

# What social impact will your company make this year?

By [Nick Rockey](#), issued by [Trialogue](#)

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Companies are increasingly viewing themselves as agents of change rather than mere economic entities. As corporate social investment (CSI) evolves to become core to business, will we view its contribution in a different light? We explore what the future holds.



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Corporate social investment (CSI) – a component of corporate impact in South Africa – has undergone major shifts over the past few decades.

From its early days of charitable giving to its more recent professionalised approach, CSI has become increasingly strategic, focusing on meaningful gains for both society and business itself.

This is a sound strategy. With companies now viewed as the most competent, ethical and trustworthy institutions in society, according to the [2023 Edelman Trust Barometer Global Report](#), business has a real opportunity to reshape the socioeconomic landscape and assure its own sustainability in the process.

But what does business need to do to drive systemic change in South Africa, and can it leverage CSI programmes to make a meaningful difference?

Companies need to look beyond programmatic funding and isolated learnings if they want to influence policy and practice and shape the broader landscape in a particular area of development. It will be a challenging path, but seeing business collaborating to assist government in overcoming some of our country's major challenges has proved that collective action can deliver impact for the whole of society.

## A brief overview of CSI

Trialogue has [charted the course of CSI](#) in South Africa over the years, from what we term CSI 1.0 to CSI 3.0.

**CSI 1.0 – Charitable giving.** CSI 1.0 was characterised by philanthropic giving, but its reactive, welfarist approach meant there was little strategic intent or alignment to the business. Giving was largely responsive and only incidentally part of a largely transformative effort.

**CSI 2.0 – Strategic CSI.** This saw grantmaking becoming more strategic, with companies investing in flagship projects that aligned with their values and strategies. The focus was no longer merely 'doing good' but bringing about meaningful societal change, alongside benefits for the business.

**CSI 3.0 – Leveraged CSI.** This sees companies taking a more holistic approach to development and collaborating to achieve more ambitious goals. It leverages both the internal skills, assets and competencies of the company, as well as those of external partners and ensures that efforts are monitored and measured and lessons learned are shared widely.

CSI is increasingly becoming part of a company's brand proposition, rather than just a noteworthy extension of its objectives. This means business leaders need to rethink their approach to CSI, and ensure their current programmes are both fit for purpose and meeting their strategic objectives.

### **Strategic CSI leads the way**

It's important to understand that CSI 3.0 is not a 'new model' that renders the other models obsolete.

The relevance of CSI 2.0 will not wane, and strategic CSI remains an effective way to deliver impact for both communities and companies themselves. By aligning CSI to the business, companies can improve stakeholder relations and even gain competitive advantage. In addition, collective effort may not make sense for every company, given the complexity and long-term commitment required.

Companies should be deliberate about how each approach might fit into their strategy. They should think about when and how they give, and how best to leverage their budgets.

For example, they could choose to allocate a percentage of spend to charitable CSI to cater for requests and events, a larger portion to well-aligned strategic CSI, and another portion to leveraged CSI to focus on longer-term systemic change.

Companies already running successful strategic programmes need not fold their initiatives into broader collective efforts – they may prefer strategic collaboration to the challenges of collective endeavour.

However, there are advantages to leveraged CSI that may be worth exploring.

### **Leveraged CSI to effect systemic change**

As CSI becomes an integral part of the business, programmes will no longer be viewed as 'add-ons' that align with business goals and strategic objectives. Instead, companies will leverage internal assets, skills and competencies alongside external expertise, data, and collaborations to expand their reach and impact.

This may mean investing in fewer, broader programmes reflecting the priorities of the core business, with enhanced strategic relevance and longevity. It may mean working with stakeholders who are specialists in specific sectors or systems, advancing existing practice rather than trying to bring about change in isolation.

Stakeholders will work towards a common goal, but this will entail a more complex, nuanced approach to manage stakeholder interests and relationships. It will also involve funding research, measurement, [knowledge-sharing](#) and networking activities – not areas that corporates have traditionally supported.

These shifts may not be appropriate for every company, and business leaders should carefully evaluate their approach, ensuring they have the appetite, skills and network to become 'engines of change' rather than companies that 'do good'. Dialogue can assist companies with such an evaluation – however, the first step is to consider your strategic goals as a business, then think about how your CSI programme can be integrated and used to support these goals.

- Listen to Nick Rockey and Mary-Jane Morifi, chief of corporate affairs and sustainability at Tiger Brands, discuss

strategic CSI. Tiger Brands won the Trialogue Strategic CSI Award 2022 for its EduPlant programme.

- Download the 26th edition of the [Trialogue Business in Society Handbook](#) to read more about leveraged CSI.

## ABOUT THE AUTHOR

Nick Rockey is the managing director at Trialogue.

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