respondents, rich and chronological descriptions on the nature of stakeholder engagement in Guinness Cameroon's corporate community investment emerged. In analysing the information collected, the responses to similar questions were later sorted and grouped together. Then the salient themes were identified and accounts rendered (from section 4.2 to 4.6) following the sequence earlier established in the conceptual framework. The resulting outcome was matched against the expected results and theory earlier developed to conclude on the effectiveness of the stakeholder engagement mechanism in Guinness Cameroon. That is, judging its ability to provide business benefits while satisfying stakeholder expectations. Data collection, analysis and presentation of findings were equally done in a manner that took into consideration the concerns of those who provided the information. The ethical issues that were of concern during the study are discussed below.

3.3: Research Ethics

As ethical dilemmas span through all areas of business practice, so do they surface at various stages in a research project and in different forms. Cooper and Schindler (2008, pp. 34) define ethics as the "norms or standards of behaviour that guide moral choices about our behaviour and our relationships with others". Research ethics, therefore, relates to questions about the formulation and clarification of the research topic; research design and access to data; data collection, processing, analysis and storage; and the write up of research findings in a moral and responsible way – that is, ensuring that the research is designed in a methodologically sound and morally defensible way to all those who are involved (Saunders, et al, 2009). Among the two dominant philosophical ethics standpoints which Saunders et al (2009, pp. 184) highlight as being dominant within business and management research – deontology and teleology – the researcher adopted the deontological perspective. This was meant to guide the researcher's judgement when confronted with ethical dilemmas so as to avoid harm to participants throughout the research. The Nottingham University Business School guidelines on research also constituted useful directives.

Given that the study required contacting a number of participants in the quest for data, the integrity of the researcher was important to avoid putting participants under any form of pressure for the sake of accessing information (Sekaran, 2003). It is for this reason that the case study choice was altered in the course of the research as access to information in a tobacco company was practically difficult, despite initial negotiations. This was in line with respecting the rights of privacy of potential participants and refraining from causing harm. In order to avoid inflicting harm in the form of extra costs on participants (mainly expenses relating to telephone, transportation, and compensation for taking time after work and coming in on a weekend day to assemble the required data), a token financial support was extended thanks to a £300 (three hundred sterling pounds) research grant received under the "British Chevening Scholarship Award". Furthermore, Guinness Cameroon and the employees who participated were educated on the objectives of the study and the possible benefits that could accrue in an effort to obtain consent (see information sheet in appendix I). Participants were also reassured that confidentiality of information provided will be maintained before, during and after the research study as employee names and other personal details will not be revealed. As per the request of participants and for the sake of their convenience, questionnaires were established and sent to them two weeks before the interview dates in order to provide sufficient time to assemble the relevant information. To avoid contacting participants at times that Saunders et al (2009) call "unsociable" that can lead to any form of interruption or harm, electronic mail reminders were sent to participants a week before the interview dates and follow-up calls made three days to the interview dates, mostly towards the end of lunch break hours. The company's fear that the data collected may eventually be used for commercial ends was accommodated through the signing of a confidentiality undertaking. Such concerns are deemed genuine as the company's capabilities in successfully executing community investment projects in Cameroon is unrivalled by competitors. Hence, to avoid any form of embarrassment and harm, it was agreed that the research findings should be kept confidential.

The principle of not intruding into participant's privacy and avoiding stress, discomfort, embarrassments and harm were equally applicable during the data collection phase. Not only were the questions posed in line with the objectives of the research to avoid prolonging discussions (Zikmund, 2000), in keeping with the recommendation of Cooper and Schindler (2008), participants were made to understand that they could decline from responding to any question without having to jusitfy their decision. This was imperative in obtaining objective responses that facilitated analyses and made the research findings reliable and dependable.

In keeping with the guidance of Zikmund (2000), objectivity guided the analysis and reporting of the findings as the researcher made best possible efforts to avoid being selective given the information collected. A high level of integrity was also maintained by presenting positive as well as negative facts and views as expressed by participants. Moreover, appropriate care was taken in presenting the research findings to ensure that the eventual use of the research findings do not cause any harm or embarrassment to those who provided information – especially employees, community representatives and non-governmental organisations. Hence, sound ethical practices were observed throughout the research process to ensure that the researcher and data contributors do not suffer as a result of participating in the research process.

3.4: Chapter Summary

Cameroon is an important Guinness market in sub-Saharan Africa, which explains why it is receiving considerable attention from the company with local communities benefiting from the value created. This important business-community interaction has been instrumental in the case study choice. Guided by the research objectives, an account of the data sources exploited has been rendered, alongside the management of ethical issues. The data collected is rigorously analysed in the next chapter.

CHAPTER 4: STAKEHOLDER ENGAGEMENT IN GUINNESS CAMEROON'S CCI PROJECTS

4.0: Introduction

This chapter presents and discusses the findings that resulted from investigations on the nature of stakeholder engagement in Guinness Cameroon. It uses the framework developed in section 2.2 to answer the research questions and meet the objectives of the study. The presentation begins with an overview of the social problems that impact the competitive business environment in Cameroon with emphasis on those that are receiving particular attention from Guinness Cameroon (section 4.1); before dwelling on the manner of engagement at the emergence stage of community investment projects (section 4.2); followed by stakeholder engagement at the implementation and closure stages (sections 4.3 and 4.4, respectively); and discussion of benefits and challenges (sections 4.5). Each finding is critically analysed in line with the findings of other researchers earlier examined in the literature review. A chapter summary (4.6) concludes and sets the stage for the last chapter.

4.1: Overview of Cameroon’s Social Context and Guinness Cameroon’s CI Activities.

Cameroon’s economy rely mainly on petroleum products (that constitute more than half of the country’s exports), timber and commercial crops such as; cocoa, coffee, tobacco, cotton, rubber and bananas. Economic and social statistics from the World Bank (http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/) indicate that despite a 100% growth in the country’s gross domestic product between 2000 and 2007 (from USD10.08 billion to USD20.7 billion) and external debt cancellation in 2006, there have been little improvements in the country’s social conditions. World Bank data as at 2007 indicate that out of an estimated total population of 18.5 million, over 50% live on less than two United States Dollars a day and close to 50% have access to improved sanitation facilities while life expectancy at birth declined by 5 years to 50 years between 1990 and 2007. Other significant social challenges include: poor healthcare infrastructure and services (with infant mortality rates of 87 per 1,000 live births in 2007, up from 85 in 1990); inadequate educational infrastructure and a low school attendance rate (with a total primary completion rate of 55%); poor road infrastructure (as only 8% of the country’s total roads were paved by 2000); inadequate access to portable drinking water (although 70% of the population had access to water sources in 2007, the same proportion lacked access to safe drinking water); and the HIV/AIDS pandemic (with a 5.1 prevalence rate within the 15 – 49 age group as at 2007).

