UNIVERSITY OF GHANA

CORPORATE SOCIAL RESPONSIBILITY (CSR) IN THE GHANAIAN GOLD MINING INDUSTRY: DOES LEADERSHIP MATTER?

BY

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THIS THESIS IS SUBMITTED TO THE UNIVERSITY OF GHANA IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF MPHIL HUMAN RESOURCE MANAGEMENT DEGREE.

JUNE, 2016
DECLARATION

I do hereby declare that this work is the result of my own research and has not been presented by anyone for any academic award in this or any other university. All references used in the work have been fully acknowledged. I therefore bear sole responsibility for any shortcomings.
CERTIFICATION

I hereby certify that this work was supervised in accordance with procedures laid down by the University of Ghana.

……………………………
……………………………

DR. KWASI DARTEY-BAAH                           DATE
(SUPERVISOR)
DEDICATION

This work is dedicated to the Almighty God, the giver of grace and gifts, to my mum, siblings and friends for their investment in me and, to my team of savvy-leaders at DreamsAfrica for their leadership and faith in Africa.
ACKNOWLEDGEMENT

My outmost appreciation goes to God Almighty for His grace and for the gift of life.

I gratefully acknowledge and express my profound gratitude to all those who made this work possible.

My since appreciation to my supervisor Dr Kwasi Darley-Baah who painstakingly guided me through this research. For his constructive criticisms, encouragement and commitment, I am thankful. You have been a father, a mentor and dependable counselor.

I wish to also register my admiration to all faculty members of the Organisation and Human Resource Management department of the University of Ghana Business School. To Dr. Aminu Sanda - my alternate supervisor, Dr. Ampomah Tawiah, Prof. Dan. Ofori, Dr. James Abigri, Dr Yvonne A. Lamptey, Dr Obi Berko and, Mr. Aaron Ametorwu, I am grateful for your support and beautiful intellects which shaped the outcome of my work.

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Thank you to all the CSR managers and the CSR officers at Chirano Gold Mines, Golden Star Resources, AngloGold Ashanti, GoldFields Ghana Limited Tarkwa and Damang, especially Madame Florence Frema Ansere-Bioh, Mr Adel-Razak and the mining communities. For your warm reception and your willingness to participate graceful in this research, I say God bless you all.
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<tr>
<td>AGA</td>
<td>AngloGold Ashanti</td>
</tr>
<tr>
<td>AGC</td>
<td>Ashanti GoldFields Corporation</td>
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<tr>
<td>BECE</td>
<td>Basic Education Certificate Examination</td>
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<tr>
<td>CBOs</td>
<td>Community based Organisation</td>
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<td>CCC</td>
<td>Community Consultative Committee</td>
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<td>CCPA</td>
<td>Centre for Corporate Public Affair</td>
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<tr>
<td>CIL</td>
<td>Carbon-In-Leach</td>
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<td>CMCC</td>
<td>Community Mine Consultative Committee</td>
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<td>CSR</td>
<td>Corporate Social Responsibility</td>
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<td>CSRM</td>
<td>Corporate Social Responsibility Movement</td>
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<td>CSO</td>
<td>Civic Society Organisation</td>
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<td>DGM</td>
<td>Damang Gold Mine</td>
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<tr>
<td>DCE</td>
<td>District Chief Executive</td>
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<td>EIA</td>
<td>Environmental Impact Assessment</td>
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<td>Environmental Protection Agency</td>
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<td>ERP</td>
<td>Economic Recovery Program</td>
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<td>GCM</td>
<td>Chirano Gold Mines</td>
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<td>Abbreviation</td>
<td>Full Name</td>
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<td>GFGL</td>
<td>Goldfields Ghana Limited</td>
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<td>GFGL-D</td>
<td>GoldFields Ghana Limited Damang</td>
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<tr>
<td>GFGL-T</td>
<td>GoldFields Ghana Limited Tarkwa</td>
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<td>GFL</td>
<td>Goldfields Limited</td>
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<tr>
<td>GIPC</td>
<td>Ghana Investment Promotion Centre</td>
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<td>GSR</td>
<td>Golden Star Resources</td>
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<tr>
<td>GM</td>
<td>General Manager</td>
</tr>
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<td>GRI</td>
<td>Global Reproting Initiative</td>
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<td>GSTS</td>
<td>Ghana Secondary Technical School</td>
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<td>GSE</td>
<td>Ghana Stock Exchange</td>
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<tr>
<td>GTZ</td>
<td>Gesellschaft fur Technische Zusammenarbeit</td>
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<tr>
<td>ICT</td>
<td>Information, Communication, Technology</td>
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<tr>
<td>IFC</td>
<td>International Finance Corporation</td>
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<tr>
<td>IIED</td>
<td>International Institute for Environment And Development</td>
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<td>ILO</td>
<td>International Labour Organisation</td>
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<td>ISCT</td>
<td>Integrative Social Contract Theory</td>
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<td>ISO</td>
<td>International Organisation for Standardisation</td>
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<tr>
<td>LCs</td>
<td>Local Companies</td>
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<td>JHS</td>
<td>Junior High School</td>
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<td>MCE</td>
<td>Municipal Chief Executive</td>
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<td>MLQ</td>
<td>Multifactor Leadership Questionnaire</td>
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<td>MNCs</td>
<td>Multinational Corporations</td>
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<td>NASDAQ</td>
<td>National Association of Securities Dealers Automated Quotations</td>
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<td>NCCE</td>
<td>National Commission for Civic Education</td>
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<td>NGOs</td>
<td>Non-Governmental Organisations</td>
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<td>NYSE</td>
<td>New York Stock Exchange</td>
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<td>NYX</td>
<td>Euronext</td>
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<tr>
<td>OASL</td>
<td>Office of the Administrator of Stools</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Co-Operation and Development</td>
</tr>
<tr>
<td>OSHA</td>
<td>Occupational Safety and Health Administration</td>
</tr>
<tr>
<td>PMMC</td>
<td>Precious Minerals Marketing Corporation</td>
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<tr>
<td>PNDCL</td>
<td>Provisional National Defence Law</td>
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<tr>
<td>PRIME</td>
<td>Principles for Responsible Management and Education</td>
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<tr>
<td>R (1,2,3,4,5,6)</td>
<td>Respondents</td>
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<tr>
<td>Acronym</td>
<td>Definition</td>
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<tr>
<td>SD</td>
<td>Sustainable Development</td>
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<td>SET</td>
<td>Social Exchange Theory</td>
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<td>SWX</td>
<td>Swiss Exchange</td>
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<td>TEMYC</td>
<td>Tema Municipal Youth Coalition</td>
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<tr>
<td>TGM</td>
<td>Takwa Gold Mine</td>
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<tr>
<td>TSX</td>
<td>Toronto Stock Exchange</td>
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<tr>
<td>UGBS</td>
<td>University of Ghana Business School</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
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<td>UNGC</td>
<td>United Nations Global Compact</td>
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<tr>
<td>U.S.A</td>
<td>United State of America</td>
</tr>
<tr>
<td>VP</td>
<td>Vice President</td>
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<tr>
<td>VSP</td>
<td>Vice President of Stakeholder Relations</td>
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<tr>
<td>WASAN</td>
<td>Water and Sanitation</td>
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<tr>
<td>WBCSD</td>
<td>World Business Council for Sustainable Development</td>
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<tr>
<td>WCED</td>
<td>World Commission on Environment and Development</td>
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ABSTRACT

This study examined the leadership styles of the CSR managers of selected multinational gold mining companies and their CSR activities in Ghana. Thirty-five respondents were interviewed and purposively selected from GoldFields Ghana Ltd, AngloGold Ashanti, Chirano Gold Mine and Golden Star Resources Ltd. The study showed that leadership is very essential for the effective implementation of CSR initiatives. The study identified transformational leadership style as the most appropriate in the context of the mining industry as it enhanced the development of the CSR concept and helped to mitigate the impact of mining activities on the communities. The study showed that transactional leadership style contributed potentially to CSR initiatives, however, it was not as effective and efficient as transformational leadership style which was the dominant leadership style employed by CSR managers. The study also revealed that there has been high awareness of CSR among the managers in the Ghanaian gold mining industry. The awareness and conceptualization of CSR in the gold mining industry was however skewed towards issues of acquisition and retention of social licence, community development and community engagement. Again, the study revealed that the mining companies sought win-win CSR outcomes in their relationship with the mining communities by largely employing transformational leadership style. Additionally, the study identified that most mining companies have established leadership structures and CSR funding formulae which promoted CSR initiatives, ensured trust, respect, accountability, transparency and democratic interaction between the companies and stakeholders. While the CSR policies were formulated by the company boards, the contents of the policies were fed by the CSR managers and the mining communities through research. The study further showed that there were many motivating or promotional factors for carrying out CSR in the mining industry, there were also hindering factors. The promoting factors include regulatory bodies and their legal requirements, security and social legitimacy, geographical locations and cultural values, mitigation, shared value propositions, legacy and De facto governance. The hindering factors however include speculative activities, ‘galamsey’ and ‘politics of the mine’, illiteracy and laziness, bureaucracy, perceptions of mistrust. More so, the study showed that CSR initiatives of most gold mining companies were underpinned by the legitimacy theory, social exchange theory and social contract theory. The study recommends that the HR departments of mining companies train CSR managers and officers in the practice of transformational leadership and, in the the practice of legitimacy, social contract and social exchange theories to help the companies optimise their CSR activities. Again, the study proposes that the government partner with mining companies with specific developmental initiatives for the mining communities. The findings make significant addition to existing knowledge on the dynamics of leadership on CSR practice in mining firms in Ghana and Africa.
CHAPTER ONE

INTRODUCTION

1.1 Background of the study

The repercussions of corporate scandals of Enron, WorldCom, Tyco International in the past decades (Freeman, Wicks & Parmar, 2004) and in recent times, Volkswagen, which involved senior leadership (Barrett et al., 2015) amidst the global financial crisis have brought corporate governance and the leadership of organisations under high scrutiny. This has led to myriad critical questions about the leadership of corporations and the commitment of business leaders to the ideals of Corporate Social Responsibility (CSR). CSR has gained recognition and importance among major management scholars, business organisations, governments, national policy makers, international institutions and other stakeholders. It brings to the fore the task of creating a more equitable and sustainable development. It also creates enormous opportunities to organisations as well as poses serious challenges.

Today, many organisations are in a dilemma of maximising shareholder and stakeholder value when it comes to the relationship between organisations and society (Garriga & Melé, 2004; Cetindamar & Husoy, 2007). While many scholars and organisations consider CSR as the voluntary actions or initiatives taken by businesses to address social, economic, environmental and other discretionary issues of their operations for profits, others see it as the ethically sound initiatives by established organisations to promote a decent and peaceful society (Broomhill, 2007; Matten & Moon, 2008).
In an era where many more organisations are embracing the concept than previously, literature suggests that the CSR challenges and problem of implementation deserve greater attention from managers (Dhaliwal et al., 2011; Arvidsson, 2010; Sawani, Zain & Darus, 2010; Prado-Lorenzo, Gallego-Alvarez & Garcia-Sanchez, 2009). Managers are encouraged to lead the most appropriate means to use funds invested, and to consider the expectations of stakeholders and perspectives of shareholders (Hinson & Ndhlovu, 2011; Jackson & Apostolakou, 2009). It is arguably no longer enough for organisations to simply give employment to people, make profits and fulfill tax obligations to governments. Organisations are now expected to be accountable to society and to act responsibly for the benefit of society as a whole.

With the growing advocacy for ethical business environment, sustainability and the increasing number of international standards that organisations have to adhere to including the UN Global compact (UNGC) (Konrad et al., 2008), one wonders whether shareholders would continuously invest with socially irresponsible and fraudulent organisations. Would an organisation attract the best of talents and professionals if it were considered unethical in its business operations? Would an organisation be considered a leading organisation if it were constantly embattled and its stakeholders deserted it? Indeed, when stakeholders withdraw their support from an organisation, the organisations’s operation will be adversely affected (Clarkson, 1995). Businesses and stakeholders today keenly look up to leadership that upholds the principles of CSR and ensures the organisations reputational capital (Barrett et al., 2015; Strand, 2011; Hernandez, 2008). This is partly because many businesses have observed that CSR is consequential to the followership that an organisation rallies. Organisations or corporations largely depend on the goodwill of stakeholders for business success and, the shareholders are
not the only stakeholders of an organisation. An organisation’s stakeholders who may also be described as the followers of the organisation include all persons who have interest(s) in the existence and the operations of the organisation as they are affected by the organisations’s actions and inactions. These stakeholders or followers include shareholders or investors, media, community members, employees of the organisation, customers, suppliers, government, pressure groups, etc (CIM-UK, 2004). The stakeholders, both internal and external look up to a responsible leadership of the organisation of their interest. This is arguably because the image of an organisation and its mode of operations at any given time impact on the stakeholders as well as the business.

As observed by Block (1993), managers are stewards who have some responsibilities towards stakeholders. These managers and leaders of organisations are seen as very influential as they occupy powerful positions that can determine the outcome of stakeholders’ expectations. Their access to information, their networks and channel of resources give them much advantages compared to their stakeholders. Stakeholders therefore expect that in carrying out their duties in the interest of theirs organisations, the managers will be ethically responsible and lead with integrity for the good of the communities or society of which they are themselves part of. These account for the indispensable link or relationship between the systems of governance of organisations and their CSR activities towards society or the stakeholders. While responsible leadership generally enhances organisation’s competitiveness and performance, the CSR initiatives implemented by the managers of business organisations strengthen their core relationship with the stakeholders. It ensures their well-being and it enhances the sustainable growth of the organisation (Knox & Maklan, 2004).
Central to the argument for sustainable leadership and CSR of businesses or an enduring relationship between business and society is the prevailing case for this study of the style(s) of leadership and CSR initiatives of the gold mining companies in Ghana. The study takes a critical look at the possible connection between leadership styles and the CSR initiatives of the Ghanaian gold mining industry. This study examines the leadership styles of 5 CSR managers of 4 selected multi-national gold mining companies in Ghana and their CSR initiatives.

1.2 Research Problem

Nyuur, Ofori and Debrah (2012) in a study on the hindering and supporting factors to CSR in Sub-Saharan Africa (SSA) identified ‘leadership and governance’ as one of the nine key promoting and hindering factors of CSR in SSA. Yet again, Dartey-Baah and Amponsah-Tawiah (2011) in a study on the limits of Western CSR theories in Africa argued that the application of Western theories in Africa is not only limited by Africa’s CSR drivers but also limited by its cultural and managerial traits. The identification of leadership and governance by Nyuur, Ofori and Debrah (2012) and, managerial traits by Dartey Baah and Amponsah-Tawiah (2011) as drivers of CSR in Africa bring to fore the need to specifically study how leadership and the leadership styles are directly linked to CSR initiatives. This research therefore critically considers how the leadership styles of the CSR managers of 4 selected multi-national gold mining companies in Ghana influence the companies’ CSR initiatives.

Additionally, although several studies have been conducted by some Ghanaian scholars on CSR in Africa (Nyuur, Ofori & Debrah, 2012; Dartey-Baah & Amponsah-Tawiah, 2011), CSR in Ghana (Amponsah-Tawiah & Dartey-Baah, 2012; Ofori & Hinson, 2007) and CSR in the
banking sector in Ghana (Ofori, Nyuur & S-Darko, 2014) none looked at the leadership styles and CSR in the Ghanaian mining industry. The closest study on the connection between leadership and CSR focused generally on leadership and CSR across organisations. A study by Ofori (2010) considered the attitudes of executive and management on social responsibility and ethics in Ghana, and, Abugre (2014) also examined managerial role in organisational CSR. The dearth of literature on leadership styles and CSR in Ghana therefore calls for comprehensive studies on leadership styles and CSR. This study largely explores the leadership styles of CSR managers in the Ghanaian gold mining industry and their CSR initiatives to help bridge the literature gap.

Furthermore, in recent times, concerns about the CSR of businesses have become issues of great concern in many countries and industries, none more so than the mining industry (Jenkins & Yakovleva, 2006). Though extant literature (Amponsah-Tawiah, & Dartey-Baah, 2011; Akabzaa, 2009, 2000, 2001; Aryee, & Aboagye, 1997; Aryee, 2001; Bush, 2009; Gyampo, 2014; Harkinson, 2003, Hilson, & Clifford, 2010; Iddirisu, & Tsikata, 1998; Jonah, 1987; Strongman, 1994; Yakovleva, 2007) over the years have focused on the mining sector with few literatures on CSR and mining (Jenkins, & Yakovleva, 2006) no studies has specifically been conducted on the leadership styles and CSR in the Ghanaian mining industry. Studies on CSR in Ghana have focused more on the financial industry in Ghana than any other industry. This is evident in the works of Ofori, Nyuur and S-Darko (2014) who recommended that more research should be conducted on the CSR phenomenon in the other sectors part from the banking sector. This research therefore focuses comprehensively on the CSR of the Ghanain gold mining companies and the leadership styles of the CSR managers the region.
Yet again, with the exception of Ofori (2010), most of the researches conducted on CSR and leadership in Ghana (Abugre, 2014; Ofori, 2010) and many other studies on CSR in Africa and Ghana (Ofori, Nyuur & S-Darko, 2014; Nyuur, Ofori & Debrah, 2012) have used the quantitative research method. Waldman et al. (2006b) who extensively looked at transformational leadership and CSR also employed quantitative research method. Waldman et al. (2006b) however encouraged future quantitative and qualitative researches that directly assess the role of leadership in CSR formulation and implementation at multiple levels of analyses. Waldman et al. (2006b) believed that researches along these lines could help provide a richer understanding of linkages between leadership and CSR across the levels of an organisation. Again, Waldman et al. (2006b) claimed that leadership and CSR relationships may be more appropriate for study at lower units of analysis (e.g., divisional level) and, also the Board level as CSR activity may be related to the actions and philosophy of the board of directors rather than just the CEO.

This research sought to fill the knowledge gap on CSR and leadership in the gold mining industry in Africa and Ghana.

1.3 Research objectives

The main objective of the study is to assess the style(s) of leadership of 4 multi-national gold mining companies in Ghana and their CSR initiatives. The gold mining companies include Gold Fields Ghana Limited (Tarkwa and Damang), AngloGold Ashanti, Chirano Mine and Golden Star Resources Limited. In order to achieve this objective, the study is underpinned by the following specific objectives:
1. To understand how CSR is conceptualised in the Ghanaian gold mining industry.
2. To determine the source of CSR policies in the Ghanaian gold mining industry.
3. To identify the drivers of leadership of CSR in the Ghanaian gold mining industry.
4. To determine the level of involvement of communities in the CSR of the gold mining companies.
5. To determine the style(s) of leadership employed by CSR managers for CSR initiatives in the Ghanaian gold mining companies.

1.4 Research Questions

To achieve the research objectives, the study examines and discusses the following research questions:

1) How is CSR conceptualised in the Ghanaian gold mining industry?
2) What are the sources of CSR policies in the Ghanaian gold mining industry?
3) What influences CSR intervention in the Ghanaian gold mining industry?
4) To what extent are communities involved in the CSR activities of the gold mining companies in Ghana?
5) What leadership style is dominant among CSR managers in the Ghanaian gold mining companies?

1.5 Significance of Study

The study would add to the growing sub-Saharan African literature on CSR particularly in Ghana, thereby enhancing our present understanding of how the mining industry in Ghana conceptualise CSR and the influence of the style(s) of leadership on CSR initiatives. Also, the
study would feed national policy on CSR in Ghana and Africa and enrich the intellectual discourse on CSR and leadership globally.

Additionally, the research would greatly contribute to the campaign of the United Nation’s Principles for Responsible Management Education (PRIME). The study would inform and equip research-based business school management of the developments in the mining industry in Ghana, and feed school curricula on the kind of business leaders to produce for industry. The research would also promote good CSR practices in Ghana and Africa and, it would also add to the work of the Global Compact Network Ghana of the United Nations. Practically, the study will educate business leaders and mining companies on the strengths and weaknesses of the various leadership styles in the implementing of CSR strategies and initiatives. Furthermore, to policy makers such as the board of directors, the findings would provide significant insight for CSR policies and CSR investments.

Finally, this study charts a new path of a promising future for research in this area as little is known about the impact of the style(s) of leadership on CSR in Ghana and in Africa. Although much has been written separately on the leadership phenomenon and the CSR phenomenon (Van Velsor, 2009), less literature exists on the connection between leadership and CSR in Ghana. This study thus contributes significantly to the empirical literature on the style(s) of leadership and CSR and which is almost nonexistent in developing countries.
1.6 Chapter disposition

The study was organised into six chapters. The first Chapter is the introduction of the study. It consists of background to the study, the research problem, research objectives, research questions, the significance as well as the chapter disposition.

The second Chapter focuses on the reviews of relevant literature. It comprises of literature on the definition of key concepts, and, on leadership, the CSR concept and the mining industry.

Chapter three presents the methodology of the study. This includes research setting, research approach, the research design, the population and sample selection, sampling and sample technique, data collection sources, mode of data analysis and presentation, ethical considerations observed in the course of data collection and a brief profile on each of the 4 multi-national gold mining companies.

Chapter four contains bio-data of respondents, takes a critical look at both the primary and the secondary for analysis and the presentation of findings.

Chapter five interprets and discusses the findings from the field.

This study provides a summary of the findings, recommendations and the conclusions of the study in chapter six.
CHAPTER TWO

LEADERSHIP, CORPORATE SOCIAL RESPONSIBILITY AND THE MINING INDUSTRY

2.1 Introduction

This first section of this chapter defines as well as highlights definition of some key concepts and terms useful for this study. In addition to definitions, various theories on leadership and CSR were reviewed. While the study does not intend to provide an exhaustive review of the all the leadership and CSR theories, the ones discussed set a frame for the topic regarding the leadership styles and CSR in the Ghanaian mining industry. The chapter therefore reviews the theoretical frameworks on which the work is grounded whilst the second section presents empirical review of related works on the topic and a review on the mining industry.

2.2 Definition of Concepts

2.2.1 Leadership

According to De Vries (2001), the Anglo-Saxon etymological root of the words lead, leader and leadership is ‘laed’, and it means path or road. The verb means to travel. Thus a leader is one who shows fellow travellers the way by walking ahead. De Vries (2001) also opined that leadership is different to management. According to De Vries (2001) leadership focuses on the effectiveness of strategy while management deals with the efficiency of operations (Visser & Courtice, 2011).

Kotter (1988) of Harvard Business school however observed that leadership involves the noncoercive process of moving a group (or groups) in some direction to produce movement in the long term best interest of the group (s). To some authors leadership is not necessarily a
hierarchical position. “Leadership is not merely a top-down process. Because leadership is defined as an influencing process; it can also be exercised sideways, diagonally, and down-up throughout an organisational hierarchy” (quoted in Antonakis, 2006, p.4; Hunt, 2004, p.19).

2.2.2 Leader (s)

According to Drucker (1996), “the only definition of a leader is someone who has followers…” (Beckhard, Hesselbein, & Goldsmith, 1996, p. 12). Drucker (1996) maintained that “…without followers, there can be no leaders.” According to Drucker (1996), leadership is responsibility and, an effective leader gets results and must always be visible to set examples to his or her followers to do things right (Beckhard, Hesselbein, & Goldsmith, 1996, p. 12).

It is worth mentioning here that, being a leader or leadership for CSR initiative as examined and used in this study is different from the ‘CSR/Sustainability Leader’ concept as defined by Visser and Courtice (2011) and the Sustainability Leadership Institute (2011). Not withstanding the argument by Visser and Courtice (2011) that the ‘sustainability leader’ concept is not a separate school of thought on leadership, but simply a particular blend of leadership characteristics applied within a given definitive context, the researcher’s use of the concept differs from Visser and Courtice (2011). According to Visser and Courtice (2011), a sustainability leader is someone who inspires and supports action towards a better world.

The Sustainability Leadership Institute (2011) suggests that, sustainability leaders are individuals who by deepening their awareness of themselves in relation to the world around
them seek to make a difference. By their self awareness, they adopt new ways of seeing, thinking and interacting that result in innovative, sustainable solutions.

2.2.3 Manager (s)

According to Drucker (1954), a manager’s job is to set objectives, organise, motivate, communicate, measure and develop people. Drucker (1954) indicated that, there is a distinction between a leader and a manager, however for the purpose of our study and for the context of usage the leaders of the CSR of the gold mining companies were referred to as CSR managers. Thus, the study looks at the leadership style of these managers.

2.2.4 Corporate Social Responsibility

The CSR concept has been a controversial but also a very consequential issue for business managers and their stakeholders. Controversial because its ultimate value to business is still being debated but consequential because some industries have realised that they cannot operate without it in certain regions of the world. While certain ideals of CSR remain the same, the significance of CSR issues varies from one industry to the other and from location to location (Atuguba & Dowuona-Hammond, 2006). However, in a general sense, CSR is about the relationship of corporations with society as a whole, and the need for corporations to align their values with societal expectations (Atuguba & Dowuona-Hammond, 2006). CSR is now seen as a global concept that needs local application in different industries and countries.

Any organisation that appreciates the importance of CSR and its relevance ensures that it is integrated into the business policies, programmes and practices. Such organisations formulate
CSR policies that align with the objectives of their organisations. In their operations, they take into account the presence of stakeholders such as its employees, shareholders, communities, customers, suppliers and other partners. While some organisations prefer to keep to the traditional view of ‘doing good and giving back to the society’ as a form of philanthropic act, others have chosen to use it as a strategic tool in realising their financial goals. The peculiarity of the various industries and the uniqueness of organisations somewhat influences the choice of CSR initiatives and the issues to focus on amidst the demands and expectations of stakeholders. A socially responsible leading business is therefore the one that ensures it adopts business practices and policies that go beyond its minimum legal duties while contributing to the welfare of its key stakeholders (Ofori & Hinson, 2007). As a growing concept, CSR in the past few decades has become a strategic and topical issue on companies’ agenda (Cramer, 2005), and has captured the interest of many management and leadership scholars with much focus on the multinational corporations and industry such as the financial sector, telecommunication and the extractive industry across the world. Its broad and multidimensional nature makes it challenging for the concept to be attributed to a specific theme or topic and, the motive of the stakeholders determines their definition and the approaches used and the outcome achieved (Moon, 2007; Christensen, Mackey & Whetten, 2014). The proliferation of definitions of the concept itself shows how it has captured the attention of scholars, organisations, governments, stakeholders, shareholders and other international institutions.

Generally, CSR was referred to as the adoption of a set of voluntary policies, codes or guidelines, initiated and driven by the corporation (Broomhill, 2007). The Commission of the European Communities in 2001 defined CSR as “a concept whereby companies integrate social
and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (Dobers & Halme, 2009, p. 238; Dahlsrud, 2008, p. 7).

The World Business Council for Sustainable Development, WBCSD (2002) defines CSR as “the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life” (Blowfield & Frynas, 2005, p. 501). Among the various concepts used interchangeably for CSR are Corporate Responsibility, Corporate Citizenship, Social Enterprise, Sustainability, Sustainable Development, Triple-Bottom line, Corporate Ethics, Corporate Governance (Bassen, Holz & Schlange 2006), Social Investment (Mansley, 2000), Social Conscience (Helg, 2007) and ‘social accountability’ (ISO Working Group 2002).

Historical development of CSR
The concept of CSR which arguably began in the USA has in recent times received much attention from national policy makers in both developed and developing economies, international organisations, the general public and researchers (Arli & Lasmono, 2010). It has actually evolved from Philanthropy and stewardship principles (Blowfield & Frynas 2005; Chapple & Moon 2005; Ofori 2007a; Ofori & Hinson 2007) to social responsibility (Watrick & Cochran, 1985) through to social responsiveness in the early 1970 (Carroll & Buchholtz, 2003) and now at strategic corporate social responsibility (Porter & Kramer, 2006; Brønn & Vidaver-Cohen 2009; Visser, 2013; Ofori, Nyuur, & S-Darko, 2014) and shared value phase and still evolving.
Notwithstanding its evolution especially in the Western and European countries, CSR has developed in different countries in different ways. This is because; all around the world people are developing local approaches to CSR with their own history, meaning, relevance, applicability and local characteristics in perspective (Matten & Moon, 2008).

**Different approaches to CSR**

Some scholars have defined CSR based on leadership and managerial intents or motives, terms which imply variance in motivation. These are explicit CSR and implicit CSR (Matten & Moon, 2008); voluntary and mandatory approach to promoting CSR practices (Cinciulescu, 2014); instrumental and altruistic CSR (Drucker, 1984; Porter & Kramer, 2006; Mackey, Mackey, & Barney, 2007; Windsor, 2001); and, mixed motivations, which includes both the Instrumental and Altruistic. The mandatory approach to promoting CSR practices has legal framework which indicate the compulsory amount of CSR spending, areas of spending, and the size and nature of companies concerned. Two of the most notable cases are Indonesia with a 2% CSR tax for companies operating within the natural resources domain, and Nigeria with a proposal of 3.5% compulsory CSR spending for all corporations. Countries like Sweden, Norway, the Netherlands, Denmark, France, and Australia also practice compulsory CSR. South Africa and Mauritius are not left out of the countries that have made CSR mandatory through tax payment or financial donation to an NGO (CSR fund) to solve a communal problem via social projects (Cinciulescu, 2014; Hinson & Ndhlovu, 2011). A Mexican model however, promotes both the mandatory and voluntary CSR by imposing a tax that funds initiatives administered by companies.
This notwithstanding, scholars have argued that efforts to make CSR mandatory through rigid regulation end up constraining the ability of corporate actors to exercise leadership in the CSR arena (Cinciulescu, 2014). Scholars who embrace the instrumental view of CSR define it by its costs and impact on firm financial performance. To them CSR constitutes an investment so compatible with profitability that business should “convert” social responsibilities into business opportunities; firms should find ways to turn social problems into economic opportunities (Drucker, 1984, p. 62; Porter & Kramer, 2006). They investigate this concept from a resource-based view of the firm and pair it with terms such as “profit-maximising CSR” or “strategic CSR” (Hart, 1995; McWilliams et al., 2006; McWilliams & Siegel, 2000, 2001; Russo & Fouts, 1997). They see it as “good strategy.” Accordingly, some scholars have argued that leaders should pursue CSR-related issues only “when such actions simultaneously enhance profitability” (Waldman & Siegel, 2008, p. 119). Other scholars embraced altruistic CSR and they defined it as “actions on the part of the firm that appear to advance or acquiesce in the promotion of some social good, beyond the immediate interests of the firm and its shareholders and beyond that which is required by law.” Waldman et al., (2006) suggested an altruistic bias focused on advancing a social good—as opposed to an instrumental bias focused on immediate firm financial interests (p. 1703). These scholars have argued that reducing CSR to nothing more than another business strategy as in instrumental CSR fails to focus on a critical contribution of CSR scholarship: It can help explain why firms engage in activities that benefit the interests of employees, suppliers, customers, and society at large even when those activities reduce the profitability of the firm (Mackey, Mackey, & Barney, 2007; Windsor, 2001).
2.2.5 CSR officer (s)

These are employees of the mining companies who work as team members in the CSR departments or sections of the mining companies. In some of the companies, they are assigned special roles as it relates to the functions within the department. They work hand in hand with the CSR managers of the mining companies to ensure the implementation of CSR policies, programmes and projects.

2.2.6 Mining communities

A community is a social unit of any size that shares common values, traditions and culture or that is situated in a given geographical area i.e. A village. In the context of our study, the mining communities are the villages where the mining companies have legal access to operate their business. This access to the communities is by the concessions granted them by the government to carry out their operations. These communities have people dwelling in them, therefore as stakeholders of the mining communities the mining communities ensure they obtain their “social licence” from them. These mining communities are also often referred to as catchment communities.

2.2.7 Social licence

It is the term used to describe the peaceful dwelling and relationship between the mining companies and the mining communities. In other words, it is the social legitimacy granted by the people in the communities to the mining communities for the operations of the mines. To ensure that the mining companies abide by their social contract with the communities, the communities engage the companies to fulfil their social responsibility to them as well as ensure
the protection of the environment, the welfare of the people and the society. Mining companies are expected to respect the culture and traditions of the people dwelling in the communities of their operations to ensure peaceful co-existing.

2.2.8 Stakeholder(s)

Stanford (1963) defined stakeholders as those groups without whose support the organisation would cease to exist (cited in Freeman 1984). Freeman (1984) however defined a stakeholder as any group or individual who can affect or is affected by the achievement of the organisation's objectives. Then again, Alkhafaji (1989) also defined stakeholders as groups to whom the corporation is responsible. Central to all the definitions above is power of a stakeholder and the legitimacy of a stakeholder’s relationship with an organisation which is evident in our study as well.

Among the modern definitions of stakeholders are thoughts by; Brenner (1995) who defines a stakeholder as one who could impact or be impacted by the firm/organisation. Carroll and Bushholtz (2000) explained that a stakeholder is an individual or a group that has one or more of the various kinds of stakes in a business. Freeman, Wicks, and Parmar, (2004) defines a stakeholder as those groups who are vital to the survival and success of the organisation and, O’Riordan and Fairbrass (2008) also define a stakeholder as individuals or groups whose actions affect and be affected by the activities of a firm.

2.3 Theoretical Framework

A theory is a model for rigorous interpretation of individual or the social phenomena of interest which is often used in academia (Dubin, 1978; Whetten, 1989, 2002). A theoretical framework
therefore is an empirical or quasi-empirical theory of unique and/or psychological process at a range of levels that can be applied as ‘lens’ to understand a phenomenon (Creswell, 2009). The theoretical framework of this study therefore brings out the rationale for conducting the study. The section reviews some relevant theories of leadership and CSR in practice. Though this research is a study on both CSR and leadership phenomena, the purpose is not to generate or develop a theory. Just as some qualitative studies use known theories to ‘frame’ their studies (Mckenna, 1997), this study uses the transformational and transactional leadership theories as well as Carroll’s CSR pyramid, legitimacy theory, social exchange theory, social contract theory, Integrative theories and stakeholder theory as the theoretical framework. These theories provide boundaries or parameters for the study and guide all stages, including the literature review, data collection, analysis and presentation of findings (Parahoo, 2006). Transactional leadership theory was chosen for this study because mining companies are primarily mindful of the profit for which they exist and they gain this through their operations and gold production. It is therefore possible that the underpinning leadership style that is employed in their CSR activity is the transactional leadership style. This notwithstanding, the mining companies are also mindful of the impact of their activities and operations on the environment and the communities of their operations so they may employ the transformational leadership style to lead development and transformation of their environment and communities in mitigating their impact. The various components of the two leadership theories were therefore used to focus data collection and/or data analysis and presentation of the findings. Collectively, Carroll’s CSR pyramid, legitimacy theory, social exchange theory, social contract theory, Integrative theories and stakeholder theory give details on the theoretical frame and different possible reasons for which companies engage in CSR activities. The transformational and transactional leadership
theories provide the theoretical frame to guide the study on how the leadership styles of managers influence the outcome of CSR initiatives and the response of stakeholders including employees or teams they work with and the Society.

2.3.1 Theories of leadership

According to Visser and Courtice (2011), there are three main approaches to understanding leadership namely:

1. The Trait/Style School, which focuses on the characteristics or approaches of individual leaders (McCall & Lombardo, 1983; Tannenbaum & Schmidt, 1973);

2. The Situational/Context school, which focuses on how the external environment shapes leadership action (Hersey & Blanchard, 1999; Vroom & Yetton, 1973); and

3. The Contingency/Interactionist school, which is about the interaction between the individual leader and his /her framing context (Fiedler, 1971; De Vries, 2001).

This research however focuses on two leadership styles including transformational leadership theory and transactional leadership theory.

2.3.2 Leadership style

Kuchler (2008) observed that leadership is one of the most widely studied topics worldwide. Though Burns (1978) agreed to the assertion by Kuchler (2008) and further argued that leadership is one of the least understood concepts. This has accounted for the various definitions of the parameters of leadership (Leithwood, Jantzi & Steinbach, 1999; Yukl, 2002; Nirenberg, 2001). It is in this vein that Yukl (1989) argued that researchers define leadership according to their individual perspectives and the facets of the leadership phenomenon that interests them.
With a contrasting perspective, Bryman (1992) argued that irrespective of the lack of clarity in the definition of the concept, some fundamental elements reflective in majority of the definitions of leadership are “group,” “influence” and “goal.” For instance, according to Oyedijo (2011), leadership is the process of influencing individuals, and providing them an enabling environment so that they can achieve their goals.

Mullins (2007) defined organisational leadership as a relationship through which one person influences the behaviour or actions of other people. The way managers behave in organisations can either be passive or strictly controlled (Foucault, 1995) as much as they can be transformative agents (Fairhurst, 2007). As transformative agents, leaders have the ability to construct the contexts to which they and their subordinates respond to organisational responsibilities. Policies and strategies can help organisational leadership drive CSR principles into organisational operations if they involve stakeholders’ present and future demands and expectations (Hawkins, 2006). Griffin (1999) affirmed that managers should learn that social responsibility does not happen by chance instead it must be proactively guarded like any other activity within the organisation.

According to Mills (2005), it is impossible to implement tasks and achieve them without leadership. Also, leadership plays significant role in determining the organisational commitment of an employee and this often leads to higher performance levels and productivity (Steinhaus & Perry, 1996). In the world of business, leadership is seen as consequential aspect of management due to its significant bearing on a range of activities that can lead to the attainment of organisational outcomes (Hukpati, 2009). Though leadership is essential to the
achievement of organisational goals and task, Rheman, Shareef, Ishaque and Mahmood (2012) indicated that one’s leadership style is essential in directing the effective use of human resources and in bring out the best in people. Supporting this assertion, Glantz (2002) opined that there is the need for a manager to discover his leadership style as it best informs employees of the directions of the manager.

Dosunmu and Olusanya (2011) defined leadership style as the pattern of behaviors that leaders engage in when dealing with employees in an organisation. Shamir, House and Arthur (1993) were of the view that leadership style influences subordinates as leaders’ behaviours serves as a motivating mechanism that impacts individuals in the organisation. Stakeholders such as employees need to be enthusiastically satisfied with their job in order to contribute meaningfully to organisational success (Ali, Sidow & Guleid, 2013). Though some researchers argued that leadership styles vary from culture to culture and should therefore be adapted according to cultural context (Jing & Avery, 2008; Chen & Chen, 2008), Berrio (2003) disagreed with a contrasting view that leadership style and culture are not independent of each other but are rather connected. Of all the identifiable leadership styles in theory and in practice, research indicates that, the outstanding are both transformational and transactional leadership (Bass & Steidlemeier, 1998) and they both make significant difference in employee job satisfaction (Bass, 1990; Lashbrook, 1997). These researchers however added that both transformational and transactional leadership styles could be displayed by the same leaders at different times and in varying intensities. These are among the many reason for which transformational and transactional leadership styles are considered imperative to today’s organisational development, growth and performance. There is therefore the need to review
these leadership styles. Furthermore, it is consequential to comprehend whether the leadership style of a manager could inform the outcome of CSR initiatives of an organisation.

2.3.3 Transformational leadership theory

The transformational leadership concept was first considered by James MacGregor Burns in the year 1978 in his book “Leadership” to differentiate between transformational leadership and transactional leadership. This concept was however, further developed by Bass and Associates (Avolio et al., 1999; Bass, 1985, 1999; Bass & Avolio, 1992, 2008; Bass & Steidlmeier, 1999; Bass, Avolio, Jung & Berson, 2003; Bass Waldman, Avolio & Bebb, 1987). According to Burns (1978), transformational leadership is a process in which managers and employees engage each other in a manner that raises them to higher levels of motivation and morality. Transformational leadership influences followers’ organisational commitment as it involves them in decision-making process and encourages them to think critically through the use of novel approaches. It inspires their loyalty while recognizing and appreciating the individual follower’s needs to develop their personal potential (Bass & Avolio, 1994). Burns (1978) explained that transformational leadership involves a relationship of mutual stimulation and elevation that converts followers into leaders on one hand and then converts leaders into moral agents on the other. Burns (1978) conceived that “transformational leadership occurs when one or more persons engage with others in a way that leaders and followers raise one another to higher levels of motivation and morality…” According to Bernard Bass who improved upon and extended Burns’ concept of “transforming leadership” into “transformational leadership” in 1985, leadership must be transformational to induce followers’ performance beyond expectations by; raising the level of awareness (the level of consciousness about the importance and value of
designated outcomes and the ways to achieve this level); getting subordinates to transcend their own self-interest for the sake of the team, organisation, or larger polity; and altering the need level to expand their portfolio of needs and wants (Bass, 1985, 1990; Bass & Avolio, 2008). He further elucidated that the person who achieves this is the one qualified to be called a leader.

