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Increasing Giving, Philanthropy, Corporate Social Investment & Volunteering in Southern Africa

Mandela Day – Moving from Charity to Sustainable Development July 2014

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This Mandela Day there was an unprecedented outpouring of generosity and action among employees from businesses large and small: children received books, classrooms were painted, blankets and gifts were delivered, nutritious food was distributed and donations were raised and shared in less privileged communities.

These volunteer actions, largely charitable in nature, must be recognised and valued: real and immediate needs of NGOs and communities were addressed as corporate employees bore witness to the every-day struggles of fellow citizens. However in addition to these undoubtedly beneficial activities, Mandela Day also provides South Africans with a unique pathway to ongoing civic participation. Anecdotal evidence shows that once people have volunteered for the first time – even if only for 67 minutes, they are more likely to integrate volunteering into their lives and the lives of their colleagues and families. This is a critical transition, since Mandela Day is a call to service for a lifetime, not just for ‘67 minutes’. And while no contribution is too small, and all action to be applauded, the challenge of Mandela Day is to move beyond ‘once-off’ and ‘short-term’ charitable activities, and to become leaders in social change. As business frontrunners Bobby Godsell and James Motlatsi stressed in 2013 when launching their Citizens’ Movement, ‘A good society is built by active citizens’.

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With South Africa now rated as one of the most unequal societies in the world, Madiba's call to South Africans is more urgent than ever. According to a [2013 OECD report](#), income inequality has not been reduced since the dawn of the new democratic dispensation 20 years ago. While there is still grave inequality based on ethnicity, within race income inequality has also increased. Noting these deep economic and social divides, University of the Witwatersrand Vice Chancellor Professor [Adam Habib](#) has emphasised, 'If we do not address inequality in this country, it will burn. Sooner or later, it will burn'.

Given that business has a vested interest in the country's stability, how then can companies and their employees help craft a more stable, equitable and socially just society through their every-day actions, not just on Mandela Day?

Ensuring that Mandela Day is grounded in a more sustained and programmatic approach to corporate employee community involvement (ECI) is one way. Through such programmes, companies can create a multiplicity of avenues for employees to give of their time and resources in a way that draws on their personal passion but is also aligned with business values and imperatives.

Ideally, programmes should be aligned with business purpose and founded on 360 degree stakeholder engagement that specifically includes potential social partners from within civil society. If companies embed this strategic and inclusive process within their management culture, then their CSR programmes, including employee community involvement, are more likely to build shared value that benefits both companies and society.

Harvard Business Review contributor Mark Kramer, who has written extensively on shared value, argues that shared value happens at the '*nexus of corporate assets and expertise, business opportunities and social need*'. This suggests that employee volunteering, as well as corporate social responsibility and investment more broadly, can develop beyond the charitable, once-off '*handout*' model, and strategically leverage corporate skills and resources, thus contributing to alleviation of socio-economic development challenges.

What does this mean for the potential for shared value creation as an element of South African corporate social responsibility? While many South African companies and their employees still prefer making 'charitable' contributions, there is also a growing consciousness that corporate social responsibility action can and should contribute to national development imperatives and social change. Visionary company leaders now use their powerful positions to speak out for this more strategic view.

At a recent National Business Initiative (NBI) co-hosted meeting, Margaret Coady, CEO of a New-York based coalition of 150 CEOs of the world's largest companies, highlighted the potential leadership role of CEOs in these matters. Coady noted that CEOs are usually in the best position to communicate social issues that are material to the business: given their status within the company, and by association in the broader public arena, CEOs are best able to convey how success for the company is integrally linked to the wellbeing of society. This can be a source of competitive advantage alongside the underlying moral imperative.

FirstRand CEO Sizwe Nxasana, who has often spoken of his belief that social transformation is an essential measure of business performance, noted: *"CEOs who are leaders in social change get involved because it's something that they enjoy and it wakes them up in the morning..."*. In regard to employee volunteering at FirstRand Nxasana said *"I have challenged the employees – the company contributes more than 1% of net profit after tax. I want you to contribute 1% of your time – three days a year. If 32 000 FirstRand employees gave three days a year, that's 100 000 person days"*. Relating the question of volunteering back to the national agenda Nxasana continued, *"We've started taking a bolder and more ambitious approach. We want to be part of changing the system and this requires a fundamental change in our own thinking."*

Indeed, Mandela Day should inspire action, but also reflection about what more we can do, as companies and individuals, to confront the root causes of inequality and the social injustices that remain intractable features of the South African landscape. For example, in addition to support for the usual basket of CSI causes, companies could consider supporting NGOs that strive to address social injustice at a systemic level. Mandela himself famously stated that *'Overcoming poverty is not a task of charity; it is an act of justice'*.

Other strategies might include formalising employee volunteering programmes that link with business strategy; including in those programmes the opportunity for skilled professionals to contribute their expertise rather than simply 'getting their hands dirty'. NGOs can usually do manual tasks such as cleaning and repairs themselves, but traditional business skills such as financial planning are often in scarce supply. Companies could also use their communications machinery to raise awareness about human rights issues on Mandela Day, and encourage staff to make longer term commitments to active citizenry and the transformative potential of business.

With the creativity, commitment, resources and skills of business leaders, managers responsible for the various facets of CSR, employee volunteering practitioners, and staff volunteers, undoubtedly much can be accomplished. As Professor Njabulo Ndebele, Chairman of the Nelson Mandela Foundation recently noted: *'Of course the heart of*

Mandela Day is not about numbers and statistics. It is about building sustainable cultures of service, overcoming alienation, and inspiring people to change their societies so that fundamental systemic issues are addressed'.