These social issues directly impact the competitive business environment and companies are actively involved in the search for lasting solutions by integrating them into their corporate social responsibility strategies. These usually take the form of community investment activities and subsidiaries of multinational companies are leading the way, notably in the petroleum, forestry, mobile telephone, banking and brewery sectors. These companies have prioritised particular social issues – some of which span within their core competences and others that aim at improving the general well-being of local communities – and are usually executed in collaboration with various stakeholders. For example, in an effort to bridge the digital divide and increase access to information technology (as World Bank estimates show that in 2006, 2 out of 100 people were internet users while in 2007, 24 out of 100 people had mobile phones), the South African owned Mobile Telephone Company (MTN) in partnership with other technical partners introduced the "Schools Connectivity Programme" – whereby twelve multi-media centres with internet are established in selected schools across the country each year. Other corporate community investment efforts in Cameroon focus on improving the quality of and access to basic amenities such as; healthcare, education, water supply and sanitation, access roads to markets, and improving the environment.

Being a subsidiary of the world's leading alcohol drinks business (Diageo, which produces spirits, wine and beer categories), Guinness Cameroon has paid considerable attention to the social issues in its surrounding environment. The company has been operating in the country since 1970 and runs a brewery that produces international brands (namely: Guinness, Malta Guinness and Smirnoff Ice), as well as local brands (such as: Malta Quench, Guinness Smooth, Satzenbrau, Gordon Spark, and Gold Harp). Given its supply chain activities and the fact that the company has about 15% of the country's beer market share (www.diageo-careers.com/pages/cameroon-en-01.aspx), its business activities certainly have direct and indirect impacts on the lives of millions of Cameroonians. In line with Diageo's good corporate citizenship strategy of seeking to ensure that all those with a stake benefit from the company's activities (www.diageo.com/en-row/corporatecitizenship/communityandenvironment/), Guinness Cameroon's local community investments have so far touched all four strategic areas defined by the parent company, notably:

- **Skills for life:** These involve projects that help unemployed or disadvantaged people to start new business ventures or prepare for the world of work. For example, in 2006, Guinness Cameroon launched an innovative beekeeping project to help thirteen local communities develop a valuable and environmentally sustainable income stream.
- **Water of life:** Here, projects are aimed at improving access to clean drinking water or aid the conservation of water resources. This is a crucial aspect of the community investment strategy as the Chief

Executive of Diageo, Paul Walsh, highlights that “nothing in nature is more essential to our business than water” (Corporate Citizenship Report, 2008, pp. 1). Water is equally fundamental to human life and Guinness Cameroon’s provision of portable drinking water in several local communities such as: Bomono, Kassala Farms, Ntui, Bamenda, and Ekombe Bonji (Ntaryike, 2009) has benefited about 75,000 Cameroonians as at June 2008 (Diageo Corporate Citizenship Report, 2008), while contributing to improve sanitation and reduce water-related diseases such as: cholera and typhoid.

- **Local Communities:** These are projects aimed at supporting employee community activities. Diageo believes that such projects benefit employees, the company, and local communities, and employees in over 40 countries were involved in 2008. In 2005, Guinness Cameroon and its employees financed the construction of a new bridge in a predominantly low class residential area in Douala (Quartier Gentil) and contributed to the prevention and spread of HIV/AIDS by offering sex education lectures and materials to about 30 visitors weekly during their brewery tours (Diageo in Africa – A Supplement to the Diageo Corporate Citizenship Report 2005).
- **Disaster Relief:** Such community investments are necessitated by the occurrence of major disasters and include emergency relief, long-term reparation projects and support for employees’ fundraising efforts. In 2004, Guinness Cameroon donated four tonnes of food and basic equipment to the people of Bonajoa who suffered heavy floods that led to large-scale material damage. In partnership with the Douala City Council, the company completed work in August 2009 on a large-scale project to backfill and stabilise a ravine caused by soil erosion near its factory – which also pose a serious threat to lives and property in the surrounding community. This is the largest-ever community investment project that the company has realised with a total cost of at about XAF1.2 billion in local currency (a little over 1.6

million sterling pounds using Reuters exchange rate of 08 September, 2009 - http://uk.reuters.com/business/currencies)

The company's community investment activities usually go beyond financial contributions to include active involvement in the form of employee and management time and skills, donation of surplus products and other 'in-kind' resources (www.diageo.com/en-row/corporatecitizenship/communityandenvironment/). This falls in line with the contextual definition of community investment earlier established in section 1.2, hence the subsequent sections present the findings.

4.2: Stakeholder Engagement at the Emergence Stage

Underlying Guinness Cameroon's efforts to engage stakeholders in its CCI activities is the understanding that stakeholders expect the business not only to generate revenue, but to have a positive effect on society and minimise adverse impacts from their operations. The principal aim of consulting community representatives is to ensure that social investments are targeted where it can do the most good (Diageo CC Report 2008). The entire stakeholder engagement process in CI projects is initiated and managed by the company, represented by community relations personnel and senior management. The company's CI goals and expectations, presented in table 1.0 below guide the nature in which the stakeholder engagement process takes place as there is no formalised procedure in place. This is because in the quest to address community social needs; cultural sensitivities must be respected and project impacts on the community properly understood. Hence, besides the motives for CCI projects earlier discussed in section 2.1.3.1 and the need to raise awareness among opinion leaders and the community audience, projects are managed to achieve well-defined objectives. The specific company goals and expectations for investing in different CI activities are presented on table 1.0 below:

Table 1.0: Guinness Cameroon's CI goals and expectations

CI Project Area	***Key Goals***	***Expectations***
Skills for life	Economic empowerment of local community.	Increase opportunities for sustainable future sales.
Water of Life	*Improve sanitation and reduce water related diseases.*	*Reduce household healthcare costs; ensure healthy consumers to sustain and increase product demand.*
Local Communities	- Make employees and local communities proud of the company. - *Improve local distribution network.*	- Improve employee satisfaction and loyalty. - *Ensure constant supply and availability of products in remote areas.*
Disaster Relief	Reduce negative impacts in times of disaster and support long-term projects.	Enhance goodwill and reputation.

From table 1.0 above, it is clear that the business case lie beneath the company's use of skills, infrastructure and financial resources to support long-term sustainable community initiatives. From the above findings, new drivers for CCI projects in the developing world, especially in the drinks sector have emerged – ***improving the local distribution network; reducing household spending on healthcare and creating sustainable income sources so as to maintain and increase product demand***. These were not identified by Hess et al, (2002) and Moon and Muthuri (2006) due to the fact that the empirical evidence used in these studies came from the developed world where road and healthcare facilities are highly advanced. It should be noted that Guinness Cameroon factors these new drivers into their CI project decisions.

On the other hand, local communities expect Guinness Cameroon to assist them meet their basic needs as presented in table 2.0 below:

Table 2.0: Local Community Needs and Expectations

Needs	*Expectations*
Skills to engage in sustainable income generating activities to meet basic needs.	Corporate support to acquire needed skills.
Inadequate safe drinking water.	Construction/ renewal and maintenance of portable water facilities.
Poor access roads and bridges in remote areas.	Improved road network to facilitate access to markets/ urban centres.
Poor healthcare infrastructure and rampant diseases.	Support to improve sanitation and assist local health units.
Inadequate supply of and high cost of energy.	Provision of electricity at affordable cost.