According to Bass (1985), a transformational leader encourages and intellectually stimulates followers to challenge the status quo, question assumptions, risk-prone, innovative with ideas, and is divergent at thought. It is believed that when followers are inspired, they put extra efforts or strive harder towards achieving additional results (Martin & Epitropaki, 2001). Again, the followers perceive challenges as opportunities because transformational leaders cooperate with their followers to raise their expectations, needs, abilities and moral character (Bass & Avolio, 1997). Transformational leaders are optimistic and enthusiastic about the future and what needs to be accomplished, and they spell out a compelling vision of the future (Bass & Avolio, 2004). Cacioppe (1997) opined that transformational leaders inspire their subordinates purposely to adopt the vision of the organisation as their own, while attempting to increase their values, concerns and developmental needs. More so, they affirm followers to believe in their own potential in order to create a better prospect and future for the organisation (Daft, 2010). Burns (1978) observed that the transformational leader is at all times concerned with looking for ideas that will inspire the organisation towards the realisation of its vision. This observation was supported by Parry (1996) who emphasised that in order for transformational leaders to perform their task effectively, they must possess some key attributes of leadership including but not limited to creativity, group orientation, power of teaching, appreciations, responsibility and recognition. With their creative attribute, transformational leaders become the source of
empowerment to their followers in becoming problem solvers. This eventually leads followers to mature in creativity as they learn from their failures and experimentation with various choices without the fear of failure (Jung, 2001; Jung Chow & Wu, 2003; Shin & Zhou, 2003; Limsili & Ogunlana, 2008). Transformational leaders are perceived as strong role models who people feel proud to emulate and associate with within the organisation (Moss & Ritossa 2007), as they demonstrate a sense of mission, instill pride in and among groups, gain respect and trust from followers, sacrifice their personal gains for the benefits of the group, set personal example for followers, and show high ethical standards (Bass, 1985, Humphreys & Einstein, 2003). Bass (1985) originally distinguished between two aspects of transformational leadership, namely emotional and intellectual. Bass further broke down the emotional aspect into the two factors of charisma and inspirational leadership even though in subsequent research, Bass (1997) admitted the empirical lack of independence of the two factors. Bass (1985) also referred to the intellectual aspect of transformational leadership as intellectual stimulation. Bass (1985) however, identified an additional aspect of transformational leadership as individualised consideration even though numerous findings have shown a lack of independence between the Bass’ (1985) measure of individualised consideration and other transformational leadership factors (Bass, 1997; Lowe et al., 1996). While such could be said of intellectual stimulations as well, Lowe et al. (1996) referred to it as the ‘third child’ of transformational leadership (p. 415). Generally, Bass (1990) propounded four types of transformational leadership styles which include Idealised influence, Inspirational motivation, Intellectual stimulation, and Individual consideration.
2.3.4 Transactional leadership theory

Although Burns (1978) is described by most researchers as the pioneer of transactional leadership due to his thorough study on leadership behaviours including transactional behavior of leaders (Hinkin & Schriesheim, 2008), historically, the first person to talk of the transactional leadership concept was Weber. Weber (1947) in his book, “The theory of social and economic organisation offered a definition of leadership however, it was largely accepted by academic researchers after two decades of his death and the reprint and publication of his book. Bass (1998) posited that transactional leadership is a relationship basically based on exchange between a leader and group members where the leader controls member’s behavior by using rewards and punishment. Bass’ view basically echoed Burns definition of transactional leadership as an exchange-based relationship with their subordinates. Yukl (1981) also agreed with the definition by Bass (1998). Kellerman (1984) explained the exchange relationship between the leader and followers as mutual dependence in which both parties are acknowledged and rewarded. Bass (1985) observed that, on the part of the leader in the exchange relationship, transactional leaders use satisfaction of lower order needs as the primary basis for follower motivation. Bass (1985) added that, central to transactional leaders is the importance of role clarification. Bass (1985) sees role clarification as paramount as the followers’ comprehension of what exactly to do in achieving organisational objectives is dependent on it and it serves as a facilitator to performance and task accomplishment. According to Bass (1990), transactional leadership could be categorised into contingent rewards, management by exception (active) and management by exception (passive). In Bass’ (1990) view, leaders who employ contingent rewards leadership clarify the tasks that their followers are expected to accomplish and then induce followers with rewards to get the task executed. Bass (1985) proposed that the clarity of
goals and objectives by leaders, and the rewards offered to followers when tasks are accomplished enable individuals and groups to achieve expected level of performance. Bass (1985) explained management by exception (active) as the situation where leaders keenly monitor the output of followers to anticipate deviations or mistakes from predetermined targets before they become problems.

In substantiating the exchange relationship between the leader and the follower, Bass (1985) indicated that transactional leaders “pursue a cost benefit, economic exchange to meet subordinates’ current material and psychic needs in return for contracted services” (p.14). Antonakis, Avolio and Sivasubramaniam (2003) opined that, in management by exception (active), transactional leaders actively appraise and monitor the work of subordinates and make sure that predetermined standards are met. These leaders intervene as soon as they realise that followers are making mistakes. On the contrary, with transactional leaders which employ management by exception (passive), the leaders allow the followers the independence to carry out task. Transactional leaders intervene only when problems arise, standards are not met, and/or noncompliance occurs (Antonakis et al., 2003). Bass and Avolio (1993) argued that the possible outcome of either management by exception (passive) or management by exception (active) are negative feedback, punishment, and discipline.

2.3.5 Carroll’s CSR pyramid

According to Carroll (1979), central to the concept of social responsibility business is the economic, legal, ethical, and discretionary expectations that society has of organisations at any given point in time. It is therefore vital for businesses or corporate organisations to operate in a
manner that either conforms to or exceeds the ethical, legal commercial and public expectations society has of businesses.

Drucker (1989) on the same issue argued that entities act irresponsibly if they extend that which is required to do their job, whether involving the production of goods, advancing learning or taking care of the sick and destitute. Friedman (1970) agreed with Drucker (1989) that such corporate expenditure is illegal, irresponsible and tantamount to stealing shareholder funds.

Although Carroll (1991) agreed that the essential goal of an organisation is to bring profits to its shareholders, he argued that corporate tasks must be undertaken with people’s opinion and the legislation of a country in mind. Carroll (1991) suggested that, organisations must not be oblivious of the fact that corporate organisations stand to lose on its financial gains in the event that it is perceived badly within its operational area or found to be flouting legal requirements of its host country. Carroll (1979) argued that for CSR to sufficiently address and fulfill the entire obligation business has towards society, it must go beyond the commandments of the law. Carroll (1991) therefore emphasised that a company has four different categories or a framework of CSR that need to be considered in fulfilling its obligations towards the society. According to Burton and Goldsby (2008), this framework of Carroll has become very popular within the CSR literature and has been applied by many researchers including Wartick and Cochran, (1985); Wood, (1991); Aupperle, Carroll and Hatfield (1985) and Clarkson (1995). Carroll (1991) posited that these 4 different categories could be put into a pyramid which he developed consisting of the following responsibilities; the economical, legal, ethical and philanthropic responsibilities. According to Carroll, the economical constitutes the foremost
reason for the existence of organisations. Thus, in the absence of profit, a company cannot and will not survive (Carroll, 1991). According to Carroll (2004), economic responsibility of the firm is the bedrock for businesses, hence its place at the bottom of the pyramid. Schiebel and Pochtrager (2003) agreed it represents a business’ fundamental responsibility just as Hutton, D’Antonio and Johnsen (1998) as well as Windsor (2001) emphasised that other responsibilities cannot be achieved in the absence economic performance. Of the legal and ethical responsibility, Carroll (1991) explained that besides shareholders value, all businesses must ensure they operate within the legal framework and the regulation of their host countries. Distinguishing the legal from the ethical component, Carroll (1991) attributed the legal responsibility to written laws and the ethical responsibility to norms, standards or expectations, of consumers, shareholders and the community. Maignan and Ferrell (2000) expounded on the ethical as activities which are voluntary directed by the desire of the business to engage in non-mandatory social activities. To them, they entail deeds such as provision of day care centers for working mothers, and other charitable donations, establishment of ICT centers, schools and health centers, etc. Carroll (1991) however added that, the legal requirements are most often derivatives of the ethical aspect of CSR which then becomes written law. Lastly on the CSR pyramid is the philanthropic responsibility which he explained as mainly activities corporate organisations engage so they would be perceived as “good corporate citizens”. The philanthropic responsibility is not a legal requirement but the means by which companies increase their reputation and goodwill (Carroll, 1991). Carroll’s pyramid was also summarised by Hemphill (2004) into a similar category as endeavoring to make economic gains, obeying the law, being ethical and determining to be a good corporate citizen in its relationship with diverse constituents of stakeholders.
Weber (2008) in distinguishing the categories argued that whereas the economic and legal responsibilities are socially required, ethical responsibilities are socially expected and the philanthropic responsibilities are socially desired.

Notwithstanding the uniqueness and value of the pyramid or Carroll’s model, Schwartz and Carroll (2003) argued that there are some limitations. According to these researchers, the hierarchical nature of the pyramid can be misleading. For instance, the philanthropic dimension at the apex of the pyramid could be seen as the most important and highly valued category that organisations should aim at. Thorne, Ferrell and Ferrell (1993), in support of the above argument asserted that, as in the case of Maslow’s hierarchy of needs, many scholars assumed a natural progression from economic to philanthropic responsibilities, when the pyramid was first introduced. Carroll (1991) however defended the model stating that the four categories are neither mutually exclusive nor projected to portray a continuum with economic concerns at one end and social concerns on the other. To improve on the understanding ascribed to the pyramid, Schwartz and Carroll (2003) later embodied the categories of CSR with the use of a Venn diagram to clearly illustrate these dimensions. This, Schwartz and Carroll (2003) called ‘The Three-Domain Model (TDM) of Corporate Social Responsibility’. The TDM does not contain a philanthropic and discretionary category of CSR. To Schwartz and Carroll (2003), this category is confusing and perhaps unnecessary. Carroll (1979) acknowledged that such activities are fundamentally steered by business discretion hence may be erroneous and misleading (Carroll & Buchholtz, 2000) to call such activities responsibilities.
According to Galbreath (2006), while Carroll’s (1979) framework described what the responsibilities of a firm could be, Freeman’s (1984) helped more precisely to define whom the firm is mainly responsible.


**Figure 1**: Carroll’s (1991) Corporate Social Responsibility Pyramid

![Carroll's Corporate Social Responsibility Pyramid](http://ugspace.ug.edu.gh)

2.3.6 The Legitimacy Theory

Suchman (1995) explained legitimacy as “a generalised perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs and definitions”. Legitimacy theory derived from the concept of organisational legitimacy is defined as a condition or status which exists when an entity’s value system is congruent with the value system of the larger social system of which the entity is a part. It is considered a threat to the entity’s legitimacy, when a disparity, actual or potential, exists between the two value systems (Dowling & Pfeffer, 1975). Legitimacy theory recognises the fact that an organisation has many alternatives uses for its resources. According to Deegan
(2002), legitimacy theory posits that organisations are continually seeking to ensure that they operate with the bounds and norms of their respective societies. Thus, organisations attempt to establish congruence between “the social values associated with or implied by their activities and the norms of acceptable behaviour in the larger social system of which they are part” (Dowling & Pfeffer, 1975, p. 122). Organisational legitimacy is however not a steady state, but variable and its variability is not only temporal, but also spatial or across stakeholder and cultural groups. Hence, depending on an organisation’s perception of its state or level of legitimacy, it may employ ‘legitimation’ strategies (Lindblom, 1993). Suchman (1995) however argued that legitimacy management hinges strongly on communication and, thus, any business corporation that desires to engage legitimacy theory must take into consideration some forms of corporate communication.

Freeman (1998) opined that financial performance was previously seen as the best measurement of an organisation’s legitimacy. However, community now expects business corporations or organisations to make provision from their profits to spend on the environmental issues, employees’ welfare, and consumers’ safety and to the community where businesses are operating. Haron, Ismail and Yahya, (2010) observed that society plays a huge role in evaluating the usefulness and legitimacy of a corporation’s activities. According to Haron, Ismail and Yahya, (2010), this is so because, Legitimacy theory is founded on the notion that business corporations or organisations operate in society through a social contract by which it agrees to perform various socially desired actions in return for approval of its objectives, hence its ultimate survival. The theory suggests that if a business corporation or an organisation does not appear to operate within the bound of consideration to the public which is considered
appropriate by society, then society may act to remove the corporation’s rights to continue operations (Haron, Ismail & Yahya, 2010).

Indeed, it could be argued that, another intention of organisations for engaging in CSR under legitimacy theory is to co-opt, neutralise or win over problematic actors in the political environment and to preserve corporate autonomy through private initiatives so as to ward off the interference of government. Corporations or organisations therefore engage in philanthropic activities to gain power and legitimacy. These may include the education of stakeholders about the organisation’s intentions to improve that performance, diversion of attention from the issue of concern while handling external expectations about its performance. According to Lindblom (1993), the above are some of the strategies an organisations may adopt when faced with a threat to their legitimacy or a perceived legitimacy gap; a gap which often occurs when corporate performance does not meet the expectations of relevant stakeholders.

2.3.7 Social exchange theory (SET)

Relationships in organisations often involve exchanges of symbolic and intangible resources (Blau, 1964), a process regulated in part by the ‘norm of reciprocity’ (Gouldner, 1960). That is, people who believe they benefit from the discretionary and benevolent actions of others feel obligated to reciprocate. The social exchange theory is founded on this assumption. The social exchange theory suggests that human behavior or social interaction is an exchange of activity, tangible and intangible particularly of rewards, benefits, costs and effects. Cook (1990) affirmed this when he opined that a principal socio-psychological or behavioral- motivational assumption of exchange theory is that, human behavior is a function of reward and punishment, pleasure and pain, cost and benefit, gain and loss as well as many others. The relationships are
however based on mutual trust and expectations that benefits will be exchanged over time (Cropanzano & Mitchell, 2005). According to Coleman (1990), the exchange of benefits often involves giving others something more valuable than is costly to the giver and vice versa as the underlying basis or open secret of human behavior and so a phenomenon permeating all social life. The exchange ideology is a dispositional orientation that stems ‘from the norm of reciprocity which holds that people should help those who have helped them’ (Eisenberger et al., 1986, p. 501) and it is centered on “enduring long-term social relations”, as opposed to “one-shot transactions in the market realm (Cook, 2000). Thus, people with stronger exchange ideologies vary their effort and relationship in accordance with how favourably they feel they are treated and the benefits they receive. Though exchanges do not hinge on social obligations (Blau, 1994), it has been observed that, the principle of marginal utility is also applicable to exchanges of non-economic character (Blau, 1994; Coleman, 1994). Coleman (1994) argued that maximisation of utility is a universal engine of action for both economic and non-economic actors such as individuals or corporate entities and that leads to value creation and maximisation for organisations. Thus, a better application of this theory can lead to the maximisation of organisation’s long term value.

However, according to Blau (1994), there is a difference between social and economic exchange. Economic exchange clarifies precise specifications of transactions and prevalence of extrinsic rewards, especially material gains. Social exchange on the other hand is characterised by unspecified personal obligations and trust as well as intrinsic rewards in conjunction with extrinsic rewards, thereby occupying the middle ground between pure calculation of advantage and expression of love. Thus, apart from the basic underlying assumptions of this theory, social
exchange theory seems to work properly on personal obligations, trust, love and pure calculation of gain or advantage to the actors. The persistence and extension of social exchange are conditioned by bonds based on personal trust, unlike economic exchange; this bond created by reciprocal benefits of extrinsic character is the principal output rather than side-effect of social exchange (Blau, 1994). Blau (1994) added that legal regulations that characterise economic exchange can make social exchange more enduring, meaningful and mandatory social relation. This is because, social transactions without legal regulation generates conflict of interests between and among actors. By this the side-effects of the theory are resolved.

Coleman (1990) argued that Social exchange theory conceptualises power in terms of material resources and their exchanges, and, social bonds are built out of reciprocated benefactions. The theory suggests that, whenever an actor refuses to exchange benefits, the other actor exercises power over the one who refuses and the vice versa builds social bond between them. For instance, employees will build social bonds with employers if a reciprocal exchange of benefits exists out of their employment relationships. By the assumptions and principles of social exchange theory, employees will trust and love their employers if they are involved in the outcomes of that which constitutes the activities of corporate social responsibilities. There is the behavioral assumption of social exchange theory that is of distributive justice, equity or fairness in non-economic relations. To illustrate, researchers have explained distributive justice with reference to how people evaluate the fairness of the reward distributions that result from allocations or exchange, typically by comparing actual rewards to certain standards of just reward which rests on the premise that, equity or fairness lies in the eye of the beholder (Molm et al., 2003). The theory defines distributive justice in terms of equivalence or proportionality
between the investments in, and the (money or psychic) profit from non-economic exchanges. Zafirovski (2005) suggested that there are different forms of social exchange theory which are founded on the number, interconnections, and objectives of actors. Zafirovski (2005) asserts that social exchange is divided into restricted, dyadic or bilateral and generalized, network or multilateral.

Early behaviorist-rational choice versions of exchange theory treat restricted exchanges as primary in relation to their generalised forms (Blau, 1994). To them, generalised exchange is founded on normative conformity or special expectations which stipulates that actors provide free services rather than on voluntarily, seeking mutual gratifications in contrast to dyadic exchanges. Admittedly, alternatives for exchange transactions as well as their outcomes are influenced largely by group’s network or multilateral actors. These actors prevent or mitigate by the introduction of various social sanctions including but not limited to moral disapproval, failure of reciprocation. Nonetheless, exchange theory typically treats these sanctions and the underlying social norms as secondary explanatory factors to expected returns in the belief that they do not generate such transactions (Blau, 1994). Social exchange theory therefore seems to treat social relations as an economic transaction with the assumption of reciprocity. It is based on the assumption that central to human behavior and relationship is a ‘give and take’ mindset.

One notable limitation of the social exchange theory is that it often overlooks issues of cultural context and the cross-cultural variations in the norms and rules which regulate social exchange (Zafirovski, 2005). The application of the theory is therefore governed by the organisational context.
2.3.8 The Social Contract Theories

Many scholars and researchers asserted that there is an indispensable relationship between business and society, and, Donaldson (1982) considered this business and society relationship from the social contract tradition, mainly from Locke’s philosophical thought. Donaldson (1982) posited that implicitly, there exist a sort of social contract between business and society which implies some indirect obligations of business towards society. This approach would overcome some limitations of deontological and teleological theories applied to business (Garriga & Melé, 2004). Gray, Owen and Adams (1996) in the same line of thought depict society as ‘a series of social contracts between members of society and society itself.’ Donaldson and Dunfee (1994, 1999) later broaden this approach and recommended an ‘Integrative Social Contract Theory’ (ISCT) in order to take into account the socio-cultural context and also to integrate empirical and normative aspects of management, an approach which aids managers to take decisions within an ethical context. Social responsibilities come from consent, so for business and CSR, though businesses honor social contracts, they do consent because society implicitly demands that they operate in that light. Thus, arguably, businesses act responsibly not necessarily because of their commercial interest. Donaldson and Dunfee (1994, 1999) proposed two levels of consent; a theoretical macrosocial contract appealing to all rational contractors, and; a real microsocial contract by members of numerous localised communities. For instance, in the context of communities, macrosocial contract would be an expectation that business provide some support to the local community of their operations and the specific form of participation would be the microsocial contract. The participation by the business could therefore be described as part of ‘societal expectation.’ This could explain the initial motivation but not the totality of their participation. According to Donaldson and
Dunfee (1994, 1999), this theory offers a process that can legitimises the contracts among industries, departments and economic systems can be legitimate; a process in which the participants will agree upon the ground rules defining the foundation of economics that will be acceptable to them.

The macrosocial contract provides rules for any social contracting. These rules are called the “hyper-norms”; they ought to take precedence over other contracts. These hyper-norms are so fundamental and basic that they “are discernible in a convergence of religious, political and philosophical thought” (Donaldson & Dunfee, 2000, p. 441). The microsocial contracts show explicit or implicit agreements that are binding within an identified community, whatever this may be: industry, companies or economic systems. These microsocial contracts, which generate ‘authentic norms,’ are based on the attitudes and behaviors of the members of the norm-generating community and, in order to be legitimate, have to accord with the hyper-norms (Garriga & Melé, 2004).

One of the commercial benefits identified in the Australian study (CCPA, 2000) was described as ‘licence to operate’ and this was particularly in the case of natural resource firms or organisations. This could be seen as part of the commercial benefit of enhanced reputation or earning reputational capital, but it also links to gaining and maintaining legitimacy (Suchman, 1995).


2.3.9 Integrative Theories

This group of theories looks at how business integrates social demands. Social demands are generally considered to be the way in which society interacts with business and gives it a certain legitimacy and prestige. They argued that businesses depend on society for their existence, continuity and growth (Garriga & Melé, 2004). As a consequence, corporate management should take into account social demands, and integrate them in such a way that the business operates in accordance with social values. So, the content of business responsibility is limited to the space and time of each situation depending on the values of society at that moment, and comes through the company’s functional roles (Preston & Post, 1975). Thus, there is no specific action that management is responsible for performing throughout time and in each industry. Basically, the theories of this group are focused on the detection and scanning of, and response to, the social demands that achieve social legitimacy, greater social acceptance and prestige (Garriga & Melé, 2004).

2.3.10 The Stakeholder theory

The stakeholder theory became popular in the 1990s and continues as a dominant area of study in Corporate Social Responsibility (Wang, 2008; Vaaland, Heide & Gronhaug, 2008). Generally credited with the popularity of the stakeholder concept in the mid-1980s, Freeman (1984) built on the work of other researchers such as Ian Mitroff, Richard Mason and James Emshoff, who examined the stakeholder concept from the viewpoint of the company. The general concept of the stakeholder theory is the understanding of the organisation as a system of different components with varied interests regarding what the organisation should be and what its function should be. Gjerdrum (2011) underscored that even though the stakeholder
approach is only one of the many different perspectives on CSR with basic stakeholder research having less to do with CSR, this dimension has developed to become one of the most essential and famous perspectives on CSR. The stakeholder theory holds the view that organisations have the responsibility to satisfy the interests of their diverse constituents who are referred to as stakeholders. Stakeholders according to Freeman (2004) are “those groups who are vital to the survival and success of the organisation,” thus the actions and inactions of these groups of people can promote or impede the growth of an organisation. They are seen as “those who are directly related to an organisation and have the ability to impact its bottom line directly” (Henriques & Sadorsky 1999). They may include customers, employees, shareholders and suppliers (Clarkson, 1995).

According to Maignan et al. (1999), stakeholders’ perspective requires businesses or organisations to address the responsibilities that their stakeholders place on them. Friedman and Miles (2006) emphasised that organisations should be conceived as an assemblage of stakeholders and the effort of the organisations and management should be aimed at managing their desires, needs and perspectives of this groups. Again, Friedman noted that management of the firm should not only promote the benefit of its stakeholders in ensuring that their rights and participation in decision making but also act as the stockholders’ agent to ensure and safeguard the survival and long term stakes of the firm and each group. The pre- and post-Freeman (1984) emphasised the idea of stakeholder, or stakeholder management or stakeholder approach to strategic management. It posits that managers ought to articulate and implement processes and activities that satisfy all and only those groups who have a stake in the business (Freeman, 1984). The core of this process is in managing and integrating the relationships and
interests of shareholders, employees, customers, suppliers, communities and other relevant
groups in a manner that promotes and guarantees the long-term success of the firm. This
approach is more concerned with the active management of the business environment, the
relationships and the promotion of shared and mutual interests in developing successful
business strategies.

Henriques and Sadorsky (1999) identified four main categories of stakeholders; organisational,
community, regulatory and media stakeholders. The community stakeholders include
environmental and human rights defense groups, NGO’s, civil society groups, along with other
potential activists present in the areas where the organisation operates. Some of these groups
consider it discriminatory and unfair for an organisation to make high profit with a community
and then import labour from a different region when such labour could be readily recruited from
the location of the operations of the organisation. Rowley and Moldoveanu (2003) noted that
within any general spectrum of organisation owners, individual stakeholders can collaborate or
join forces to form powerful groups including environmental activists’ groups, employee
unions, etc. The regulatory stakeholders group is made of Governments, government
institutions, trade associations, and competitors. Research suggests that the interests of one
player should not dominate others, but Gioia (1999) emphasised that pragmatism is required in
the corporate world hence corporate management’s response to leading firm owners’ needs is
predominantly common. Other stakeholder theories such as normative stakeholder theory,
 descriptive stakeholder theory and instrumental stakeholder theory emerged. The normative
stakeholder theory explains all the thoughts and principles of the stakeholder concept. It
contains theories of how organisations’ management or stakeholders must act and
conceptualised the organisation with regards to some ethical standards (Friedman & Miles, 2006). The descriptive stakeholder theory which is another approach to the stakeholder is concerned with how both stakeholders and managers essentially behave and the outlook with which they examine their roles and responsibilities. In contrast to the above is the instrumental stakeholder theory which deals with how directors and managers should act if they wish to pursue and promote their own interests.

2.4 Empirical evidence from related studies

2.4.1 Multinational companies in developing countries and CSR

A multinational corporation (MNC) also often referred to as multinational enterprise is a legal entity that is separate and distinct from its owners and has its facilities and other assets in at least one country apart from its home country. In most cases, it consists of geographically dispersed organisations or the different national subsidiaries with offices and operations in the different countries. Its headquarters is usually a centralised office where they coordinate global management activities. Such an entity can be seen as a ‘transnational corporation’ with external
network consisting of customers, suppliers, regulars etc. Mostly, very large corporations like this have budgets that exceed those of many small countries where they sometimes operate.

Multi-national corporations (MNCs) are critical contributors to the political, economic, social and cultural development of all countries. They are the source of livelihood for many people, besides the provision of goods and services. They are committed to their duties of tax payment upon which governments heavily rely on, and their impact on physical and social environment is obvious in many cases (Atuguba & Dowuona-Hammond, 2006). Frynas (2005) indicated that “global spending by oil, gas and mining companies on community development programmes in 2001 was over US$500 million” (p. 581)

In most developing countries including Africa and the Middle East, MNCs dictate the ownership and pace of business. They are often seen as powerful entities that have great influence on the socio-economic development of countries especially the developing countries and their decisions have enormous impact. This is because huge corporations possess the power to control and influence the quality of life of shareholders, employees, societies in which they operate and regulatory bodies that ensure their compliance to standards (Evuleocha, 2005).

These notwithstanding, corporations are faced with myriad challenges in their business operations including their needs to fulfil their obligations as corporate entities. There have been increasing demands in recent times on MNCs especially in developing countries to lead community development programmes and to provide the welfare needs of the indigenes of their host communities (Amaewhule, 1997). Multi-national corporations (MNC) are expected to
provide some social services and welfare programmes in addition to their normal economic activities. There is always pressure on multi-nationals to help meet the lacking developmental and social infrastructural needs of the impoverish communities which should have been provided by the host nations. Due to the impact of such projects socio-economic and political issues, MNCs like the mining organisations are required to be more attentive than other organisations in their CSR initiatives to reduce their negative impacts (Warhurst & Mitchell, 2000). Given the ever-changing expectations of stakeholders the survival of many corporations will be impacted by the social and environmental challenges they have to respond to (Husted, 2000).

There is no consensus among observers on the reasons for the prominence of the CSR concept in recent times (Blowfield & Frynas, 2005). However, it has been attributed to the increasing demand by society to control the growing power and somewhat irresponsible behaviour of corporations for their operations which often pose a great threat to social-economic development, the environment as well as the sovereignty of nations (Jenkins, 2005). Moreso, stakeholders are increasingly demanding and expecting organisations to be responsible with their business practices to avoid bad press (Muthuri & Gilbert, 2011). This has promoted the integration of CSR as a strategic activity for most organisations in helping solve the socio-economic problems without compulsion by governments and society (Muthuri & Gilbert, 2011; Jenkins, 2005). Many developing countries expect that multinational companies in pursuit of their economic activities and profits in their countries will respond to the social needs of its people as well as develop prioritised programmes for their well-being (Bardy, Drew & Kennedy, 2012; Ramlall, 2012; Hilson & Clifford, 2010; Visser, 2005). MNCs are often egged
on to take into account the “social, ethical and environmental perceptions” of their operations and how these possibly shape the future attitudes and actions of stakeholders (Zadek, 1998). The argument goes further that MNCs have role in global development not only through capital investment, but more importantly, by investing in human capital and providing local people with the tools to drive their own economic development (Nelson, 1996; Monsen, 1974).

Some studies have also proven empirically that good corporate citizenship suggests MNCs have an obligation to act as responsible members of the societies which grant them legal standing (Etheredge, 1999; Miles et al., 2006). As business entities, MNCs have a moral responsibility or obligations to protect the physical environment and society in which they carry out their operations as their activities often have adverse effects on the communities of their operations, especially in the extractive industry. These responsibilities include the protection of rivers, lakes, seas, forests; to keep the ozone layer from depleting; to consume natural resources only in a sustainable fashion; to refrain from harming people and their source of livelihood such as farmlands. Although the presence of multinational companies creates wealth and brings about high productivity in the countries of their operations, such wealth created is often isolated from the communities, thus creating a situation of ‘islands of wealth’ for the organisation amidst ‘the ocean of poverty and low productivity’ which is experienced by the citizens or community dwellers as they are excluded from the impact of the wealth created. This has often resulted in social difference between the organisations and the communities of their operations, a reason the organisations adopt ‘bluewashing’ mechanism to project an image as being helpful to the communities. The continuous cries of unethical and immoral acts from host communities and
nations in recent times (Eweje, 2006) has led many MNCs to seek more convincing ethical approach (Payne et al., 1997).

Ndzibah (2009) argued that in the Ghanaian context, organisations do not technically take responsibility for the impact of their activities on their stakeholders. Instead, companies focus on sponsorship through public relations practices at the neglect of the three dimensions of CSR; social, economic, and ecological responsibility Ketola (2006), thus, creating an imbalance.

According to Kuper and Hojsik (2008), MNCs find it expensive to recycle electronic waste (e-waste), inferior products and second hand goods in their home countries, thereby diversifying them to “new markets” often termed as “bridging the digital divide.” Kuper and Hojsik (2008) further argued that, the hazards involved affect the environment and the health of the indigenous people. Among the proposed solutions he made were proper disposal and recycling activities being a collaborated effort of both government and MNCs. Kuper and Hojsik (2008) argued that these will make MNCs and their subsidiaries to be more responsible in the Ghanaian business environment (Ndzibah, 2009). E-waste includes used electronics, which are destined for reuse, resale, salvage, recycling, or disposal. E-waste usually contains highly toxic components and other sources of secondary raw material (copper, steel, plastic, etc.) (Ndzibah, 2009).

Renouard and Lado (2012) in their research on CSR and inequality found out that among the hindering sustainable development around the Niger Delta in Nigeria are; Inequalities and imbalances (income, gender, inter-regional, sector-based) ferment frustrations and nurture
insecurity and violence. These Renouard and Lado (2012) attributed to the MNCs such as the oil companies and their operations. Renouard and Lado (2012) suggested that, in a context of poverty and weak institutions, the business and security-led agenda of oil companies seriously undermines their ability to achieve development goals within local communities and in the whole country. Renouard & Lado, (2012) argued that, Criteria such as product, sector, activity, geographical location (rural or urban, population density), social and cultural features of their area, the political and governance context, the company’s own system of governance, are among those that influence the extent of corporate social responsibility.

It has been argued that private companies’ participation in providing solutions to the myriad problems on the African continent will go a long way to promote peace and security in the region (Nyuur, 2011; Dobers & Halme, 2009). It also been observed that the adoption of responsible business practices can lead to higher growth, reduction in income inequality and poverty in Africa (Jenkins, 2005). As much as the good intentions of some of the MNCs have been observed, by their nature, they operate simultaneously in different societies and environments around the world where cultural values and expectations differ. This makes it more difficult than in a relatively homogeneous national business setting to determine common standards for desirable corporate conduct. Multinational companies that operate in Africa therefore have been severally indicted for using preconceived solutions for the development of CSR projects in developing countries, a solution which usually compromises the results of any initiative carried out by them (Idemudia, 2008). This approach has been seen as insensitive to local issues and the peculiarities of every region (Yakovleva & Vazquez-Brust, 2012; Adewuyi & Olowookere, 2010; Jallow, 2009). For instance, Eweje (2007) in a study observed that,
Community development initiatives/investments are vital for the establishment of a cordial relationship between MNCs and their host communities as communities have great expectations of them. He asserts that, communities above all want social development projects that provide hope of a stable and prosperous future whiles the companies embrace development initiatives primarily to demonstrate that they are socially responsible. Eweje (2007) observed that, in their bid to act as responsible entities, MNCs provide services such as scholarships, classrooms and teachers for local communities. He however, argued that, as was the case of Niger Delta, though communities appreciate the social responsibility initiatives of the MNCs, if they do not feel that the projects will create a sustainable economic, social and environmental development, no matter how laudable conflict and unrest will characterise the community of their operations.

Again, according to research, another challenge to the development of CSR has been the involvement of large corporations in local politics. To preserve their interests, some Multi-nationals engage in the local politics which should have been avoided. CSR projects therefore lose their intended purpose of transformation for other purposes (Yakovleva & Vazquez-Brust, 2012).

Researchers have argued that, a critical CSR research agenda on developing countries is necessary because “many policy-makers see business as important in meeting development challenges; not just those of economic growth but also in areas such as combating HIV/AIDS, reducing poverty and building human capital” (Blowfield & Frynas, 2005), hence pressure for companies to act proactively and divulge any actions taken towards CSR plans has increased (Arvidsson, 2010; Jackson & Apostolakou, 2009).
This study therefore responds to the calls for critical CSR research in developing countries such as Ghana especially among MNCs. The study looks at the CSR and leadership of 4 multinational MNCs in the Ghanaian mining industry. The word developing countries in this study means countries that are relatively less industrialized and have relatively lower per capita incomes and developed countries refer to industrialised countries with high per capita incomes.

2.4.2 CSR in Africa

Though most of the worlds have moved beyond philanthropy regarding the constructs of CSR, researchers have argued that CSR in most developing countries especially Africa is still predominately philanthropic in nature (Baughn, Bodie & McIntosh 2007; Blowfield & Frynas 2005; Chapple & Moon 2005; Ofori 2007a; Ofori & Hinson 2007; Gesellschaft für Technische Zusammenarbeit (GTZ), 2009). Among the African countries studied, Ghana is also seen as philanthropic in CSR approaches (Global Compact Network Ghana Case stories, 2014). These observations have been arguably influenced by the limited published papers by African scholars which mainly focused on philanthropic, ethical and corporate governance issues (Abor 2007; Kyereboah-Coleman & Biekpe 2007; Ofori 2007a). Others scholars also have looked at CSR in general (Ofori 2006, 2007b; Ofori & Hinson 2007). The ongoing development of CSR on the African continent owes much to development in South Africa (Skinner & Mersham, 2008). Researches on CSR in South Africa in the past focused on the ethical investment issues relating to apartheid until the transition to democracy in 1994, when many papers began to focus on the individual ethics of South African managers (Visser, 2005). Visser (2006) in a study on African CSR literature between 1995 and 2005 discovered that only 12 of Africa’s 53 countries have had any research published in core CSR journals, with 57 per cent of all articles focused on
South Africa and 16 per cent on Nigeria. Nigeria’s record was partly due to high media hype generated around corporate citizenship issues and the petro-chemical sector, especially with the advent of the Shell scandal and their impact on the Ogoni people (Ite, 2004). There were however pockets of research for Coˆte d’Ivoire (e.g. Schrage & Ewing, 2005), Kenya (e.g. Dolan & Opondo, 2005), Nigeria (e.g. Renouard & Lado, 2012; Eweje, 2007), Amaeshi et al., 2006), Tanzania (e.g. Egels, 2005), Mali and Zambia (e.g. Hamann et al., 2005a, b). Blowfield and Frynas (2005) therefore called for a critical CSR research agenda focusing on the developing countries rather than the developed world where institutions are arguably more effective and efficient (Arli & Lasmono 2010). The story however has changed since. The volume of literature and research focusing on CSR in Africa is certainly growing (Neil, 2009). Ghana among other African countries has noticed a significant increase in the publication and literature on CSR (e.g. Abugre, 2014; Ofori, Nyuur & S-Darko, 2012, 2010; Dartey-Baah & Amponsah-Tawiah, 2012, 2011; Ofori & Hinson, 2007).

Generally, CSR in developing countries and Africa for that matter is seen as an adoption from Western business theories. However, there are evidences that suggest that Western CSR theories such as Carroll’s (1991) CSR Pyramid, (comprising economic, legal, ethical, and philanthropic responsibilities), the EFQM definition, the triple bottom line concept and the implicit versus explicit schools) are not totally applicable in the African context (Wohlgemuth, Carlsson & Kifle ed, 1998; Dobers & Halme, 2009; Dartey Baah & Amponsah-Tawiah, 2011). The CSR standards, principles and practices designed in the developed world with different geographical, cultural, political, industrial and economic settings and environmental conditions from the African setting have therefore been questioned (Halme & Dobers, 2009). Empirically,
the inapplicability of the western theories in Africa has been attributed to several factors including differences in drivers of CSR in the Western world and in the developing countries, cultural differences and managerial traits in Africa (Dartey Baah & Amponsah-Tawiah, 2011; Muthuri & Gilbert, 2011).

In a study which explored the limits of Western CSR theories in Africa, Dartey Baah and Amponsah-Tawiah (2011) argued that the application of Western theories in Africa is not only limited by Africa’s CSR drivers but also by its cultural and managerial traits. Dartey Baah and Amponsah-Tawiah (2011) observed that traditional African approaches to community, leadership and business are at times at variance with the establishing principles of Western theories. The authors observed that Africans are community-conscious, have a high respect for power distance relationships and believe in harmonious win-win relationships. Dartey Baah and Amponsah-Tawiah (2011) indicated that African managers were very concerned about social network and relationships. The study suggested that people were valued as ends in themselves and not a means to an end by African managers. Dartey Baah and Amponsah-Tawiah (2011) however added that, although this disposition of the managers often brought about inefficiencies and poor creative results, it ensured adherence to CSR practices even when there were no requirements as African managers had inherent understanding of CSR and gave back to society. Visser (2007) affirmed this argument and position when he succinctly puts forward four rationales for a position to consider an African CSR model. Visser (2007) opined, “firstly, rapidly expanding economies of the developing countries makes them the most lucrative growth markets for business; secondly, social and environmental crises are usually most acutely felt in the developing countries than other places in the world; thirdly, the most dramatic social and
environmental impacts (both positive and negative) are likely to be felt in the developing countries; and fourthly, the CSR challenges of developing countries are distinct from the developed world’’ (p. 474). Visser’s (2007) observations were also supported by Matten and Moon (2008). Matten and Moon (2008) argued that the meaning, relevance, orientation and applicability of CSR practices vary with different contexts. It is in view of this that, Muthuri and Gilbert (2011) for instance advocate for the development of an ‘Africanised’ CSR agenda focused on the factors driving CSR practices of the region. The debate and propositions however implicitly suggested that businesses and organisations in developing countries were simply following and implementing Western models of CSR based on the outcome of researches without generating their own regionally relevant CSR models. Amponsah-Tawiah and Dartey Baah (2011) however disagreed with this notion, stating that, prior to the adaptation of Western CSR there were traces and trends of concepts which perfectly fitted for the explanations and defining of CSR among Africans. Studies by Amponsah-Tawiah and Dartey Baah (2011) suggested that, the concept was not alien to the developing countries. They argued that African had traditional concepts such as Ubuntu, African Renaissance and Omuluwabi and that the only challenge has been that these concepts were not been fully developed for business. The Center for Social Markets (2001) also quoted the then Prime Minister of India as saying that business must be just and humane, as well as efficient and dynamic (Ofori, 2010). Again, Amaeshi et al (2006) argued that CSR in Nigeria is framed by socio-cultural influences like communalism, ethnic religious beliefs, and charitable traditions. Visser (2005) reiterated that the traditional philosophy of African humanism (ubuntu) was what underpinned most of the approaches to CSR in Africa.
In their paper, Nyuur, Ofori and Debrah (2012) also argued that government, leadership and governance and policy framework were among the 9 hindering and supporting factors of CSR for business in sub-saharan Africa. The authors observed that CSR functions within organisations in Sub-Saharan Africa were usually handled by a specific individual and in some instances directors or chief executive officers take personal responsibility of the company’s CSR. Again, the authors established that for majority of CSR officers in Sub-Saharan Africa including Ghana, CSR was not their singular responsibility of the managers except for South Africa. Nyuur, Ofori and Debrah (2012) argued at the time of their studies it was only at South Africa that managers dedicated larger portions of their time to CSR-related activities. The authors argued that, managers in most other countries spent 20 % or less of their time on CSR related issues and initiatives. Nyuur, Ofori and Debrah (2012) concluded therefore that relatively low attention was devoted to CSR/CSI initiatives in organisations within the region with their supporting reasons.

On CSR of MNCs and LCs in Africa, findings by Nyuur, Ofori and Debrah (2012) suggested that MNCs and LCs were identical in the choice of their CSR project with community and environmental considerations i.e. education, health and environment. This is in line with the findings of Lindgreen et al. (2009) who suggested that the extent and type of CSR practices by organisations in Botswana and Malawi are not significantly different.

On the contributions of CSR on the continent, studies on CSR projects and the development of CSR in Africa have shown the vast contribution of CSR to economic and social growth (Ramlall, 2012; Hinson & Ndhlovu, 2011). Private organisations are seen as enormous
contributors to the social, economic and environmental conditions and standard of living of people in Africa (Visser, 2005). Other scholars however are of the view that although CSR projects could contribute to the economic and social development of SSA, this has not been fully verified (Mbadlanyana, Sibalukhulu & Cilliers, 2011; Adewuyi & Olowookere, 2010; Jallow, 2009; Blowfield & Frynas, 2005). Hinson and Ndhlovu (2011) also revealed that, the Corporate Social Investment (CSI) of most companies in South Africa was largely influenced and determined by historical circumstances, government regulations and the increasingly compulsory nature. There are arguments by scholars that the mere possibility of the alignment of CSI project to government priorities may “lead to the necessary leverage and to effective follow-through in respect of development projects”. Although the approach has helped to boost the minimum living conditions of the poor in developing countries (Valente & Crane, 2010), there are concerns also that such approach could lead to abdication of the government’s responsibilities such as infrastructure development (Njenga & Smit, 2007). This view has been supported by other scholars with the argument that the CSR projects of companies were been used as ‘developmental gap fillers’ (Amponsah-Tawiah & Dartey-Baah, 2011). These projects have also been heavily criticised (Haalboom, 2012) as they are perceived to be compensating for the shortcomings and the negligence of duties by governments. This notwithstanding, other scholars in contrast have argued that such projects and approaches rather enhance the economic development and prevent new wars (Kolk & Lenfant, 2010; Elbadawi, Hegre & Milante, 2008).

2.4.3 CSR in Ghana

Some authors hold the view that CSR is an interwoven concept between business and society rather than distinct entities hence the two work hand in hand. Others have also argued that CSR
concerns how companies manage the business process to produce an overall positive impact on society (Baker, 2003; Wood, 1991). Ghanaians however perceive it differently. A survey by the World Business Council for Sustainable Development (WBCSD, 2000) revealed that, when asked how CSR should be defined, Ghanaians see it as a concept which focuses on “building the capacity of the local people” and also used for “filling in for the shortcomings of government.” Ghanaians also see the concept as respecting cultural differences and helping build employment skills for communities. Nevertheless, CSR used for this purpose has been criticised by several researchers as CSR is seen as an inadequate response to these governance gaps; there are serious questions about the dependencies this governance gap approach to CSR creates, especially where communities become reliant for their social services on companies whose primary accountability is to their shareholders; and there is also the issue of perceived connivance between governments and companies, as the Shell all too painfully experienced at Ogoni in Nigeria (Dartey-Baah & Ampnosah-Tawiah, 2011; Ite, 2004).

Prior to the steady development of the concept in the country, the socialist orientation of the first president of Ghana, Dr Kwame Nkrumah somewhat had an impact on the emergence of CSR in Ghana. The ideological impression created by him at the time that, societal problems could be solved by State Owned Enterprises (SOEs) to some extent limited corporate organisations to the payment of taxes in the fulfillment of their social obligations (Amponsah-Tawiah & Dartey-Baah, 2011). Yet, today in Ghana, the need for businesses to be responsible has become relevant given the gradual shift towards privatisation and deregulation. This current trend, researcher believe can strengthen the role of the private sector in complementing the public sector efforts thereby creating new hopes and responsibilities for businesses (Husted, 2000).
Ofori (2010) in a research on the attitudes of executive and management on social responsibility and ethics in Ghana found that although there was no legal framework for CSR in Ghana, companies engaged in various CSR activities such as support for education, sponsorship of events and charity donations. Ofori (2010) also revealed that managers and executives believed in the importance of socially responsible and ethically behavior by firms as ethical values of both individual managers and their firms were the major factors determining managers’ attitudes toward CSR. According to Ofori (2010), the managers believed that the CSR practices promoted their corporate reputation. Also regarding the development of the concept, Ofori (2010) observed that government regulations concerning the environmental and social issues have increased and standards and laws have been set at a supranational level. Investors and investment fund managers have begun to take account of corporation’s CSR policy in making investment decisions; some consumers have become increasingly sensitive to the CSR programmes of the companies from which goods and services are bought. These trends have contributed to the pressure on companies to operate in an economically, socially and environmentally sustainable way (Ofori, 2010). Commenting on how CSR activities in Ghana could be properly regulated, Anku-Tsede and Deffor (2014) argued that even though CSR was largely influenced by various regulatory regimes in Ghana, its efficiency was often adversely affected by deficiencies in the enforcement of the relevant laws.

Ofori and Hinson (2007) in a research on perspectives of leading firms in Ghana on CSR revealed that although Ghanaian local companies were familiar with the concept and practise CSR to some extent, they subscribe less to the contemporary notion of CSR; they were less
strategic, less moral and ethical in their approach to CSR. Ofori and Hinson (2007) argued that the internationally-connected Ghanaian firms however have a better grasp of the various dimensions of CSR and how it could be used to strategic advantage in business. Nonetheless, Ofori, Nyuur and S-Darko (2014) in a study on the banking sector also found that both the internationally and local banks in Ghana perceived CSR practices to be a strategic tool; they practiced it for legitimate reasons as much as for profitability and sustainability. The observation by Ofori (2010) that Ghanaian managers had positive attitudes toward CSR contrasted Wood’s (1991) observations. Wood’s (1991) argued that, the ethical climate in Ghanaian organisations is characterised by vices such as greed and selfishness. Wood (1991) opined that corrupt behaviour involving people at all levels of organisations had resulted in a lack of confidence in public and private institutions. Wood’s (1991) observations were however affirmed by Abugre (2014) in a study on managerial role in organisational CSR with empirical lessons from Ghana. Abugre’s (2014) findings revealed that managerial role in the practice of CSR in Ghana is limited and ineffective. Abugre (2014) observed that, the difficulties of effective CSR implementation mainly stem from leadership weak spots such as mismanagement and corruption, lack of leadership commitment and unwillingness to allocate monies due for CSR activities.

Again, Ketola (2006) listed some organisational CSR practices that are of much interest with regard to developing countries and, for that matter, Ghana. In this Ketola (2006) outlined specific personality characteristics of psychopaths, for instance, gross disregard for others’ safety, which includes products and production methods that endanger human health and the environment as well as dangerous working conditions.
Indeed, it is obvious that besides the promising nature of the CSR concept in Ghana, it has also suffered some major challenges. The other complex nature of the problems in the country including low per capita income, weak currency, capital flight, low productivity and low savings have made it almost impossible for indigenous companies to actively embark on CSR activities (Amponsah-Tawiah & Dartey-Baah, 2011). Though CSR activities in Ghana are dominantly carried out by multi-national companies such as large scale manufacturing, telecommunication and mining companies i.e. MTN, Valco, Goldfields, and AngloGold, Corporate Social Responsibility (CSR) have become part of the corporate fabric. Many private firms in Ghana are therefore extensively incorporating CSR into their strategies in order to generate stakeholder goodwill and boost market value (Hinson, 2011).

CSR in Ghana is progressive with several efforts by individuals and organisations to promote CSR in the Country. Their initiatives are helping to consolidate the CSR concept among Ghanaian companies. For instance, the Corporate Social Responsibility Movement (CSRM) has been formed since 2001 by executives of Tema Municipal Youth Coalition (TEMYC) as an advocacy movement at the forefront of promoting corporate social and environmental responsibility locally. CSRM is convinced that profit maximization should not be the company’s single objective, and that CSR is an important factor to render production efficient (Ofori, 2010).

Also, the Ghana Investment Promotion Centre (GIPC) has included CSR as a criterion or parameter for selecting its Ghana Club 100 members. Ghana Club 100 is the official list of the top 100 companies in Ghana compiled yearly with the aim of recognising the top 100 companies
and to encourage competition and improvement of company products and services in the country. It is a survey conducted annually by the GIPC with voluntary participation by companies of which companies on the Ghana Stock Exchange often feature. Ghana Investment Promotion Centre (GIPC) is a government agency established to encourage, promote and facilitate investments in all sectors of the economy of Ghana.

The Ghana Chamber of Mines, the Ghana National Petroleum Corporation, Minerals Commissions and the Environmental Protection Agency (EPA) in Ghana are also strategic institutions that are making further efforts to ensure effective CSR by the Mining and Oil and Petroleum industries through some of their regulations. Their efforts over the period of its inception somewhat makes the concept in Ghana synonymous to the extractive industry as the environmental impact of their operations, human rights issues and demands from pressure groups are at the forefront of CSR within the country.

The newest introduction of institutions helping with the promotion of CSR in the country is the UN Global Compact Network Ghana. According to information on the website of UN Global Compact Network Ghana, The Ghana Network is a platform for companies, business associations, UN agencies, NGOs and trade unions to learn about and promote CSR and ethical business standards. The Global Compact was launched in Ghana in July 2002 by the then former Vice President Alhaji Aliu Mahama. The Network serves as a focal point of co-ordination and communication for its members and its key goals are: to promote the Global Compact principles throughout Ghana, to enable participants to share and exchange practice and experience and to help promote and support the Global Compact worldwide.
2.4.4 Relevance of transactional and transformational leadership to CSR projects

Arevalo and Aravind (2010) opined that, CSR initiatives are expected to encourage voluntary cultural and managerial change in organisations that will create the basis for sustainable development. In a research on the impact of the world financial crisis on corporate responsibility with a critical look at the case of UN global compact participants in the USA, Arevalo and Aravind (2010) observed that, among the top priorities of CEO to cope with the financial crisis while actively fulfilling their CSR obligations were; building strong leadership teams; applying innovation to solve the most complex global problems; forming partnerships with NGOs; maintaining core commitment to global citizenship; engaging in global dialogue on human rights; and joining global discussions on climate change.

Waldman and Siegel (2008) however acknowledged in their letter exchange that empirical studies of CSR have largely ignored the place of the corporate leader in implementing CSR initiatives. Waldman and Siegel (2008) asserted that, although top managers are obviously in the best position to influence CSR strategies and projects, researchers have previously failed to examine the effect of leader values, ethics and style in regards to CSR (Waldman & Siegel, 2008). In the 2008 letter exchange, Waldman resists the usefulness of purely ‘values-driven’ CSR, or CSR driven by the manager’s personal values, positing that, managers are not accountable to society, but to the firm’s shareholders (Waldman & Siegel, 2008). Waldman further argued that managers have no way of knowing the true needs of stakeholders. Waldman’s argument implies that the most appropriate leadership style for organisations implementing CSR strategies is that which is strategically driven and which does not require maintaining integrity to personal values. Siegel, on the other hand, argues that leader integrity
to personal morality can yield positive outcomes for businesses and may actually be the driver of CSR strategies in organisations (Waldman & Siegel, 2008). Waldman (in the letter exchange between Waldman & Siegel, 2008) does not link strategically driven CSR leadership to any empirically researched leadership style. However, Siegel’s reference to the personal values of a CSR leader is at least indicative of ethical and moral leadership styles (Angus-Leppan et al., 2010).

According to Halal (2002), on issues of morality and social responsibility, managers generally look upon their stakeholders poorly. Economic value and competitive advantage are regarded more highly than morality and social responsibility. Halal (2002) argued that, this perception of managers is the basic cause of today’s continuing conflict between profitability and responsibility as managers do not seem to understand that these two interests can be united. To some extent, this situation is seen to be centered on organisational strategy issues. Johnson and Scholes (1997) claimed that, there is a potential conflict for managers between what strategies are best for their own career and what strategies are in the long term interest of their organisation. This indeed brings to light the central role of managers, the influence of their leadership style and the effect of their personal interests on organisational interest. Balancing the stakeholders’ interest and the ethical stance of individual managers and their organisation is highly dependent on the manager.

A research work carried out by Griffin and Ebert’s (2002) suggested that, social responsibility must start from the top because without the support from top management, organisational programmes cannot be implemented successfully. Speaking to management behavior that
supports CSR, Campbell (2000) makes an argument for proactive behaviours. Campbell (2000) indicated that, proactive behaviours of managers include being highly involved in contributing positively to organisational work and behaviours which involve shaping the environment by looking for opportunities for change (Ashford & Black, 1996).

Abugre’s (2014) findings on managerial perspective on CSR in Ghana reiterated the position of managers being actively involved in CSR activities of their company. Abugre (2014) stated that, for CSR to succeed, management in organisations must play a major role both in the promotion and implementation of CSR activities and, that, CSR must be actively managed from top executives. Abugre (2014) further indicated that, there is a relationship between the effective implementation of CSR policies and management role in organisational CSR. The author observes that, for CSR policies to be effective especially in its implementation, then organisations must have leaders whose goals and passions are directed towards responsible behaviours of the organisations.

Beyond the set goals of leaders and their individual passion as advanced by Abugre (2010), Singhapakdi et al, (1995) asserted that, the perception of an individual as to whether ethics and social responsibility contribute to organisational effectiveness is likely to be a critical precursor to whether that person even perceives an ethical problem in a given situation. This pragmatic view is based on the foregoing argument that before their behaviours will become more ethical and reflect greater social responsibility; managers would first perceive ethics and social responsibility to be consequential to organisational effectiveness. Again, to Singhapakdi et al (2001), ethics and social responsibility would have a positive impact on the success of an organisation as ethical judgments of customer are likely to influence their purchase.
On the role of ethics and social responsibility, Lantos (2002) stated that ethical CSR is morally mandatory and goes beyond fulfilling a firm’s economic and legal obligations to its ethical responsibilities, to avoid harm or social injuries, even if the business might not appear to benefit from this. Hence, a corporation is morally responsible to any individuals or groups where it might inflict actual or potential injury from its operations. This view somewhat harmonises with Fairhurst’s (2007) assertion that, leaders as agents of transformation have the ability to construct the environment to which they and their subordinates must respond to organisational responsibilities.

Hargett and Williams (2009) in a study sought to understand how companies define CSR, the developmental experiences of the leaders toward CSR, and to identify strategies, policies and practices implemented to support CSR. The study by Hargett and Williams (2009) found that, CSR and sustainability are not typically understood as the execution strategy among majority of companies’ leaders and employees. Organisational leaders can, therefore, benefit from learning more about what practices, systems, and organisational culture components as these are important in initialising and sustaining CSR in business operations world-wide.

O’Dwyer (2003) in his work on the nature of managerial capture and conceptions of CSR, highlighted 3 key somewhat overlapping rationales underpinning the acceptance of CSR by some managers and companies: the first rationale is proactive enlightened self-interest, which is the voluntary recognition of corporate social responsibility by companies as long as this enhanced or failed to inhibit corporate economic welfare; the second rationale is reactive enlightened self- interest, which is fuelled by perspectives ‘outside’ the organisation. It is
perceived as being primarily instigated by external pressure imposed on companies deriving from many, often overlapping sources such as legislation, local communities, pressure groups with single issue agendas, and the print media. The third rationale observed was, obligations and duties owed to certain sectors of society. This distinctive separate emphasis on obligations owed to the wider society predominated among managers in the exploration/extractive and banking and finance sectors. It suggests that certain responsibilities could be discharged without seeking any payback as a consequence.

Despite many compelling arguments in favor of the instrumental use of CSR, it has been observed that corporate executives may also be driven to adopt CSR practices for moral or ethical reasons that characterise effective leaders (Daft, 2002). Bass (1985, 1998) has been a strong proponent of transformational leadership as a model for understanding extraordinary effort and performance in organisations. Bass emphasised the difference between transformational and transactional leadership and how the latter is based on satisfying the self-interests of both the leader and followers. In contrast, he defined transformational leadership in terms of how such leaders stress on self-sacrifice for the good of the larger group or collective (Bass, 1985, 1997, 1998; Howell & Avolio, 1992). Although Bass emphasised the internal organisation, in more recent writings, it is clear that Bass is also implying the larger community beyond a leader’s organisation (Bass & Steidlmeier, 1999). Transformational leadership is seen to be achieved by the elevation of followers’ motivational needs and the expansion of their understanding and perspectives. Here, the status quo and followers’ expectations and assumptions are challenged (Bass, 1997; Bass & Avolio, 1994).
Bass and Steidlmeier (1999) argued that leadership should be regarded in the context of stakeholder theory (Freeman, 1984), where workers, customers, suppliers, local communities, and governments have a legitimate strategic and moral stake in the firm. The authors further posited that, transformational leadership can help people develop the common interests of a community beyond the aggregate interests of its individuals. Thus, transformational leadership is associated with advanced stages of moral development, where leaders take all stakeholders’ interests into account and participate in organisational governance based on universal ethical principles (Graham, 1995). Shahin and Zairi (2007) affirmed the assertions by Bass and Steidlmeier (1999) in their study. Shahin and Zairi (2007) explored small to medium sized companies in Iran, surveying managers from 58 companies through questionnaires about leadership approaches and CSR within their companies. The findings by Shahin and Zairi (2007) revealed the comparative effectiveness of transformational leadership. The authors concluded that, “leadership style is also found to play an important role in socially responsible organisations. In this respect, transformational leader seems to be more effective, comparing with manager and transactional leader” (2007, p. 7).

Existing literature provides a conceptual linkage between CEOs’ transformational leadership and the firms’ strategic orientation to CSR (Bass & Steidlmeier, 1999; Graham, 1995), assuming that transformational leadership enhances the development of strategies focused on the common interest of the community. This was evident in a study by Waldman et al. (2006b) who solely focused on transformational leadership theory to explore the role of CEO’s in determining the extent to which their firms engage in CSR. In their study, Waldman et al. (2006b) explored the components (factors) of transformational leadership with regards to
CEO’s in 112 large US and Canadian companies and the relationship of these components to the CSR actions of their firms. The authors grouped both emotional components under the single heading “charismatic leadership” (citing a lack of independence between the two (2006b, p. 1706)) and only examined the intellectual component “intellectual stimulation” (without including the individualised consideration component, citing conceptual difficulties in linking individual-level focus with the higher-level organisational phenomenon of CSR (2006b, p. 1706-7)). Waldman et al. (2006b) assessed these leadership components using the Multifactor Leadership Questionnaire (MLQ) to engage one or two senior managers within each company to assess the company’s CEO. Waldman et al (2006b) divided CSR activities into two distinct categories strategic CSR and social CSR, where strategic CSR was identified as activities “that relate more clearly to the firm’s competitive strategy (e.g. differentiation/reputation building)” and social CSR was labeled as activities “based more on concern for social issues” (p. 1714). Their study found that intellectual stimulation was a predictor of the firm’s propensity to engage in strategically oriented CSR, but not socially oriented CSR while charismatic leadership was not found to be a predictor of either strategically or socially oriented CSR. Although Jones (1995) noted that stakeholder theory encompasses an ethical/normative dimension, implying that managers may engage in CSR because their moral or ethical values compel them to do so, the finding resonates with the view of some early authors (e.g., Bass & Steidlmeier, 1999) that, not all leaders with charismatic appeal will have values relevant to CSR, and indeed some may have motives leaning more toward personal power and self-aggrandisement.

Waldman et al. (2006b) recommended that additional multidisciplinary research to bridge micro- and macro-level conceptualisations of the role of leadership in CSR. Waldman et al.
claimed that leadership and CSR relationships may be more appropriate for study at lower units of analysis (e.g., divisional level) and, also the Board level as CSR activity may be related to the actions and philosophy of the Board of Directors, rather than just the CEO. Waldman et al. (2006b) encouraged future quantitative and qualitative research that directly assesses the role of leadership in CSR formulation and implementation at multiple levels of analyses. Waldman et al. (2006b) opined that research along these lines could help provide a richer understanding of linkages between leadership and CSR across the levels of an organisation.

In light of the same topic, Egri and Herman (2000) also interviewed and administered questionnaires to leaders of 38 for profit “green” business organisations and 33 nonprofit environmental organisations from the US and Canada to assess their leadership approaches and personal values. Their findings suggested that the nonprofit organisations were “highly receptive contexts” for transformational leadership approaches, whereas for-profit organisations were “moderately receptive” (p. 571). With the for-profit organisations, Egri and Herman (2000) posited that both transformational leadership and transactional leadership approaches were employed. Contrary to the findings of other researchers, Egri and Herman (2000) concluded that, “transformational and transactional leadership are not strictly dichotomous constructs, especially in smaller organisations” (p. 600). Nonetheless, the authors stressed on the importance of transformational leadership above transactional leadership as it relates to environmental responsibility, arguing that “transformational leaders are needed to effect transformations in the way humankind relates to the natural environment. The importance of human agency in this endeavor cannot be overstated.”
This notwithstanding, management researches have also focused attention on instances when managers use CSR instrumentally. It is argued that with such approach, they can promote CSR either for their own benefit (Friedman, 1970; Wright & Ferris, 1997), which follows from agency theory, or to enhance firm profitability, based on a resource-based view (Russo & Fouts, 1997) or a theory of the firm/strategic perspective (McWilliams & Siegel, 2001).

Szekely and Knirsch (2005), using the terms CSR and sustainability interchangeably, and drawing on how transactional leadership relates to it, studied 20 German companies. During the study, the authors analysed sustainability reports of companies and their website information in addition to various surveys, sustainability metrics and awards. Szekely and Knirsch (2005) observed from the findings that, “it always takes a leader to transform a company into a sustainable, socially responsible enterprise. This individual needs to be both a good leader and a good manager… the most critical success factor for sustainability is true leadership within the organisation, thus securing the commitment of management (starting at the very top) and developing a system of incentives to reward leaders at all levels who develop and push for the adoption of sustainability practices.” There further suggested that, it also requires the leadership ability that responds flexibly to change and to engage in dialogue and partnerships with different members of society (p. 629).

African countries and Ghanaian scholars for that matter have not been left out on researchers on CSR and leadership, though literature available is very limited on the issues. Ofori (2010) in his research on the attitude of executive and management on social responsibility and ethics in Ghana found that, although there is no legal framework for CSR in Ghana, companies engage
in various CSR activities such as support for education, sponsorship of events and charity donations. Ofori (2010) indicated that the importance placed on CSR by these firms was as a result of the ethical values of both individual managers and their firms. Nonetheless, Ofori (2010) observed that beyond the issues of ethics, managers and executives in Ghana engaged in CSR activities primarily to enhance their corporate image among customers and secondly, to ensure the well-being of the society. Overall, Ofori (2010) argued that, even though companies in Ghana were involved in various forms of CSR activities no comprehensive policy framework for CSR activities exists in Ghana. Contrary to the findings by Ofori (2010) in a somewhat similar study with lessons from Ghana on managerial role in organisational CSR, Abugre (2014) argued that managerial role in the practice of CSR in Ghana was limited and ineffective. Abugre (2014) observed that the difficulties of effective CSR implementation mainly stemmed from leadership weak spots such mismanagement and corruption of organisational leaders, lack of leadership commitment and unwillingness to allocate monies due for CSR activities. Abugre (2014) argued that this was mostly the cases because community leaders were not happy with what the organisations gave them for CSR projects. Again Abugre (2014) argued that the community leaders felt that the organisations imposed on the communities what they had not requested for as they were not consulted on the specific project. The study by Abugre (2014) was based on the empirical analysis of employees’ opinion on a quantitative survey of 100 middle and senior level managers from four organisations chosen from relatively high impact industry sectors including agriculture, thus two companies in Cocoa cultivation, one mining company, a foreign bank. These representations arguably fall short of the representation of a singular sector. Abugre (2014) suggested the use of a more comprehensive and larger sample size to explore different managerial roles or inputs in CSR activities. Apart from these, Abugre
(2014) also recommended a possible research that examines why organisational leadership does
not take interest in total CSR particularly in developing countries which he believes accounts
for the corruption and unethical behaviours within the communities that they operate.

In what may seem a different dimension and a divergent view on CSR in Ghana, Mahmoud and
Hinson (2012) conducted a study on the telecommunication sector in Ghana with focus on
market orientation, innovation and CSR practices. Mahmoud and Hinson (2012) emphasised
the need for innovation in CSR initiative, a view that has been supported by Ofori, Nyuur and
S-Darko (2014). Ofori, Nyuur and S-Darko (2014) argued that ‘doing good’ requires a sense of
innovation for it to trigger any significant financial performance for the business.

Models of effective leadership have increasingly emphasised values and related characteristics
of leaders that could affect strategic decision-making and implementation, including decisions
and actions taken toward the implementation of CSR (House & Aditya, 1997). Thus, it is
somewhat surprising that there has been virtually no theoretical or empirical analysis of the
relationship between managers’ leadership style and CSR. The purpose of this study is to
extensively consider this gap. More specifically, the study ‘CSR in the Ghanaian mining
industry: Does leadership matter?’ focuses on transformational leadership and transactional
leadership theory and extend it in new directions by applying it to the CSR phenomena and
theories. The goal is to provide theoretical and empirical linkages between CSR managers’
leadership style and CSR in the Ghanaian mining industry.
2.4.5 Mining

Mining is the process of digging into the earth to extract naturally occurring minerals. It is the world’s second oldest and most important industry after agriculture (Down & Stocks, 1977). It is currently the fifth largest industry in the world and it is one of the core sectors of the world economy. The trade of mineral commodities represents a substantial part of international trade (Madeley, 1999) but the industrial-scale extraction of natural resources also generates significant social and environmental impacts. Mining is viewed as one of the most environmentally damaging and dangerous industrial sectors (Dias & Begg, 1994; Zank, 1995; Yakovleva, 2007; Peck & Sinding, 2003). Generally, the exploration, extraction and processing of mineral resources are activities widely regarded as environmentally and socially disruptive (Peck & Sinding, 2003). Warhurst (2001) observed that, many of the environmental disasters and human rights incidents that have contributed to the growing public concern about actions of companies over the last 40 years have taken place in the extractive industries. There can therefore not be any meaningful discussion in the area of social and environmental responsibility without the mention of the mining industry. It is always a key industry in discussions on social and environmental responsibility (Cowell, Wehmeyer, Argust, Graham, & Robertson, 1999). Again, public opinion on the industry is mainly influenced by concerns over environmental and social performance than by performance in areas such as product pricing, quality and safety (Rae & Rouse, 2011). According to an International Institute for Environment and Development (IIED) report, the mining and minerals industry is distrusted by many of the people it deals with on a day to day basis and has been failing to convince some of its constituents and stakeholders that it has the ‘‘social licence to operate’’ in many parts of the world (IIED, 2002)
The two kinds of mining are surface and underground mining. Surface mining is also known as open-pit mining or strip mining. It is done when the mineral deposit lies on the surface of the earth. It is usually more cost-effective a method in mining and mostly requires fewer workers to produce the same quantity of ore than in the case of the underground mining. The underground mining method on the other hand is used when the mineral deposit lies deep beneath the surface of the earth. Irrespective of the type or kind of mining being undertaken, mining investment is capital intensive. It is a high-risk as well as a high reward business for mining companies and communities (Wood, 1999).

2.4.6 Mining in Ghana

By the UN definition of a mining economy: “those generating at least 10 per cent of gross domestic product from mining and at least 40 per cent of their foreign exchange earnings from mineral exports” (United Nations, 1998, p. 2), Ghana may not necessarily be classified as such. However, Ghana’s mining industry is the second largest gold producer in Africa after South Africa, the third-largest African producer of Aluminium metal and Manganese ore and a significant producer of Bauxite and Diamond (Coakley, 1999). These are the 5 traditional minerals mined although Gold has been the mainstay of Ghana’s mineral sector, accounting for some 90–95% of mineral export earnings as well as mining activities. The boom of Ghana’s mining sector from 1990, which triggered and spurred on by the streamlining of the institutional, legal and fiscal set ups of the sector, was greatly supported by the existence of favourable gold prices then (Aryee, 2001). Indeed, the turmoil in the Ghanaian economy of 1997–98 was therefore largely blamed on the decline in gold and cocoa prices in both political and economic circles, as reported by the High Street Journal (Anon, 2000).
Mining of gold, whether legal or illegal is seen as one lucrative venture in the country as a result of the nation’s vast expanse of untapped gold resources. Anglo-Gold Ashanti, Newmont and GoldFields Ghana Limited are among 3 of the world’s largest gold mining companies operating in Ghana and there are over 150 other mining and quarry companies (Gyampo, 2014).

According to information on the Ghana Investment Promotion sector (GIPC) as at June, 2016, minerals extractive industry has thirteen large-scale mining companies and, over three hundred registered small scale mining groups and ninety mine support service companies. Tarkwa, a town in the Wassa west district in the Western region has the highest concentration of mining companies in the country, in the West African sub-region and possibly the African continent (Akabzaa & Darimani, 2001). The only manganese mine in the country is also located in this area (Amponsah-Tawiah & Dartey-Baah, 2011).

Ghana has seen the operation of few Multinational Companies from Canada, Australia, and South Africa and until recently the United States. There are however, lesser investors from the United Kingdom, Norway and China. Regarding nationality of ownership in Ghana, 85% of the industry is owned by foreigners and the rest by the state and several small scale Ghanaian operators largely due to the legal restriction of small scale mining to nationals (Akabzaa & Darimani, 2001). Amponsah-Tawiah and Dartey-Baah (2011), observed that, the major gold producing companies in Ghana are Goldfields Ghana Ltd (Tarkwa & Abosso mines); Anglo Gold Ashanti (Obuasi & Iduapriem mines); Central Africa Gold (formerly, AngloGold Ashanti Bibiani Mines) Golden Star Resources (Bogosu/Prestea & Akyempim mines); and recently Redback Mining Ltd (Chirano mine) and Newmont Ghana Gold Ltd (Ahafo & Akyemmines).
Ghana Bauxite Co. Ltd. (GBC) operates the country’s only bauxite mine at Awaso, just as Ghana Manganese Company Limited’s Nsuta-Wassa open pit mine remains the only significant producer of manganese ore in the country. Ghana Consolidated Diamonds’ Akwatia diamond mine is also the only operating diamond mine in Ghana. Contrary to the operations of large scale mining sector which uses highly mechanized equipment and thus employ very few but highly skilled individuals, there is small scale mining within the country. The small scale/artisanal sector employs about 300,000 people most of whom are stark illiterates and employ very primitive methods in mining at the expense of their lives. The small scale/artisanal miners and the large scale miners are the two main players in the industry (Amponsah-Tawiah & Dartey-Baah, 2011). As Harkinson (2003) observed that, “Across Africa, in countries with rich mineral reserves and barren economies, thousands of the unemployed dig for fortunes operating illegally and unregulated. These miners use primitive extraction techniques, with dynamite, pick axes, mercury and the strength of their arms” (p.1).

Though scholars such as Jonah (1987) and Addy (1999) argued that there was poor investment in the sector as a result of the economic, financial, institutional and legal framework within which the sector operated, since the inception of the Economic Recovery Programme (ERP) of the government of Ghana in 1983 and the Structural Adjustment Programme (SAP) by the PNDC regime in 1983, the mining industry has seen phenomenal growth (Jonah, 1987; Aryee & Aboagye, 1997; Addy, 1999; Aryee, 2000). Largely, the government’s main objective then to quickly attract investments into the mining sector, along with other key sectors which had export potential, to help turn around the general economy of the country at the commencement of the ERP has been realised (Aryee, 2001) as much investment has been seen in the sector.
To stimulate investment into the minerals economy in Ghana, from 1985 onwards, the government implemented series of laws and policy measures to create an effective regulatory framework for the mining industry (Akabzaa, 2000; Iddrisu & Tsikata, 1998). This led to the liberalisation of the mining sector with the government selling out the majority of shares of state owned mines to private companies most of which were of foreign decent. Aryee, (2001) observed that, Ghana’s mining industry contributes about 40% of gross foreign exchange earnings, generates some 5.7% of GDP as well as other benefits. Ghana’s mineral endowment potential is well known internationally and documented (Bullock Engineering Corporation, 1986; Keatley, 1992; Strongman, 1994). The period between 1983 and 1998 therefore witnessed the growth of many state owed mining companies, the rise of Ghanaian and foreign companies and investors within the industry and the injection of private investment capital in the mining industry for mineral exploration. This helped with the establishment of new mines as well as the expansion and rehabilitation of existing mines (Minerals Commission, 1999a). The industry has since been a significant contributor to the Ghanaian economy and its growth including national export earnings. Given the expected higher returns from gold mining, the country has relied heavily on mining in its effort to fight poverty and under-development over the last three decades (Ministry of Finance & Economic Planning, 2008). This explains why between 1990 and the year 2000, almost all state mines were sold out to private business entities in order to ensure more profits from the sector (ibid).

The mining industry in Ghana has had some positive effects on the economy providing support for the protection of the cultural heritage of the country (former Gold Coast) and enhancing community development through the provision of education, scholarship programmes,
investment in teaching staffs, employment to the local people and other livelihood programmes. This notwithstanding, mining in some communities has had great impact on the culture of the mining communities. It has deprived others of their traditional livelihoods through the pollution of river bodies (Koranteng, 2004) and purchase of their farmlands has deprived many of their economic activities such as farming. This has placed the mining industry under the spotlight of community Based Organisations (CBOs), Civil Society Organisations (CSO) and other environmental Non-Governmental Organisations (NGOs) (Amponsah Tawiah & Dartey-Baah, 2011). Consequently, the mining industry in Ghana has began using CSR as a basis for addressing the social and environmental problems associated with the industry.

The nature of corporate responsibility in the mining industry of Ghana however varies amongst companies and is dependent on the type of product mined, size of company, background of company and length of operation. All the companies adopt the same approach in pursuing their CSR agenda. The community development approach is the fulcrum around which the CSR agenda of mining companies revolve.

2.4.7 Mining, regulation and the regulatory bodies in Ghana

There are various institutional frameworks and established institutions that are mandated to regulate and control the mining sector. To ensure effective regulation of the sector especially after the Economic Recovery Program (ERP) as the sector became buoyant and witnessed much growth, the Minerals Commission of Ghana was established in 1986. Its primary role as an institution has been to regulate the mining sector of Ghana, in terms of its domestic and international dealings.
According to Minerals Commission Law of 1986, as amended by the Minerals Commission Act of 1993, the Minerals Commission is to be responsible for the regulation and management of the utilisation of the mineral resources of Ghana and the co-ordination of the policies in relation to them. Three years after the passing of the law, the Precious Minerals Marketing Corporation (PMMC) was established in 1989 as the main buyer and seller of minerals produced by the small-scale mining sector. The small-scale is reserved exclusively for local people.

The Environmental Protection Agency (EPA) is another regulatory body within the mining sector. It was set up under the EPA law of December 1994. The role of the EPA is to ensure that all developmental activities in the country take account of environmental concerns through Environmental Impact Assessments (EIA's) and also to ensure regular inspection and monitoring of environmental quality. The Minerals Commission and Mines Department collaborate with the EPA in implementing the inspection and the monitoring of activities. There are general guidelines developed which outline how mining activities should be carried out in an environmentally responsible manner. The mining industry is regulated by various legal frameworks which are enforceable by the Minerals Commission. These laws include: the Additional Profile Tax Law (PNDCL 122; 1985); Minerals and Mining Law (PNDCL 153; 1986); Minerals (Royalties) regulations (LI 1349; 1985, 1987); the Small Scale mining law (PNDCL 218; 1989); and the precious marketing corporation law (PNDCL 219; 1989). The Ghana’s Minerals and Mining Law, Act 703, requires that mining companies are expected to pay royalties ranging from 3% to 6% on the revenue realised from the ounces of gold ore mined in the country. Every single mining company in the country paid only the minimum rate of 3%
by taking advantage of loopholes that allowed for significant deduction of expenses. This is paid to the Large Tax Unit of the Internal Revenue service who then pays into the consolidated fund. 80% of the mineral royalties paid by mining companies to internal revenue service is retained by government in the consolidated fund. 10% is paid from the consolidated fund to the Minerals development fund 10% is paid to the Office of the Administrator of Stool Lands (OASL)

2.4.8 Mining and sustainability

Ghana has reaped demonstrable benefits from the adoption of private-sector-led mineral resource development as an “engine of growth” within the context of the “export base model” (Aryee, 2001). The historical importance of mining in the economic development of Ghana is considerable and well documented, with the country’s colonial name Gold Coast, reflecting the importance of the mining sector, particularly, the gold trade to the country (Agbesinyale 2003; Akabzaa 2000). The country has a long tradition of gold mining with an estimated 2,488 metric tons (80 million ounces) of gold produced between the first documentation of gold mining in 1493 and 1997 (Kesse, 1985; Ghana Chamber of Mines, 1998). The country also accounted for 36% of total world gold output (8,153,426 ounces) between 1493 and 1600 (Tsikata, 1997).

Unfortunately, in spite efforts to shore up revenue from the gold mining sector, it has been argued that returns accruing from the sector to the state have been very meager and marginal (Akabzaa, 2005). Mining output had decreased significantly since the late 1950”s with gold experiencing the most dramatic decline in production. Aryee (2001) puts it succinctly, “For four decades up to the 1980”s no new mine was opened in Ghana due to a myriad of problems faced
by mining sector investors and potential investors alike, as a result of the economic, financial, institutional and legal framework within which the mining sector operated” (2001:62).

However, Gyampo (2014) has argued that, the country has not witnessed any marked change in its gold revenues since 2004 and in fact, there have been decline in some instances. For example, the gold mining sector’s contribution to total revenue in the form of corporate income taxes, royalties’ payroll taxes and national reconstruction levy in 2004 was 13.7%, while in 2006, it reduced to 9.6%. Again, the gold mining sector’s share of corporate taxes has also been on the decline accounting for less than 2% of total corporate taxes, compared to 29% for the financial sector, 10% for commerce and 16% for the manufacturing sector. It has therefore been generally argued that gold mining money “does not really count in Ghana” and indeed, Ghana has not achieved much in terms of income and profit from the gold mining sector because governments have over-pampered operators of that sector through magnanimous tax incentives, including capital allowances, low royalty payments, and weak or sometimes absolutely non-enforcement of capital gains taxes. There is also no transparency and accountability regarding the usage of the little returns that accrues the nation (Heller & Heuty, 2010). There is therefore the paranoia or actual fear that the challenges of the gold mining sector could have severe implications that can actually spell doom for the nation’s nascent oil sector in perpetuate “the paradox of plenty” (Gyampo, 2014). The economic rent generated by Ghana’s mining sector has not been as significant as has been the case elsewhere because while government provides the enabling environment (legal, institutional, fiscal, etc.) the mines/investors (who are private entities) are expected to undertake from grass-root reconnaissance through prospecting and advanced exploration to proving commercially viable deposits for mining/exploitation (Aryee
& Aboagye, 1997). Thus, the sharing of the rent has not been as favourable to government as has been the case in the oil/gas industry elsewhere.

2.4.9 Stakeholders in the mining industry

According to Zakhem (2008), the overall stakeholder groups of transnational corporations comprise tens of groups such as employees, consumers, shareholders, board members, suppliers, buyers, industry chambers, business clubs, trade unions, distributors, government officials, consultants, insurance companies, media, local communities, opinion-makers, the church, vulnerable groups, NGOs and civil society. All organisations and corporations especially multinational organisations have their constituents who are often referred to as stakeholders. Carroll and Buchholtz (2003) opine that these constituents have interests or shares in the organisation and its operations. Post et al (2002) distinguished between these constituents as primary and secondary stakeholders. The primary stakeholders are people who have direct interest in the organisation and they include but are not limited to the owners and shareholders of the organisation, the employees, the customers, the business partners, the communities of the operations of the mining companies. Secondary stakeholders on the other hand are public or distinct concerned groups that may not have a direct stake in the organisation but are invariably affected by its operations. The secondary stakeholders include the government and its agencies in local government, the regulatory bodies such as EPA and Minerals Commission, trade unions and industry groups, the media and other specialised and organised interest groups and the organisation’s competitors. As observed by Post et al (2002), though some stakeholders may not have specified legal rights, they are endowed with moral rights due to the obligations of the operations of the organisations to society. Others such as employees and shareholders however
have direct rights and expectations regarding the activities and operations of the mining organisation. The secondary stakeholders like the EPA and the media may not have legitimate right regarding the exploitation and mining of gold resources, however, they have obligations to interrogate the organisation's environmental policies and advocate for the development of environmentally friendly policies and the health and safety needs of the communities of their operations. Another important secondary stakeholder is the organisation's competitors. Thus, is argued that organisations including those in the mining industry have a social responsibility to compete fairly and ethically in the marketplace and in a manner consistent with the laid down procedures, best practices and regulations of the mining industry.
CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter discusses the methods and procedures underlying the entire study. It includes the research setting, research approach, the research design, the population sample selection, sampling and sample technique, data collection sources, data analysis and presentation, ethical considerations observed in the course of data collection and a brief profile on each of the 4 major gold mining companies (GoldFields Ghana Limited, Tarkwa and Damang Mines; AngloGold Ashanti; Chirano Gold Mines; Golden Star Resources).

Methodology refers to the rationale and the philosophical assumptions that underlie a particular study whereas method is a specific technique for data collection under those philosophical assumptions (White, 2000). According to Iatridis (2011), the choice of a methodology shapes what the researcher does and how the phenomenon under investigation is understood. To Gill and Johnson (2010), deciding on methodology influences how data is collected to enable the research meet its aim and objectives.

3.2 Research Setting

The Ghanaian gold mining industry has been chosen as the empirical setting for this research. Choosing to focus on the Ghanaian gold mining industry was justified by the following reasons. Firstly, most extractive companies in Ghana have long-standing CSR tradition. The actual implementation of CSR intervention by most of them is however questionable (Omeje, 2005; Hilson & Yakovleva, 2007; Bush, 2009; Horowitz, 2010) and this is arguably the case with
most Ghanaian gold mining companies. Several reports have raised questions about the motives of mining companies in developing and the implementation of CSR initiatives (Commission for Africa, 2005).