From the company's goals and expectations as well as the needs and expectations of local communities presented on table 1.0 and 2.0, respectively, Guinness Cameroon holds that the challenge is to strike a satisfactory balance for both parties and make the benefits sustainable. This is important so as to guard against over-dependence on external support to satisfy community needs, especially in the medium and long-term. It is within this context that the arena for company-community engagement is CI projects. It is worth noting that the three principal assumptions outlined in establishing the conceptual model (in section 2.2) apply in this case as the company strives to balance its community investment expectations and that of local communities; whereas strategic directions come from the parent company; and the company desires to maximise the degree of engagement at various stages of CI projects.

In the quest for answers to the research questions relating to the purpose, stakeholders and engagement strategies used at the emergence stage, table 3.0 below presents the findings:

Table 3.0: Purpose, Stakeholders and Engagement Strategies at Emergence Stage

Purpose	***Stakeholders***	***Strategies***
Decision-making	Employees	Bargaining, focus groups
Decision-making	Local development organisations/ traditional councils/ chiefs	Constructive dialogues, task forces, project proposals, working sessions.
Decision-making	NGOs	Partnerships, working sessions
Decision-making	Urban/ rural councils	Partnerships, working sessions
Consultative	Customers	Focus groups, workshops
Consultative	Distributors of Guinness products.	Workshops, Interviews
Consultative	Contractors	Workshops
Informative	Media	Press releases, briefing sessions

As could be seen from table 3.0 above, the intensity of engagement varies depending on the stakeholder group. Explanations for the high, medium and low levels of engagement included "valuing those who live and work towards ameliorating the miserable realities; obtaining crucial information that helps risk and opportunity analysis; and informing the public on the selected projects", respectively. The stakeholder groups engaged for decision-making purposes are similar to those that Mitchell et al (1997) and Agle et al (1999) identified to be prioritised as they all have the urgency attribute with others cumulating power and/ or legitimacy (such as the local community organisations and municipal authorities). Once projects that originate from local communities (based on their preferred needs) are identified, appraised and selected at the emergence stage, they become ready for the implementation stage.

4.3: Stakeholder Engagement at the Implementation Stage

At the implementation stage, engagement equally varies based on the contributions of respective stakeholder groups to the different sub phases. Compared with the emergence stage, the number of stakeholder groups reduces from eight to six as presented in table 4.0 below:

Table 4.0: Purpose, Stakeholders and Engagement Strategies at Implementation Stage.

Purpose	***Stakeholders***	***Strategies***
Decision-making	Local development organisations/ traditional councils/ chiefs	Constructive dialogues, partnerships
Decision-making	NGOs	Partnerships
Decision-making	Urban/ rural councils	Partnerships, joint ventures
Decision-making	Contractors	Constructive dialogues, bargaining, legal contracts
Decision-making	Employees	Constructive dialogues, partnerships
Consultative	National government	Working sessions

From table 4.0 above, the intensity of engagement is highest at this stage as almost all stakeholders are engaged for decision-making purposes. This is because, they either have a critical expert knowledge (notably: contractors, NGOs and municipal authorities); or they have detailed information that is vital for the success of the project and/ or contribute a portion of the resources (traditional councils, local development organisations and employees). The skills and resources provided differ considerably based on the implementation phase. For example, while urban/ rural council planners and engineers alongside contractors are important at the design phase, employee volunteering is important at the execution, monitoring and evaluation stages. These findings are similar to the key stakeholders and motives for engagement identified by Moon et al (2007). At the end of the implementation stage, project benefits become visible and constitute inputs for the closure stage.

4.4: Stakeholder Engagement at the Closure Stage

The intensity of engagement is lowest at the evaluation phase of CI projects where outcomes are compared against company goals and community expectations as presented in table 5.0 below.

Table 5.0: Purpose, Stakeholders and Engagement Strategies at Closure Stage.

Purpose	***Stakeholders***	***Strategies***
Decision-making	Contractors	Working sessions, constructive dialogues
Decision-making	NGOs	Constructive dialogues, working sessions
Decision-making	Urban/ rural councils	Constructive dialogues, working sessions.
Consultative	Local development organisations/ traditional councils/ chiefs	working sessions
Consultative	Ministry of urban/ rural development (national	Working sessions

	government).	
Informative	Media	Press releases, briefing sessions.

From table 5.0 above, Guinness Cameroon highly engages partners that had key responsibilities in ensuring satisfactory results with the aim of maximising value from the investment (especially with contractors) and drawing lessons for enhancing future technical partnerships (with NGOs and municipal councils). The input of stakeholders especially after pilot projects forms useful guides and organisational learning for future projects. External stakeholders expressed satisfaction with the speed and accuracy of execution compared to the realisation of government projects and those of other companies. National government agencies are consulted at this phase as they play an important role in the official opening and handing over of projects while the media comes in to inform and educate the public accordingly. These findings reveal that Guinness Cameroon engages many more stakeholder groups at the closure stage, than those identified by Moon et al, 2007.

On the whole, all but one stakeholder interviewed expressed satisfaction with the engagement process and project outcomes. Despite the “company” focused approach to engagement, the appreciation comes mainly as a result of their benchmarking with government projects in their communities as well as the relatively low level of engagement by other companies. This result is closest to proposition one developed in section 2.2 as there is a high level of engagement with key stakeholders at all stages in the CCI process. Both company and community sources acknowledge benefits as well as challenges in the entire process which are discussed below.

4.5: Benefits and Challenges of Engaging Stakeholders in CCI

Empirical investigations reveal that a number of key benefits have been accruing to both Guinness Cameroon and its stakeholders as the engagement process has largely been a “nursery for developing new ideas”. First, engagement led to amendments in project selection criteria that partly resolved the problem of project prioritisation. At the onset, local communities simply had to submit any project for consideration. The huge number of community projects that were soliciting support led to inefficiencies in prioritisation such that the company retained the final decision-making rights. It is thanks to engagement with stakeholders that a solution was arrived at – requiring local communities to contribute at least 20% of the project cost in cash and/ or kind. This reduced project submissions to manageable levels and enhanced transparency in the selection process. The fact that the most relevant community projects are selected is a major achievement to all stakeholders.

Second, a two-way learning forum has been established. On the one hand, external stakeholders now understand the limits to which the company can contribute in satisfying their needs as focus is on areas that are related to the firm’s core competence. On the other hand, the company has had a first-hand understanding of the practical constraints that face actors in its downstream supply chain, notably: wholesalers, retailers, distributors and consumers. This has enabled the firm to properly master its business drivers, especially the relationship between poor socio-economic conditions and the demand for its products.

Another important benefit is the close relationship, exchange of knowledge and cooperation that exist among stakeholders which facilitates both business and social interactions. This has been at the root of partnerships between local government authorities, NGOs and the company that has resulted in the realisation of bigger and more complex projects – such as the backfilling of a ravine in the neighbourhood that host the company factory. It has also resulted in lobbying among stakeholder groups in support for various causes. For example, the close relationship facilitates lobbying with both national and local government authorities to prioritise water and sanitation projects alongside other business-related causes such as adjustments in prices of and taxes on drinks.