Secondly, mining is the 5th largest industry in the world and it is one of the core sectors of the world economy but the industrial-scale extraction of natural resources also generates significant social and environmental impacts. Therefore, mining is seen as one of the most environmentally damaging and dangerous industrial sectors (Dias & Begg, 1994; Zank, 1995; Yakovleva, 2007) and unlike other regions where the mining activities are in the desert areas and very distant from towns and communities of dwelling, the indigenes in Ghana live in the communities of operation of the mining companies. Again, Ghana’s mining industry is the second largest gold producer in Africa after South Africa, the third-largest African producer of Aluminium metal and Manganese ore and a significant producer of Bauxite and Diamond (Coakley, 1999). Thus, its operations and CSR or sustainable interventions must be studied.

Furthermore, in recent times, concerns about the sustainability and social responsibility (CSR) of businesses have become an increasingly high profile issue in many countries and industries, none more so than the mining industry (Jenkins & Yakovleva, 2006). However, literature available on CSR focused extensively on other sectors such as the financial institutions and the banking sector. Amponsah-Tawiah and Dartey-Baah (2011) observed that the major gold producing companies in Ghana are Goldfields Ghana Ltd (Tarkwa and Abosso or Damang mines); Anglo Gold Ashanti (Obuasi and Iduapriem mines); Central Africa Gold (formerly, AngloGold Ashanti Bibiani Mines) Golden Star Resources (Bogosu/Prestea and Akyempim
mines); and recently Redback Mining Ltd (Chirano mine) and Newmont Ghana Gold Ltd (Ahafo and Akyemmines). This research therefore focuses on 4 of these major gold mining companies in Ghana. These include GoldFields Ghana Ltd (Tarkwa and Damang Mine), Anglo Gold Ashanti (Obuasi), Chirano Gold Mines and Golden Star Resources (Bogosu/Prestea).

Indeed, as profit-orientated businesses, the managers of these gold mining companies have a responsibility to maximise profits as well as live peaceful with the communities of their operations. This study therefore explores the views of these 4 multinational gold mining companies in Ghana and the managers as well as opinion leaders on CSR practices, the motives behind their CSR initiatives and, leadership styles of the managers.

Finally, as CSR in Ghana is also considered to be in its promising stages, this research considers the mining industry to be an appropriate empirical setting for identifying, examining and gaining deeper insights into the leadership and CSR of the mining companies in Ghana.

3.3 Research Approach

According to Creswell (2009) research can be scientifically conducted from 3 globally agreed approaches/perspectives. These approaches include qualitative, quantitative or mixed methods research (Creswell, 2009; Yin, 2003). Each of these approaches to research has their flaws and strengths. However, the researcher’s questions provide or pre-indicate the approach that would be most scientifically appropriate to conduct a particular inquiry.

To achieve our aim for this study, a qualitative research approach was adopted. The use of qualitative methodology facilitated content analysis and critical document review of the
secondary data and other publications which did not involve numerical data. It also allowed for in-depth analysis of various theories concerning the CSR and the leadership phenomenon as well as the interpretation of data collected through interviews and observations. Qualitative method helped to explore the phenomenon by focusing on the individuals who experience them (Vishnevsky & Beanlands, 2004).

Qualitative research tends to explore the meanings, attitudes, values, and beliefs people associate with a phenomenon in order to find a better understanding, rather than to test to either support or disprove a relationship. It focuses on making sense of the meanings and interpretations people attribute to phenomena in their natural settings. Scholars observed that qualitative research considers context, seeks to understand; processes, subjects’ circumstance and experiences, complexities of situations, emotional circumstances of participants, values and cultures within which the study occurs. It arguably generates richer data and provides important outcomes with smaller samples (Brown, 2010).

Qualitative data provides a deeper understanding of social phenomena than quantitative does (Silverman, 2000). This view resonates with Creswell (2003) who also indicated that qualitative research explores a social or human problem in which among other things the researcher conducts the study in a natural setting. Moreover, since leadership is extremely sensitive to context and qualitative research has made a distinctive contribution to leadership studies in this sense (Bryman & Stephens, 1996) using this type of data is both productive and appropriate for the study. This study analyses the leadership dynamics and CSR in the context of the mining industry.
The approach is also appropriate in view of the multidisciplinary nature of the field of CSR leadership. That is, the study of leadership and CSR is a “context dependent” phenomenon, which necessitates the use of qualitative study approach to produce thick and rich descriptions of the “context” or provide, as Guba and Lincoln (1994, p. 106) suggested, “contextual information” (see also Eisenhardt, 1989; Waldman et al., 1998; Yin, 2003).

Though this research is a study on both CSR and leadership phenomena, the purpose is not to generate or develop a theory. Just as some qualitative studies use known theories to ‘frame’ their studies (Mckenna, 1997), this study uses the transformational and transaction leadership theories as well as Carroll’s CSR pyramid, legitimacy theory, social exchange theory, social contract theory, integrative theories and stakeholder theory as the theoretical framework. These theories provide boundaries or parameters for the study and guided all stages, including the literature review, data collection, analysis and presentation of findings (Parahoo, 2006).

3.4 Research Design

According to Bryman and Bell (2003), research design is a framework for the collection and analysis of data. Research design acts as an outline that constitutes plan, strategy and structure to assist the researcher’s investigations. Just like quantitative research approach that can adopt either experimental or non-experimental (survey) research design, the qualitative research also has specific research design appropriate for conducting research. Though there appear to be several variants of qualitative designs, Creswell (2009) mentioned the following as qualitative research designs: case study, ethnography, phenomenology, grounded theory, biographical,
historical participatory and clinical strategies. However, for this study, phenomenology (phenomenological approach) was used. Phenomenology describes the meaning or essence of one or several individuals lived experience of a concept or a phenomenon. The research draws on the essence of the experiences of the CSR managers, the superintendent(s), CSR officers, community heads, assemblymen and community members. This helped the researcher to focus on describing what all participants have in common as they experienced the CSR and leadership phenomenon and the contexts or situations which influenced or affected experiences of the phenomena. This research employed Hermeneutic phenomenology which Creswell (2007) defines as a descriptive and interpretive research which focuses on lived experience (phenomenology) and interprets the ‘texts’ of life (hermeneutics). This is useful because the study employed in-depth interviews. Due to the high degree of functional hierarchy within the mining organisations and its environment of operation, interview data was collected from various functional hierarchies (See Waldman et al., 1998; Harris & Ogbonna, 2002) including CSR managers, CSR superintendent(s), CSR officers, community heads, unit committee heads, assemblymen and community members. This approach helped to elicit diverse views and responses regarding the leadership styles adopted for CSR interventions within the mining industry. Again, this served as a means of ‘‘Crosschecking the CSR manager’s interview data for further exploration of ir/regularities in the research data’’ (See O’Donoghue & Punch, 2003). Finally, this approach also helped in capturing direct quotation of perspectives from the respondents.
3.5 Population/ Research Participants

This research focused on 4 multinational gold mining companies in Ghana. These included GoldFields Ghana Ltd (Tarkwa & Damang Mine), Anglo Gold Ashanti (Obuasi), Chirano Gold Mines and Golden Star Resources (Bogosu/Prestea). The CSR superintendent/CSR officers and the CSR managers of the selected 4 multinational gold mining companies were interviewed. Other stakeholders including local government officials (Assemblymen), community heads and opinion leaders, Unit Committee heads, and community members were also interviewed. The target population generally consisted of males and females, the elderly and as well as the young people within the organisations and communities with diverse educational, ethnic and religious backgrounds.

All the mining companies have their CSR departments separate from the HR departments except Chirano Gold mines. Also the CSR managers have officers who sit across round tables as teams in offices separated from that of the managers.

3.6 Sampling and Sample Techniques

The participants were drawn through purposive and convenience sampling methods. Purposive sampling is the method used to select individuals and sites for the study because they could purposefully inform an understanding of the research problem and the central phenomena of CSR and leadership in this study. Purposive sampling ensures richness in the data gathered (Fossey et al., 2002). Convenience sampling procedure was used to select people that were most conveniently available, thus the CSR managers and the members of the CSR teams (CSR Officers). These two non-probability sampling methods were used in recruiting 5 CSR managers of 4 multinational gold mining companies in Ghana (GoldFields Ghana Limited,
Tarkwa & Damang; AngloGold Ashanti, Obuasi; Chirano Gold Mines and Golden Star Resources Limited). Also, 4 CSR officers on the team of the managers in each company and 10 stakeholders including community leaders, leaders in local government and community members were considered. The non-probability methods of convenience and purposive sampling techniques were used with the aim of selecting about 35 respondents for the interviews of which 35 responded.

Newmont Ghana Gold Limited was initially included in the sample population however, due to late response from the company it has been exempted from this research. Nonetheless, two Mines of Gold Fields Ghana Limited (Tarkwa Mine & Damang Mine) were involved in the research thus still making the sum of Mines engaged to be 5. Hence, 5 managers from the mining industry (Gold Fields Ghana Limited Tarkwa & Damang; AngloGold Ashanti, Obuasi; Chirano Gold Mines and Golden Star Resources Limited) were selected. A total of 20 CSR officers including a superintendent on the team of the 5 managers, 10 external stakeholders including community leaders, leaders in local government and community members were also recruited. It is worth stating that every mine was different, its communities of operation, its constituents and demographics as well as culture were unique. Thus, though both the Tarkwa Mine and the Damang Mine belong to GoldFields Ghana Limited, the findings regarding perspectives to CSR and leadership from them individually enriched the research. Therefore, the choice of the two sampling technique again has been very relevant and useful in this area to the study.
3.7 Research Instruments and Data Collection

A semi-structured interview was adopted as the research instrument to capture a range of key topics (Holloway & Wheeler, 2002). Using a semi-structured interview guide, the following key topics were looked at; the conceptualisation of CSR by the mining companies, CSR policy, drivers of CSR, CSR engagement and leadership styles of CSR managers. The procedure involved an exploratory activity for reconnaissance visit to the 5 mines and the communities. The month-long actual field study and data collection involved the appointments with various respondents with ethical consideration of confidentiality upheld. An interview guide was designed as concisely as possible in order to obtain maximum information on management views, understanding and motives for CSR practices. Together with direct observation the researcher was able to gauge the responses of the respondents with deeper probing of responses. This method allowed for unforeseen themes to be introduced and elaborated on. Direct observation consisted of, among other things, a guided tour to the project sites, the communities around the mines, and daily observation of the activities of the managers and the team of officers working on CSR initiatives for other useful information. The managers of the mining industry, the team of CSR officers that work with them and other stakeholders were interviewed. This enabled the researcher to refine the subject matter and identify key issues, while appreciating the complexities of the issues involved. The data collected was clustered into themes and examined from multiple perspectives (mediating between different meanings of lived experiences) to develop a rich description of the essential or invariant structures (i.e. the common characteristics or essence) of the experience. There were e-mail conversations and follow-up after the visit to the field for data collection with some of the managers and field officers to clarify and firm up some of the issues that had been discussed during the visit and
the interviews. The combination of these approaches arguably enabled the researcher to have an in-depth understanding of the concept of CSR and leadership as practiced in the mining companies and its implication for the community and the nation. The researcher also observed the human element in this study.

3.8 Data Collection Sources

Due to the inductive and somewhat deductive nature of the qualitative study, multiple data collection methods have been used. The sources of data collection for the study were both primary and secondary data. The primary data consisted of semi-structured interviews with CSR managers, CSR officers and other stakeholders within the communities of the operations of the mining companies. The secondary data comprised CSR policies of the organisations, companies’ annual CSR reports and statements on CSR from the organisations.

3.9 Data Analysis and Presentation

The data gathered through the interviews was analysed qualitatively by transcribing the recorded interviews into word formats. To ensure familiarity with the data, the transcripts were thoroughly read and reviewed multiple times to record any issue pertinent to the scope of and approach to leadership and CSR in the gold mining industry. Key themes were identified for isolation and development into major headings of the findings in the study. The initial or preliminary exploratory analysis or as Creswell (2005) put it, “bottom-up approach” was used for thematic analysis through the lens of the key research aim; to explore the various leadership role and leadership styles toward CSR and the practice of CSR in the mining industry. The resulting themes and sub-themes were analysed for any identifiable conflicts and differences.
Thematic analysis gives the opportunity to understand the potential of any issue more widely. It moves beyond counting explicit words or phrases and focuses on identifying and describing both implicit and explicit ideas (Marks & Yardley, 2004).

Content analysis was also employed. Content analysis is “the use of replicable and valid method for making specific inferences from text to other states or properties of its source” (Krippendorff, 1969, p.103). It is the systematic classification process of coding and identifying themes or patterns and, the subjective interpretation of the content of text data (Bryman, 2004). This process engages inductive reasoning where themes and categories emerge from the data. Hsieh and Shannon (2005) identified three approaches to qualitative content analysis namely conventional content analysis, directed content analysis and summative content analysis. The researcher used direct content approach where the analysis began with the theories as guidance for initial codes. The conventional content analysis where coding categories were derived directly from the text data was also used. Using the transformational and transaction leadership theories as well as Carroll’s CSR pyramid, legitimacy theory, social exchange theory, social contract theory and stakeholder theory as the theoretical framework, the researcher identified key concepts as initial coding categories. Operational definitions for each category were then determined using the theory. The researcher intensely examined the language and classified the texts into number of categories that represented similar meanings. All the texts that represented issues on leadership and CSR were highlighted and coded. The text that were not categorized with the initial coding scheme were new codes. New categories and sub-categories were derived for existing codes and analysed. The CSR policies, annual reports and statements of the mining
organisations were also carefully analysed. The evidence was presented by showing codes with exemplars and the presentation of descriptive evidence.

3.10 Ethical Considerations

3.10.1 Consent

For ethical reasons, the researcher presented to the selected mining companies an introduction letter addressed to each of them from the University of Ghana Business School (UGBS). Also, the respondents were not coerced into filling the consent forms which was designed by the researcher; they were allowed to do it on a free-will basis. Again, the data were not collected undercover. Permission was sought from management of the mining companies for the interviews and for the audio recordings. Also identities of the individuals or respondents were not disclosed in the study.

3.10.2 Trustworthiness

The analyses and discussion of findings of the study were all based on the data collected, as well as other secondary information obtained from the mining companies. The researcher has been as objective as possible in reporting the findings with direct quotations from the audio recordings that were transcribed where necessary.

3.10.3 Anonymity

Participants were assured that pseudonyms would be used to ensure anonymity (Beauchamp & Childress, 2001). Participants were also informed that they had the right to opt out from the interview if the deemed it necessary at any point of the interview.
3.10.4 Reliability and Validity

The meaning of reliability and validity varies in qualitative studies. According to Neuman (2007), qualitative researchers demonstrate reliability in their study by ensuring consistency in their observations over time. Validity in qualitative research also means being truthful and ensuring authenticity in the accounts given to a social phenomenon (Neuman, 2007). To ensure validity in this study, the researcher developed an interview guide around the components of the transformational leadership style (Idealised influence, Inspirational motivation, Intellectual stimulation, Individualised consideration) and, transactional leadership style (Contingent reward leadership style, management by exception [active] and management by exception [passive]) based on insight from the Multifactor Leadership Questionnaire [MLQ 5x short]) (Bass and Avolio, 2004) and based on an extensive review of transformational and transactional leadership theories (Bass & Avolio, 1994; Bass & Steidlemeier, 1998). The use of this interview guide and effective probing during the interviews helped the researcher to tease out information from the participants without the pre-emption of responses. This also ensured that the questions were answered with candid responses to the CSR and leadership phenomenon in the 4 multinational gold mining companies in Ghana. Furthermore, the researcher followed up on the interviews that were conducted with the CSR managers, CSR officers and the external stakeholders to allow them crosscheck if the narration represented a true and fair view of their responses which they confirmed in the affirmative. Again, Miles and Huberman (1994) argued that to demonstrate reliability in qualitative data analysis, there is the need to allow for third party reviews of generated themes to assess whether similar meanings would be given to the themes. In light of this, the researcher gave the generated themes to three other colleagues as well as the transcript of the interview responses for them to be reviewed. These colleagues
ascribed similar meanings to these themes after their review, thus affirming over 85% of the themes that were generated. This showed that there was a strong inter-rater reliability and thus there was reliability in the questions used for the interview.

3.10.5 Respect for boundaries

Compliance with ethical boundaries such as respect of privacy, avoidance of harm and deception (Fontana & Frey, 2005) was communicated to all respondents. More specifically, all participants were informed about the purpose of the research, the procedures involved in data collection and any other details on the consent form with further explanations by the researcher before commencement of the audio recorded interviews. Respondents were also informed about the nature of the study’s outputs and how the data collected would be managed during and after the study to ensure confidentiality. The right of participants to withdraw from the study at any time was clearly articulated to them. And the researcher to a large extent observed the instructions and rules outlined to him by the mining companies and the communities of the mining operations at their supervision and guidance where necessary.

3.10.6 Dependability (auditability)

The researcher has given sufficient information to determine how dependable the study and the researcher have been and, the researcher has also given enough evidence of a decision trail regarding theoretical and methodological issues at each stage of the research process (Koch, 2006).
3.10.7 Credibility

The researcher has been faithfulness to the description of the phenomenon in question (Koch & Harrington, 1998). The researcher ensured consistency between the participants’ views and the researcher’s representation of them by way of prolonged engagement and observation as well as audit trails (Koch, 2006).

3.11 Profile of Gold Fields Ghana Limited Tarkwa and Damang

Gold Fields Ghana Limited (GFGL) is part of Gold Field Limited (GFL), an un-hedged, globally diversified producer of gold, with eight (8) operating Mines in four countries: Australia, Ghana, Peru and South Africa. GFL has primarily listing on the Johannesburg Stock Exchange (JSE) and secondary listings on the New York Stock Exchange (NYSE), NASDAQ Dubai Limited, Euronext in Brussels (NYX), and the Swiss Exchange (SWX) GFGL operates the Tarkwa Gold Mines (TGM), which is the larger of GFL’s two operating Mines in the West African region. GLF owns 90% of GFGL, with the Government of Ghana owning the remaining 10% through a free carried interest, in accordance with the Minerals and Mining Acts, 2006 (Act 703).

3.11.1 Tarkwa

The Tarkwa Gold Mine is located in the South-Western part of Ghana, near the southern end of what is commonly referred to as Tarkwa Basin. The Mine is located about 300 Kilometers by road west of Accra in the Tarkwa Nsuaem Municipality. The Tarkwa operation is hosted by nine communities namely, Abontiakoon, Brahabobom, Atuabo, Samahu, Abekoase, Tebe,
Huniso, and Pepesa, under the jurisdiction of the Apinto stool of the Wassa Fiase Traditional Area in the Western Region.

As a leading gold producer in Ghana, GFGL contributes substantially to the Ghanaian economy through the payment of taxes, royalties and dividends, as well as the creation of employment, with its attendant multiplier economic benefits. GFGL Tarkwa has a Foundation and a CSR policy that contributes to its CSR initiatives in their catchment communities.

3.11.2 Damang

The Damang Gold Mine (DGM) is in the Southwestern part of Ghana and located approximately 330 kilometres by road West of Accra, in the Prestea Huni-Valley District of the Western Region. The Damang operation is hosted by nine communities, namely: Damang, Huni-Valley, Kyekyewere, Koduakrom, Subri, Amoanda, Bompieso, Nyamebekyere, and Abosso, under the traditional jurisdiction of the Bosomtwe Stool of the Wassa Fiase Traditional Council. As a corporate citizen, GFGL contributes to the Ghanaian economy through the payment of taxes and royalties, as well as the creation of employment, with its attendant multiplier economic benefits.

3.12 Profile of AngloGold Ashanti

AngloGold Ashanti, headquartered in Johannesburg, South Africa, AngloGold Ashanti has a globally diverse, world-class portfolio of operations and projects. AngloGold Ashanti is the third-largest gold mining company in the world, measured by production. It has 17 mines in 9 countries, as well as several exploration programmes in both the established and new gold producing regions of the world. AngloGold Ashanti produced 3.95Moz of gold in 2015,
generating $4.02bn in gold income, utilising $857mn capital expenditure. AngloGold Ashanti has an attributable Ore Reserve of 51.7Moz of gold and an attributable Mineral Resource of 207.80Moz. AngloGold Ashanti, Obuasi has a Community Trust Fund which partly carries out the company’s CSR initiatives.

3.13 Profile of Chirano Mine Limited

Chirano Gold Mine is a registered multinational gold mining company in Ghana. The Mine consists of two underground operations and several open pit gold mine in the Western Region of Ghana. Kinross Gold Corporation, a Canadian based gold mining company with Mines and projects in the United States, Brazil, Chile, Ecuador, Russia, Mauritania and Canada holds 90% interest in Chirano Gold Mines and the Government of Ghana has a 10% carried interest. Chirano was explored and developed from 1996 by Red Back Mining NL, an Australian company that moved to a Canadian listing in April 2004. Chirano began production in October 2005. Kinross acquired its ownership of the Mine on September 17, 2010 upon the completing its acquisition of Red Back Mining Inc, through which it also acquired the Tasiast Gold Mine in Mauritania. Within the Bibiani gold belt, Chirano Gold Mine is located in southwestern Ghana, approximately 100 kilometres southwest of Kumasi, Ghana’s second largest city. The mine comprises the Akwaaba, Suraw, Akoti South, Akoti North, Akoti Extended, Paboase, Tano, Obra South, Obra, Sariehu and Mamnao open pits and the Akwaaba and Paboase underground mines.

Open pit and underground ore are processed at the Chirano plant. The capacity of the mill is approximately 3.5 million tonnes per annum. Processing involves crushing, ball mill grinding,
cyanide leaching and carbon-in-leach (CIL) extraction. Gold is recovered by an elution circuit. At 31 December 2012, Chirano's proven and probable reserves were 20.271 million tonnes at 2.65 g/t gold for 1.722 million ounces, with an additional 0.44 million ounces of Measured and Indicated Resource. 2012 gold equivalent production was 263,911 ounces at a cost of sale of US$721/oz. 2012 recoveries averaged 93%. Chirano Gold Mines was chosen for the study because of its outstanding CSR credentials. According to AKOBEN programmes report of 2009-2012, Chirano Gold Mines Ltd has been adjudged not only to be consistent but very excellent in following its CSR activities. The AKOBEN program is an environmental performance rating and disclosure initiative of the Environmental Protection Agency (EPA), Government of Ghana. Under the AKOBEN initiative, environmental performances of mining and manufacturing operations are assessed. Through the AKOBEN initiative, regulators inform companies about their operational performance and also send a clear message to companies about their performance gap (AKOBEN Environmental Rating and Disclosure Program, 2012).

3.14 Profile of Golden Star Resources Limited

With a vision “to grow a brand-name gold mining company that will deliver superior returns to shareholders, value and develop internal talent, be committed to international practices and conduct and become a partner of choice for host communities and government,” Golden Star is an established gold mining company that owns and operates the Wassa and Prestea mines situated on the prolific Ashanti Gold Belt in western Ghana, Africa. It is listed on the NYSE MKT, the TSX, and the GSE, the Wassa underground operations is expected to commence production in 2016 with the Prestea underground commencing production in 2017. Both projects are fully funded and on track to begin production as expected. Production in 2016 is
expected to be between 180,000 – 205,000 ounces of gold with costs of $815 - $925 per ounce. Golden Star is strategically focused on increasing operating margins and cash flow through the development of two high grade, low cost underground mines both in conjunction with existing open pit operations. The company’s mission is to be responsible and profitable at gold production. Upholding values such as respect, honesty, teamwork, accountability and open communication in all relationships.
CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION OF FINDINGS

4.1 Introduction

This study sought to assess the contribution of leadership to CSR in the Ghanaian mining industry, thus, the influence of the leadership style(s) and leadership role of CSR managers on the implementation of CSR initiatives. In other words, the study aimed at scientifically investigating the extent to which the leadership style(s) and role of CSR managers influence the outcome of CSR in the Ghanaian mining industry with a critical and exploratory look at 4 multinational gold mining companies (GoldFields Ghana Limited, Tarkwa and Damang Mines; AngloGold Ashanti, Chirano Gold Mines and Golden Star Resources).

The study involved a total of 35 respondents sampled from both the gold mining companies and the mining communities of the study population. These respondents were selected from diverse groups and backgrounds in order to obtain a holistic understanding of leadership and CSR in the Ghanaian gold mining industry. These 35 respondents comprised of 3 different set of participants from the study population. The first group of the participants included 5 CSR managers from the selected 4 multinational gold mining companies in Ghana (GoldFields Ghana Limited, Tarkwa & Damang; AngloGold Ashanti, Obuasi; Chirano Gold Mines and Golden Star Resources Limited). The second group of the participants included 20 CSR officers including a superintendent on the team of the 5 managers. And, the third group of the participants included 10 external stakeholders consisting of community heads/leaders, leaders in local government (Assemblymen) and community members.
This chapter presents the data and the findings obtained from key informants or respondents selected for the study.

**4.2 Analysis of respondents’ bio-data**

From table 1 below it can be deduced that out of the total sample of 35 respondents, 29 were males (83%) while 6 were females (17%). The 35 respondents included 1 female and 4 male managers, 4 female and 16 male CSR officers as well as 1 female and 9 male community members. From this statistics, it is clear that, the male respondents were more. Also, table 1 shows that out of the 35 respondents interviewed from the selected 4 multinational gold mining companies in Ghana, 5 were CSR managers representing 14%, 20 were CSR officers representing 57% while 10 representing 29% were external stakeholders. The CSR officers interviewed comprised of employees and junior staff who work with the CSR managers while the 10 external stakeholders included 5 community heads/ leaders, 2 assemblymen, 1 community Trust Fund manager and 2 community members. Again, in relation to the educational level of respondents, 8 representing 77% had JHS-SHS education while 27 (23%) had diploma – postgraduate education. Furthermore, form table 1, out of the total of 35 interviewees sampled, 10 (29%) were within the age range of 20-29, 18 (51%) were within 30-39, 5 (14%) were within 40-49, 1 (3%) was within 50-59 while another 1 was within 60-69. Additionally, all the 4 companies sampled were large firms. Moreso, table 1 shows that out of the 35 respondents sampled, 25 were made up of CSR managers and CSR officers. However, in relation to the number of years they had worked in their respective companies, 20 (80%) were found to have worked within 1-4 years while 5 (20%) worked within 5-20 years. The results are presented in table 1 overleaf.
Table 1: Demographic characteristics of interviewees and companies

<table>
<thead>
<tr>
<th>Demographic Variables</th>
<th>Frequency</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Males</strong></td>
<td>29</td>
<td>83</td>
</tr>
<tr>
<td>CSR managers</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>CSR officers</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>External stakeholders</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td><strong>Females</strong></td>
<td>6</td>
<td>17</td>
</tr>
<tr>
<td>CSR managers</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>CSR officers</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>External stakeholders</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td><strong>Job Title</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CSR managers</td>
<td>5</td>
<td>14</td>
</tr>
<tr>
<td>CSR officers (employees)</td>
<td>20</td>
<td>57</td>
</tr>
<tr>
<td>External stakeholders (community members)</td>
<td>10</td>
<td>29</td>
</tr>
<tr>
<td><strong>Level of Education</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JHS-SHS</td>
<td>8</td>
<td>77</td>
</tr>
<tr>
<td>Diploma-Post Graduate</td>
<td>27</td>
<td>23</td>
</tr>
<tr>
<td><strong>Age of Respondent</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20-29</td>
<td>10</td>
<td>29</td>
</tr>
<tr>
<td>30-39</td>
<td>18</td>
<td>51</td>
</tr>
<tr>
<td>40-49</td>
<td>5</td>
<td>14</td>
</tr>
<tr>
<td>50-59</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>60-69</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td><strong>OTHER DEMOGRAPHICS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Size of Company</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large</td>
<td>4</td>
<td>100</td>
</tr>
<tr>
<td>Tenure (CSR managers &amp; CSR officers)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-4</td>
<td>20</td>
<td>80</td>
</tr>
<tr>
<td>5-20</td>
<td>5</td>
<td>20</td>
</tr>
</tbody>
</table>

*Source: Field data (2016)*
4.3 Objective 1: Analysis of CSR conceptualisation in the Ghanaian gold mining industry

The first objective of this study was to understand how CSR is conceptualised in the Ghanaian gold mining industry. The main research instrument used was in-depth interviews. The CSR managers, a superintendent and CSR officers who were members of the teams of the CSR managers were interviewed. Key informants from the 4 multinational gold mining companies were asked critical questions on CSR and leadership including: their individual’s understanding of the CSR concept, the mining company’s position and the individual’s definition of the CSR concept, the relevance of CSR within the organisational leadership structure and the CSR functions of the section or departments. The study revealed that the 4 selected multinational gold mining companies had clear understanding of the concept and they actively engaged in CSR initiatives and activities. This notwithstanding, it emerged from the study that in the context of the gold mining industry, much emphasis was placed on ‘social licence’ in the definition and conceptualization of CSR. The key themes that emerged from this first objective were contextual and definitional construct, departmental and leadership structure, and CSR functions.

4.3.1 Contextual and definitional construct: the legal, the economic, the philanthropic and the ethical dimensions of CSR

The general responses from all the CSR managers and the CSR Officers in the interviews suggested that CSR as practiced in Ghana was not compulsory. All the CSR managers and the CSR officers in the gold mining companies revealed the need to acquire and retain their ‘social licence’ as one of the prominent reasons for CSR initiatives in the mining communities. Find in table 2 how most of the respondents conceptualised the CSR concept. Overleaf.
Table 2: Conceptualisation of the CSR in the Ghanaian gold mining companies.

<table>
<thead>
<tr>
<th>Mining Companies (CSR Managers)</th>
<th>Definition of the CSR concept &amp; intent (What does CSR mean to the company and why does the company engage in CSR?)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AngloGold Ashanti</td>
<td>“CSR is Corporate Social Responsibility that is done by institutions or entities... it is not compulsory. It is done to buy or it is done to achieve your ‘social licence’ since you operate in a community or you operate with people within your setting or concessional area... Just solely to benefit individuals. Just so that you could live with the people peacefully. Once you are there you need to do something for the people... To AngloGold Ashanti, it ensures a peaceful coexistence with the mines and the communities. And it also gives you a good corporate image of this global world of business... peaceful coexistence to get the community to buy in, because if you don’t get their buy in you can’t exist with them.”</td>
</tr>
<tr>
<td>Chirano Gold Mines</td>
<td>“CSR is not a legal framework. It is founded on the goodwill of what the company perceives to do. And we incorporate issues such as Human rights... we have to respect their sensibilities, we have to respect their cultural values and as well make sure that they benefit ultimately from the company being here. In our operations, if there should be any issue of misunderstanding between a member of the community or the community per se and the company, we go in to assess the complains, investigate and resolve. Attending to complaints and seeing to resolving it amicably. We put people first so you don’t trample on people’s liberties and ensure that we work in consent to achieving people’s liberty wherever we are. People first we mean that, by our activities here, they don’t have to suffer for it. That is why we go to support them to achieve what they need to live well...”</td>
</tr>
<tr>
<td>Gold Fields Ghana Ltd., Tarkwa</td>
<td>It means that “…the company is operating in a manner that does not make the community, the country or the district within which it operates worst of... it is not only what the company does with its profit, but how it operates... you could be putting up structures or you could be supporting the local community but if you are operating in a way that is unethical, unlawful, dangerous; not safe for the communities in which you operate for your workers, for your suppliers, then you are not being socially responsible. So, it is not only doing good, or doing PR and trying to whitewash your company ... some of the things, we do them just to buy our peace.”</td>
</tr>
<tr>
<td>Gold Fields Ghana Ltd., Damang</td>
<td>“…it ensures our ‘social licence to operate’... the social licence being the degree of acceptance of our operations by the community. I will not polish it in anyway... One primary reason is to ensure we maintain our social licence. And two, we don’t want to live this place as a ghost town when we are done... The peace, we can’t quantify that ...we can’t put value on the peace that we are enjoying... But for the projects we do, but for the engagement we do, if the communities were up with arms with us... There are Mining companies that can’t go to certain places at certain times because the community there says No! we don’t have such problems.”</td>
</tr>
<tr>
<td>Gold Star Resources Limited</td>
<td>“CSR means going beyond their core business function and perform other roles aimed at bettering the life of the communities hosting its operations. This should include both environmental and socio economic practices. We seek to win the support of our stakeholders, which is to gain the ‘social licence’ for our operations. We seek to peacefully co-exist with our host communities. We seek to smoothly carry out our operations in a peaceful environment. We also seek to prevent possible community unrest towards our operations.”</td>
</tr>
</tbody>
</table>
Table 2: Conceptualisation of the CSR in the Ghanaian gold mining companies cont’d

<table>
<thead>
<tr>
<th>Mining Company (CSR Officers &amp; Superintendent)</th>
<th>Definition of the CSR concept &amp; intent (What does CSR mean to the company and why does the company engage in CSR?)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AngloGold Ashanti</td>
<td>“AngloGold Ashanti the CSR basically talks to some key areas; it talks about social interventions like socio-economic interventions. It talks about our employment and the local content. It also talks about the local suppliers ... basically to enhance the social licence to operate. It is like you are only trying to get a good relationship with the community members ... the bottom line is to enhance social licence before you get there, it’s like you have to make some impact. Now it’s like if the communities are able to say these school was done by the company so let’s support the company’s decision... You have a peaceful environment to operate basically and, the people feel you are part of them ... in Ghana we have the employment law, safety law and all; these are stipulated. But when it comes to the CSR or the socio-economic aspect of the communities, that one, we don’t have any legal backing or laws so, it is up to the company to decide what it can or cannot do.”</td>
</tr>
<tr>
<td>Chirano Gold Mines</td>
<td>“Anything to get your social licence to operate in a very peaceful environment... an understanding of the host community, the indigenes to understand and buy into whatever you are doing... this is the first time a Mine has come to this area and not everybody understand mining. Not everybody understands the various processes. So some of these things, we try to, not to use them to influence them into a negative or positive way but to improve their living condition. Before we came, the living condition were terrible, very very low, cut off from the rest of Ghana but little by little, things are changing.... It adds to our profit indirectly. Indirect in the sense that, if we have our peace, we have the work going on peacefully without any interference, definitely our profit will go up.”</td>
</tr>
<tr>
<td>Gold Fields Ghana Limited, Tarkwa</td>
<td>“CSR is about the Social licence. Every company needs a licence to operate and as a mining company, you may get the legal licence from EPA and from other organisations to operate, but if the community doesn’t give you ‘the licence to operate’, you will not be successful. So ‘the social licence to operate’ is making sure that the society or the community accepts you and they can even vote on their feet for your company. They can vote for you, not necessarily with the thumb. People see you (the company), people want to come to you and that is voting for you. if you do things right... people will even vote for you with their feet. If you have an establishment or something that you sell or a service, and people can come to you for a service, they are voting for you even with their feet.”</td>
</tr>
<tr>
<td>Gold Star Resources Limited</td>
<td>“CSR is to help companies have good relationships with the communities and all other stakeholders around. And to also help them in certain developments, to create a good and healthy environment for everybody i.e. the company and community by ensuring that good safety and environmental practices are done by the company and even at the community level... The company does not gain direct profit by doing this but we believe that once you help the community to understand certain things, do certain things right in a way indirectly both parties are benefiting ... Indirectly we benefit once the people are happy we as well become happy. Once they are happy we can also have peaceful operations. The quest to ensure a harmonious relations and peace with the communities that is how some of these came up. If we do it, I believe it goes a long way to improve in the relationship you have with the people even though you are not to do it at all cost .... we want to see the community better than we came to meet it from one level to another.”</td>
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Source: Fieldwork (2016)
The importance of ‘social licence’ to the mining companies which informed their CSR was further stressed GFGL-T R3,

‘‘…at GoldFields, we don’t see it (CSR) as charity, we see it as something that should be part of us, because we are living amongst people. In a larger context, they contribute to our profit and everything because we get our ‘social licence to operate’ from them. So we deem it necessary to give some of these things (CSR projects) not as donation but something that is part of us… it is incorporated in our main programmes.’’

4.3.1.1 The legal, regulations and ethical dimension of CSR

Notwithstanding the prominence of the concept and idea of ‘social licence’ or ‘social legitimacy’ regarding the CSR of the mining companies, the CSR managers and the CSR officers opined that there were regulatory bodies that supervised the activities of mining companies. The respondents indicated that the legal expectations from the regulatory become binding on the companies upon the acquisition of the legal licence to operate within the country. The study revealed that the gold mining companies strived to meet the ethical standards of ensuring human rights within the mining communities because their legal licence from the government institutions entrusted that upon them. Again, the mining companies strived to fulfil their environmental obligation because the regulatory bodies such as EPA and Minerals Commission regularly inspected their operations. The CSR manager at GoldFields Ghana Limited, Tarkwa (GFGL-T manager) highlighted this in an interview,

‘‘The company is a business entity but the business entity is looking at the bottomline, and it knows that it is profit but there are certain things that I have to do that also affect the bottomline... If I you are operating and there are accidents, your mine will be closed down... you’ve told the shareholders everyday you will produce so much gold and then your safety system is slack. Somebody dies today, another one dies tomorrow, regulators will come to shut down the mine. So, CSR is important to us... It also helps with access to new lands. So, in a way your profit is affected ... if you treat the people well, it would be easier to get more resources for you to expand, for you to get more profits.’’
One of the CSR officers at Chirano Gold Mines (CGM R1) affirmed the critical role of the regulatory bodies which influenced their perception of the CSR concept. CGM R1 opined,

“Every activity has a form of danger one way or the other. There is a possibility of accidents, vehicle run-overs environmental-wise. These are all possible but because of the regulators, and the inspections and the visits, we are always extra extra careful. For the Environmental Protection Agency (EPA) anytime they deem necessary, they come. They could come around in a month, quarterly... Anytime they want to come, they come in and they don’t need our permission to come. They just call. ‘We are visiting your Mine today.’ They check our waste disposal site, our community project or may be the borehole that the people drink.”

4.3.1.2 The economic dimension of CSR

The CSR manager at GoldFields Ghana Limited, Tarkwa (GFGL-T manager) indicated that there were economic reasons for which the company engaged in CSR activities. The CSR manager however added that the mining company engaged in CSR mainly for the acquisition and retention of ‘social licence to operate’,

“We don’t intend to have any financial profit or monetary terms but it actually helps attain and retain our social licence... social licence in my own definition is a kind of relationship a company can build with its stakeholders or catchment communities to build a favourable working condition for you. So if you have good terms with the community then you can work peacefully. If you have bad terms, today they are in your hall room, tomorrow they are in the pit. And once one person enters your pit, in order not to do anything that will cause injury to him, you will shut all your equipment down until the person is off. And it will affect your production at the end of the month. Our social licence helps us to safeguard and even to sustain.”

GFGL-T manager expounded,

“The peace, we can’t quantify that ...we can’t put value on the peace that we are enjoying. So in terms of affecting our profits positively, it’s the peace of mind, the social licence that we have... In the absence of that, we can’t work. There are mining companies that can’t go to certain places at certain times because the community there says No!. we don’t have such problems.
The CSR manager at Chirano Gold Mines (GCM manager) reiterated the views of the CSR manager at GoldFields Ghana Limited Tarkwa. GCM manager opined,

‘‘It adds to our profit indirectly. Indirect in the sense that, if we have our peace, we have the work going on peacefully without any interferences definitely our profit will go up. Assuming we break production because of misunderstanding with community A or B and for three days we are not producing, we lost. But assuming community A, B or C agree with us that, oh go and do your work but we ask for maybe a small pipe water system, get it for us and it is going on... I believe indirectly our profit will have gone up in that particular year because there was peace. If there is some crisis now and all our 25 or 30 trucks cannot come to work, we’ve lost for the day.’’

The CSR manager at Golden Star resources (GSR manager) was of the same views as the CSR manager at Goldfields Ghana Limited Tarkwa and Chirano Gold Mines. GSR manager commented,

‘‘The company does not gain direct profit by doing this. But we believe that once you help the community to understand certain things, do certain things right, in a way it indirectly benefits both parties. Indirectly we benefit once the people are happy, we as well become happy. Once they are happy we can also have peaceful operations. ’’

4.3.2 Departmental and leadership structure, and CSR functions

It emerged from the study that, all the mining companies except Chirano Gold Mines had separate departments solely for the purpose of CSR functions and activities. The departments were named accordingly; Community Affairs and Public Relations, for Gold Fields Ghana Limited (both Tarkwa & Damang); Community Relations, for AngloGold Ashanti, Obuasi; Community and Public Relations, for Chirano Gold Mines, Bibiani; and; Community and Social Responsibility, for Golden Star Resources Limited, Bogoso/Prestea.

All the departments had their heads and teams of 4 to 5 and, then sometimes 6 or more especially when gold production was at its peak. The number of CSR officers was also sometimes
determined by the workload at the department. These CSR managers reported to the general managers at the operations. It emerged from the study that CSR initiatives were supervised by a manager known as the superintendent at Chirano Gold Mine. The superintendent reported to the HR manager since the CSR department was under the HR department. Other sections within the HR department of the company including training sections and transport session also reported to the HR manager. The superintendent explained the difference,

‘‘...The HR manager is in charge of employment and all other related matters but he oversees our department... he has delegated me to do all these on his behalf and whatever planning we do, we go to him to discuss for his approval and authority to carry it through... In content, what we do is different from what the HR department does. But we report to the supervisor, the manager. For convenience, we have our side and section of the data department... but separately, it is not tied in to the HR duties... there are other departments (sections) under the HR department. We have the training section. We have the transport. We have the industrial relations... We harmonise our activities with all the other departments, not only the HR. i.e. Mining, exploration, processing, IT, Finance, Security.''

Additionally, one of the long serving CSR officers at Chirano Gold Mines (CGM R1) indicated that the company had a CSR department which was fully autonomous until the resignation of the then CSR manager. The officer suggested that the resignation accounted for the mode of operations of the CSR department at the time of the interview. The CSR officer opined,

‘‘CSR department is part of HR. It used to be a separate department on its own but it is now merged with HR... initially we were an entity on our own, then, our manager resigned and left to another company. Then we joined another department, ‘Health and Safety’ and then their mandate also became bigger and then we were moved... let’s say it is a section under the HR department. Under the HR, we have Corporate Responsibility (CR), we have the transport, we have welfare... Separate department... sub department under the main one.’’

GoldFields Ghana Limited on the other hand as well as AngloGold Ashanti and Golden Star Resources had very clearly distinct structures where the CSR manager was seen as the head of CSR department. Within GoldFields Ghana Limited, AngloGold Ashanti and Golden Star
Resources, the CSR departments were entirely separated from the HR departments and they were not subjected to any other department. Though they worked hand in hand with the HR department on community employment and local content issues, the CSR departments were seen as autonomous in carrying out their functions. Nonetheless, GoldFields Ghana Limited (Tarkwa and Damang) had somewhat prominent and unique structures regarding CSR interventions. At GoldFields Ghana Limited (Tarkwa and Damang), CSR was prioritised at the very top of the management structure. Apart from the board of directors at the apex of their organisational structure, a CEO and Executive Vice President which run through the leadership structures of most of the mining companies, GoldFields Ghana Limited had Vice presidents designated for specific functions including a Vice President and Head of Stakeholder Relations (VSP). Next to the Vice President and Head of Stakeholder Relations was a manager for Sustainable Development (SD). Also on the leadership structure for CSR were the CSR managers with their teams of officers. These CSR managers worked directly with the general managers at their sites of operations. The CSR managers had administrative lines of reporting to the manager for SD. The manager for SD then reported to the Vice President and Head of Stakeholder Relations at the regional headquarters. The CSR manager at Tarkwa opined,

"...at the very top, we have a position responsible for these things that we are talking about. So, for an operation that puts a high premium on these things and have somebody at the top there, sitting at the same level as those who are generating the goal then, it means that the company is serious, it is not just a 'white wash.' We don’t have just one manager here, it is run up there, so that the vision of the company would be implemented."

The CSR manager at Damang (GFGL-D manager) spoke to the structures and the difference in management of the two Gold Mines at GoldFields Ghana Limited (Tarkwa and Damang) and the CSR responsibilities,

"...While we are doing ours in Damang, Tarkwa is doing theirs. The dynamics are different because of the people we have and the communities we have. The cultures are a bit different so
the dynamics are a bit different. So, we need somebody at the Sustainable Development (SD) manager’s level to coordinate the two and then forward to the Vice President and Head of Stakeholder Relations (VSP), West Africa in Accra. Not every issue will end up at VSP’s desk; there is a level to which I handle things. Not every issue will end up on SD manager’s desk; there is a level to which I have to escalate to the SD manager. And there is a level to which the SD manager will escalate to the VSP.”

GFGL-D manager further explained the role of the CSR department,

“The department’s role is “…in threefold; so we drive the CSR programme of the Mine; (Community safety, community development and manage the development fund, ensure local employment and local content), we drive it. This department drives it. Secondly, we take care of land use; that is compensation issues with the indigenes; to ensure good relationship with the community members for land access. When the Mine is extending its footprint, we come into contact with farms and communities and all that and it is up to this department to play the lead role in compensating people whose property might be affected by our operations. The third one which is linked to the CSR role that we play is our Public relations aspect; we make sure we always have a good image of the company with our external stakeholders.”

The explanations given by the GFGL-D manager resonated with the assertion of the CSR manager at GoldFields Ghana Limited, Tarkwa (GFGL-T manager). GFGL-T manager indicated,

“Basically, the department is responsible for the community within which we work…. Our key activities are communicating to them about our operations and how the operations affect them, and explaining to them what we do here, and if they are negative effects, we mitigate those effects. Then the next one is community development. We believe that our presence should be a plus for the communities around in which we work… the three major roles; so basically, we communicate with the communities, we mitigate our impact and then, we support development in the areas.”

The superintendent at Gold Fields Ghana Limited, Tarkwa (GFGL-T R1) added that,

“The department is the face of the company. We interface between the community and the company. Our role is to ensure that the company has the ‘social licence to operate’ which involves engaging with the communities, community relations, solving their problems like issues and complaints and grievance management, and then also dealing with other stakeholders and, then, the Media. We ensure that the community sees the company as a good company and a socially responsible company.”

The roles of the other selected gold mining companies at their CSR department were not too different from the roles of the CSR department at GoldFields Ghana Limited. The CSR
functions of the Mines were mainly fixated on the communities. The study identified that the mining companies perceived the communities as their main stakeholders apart from the regulatory bodies and the shareholders. The Chirano Gold Mines (CGM manager) had this to say about their operations,

“For Community and Public Relations department, we are the link between the stakeholders principally and the company. So CSR; we assess the needs of our community members and plan ways of reaching them for discussion to know exactly what the company’s policies are. And we as well try to respond to some of the needs that they put across to us. The relationships between the community and the company should be cordial, we have to ensure it. So we have programmes that we carry out on regular basis to do community visitation. Throughout our activities and intentions to them, we take their side of how they perceive the company and agree to address all of them.”

With AngloGold Ashanti, though the department was further divided into sections such as sustainable development units, community relations units among other units, the units were perceived as interrelated and linked to the broader definition and scope of CSR. The units accounted for different teams within the department including stakeholder engagement team, socio-economic development teams and land management team. One of the key respondents (AGA R1) revealed,

The department, “…act as an intermediary between the community and AngloGold Ashanti. We speak for AngloGold Ashanti and we speak for the community. We accept grievances, and address them. We engage communities on brief assessment so that we can affect the corporate social responsibility if any.”

Similarly, with Golden Star Resources, the functions of the CSR department were more focused on the external stakeholders, thus the community than the internal stakeholders (employees). The CSR manager at Golden Star Resources (GSR manager) disclosed,

“…employees are even part of stakeholders. But with respect to what we do, it is basically the external stakeholders; the communities, the local government agencies which include the district assemblies, the urban and area council and other groups in the community; other organisations including the NGO’s and all that. We meet with them often times to share
information with them, to share your concerns with them, to receive their concerns as well and to listen to any information they may also have for us... We always want them to be on the same page with us, we want them to know what we are doing at any particular point in time. We try to involve them so that they do not be like we don't even know what the company is doing. We try to let them know so we engage them."

4.4 Objective 2: Analysis of the source of CSR policies in the Ghanaian gold mining industry.

The second objective of the study was to determine the source of CSR Policies in the Ghanaian gold mining industry (board, management, department, communities). In-depth interviews were conducted with the CSR managers and CSR Officers. The study showed that the CSR policies of all the gold mining companies emanated from the board of directors. However, the policies from the board of director were often general guidelines designed for these companies. These guidelines provided the general rules from which the Mines in the various regions adopted local strategies and content for implementation in the communities of their operations. This notwithstanding, the study identified that, the CSR policies of most of the gold mining companies were greatly fed through independently sponsored research which assessed the needs of the communities. Propositions and recommendations were then made to the board of directors through management for their consideration. Some mining companies’ policies were informed by the UN Millennium Development Goals (MDGs) and sustainable development goals, and, others by the national and local government priorities in the region of operation of the companies. Though most mining companies do not specifically call the policies ‘CSR policies’ but ‘sustainability policies’ or ‘community development policies’ and ‘social responsibility policies’, the CSR managers added that some of the guidelines overlapped hence the policies required the efforts of other departments within the company to implement. The finding showed that the implementation of these policies often required collaborative effort and
teamwork among the various departments. Key themes from this objective were board of directors and shared responsibility, and, Leadership and policy implementation.

4.4.1 Board of directors and shared responsibility

This study identified that all the mining companies had their CSR initiatives and activities strictly informed and guided by policies. These policies were formulated by the board of directors and implemented by the CSR managers with the exception of AngloGold Ashanti which had twofold policy systems of operation. The study identified that although most of these companies started their CSR initiatives without any guiding policy, they have now adopted policies to guide their CSR initiatives. The study revealed that the beginning stages of the CSR initiatives of all the companies were characterised by ad hoc responses to one request or the other from the people in the communities and from other external stakeholders. With the rising need for sustainability and the increasing pressure on these companies to ensure effective response to the demands of external stakeholders, most of the Mines opted for policies to guide their investment and CSR initiatives. Most of them became much concerned with the need to protect their ‘social licence’ and also the need to sustain their organisational values, and security while responding to the development gaps left by the government in the mining communities.

AngloGold Ashanti had its CSR policies stemming from both the board of directors of the company, and, the board of trustee of the ‘Community Trust Fund’ which was independently managed. AngloGold’s CSR initiative was twofold in nature and it had two separate management system for its CSR activities, thus, the Trust Fund into which the company deposited 1% of its after tax profit for CSR initiatives, and, then a separate operation by the
CSR department of the company. The CSR policies and activities of the Community Trust Fund were dictated by a secretariat and a steering committee with its three government structure. This structure was entirely separated from the CSR activities carried out by the CSR department of the company itself. Though the Trust Fund was managed on behalf of the company, the CSR department of AngloGold also carried out other CSR initiatives. This arrangement which has been grounded in the history of the Mine was established on a ‘stability agreement’ between the government of Ghana and erstwhile Ashanti Gold Company, currently known as AngloGold Ashanti in 2004. The main purpose of the Fund was for community and economic development; physical infrastructure and other economic ventures. The Programmes manager of the Community Trust Fund at Obuasi spoke about the Fund and their operations,

“At the start of every year, the steering committee meets to outline the peculiar development needs of all the communities which are then critically assessed and prioritised... The needs are categorized into three areas - education, water & sanitation and finally general economic development... Even though, the projects are more or less sponsored by Anglo gold Ashanti... the selection is independently done by the Secretariat through the steering committee based on certain criteria: The sustainability of the project; Population size of the community; Architectural design; Community’s involvement as far as maintenance of similar projects funded by the government is concerned... The secretariat, which is an extension of AngloGold send reports to the company on monthly, quarterly and yearly basis to update them of its operations who also relay same to the appropriate unit. AngloGold reports on its CSR with the information it receives from the secretariat.’’

The study identified that, the other stream of policies for the CSR activities for AngloGold was from the board of directors. The CSR policy was fed by the input of management and, then, presented to the board of directors for consideration, decisions and approval. Speaking to the intent and purpose of the policy guideline designed by the board of directors of AngloGold Ashanti, one of the CSR officers at AngloGold Ashanti (AGA R2) disclosed that the values of the company had been a central consideration in the policy. AGA R2 revealed,

‘‘AngloGold has its values, so that is where it emanated from especially respecting each other and, the community, developing our communities having been there... Some of them were
informed by community request. Some of them were informed by current developmental needs in Ghana and we had the Millennium Development Goals; we streamlined our activities to achieve some of the targets. That is if the communities need to also match up to it. Like education, for instance, to get every child into primary school that is the goal 3... national development goals and also from the company’s values.’’

All the 6 CSR officers interviewed at AngloGold confirmed this assertion. However, one of them (AGA R1) reiterating these same thoughts added that, the policy and its implementation went through different levels and stages,

‘‘...we have the overall standards. But every site has its own specific, peculiar issues... there’s also a general guideline and I know there is one that my manager and his department they developed. With the CSR, environmental aspects are in and employee safety... And then you know most of the policies, we try to get the communities involved in developing it. So you have to get the community some basic guidelines when you go you discuss it with them.... The general CSR policy (from the Board) looks at how you engage workforce. It is broad... a general guideline.’’

For Golden Star Resources, the policy was largely informed by the need to ensure and sustain their ‘social licence’ and, peaceful co-existence with the community people.

The Key respondent (GSR R1) revealed,

‘‘This is coming from the board through management. With the quest to ensure a harmonious relations and peace with the communities that is how some of these came up... It is reviewed from time to time. The board, management does this. The communities drive our CSR. We engage with them, we listen to what their needs are, what developmental projects they want. The decision is not only made by the company but with the community. The approval will be made by a committee made up of the company and community leaders.’’

The CSR manager at Chirano (CGM manager) indicated that though the general guideline or the policy was adopted by the company through the approval of the board of directors, the policy formulation had always been a shared responsibility of the communities, management and the board of directors. CGM manager further indicated that the general policy framework was largely informed by a research sponsored by the company. CGM manager commented on this,
There is a general policy but you would have to draft it to fit the specifics of your geographical location. It is a Kinross document. Corporate designs it... It is a shared thing. Based on what community demand from us... We have been able to craft a policy that fits into the relationship between us and the community leadership. It was given to a research team; they went round, interviewed the people and brought about the document. Management perused and accepted. The research was given as a contract, so that there would be fairness. As far as our general manager has signed, he has given authority to us to make sure we adopt the policy and, so far as the Community Consultative Committee (CCC) also assisted with the policy, it is equally their responsibility to make sure that we don’t deviate from the standards that we have.’’

The position of the CSR manager at Chirano was affirmed by all 6 team members interviewed.

CGM R3 expounded on the reason for the proposed adaption of the general CSR policies to the local needs in the region the companies are located. CGM R3 indicated that every region was unique with its own peculiar needs. The CSR officer disclosed,

‘‘We have the global policy from Canada, from the board. Then, we have the site specific policy extracted out of the global policy. For the global, it just talks about Health, Environment, Safety, the key issues but we have to extract, looking at local employment. If you go to one of our sites in Mauritania, they don’t have communities around, so, their CSR will be different. They operate in the desert and, they are more like Nomads. So, their environment is different from our environment. If you go to Russia, it is the same. So depending on your specific type, you carve your policy to meet your specific needs.’’

The nature of the policies of the 2 Gold Mines of GoldFields Ghana Limited was not different from the findings from these 3 multinational gold mining companies. Both managers at GoldFields Ghana Limited, Tarkwa and Damang indicated that the CSR policies emanated from the board of directors but the content and the framework for the relevant areas of investment was informed by a research sponsored by the organisation.

The CSR manager of Damang revealed,

‘‘In 2004 we undertook a study, an independent study. We contracted a social science researcher from South Africa... It was done in collaboration with the district assembly and the communities... The idea behind it was for us to be able to come out with a policy for developing the area... It sought to see the socio-economic state of the areas that we were in, and where GoldFields will like to see these communities after the life of Mine. So, out of that recommendation we put out a policy... She did a study in the Tarkwa / Damang area and then the recommendation was that, these five pillars are the ones that can drive development in the communities; the people are mostly into Agric; ...we have the resources to influence the health
situation in the area; the Education component is geared towards training the resource of the area... the water and sanitation also and, other infrastructural areas like roads, community centres...’’

The CSR manager at GoldFields Ghana Limited Tarkwa (GFGL-T manager) recounted the history behind the GoldFields Ghana Limited policy and argued that GoldFields Ghana Limited set the pace in the mining industry for the establishment of CSR Funds. The GFGL-T manager opined,

‘‘We have a Foundation and the formula is straight forward... 1% of our pre-tax profit plus1 dollar per every ounce that we produce. The foundation was put together early 2000. Gold Fields was the first to set up a Foundation, a GoldFields Foundation. The Foundation was legally registered in 2004, so before 2004, from 1993 to 2002. It was ad-hoc; people will bring proposal or request and then we will consider based on certain priority areas and then they support. But in 2004 they set up the Fund and begun the process of integrating community development in the company. So in 2004, it was registered, it is the first in the industry... Our development follows what is the regional, world priorities or the Country’s priorities... So, district, regional, national. So basically, for any developing country like Ghana, it is the Health, it is the Education, Water and Sanitation, all these basic stuff.’’

GFGL-T R4 disclosed the ad hoc nature of the CSR within the company before the policy came into effect,

‘‘For CSR, the first one they were doing, for that, when there was an urgent need in the community, at the time, they (stakeholders) will put in a request and there wouldn’t be any budget, there wouldn’t be money for it. Because we were using an ad hoc means, we were calling on the same money that was being used for the operational activities... So in 2005, they thought that they should have the GoldFields Ghana Foundation. It is basically used for the development. So if there is a community request for anything, there is no need going into the operational budget but then we fall on the Gold Fields Ghana Foundation.’’

The GFGL-T manager added that their sole responsibility as managers was to ensure a consistent adherence to the proposition of the board of director regarding the objectives of the policies. The GFGL-T manager revealed,
The policy emanates from the Board, the GoldFields Board. This is a business entity, it is made up of people who have made their money, shareholders, they have put their money into the business and the shareholders are represented on the board. The owners of the company have a vision, so, they craft what they want the company to be and do... but it is respected by communities and shareholders... So, you have no choice but to implement these things as managers.’’

The superintendent at GoldFields Ghana Limited, Tarkwa (GFGL-T R1) stressed the strategic reasons for the organisation’s dependence on the board as the source for general guidelines and the values of the company. The GFGL-T R1 reiterated,

‘‘The Policy is from the Board. Every company thinks strategically. And thinking strategically, someone from the top will have to drive it. We also feed them with the information to draft the policy to bring the things that we need to do. Eventually, it came from the corporate office, from South Africa... but our guiding principle is to ‘engage’ with the community for us to make informed decision and for the community to also contribute. Our values of respect and responsibility translate into the community affairs and Public relations. In the community, we respect them.’’

4.4.2 Leadership and policy implementation

It emerged from this study that in their bid to ensure effective implementation of the CSR policy and accountability, all the 4 gold mining companies have established either a Foundation/Trust Fund and financial formulae for funding CSR programmes, projects and initiatives. In each of the companies, the CSR policies and formula dictated the primary areas of focus for CSR initiatives and the amount to be paid into an account. Apart from AngloGold Ashanti’s unique structure of operations, the accounts of the other 3 gold mining companies (GoldFields Ghana Limited; Tarkwa & Damang; Chirano Gold Mines and Golden Star Resources) were monitored by the CSR managers and priority was given to projects based on the key areas outlined in the policies. The CSR managers of these 3 mining companies ensured that the monies were paid into the accounts of the Foundation/Trust Fund. Unlike the management structure of AngloGold, the Foundation in the case of these 3 mining companies were managed collectively
by the representatives of the companies and selected external stakeholders within the catchment communities of the Mines. The CSR managers in collaboration with the stakeholders within the communities plan their budgets and the funding of CSR activities and initiatives based on the amount of money allocated to them from the Foundations or Trust Funds. The CSR manager at Gold Fields Ghana Limited, Tarkwa (GFGL-T manager) revealed,

“The GoldFields Ghana Foundation Policy is what dictates that, for every ounce of Gold that we produce, a dollar be set aside or transferred into the foundation’s account. So, I must manage that together with my team to ensure that that money is there. After that, when we calculate our profit, 1% of the profit should be added to the dollar, pre-tax …We are concentrating on five areas; Agriculture, Education, Health, Water and Sanitation, and, other infrastructural developments. The CSR policy is what dictates that we should concentrate primarily on these five areas. In order to justify that a project needs to be implemented it must fall under at least one of these category… From the foundation, we put aside 10% as a legacy account in a high yielding account. The hope is that, when mining ceases, then, it becomes bulk money that could be generating money to continue some of the things that we are doing.’’

GFGL-T R1 also commenting on the management of the GoldFields’ Foundation and the role of the CSR managers explained that,

“The Community Affairs and Public Relations department drives the CSR policy to make sure that the policy works… we have the board of Trustees that manages the Foundation… there is a policy. They determine how we should go… The Foundation is also a limited liability and we need board to manage it; we have two people from the communities and then we have government representatives; we have Gold Fields representatives.’’

At Chirano Gold Mines, the management structure and areas of focus for CSR activities was not too different from GoldFields Ghana Limited. Concerning their Trust Fund, the financial formula and their CSR activities, the CSR manager at Chirano Gold Mines (CGM manager) revealed,

“We have a Fund that company has created, The Trust fund… For every ounce of Gold, we pay one dollar into the Fund. It was an agreement between the company and the Community Consultative Committee (C.C.C.). The Trust Fund is set aside to meet community needs… The C.C.C. manages the Trust Fund, except that, the General Management (GM) has the final authority to approve. The GM approves for disbursement of the Funds… It is kept in an account. For now, they have taken money from the Funds for one or two projects… they haven’t asked that they want to put it in a ‘revolving fund’ or legacy account yet… Before the year begins, we
draw a budget and tie in the projects that we emphasis for a particular fiscal year and management approves, so when management approves, we deliver.

The CSR manager at Golden Star Resources (GSR manager) revealed the evolving nature of the CSR activities in at Golden Star Resources to the present day. The CSR manager indicated that a two level formula of the company has been helpful in their investment mainly in agriculture and then, other areas of focus for their initiatives. The GSR manager opined,

“We have an officially established fund which is called the Golden Star Community Development Foundation/Fund. The source of that Fund is one dollar ($1) per every ounce of gold the company produces. And we put another dollar to an oil palm projects. So within the community for every ounce of gold produced and sold, we give two (2) dollars. They are not under the same Fund. One goes to the oil palm projects, and the other to the Foundation/Fund. Where we put (invest) the other dollar is divided; some go into scholarships, some go into development projects, human resource, infrastructural development, social amenities natural resource and cultural heritage for the community. The Development Foundation/Fund came in October 31st 2012. It’s a bit different from what we had before. It was an agreement with the communities. Basically the Fund is the primary source for the developmental project.”

Again, apart from AngloGold Ashanti whose internal structure was not clearly articulated though they attributed it to many structural changes within the company, the other 3 gold mining companies (GoldFields Ghana Limited, Chirano Gold Mines and Golden Star Resources) had clearly defined ways of budgeting for CSR initiatives. The key respondents at AngloGold (AGA R2) revealed that the Obuasi mine was at a ‘limited operation phase’, hence the company was not mining gold at the time of the interview. AGA R2 disclosed,

“At AngloGold Ashanti (AGA), within a year we have a budget and that budget is determined by the top management. The budget available informs our interventions. We don’t really have a fixed one... The budget has reduced because of ‘the limited operational phase’. Before the budget was much more. because we are not mining and we don’t get profits... last year we spent about 531,000 dollars. And last two years we spent 831,000 dollars for the various CSR community investment spend. Every business entity wants to make profits and the moment you make profit then you are able to do this CSR. Since 2014, we’ve not been producing but we are still inexistence because the Corporate office supports us. Every month, they bring us money to pay our expenses.”
A former assemblyman in the catchment community of AngloGold Ashanti however explained the difference in the CSR activities of the Trust Fund and the CSR department of AngloGold Ashanti. Although he was unable to explain how the CSR department funded its other projects apart from the CSR initiatives carried out by the Trust Fund on its behalf, the assemblyman revealed,

‘‘...the mining company has shared its CSR responsibility with the Trust Fund and now the Trust Fund does it on behalf of the Mines... AngloGold Ashanti deals with the district assembly and municipal assembly in the communities and the Trust Fund deals with the communities directly. That’s why it’s a Community Trust Fund.’’

This notwithstanding, it emerged from the study that the CSR budgets for the other 3 gold mining companies were clearly separated from their operational budgets. The study identified that the CSR budget was so structured to ensure transparency and effective accountability. The CSR budgets were solely for CSR activities, programmes, projects and initiatives whilst the operational budgets were for the departments’ day to day activities, community engagement activities, land access and compensation issues (the unintentional destruction of farms, properties or any negative effect of their operation on individuals within the communities).

The CSR manager at GoldFields Ghana Limited, Damang (GFGL-D manager) explained the significance of the two separate accounts and budgets,

‘‘CSR-- 100% is funded by the Foundation.... I have departmental budget for GoldFields operations. It is for payment of compensation which is not CSR. My department manages two accounts. We manage the Foundation’s account solely for the CSR and, we manage the operational account for compensation and stakeholder engagement. Stakeholder engagement is linked to CSR... You cannot go doing projects for communities if you have not engaged them to know what their needs are and all that. The engagement process is paid for by the company. Because whether you have a Foundation or not, as a Mine you need to engage with your host community. The foundation is an add-on and that is where we channel all the money that we want to use to do extra things in the community.’’
The CSR manager at GoldField Tarkwa (GFGL-T manager) succinctly emphasised the difference the CSR budget and the operational budget,

“\textit{We have operational budget apart from the foundation. You may have to pay compensation. That one is separate from the CSR foundation budget. It is operational cost. It is because of our operational error or mistake in the community during production, so it is the cost of mining.}”

This dichotomy of the CSR budget and the operational budget was not different for Chirano Gold Mines and Golden Star Resources. The CSR manager at Golden Star Resource opined,

“\textit{Every CSR project comes from the Fund but there is one directly from the company’s budget i.e. during national functions we support and it is part of operation’s budget. It is the one which comes directly from the company’s own budget. As we speak, we have a lot of request coming from secondary schools, churches, and a lot of organisations and agencies in the communities wanting one assistance or the other and all this comes directly from the company’s budget. That one to an extent will be determined by the profits. If the company is not making profits it will do less.}”

The CSR manager at Golden Star further disclosed,

“\textit{...asides this Trust fund, we have another budget for community operations...}”

Table 3 presents the distinct nature and the similarities in the CSR management and practice of the 4 multi-national gold mining companies.
Table 3: The similarities and differences in the CSR of the 4 gold mining companies.

<table>
<thead>
<tr>
<th>Mining Companies</th>
<th>Key CSR Policies</th>
<th>Formula</th>
<th>Management</th>
<th>Areas of Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gold Fields Ghana Limited (Tarkwa and Damang)</strong></td>
<td>The Foundation Policies.</td>
<td><strong>Gold Fields Foundation:</strong></td>
<td>Board of Trustees:</td>
<td>Five Key areas based on research and discretionary:</td>
</tr>
<tr>
<td></td>
<td>Sustainability Policies.</td>
<td>One Dollar ($1) per an ounce of Gold produced.</td>
<td>Two people from the catchment communities;</td>
<td>a) Agriculture</td>
</tr>
<tr>
<td></td>
<td>Environmental Policies.</td>
<td>1% of pre-tax profit (157000 dollars in 2015 for Damang).</td>
<td>Government representatives;</td>
<td>b) Education</td>
</tr>
<tr>
<td></td>
<td>Engagement Policies.</td>
<td></td>
<td></td>
<td>c) Health</td>
</tr>
<tr>
<td></td>
<td>Employment &amp; local Content policies.</td>
<td>10% of money from the foundation in a high yielding legacy account</td>
<td></td>
<td>e) Other Infrastructural development including Roads, community centres…</td>
</tr>
<tr>
<td></td>
<td>Human Right Policies</td>
<td></td>
<td></td>
<td>Discretionary i.e. Sports &amp; Entrepreneurship</td>
</tr>
</tbody>
</table>
Table 3: The similarities and differences in the CSR of the 4 gold mining companies cont’d.

<table>
<thead>
<tr>
<th>Mining Companies</th>
<th>Key CSR Policies</th>
<th>Formula</th>
<th>Management</th>
<th>Areas of Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>AngloGold Ashanti</td>
<td>Local employment policy</td>
<td><strong>Obuasi Community Development Trust Fund</strong> (based Stability agreement) &amp; the CSR Department:</td>
<td>Three governance structure:</td>
<td>a) Education</td>
</tr>
<tr>
<td></td>
<td>Community engagement policy</td>
<td>1% of after tax-profit</td>
<td>Independent Board;</td>
<td>b) Health</td>
</tr>
<tr>
<td></td>
<td>Socio-economic development policy</td>
<td></td>
<td>Advisory Body (Steering Committee) i.e. Traditional rulers, DCE or MCE, Presiding members, Planning officers;</td>
<td>c) Sports</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Company representatives (Finance, &amp; Community Relations).</td>
<td>d) Economic activities (Agriculture)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>e) Water and Sanitation</td>
</tr>
</tbody>
</table>
Table 3: The similarities and differences in the CSR of the 4 gold mining companies cont’d.

<table>
<thead>
<tr>
<th>Mining Companies</th>
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<th>Formula</th>
<th>Management</th>
<th>Areas of Investment</th>
</tr>
</thead>
</table>
| **Chirano Gold Mine** | Protection of Environment. | **Trust Fund:** One Dollar ($1) per ounce of Gold produced | **Board of Trustees:** The General manager of Chirano & The Community Consultative Committee (CCC) made up of the traditional heads of the catchment communities and the opinion leaders. | a) Education  
b) Infrastructure (Social services) i.e Roads and community centres  
c) Environment  
d) Health |
| | Meaningful livelihood for Employees. | | | |
| | Local employment and local content. | | | |
Table 3: The similarities and differences in the CSR of the 4 gold mining companies cont’d.

<table>
<thead>
<tr>
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<th>Formula</th>
<th>Management</th>
<th>Areas of Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Golden Star</td>
<td>Community relations &amp; Human rights protection.</td>
<td>Golden Star Community Development Foundation or Fund:</td>
<td>Board of Trustee: Management staff from Golden Star Resources &amp; representatives from the Community Mine Consultative Committee (CMCC)</td>
<td>a) Education</td>
</tr>
<tr>
<td>Resources</td>
<td>Respect for economic &amp; Cultural rights of Indigenes.</td>
<td>1 Dollar ($1) per an ounce of Gold produced.</td>
<td></td>
<td>b) Water</td>
</tr>
<tr>
<td></td>
<td>Transparent consultations with community.</td>
<td>Another 1 Dollar ($1) per an ounce of Gold into an oil Palm Project</td>
<td></td>
<td>c) Health</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>d) Infrastructure i.e community centres</td>
</tr>
<tr>
<td></td>
<td>Local content</td>
<td></td>
<td></td>
<td>e) Entrepreneurship</td>
</tr>
</tbody>
</table>

Source: Fieldwork, 2016
The study further showed that the strict adherence to the financial policy formula has been the major factor that has ensured continuity and the sustenance of CSR projects among the Ghanaian gold mining companies. The study identified that so long as they produced gold, whether they made profits or lost, the 4 gold mining companies felt obliged by their formula to contribute $1 per every ounce of gold produced into the Foundation/Fund as dictated by the CSR policies. With this, money accrued to their CSR accounts and there were monies often available for their projects. The study however revealed that, a decrease in gold production and fall in gold price meant a corresponding reduction in the amount generated for CSR activities and initiatives. Again, the study showed that a lost in production greatly affected the funding of CSR initiatives. This situation in particular had greatly affected the CSR activities of most mining companies in the past 5 to 6 years due to the global financial crisis and fall in gold prices. This notwithstanding, the study also revealed that some of the mining companies including Goldfields Ghana Limited and Chirano Gold Mines have embarked on other initiatives beyond the formulae of 1% of pre-tax profit and the 1% of after tax profit to ensure sustainability of CSR projects. A CSR officer at Chirano Gold Mine (CGM R2) revealed,

"We have a Fund called ‘The Trust Fund’... regardless profit or lost... one dollar goes into that Fund. It is meant for CSR initiative... We manage the Funds in collaboration with the CCC.... Usually projects that are done with that money are determined by the C.C.C. So, that Fund is different from what is given to the department as a budget for the year... Every year, a certain amount is voted for community development... It is not static. It depends on the year. Sometimes it goes up. Formerly, it was very high then things started going down. We are cutting cost. The price of gold keeps falling and falling. And once your income is reduced automatically it affects everything."

The key respondent at Golden Star Resources (GSR R1) affirmed that the negative effect of the fall in gold price on CSR initiatives was an industry wide issue,

"The budget from the Foundation will be determined by the ounces of gold produced. The more we produce, the more the community will get. Once the company budgets for its year’s production it informs the budget for CSR. Because it is $1 for the Foundation/Fund, once we
produce and we sell, even if the fall in price of gold comes, we still contribute the $1 into the community coffers. Golden Star is trying... Though you are not making profits and incurring loses you will still give but not as when you are making profits.’’

Though AngloGold Ashanti, Obuasi was at the ‘limited operation phase’, AGA R1 indicated that the company experienced the impact of the fall in gold price. AGA R1 disclosed,

‘‘…the fall in price has affected us. Because now the Funds that come is limited to certain key things; let me say salaries, power. Some of the things no matter what, whether you produce or not you have to pay for them. Let’s say power, salaries and our liabilities. It has affected us because the pace at which we wanted to go we are not able to because we have limited funds.’’

The study identified that, notwithstanding its seemingly negative impact, this situation of fall in the price of gold has also led to innovation in the CSR initiatives of some mining companies in the industry. The CSR manager at GoldFields Ghana Limited Damang (GFGL-D manager) indicated that the development had led to innovation and an organisational learning opportunity for the company have now turned to CSR projects for shared value. GFGL-D manager opined,

‘‘...fall in price of Gold affected us greatly. That is how come we brought in the scrap sales. The scrap sales came in 2013 for Damang Mine, the Tarkwa Mine was earlier. It got to a point because the price of Gold was so low, it affected our profit. So, this Mine went about more than a year without profit. So, we couldn’t do a lot of CSR projects. Then the idea came to channel the sale of scraps money to the foundation and we realised that even gave us more than the one dollar per ounce formula. That has sustained us till now. So, the fall in price affects CSR.’’

GFGL-D R1) confirmed the responses by GFGL-D manager,

‘‘Apart from the formula, we have the scrap sales. Scraps gotten from the hardware are sold. When they sell, they put it into that Fund. Machine parts, when they run with time, depreciation sets in and it can’t be used, so you need to dispose of them. When they are sold, that money comes into the Foundation. It comes directly.’’

4.5 Objective 3: Analysis of the drivers of CSR in the Ghanaian gold mining industry

This objective sought to discover and explore the factors that enhance or inhibit CSR initiatives in the gold mining companies. In other words, it sought to identify the key issues that promote or hinder the leadership of CSR in the mining industry. In this study promoting or hindering
factors were referred to as drivers. Drivers in this context of this study meant progressive (promoting) or retrogressive (hindering) factors. The main data collection tool to realise this objective was in-depth interviews. The CSR managers, the superintendent, CSR officers and community members were interviewed. The key themes under this objective were drivers of CSR in the mining companies; promoting factors and hindering factors.

4.5.1 Drivers of CSR in the mining companies: promoting factors

The respondents indicated that there were various legal requirements and stipulations outlined by the regulatory bodies in Ghana including the Minerals Commissions and Environmental Protection Agency (EPA) that influenced the CSR initiatives. The study found that some of these legal requirements and regulations were integrated into the CSR policies of the mining companies. The respondents further revealed that there were other factors that directly and indirectly influenced the CSR initiatives of the mining companies. The promoting factors of CSR identified in the mining companies were security and social legitimacy (social licence and access to new lands), geographical location and cultural values, mitigation (environmental and communal interventions), shared value propositions (organisational and employee welfare: the use of projects i.e. roads), reputation capital gain (dest talents acquisition), land use and legacy, international standardisations and ethical demands, ‘De facto governance’ (Agents of Development).

4.5.1.1 Regulatory institutions and requirements

The CSR managers indicated that there were wide-ranging laws from regulatory institutions that guided the operations of the mining companies. The regulations and requirements included
the need to be stewards of the environment especially within the communities of their operation, the protection of the water bodies and the green forest, the reclamation of land as well as ensuring quality air; the need to be ethical in respecting the human rights of the indigenes in their catchment communities. It emerged from the study that the regulatory institutions that ensured strict adherence to these requirements included the Environmental Protection Agency, Minerals Commission and the Ghana Chamber of Mines. 

GFGL-T manager revealed that their adherence to the guidelines of the regulatory bodies was linked to the bottom-line and profit of the mining companies,

“Now, CSR is also related to the bottom-line because, if you don’t work according to regulations, they can even come and close down the Mine... EPA will come and fine you, there will be Media backlash... communities can even gang up against you, so the profit for which you came, you can’t get it. So, many top executives are now beginning to understand the need for CSR...”

4.5.1.2 Security and social legitimacy

The CSR managers of the 4 multinational gold mining companies and the 5 mines indicated that apart from fulfilling the obligations of the regulatory bodies, the need for security and social legitimacy has been a paramount motivation for their CSR initiatives and activities of mining companies. GFGL-T manager disclosed,

“We realise that this is an area (community) we are going to invest in... We use the same roads through the forest with the people, from Damang to town. We are new to the area, so at least we have to be at good terms with them. Even in the past when a stranger visits a community and doesn’t return from the farm or forest, the community rallies for a search. One of our geologists could be working and something might happen in the forest. Therefore, that good relationship should be there, so they can help us as well in such times. More so, we are few, and they are lot in the community, so if we are not on good terms with them and they decide to attack us, who will immediately come to our rescue. So our projects are for these things.’’
GFGL-T R4 emphasised that the need for social licence has been one of the main promoting factors for the sustenance of CSR initiatives in the communities. GFGL-T R4 revealed,

‘‘...Living peacefully with our host communities and obtaining our social licence to operate is key... Even though the company is getting money through the Mine, if the company also does not do this, it will not be able to operate. Just imagine, communities get aggrieved and they match into the pit or they block the road, if you are not able to mine for one hour in a day, look at the money that you will lose. If the machine stops producing or stops working for seconds, the company loses much. ’’

4.5.1.3 Geographical locations and cultural values

The study identified that issues of geographical locations and the cultural values of the regions and communities of their operations were also major factor that influenced CSR interventions.

GFGL R2 spoke about the issues of geographical locations of the communities,

‘‘In Ghana, mining companies are not isolated from the communities unlike other developed countries where you have to travel miles before you meet a community. We live in the community and our activities affect the community members, even when you blast the ores and rocks, if a person is at home, he or she can hear the noise from the blast, they might get annoyed, and they will come to us.’’

GFGL R4 affirmed the assertions by GFGL R2. GFGL R4 explained the historic evolution of the practice of CSR in GoldFields Ghana Limited especially because of the recognition of the geographical difference and the specific needs of the various communities,

‘‘When GoldFields came in earlier in 1993, what they did was, they admitted that, it is not like any other country where you are mining in a desert, where people are not close. They realised that they are mining in an area where people were around, so the need to sometimes offer a helping hand to the people. The community elders come in with various requests and based on whatever money that is available, they fall on it and then if they have and they think they can support then they do it. So as and when a community brings up with requests, and then looking on their budgeting, if they have money for it, they will help, if there was no money, they let go.’’
One of the key respondents at Chirano Gold Mines (CGM R1) related a similar observation with the unique operations of the company within Africa and the other continents. CGM R1 revealed,

“If you go to one of our sites in Mauritania they don’t have communities around, so, their CSR will be different. They operate in the desert and in Mauritania, they are more like Nomads, they just move their cow, so wherever they get to they build some structure and stay there and then continue. So, their environment is different from our environment. If you go to Russia it is the same. So depending on your specific type, you carve your CSR policy to meet your specific needs…. So our CSR practices is specifically tailors to the environment.’’

It also emerged from the study that, the cultural values of the Africans and for that matter Ghana were perceived as promoting factors. The CSR managers and officers indicated that, the cultural differences, expectations, traditional values of the indigenes had influenced and informed the CSR initiatives of the mining company. GFGL-T R4 opined,

“We’re looking at the long term relationship, we will be here for a while with the people, so we need to create good neighbourliness and it is a Ghanaian and an African thing. When you live in a place, you don’t live in isolation. Nobody is an island. You meet people around. As we are even here, something may happen, and you need the communities around to help. It’s not all things that your money can carry you.’’

A respondent at AngloGold Ashanti (AGA R3) reiterated the recognition for the tradition values of the communities as a reason for consulting with the community leaders and opinion leaders in to implementation of CSR initiatives. AGA R3 intoned,

“...The social licence is acquired through the CSR. That one, you can’t really quantify it. It is very key. And the strategic part has been that you will always engage the community. Because if you don’t engage the community and, you don’t consult them, it is like you don’t respect them. Traditionally, people within this area love to be respected. They love to be consulted, they love to express their views on issues that affect them.’’
4.5.1.4 Land access and legacy

The study further identified land access and land use as a promoting factor to CSR interventions in the mining communities. GFGL-T manager explained the indispensable nature of the relationship between mining companies and the communities within which they operate. GFGL-T manager observed that the issues of land access and usage greatly influenced most of leadership decisions in the mining industry. GFGL-T manager explained,

“‘For mining as an industry, because of its relationship with land, especially in Africa, where most people eke a living from the land, there has always been a conflict. This is because as in Ghana, 50 or 60% of us are farmers and we are working on the land. We are not bothered whether there is Gold on the land or not... As a mining company, you will have to indulge in certain activities; you will have to wisely do it to get access to the land. So, I will say in terms of CSR, the mining companies are closer to the communities and closer to the population. So, we know them better than companies and factories know their community. If you go to Tema as industrial town (in Ghana), it was actually developed because of industries, so we have industrial enclaves. So, we don’t have communities there. Those companies there do not have lot of issues. So, they are doing the ‘greenwashing’ things.’’

GFGL-T manager revealed that most of the communities were so attached to their lands. This study found that, the emotive issues regarding land usage accounted for the mining companies’ strategies of ‘community engagement,’ apart from the compensations given to the community members for ‘surface right’ to lands. The GFGL-T manager added,

“‘...land for instance is also a very emotive issue, for Ghanaians even if the land is not productive we have an attachment to them, ‘‘ena yen nana asase wo mo so gya yen’’, to wit; ‘‘the lands belong to our forebears and it is our heritage’’. The land may not have anything and they may not be using the land for anything productive. So, because of this the industry per se has gone further than other industry so far as CSR is concerned.’’