The company also noted that community investment projects provide an opportunity to engage employees at more informal levels while project reception occasions are moments for introducing and test-marketing new products. An example is the launching of a new drink (Smirnoff Ice) and a new packaging for drinks in March 2009 during the inauguration of a series of water projects around the country in commemoration of the World Water Day.

With regards challenges, those that were voiced included:

- Difficulties in prioritising projects especially at the project selection stage as many community projects usually require urgent solutions;
- Limited time and resources to effectively engage and satisfy the demands of all stakeholder groups. This usually leads to blackmails from some unsatisfied stakeholders;
- The absence of a formal complains mechanisms to enable dissatisfied stakeholders express their concerns was equally a major preoccupation.
- The absence of formal stakeholder engagement procedures; and
- Some stakeholders expressed the wish to see Guinness Cameroon go beyond completing and handing over projects and actively oversee the management and maintenance of realised projects.

However, a root cause of challenges related to the fact that stakeholders have not been adequately educated and given the opportunity to actively initiate and manage the engagement process. Moreover, company considerations and goals seem to have a significant impact on final decisions when compared to the demands of other stakeholders. Proposed solutions to these challenges are provided in section 5.2.

4.6: Chapter Summary

Answers to the research questions have been provided follow the presentation and analysis of the findings from the empirical investigation. Despite the absence of a formalised stakeholder engagement process in Guinness Cameroon's CI activities, project outcomes largely provide the desired company benefits while satisfying community expectations. This is largely due to the high level of community engagement at the emergence stage. The findings have also revealed interesting relationships between the independent, dependent and the intervening variables and key conclusions are presented in the subsequent and last chapter.

CHAPTER 5: CONCLUSION; RECOMMENDATIONS; DIFFICULTIES ENCOUNTERED; AND FURTHER STUDY.

5.0: Introduction

Having developed a model for stakeholder engagement in CCI and used relevant data to test the model, a number of important contributions to existing literature have emerged. These are discussed below in a number of segments. Section 5.1 highlights the major results of the study while section 5.2 makes recommendations on how Guinness Cameroon can enhance its existing stakeholder engagement in CCI. Difficulties encountered in the study are discussed in section 5.3 and other areas for future research identified in section 5.4.

5.1: Conclusions

As companies work towards enhancing the social issues that impact on their competitiveness, a major challenge has been to effectively balance company goals and community expectations. In resolving this difficult and complex task, a “company and community” focused model has been developed and tested using empirical evidence from Guinness Cameroon. A number of important findings have emerged in the process. First, in order to maximise benefits, there is the need for two-way high level engagement with stakeholders at all stages in the CCI project cycle. Second, the ability of project outcomes to satisfy intended goals depend on the purpose for engaging stakeholders, the degree of engagement at various stages, the stakeholders engaged and the engagement strategies. This uncovered relationship offers important implications for community investment strategy theory and practice especially in predicting outcomes as expressed in the following observation: ***Given high levels of stakeholder engagement at all stages of corporate community investment programmes, project outcomes are more likely to effectively balance company and stakeholder expectations. Conversely, a low level of engagement will result in benefits that favour corporate goals at the expense of stakeholder expectations.***

Furthermore, new knowledge has emerged as evidence suggests that CCI projects in the developing world could promote sustainable income generation while facilitating product distribution channels. Thereby, improving community wellbeing and enhancing demand.

The objectives of this study have, therefore, been achieved as a simple framework has been constructed and applied in view of guiding CSR managers and community investment practitioners on how to effectively balance the multiple (and often conflicting) demands of shareholders and other stakeholders. These fill the gap earlier identified in the academic and practitioner literatures and pave the way for further research. Lastly, the findings of the study contribute to current debates on business-community relations in general; and community investment and stakeholder engagement in particular.

5.2: Recommendations

One objective of this study is to make recommendations on how Guinness Cameroon could enhance the nature of stakeholder engagement in its CCI programmes. It is in this light that following the challenges highlighted in section 4.5, recommendations are presented below:

- It is important for the company to formalise its stakeholder engagement mechanism based on past experiences and input from key stakeholder groups.

The framework developed in this study could constitute a useful guide for developing a model that encourages other stakeholders to initiate engagement where need be. This will certainly reduce difficulties faced in prioritising issues by promoting timely communication, honesty and completeness of information and equality of treatment (Strong et al, 2001).

- In keeping with the recommendation of Neligan (2003), the company should establish a mechanism for stakeholders to air their grievances. This might take the form of a complaints panel, ombudsman or tribunal. This will enhance trust and transparency in the entire process while generating constructive contributions from various stakeholder groups.
- Also, the existing state of communication of community investment benefits at local level should be enhanced by engaging stakeholders in measuring the direct and indirect impacts of projects. This might offer useful perspectives capable of convincing stakeholders especially in times of conflicting priorities. In this light, the Prince of Wales' Accounting for Sustainability Project could be imperative alongside the Global Reporting Initiative.

While the case study company is expected to strive at resolving existing challenges using the proposed solutions, a number of difficulties were also encountered in the realisation of this study. These are discussed in detail in the subsequent section.

5.3: Difficulties Encountered

Access to some senior managers of the case study corporation was a major difficulty, especially at the beginning of the study. After compiling and submitting the required documents soliciting an academic internship in February 2009 (that would have facilitated research on the topic in line with Guinness Cameroon's policies and procedures), no official response was received. In an effort to verify the outcome of the request in June 2009, the researcher was made to understand that concerns regarding the likelihood of sensitive information leaking to competitors constituted an impediment. It was only in August 2009 that the company accepted a desk research on the topic after discussions with the researcher and exploitation of additional information that clarified the purpose and manner in which the study was to be carried out, likewise the manner in which the findings were to be used. Hence, to minimise these impediments, a confidentiality guarantee was given.

Furthermore, access to complete copies of the company's social responsibility strategy and policy documents was refused. However, the researcher relied on published information on the CI strategies of the parent company, Diageo and the African hub, Diageo Africa. Also, a limited number of proceedings of stakeholder engagement sessions on CCI activities were provided and they contained insufficient details regarding the input of various stakeholders. To mitigate this shortcoming, such information was collected during interview sessions and multiple sources of data were exploited.

Lastly, limited time and financial resources constrained the ability to use a broader sample size alongside other data collection methods. Questionnaires would have been administered to a wider range of external stakeholders in both urban and rural areas while the researcher would have preferred to sit in a number of stakeholder engagement sessions and observe proceedings – especially where local communities, government authorities, NGOs, and contractors came together. These would have mitigated the initial scepticism that characterised external stakeholders when contacted to provide information.