CSR manager at GoldFields Ghana Limited, Damang (GFGL-D manager) further spoke about the indirect impact of the mining activities on the communities. GFGL-D manager indicated
that the indirect impact of mining on the communities required leadership to be sensitive to the people. The GFGL-D manager disclosed how they often appeased the communities,

‘‘If people feel that the company is taking so much from their lands and that at the end of the day only the employees benefit by taking salaries; If they feel that we blast rocks and they are getting cracks in their buildings, there is dust in the system and, we do all these negative things; if they feel they are not getting anything from us, they will be aggrieved. It is one of our values to be a responsible mine; to engage the communities and do CSR projects. So as a responsible Mine which does not take care of its employees alone, we also have some commitment to the people that are close to us in the community.’’

GFGL-T manager expressed concern about the negative impact of their operations on the communities. The manager revealed that the compensations to the indigenes upon the acquisition of their lands were usually not sufficient to establish most of the indigenes,

‘‘We take lots of land to mine, so it affects agriculture and the economic activities of the people. At Damang for example, we have a very serious challenge because we are bounded by forest reserves and you know you can’t go to forest reserves to farm. We have Bonsa, and in the valley we have the Damang Mine. If the Damang Mine extend to the left you will go and meet a farmland, if you go to the right you will meet a farm. So the farmers are constrained, they can’t expand as they would have wished. Because of that, we also don’t chase them off our concession until we are ready to use them... I think it is about 81,000 acres... We know there will be food insecurity. So, they are allowed to stay on them to farm, when we get there, we compensate them and then they move to another place or do something else. So these are some of the ways we are trying to mitigate it and give them other livelihood through our CSR projects’’

The chief of Bekuase in one of mining communities of GoldField Ghana Limited confirmed the economic effects that the lands taken from the community members have on the indigenes. The chief bemoaned,

‘‘The inhabitants often complain of unemployment. Though Goldfields has employed some people, there are many more who are still unemployed. This is because the predominant occupation here is farming, but, Goldfields took most of our farmlands from us. They did compensate us for the lands but it is not enough to buy other lands. The plantation of palm is not sufficient. Some people are labourers on other people’s lands.’’

CGM R 3 commented on the negative effects of the activities of the mining company on the livelihood of the community members. CGM R 3 disclosed,
‘‘We do surface mining, which means we would need vast areas of land to do our work. So, as we expand, we encounter farms... the people have the right to the surface, so if you want to take the land, you need to pay them. Whatever you destroy, you need to pay them. So we assess those crops to know the cost. We do the analysis and we pay them off, as and when the complaint comes.’’

AGA R1 explained the difference between the ‘legal concession’ and the issues of ‘surface right’ which necessitates compensations and also influence CSR activities in the mining communities. AGA R1 expounded,

‘‘...everywhere you go, the mineral land belongs to the government per the mineral and mining act. So, before you mine, you are supposed to get the legal licence. However, when you get the legal licence, you would realise that the communities also have the surface right... The surface mining right gives the community the right to receive compensation. So, even if you have the concession, and maybe the people have structures and farms on the lands, you would have to compensate for the structures at its current value... The compensation is determined by the land valuation board and they come up with the rate as to an acre of the cocoa, an acre of banana...’’

GFGL-T R2 explained how concession, surface right and the activities of the Mine influenced leadership decision and CSR initiatives. GFGL-T R2 revealed the procedures of engagement,

‘‘...when there is a need for the company to do any work anywhere people are living, you need to interact with them and then if we need to take land from them... We will let them know our intentions, follow the regulations, and pay compensations for the land or the properties. First of all, the community leaders will inform the land owners that we want to take up land from their area. A committee is then formed which sit to negotiate with the company for the farmers. The government regulation is that if a company needs an area of land which is its concessions, the company would need the consent of the person using it. The regulation is in the Ghana Mining Acts, LI 2175, Minerals and Mining, compensations and resettlement regulations 2012, LI 2175.’’

4.5.1.5 Reputational capital gain

The research also found that CSR managers’ consistency with CSR initiatives was also influenced by the company’s need to earn reputational capital. The goals of mining companies to meet international standards, to attract investors and to attract best talents have been very
instrumental in their CSR decisions. The CSR officers at GoldFields Ghana Limited Tarkwa (GFGL-T R1) remarked regarding this issue of reputational capital gain,

“CSR enhances our reputational capital. When shareholders see that the company is doing well. It enhances our image with stakeholders and our shareholders too are happy because what is the essence of a company amassing wealth and then not giving to other? So, we think that even though we say we want to mine, this is essence for social responsibility.... The primary stakeholders are those living in our catchment communities. The secondary stakeholders, we can talk about the municipal and the district assembly and other organisations.”

GFGL-T R2 added,

“We are signed up to many international standardization organisations, ISO, International Council of Mining and Metals, Global Reporting Initiative (GRI), we have the OSHA, we report to them in terms of CSR so we thrive to keep the standards.”

One of the key respondents recounted the story of Shell in the scandalous case of Ogoni, Nigerian to buttress the benefits of CSR. GFGL-T R2 recalled,

“...even recruiting good professionals to come and work with you. i.e. at a point ‘Shell’ wasn’t getting professionals, it is only Ghana that because of the unemployment situation, people are going there. There was a time, once people hear the name Shell, they we will not want to work there, because they felt they were not having a good reputation, so then, it will take a long time for you to do a lot of activities to change this.”

GFGL-T R3 reiterated the position of the first two CSR officers. GFGL-T R3 refered to a prevailing case at AngloGold Ashanti between illegal miners. GFGL-T R3 indicated that a potential partners RandGold withdrawn from a possible partnership with AngloGold because of the sinking reputation of AngloGold Ashanti. GFGL-T3 opined,

“Recently RandGold wanted to partner with AngloGold Ashanti Mine to revive it, and then having done all their investigations, they went there and concluded that, AngloGold was fighting everyone. They therefore backed out of the deal. The more investors or partners invest, the more the company can do CSR projects and have higher profits. So, if people want to invest and they realize that a company os not ethical or it is not at peace with its neighbours, they will back out... the shareholders back out.”
The assertion about the AngloGold and RandGold partnership was later verified by the researcher through a CSR officer at AngloGold when the researcher visited. This has been discussed under hindering factors to leadership of CSR in the mining industry (Galamsey Operations’ and ‘the politics of the Mine’).

4.5.1.6 Shared value proposition

Again, it emerged from the study that ‘shared value’ proposition was a driving factor for CSR interventions in the communities. GFGL-T manager disclosed,

“What drives our CSR agenda is creating value and then sharing the value with our communities...Currently, we are into what we call the shared value. Trying to identify more impact source of investment because we know that Mining has an end... So, we are looking for investment that can go on and be engaging people even when the Mine is not there... We are looking at alternative livelihood like by-products that the Mine is generating, like waste materials and encouraging other companies to be formed around them. Using them or encouraging private sector investment there, like processing it for building materials which we think can employ other people and so, takes the focus from, ‘give us jobs from the Mines’ to the other areas. So we have the Damang quarry which is using the by-products from the Mines to generate this aggregate for road construction.’’

This shared value proposition concept was confirmed by the CSR manager at Damang with further details on the shared value projects of GoldFields Ghana Limited- Damang (GFGL-D manager). The GFGL-D manager revealed,

‘‘...We did a study in 2014, so we are looking at the shared-value initiative. Shared Value; things that will benefit the company and at the same time the community. We are looking at the bigger picture. E.g. roads like Bogoso Junction to Damang Mine road is very bad. Company transport people from Tarkwa to Damang but the nature of the roads cause vehicles to break down easily. So, the company is looking at constructing the road, so that farmers can bring their goods to the market easily, if it takes one hour to go to work, it will be less and there would be less damage to our vehicles. ...Also there is a quarry around: We have waste rocks; if there is Gold we need to strip some rocks before we get to the gold. To reduce damage to lands and land degradation, we are looking at having a quarry where these rocks will be process for construction. Gravels are produced for road work. And even if the company wants to use, it can call for it or at a reduced price for our construction and projects in the communities.’’

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4.5.1.7 De facto governance

Finally, it emerged from the study that due to the gap left by local government institutions in the provision of the basic needs of the people, the communities rely on the mining companies to provide their needs. The mining companies are therefore seen as the agents of development and the De facto governors. The mining companies being seen as De facto governors means the mining companies were perceived by the community as the governors of the mining communities. The companies were seen as the ‘governors’ because they provided the basic needs of the people even though that was not their legal mandate. According to the respondents, this situation has been reinforced because the local government agencies redirect the communities to the mining companies when requests are presented to the local government.

The CSR manager at Chirano Gold Mines opined,

``CSR is not a legal thing but we believe that the people should benefit from our operations. You also have to appreciate that central government is not able to meet all the needs of the rural communities. So as we are here, we deem it expedient, right to augment what central government has to be offering.``

The CSR manager at Chirano further indicated that their failure to fill the gap would affect the operations of the mine. Hence, their commitment to CSR. The manager at Chirano lamented,

``Somehow, it might affect our operation if we don’t. The people believe that, if government is not coming here, we are their leader here. Perhaps we are obliged to offer. One of the ways to letting them know that we mean well is to offer developmental projects and not trample on their liberties. We try to avoid a situation where there will be community agitation against our being here. When there is community agitation, the atmosphere will not strive for Gold mining (business) environment.``

Speaking to the chronic nature of this development, one of the key respondents at Chirano Gold Mines (CGM R1) bemoaned,

``... We are the government in this area. You can ask them. Nothing happens in this area... may be if you go there (to the District Assembly) may be they will tell you... The MPs will tell them to come to the Mine... even Farmers day they come, Polio, National immunization ...if we don’t
do it, no one will do it... that is the major challenge. For some communities, they haven’t seen any project from the government or the assembly for a very long time.... we are not accepting (that we are the government) but as it is right now that is how it is.”

A former unit committee member (town development) confirmed this situation in the community. He substantiated the claims by the CSR officer at Chirano Gold Mines,

“Government hasn’t done anything for us until recently the government propose a teacher’s quarters with three rooms, kitchen, toilet and bath. All the developmental projects are by the Mines. The Assembly seeks for our development but they tell them that we have the Mines so the Mine should help us. So the government does not bring any project to us.’’

The Assembly man at Paboase Akoti electoral area reiterated the reality of the situation,

“Since the company came, the government has not brought any developmental project here. Because when we go, they direct us to the Mines because the Mine is on our lands. They tell us that they will take projects to other undeveloped communities than to bring it to our community where we have the Mines. They plead with the Mines to support us with our needs. Since I became assemblyman, I have not seen any work by the assembly apart from what the Mines are doing. However, this year, they’re working toward giving us a teacher’s quarter.’’

One of the CSR officers at GoldFields Ghana limited (GFGL-T R3) expressed similar sentiment. GFGL-T R3opined,

“Not to indict the government but if you go to our area now, they will tell you that if Gold Fields were a parliamentary candidate or a presidential candidate, they will vote for us, that is something they always say. Because, whatever they need, they run to us and we are always on course to deliver or assist. We have a saying that, ‘we don’t say what we cannot do.’” So once we say we will do this, we must make sure we do it.’’

This sentiment was also further confirmed by one of the community members interviewed at Tarkwa (a Water and Sanitation committee member),

“I have not really seen the hand of the government in the development of the community. The Mines has really taken over everything so the government has shirked its burden on the mines.’’
4.5.2 Drivers of CSR in the mining companies: hindering factors

Notwithstanding the motivational or promoting factors, it emerged from the study that there were hindering factors to the leadership of CSR in the mining industry as well. Among these factors were speculative activities, ‘galamsey operations’ & ‘politics of the mine’ (insecurity, encroachment on concessions & government interference), illiteracy and laziness among the indigenes and delays on the part of the companies (miscommunication, misconceptions, suspicions, misrepresentation, negative perceptions, pressure, bush fire, and unrealistic expectations and impatience due to bureaucratic procedures), neglect of projects (sustainability of CSR projects), external factors: unnecessary demands from government institutions and top officials, issues of legacy (Activities and impact of previous Mines).

4.5.2.1 Speculative activities

It also emerged from the study that, people in the mining communities engaged in activities referred to as ‘speculative activities.’ These ‘speculative activities’ were usually projects or structures put up by community members to interrupt the access to lands and operations by the Mines. These behaviours were put up to attract compensation from the mining companies. These situations the managers and a chief indicated affects the relationship between the managers, the communities and the collective interests. They indicated that these speculative activities often led to grievances, complaints, mitigation and mistrust among the communities and the mining companies. The respondents indicated that these situations also affect decisions on CSR projects in the communities as people become suspicious of individual’s intents during the process of deliberation at the Community Consultative Committee (C.C.C.) Meetings.
During a visit to one of the mining communities (poboase), GFGL-T R3 showed the researcher one of those structures and spoke to the issue. The GFGL-T R3 lamented,

‘‘...We have started seeing speculations...When people know that we are going somewhere, then, they will intentional go to build houses to attract compensations...For instance, there was this man, two weeks after we have told them we were coming here, this structures strung up. And this is so bad. But the way this person will present his case to the Media, they will accuse the company of bullying him... then they will accuse the chief of siding with the company, and he will also get trouble in his village. When we contacted him, he said ‘‘di3 mo ba na mo tua mi kae,’’ to wit; when the company comes, they will pay me and pull it down.... We have officially written to them that we are not going to pay them compensations. And we have copied the district assembly, the Police, the Minerals Commission and EPA, we copied all of them and attached the pictures.’’

4.5.2.2 ‘Galamsey Operations’ and ‘Politics of the Mine’

The study identified that ‘Galamsey operations’ posed seriously treat to CSR interventions in the communities. Galamsey operation is an encroachment on the legal concession of the mining companies by ‘Galamseyers’ (local artisanl gold miner). Again, there was an emerging situation in the community that the community members referred to as the ‘Politics of the mine.’ The resspondent described the ‘Poliics of the mine’ as the interference of governments in the activities of the mining companies with political undertones. The findings suggest that this situation created avoidable conflicts between mining companies and illegal mines (local artisanl gold miner). According to AGA R2, illegal miners and their activities often interfered with the operations of the mining companies thereby affecting their profits and the amount contributed into the foundations for CSR initiatives. More so, it emerged from the study that such illegal operations threatened the security of the mining companies. AGA R2 revealed that a recent activity of the illegal miners at AngloGold Ashanti, Obuasi, and somewhat bloody encounter eventually led to the death of one of the managers at AngloGold Ashanti who was their Corporate Affairs manager. AGA R2 disclosed,
‘‘...per the laws of Ghana, it’s the government’s responsibility to protect foreign investment so that people will be encouraged to come and invest in Ghana... As a mining company, you pay for your concession; you pay your royalties, your property tax and everything. Now, you have external persons coming on to your concessions, we’ve pleaded with the government and it plays deaf ears. Personally, I will attribute it to politics, partisan politics and the lack of effective policies. RandGold wanted to invest with us. It was supposed to be a joint venture so that they will pump over 5000 million dollars into Obuasi mines to run the operations. But after their feasibility study, they realised we had issues with the galamsayers so they stopped. The Galamsayers are working in our concession now. It is a no go area for employees. That is where this man died. I don’t know if you’ve heard of the Corporate Affairs manager? That’s where he died... Now we are not mining because of Gold price and, galamsey activities.’’

AGA R2 narrated the incident,

‘‘...Artisanal miners are people who have registered and they have concessions to operate. Illegal miners are people who are operating on people’s concessions... So they are stealing from the government. Per the mineral law everywhere that you find a mineral is for the government... the Chamber of Mines had an agreement with the government to ensure military presence at every operation. From there, we were having our military guys around but we are paying. We feed them... February this year, we don’t know what happened and they were withdrawn... somewhere Tuesday and then on Thursday we got the information that they (the illegal miners) have started invading the concession. That day, the Corporate Affairs / Public relations manager of AngloGold had to go there with a team of miners. And, when they went there, unfortunately the guys realised that there were some kind of threats. So, they started throwing stones here and there. so they (the manager and his team) were all rushing to board a vehicle and unfortunately he was knocked down by one of the vehicles and he was rushed to the hospital where he died... So now those areas, nobody goes there.’’

This precarious happening was confirmed by a former assembly man of the catchment areas of the company, Bossman lowcost electoral area in the Obuasi municipality. The assemblyman also recounted,

‘‘...Let me say the entire community of Obuasi is the mine and the mine is Obuasi. Simply because the concession of AngloGold covers the entire municipality except few areas. And with that, anyone who engages in mining activity does that illegally because you cannot enter someone’s legally acquire concession to mine for gold... And our brothers (illegal Miners) feel betrayed because the Mines cannot employ everybody. And we have done a lot of advocacy that, power brokers should come in so that AngloGold shifts a portion of their concession for indigenous small scale Miner. ... But someone will say ‘the politics of the mine,’...The government of the day wants to benefit and they are turning a blind eye for this illegal miners to invade the concession of the mine forcefully... there was this time that the fenced operational wall of the Mine was broken into by these illegal miners. As a result of that, the management of the company decided to go with some journalist to ascertain the truth of the matter and as they
went on board for a tour, they met these illegal miners armed with wooden sticks, stones and pellets... So, what happens? Run for your life and in the course of that, one expatriate driver tried turning just to drive off and he run into the top executives who was the corporate affairs manager of the mine and he lost his life... government breached the existing memorandum of understanding’’

4.5.2.3 Illiteracy and laziness

The study also identified illiteracy and laziness among the indigenes, and, delays of CSR projects on the part of the mining companies as hindering factors to CSR initiatives. Apart from the difficult situation illiteracy presents during decision making on CSR projects at the C.C.C meetings, it has also disadvantaged the communities in asserting for their rights. Illiteracy of the community members has often led to unrealistic CSR expectations from the communities, miscommunication, misrepresentation, misconceptions and suspicion between the CSR managers and the communities. One of the CSR officers at AngloGold Ashanti (AGA R2) opined,

‘‘The illiteracy of the indigenes is a challenge... Getting them understand certain things you might think are trivial becomes an issue. Sometimes too, there is rumour mongering. They hear something and whether it is right or not they just carry it to others.’’

AGA R1 spoke about training programs organised by the company and the frustration the department experiences with the negative attitude of some of the participants. These negative attitudes, AGA R1 indicated eventually affect leadership and decisions on CSR in the communities. AGA R1 commented,

‘‘Some of the people I will say they are lazy... Yes, we will train them, they will take the starter pack and they will go back to their communities and they will relax. They wouldn’t want to work and they will be expecting the Mines to still come to their aid.’’

The CSR manager at Chirano Gold Mines (CGM manager) also highlighted issues of mistrust and agitations in the communities. The CGM manager attributed such occurrence partly to the
illiteracy among some of the communities and, miscommunication on the part of the CSR department. The CGM manager remarked,

‘‘Misunderstanding is not really pronounced as of now. Previously, there was a lot of community agitation. The communication wasn’t good as we have now. There were agitations but these days no agitations. The C.C.C. has even vowed that, they are not going to allow any fighting in the area. If anyone should flout it, they have a way of punishing that person or even the community.’’

GFGL-D manager spoke about the challenges that illiteracy in the communities pose to the leadership of CSR and their response to them. The manager explained,

‘‘We are learning new ways to work with the indigenes, we are changing. Sometimes, it’s their perception; it is not everything they say that is exact. In other words, we are not changing the way we do things but rather changing the perception they have about the way we do things. It boils down to transparency. May be the person brought an idea, you have bought into the idea, twig it a bit but you don’t send feedback to that person… Then, a month or two, that person sees you implementing something which in his view is different from what he mentioned. He will say, regardless of everything I have said, look at what they are doing. So it is about making sure that they get the feedback and the appreciation. so for employment and scholarships, we have people from the community to sit in and observe the process in addition to the committees.’’

4.5.2.4 Bureaucracy

Furthermore, the study found that there had been instances of impatience and street demonstrations by the communities due to delays from the companies in responding to their needs. The CSR manager and CSR officers at GoldFields Ghana Limited Damang attributed these delays to bureaucratic procedures and company standards. All the 4 mining companies and some of the assemblymen interviewed attested to these same claims. One of the CSR officers at Golden Star Resource (GSR R1) explained the bureaucratic processes involved in dealing with the community members,

‘‘Sometimes the community people bring complaints basically about farm damage. But with that there is a procedure. So, we meet with the people, we talk about it with them before we even go ahead to compensate them… it is a process but usually for the communities, they feel that once you have spoilt something, today... today... you have to fix it... sometimes we have to
involve experts who understand the nature of the damage to advise us on what to do... As a department, we have to involve the relevant department.’’

4.5.2.5 Prevailing mindsets and perception

It also emerged from the study that the mindset of the indigenes interferes with CSR initiatives. The community members had unrealistic expectations from the mining company because of their claim to the minerals. The indigenes believed that the mineral resources were the heritage of their forebears. One of the CSR officers at AngloGold Ashanti (AGA R2) described the situation,

‘‘With the local people, some of them it is their mindset and their perception. They think AngloGold owes them so, no amount of project or good you do for them would be appreciated. Well, they think the Mine owes them because they are residence of Obuasi and, they believe they should have a share of whatever the mine gets.’’

4.5.2.6 Negative legacies

Past legacies of some of the mining companies were also identified in this study a hindering factor to CSR initiatives. According to AGA R3 this accounted for many conflicts between the mining company and some of the community members. The CSR officer reported,

‘‘...Some of these conflicts today are because of Ashanti GoldFields Corporation’s (AGC) operational times, not AngloGold Ashanti (AGA). Before 2004 when AGA merged with AGC, AGC was a cooperation managed by the government of Ghana. Now AGA is private with little or less share of the government of Ghana. When AGC was managing it, there were issues of Spillage, and compensation (for land taken from people) in the communities... When they needed a piece of land for projects, they would just go and survey the area without any consultation with the community members. AGA does things differently... Sometimes, the communities confuse AGC’s activities with AGA... At Enyinem for instance, we wanted to do a project there but because of past legacy issues they are not willing to have the project.’’
This assertion by AGA R3 was reinforced by a former Assemblyman of the catchment areas of the company, Bossman lowcost electoral area in the Obuasi municipality. The Assemblyman expounded,

“I will say that with the advent of the Community Trust Fund CSR has been more of community focus than the original CSR which were being executed by the cooperate entity, Ashanti GoldFields Corporation (AGC)... Before the Trust Fund came, the mining company then, AGC, they were dealing directly with the district assembly and municipal assembly within its catchment area; they identify the needs of the area then venture in and go in to spend their money on their CSR in the area. I remember they engage in the fencing of school, building schools in the municipality through the assembly but with the advent of the Community Trust Fund, the Trust Fund moves directly to the community and do a need assessment there...’’

4.5.2.7 External pressure (top officials)

Finally, the study identified that some external factors including requests from top governmental officials contributed to the problems encountered in carrying out CSR initiatives. The CSR managers and Officers revealed that though these requests were often declined, when it became necessary, they fell on their operational budget. AGA R2 opined,

‘‘External factors too affect our CSR. Sometimes you have this request coming from top officials, like people who are major stakeholders; even though we have not planned or budgeted for them it comes. And you have to attend to it. May be they are requesting for the constructing of a palace, a burial of chief who has died and may be somebody requesting for the son’s educational support, there are so many this that comes... And it becomes very difficult for you to say NO. Sometimes you have to pay. So these are some of the challenges.’’

4.6 Objective 4: Analysis of the level of involvement of communities in the CSR of the Ghanaian gold mining companies

This objective sought to determine how the CSR managers engage and involve the communities in the CSR initiatives and implementation. In other words, the study sought to explore the relationship between the CSR managers and the communities in carrying out their CSR initiatives. The main data collection tool used to realise this objective was in-depth interviews.
The CSR managers, a superintendent, CSR officers and some stakeholders from the communities were interviewed. The study identified that there were different levels of involvement of the communities in the CSR initiatives. The mining companies referred to the process of involving the communities in decisions on CSR initiatives as ‘engagement.’ Most of the mining companies worked with the municipalities, the district assemblies, the community leaders and the opinion leaders as well as other external stakeholders. As indicated earlier, it emerged from the study that the communities contributed to some of the CSR policies of the companies and this was done through research and engagement with the communities. Apart from the CSR policies which guided the CSR of the companies, the companies met regularly with the community leaders, other opinion leaders and stakeholders to make weekly, monthly, quarterly and yearly decisions on CSR initiatives. The decisions at the meetings on CSR initiatives were however submitted to the board of trustees of the Foundations/Fund for final approval. Again, these meetings were used as avenue to discuss and address complaints from the communities regarding the activities and operations of the companies for mitigation. The findings showed that there were structured and organised groups within the communities and, different kinds of meetings were held by the CSR managers with the communities. Again, all the companies named the groups differently. While AngloGold Ashanti Trust Fund worked with a steering committees comprising of opinion leaders in the communities besides the CSR activities of the AngloGold Ashanti CSR department, Golden Star Resources had other groups and meetings like the Community Mine Consultative Committees (C.M.C.C.) which is seen as its apex group. Chirano Gold Mines and Gold Fields Ghana Limited however had Community Consultative Committee (CCC) as their apex group within the communities. Chirano Gold Mines and Gold Field Ghana Limited engaged their communities through these groups without
any other central group above the CCC as in the case of Golden Star resources. The CCC comprised the external stakeholders including governmental/quasi-governmental agencies, the traditional leaders; paramount chiefs and the sub chiefs, youth groups, the media, NGOs and other selected interest groups (chief farmers, market women leaders, religious group representatives) in the communities. These were the representatives in the various communities that the CSR managers met with. It study showed that the CCC was a common group that run through all the 4 multinational gold mining companies and these groups were headed by a traditional chiefs selected by the individual communities. This apex group constituted the stakeholder engagement groups. The managers worked with these groups on projects and for peaceful co-existence. The members of the C.C.C. from the communities often met with their constituents to deliberate on the prevailing needs before meeting with the management of the mining companies at the C.C.C. for their inputs. The CSR managers indicated that their ability to involve these various stakeholders in the CSR process has helped their companies to rally support for their CSR initiatives and has also helped to reduce violent resistance from the community members.

The CSR managers believe that the engagement of the stakeholders in the decision making process, and, mitigation to ensure peaceful co-existence are roles of their leadership.

Table 4 (Overleaf) identifies the various stakeholder groups that the mining companies engage, some of the projects they embark on with the areas of focus, the monitoring groups they engage and some of the communities they work within.
### Table 4: CSR engagement and stakeholder groups.

<table>
<thead>
<tr>
<th>Mining Company</th>
<th>Community Engagement Groups/meeting</th>
<th>Communities</th>
<th>Projects/Programmes/Initiatives</th>
<th>Monitoring and Institutions Involved</th>
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<td>Mining Company</td>
<td>Community Engagement Groups/meeting</td>
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<tr>
<td>AngloGold Ashanti</td>
<td>Community leaders &amp; individuals</td>
<td>Fifty- Three Communities.</td>
<td>AGA schools. AGA health Foundation (Malaria control programme).</td>
<td>CSR reporting Minerals Commission.</td>
</tr>
<tr>
<td>CSR Department</td>
<td>Community Consultative Committee (C.C.C) meetings (twice a month)</td>
<td>Four Municipalities; Obuasi, adansi South, Adansi North &amp; Amansie Central.</td>
<td>Sport (Ashgold football club). Trust Fund.</td>
<td>EPA.</td>
</tr>
<tr>
<td>AngloGold Ashanti</td>
<td>Steering Committee meetings</td>
<td>Four Municipalities; Obuasi, adansi South, Adansi North &amp; Amansie Central. Fifty-three Communities</td>
<td>Education (3 unit blocks for two communities, rehabilitated 3 units and 6 unit blocks, 8 mini buses, 110 computers)</td>
<td>7-member committee from beneficiary communities.</td>
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<td>Trust Fund</td>
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<td>Water &amp; Sanitation, and Economic development (Cassava Procession)</td>
<td>Independent Bank account.</td>
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<td>Accountability to secretariat, chiefs and stakeholders</td>
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<td>Regular visit to project sites. Minerals Commission and EPA.</td>
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Table 4: CSR engagement and stakeholder groups cont’d.
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<tr>
<th>Mining Company</th>
<th>Community Engagement Groups/meeting</th>
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<tr>
<td><strong>Chirano Gold Mine</strong></td>
<td>Community Consultative Committees (C.C.C). - 41 membership—once a quarter.</td>
<td>Three Paramouncies:</td>
<td>Nurses quarters.</td>
<td>CSR reporting.</td>
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<td></td>
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<td>Nineteen communities i.e. Akoti, Paboase, Larweh Krom, Kwanekrom, Akaaso, New Obra Yenko, Abobra, Bokyine Yorsu, Sefwi Bekwai,</td>
<td>Scholarships.</td>
<td>Ghana Health Service.</td>
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<td></td>
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<td>Nineteen communities i.e. Akoti, Paboase, Larweh Krom, Kwanekrom, Akaaso, New Obra Yenko, Abobra, Bokyine Yorsu, Sefwi Bekwai,</td>
<td>Motivation for teaching staffs.</td>
<td>Ghana Education Service.</td>
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<td></td>
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<td>Nineteen communities i.e. Akoti, Paboase, Larweh Krom, Kwanekrom, Akaaso, New Obra Yenko, Abobra, Bokyine Yorsu, Sefwi Bekwai,</td>
<td>Vocational Schools. ICT labs.</td>
<td>Consultant services.</td>
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<td></td>
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<td>Nineteen communities i.e. Akoti, Paboase, Larweh Krom, Kwanekrom, Akaaso, New Obra Yenko, Abobra, Bokyine Yorsu, Sefwi Bekwai,</td>
<td>Skills training.</td>
<td>EPA</td>
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<td>Nineteen communities i.e. Akoti, Paboase, Larweh Krom, Kwanekrom, Akaaso, New Obra Yenko, Abobra, Bokyine Yorsu, Sefwi Bekwai,</td>
<td>Chip compounds.</td>
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<td>Nineteen communities i.e. Akoti, Paboase, Larweh Krom, Kwanekrom, Akaaso, New Obra Yenko, Abobra, Bokyine Yorsu, Sefwi Bekwai,</td>
<td>Roads.</td>
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<tr>
<td><strong>Golden Star Resources</strong></td>
<td>Mediation Committee—twice a year.</td>
<td>Nine Communities</td>
<td>Schools &amp; Scholarships (JHS &amp; SHS).</td>
<td>District Assemblies &amp; Community leaders.</td>
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<td></td>
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<td>i.e. Prestea, Bondai, heman, Dumase</td>
<td>Oil Palm plantations.</td>
<td>Minerals Commission.</td>
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<td></td>
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<td>i.e. Prestea, Bondai, heman, Dumase</td>
<td>Water projects.</td>
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<td>i.e. Prestea, Bondai, heman, Dumase</td>
<td>Clinics.</td>
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<td></td>
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<td>i.e. Prestea, Bondai, heman, Dumase</td>
<td>Community centres.</td>
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</table>

*Source:* Fieldwork (2016)
4.6.1 Communitive Consultative Committees

From the interviews the respondents spoke to the nature of their engagements and the various activities that took place during such meetings. The CSR manager at Chirano Gold Mines (CGM manager) explained the nature of their engagement with the C.C.C,

“We have an apex body that we meet every quarter. We call that the Community Consultative Committee (C.C.C) … The C.C.C. is a liason between the company and the communities at large. Our Community engagement is a two ways interaction. We have our visitations that we do and they can also come to us or even invite us to go and share a thought on situations that bother them about their living condition.’’

The CGM manager further added that one of the critical function of the C.C.C. has been the management of the Funds and accounts for CSR initiatives. The CGM manager revealed,

“We manage the Funds in collaboration with the C.C.C.... There is a chief who chairs the committee appointed by the members. They are about 33 members so they meet to appoint their chairman. All we do is administrative work. We have our secretaries preparing their letters, their memos and all those things. The C.C.C meets every quarter.’’

GFGL-T manager described the meetings with the communities as a structured and organised process,

“…At times they come here informally and individually, apart from that, we have formalised engagement like quarterly engagement with the Community Consultative Committee. We have quarterly engagement with community members, that as formalized and, as and when issues come up, we go there. We don’t have barriers; anybody at all can walk in here… With the CCC, we have the chiefs, all the queen mothers, all the unit committees, the assembly men, Education directorate, Health directorate… and we have a chairman from the community.’’

GFGL-T R4 explained the meaning of the term ‘engagement’,

“Engagement involves Planning, executing, monitoring, evaluation, and then listening to the community, putting your ears to the ground and trying to understand them... Putting yourself in their shoes. We meet them and they tell us about their needs and request. That is the formal meetings where issues are discussed. Sometimes when the year is coming to an end, we meet them, and we discuss their needs and we help them. Community Consultative Committee (CCC) meeting is one... issue-based meetings i.e. discussion a project for development. They come to the office sometimes too.’’
CGM R1 spoke about the democratic nature of the process. CGM R1 added that the department through research observed that the best way to ensure sustainability of the projects was the involvement of the communities,

“*We first of all do need assessment... that, these are some of the things that the community needs because you can’t impose something on them. If you do that, they can abandon it.*”

GFGL-D manager, speaking to the collective role of the department and the communities revealed,

“*...together with the communities, we draw development programs and projects for a period of a year, every year. And then, we go and defend these projects to the trustees of the Foundation. The Foundation is an NGO registered differently from the company. And it has its board of trustees made up of MPs of this area, GoldFields’ board members and it is chaired by our executive vice president.*”

GFGL-D R1 added that, the Board of Trustee somewhat mediated between the company and the C.C.C. in the implementation of CSR initiatives. The officer detailed,

“*We have a project basket in which we put the various requests from the communities. The Foundation has a Board of Trustees. It comprises of the Member of Parliament for this area, Tarkwa— Prestea/ Huni Valley municipal or district assembly, most of our catchment communities fall under it. Then, our executive vice president and, then our heads of department; Tarkwa and Damang. They meet quarterly, then, they present the request the communities have put before them. They look at the funds available and then the urgency of that project and decide. E.g UMAT requested that we build a Laboratory, so the Trustees took it up and decided that we should build the lab for them. We put the project up for tender and bidding.*”

4.6.2 Communities Mine Consultative Committees (CMCC)

It emerged from the study that the level of engagement of Golden Star Resources with their communities was somewhat different from the other mining companies.
The CSR manager at Golden Star Resources (GSR-Manager) explained the involvement of the external stakeholders,

“There are hierarchies when it comes to the community and the company... The mediation committee is a body which consists of the paramount chief of the areas... We have divisional chiefs. We also have youth leaders... Next, we have CMCC. That body is made up of people from the community and management staff of the company. On the company side, we have the general manager, the community relations and social responsibility manager, and, the community relations superintendent manager. On the community side, we have all the divisional chiefs, all the sub chiefs, all the assemblymen... We have the DCE... We have the chief farmers, farmer’s representatives from all the communities. We have the market women... the constitute is all groups in the communities.’’

Further highlighting the significance of the groups and the specific need for the various committees, GSR R1 expounded,

“The primary function of that committee is to approve projects from the communities and to see how best those projects can be implemented... But before that project is sent to the CMCC meeting for general approval, it will go through the chairman who is at the district assembly.... The CCC meets once in every month. We have about 9 CCC in our catchment communities. We try to meet each and every group at least once in every quarter to share information about what is happening and strengthen community relations on behalf of the company. Communication is very good... The CCC members are representatives from different groups in the community. Everyone shares his or her thoughts...’’

Of the frequency of the meetings with the department with the community members apart from the general meetings, GSR R2 indicated,

‘‘...We meet them as often as they want to meet with us and as often as we may want to meet with them to share our activities and our operations. We always want them to be on the same page with us, we want them to know what we are doing at any particular point in time. We try to involve them so that they do not say we don’t even know what the company is doing. We try to let them know so we engage them.’’

To substantiate some of the responses from the CSR managers and officers at Chirano gold mines, some of the chiefs, opinion leaders and community members in the communities were
interviewed. The Assembly man for Akoti-Taboase Electoral area which is a catchment community of Chirano Gold Mines explained the role of CCC and the composition at Chirano,

“The CCC is an association of people from the district. There are people from Wiawso Municipal and Bibiani district. There are some government officials, townspeople, chiefs and Assembly members who constitute the CCC... There are CCC meetings at least three times a year, at most four times a year. We go to discuss the welfare of the community and the company. The leaders who attend these meetings later relay this information to the townspeople... They (the company) often make budgetary allocations for us hence they are not able to embark on projects every year. I have records of all their yearly projects in my diary which may take too long to consult. But the years range from 2013 to 2015.”

In an interview, a unit committee chairman (town development committee) in the community affirmed the regular meetings between the community and the company,

“We meet them frequently. ...some chiefs and elders of the community meet to discuss issues with the operations of the company and any problems we are facing. For example, when there is any project here in Akoti and people are being sluggish about it, we report it to them and they really explain for us to see the way forward...”

The cordial relationship with the community and the company was further affirmed by the assembly man for Akoti-Taboase Electoral area. The assemblyman disclosed,

“We correspond with them... They have built boreholes, schools, and have even given us some exercise books. They have also built a public toilet. A clinic has also been built for us... We can go to their office without any frustration or intimidation. Our only challenge is our request for a football field here at Akoti. We have already met with them and even showed them where we would want the field to be constructed. They also promised to do a lot of projects in 2016 but as at now, not much has been done.”

The assembly man for Akoti-Taboase Electoral area added that, the welfare of the community is enhanced as the indigenes are employed by the company. The assemblyman opined,

“The company itself really monitors its projects as well as the Assembly to ensure transparency... The company doesn’t embark on any projects without notifying the Assembly. What I really admire is that recently, the Chirano general manager complained about low profit levels necessitating lay-offs. But he assured me that since the company is our community, they will make sure our people won’t be laid off and he kept his word.”
A former unit committee chair however disagreed and highlighted some of the challenges of unemployment,

‘‘...Their job openings used to be posted on the noticeboards and shared equally among the three communities that is Akoti, Taboase and Atwabo. We call the townspeople afterwards and cast YES or NO ballots. However, this process has been stopped. These days the job openings are publicized on air for anyone who has the qualifications to apply irrespective of the number of applicants from the various communities. We have however pleaded with them to first of all come to the community before putting it on air. We agree that any Ghanaian who is qualified is eligible for their job postings. We only wish that most of the people will be recruited from our community.’’

The unit committee chair (town development committee) commented on some of the initiatives by the company,

‘‘I must confess there have been a lot of developmental projects in this community. This is not the case in some other mining communities. Some other mining communities are confronted with the issue of Galamsey operators but for us in Akoti and Atwabokurom, we have not really faced that issue and we believe this is helpful to the progress of the company. This is because the Galamsey operators really cause havoc by going into people’s pits causing friction between the community and the mining authorities. Since we do not have this problem here, our relationship with the mining authorities is very cordial and we correspond very frequently.’’

Also at GoldFields Ghana Limited, Tarkwa and Damang the situation was somewhat similar to Chirano Gold Mines’. The chief of Bekuase in the GoldFields Ghana Limited’s concession commented on the relationship between the community and GoldFields Ghana Limited,

‘‘At the beginning, we had difficulty in approaching them until around 2001 when the relationship grew to about 80% ...C.C.C meeting is organised quarterly and we are notified. Over there, we discuss issue together with the media, opinion leaders and committee members. We discuss developmental issues, they give us updates on ongoing projects and we also put our requests before them too... We have a cordial relationship with the leaders, they are ready to respond and solve our problems, we often dialogue and when we call them, they often avail themselves.

The assertion of the chief of Bikro in another community in the GoldFields Ghana Limited concession resonated with the comments of the first chief of Bekuase. The chief opined,
“There are really no negatives in our relationship with the GoldFields officials. We coexist peacefully. Whatever we request from them is granted... They have constructed roads, built a community centre and given us water resources too. The only social amenity which is lacking in the community is electricity... The meetings are very frequent. We sometimes meet at their end and at ours too. They give us Palms to plant, fertilisers, cutlasses, wellington boots and many other farm implement. By their support, I am able to generate income to cater for my kids. Because of the scholarships some of our young people have even entered the university.”

One of the unit committee heads at Tarkwa in the GoldFields Ghana Limited concession explained the levels of communication between the community and the C.C.C. The unit Committee leader and chair of the Abekwaase community explained the nature of his role as a stakeholder and the engagement process,

“I lead the Unit Committee members for all dealings with the GoldFields officials concerning our water problems and even recruitment. Whenever there is a job opening at the mines, I sit with the chiefs and the elders to discuss who best fits the position. At the end of the day, votes are cast to avoid problems and ensure fairness. Our interaction with them is very healthy. They are transparent and very kind, not withholding any good things from us. On occasions where we identify any problems, we approach them and it is solved such as the meeting we will be having with them soon.”

This notwithstanding, a 20 years old student and a beneficiary of the GoldFields Ghana Limited’s scholarship was skeptical of the other CSR projects such as the infrastructural development in his community. The student doubtfully commented,

“I am 20 years old and a beneficiary of the Goldfields scholarship. I started benefitting from the scholarship this year and it’s really helped me. My mum is a trader and my Dad is in US but he doesn’t send any money. I had aggregate 10 in BECE and chose GSTS where I am now in my first year.... The scholarship is mainly for my school fees which vary every term. I currently had a check of GH350 for my third term school fees. Last term, my mum initially paid GH450 and was later reimbursed when the Goldfields scholarship was ready. It’s relieved my Mum of some financial burden. However, frankly, I have not seen any helpful infrastructural projects undertaken in my community by Gold Fields, in Huniso where I was called for the scholarship. Perhaps there are some.”

Though the elders and chiefs of the community praised the cordial relationship between their communities and the leaders of Gold Fields Ghana Limited as well as the CSR initiatives of the
company, they also expressed their reservations about certain needs that have not been met. The Chief of Bekuase did not mince words in appraising the CSR initiatives of the company and in highlighting shortcomings. The Chief emphasised,

“...They have also built a six-classroom school block. The teachers’ quarters also host about 3 teachers. They also provided palm trees to be planted and some spraying machines and fertilisers…. They have solved our water problems and you know that water is life... They have even provided a generator to power the borehole hence we do not have a water problem in the community. The difficulty we still encounter with the borehole is fuel for the generator. Again, GoldFields has provided people to take care of the generators but it is the leaders like me who maintain it. GoldFields does not support the maintenance of the boreholes but for a few occasion... We want them to maintain the roads as there are potholes, we wish they would resettle us away from the operational area as some of their activities such as dust, are hazardous. Resettlement would ensure safety in case there are any accidents too.”

A member of the Water and Sanitation (WaSan) Committee at Samanho highlighted similar challenges. As the Public Relations Officer (PRO) WaSan Committee and a pump attendant in the community, he disclosed,

“...We clean the community so filth does not engulf us. Whenever we have problems with our water systems we complain to Goldfields Authorities since they built it for us. Recently they took us through training so we could manage some of our water problems ourselves. ...Our only problem with the borehole is the fact that it is powered by electricity. There is a fixed meter which gives a bill of 20gh fixed every month whereas a bucket of water costs 20p. We have to add up to the revenue from the sale of the water and the income we generate from announcing people’s marriage and funeral plans at our Information Centre. We have reported to GoldFields and we hope they will change it to solar power very soon.”

Though none of the community member at the Golden Star Resources was interviewed, the views of some community members at AngloGold Ashanti in Obuasi were gathered. A former assembly member for Bossman lowcost electoral area revealed that the relationship between the then Ashanti Goldfields and the communities were not so cordial until the establishment of the Community Trust Fund. The assemblyman explained his observation,

“...With the advent of the community Trust Fund it has been more of community focus than the original cooperate social responsibilities which were being executed by the corporate entity let’s say the Anglo gold Ashanti or then the Ashanti Goldfields corporation which by itself identifies a project through the municipal assembly.”
AGA R2 attributed the continuous conflict between AngloGold and some of the communities to the operations of the state owned Ashanti GoldFields Corporation which is now privately owned and named AngloGold Ashanti. The officer revealed,

“...sometimes there are community conflicts. In Enyinem for instance, we want to do a project for them and some of them because of past legacy issues they are not willing to have the project. And it could also be attributed to internal litigation amongst the community members... some of these issues are due to Ashanti GoldFields Corporations (AGC) operational times not AngloGold Ashanti (AGA). Spillage and compensation (land takes) issues were among them.’’

4.7. Objective 5: Analysis of the leadership styles employed by CSR managers for CSR initiatives in the Ghanaian gold mining companies

The final objective was to determine the leadership styles employed by the CSR managers in carrying out CSR initiatives and activities. In other words, the research sought to find out whether transformational leadership style or transactional leadership style was the major leadership style adopted by the CSR managers of the 4 multinational gold mining companies in leading CSR initiatives. The main research instrument used for this objective was in-depth interview. The CSR managers and the CSR officers were interviewed. Based on insight from the Multifactor Leadership Questionnaire [MLQ 5x short)] (Bass and Avolio, 2004) and an extensive review of transformational and transactional theories (Bass & Avolio, 1994; Bass & Steidlemeier, 1998), an interview guide was developed for this study around the components of the transformational leadership style (Idealised influence, Inspirational motivation, Intellectual stimulation, Individualised consideration) and, transactional leadership style (Contingent reward leadership style, management by exception [active] and management by exception [passive]). The use of this interview guide and effective probing during the interviews helped the researcher to tease out relevant information from the participants without the pre-emption of responses. To help with the presentation of the findings, the following pseudonyms
were used in this study; CGM manager, for CSR manager at Chirano Gold Mine; GFGL-D manager, for CSR manager at GoldFields Ghana Limited, Damang; GFGL-T manager, for CSR manager at GoldFields Ghana Limited, Tarkwa; AGA manager, for CSR manager at AngloGold Ashanti. The CSR officers were also identified as R1, R2, R3, R4, R5, R6 for respondents accordingly for all the mining companies, Chirano Gold Mines (CGM), Gold Fields Ghana Limited, Damang (GFGL-D), Gold Fields Ghana Limited, Tarkwa (GFGL-T), AngloGold Ashanti (AGA) and Golden Star Resources (GSR).

It emerged from the study that, transformational leadership is the major leadership style adopted by the all managers in the implementation of CSR initiative, and, the managers sought win-win outcomes in their CSR interventions. This notwithstanding, the leadership style of the CSR manager of AngloGold Ashanti’s was observed to be greatly underpinned by the contingency reward leadership style. The study identified that the educational background, work experience, and the nature of the work in the CSR department also influenced the leadership styles of the CSR managers. Of the educational background, emphasis was placed on the programme or courses studied and the work experience speaks to the individual passions and the career path that shaped their leadership style. The role of gender was also lightly touched on.

The key themes were Teamwork, Delegation and Decision-making; initiative and innovations; Appraisal and Sanctions; Values and visions; Relationships and Results and, Sacrifice and service and demographic profile of CSR managers and leadership style (s).
4.7.1 Appraisal and Sanctions

On the themes of appraisal and sanctions, the study identified that the CSR manager at Chirano Gold Mines (CGM manager) was perceived by the CSR officers as a manager with idealised influence. This notwithstanding, there were instances where the CGM manager was perceived to have employed active leadership style of management by exception as well. The CSR manager at Chirano Gold Mine (CGM manager) indicated that, he created conducive environment for his subordinates to work so as to motivate his staff, and, he also ensured job satisfaction for his subordinates. CGM manager disclosed,

“For my subordinates, all are working under the same condition of service but motivating them means making sure that they appreciate the working environment. We all share platforms... So, if you are working under somebody and he gives you so much room to bring up your thoughts for discussion in that system, that is part of job satisfaction.”

The study further showed that, the cooperation received from the officers enhanced the work of the CSR managers with the stakeholders. CGM manager revealed that the teamwork led to fewer deviations from the standards and values within the department. CGM manager opined,

“When they make mistakes, we discuss. Obviously it is human that there will be one or two hitches but it does not border much on relationship. To the team member, it is a matter of saying, sorry! ‘It has happened but I apologise’. For my team, it could be grievous but I don’t believe that we have administered any punishment to anybody here. It doesn’t happen. Everybody works. I always make sure they meet deadlines.”

CGM R2 affirmed that the CGM manager created the culture of belongingness in the department and, reposed confidence in the team. CGM R2 detailed,

“It is the positive environment to grow... When we go to the community, you have the chance to speak, we deal with chiefs, we deal with politicians, we deal with MPs, we deal with DCEs, we deal with assembly members, unit committees, all these groups... When you go to the paramount chief’s palace, there is a way you go about things. If you go to the small chief’s palace, there is also a way. If you go to the DCE’s office, there is a way... This gives you exposure and helps you personally. You are allowed to meet and talk to them, so as we move along, we learn from them.”
CGM R3 reiterated that the interactive ways in which the CGM manager handled mistakes and the errors of the officers improved their attitude towards work. CGM R3 indicated,

“...For him for instance, if you do something and it is not good... he will show you it is better to do it this way... if you make a mistake, he is the type of man, he will correct you either by telephone calls... We have telephones or he will call you over... It’s not a discouragement but for you to also learn something from it.’’

CGM R 4 explained how the manager instilled pride in the team for being associated with him,

“Every morning we do a tool box meeting... He brings together all his working staff, whether you are a junior staff or a senior staff, it doesn’t matter. In everything, he chooses to discuss with us before taking the command... Some of the leaders, it is very very difficult to approach them but he is the type who is very free with everybody. You can go to his office at anytime, ask him any question that you want and he is also free to answer you.’’

The CGM manager’s approach to mistakes was further echoed by CGM R5,

“... If there are mistakes...We sit down and talk. He is one who will teach you and direct you... So sometimes it is two ways. Sometimes he will guide and let do you do the work expected .... For instance, we have community engagement but before you can go there you have to seek permission from the land owner, the high authority that is the chief... So, this is what our leader will tell us, ‘make sure before you will go to the community you seek permission from the right authority. Go to the chief first, make sure he agrees and bring us the feedback.’’

Notwithstanding the above observations and responses, the study identified that there were instances in Chirano Gold Mines where the CGM manager was perceived to be employing the active leadership style of management by exception. CGM R1 revealed,

“When there is pressure, that one, manager is a little harsh. For example, when we are doing a work and from the top, management is putting pressure on him that they need it something urgently, he will also put the pressure on us. Sometimes when there is a mistake, he might see it at the later end and that is where the pressure might come. But apart from that, correcting you, he will call you and tell you these things are not right so next time, do it this way. Sometimes, he will do the work, call you, edit it and give you the original one... So you see the original one and the corrected one.’’
The CSR manager at GoldFields Ghana Limited, Tarkwa (GFGL-T manager) was also perceived by her CSR team as one with idealised influence. On the themes of appraisal and sanctions, GFGL-T manager revealed that she employed verbal appraisal and rebukes,

“I motivate them by encouragement and praise where praise is due. And when they do wrong, I correct them as though they were my child or my siblings. I have a daughter who will complete University this year. I tell them also that, I am human so I may make mistakes. So I expect them to correct me when I do something and it is not good. They should feel free to tell me when I am wrong.’’

A respondent at GoldField Ghana Limited Tarkwa (GFGL-T R3) explained how the GFGL-T manager related to her mistakes and, also promote peaceful co-existence between the company and the community. GFGL-T R3 detailed,

‘‘...You do your best and she commends you. The system is such that you can rise to whichever position you want. When you make a mistake, she will call you to order. And then, she will call you back to her office and explain why we shouldn’t do that or why we should do that... whatever we do, as community relations people, there are laws that we go by, especially land access. She always makes sure that you understand what the law says. Once you understand what the law says, then relating to the people would be easier. There is this perception that, because the company has enough money, we are always ready to litigate. But she will make you understand... not to infringe on the rights of the people.’’

The superintendent who deputises the GFGL-T however perceived the approach used by the GFGL-T manager in correcting the team as a weakness though she admitted it was a humane approach. GFGL-T R1 argued,

‘‘She doesn’t come often to rebuke the team members. She leaves that to me as the superintendent. What at times I want her to see and say it, she leaves it and says, ‘‘you can handle it.’’ At times, what may make me annoyed doesn’t get her annoyed... This is not the first time that I have worked with her. I have worked with her at other places before I met her here.... Everybody and the style. At times, people will say she is straightforward but very friendly. She puts herself in other people’s shoes.’’
The study showed that the CSR manager at GoldFields Ghana Limited Damang (GFGL-D manager) was also perceived as a manager who employed idealised influence. However, there were other instances where the CSR manager was also perceived as employing inspirational motivation leadership which is also a component of transformational leadership style. Yet again, there was an instance also where the CGM manager was perceived to be employing the active leadership style of management by exception. In an interview, GFGL-D manager revealed how he appraised his team. The GFGL-D manager indicated that even though there were strict sanctions, none of the CSR officers had ever flouted the rules within the department to deserve such sanctions. The GDGL-D manager indicated that he employed verbal appraisal and rebukes in managing his team,

“I query them. I talk to them. We have sanctions; we have this red card system. When somebody does something wrong, you could issue a red card, which means between a day and five days’ wage will be deducted from the person’s salary, but that is for serious offenses. Ever since I have been here, nothing like that has happened.’’

The GFGL-D manager’s approach to correcting mistakes and errors of the team was confirmed by GFGL-D R1,

“If you go wrong sometimes, manager will query you but the way forward is always the most important thing for him. He is a person who wouldn’t rebuke you in the presence of others… Communities will always accuse you even if it is not true when they see manager… he will always try to have an explanation there. Then maybe you will also have an explanation for him later in the office. He knows how to correct you when you go wrong and he also knows how to commend you when you are right.’’

GFGL-D R1 further indicated that the qualities of the GFGL-D manager and how he handled their mistakes were the reasons for his loyalty as a subordinate. GFGL-D R1 opined,

“My manager keeps me motivated. I am the type that will not always follow the money… my manager always acknowledges my effort and always commending me. He makes you feel that you are on top of your game. He gives you the exposure. I have attended about three management meeting. Not all managers will allow… I am not a senior officer. Not everyone in
the company has sat in those meetings... I have gone for meetings in his stead at Persus, one other Mine in the Western region.’’

There were other instances where GFGL-D manager was perceived as employing inspirational motivation leadership style which is a component of transformational leadership style. GFGL-D R2 indicated that the GFGL-D manager commends the efforts of the team when goals are accomplished, and, he encouraged the team in the pursuit of other set goals. GFGL-D R1 disclosed,

“Manager really commends you when you do well. After any exhaustive accomplishment or anytime we had an event that took much of our time and much of our strength; after everything has been done, he makes sure he sends a ‘thank you mail.’ i.e. ‘this has been one of the best event organised.’ And when there are loopholes, he gives us the credit, and adds, but next time, we should pay attention to these areas. He always makes sure that he acknowledges the effort we put in before there would be any query.’’

GFGL-D R1 suggested that the GFGL-D manager could be described as possessing qualities that relate to active management by exception leadership style. GFGL-D R1 indicated that these instances were often moments of pressure on the field and operations.

The CSR officer however added that, such instances also always had the participation of the GFGL-D manager in resolving issues and challenges. GFGL-D R1 accounted,

“He can be result-driven due to pressure from the top management but he is always involved with the team. ‘Manager dieer op3 result dieer nor op3 result’’ to wit; once the manager wants result, he goes all out for it. ... GoldFields is a pressure working job. Everybody is always on the run doing something because management needs the result. ...He is always in the team. Our manager is always on the field... Last week Thursday he went with the team from around 9 O’clock till like 3pm, came back very exhausted. Even in the rain, he is in his wellington boot with the team. He wants to see what is happening on the field... He allows you to use your own initiative but whenever you are getting locked up, you would need to inform him before you are locked; once you sense the problem coming, let him know and he will take it from there....’’
On the theme of appraisal and sanctions, the study revealed that the CSR manager at AngloGold Ashanti was perceived as one who employed active management by exception leadership style. This notwithstanding, the study also showed that that there were instances where manager was also perceived as leading by the idealised influence.

AGA R1 indicated that, AGA manager commends the CSR officers when tasks are accomplished. However, due to the stern disposition of the CSR manager, some of the CSR officers were adapting ways of defending, explaining and justifying their mistakes and errors. The AGA R1 bemoaned,

“‘When you do your work well he will commend you... Just verbal appraisal... He will tell you, that ‘if you want the project to succeed, personalise it...’ If I make mistakes, it is not easy but I have a way of communicating my mistakes so he also has a way of accepting them. I’ve been trained academically to communicate my mistakes.’”

4.7.2 Teamwork, Delegation and Decision-making

On the themes of teamwork and delegation, the study revealed that the CSR manager at Chirano Gold Mine (CGM manager) was perceived as a manager who possessed idealised influence. The CGM manager was also perceived as intellectually stimulating. CGM manager explained that the nature of the CSR initiatives within the communities required a team effort instead of individual experience even though tasks were equally based on the individual’s special abilities. CGM manager expounded on the collective sense of mission of the team,

“‘On daily basis, we have meetings early morning before we spread to our various desks. And we evaluate the previous day’s activities... we look at the critical needs of the people. We generate topics and we discuss those topics. In tune with what we are mandated to do and through the discussion; whatever we settle on, we go into the community with to meet them.’”
CGM R1 substantiated the claim by the CGM manager and added that the CGM manager sought differing opinions from the team members in solving problems. CGM R1 opined,

‘‘Even the team, we have what we call ‘tool box meeting’. Every morning… We deliberate on the work that we did and then what we are going to do for each day. Through that, he motivates us... It is a ‘tool box meeting’ because we all share ideas... He motivates us. He believes that, nothing must go waste... we go for monitoring to check whether what we have provided for the communities are direct benefits... We work as a team so we have a good relation here... If there is a particular work, he will call the team members, what is your take on this, to me I think a good leader need to do that.’’

In an in-depth interview, CGM R4 also affirmed the position of the CGM manager. CGM R4 expressed his inclination for the democratic culture of interactions in the department. CGM R4 indicated that such atmosphere enhanced the CSR initiatives and responsible attitude from the officers towards the implementation of projects. CGM R4 disclosed,

‘‘Manager is somebody who is democratic. He accepts the views of his colleagues or his subordinates and also gives room for people to share their ideas before he implements something... mostly if there is going to be a project, or work, though he is the leader, he doesn’t take the decision alone. He has to come down and ask for everybody to share ideas and then we draw conclusions from there. So I see his leadership as somebody who is democratic.’’

The team feeling and the nature of the ‘tool box’ meeting mentioned by CGM R1 was further explained by the CGM R2 as an informal group discussion that focused on departmental safety issues. CGM R2 explained,

‘‘We work as a team. Every morning, we all meet, discuss the next step that we want to take on either a project or an initiative that we are doing. Then we see if we can assign responsibilities because when you work for a period, you have to go for leave but the job must not stop. If there is an on-going project, somebody must monitor. So, every day we brief ourselves... It has been part of us for some few years now. We call it ‘tool box meetings’... every morning we have to spend 15 minutes discussing 15 issues of safety. After the 15 minutes then we come to the work issues itself... if one person is injured everybody’s work will be affected.’’
Also, the CGM manager in some instances was perceived by the CSR officers as intellectually stimulating. In an interview, the CGM manager explained how decisions were made within the department,

“We share thoughts on whatever we plan to do and we share platforms as we are in the communities.”

CGM R3 speaking to the decision processes in the department also described the manager as democratic,

“He is a democratic leader. He doesn’t take decisions by ‘his own’. Every morning we have a meeting... everyday. We have emergency meetings too.”

Again, the study found that the CGM manager was perceived as intellectually stimulating because the officers saw him as someone who challenged the team to embrace new thoughts, and to keep learning. CGM R4 explained,

“Manager is somebody who always pushes you to learn. He will go and read an article or a book and tell you to go and read so you would explain to him what you’ve learnt in those articles. It is really really helping me. It keeps me on track. For example, when we are doing a work, and something relates to the article he has given to us, you have to refer and see how best it can help us. Recently, there was a forum held at Newmont and they were discussing about artisans; how to help the artisan and then he gave it to me to summarise. So this can help me. If there is going to be any program for artisan, then I can also bring my ideas since I have read about it.”

CGM R5 reiterated that the CGM manager challenged the team to share new ideas,

“There are some people that when you work with them, you fear to voice out your ideas or share your view with him. He always gives us this opportunity for us to exhibit as young people working under him.”

Again, the study identified that the CSR manager at GoldFields Ghana Limited, Tarkwa (GFGL-T manager) was also perceived by her CSR officers as a manager who possessed idealised influence. GFGL-T manager was also perceived as intellectually stimulating in the execution of CSR initiatives. In an interview, most of the CSR officers indicated that their
manager was team-oriented and she emphasised the importance of having collective sense of mission. GFGL-T R4 disclosed,

“We are more of a smaller team but an effective one. We joke a lot but if you have to be disciplined you would. When you go to other departments, there are sections, we don’t have sections. It is just one smaller team. More or less, what a team member is doing, I know and understand. Whatever I am doing, the other team members know and understand it, and manager is part of the team. She leads the team... coaching and guiding us. To work effectively as a team.”

GFGL-T R4 confirmed that the GFGL-T manager created a team culture. GFGL-T R4 added that the exemplary conducts of the manager challenge them to strive to improve their skills of human relations,

“She sets good example for us. If your boss is discipline you have no choice but to be discipline. She sets the standard for us. Cordial, there is no restriction, if something borders your mind you can just walk to her. She coaches and she mentors. She is very very outspoken and so when she talks, I try to pick the things she says... She challenges you that you can do more. She asks you a lot of questions that pushes you to go and read more.”

GFGL-T R1 also validated the statements by GFGL-T R4 regarding the collective sense of mission of the department,

“We can talk about anything beyond work... she pats you on the shoulder... sometimes doing without the extension phone lines and walking to them, it is a style. When you are able to touch base with people it’s better that using formal means of communication.”

On the themes of Teamwork, Delegation and Decision-making, the study showed that the CSR manager at GoldFields Ghana Limited Tarkwa (GFGL-T manager) was also perceived as intellectually stimulating. GFCL-T manager revealed that, teamwork was necessary in ensuring effective CSR initiative, and it was seen as central to the operations of the CSR department. The GFGL-T manager emphasised that the team’s ideas, thoughts and critiques were vital to decisions within the department,
“I worked with a research institution, and when you work there, for even the director, when he had a proposal he brought it to everybody for vetting. It was more of a peer review. So, it took away that fear and tension towards superiors. I am coming from that tradition that is an open one. So, when a project is being done, even a national service person could pick it and make suggestions based on literature review. So, I always tell them [the CSR Officers] that, when I fail, I fail with them. And, I came to meet them here as well, so I often ask them about things I don’t understand. I am in my second year here.”

GFGL-T R2 affirmed that the GFGL-T manager gave much room for the contribution of ideas by the team and for other critical ways of solving problems. GFGL-T R2 explained,

“Sometimes she tells me to do something and if I am not in agreement, I tell her I am not comfortable about it. I tell her my reservations. Sometimes, the manager sees a lot of things that we don’t see, so if she explained it to be because of x, y, z, it helped but most of the times, they don’t help too. So, I tell her my reservations about it that I don’t feel comfortable. So she takes ideas from us. She sometimes takes decisions I believe some men cannot even take. She speaks boldly, without fear of favour. She is very bold, irrespective of the person involved.”

GFGL-T R3 also suggested that the GFGL-T manager was intellectually stimulating. The GFGL-T manager was described as a manager who welcomed differing perspectives and, also often suggested new ways of looking at how to complete assignments. GFGL-T R3 opined,

“She likes to share ideas. She likes to educate. She is the type that believes that whatever you are doing you must improve. She likes to see people develop. She is welcoming so if you share your issues with her, she will listen to you and help you. If she has something to do and she is busy, I can go and help her. We share works and help each other. If it is complaint from the stakeholders and a particular person assigned cannot help or go to the community, she asks for help... for any team member to volunteer.’’

On the theme of teamwork, delegation and decision-making, it was identified in this study that the CSR manager at Golden Star Resources (GSR manager) has been an intellectually stimulating leader. In an in-depth interview, GSR R1 disclosed that, the GSR manager often challenged the team to re-examine critical assumptions and to propose new ideas in solving community problems,
‘‘When there is a problem that he thinks ‘‘let me share this and gather ideas so that we all see how best to approach the problem,’’ he comes to us and shares with us and we all share our ideas. At the end of the day, we all arrive on one good answer.’’

In constrast to what the study found on the other 4 CSR managers, on the theme of teamwork, delegation and decision-making, the AGA manager was perceived as a manager who employed a Contingency reward leadership style. AGA R2 described the manager as independent minded leader who expected the officers to work on instructions without questioning assumptions and ideas. AGA R2 disclosed,

‘‘He doesn’t buy into my ideas and does not support some of my initiatives... Hardly will your opinion be listened to. He’s the type that has his own style. Unless it’s something that he has little information about. That is when he consults you. After getting the information, out! And when he is done he goes back to be himself. It is more of ‘‘I need this report, you have to get this for me.’’

AGA 1 affirmed that the AGA manager hardly listened to the CSR officers for different opinions on issues of CSR,

‘‘The manager does not often listen... I go to the field so I know the issues on ground. Sometimes you tell them and because they haven’t been there and they are not at the forefront, they take it lightly. But when the issues come and it escalates then they will be looking at how to fix it quickly.... And to me that has been my argument. Before you do anything, the approval will have to come from the manager. So if they haven’t given you the go ahead, you can’t do anything. And, there is no extra allowance for the work we do so I have stopped talking about that.’’

The CSR manager of AngloGold Ashanti believed that the ultimate purpose of the Mine has been to make profit hence much attention must be given to operational issues and the budget must be so used rather than focusing on issues of CSR. In the view of the AGA manager,

‘‘Everyone is paid to do his or her job and the Community Fund has more of its work focused on the CSR activities than we do in the department.’’
4.7.3 Values and Vision

On the themes of Values and Vision, the study showed that the CSR manager at Chirano Gold Mines (CGM manager) was perceived as a manager with idealised influence because he often shared his values with the team and also usually cast vision to keep the team focused on the departmental goals. However, there were instances where the CGM manager was also perceived as possessing inspirational motivation qualities. CGM manager revealed that values were important to ensure discipline and effectiveness especially in the mining industry,

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“By nature, I have some perceptions about doing things right and, I encourage the truth and honesty… So, if there is anything to measure, perhaps they will measure me on these lines. I respect them, so they also respect me… The vision is to deliver and deliver well. To ensure that our activities don’t generate crisis in the communities; to ensure that we carry ourselves well for respectability; to ensure that we link up with all our stakeholders in a manner that is mutually beneficial to the company and the stakeholders.”
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CGM R4 indicated that these values have enhanced the CSR initiatives of the company as it has ensured transparency in communication among the team and stakeholders. CGM opined,

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“Everybody is equipped with information… manager doesn’t hide anything from any of the staff. We all work as a team. And anything I do or any of any staff does… if I am the one doing it, I have to push it to you so that you go through it for me before I present to manager. So, we are all friends, we all work as a team… He is a free type. Anything you feel uncertain about you just ask, he is free to give you answers. And if there is any challenge too, he is there to give you the appropriate solution… If the chief or any of the community members come, he listens to them.”
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CGM R2 commented on the daily encounters between the team, community people and the manager and, how his values were often reinforced for the officers to emulate. CGM R2 revealed,

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“Our vision is ‘putting people first’… it doesn’t only apply to the community. It applies to the team and our value is to make sure that we deliver. Our manager keeps to this. He is fair and, the friendly type. The flexible type, open and easily approachable… he is always ready to listen and support. Otherwise, we will not be able to reach where we are because people come with complains about some mining activities.”
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CGM R3 further disclosed that the CGM manager placed much value on punctuality and honesty. CGM R3 remarked,

“If it comes to work, he expects you to work hard and be punctual. He will be reasonable with you when your explanations for being late to meetings are sensible and honest. It’s a team work. He keeps on correcting us… recently he was telling me that if he makes a correction, we should try and compare and do it well because it’s not all day that he can correct us.”

CGM manager was further described as a religious person; a background they believe informs his moral values. CGM R5 intoned,

“He is very religious... if somebody is talking to you and he speaks with the word, the bible... always advising you, alluding to biblically stories, I can simply conclude that such a person is God fearing and very very religious.”

CGM R1 suggested that the CGM manager was also perceived as possessing inspirational motivation qualities. Some of the CSR officers at Chirano Gold Mines observed that the CGM manager was often sympathetic towards the needs of the communities. CGM R1 indicated that, the CGM manager often shares his passion and the vision to see development in the communities with the team. CGM R1 further described the CGM manager as a self-driven person,

“He is passionate about the communities... before we would also leave here, we want to leave a good legacy as a department.”

CGM R2 described the CGM manager as lively and inspirational because he often talked optimistically about the future. CGM R2 explained,

“If you get to a particular department or let’s say a company and your manager shares his life stories, it motivates you a lot. It encourages you that Yes! you can also get that far. So, it motivates me... he never discourages... he will tell you there is nothing that cannot be achieved...”
The inspirational leadership style of the CGM manager was emphasised by CGM R4. CGM R4 observed,

"Manager shows interest in whatever I am doing. Normally, he even asks about my parents. When I came, I was not on the 'off roaster' schedule, but he once called to go on leave and to visit my parents... 'off roaster; we have to work for a certain number of days and go off work'.''

On the same themes of values and visions, the CSR manager at GoldFields Tarkwa (GFGL-T manager) was also perceived by the CSR officers as one who had idealised influence. The GFGL was also seen as possessing inspirational motivation qualities. She was described as respectful toward both the CSR officers and the external stakeholders (communities) and, she demonstrated confidence in the officers to help with CSR initiatives. GFGL- T R2 opined,

"She brought in this style of respect for people's decisions; respecting you that you will take the right decisions and it encourages you. There are things she will tell you run along with and then give her reports later... Because she knows you are working in an area in the office, when issues come in that area, she will ask you, 'what do you think, you are on that field, what do you think must be done?' ...She does not impose her ideas. And when your decisions are respected, in a way you are encouraged to do more... She is also very disciplined. She believes in doing the right thing at the right time and punctuality. Those are the values.'"

GFGL-T R1 affirmed the observation by GFGL-T R2. GFGL-T R1 commented,

"When you are working with somebody and the person doesn’t give you work to do, your contributions don’t matter then, you are not valued. But when your leader or your boss knows that you have something to contribute, that your leaders says ‘I don’t have to tell this person what to do and the person does it.’ That is manager! ...She can work with everybody. She is intelligent. She treats the chiefs and elders very respectfully. Some people get annoyed easily, but she will listen to you. If she doesn’t need to talk, she will not talk but she will listen to you and say thank you... She comes to the level of everybody but if the work has to be done, it has to be done.'"

GFGL-T R3 added that the GFGL-T manager cherished honesty and transparency, virtues that the team upheld as standards within the department. GFGL-T R3 disclosed,
“Because she is principled, you always need to know what you are going to tell her. You don’t need to lie. She always keeps you on your toe. She can ask you any question at any point in time and you need to give her an answer. You must always be ready to give her the right information. She is straightforward.”

Regarding the theme of values and visions, the study identified that there were situations where the GFGL-T manager has been perceived as engaging inspirational motivation leadership style. GFGL-T R4 opined that the continuous casting of the vision of the company to the team by the GFGL-T manager helped in preserving the company’s social licence. The findings revealed that the vision and mission statements were displays on the office walls. GFGL-T R4 recalled and paraphrased the vision as,

“Working effectively to obtain our social licence to operate as well as being there for our people whenever they should fall on us for anything. The Foundation is for the development of the community not for any individual. So, we are here to make sure that we work in such a manner that the company will have the peace of mind to operate and our communities will also be happy living with us.”

On the theme of values and vision, the study indicated that the CSR manager at GoldFields Ghana Limited Damang (GFGL-D manager) was perceived as a manager who employed the qualities of inspirational motivation, idealised influence, and intellectual stimulation which are all components of transformational leadership style. The GFGL-D manager disclosed that, central to the vision of the department has been the need to safe-guard the social legitimacy of the company within the communities. The GFGL-D manager explained that the preservation of the social licence required a constant communication of the vision to his team. This, the GFGL-D manager added ensured proactivity of the team in responding to the needs and complains of the communities. The GFGL-D manager remarked,

“The vision is still tied in with the social licence. No matter how difficult the situation is, the relationship that has already been built must never be lost. That is the principle. No matter the
difficulty we are going through, any relationship we’ve already built should not be lost... On an issue, I will tell you as it is, but it must not spoil any relationship.’’

The GFGL-D manager added that his values of respect for time and the promotion of fellow feeling had enhanced CSR initiatives and interaction with the external stakeholders and has also helped in realising the vision of the company. GFGL-D manager opined,

‘‘The team is eventually getting the values right. It is getting there. The promptness... The time thing! I don’t know why but I can’t stand it. Being more than 5 minutes late, I won’t take it. I will leave. so they have gotten that. Once I was going on ‘leave’ and there were issues so I told them, ‘‘Treat the community people the way you will want to be treated if you were in their shoes. When I came back from leave, they quoted it back to me. They said, ‘‘anytime anybody brings a complaint, we sit down and imagine, what if we were the ones who were victims’’. And, immediately we start thinking that way, we were able to resolve the issues.’’ So they started reporting all the incidents and how they resolved them. That means they’ve got it... that fellow feeling.’’

GFGL-D R1 affirmed that, the manager often shared his values which enhanced the welfare and satisfaction of the stakeholders. The manager also encouraged the team to look at problems from different perspective in pursuit of departmental goals. GFGL-D R2 disclosed,

‘‘He relates well; his human relationship is very good. He has shared this thing too with me. He says, ‘‘our job has got to do with people. If you satisfy the people, you satisfy yourself.’’

4.7.4 Relationships and results

On the theme of relationships and results, the study identified that the CSR manager at GoldFields Ghana Limited Damang (GFGL-D manager) was perceived as a manager with idealised influence and Individualised consideration. This notwithstanding, there were instances that the GFGL-D manager was seen to have engaged contingency reward leadership style. GFGL-D manager was described by GFGL-D R1 as a people-oriented who greatly
enjoyed the loved of both the officers and the people in the communities. GFGL-D R1 recounted an incident,

“Everybody like manager... his leadership is very open... His leadership style is what has won the hearts of the communities... he has a way of explaining why things can’t go a particular way the community wants it... At a point, for his personal reasons, manager wanted to actually resign and move on. We had some chiefs, some opinion leaders with influence going to the extent of speaking to the EVP, that, ‘we don’t want to lose [the manager].’” Some of the big men in the company had to go to him in the closet for him [manager] to stay... The relationship there again! We’ve had some managers who leave without notice to the community people. He has built friendship; he has built families in the community...”

GFGL-D R1 further added that the transforming impact of the manager on him as a staff inspired his loyalty to the manager and the department. GFGL-D remarked,

“And you know at that very point that he said he was leaving, if I am not lying, I was ready to leave with him... ‘be bibia woko bia manager, yen ko’... to wit ‘I will follow you anywhere you go.’” It is not all about money. Sometimes, if you are working with a manager who will make you feel comfortable, it’s good. If you are working with a manager who feel and recognizes you, you will go with him... his leadership style is a democratic type.”

In an in-depth interview with GFGL-D R2, GFGL-D R2 disclosed that amidst the team culture, the manager tries to identify different abilities and, the aspirations of the team to support them. GFGL-D R1 opined,

“My relationship with him has been close... But the whole team is also close... there are some managers you can’t discuss any other thing with apart from work... From last week, we’ve been so tight... I just went to him ‘manager, I wanted to take Thursday off’ and he agreed... Not all managers are that much approachable. For some managers, it would take your last breath to approach. Sometimes you will have to go through others before you reach your own manager. He is the open type... to the extent of even personal issues, he will advice you. He is the type that advices a lot. He is the type that coaches. He is fun to be with. He is very open to be with.”

GFGL-D R1 affirmed this observation,

“With manager’s leadership style, he is the type that gives everybody the chance to operate. He just gives you some guidelines of what he wants, then, he opens everything for you to use your own initiatives. At the end of the day, the result must come.”
Notwithstanding the responses on relationship and results, the study found that on the theme of sacrifice and service, GFGL-D manager was perceived as one who also employed Contingency reward leadership style. GFGL-D R1 explained how the mining company and its system of payment has been structured on hours of input. GFGL-D R1 also indicated that, company regulations guaranteed allowances for extra hours’ work done. GFGL-D R1 remarked,

‘‘We work and we are paid in hours. If you work extra hours, the company policy allows you. Not all managers will approve. But if you work extra, he approves for you, then you take what is due you.’’

On the theme of relationships and the results in this study suggests that the GFGL-T manager engaged idealised influence in her leadership of CSR initiatives. GFGL-T R4 described the GFGL-T manager as family oriented and a people-oriented person,

‘‘As for manager, she takes everybody as her child. She comes around and calls you casually. If there is something serious, she will call you to the office to explain. She has a way of going about it that you will not be intimidated. We crack jokes but you should not go about misbehaving, the work must go on.’’

The study also identified that the CSR manager at Chirano Gold Mines (CGM manager) was perceived as a manager with idealised influence and individualised consideration. CGM R3 indicated that the took pride in associating with the manager because he affirmed them, and, his friendly disposition enhanced the culture in the department. CGM R3 opined,

‘‘Since I came here, I have taken him as a father because where I was coming from, I did not get that. To be honest, there are some managers here, you will not even get ‘‘Hi’’. . As a leader, he is a father... meaning he is responsible, he doesn’t discriminate... He makes sure that the right thing is done and he knows that we will do it. He trusts us...’’

CGM R2 described the relationship between the CGM manager and the team as one that created a family-oriented environment,

‘‘It is like a family. We work like a family. Not the modern day family but the traditional African family. That makes our work easier... we work as a team. We talk family. We talk social. We talk funerals. We talk everything. We come together; we discuss, we share problems, we share
challenges, we find solutions together. So that, at a point if you pick up a form, and you say oh! this form what is it about? The next person should be able to tell you this is about A, B or C... it is to get the job done because we deal with almost 19 communities on a daily basis. So, if one person is dealing with them almost every day and he leaves, what happens? It means there will be a vacuum.’’

CGM R5 indicated that the CGM manager sometimes discussed in specific terms with individual officers their responsibilities. CGM R5 added that the manager often delegated specific tasks to individuals to ensure performance targets were achieved, and, he also spent time to coach the individual with challenges at work. CGM R5 accounted,

‘‘There is Division of labour, in economic terms each and everyone has something to do but you work mutually. If there is something I find difficult to do, he teaches us. He makes sure that we the new comers or people under them, they train each and everyone so that in their absent we can function.’’

On the theme of relationship and results, the study found that the manager at Golden Star Resources (GSR manager) was also perceived as a manager who employed idealised influence in her leadership. One of the key respondents, GSR R1 described the GSR manager as a cordial and pragmatic leader,

‘‘My work relationship with him is like father and daughter if I should put it like that. It is not like ‘superior and inferiority’. Even though he is a manager, he is always with us, sharing with us. You don’t panic when you are going to him. You feel free to tell him what you want to say... There are instances where you are going to your parents or your boss and you are panicking because of how the person behaves. He is not like that.’’

The study further revealed that on the theme of relationship and result, the responses were very different for the CSR manager at AngloGold Ashanti (AGA manager). The AGA manager was perceived as one who employed contingency reward leadership style. Most of the CSR officers described their relationship with their manager as formal and job-centered. AGA R2 disclosed,
‘‘The contract is really job-centered. There is hardly a cordial conversation. Sometimes it demotivates me. To be frank with you, it got to a time I had an offer and I wanted to leave but I just wanted to look at one or two things and even the salary was not even competitive.’’

AGA R2 further added,

‘‘Sometimes you have to do things unwillingly. There are sometimes, for instance this report (pointing to a document before him), if I finish, I will send it but if I don’t finish on time the next day I continue. Sometimes you will like to go the extra mile, other times you will not want to go the extra mile...’’

AGA R1 affirmed that the relationship with the AGA manager was work-focused and strictly driven by the need for the CSR officers to accomplish the set goals. AGA R1 revealed,

‘‘My relationship with manager is very cordial but hardly will you have an extended relationship with him outside work. Personally, he believes that I’m a trained development planner so most often for programmes or projects he lives it for me to get him the results.’’

AGA R3 speaking to the relationship between the AGA manager and the officers reiterated the perceptions of AGA R2 and AGA R1. AGA R3 however indicated that the formal nature of the AGA manager could be attributed to his personality. AGA R3 opined,

‘‘It’s more formal... It is not bad and it is not worse. But it’s may be how he is. You have to understand people for who they are. I can’t say he is autocratic even though he is sometimes. He is job-centered. He doesn’t look at your personal and private issues, hardly! As I am talking to you now my wife is on admission but I’m at work. It is not supposed to be. Somebody will even drive with you to go and visit her in the hospital. These are some of the small things that really matter. As I said earlier, it is not about the formal relationship, I don’t look at that. I look at the informal.’’

A similar sentiment was shared by another CSR officer. AGA 4 revealed,

‘‘There is no personal relationship as such. It’s all about the job; deliver... It’s like there’s no flexibility. Sometimes you wish, you just want to have a chat but if the person opens up that is when you also do... I try to adjust to the way he behaves towards me. I try to align myself to ensure there’s no complaint and all that.’’
4.7.5 Sacrifice and Service

On the theme of sacrifice and service, it emerged from this study that, the GSR manager was perceived as a leader with the inspirational motivation qualities. The key respondent at Golden Star Resources described the GSR manager as a sacrificial leader; one who has been compassionate toward the communities and, also expected the same level of sacrifice from the team in carrying our CSR initiatives. GSR R1 expounded,

“He drives the community project... Even though he is working for the company, the community is also seeing him as the one who can 'save them'. It is his influence; it is his recommendations that can make the management take certain decisions for the community. So, even though he works for Golden Star, he sees himself as a community person and therefore is not like the company first and the community second. And it is not like the community first and the company second. He is not from the community though he is being here for some years.’’

The GSR R1 added,

‘‘...for my manager, he feels that we should sacrifice for the company. So we don’t get extra allowances. We have extra hours... when you work according to the company policy you will be paid. But beyond that... even the one that the company will be willing to pay, my manager feels that it is not everything that you should be paid for. Sometimes you should just work to help the company and community...’’

CSR R2 affirmed that the GSR manager often ensured that officers were committed to work beyond their duties for future benefits. GSR R2 opined,

‘‘It is challenging, sometimes you have to go the extra extra mile. He’s always pushing for that. For instance, he says things like ‘‘we have closed but I think if you could do this it will decrease the work tomorrow...’’ Sometimes, he wants you to go the extra extra miles because of his own experiences and because of what we hope to achieve, and also the rewards.’’