All in all, despite these difficulties, the mitigation tactics employed were largely successful in generating reliable data from the case study. This is evident from the ability to answer the research questions and objectives using the data collected. The resulting conclusions highlighted in section 5.1 have equally matched some of the concepts established in the model of stakeholder engagement in CCI while highlighting existing weaknesses. Furthermore, new issues have emerged that should constitute the object of further research as discussed below.

5.4: Areas of Further Study

After developing and testing a model for stakeholder engagement in corporate community investment, it is necessary for further empirical investigation to be carried out. Research in this field using other industries and companies may help identify additional components and indicate other benefits and challenges. For example, the fact that in some cases CCI is not an option but a requirement (like in the petroleum, oil and gas, and mining sectors) to operate effectively (Hess et al, 2002), a different manner of engagement may be required. The findings of such studies might contribute to advance the development of the model which might lead to a classification of models based on industry, region, and company size. Moreover, to validate and/ or amend the model; other researchers may use multiple cases to test and see whether the findings of the current research will occur in other cases. This is important given that multiple case studies may be preferable to a single case study (Yin, 2009).

It would also be interesting to study the attitudes and influencing strategies of business and community representatives at different stages of the community investment process. This could be in other multinational companies or nationally owned businesses of different sizes, resources, and expertise in the developed and/ or developing world. Furthermore, given that the present study focuses on the “community of place”, and the fact that the extended notion of community has implications for theory and practice, other researchers might wish to investigate on the nature of stakeholder engagement with distinct subcategories of communities that might be involved in CCI activities – “community of interest”, “community of virtual advocacy group” and “community of practice” (Dunham et al, 2006).

Finally, stakeholder engagement in itself is not enough as the responsible treatment of stakeholders is critical to success (Greenwood, 2007). This is important because failure to establish and manage the communication process with stakeholders can lead to a lack of support, disapproval of the deliverables and dissatisfaction working with the project sponsor(s) (Antonioni, 2009). Hence, research to develop models that could guide practitioners and academicians on effectively managing communication with stakeholders in CCI activities would make significant contributions to existing literature.

Word Count: 18,905 words

BIBLIOGRAPHY

Agle, B. R., Mitchell, R. K. and Sonnenfeld, J. A. (1999), "Who Matters to CEOs? An Investigation of Stakeholder Attributes and Salience, Corporate Performance and CEO Values", Academy of Management Journal, Vol. 42, Iss. 5, pp. 507-25.

Antonioni, D. (2009), "Crafting the Art of Stakeholder Management", Journal of Industrial Management, Vol. 51, Iss. 1, pp. 18-22.

Arnstein, S. (1969), "A Ladder of Citizen Participation", Journal of the American Institute of Planners, Vol. 35, Iss. 4, pp. 216-224.

Baron, D. P. (2003), *"Business and its Environment"*, 4th Edition, Prentice Hall, New Jersey, pp. 2 – 18.

Bhattacharya, C. B., Sen, S. and Korschun, D. (2008), "Using Corporate Social Responsibility to Win the War of Talents", MIT Sloan Management Review, Vol. 49, No. 2.

Boehm (2005), "The Participation of Business in Community Decision Making", Business and Society, Vol. 44, Iss. 2.

Buchholtz, A. K. and Carroll, A. B. (2009), *"Business and Society"*, 7th Edition, South-Western Cengage Learning, Canada.

Burchell, J. and Cook, J. (2006), "Assessing the Impact of Stakeholder Dialogue: Changing Relationships Between NGOs and Companies", Journal of Public Affairs, Vol. 6, pp. 210-227.

Carroll, A. B. (1979), "A Three-dimensional Conceptual Model of Corporate Social Performance", Academy of Management Review, Vol. 4, pp. 497-505.

Centre for Corporate Affairs in Conjunction with Business Council of Australia (2000), "Corporate Community Involvement: Establishing the Business Case (Melbourne). Downloaded from http://www.fahcsia.gov.au/sa/communities/progserv/Documents/cci_report_07/ch4.htm on 30 July, 2009.

Chapple, W. and Moon, J. (2005), "Corporate Social Responsibility (CSR) in Asia: A Seven-Country Study of CSR Web Site Reporting", Business and Society, Vol. 44, Iss. 4, pp. 415-441.

Clarkson, M. B. E. (1995), "A Stakeholder Framework for Analyzing and Evaluating Corporate Social Performance", Academy of Management Review, Vol. 92, pp. 105-08.

Clough, P. and Nutbrown, (2002), *"A Student's Guide to Methodology"*, Sage Publications Ltd, London.

Cone, C. L., Feldman, M. A. and DaSilva, A. T. (2003), "Causes and Effects", Harvard Business Review, July.

Cooper, D. R. and Schindler, P. S. (2008), *"Business Research Methods",* Tenth Edition, McGraw-Hill, Boston.

Crane, A. and Matten, D. (2004), *"Business Ethics: A European Perspective"*, Oxford University Press, Oxford.

Creswell, J. (2007), *"Qualitative Inquiry and Research Design: Choosing Among Five Approaches"*, Second Edition, Sage Publications, California.

Diageo (2008), "Corporate Citizenship Report" Downloaded from http://www.diageo.com/NR/rdonlyres/D42FB7CE-2B65-40D7-810B-EBCDB5906596/0/DIAGEO_CCR_08.pdf on 20 August, 2009.

Diageo Africa (2008), "Corporate Citizenship Overview". Downloaded from http://www.diageo.com/NR/rdonlyres/ABF90FAB-0AF2-4684-BABB-A14CEFE17DF8/58538/DiageoinAfricacorporatecitizenshipoverview2009.pdf on 20 August, 2009.

Diageo Africa (2005), "A Supplement to the Diageo Corporate Citizenship Report". Downloaded from http://www.diageo.com/NR/rdonlyres/A6896C77-74C8-4E57-A3F9-82F2047A0C93/0/AfricaCCreportv9.pdf on 23 August, 2009.

Dunham, L., Freeman, R. E. and Liedtka, J. (2006), "Enhancing Stakeholder Practice: A Particularized Exploration of Community", Business Ethics quarterly, Vol. 16, Iss. 1, pp. 23-42.

Evan, W. M. and Freeman, R. E. (1988), "A Stakeholder Theory of the Modern Corporation: Kantian Capitalism" in Beauchamp, T. and Bowie, N. (eds), *Ethical Theory and Business*, Prentice Hall, New Jersey.

Fassin, Y. (2008), "Imperfections and Shortcomings of the Stakeholder Model's Graphical Representation", Journal of Business Ethics, Vol. 80, pp. 879-888.

Fassin, Y. (2009), "The Stakeholder Model Redefined", Journal of Business Ethics, Vol. 84: 113-135.

Freeman, R. E. (1984), *"Strategic Management: A Stakeholder Approach"*, Pitman, Boston.

Friedman, A. L. and Miles, S, (2006), *"Stakeholders: Theory and Practice"*, Oxford University Press, Oxford.

Friedman, M. (1970), "The Social Responsibility of Business is to Increase Its Profits", New York Times Magazine, 13 September.

Frooman, J. (1999), "Stakeholder Influence Strategies", Academy of Management Review, Vol. 24, Iss. 2, pp. 191-206.

Frooman, J. and Murrell, A. J. (2003), "A Logic for Stakeholder Behavior: A Test of Stakeholder Influence Strategies", Academy of Management Best Conference Paper.

Frooman, J. and Murrell, A. J. (2005), "Stakeholder Influence Strategies: The Roles of Structural and Demographic Determinants", Business and Society, Vol. 44, Iss. 1.

Grayson, D. and Hodges, A. (2004), “Corporate Social Opportunity! Seven Steps to Make Corporate Social Responsibility Work for Your Business”, Greenleaf Publishing, Sheffield.

Green, A. O. and Hunton-Clark, L. (2003), “A Typology of Stakeholder Participation for Company Environmental Decision Making”, Business Strategy and Environment, Vol. 12, Iss. 5, pp. 292-299.

Greenwood, M. (2007), “Stakeholder Engagement: Beyond the Myth of Corporate Responsibility”, Journal of Business Ethics, Vol. 74, pp. 315-327.

Hakim, C. (2000), “Research Design: Successful Designs for Social and Economic Research”, Second Edition, Routledge, London.

Hendry, J. R. (2005), “Stakeholder Influence Strategies: An empirical Exploration”, Journal of Business Ethics, Vol. 61, pp. 79-99.

Hess, D., Rogovsky, N. And Dunfee, T. W. (2002), “The Next Wave of Corporate Community Involvement: Corporate Social Initiatives”, California Management Review, Vol. 44, No. 2.

Holliday, C. H. Jr., Schmidheiny, S., and Watts, P. (2002), “Walking The Talk: The Business Case for Sustainable Development”, Berrett-Koehler Publishers, San Francisco, pp. 9-19.

Hoskins, T. (2008), *“The ICSA Corporate Social Responsibility Handbook: CSR and Non-financial Reporting for Business”*, Second Edition, ICSA Information and Training Ltd, London.

Kapelus, P. (2002), “Mining, Corporate Social Responsibility and the “Community”: The Case of Rio Tinto, Richards Bay Minerals and the Mbonambi”, Journal of Business Ethics, Vol. 39, pp. 275-296.

Lantos, G. P. (2001), “The Boundaries of Strategic Corporate Social Responsibility”, Journal of Consumer Marketing, Vol. 18, No. 7, pp. 595-630.

Lawrence, A. T. (2002), “The Drivers of Stakeholder Engagement: Reflections on the Case of Royal Dutch/ Shell”, Journal of Corporate Citizenship, Vol. 6, pp. 71-85.

Londer-Medd, S. E. (2003), “Stakeholder Participation: In Theory and Reality”, MBA Dissertation, Nottingham University Business School.

Loza, J. (2004), “Business-Community Partnerships: The Case for Community Organization Capacity Building”, Journal of Business Ethics, Vol. 53, pp. 297-311.

Maxwell, J. (1996), *“Qualitative Research Design: An Interactive Approach”*, Sage Publications, Thousand Oaks, CA.

Mitchell, R. K., Agle, B. R., and Wood, D. J. (1997), “Toward a Theory of Stakeholder Identification and Salience: defining the Principle of Who and What Really Counts”, Academy of Management Review, Vol. 22, No. 4, pp. 853 – 886.

Moon, J. and Muthuri, J. N. (2006), “An Evaluation of Corporate Community Investment in the UK: Current Developments, Future Challenges”, Charities Aid Foundation.

Moon, J., Muthuri, J. N. and Sandars, J. (2007), “The Role of Stakeholder Engagement in Corporate Community Investment”, Charities Aid Foundation.

Morris, T. and Wood, S. (1991), “Testing the Survey Method: Continuity and Change in British Industrial Relations”, Work, Employment and Society, Vol 5, No. 2, pp. 259-82.

Moss K. R. (1999), “From Spare Change to Real Change: The Social Sector as Beta Site for Business Innovation”, Harvard Business Review, May/ June, 77/3, pp. 122-132.

Mulligan, T. (1986), “A Critique of Milton Friedman’s Essay ‘The Social Responsibility of Business Is to Increase Its Profits’”, Journal of Business Ethics, Vol. 5, Iss. 4.

Muthuri, J. N., Chapple, W. and Moon, J. (2009), “An Integrated Approach to Implementing ‘Community Participation’ in Corporate Community Involvement: Lessons from Magadi Soda Company in Kenya”, Journal of Business Ethics, Vol. 85, pp. 431-444.

Neligan, C. (2003), *"Increasing Accountability Through External Stakeholder Engagement"*, One World Trust, London.

Ntaryike, D. (2009), "World Water Day: Michael Power Expected in Cameroon", The Herald Newspaper, Issue 2193, Mon 16 – Tues. 17. Accessed through www.theheraldcameroon.com/business.htm on 28 August, 2009.

Parry, J. E. H. (2004), "Community Involvement: An Internship at Experian UK and Analysis to determine if Corporate Community Involvement Leads to Employee Attraction and Improved Retention", MBA Dissertation, Nottingham University Business School.

Patton, M. Q. (2002), "Qualitative Research and Evaluation Methods", Third Edition, Sage, Thousand Oaks, CA.

Pedersen, E. R. (2006), "Making Corporate Social Responsibility (CSR) Operable: How Companies Translate Stakeholder Dialogue into Practice", Business and Society Review, Vol. 111, Iss. 2, pp. 137-163.

Peruzzo, C. (2008)' "Corporate/ Non-Profit Organizations Partnerships in France: A Critical Examination of the Motivational Factors Leading to Corporate-NGO Partnerships", MBA Dissertation, Nottingham University Business School.

Phillips, R. (1999), "On Stakeholder Delimitation", Business and Society Review, Vol. 38, pp. 32-34.

Phillips, R., Freeman, E. and Wicks, A. C. (2003), "What Stakeholder Theory Is Not", Business Ethics Quarterly, Vol. 13, Iss. 1, pp. 479-502.

Porter, M. E. and Kramer, M. R. (2006), "Society and Strategy: The Link Between Competitive Advantage and Corporate Social Responsibility", Harvard Business Review, December, pp. 78-92.

Porter M. E. and Kramer M. R. (2002), "The Competitive Advantage of Corporate Philanthropy", Harvard Business Review, December, pp. 57-68.

Robson, C. (2002), "Real World Research", Second Edition, Blackwell Publishers, Oxford.

Saunders, M., Lewis, P. and Thornhill, A. (2009), *"Research Methods for Business Students"*, 5th Edition, Pearson Education Limited, Essex.

Sekaran, U. (2003), *"Research Methods for Business – A Skills Building Approach"*, Fourth Edition, John Wiley and Sons, New York.

Sen, A (1997), "Economics, Business Principles and Moral Sentiments", Business Ethics Quarterly, Vol. 7, Iss. 3, pp. 5-15.

Solomon, J. (2007), *"Corporate Governance and Accountability"*, Second Edition, John Wiley and Sons Ltd, Chichester, pp. 265-298.

Starik, M. (1995), "Should Trees have Managerial Standing? Toward Stakeholder Status for non-human Nature", Journal of Business Ethics, Vol. 14, Iss. 3, pp. 207-217.

Strong, K. C., Ringer, R. C. and Taylor, S. A. (2001), "THE* Rules of Stakeholder Satisfaction (*Timeliness, Honesty, Empathy)", Journal of Business Ethics, Vol. 32, Iss. 3, pp. 219-230.

Sutton, R. I. and Staw, B. M. (1995), "What theory is not", Administrative Science Quarterly, Vol. 40, No. 3, pp. 371-84.

Tranfield, D., Denyer, D. and Smart, P. (2003), "Towards a Methodology for Developing Evidence-Informed Management Knowledge by Means of Systematic Review", British Journal of Management, Vol. 14, No. 3, pp. 207-22.

Tsai, P. C. F.; Yeh, C. R.; Wu, S. L.; and Huang, I. C. (2005), "An Empirical Test of Stakeholder Influence Strategy Models: Evidence from Business Downsizing in Taiwan", International Journal of Human Resource Management, Vol. 16, pp. 1862-1885.

Unerman, J. (2007), "Stakeholder Engagement and Dialogue", in Unerman, J., Bebbington, J. and O'Dwyer, B. (eds.), Sustainability Accounting and Accountability, Routledge, London.

UNDP (2008), "Statistical Update, Cameroon: The Human Development Index – Going Beyond Income". Downloaded from http://hdrstats.undp.org/en/2008/countries/country_fact_sheets/cty_fs_CMR.html on August 20, 2009.

United Nations (2009), "Report on the World Social Situation", July 20. Downloaded from http://daccessdds.un.org/doc/UNDOC/GEN/N09/414/02/PDF/N0941402.pdf?OpenElement on August 20, 2009.

Vermeylen, S. A. F. (2003), "Stakeholder Theory and the Corporate Discourse: An Analysis of the Stakeholder Engagement Strategies of Mining Corporations in Africa", MBA Dissertation, Nottingham University Business School.

Waddell, S. (2000), "A "Win-Win" Role for Civil Society in Business Strategy", Journal for Nonprofit Management, Vol. 4, Iss. 1, pp. 24-43.

Waddock, S. A. And Boyle, M. (1995), "The Dynamics of Change in Corporate Community Relations", California Management Review, Vol. 37, pp. 4125-140.

Ward, S. and Chapman, C. (2008), "Stakeholders and Uncertainty Management in Projects", Construction Management and Economics, Vol. 26, pp. 563-577.

Whadcock, I. (2008), "A stitch in Time: How Companies Manage Risks to Their Reputation", The Economist, January 17.

Wheeler, D. and Grayson, D. (2001), "Business and its Stakeholders", Journal of Business Ethics, Vol. 32, pp. 101-106.

Wilcox, D. (1994), *"The Guide to Effective Participation"*, Partnership Books, Brighton.

Wirdze E., (2008), “Cameroon: Guinness Advocates Development Responsibility”, 6 June. Downloaded from www.thepostnewsline.com on August 15, 2009.

Yin, R. K. (2009), “Case Study Research: Design and Methods”, Fourth Edition, Volume 5, SAGE Publications, Inc, CA.

Zadek, S. and Raynard, P. (2002), “Stakeholder Engagement: Measuring and Communicating the Quality”, Accountability Quarterly, Vol. 19, pp. 8-17.

Zikmund, W. G. (2000), “Business Research Methods”, Sixth Edition, Dryden Press, Texas.

Zöller, K. (1999), “Growing Credibility Through Dialogue: Experiences in Germany and the USA”, in M. Charter and M. J. Polonsky (eds.), *Greener Marketing: A Global Perspective on Greening Marketing Practice*, Greenleaf Publishing, Sheffield, pp. 196-206.

APPENDIX I: RESEARCH INFORMATION SHEET

Research Topic: **"Stakeholder Engagement in Corporate Community Investment: The Case of Guinness Cameroon s.a."** by **Melvin Kajum Bamuh**, Nottingham University Business School, UK – in part fulfilment for the degree of Master of Business Administration in Corporate Social Responsibility.

This information sheet is aimed at enlightening the management and staff of Guinness Cameroon s.a. (who may volunteer to provide information) on various information needs and seeks approval for the current research project. So far, a wide range of academic and practitioner information has been collected and used to develop a theory and construct a framework. The last phase of the research is to collect specific information on Guinness Cameroon s.a. and complete the write-up.

The research is strictly for academic purposes and all information provided as well as the research report will be treated as confidential.

1) **NATURE OF THE RESEARCH - The purpose** of the research is to:

Describe and explain the nature of stakeholder engagement in Guinness Cameroon's corporate community investment projects; and to identify the benefits and challenges of engaging stakeholders.

Develop a framework to help community investment practitioners to effectively manage the multiple (and often conflicting) expectations of stakeholders so as to maximise company and community benefits.

Funding: A GBP300.00 (three hundred sterling pounds) funding has been secured from the British Foreign and Commonwealth Office as part of the researcher's "Chevening Scholarship Award" research grant.

Expected participants:

- A senior management staff – to provide information on the overall corporate social responsibility/ community investment mission/ goals and the community investment strategy.
- Two community investment implementation personnel – to provide information on the purpose of engaging stakeholders at the emergence, implementation and closure stages of community investment projects as well as the stakeholders engaged and engagement strategies.
- Three representatives of different stakeholder groups that have been engaged in community investment projects – to provide information on their participation experience and the extent to which their expectations were met.

2) **BENEFITS FROM THE STUDY FOR GUINNESS CAMEROON.**

Guinness Cameroon stands to benefit from:

- A framework for effectively engaging stakeholders in community investment projects developed with input from the works of eminent scholars/ practitioners;
- Getting the views of other stakeholders which could be used to improve their engagement strategies and contribute to organisational learning; and
- Get proposals on how to enhance its existing stakeholder engagement practices in community projects so as to improve company and community satisfaction.

3) **INFORMATION REQUIREMENTS AND PARTICIPATION**

Information will be collected by questionnaires and/ or interviews – based on the convenience of each participant. A sample questionnaire is attached regarding the specific information that will be required. Other documents to provide further information shall be highly appreciated, such as: the 2008 annual report, social and community investment reports, corporate social responsibility strategy, and community investment policies/ guidelines.

Given that the deadline for submission of my final research project is September 11, 2009, it is my wish that the relevant information is provided by September 04, 2009. Participants are free to send the required information through email or determine when they can be contacted for telephone interviews (which will last approximately 15 minutes). Participants have the right to decline from answering questions that may result in any harm to the participant/ organization.

Participants may prefer to remain anonymous as no personal information will be provided in the final report. Participants may also withdraw at any time during the research project.

4) **MANAGEMENT OF DATA COLLECTED**

No copy of the research report will be displayed in any public outlet, not even in the school library. A copy of the report will be sent to Guinness Cameroon s.a.

The data collected will be destroyed upon completion of the research project in line with the data processing and storage laws in the UK and Cameroon.

For any questions about the research, feel free to contact: Melvin Kajum Bamuh, Nottingham University Business School, melvinbamuh@yahoo.co.uk.

APPENDIX II: INTERVIEW QUESTIONS TO CSR MANAGEMENT/ STAFF

Title of study: **"Stakeholder Engagement in Corporate Community Investment: The Case of Guinness Cameroon s.a."**

The information collected is strictly for **academic purposes** and shall be **kept confidential**. Responses can be provided in either English or French. Place a tick in the appropriate box or provide explanations where relevant.

What is your job position and role in community investment activities?___________________________

1) What is Guinness Cameroon's motive for investing in local community projects? ____

2) What are the main local community problems that Guinness Cameroon has so far identified? ____

3) What are the key motives for Guinness Cameroon's engagement of stakeholders in community investment activities? ____

4) Who initiates and manage the stakeholder engagement process? ____

5) What business benefits do you consider when selecting community projects? ____

Emergence stage of a project (that is, project identification, appraisal and selection)

6) What is your purpose for engaging stakeholders at the emergence stage of a project?

☐ To inform stakeholders about the projects that Guinness has identified, appraised and selected.

☐ To seek advice on the projects to undertake and Guinness makes the final selection.

☐ To involve them in the decision-making process of identifying, appraising, and selecting projects.

Others: ____

7) Which stakeholders do you engage at the emergence stage?

Consumers ☐ Employees ☐ Business Partners (suppliers, distributors, contractors, retailers etc) ☐

Government departments ☐ Municipal Councils ☐ NGOs ☐ Traditional Councils ☐ Community development organizations ☐ Media ☐ Others: ____

8) Why do you choose to engage with each stakeholder group mentioned in 7 above?

They are most influential/ powerful ☐ they have legitimate rights (indigenous groups) ☐ they have urgent claims related to our business ☐ Others____

9) Which stakeholder engagement strategies do you use at the emergence stage?

Press releases ☐ Briefing sessions ☐ Company website ☐ Company social reports ☐ Community Surveys ☐ Questionnaires ☐ Interviews ☐ Workshops ☐ Focus groups ☐ Bargaining ☐

Task Force ☐ Advisory panels ☐ Constructive dialogues ☐ Strategic Alliances ☐

Others (please specify):____

Project Implementation Phase (that is, project design, execution, monitoring and evaluation, and communication and reporting)

10) What is your purpose for engaging stakeholders at the project implementation stage?

☐ To inform stakeholders about the implementation mechanisms that Guinness has established.

☐ To seek advice on how to go about implementing projects and Guinness makes the final decision.

☐ To jointly make decisions with stakeholders at all levels of implementation.

Others: ____

11) Which stakeholders do you engage at the implementation stage of community projects?

Consumers ☐ Employees ☐ Business Partners (suppliers, distributors, contractors, retailers etc) ☐

Government departments ☐ Municipal Councils ☐ NGOs ☐ Traditional Councils ☐ Community development organizations ☐ Media ☐ Others: ____

12) Why do you choose to engage with each stakeholder group mentioned in 11 above?

They have the relevant expertise ☐ they have legitimate rights (indigenous groups) ☐ they have urgent claims related to our business ☐ Others____

13) Which engagement strategies do you use at the implementation stage?

Press releases ☐ Briefing sessions ☐ Company website ☐ Company social reports ☐ Community Surveys ☐ Questionnaires ☐ Interviews ☐ Workshops ☐ Focus groups ☐ Bargaining ☐

Task Force ☐ Advisory panels ☐ Constructive dialogues ☐ Strategic Alliances ☐

Others (please specify):____

Closure stage (at this stage project outcome is known and overall evaluation is made)

14) Do you evaluate projects upon completion? Yes ☐ No ☐

15) What are the main reasons for community project evaluation? ____

16) What is your purpose for engaging stakeholders at the closure stage of a project?

☐ To inform stakeholders about the project outcome and evaluation that Guinness has made.

☐ To involve stakeholders in the project evaluation and Guinness does the final evaluation.

☐ To actively involve stakeholders in the overall evaluation and reporting.

Others: ____

17) Which stakeholders do you engage at the closure stage of a project?

Consumers ☐ Employees ☐ Business Partners (suppliers, distributors, contractors, retailers etc) ☐

Government departments ☐ Municipal Councils ☐ NGOs ☐ Traditional Councils ☐ Community development organizations ☐ Media ☐ Others: ____

18) Which stakeholder engagement strategies do you use at the closure stage?

Press releases ☐ Briefing sessions ☐ Company website ☐ Company social reports ☐ Community Surveys ☐ Questionnaires ☐ Interviews ☐ Workshops ☐ Focus groups ☐ Bargaining ☐

Task Force ☐ Advisory panels ☐ Constructive dialogues ☐ Strategic Alliances ☐

Others (please specify):____

19) What benefits accrue to Guinness Cameroon when they engage stakeholders in community investment projects?____

20) On the whole, what has been the level of satisfaction derived from engaging stakeholders in community projects?

☐ Fully satisfied as company and stakeholder goals are always maximised.

☐ Satisfied as company goals were realised while some stakeholders are also satisfied.

☐ Unsatisfactory for most stakeholders although basic company goals were achieved.

21) How do you resolve on which project to choose when there is a conflict in the views of stakeholders? ____

22) What are the other challenges faced when engaging stakeholders at the:

Emergence phase____

Implementation phase____

Closure phase____

23) How has stakeholder engagement in community investment projects impacted on Guinness Cameroon's decision-making and policies?

APPENDIX II: INTERVIEW QUESTIONS TO STAKEHOLDER REPRESENTATIVES

Title of study: **"Stakeholder Engagement in Corporate Community Investment: The Case of Guinness Cameroon s.a."**

The information collected is strictly for **academic purposes** and shall be **kept confidential**. Responses can be provided in either English or French. Place a tick in the appropriate box or provide explanations where relevant.

1)Has Guinness Cameroon ever engaged you in their community investment project(s)?

2) When did they engage you (year) and for which project?

3) Which stakeholder group did you represent?

4) Does your group think that it is proper for a business to carryout community project, rather than focus solely on their business activity?

5) Did Guinness explain clearly the purpose for engaging you and did they give you the opportunity to initiate engagement with them?

6) What were your expectations from the project?

7) Where you engaged at the emergence stage (project selection), implementation, completion stage, or throughout the project?

8) How was the different engagements done? Through meetings, questionnaires, workshops, newsletter announcement, letters, etc.

9) Which other stakeholders were represented?

10) Do you think that the voices of some stakeholders over shadowed those of other groups? What was the main reason?

11) How do you think Guinness can improve upon its engagement process?

12) At the end of the project, were you satisfied that the objectives of the group you represented were met?

13) Was there any mechanism through which grievances could be aired in case a stakeholder was dissatisfied?

14) Would you participate again if invited?

15) Have you ever worked with any other company to implement a community project(s)? Yes/ No

16) If yes, how would you rate their engagement processes with that of Guinness Cameroon?