On the theme of sacrifice and service, the study found that the CSR manager at AngloGold Ashanti (AGA manager) was perceived as a leader who employed qualities that aligned with contingency reward leadership style. Of the 6 CSR officers interviewed at AngloGold Ashanti, 4 of them indicated that the CSR manager focused more on the benefits that the company would
derive from its operations and production than the CSR initiatives towards the community.

AGA R2 disclosed,

``Most of the time AGA as a company looks at the bottom line; the cost... I personally think that sometimes it should be about how you also impact the community. To be able to do this work effectively you have to put yourself inside their shoes... I ask myself, ‘If I was on the other side and they were on the other side, how will I feel?’ So sometimes I get so emotional about some things especially when I know it is our impact that has caused what has happened... As community relations practitioners, even though we are mediators between the mine and the community, I think we should find out more for the community.’’

It emerged from study that the qualities of contingency reward leadership style were not limited to AngloGold on the theme of sacrifice and service. CGM R5 indicated that there were times that the manager discussed in specific terms who was responsible for achieving specific performance targets even though they were in a team. This notwithstanding, the CGM R5 added that the manager spent time to teach such individuals to effectively execute the delegated tasks. This response somewhat gives credence to the individualised consideration leadership style which is a component of transformational leadership style. CGM R5 accounted,

``There is Division of labour, in economic terms each and everyone has something to do but you work mutually. If there is something I find difficult to do, he teaches us. He makes sure that we the new comers or people under them, they train each and everyone so that in their absent we can function.’’

4.7.6 Initiatives and Innovations

On the theme of initiatives and innovation, the study identified that the CSR manager at GoldFields Ghana Limited Tarkwa (GFGL-T manager) was intellectually stimulating in leading CSR initiatives. The study revealed that there were new developments and several initiatives led by the manager with new ideas. GFGL-T manager revealed,

``Generally, regarding the farmers’ compensation, I have made suggestions regarding the regulation and suggested new ways of doing some things differently. There were some that team indicated to me that such approach in the past did not work. But, I have managed to secure our boundaries from ‘Galamseyers.’’’
5 CSR officers disclosed that the GFGL-T manager had led many initiatives that improved the relationship between the company and the external stakeholders. GFGL-T R2 explained,

“Her approach to how she handles our land access, the way she’s gone about it in securing our boundaries for security. Those are major; making sure that our boundaries are clearly defined. That is one major change she brought. We are cut lines to physically demarcate our boundaries. To prevent encroachment, we will grow crops and that is one initiative that I identify to her.”

GFGL-T R2 also added that,

“Manager also proposed new ways of handling the scholarship. We used to send it to the chiefs but now we send some to the head teachers of the deprived schools. This is because they can help identify people who are very deprived… They [the needy students] are with the entire communities but we have given portions to those schools. It is a human system so people may fake but the teachers can help tell who is brilliant but needy. These are strategic issues I have seen changes.”

The problem solving skills and the intellectually stimulating qualities of the GFGL-T manager as highlighted by GFGL-T R2 were further substantiated by GFGL R4,

“When it comes to land access, that one, it has got more to do with operations. It is one of the major things that she has ensured success. Without it, the company will not have the social licence or the peace of mind to operate because our CSR is not a charity something… She has to know how to manage both the interest of the community and the company. It is the company that pays us but the company is also paying that we look at this people so that at the end of the day, they will not bring the company trouble. So you have to be in-between… At the end of the day, you are answerable to both…”

Again, GFGL-T R4 indicated that the manager introduced a daily system of accountability.

GFGL-T R4 explained,

“Every week we report on what we have to do and at the end of the day, you account for it. We used to be a team alright but she made it stronger. Her leadership style is so welcoming that, you can just walk to her and speak to her if you have issues.”

On the same theme of initiatives and innovation, the study also found that the CSR manager at GoldFields Ghana Limited Damang (GFGL-D manager) has also been an intellectually stimulating leader. In an in-depth interview, the manager explained that, the department had
adopted a strategy to involve the youth for effective relationship between the communities and the company. The GFGL-D manager explained how he involved the youth in decisions on CSR in the communities,

*The engagement of the youth for example, is my initiative... we were over engaging the elders and the information was not trickling down. So I asked the youth to put themselves into associations... In order for us to engage them, we need to see that they are legitimate. So we asked them to go and register with the Registrar Generals’ Department as Youth Associations. So now they have Damang Youth Association, Kyekyere Youth Association... They are the ones who often do the demonstrations... because when we meet at CCC level the community leaders don’t go back to tell them... twice a year, the department meets with them to give them information from our operational challenges to scholarship, employment and everything. That has brought them closer.*

GFGL-D manager further disclosed how he used other intellectually stimulating and innovative ways including social media to engage the youth,

*‘The youth also have their whatsapp groups and all that. When the employment is about going on, and I have spoken to the committee already, I put it on that platform for them. We whatsapp even at 9:00 pm. Now, when there is dust on the road, they take pictures of the road and they whatsapp it and we all discuss and we are able to tell them what the challenges are. At first, they would have gone to block the road. So that is one of my initiatives here.’*

The GFGL-D manager explained how the CSR initiatives of the company have been made more visible and transparent through his initiatives,

*‘I have also made our CSR activities more visible. I have developed a rapport with the local media. So every quarter I go on air at least once to talk about something we’ve done. The last one was on the scholarship, after the selection, I was with them to explain the process we went through, that didn’t use to be something we do... mining companies don’t use to do a lot of PR because of the negative perception. We used to think that when we talk too much then people will begin to point fingers at the bad things.’*

The GFGL-D manager opined that the CSR department has learnt to challenge the status quo and critically re-exam assumptions that undermined the CSR department’s interaction with the community members. GFGL-D asserted,
“We didn't use to have an office down there [at the reception]. I’ve had one or two occasions where an officer picks the calls here and says, ‘Ei! Ya ye busy’ to wit; we are busy here. I said ‘no! how can you be busy? We are here because of the community. If they are not here, we will close down this department.’ So, I sought for an office and placed one person down there for the department, to handle complains...”

GFGL-D R1 confirmed that the innovations and initiatives introduced by the manager have enhanced their stakeholder engagement activities,

“We have committees that we engage periodically. Manager added the youth... the youth are really really fighting for what they perceive as their rights through demonstrations. In order to calm the youth down, he has been able to educate the youth... to get registered. He told them, ‘If you are always going to block the road, if you are always going set tyres of fire... even though initially, your issues are genuine because of the approach you use we may all lose.’”

GFGL-D R1 indicated that to ensure local content and to improve local employment, the GFGL-D manager improved the processes of carrying of engaging the stakeholders,

“...the employment procedure: communities always complain about employment been skewed towards those from outside the catchment areas. We had a policy but the policy wasn’t so much effective. The manager has made it very effective and management has bought into it. He did his thesis on ‘community employment as a tool for community development’ so; he really understands the nitty-gritty of what employment can cause both the good side and the bad side. He told management that when you need human resources to work for you, then, let the procedure work... We are answerable to the community as well as answerable to the company, so the community might ask questions... This thing is very visible and it is working.”

GFGL-D R2 indicated that their manager held to a belief that informal interaction could provide creative means to enhance CSR. GFGL-D R2 commented on the social skills of the manager and the values he espoused that were intellectually stimulating,

“He is always at the door step of the community. When I joined initially, what he said was that, for him, he sees that his profession has much to do with stakeholder engagement. He says that, stakeholder engagement answers every issue. When you don’t have the financial resource to meet the requests of the people, then your human resource must work for you; your time as a resource must answer to things. Even though you have not been able to give the community the building they want... the schools or the other physical projects that they want, the time with them, your presence at their door answers everything. And this has reduced community allegations drastically...”
On the theme of initiatives and innovations, the study revealed that the CSR manager at Golden Star (GSR manager) was perceived by the key CSR officers as intellectually stimulating. GSR R1 described the GSR manager as a person always babbling with new ideas. GSR R1 added that the manager often encouraged the team to look at challenges as opportunity to improve CSR initiatives,

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“We don’t impose the project on C.C.C. We select projects by using a system called Pair Wise Ranking (Compare) Method. What the department does in that meeting is to ensure that majority’s interest is considered. With the pair-wise ranking, it is like voting and you give reasons why you want that project... When the whole process ends, the project which will receive the highest number of votes is assumed as the one the community’s needs. It is manager and other leaders who introduced it... It is like, let’s look at how we can make things better for the community.”
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4.7.7 Demographic profile of CSR managers and leadership styles

In an interview with GFGL-T R2, the respondent indicated that the CSR department of Goldfields Ghana Limited has always been perceived as a social science related department. The workers in the department were therefore required to have the knack for social interaction. GFGL-T R2 opined,

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“In the department, we are very close. Let me say, it is a social science department, so you have no choice than to be very close, open and transparent with everybody. If you go to some departments, people have the opportunity to see or talk to the manager may be once a week. That is, may be the weekly meeting but for us, if something boarders your mind now which is work related, you just walk to either her or the next in command. There is that open, continuous interaction, we don’t wait for a week, you can just walk into her office and have your issues discussed and she will give you direction.”
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GFGL-D R1 indicated that, the peculiar nature of the department required social interactions with the community. GFGL-D R1 emphasised that social skills were required in engaging stakeholders within the CSR department,
‘‘Getting things approved by management can be very difficult... for a typical gold mining industry, sometimes all what they think is production, production... But if you really want to go into social relationships, then, you have to put a halt to or temporally slow down on production to concentrate on the communities. This, the production team too might not understand. So, it is sometimes a battle. They say ‘‘Community Affairs is slowing us down... ’’ We will also tell them ‘‘no! that is not the case but we are dealing with communities, so certain things must be understood and followed’’... so he has been able to always get them understand and get what he wants from management for the communities.’’

The CSR manager at GoldFields Tarkwa (GFGL-T manager) explained the influence her educational background, gender and career path had on her individualized consideration leadership style,

‘‘The team’s perception of me may differ, but generally, I think I am open enough. I think I am providing a lot of mentorship because I had the benefit of other people mentoring me when I started work. I started work from an equally male-dominated area... as a researcher. I worked at Council for Scientific and Industrial Research (CSIR). It was science-based, and you have very few women ending up there. So, when I joined, the people I met helped me... So, I try to mentor my subordinates as well. I think I am open enough. I think I am firm enough. I think I am motherly enough. Everybody has a different opinion of things and leadership but I think I am doing my best.’’

GFGL-D manager also gave credence to the notion that, career path; one’s work experience, passion and educational background shapes a person’s leadership style. The d that this orientation somewhat informed his inspirational motivation leadership style. GFGL-D manager revealed,

‘‘Altogether I have worked with GoldFields for ten years, since my national service... I was at Tarkwa... I love my work... I was in student leadership. I like public relations and nothing is more rewarding than meeting somebody who tells you, you called me for (scholarship) interview and I am now here... For my highest level of education, I did distance education with KNUST for a Masters in Public Administration and my first degree was in Social Science; Sociology and Geography at University of Cape Coast. I majored in Sociology. I was Hall president, Nkrumah Hall... ’’
Furthermore, the CSR manager at Chirano Gold Mines (CGM manager) alluded to this pattern of thought emphasising that one’s chosen career path and work experiences greatly influence their leadership style especially with CSR in the mining industry. The CGM manager disclosed,

“I am in my fourth year. And has being working at C&PR since... I am a social activist. I am a teacher by profession... I have ever worked as a project coordinator in my diocese as a Catholic, as project Coordinator for about five years and a teacher for a life time... Intermittently, I was the western regional deputy director of program for NCCE. I still teach when I talk to the community... I am a teacher, a social mobilize, project coordinator, so, that informs my flare...”

One of the CSR officers at Golden Star Resources (GSR R1) also described the GSR CSR manager as a researcher whose background shaped his intellectually stimulating disposition. GSR R1 indicated that the GSR manager bubbled with new ideas for CSR initiatives,

“As a department we try to do a lot of research as such you come up with good strategies and way out that will help... the manager that we have, he’s filled with a lot of ideas. He is a researcher... when he learns new ideas and he thinks this one can help he doesn’t keep it to himself. He shares with all of us and he trains us on how best we can go about that. He introduced a Pair wise ranking method, a concept that helps the community in decision making on projects... it helps in voting.”

This notwithstanding, the CSR manager at AngloGold Ashanti who was described as a distant leader with the disposition of a technocrat is said to have studied Geography for his first degree, and, an EMBA in Human Resource management for postgraduate. The CSR officer however attributed his contingency reward leadership style and perspective on CSR to his personality and worldview. AGA R1 opined,

“In trying to let him understand the community’s plight... Sometimes you need to convince him. You know sometimes personality comes to play; depending on a person’s temperament, and a person’s level of understanding of these issues. I’m coming from a strictly community development background. I’m a trained development planner, so when I’m presenting the community’s issue to him, I always stand with the community members than the company and he stands for the company... He will stick to his budget but I still go around making sure that the project is successful.”
It emerged from the study that the demographic profile of the CSR managers was also some of the factor that determined the leadership style (s) of the managers. This revealed the nature and skills required for effective CSR implementation.
CHAPTER FIVE
DISCUSSION OF FINDINGS

5.1 Introduction
This chapter presents the discussion of the findings and the various identified themes presented in the previous chapter. It presents a comprehensive discussion of the finding based on the 5 key research objectives: to understand how CSR is conceptualised in the Ghanaian gold mining industry; to determine the source of CSR policies in the Ghanaian gold mining industry; to identify the drivers of leadership of CSR in the Ghanaian gold mining industry; to determine the level of involvement of communities in the CSR of the gold mining companies; to determine the leadership styles employed by CSR managers for CSR initiatives in the Ghanaian gold mining companies. The findings in this study are also compared with existing literature that support or contrast with it.

5.2 Objective 1: Discussion of CSR conceptualisation in the Ghanaian gold mining industry
The first objective of this study was to understand how CSR is conceptualised in the Ghanaian mining industry. The main research instrument used was in-depth interviews. The CSR managers, a superintendent and CSR officers were interviewed. Key informants from the 4 multinational gold mining companies were asked critical questions on CSR and leadership including: their individual understanding of the CSR concept, the mining companies’ position and their definition of the CSR concept, the relevance of CSR within the organisational leadership structure and the CSR functions of the departments. Key themes that emerged from
this first objective were contextual and definitional construct, departmental and leadership structure, and CSR functions.

5.2.1 Contextual and definitional construct: the legal, the economic, the philanthropic and the ethical dimensions of CSR

It emerged from the study that the 4 selected multinational gold mining companies had a clear understanding and awareness of the CSR concept and they actively engaged in CSR initiatives and activities. These critical observations affirm the finding by researchers such as Ofori and Hinson (2007); Ofori (2010); Hinson (2011) and, Ofori, Nyuur and S-Darko (2014) regarding CSR and the practice in Ghana. For instance, the finding is consistent with the observations by Ofori (2010) whose research on the attitude of executive and management on social responsibility and ethics in Ghana found that, although there is no legal framework for CSR in Ghana, companies engage in various CSR activities. This notwithstanding, the study showed that, the definitional construct of the CSR concept in the context of the gold mining industry in Ghana differs from the general observations made by the Global Compact Network Ghana Case stories (2014). Contrary to the assertion in the Global Compact Network Case stories (2014) that Ghanaian institutions perceived CSR as a philanthropic venture, the study showed that in the context of the Ghanaian gold mining industry, CSR was conceptualised differently with much emphasis on ‘social licence’. All the CSR managers and all the CSR Officers indicated that within the gold mining industry, the need to acquire and retain their ‘‘social licence,’’ was among the prominent reason for CSR initiatives. The acquisition and the retention of their social licence to operate in their communities annexed the companies’ need for economic gains and, the legal licence to operate.
The study also revealed that the gold mining companies considered their CSR initiatives in the communities a business tool for the securing and retention of their ‘social licence’. This social licence was defined by the mining companies as the social legitimacy or the social acceptance given to the companies by the catchment communities to operate the business, and, this social licence guaranteed a win-win outcome for both the companies and the communities. To the 4 multinational gold mining companies (GoldFields Ghana Limited Tarkwa, Chirano Gold Mines, AngloGold Ashanti and Golden Star Resources), CSR initiatives were indispensable not because they were ‘good things’ to do nor philanthropic acts of goodness towards society. CSR initiatives were perceived as the strategic tool used to gain competitive advantage.

The 4 companies assert that the social licence guaranteed the greatest security for business profit. The ‘‘Social licence’’ ensured peaceful co-existence between the companies and the communities. The CSR is used as a vehicle for exchange relationship with the mining communities. The companies gave to the communities most of the things they reasonably demanded from them in return for ‘their peace or social licence to operate’. The CSR of the mining companies and their operations within the communities was therefore underpinned by the legitimacy theory, the social contract theory and the social exchange theory (SET).

The exchange relationship was perceived as advantageous to the mining companies because as observed by Suchman (1995) regarding Social Contract Theories, one of the commercial benefits that was identified in the Australian study (CCPA, 2000) was the ‘licence to operate’. This could be seen as part of the commercial benefit of enhanced reputation and it also links to gaining and maintaining legitimacy.
The social contract theory suggests that there is an indispensable relationship between business and society. Donaldson (1982) posited that implicitly, there existed a sort of social contract between business and society which implied some indirect obligations of business towards society. As observed in the statements and definition by most of the CSR managers, in seeking peaceful co-existence with the communities the mining companies tried to establish a relationship of trust, respect for the human rights of the people and their socio-cultural values. The mining companies consented to honor these expectations of the communities as a form of social contracts because the communities implicitly demanded that they so operate. This then offered the mining companies the process to legitimise their operations within the communities.

Blau (1964), suggest that, this form of relationship grounded in the social contract theory as it is between the communities and the mining companies involved exchanges of symbolic and intangible resources, and, it is a process regulated in part by the ‘norm of reciprocity’ (Gouldner, 1960). The mining companies felt they benefited from the discretionary and benevolent actions of the communities so they felt obligated to reciprocate and vice versa. Again as observed by Cook (1990) regarding this theory, the mining communities believed that if they did not honor the expectations of the communities, they would be punished by the communities perhaps through acts of distractions and violence at the mines or demonstrations that could halt or interfere with their gold productions. The mining companies regarding their understanding and definition of the CSR concept therefore gave the communities something more valuable than is costly to the companies in the form of CSR projects and initiatives and, in return received ‘peace or buy-in or acceptance’ from the communities. This observation was made by Coleman (1990)
as well regarding the social exchange theory in practice and this practice by the mining companies was centered on “enduring long-term social relations”, as opposed to “one-shot transactions in the market realm (Cook, 2000).

Apart from the drive for profit by the mining companies, they also strived to meet legal standards of human rights and, the respect for human dignity as expected by the regulatory authorities. The study identified that the mining companies obliged to these regulatory requirements because their legal licence entrusted that responsibility upon them. Again, most of the companies strived to fulfil their environmental obligations because the regulatory bodies within the country such as EPA and Minerals Commission regularly inspected their operations. These findings above contrast Carroll’s definition of the CSR concept. Carroll’s pyramid indicated that the need for economic gain was the bedrock of the CSR pyramid for any social responsibility business, followed by the legal, the ethical and then finally the philanthropic. The study identified that contrary to Carroll’s assertion, in the Ghanaian mining industry, priority was first placed on the economic, followed by the legal then the philanthropic before the ethical. This finding supports the observations by Dartey Baah and Amponsah-Tawiah (2011); Dobers and Halme (2009) and Wohlgemuth, Carlsson and Kifle ed (1998) who indicated that, Western CSR theories including Carroll’s (1991) CSR Pyramid, (comprising economic, legal, ethical, and philanthropic responsibilities) were not totally applicable in the African context. The finding also supports the advocacy by Muthuri and Gilbert (2011) for the development of an ‘Africanised’ CSR model focused on the factors driving CSR practices of the region. African scholars may have to work on developing or strengthening traditional African concepts such as
Ubuntu, African Renaissance and Omuluwabi to promote CSR as discussed by Amponsah-Tawiah and Dartey Baah (2011).

Additionally, the study affirms the findings by Ofori and Hinson (2007) which suggest that, the internationally-connected Ghanaian firms have a better grasp of the various dimensions of CSR and how it could be used to strategic advantage in business. This is observed in how some of the mining companies are adopting innovative means by the use of new technology, social media and the shared value concept for improved and effective CSR in the communities. It also supports the assertion by Matten and Moon (2008) that, the meaning, relevance, orientation and applicability of CSR practices varies with different contexts. Again it captures the first rationale for CSR by managers as suggested by O’Dwyer (2003). O’Dwyer (2003) suggests that, managers uphold the concept and practice of CSR as a result of ‘proactive enlightened self-interest,’ which is the voluntary recognition of corporate social responsibility by companies as long as it enhances or fails to inhibit corporate economic welfare.

Largely, the mining industry in Ghana is seen to be progressive with issues of CSR because of the meaning and importance the gold mining companies have placed on their ‘social licence to operate’. Find in Figure 3 (overleaf) the CSR pyramid drawn from the study based on the definitional constructs of the gold mining companies interviewed.
5.2.2 Departmental and leadership structure, and CSR functions

Nyuur, Ofori & Debrah (2014) suggested that the CSR function within organisations in Sub-Saharan Africa was usually handled by a specific individual, and in some instances, directors or chief executive officers take personal responsibility of the company’s CSR. Contrary to the findings by Nyuur, Ofori & Debrah (2014), the showed that CSR initiatives and activities within the multinational gold mining companies in Ghana were handled by teams of CSR Officers who were led by their CSR managers. Except for Chirano Gold Mines where the ‘CSR department’ was placed under the HR department, all the other 3 multi-national mining companies had separate departments for CSR with their own leadership structures and, they
also had teams of 4 to 6 working within the departments. Even with the case of Chirano Gold Mines, the superintendent (who was seen as the CSR manager) was fully placed in charge of CSR activities with about 6 team members, he only reported directly to the HR manager because the CSR department has been merged with the HR department. Thus, the CSR managers’ main responsibility was towards maintaining good relationship between the company and communities through CSR initiatives and engagements. The CSR manager’s duties were therefore very distinct from the duties and functions of the HR manager.

Again, Nyuur, Ofori and Debrah (2014) posited that managers in most Sub-Saharan African countries apart from South Africa spent 20% or less of their time on CSR related issues and initiatives, an observation that informed their conclusion that relatively low attention was devoted to CSR/CSI initiatives in organisations within the region. The findings from this study differ from the assertions by Nyuur, Ofori and Debrah (2014). This study revealed that the CSR managers of the 4 selected multinational gold mining companies recognised that a neglect or ineffectiveness of CSR initiatives could threaten their productions and profit, so, they dedicate more than 75% of their time to the implementation of CSR policy requirements and initiatives and, the other 25% of their time towards community engagement activities and land compensation issues or mitigations which were also indirectly linked to CSR initiatives. These CSR managers perceived themselves as intermediaries between their companies and the communities. The 4 multi-national gold mining companies therefore did not necessarily engage in CSR initiatives as charity because they made money. They embarked on CSR initiatives because they wanted to make money and they considered CSR as a concept that helped the company and the communities to have win-win results and outcomes.
Furthermore, though Nyuur, Ofori and Debrah (2014) argued that CSR was not the singular responsibility for majority of CSR officers in Sub-Saharan Africa including Ghana, with the exception of South Africa, where managers dedicated larger portions of their time to CSR-related activities, this study suggests that CSR was the singular responsibility for the CSR managers of the 4 multinational gold mining companies in Ghana. Most of the CSR managers therefore dedicated the greatest of their responsibility and time to CSR functions of the organisation. The CSR managers believed that the CSR department was solely created for this purpose as it was consequential to the effective operations of other departments and the general operations and production at the mine.

5.3 Objective 2: Discussion of the source of CSR policies in the Ghanaian gold mining industry

The second objective of determining the source of CSR policies in the Ghanaian gold mining industry (Board, management, department, communities) was largely explored. The main research instrument used was in-depth interviews. The CSR managers and CSR officers of the gold mining companies were interviewed individually.

The study revealed that the CSR policies of the 4 gold mining companies emanated from the board of directors. However, the policies from the board of directors were often seen as general guidelines designed for the mining companies. The mines in the various regions upon the receipt of these guidelines then adopt local strategies and content for the implementation of these policies in the communities of their operations. This notwithstanding, it emerged from the
study that the CSR policies of most of the mining companies were extensively fed by sponsored independent researches conducted for some of the mining companies in the communities to assess their needs. Based on the outcomes of the researches, propositions and recommendations were made to the board of directors through management for their consideration, approval and adaptation. Some mining companies’ policies were informed by the UN Millennium Development Goals (MDGs) and Sustainable development goals, and, also the national and local government priorities in the region of operation of the Mines. Most of the gold mining companies do not specifically call their policies CSR policies but sustainability policies, community development policies and social responsibility policies. The study identified that some of the guidelines overlapped. The implementation of these policies therefore often required collaborative effort and teamwork among the various departments within the mining companies and the external stakeholders. Key themes from this objective were board of directors and shared responsibility, leadership and policy implementation.

5.3.1 Board of directors and shared responsibility

According to Wildavsky (1979), “Policy is a process as well as a product. It refers to a process of decision making and also the product of that process.” Also, Policy is defined as a ‘standing decision’ characterised by behavioural consistency and repetitiveness on the part of both those who make it and those who abide by it” (Wellman & Propst, 2004). Policy provides a clear direction with regards to its central purpose. Policies are streamlined over time and they resolve around issues or problems. Policies need people to guide their formation process as well as their implementation through the social choices of the policy makers. In most cases, policies were reviewed to meet changes within an organisation, needs and new developments in its external
environments. This study revealed that 3 of the multinational mining companies had their CSR initiatives and activities strictly guided by policies formulated by the board of directors and implemented by the CSR managers. AngloGold Ashanti however had twofold policy system, therefore AngloGold Ashanti’s CSR policies stemmed from both the board of directors of the company, and, the Board of Trustee of the ‘Community Trust Fund’ which was independently managed. It emerged from the study that although all the 4 gold mining companies initially started their CSR activities without any guiding policies, they have now adopted policies to guide their CSR initiatives. The beginning stages of the CSR activities of all the 4 gold mining companies were characterised by ad hoc responses to one request or the other from the people in their catchment communities and other external stakeholders. However, with the rising need for sustainability and an increasing pressure on these companies to ensure effective response to the demands of external stakeholders, they opted for policies to guide their investment and CSR initiatives. The 4 multinational mining companies became much concerned with the need to protect their ‘social licence’ and also the need to sustain their organisational values while responding to the development gaps left by the government institutions in the communities.

This study substantiates the claim by Waldman et al. (2006b) that CSR activity may be related to the actions and philosophy of the board of directors, rather than just the CEO. Nevertheless, this study further suggests that the policies of the gold mining companies in Ghana were not entirely the representation of the philosophy of the board of directors. The policies of the selected gold mining companies were shaped by the individuals and groups in the catchment communities of the mining companies. Again, the study somewhat affirms Griffin and Ebert’s (2002) assertion that social responsibility must start from the top because without the support
from top management, organisational programmes cannot be implemented successfully. Indeed, it is evident that without support from the top management, the 4 gold mining companies could not have implemented organisational CSR programs successfully. However, it is evident in this study again that the initial proposition for CSR policies came through the activities of the CSR departments and, the content of the policies was extensively informed by the catchment communities of the gold mining companies. Moreso and the consensus among the CSR department and the communities on CSR policy issues and programs to undertake helped the process of implementation. The study reveals that although the ultimate guideline for policy came from the top, where the content of policies were fed locally, the document became binding and relevant to both the mining companies and the stakeholders, thus, mutual benefits and satisfaction were attained.

5.3.2 Leadership and policy implementation

It was identified in this study that, in their bid to ensure effective implementation of the CSR policy and accountability, all the 4 gold mining companies established Foundations and financial formulae for funding CSR programmes, projects and initiatives. In each of the companies, the CSR policies and formula dictated the primary areas of focus for CSR initiatives and the amount to be paid into an account. These accounts were monitored by the CSR managers and selected community members through their organised interest groups known as Community Consultative Committees (C.C.C) or Community Mine Consultative Committees (C.M.C.C.). Through the engagement and meetings of the mining companies and their catchment communities, projects were prioritised based on the key areas outlined in the policies. The CSR managers of the mining companies ensured that the monies were paid into
the accounts of the Foundation or Trust Fund. With the exception of the management structure of AngloGold, the Foundations or Funds in the case of the 3 other mining companies (GoldFields Ghana Limited, Chirano Gold Mine and Golden Star Resources) were managed collectively by the representatives of the companies and selected external stakeholders within the catchment communities of the Mines. The CSR managers in collaboration with the stakeholders within the communities planned the CSR budgets and, the funding of CSR activities were based on the amount of money allocated to them through the Foundations or Trust Funds. The CSR managers involved the communities in decisions regarding projects and funds. These findings differ from the findings by Abugre (2014) which suggested that the difficulties of effective CSR implementation mainly stem from leadership weak spots such as mismanagement and corruption of organisational leaders, lack of leadership commitment and unwillingness to allocate monies due for CSR activities. Though Abugre’s (2014) assertion and finding was based on the general observations across selected industries, findings from this research indicate that, CSR managers in the Ghanaian mining industry were proactive towards CSR initiatives as they recognised that being sluggish toward their social responsibility would directly impact their production. The 4 gold mining companies had instituted Foundations and Funds based on their CSR policies to ensure consistent availability of Funds for CSR projects throughout the year. Again, CSR managers in the 4 gold mining companies showed great commitment towards developing sustainable means of generating revenue. It was from the same revenues or Funds (Foundations) that monies were allocated for progressive CSR initiatives in collaboration with the stakeholders through C.C.C. The CSR managers in the 4 gold mining companies through the C.C.C. had also established purposive avenue and platforms for accountability and monitoring of funds for CSR. Though CSR was perceived as somewhat
elementary in Ghana, the CSR managers of the 4 multinational gold mining companies demonstrated leadership ability that seem flexibly to changing needs with the mining communities. Also, the study revealed that the CSR managers of the gold mining managers engaged their stakeholders through dialogue and they developed win-win partnerships with different members of society. This deliberate approach of engaging stakeholders through dialogue supports the leadership qualities recommended by Szekely & Knirsch (2005) for effective CSR practices. Finally, the research reveals that mining companies were adopting new and innovative ways to engage their stakeholders based on the framework and guidelines of organisational CSR policies. Some of the Mines were been innovative in practising shared value concept for competitive advantage in the industry. This finding supports the observation by Arevalo and Aravind (2010) that, during times of financial crisis, managers innovate to solve complex problems. The second objective was therefore comprehensively explored. The findings suggest that in the Ghanaian mining industry, the CSR policies emanated from the board of directors, and the companies had effective leadership structure to ensure accountability, transparency and continuity of CSR projects.

5.4 Objective 3: Discussion of the drivers of CSR in the Ghanaian gold mining industry

The third objective of identifying the drivers of CSR in the Ghanaian gold mining industry sought to explore the factors that enhance or inhibite the CSR initiatives in the gold mining companies. In other words, the objective sought to identify the key issues that promote or hinder the leadership of CSR in the Ghanaian gold mining industry. The studies showed that there were wide-ranging laws from regulatory institutions that guide their business operations. The CSR managers’ understanding and appraisal of the opportunities as well the challenges CSR
posed to the industry and the communities were indicators that the 4 gold mining companies were paying attention to the development of CSR in the industry. Also, the study showed that though there were many motivating or promotional factors for the leadership of CSR in the Ghanaian gold mining industry, there were equally other challenging factors that hindered the leadership of CSR in the industry. The studies identified some of the emerging drivers of CSR which were peculiar to the mining industry listed below. These findings add to the empirical findings by Nyuur, Ofori and Debrah (2014) on the hindering and supporting factors of CSR in Sub-Saharan Africa. The findings reveal that among the hindering factors were ‘Galamsey’ and ‘Politics of the Mine’, illiteracy and laziness, bureaucracy and delays, sustainability of CSR projects, external pressures (Government official), mistrust, prevailing mindset and perceptions, and negative legacy. The focus of the study on Ghana and the findings from the exploration of one of the main factors mentioned in the study by Nyuur, Ofori and Debrah (2014), leadership and governance was significant to the development of CSR in the mining industry.

On the promoting factors, the study is consistent with some of the drivers of CSR in Africa identified by Dartey Baah and Amponsah-Tawiah (2011). The findings however identify new dimensions, developments and drivers of the leadership of CSR which may be peculiar to the mining industry. These include security and social legitimacy, geographical locations and cultural values, shared value propositions, reputational capital gain (Best talent acquisition and investors courting), negative legacy and land use, mitigation (Environmental and communal interventions) and ‘De facto governance’ (Mines as gents of Development).
5.5 Objective 4: Discussion of the level of involvement of communities in the CSR of the Ghanaian gold mining companies.

The fourth objective of determining the level of involvement of communities in the CSR of the Ghanaian gold mining companies sought to explore the relationship between the CSR managers and the catchment communities of the mining companies in carrying out their CSR initiatives.

The studies revealed that there was a deliberate effort of engagement between the CSR managers of the mining companies and the communities. It emerged from the study that the companies have evolved in the practice of their CSR within the communities from the histories of non-involvement in the past to effective engagement. This notwithstanding, the level of relationship between the communities and the CSR managers was highly appraised by most of the community members based on their involvement in the decision making processes on the CSR projects through the C.C.C. The research reveals that the engagement and meetings of the companies with the communities through the C.M.C.C. and the C.C.C. was based on trust and respect for individual ideas and opinions. Also, the management of the accounts in the Funds for CSR was dictated by the CSR policies which ensured transparency and effective accountability. The finding reveals that unlike in past years, the advent of the CSR Foundations and Funds, C.C.C. meetings, the CSR funding formulae and the involvement of interest groups in the decision on projects have enhanced the relationship between the mining companies and the communities. These findings support the observations by Ofori (2010) that, Ghanaian managers have positive attitudes towards CSR and these attitudes are largely influenced by both individual and organisational ethical values. The findings however contrast the observations by Wood (1991) and Abugre (2014) who suggested that the ethical climate in Ghanaian organisations was characterised by vice such as greed and selfishness, and weak leadership.
spots such as mismanagement and corruption, lack of leadership commitment and unwillingness to allocate monies due for CSR activities. The studies suggest that even though the 4 gold mining communities were still striving for a stronger relationship with the communities of their operations there has been significant improvement. Though hindering factors such as illiteracy in the communities and the bureaucratic structures of the mining companies among other hindering factors discussed in objective 3 have affected the leadership of CSR and the relationship between the communities and the companies, the organised systems and structures of communications have improved significantly.

5.6 Objective 5: Discussion of the style (s) of leadership employed by CSR managers for CSR initiatives in the Ghanaian gold mining companies

The final objective of determining the style(s) of leadership of CSR managers in carrying out CSR initiatives and activities was largely explored. The study showed that the 5 CSR managers of the 4 mining companies possessed qualities of idealised influence which is a component of transformational leadership style. These managers included the CSR manager at Chirano Gold Mines (CGM manager), the CSR manager at Goldfields Ghana Limited Tarkwa (GFGL-T manager), the CSR manager at Golden Star Resources (GSR manager), the CSR manager at GoldFields Ghana Limited, Damang (GFGL-D manager) and, the CSR manager at AngloGold Ashanti (ASA manager).
Again, 3 of the CSR managers were observed as possessing qualities that aligned with the inspirational motivation which is also the transformational leadership style. The 3 CSR officers include the GFGL-D manager, the CGM manager and the GSR manager.

The study further shows that 4 of the CSR managers were perceived as transformational leaders as because they were intellectually stimulating. The 4 CSR managers included the GFGL-D manager, the GFGL-T manager, GSR manager and, the CGM manager. Also, the research finds that some of the CSR managers adopted individualised consideration style which is a transformational leadership style. The 2 CSR managers identified include GFGL-D manager and the CGM manager.

Notwithstanding the above findings, the study revealed that 3 of the managers including CGM manager, GFGL-D manager, and, AGA manager shown qualities of active management by exception. This active management by exception which is a transactional leadership style was observed when workload was increased at the Mines. Nevertheless, the CSR officers indicated that these happened less frequently.

Furthermore, it was observed from the study that 5 of the CSR managers of the mining companies were perceived as using contingency reward leadership style to an extent. This was attributed to the financial rewarded received by all the managers and officers in exchange for their services. However, the direct impact of the style(s) of leadership of the CSR managers were experienced in the implementation of CSR initiatives within the CSR departments. So although the companies’ salary structure like any other company has been an exchange
relationship, this was not directly influenced by the CSR manager’s leadership style. The findings revealed that, apart from the individual differences in the leadership styles of the CSR managers, many of the leadership styles aligned to transformational leadership. However, the CSR manager of AngloGold Ashanti’s leadership style was observed to be greatly underpinned by the contingency reward leadership style while the other mining companies adopt a win-win approach.

Finally, the research found that most of the CSR managers and CSR officers somewhat attributed the leadership style of the managers in the CSR department to their educational background, work experience, and the nature of the work in the CSR department. Of the educational background, emphasis was placed on the programme or courses studied and the work experience speaks to the individual passions and the career path that shaped their leadership style. The role of gender was also lightly touched on. The key themes were Teamwork, Delegation and Decision-making; initiative and innovations; Appraisal and Sanctions; Values and visions; Relationships and Results and, Sacrifice and service and demographic profile of CSR managers and leadership style(s).

5.6.1 Appraisal and Sanctions

From the finding, on the theme of appraisal and sanctions, the CGM manager, the GFGL-T manager, the GFGL-D manager, the AGA manager and the GSR manager were perceived as transformational leaders with idealised influence. All the 5 managers were described by the CSR officers as possessing qualities that identified with idealised influence because the managers instilled pride in them for being associated with them. Again, the responses of the
officers suggested that the corrective approaches used including query and coaching inspired loyalty to their managers and, built in them a sense of self respect. This notwithstanding, the officers at AngloGold Ashanti indicated that though their CSR manager often commended them for their efforts in accomplishing tasks, he was often stern towards them. This approach in relating to them had resulted in the team often seeking ways to outsmart their manager when they made mistakes.

On the same themes of appraisal and sanctions, CGM manager, GFGL-D manager, and AGA manager were perceived to be using the transactional leadership style of active management by exception. The GFGL-D manager and AGA manager were described as leaders who focused on mistakes and deviations from standards and they often directed attention of their subordinates towards failures of the team to meet standards especially when there is pressure at the Mines. Nonetheless, unlike the AGA manager, CGM manager and GFGL-D manager were often seen to be directly involved in finding solutions together with the team during such moments. They were therefore perceived as transformational leaders and not transactional leaders. Also under the theme of appraisal and sanctions, the GFGL-D manager was perceived as a transformational leader with inspirational motivation. The GFGL-D manager was described as a leader who expressed confidence in the CSR goals to be achieved and he often expressed optimism about the future of the CSR initiatives.

5.6.2 Teamwork, Delegation and Decision-making

Teamwork, delegation and decision-making were also important themes that emerged from this study. Under these themes, the CGM manager and the GFGL-T manager were perceived as
transformational leaders with idealised influence. These CSR managers were described as leaders who often emphasised the importance of having a collective sense of mission and they created team culture within their companies. These values were seen to have enhanced the implementation of CSR initiatives within the companies. Moreso, these managers were seen as leaders who emphasised the importance of having a strong sense of team decisions. These managers counted on the differing opinions from their team of CSR officers in making decisions on CSR initiatives. The human relations skills of these managers were seen as exemplary to the officers and the CSR officers strived to emulate their managers.

Again, under these themes of teamwork, delegation and decision-making, the CGM manager, the GFGL-T manager and the GSR manager were perceived as transformational leaders who were intellectually stimulating. These 3 CSR managers were described as leaders who involved their CSR officers in decision-making within the CSR department. According to the CSR officers interviewed, these managers often encouraged their teams to re-examine critical assumptions and these managers solicited ideas from the teams in solving problems within the company. These managers were described as leaders who often challenged their teams to critique proposed ideas and thoughts to bring out the best for the teams. This notwithstanding, the AGA manager, on the same theme of teamwork, delegation and decision-making was perceived as a transactional leader with contingency rewards leadership style. The AGA manager was perceived as an independent minded leader who was stern and distant from his team. The CSR officers described him as a leader who believed that his ideas and thoughts were not to be questioned by the team. AGA manager expected the CSR officers to always carry out his orders and instructions without counter opinions. The AGA manager however held the view
that the specific terms of contract required that the individual team member achieved specific performance target for which they are paid. Hence getting results was paramount to anything else.

5.6.3 Values and Visions

Other consequential themes that emerged from the findings were values and visions. Under these themes, the CGM manager and the GFGL-T manager were perceived as transformational leaders with idealised influence. These CSR managers were described by the officers as leaders who often shared their personal values and beliefs with their teams and they upheld values such as punctuality, trust, honesty and fellow-feeling. Again, these managers were described as leaders who often went beyond their personal interest for the welfare of the team of CSR officers.

Also, under the themes of values and visions, the CGM manager, the GFGL-T manager and the GFGL-D manager were perceived by their CSR officers as leaders who have qualities of inspirational motivation. These CSR managers were described as leaders who were sympathetic and passionate about the mining communities and they often shared their passion and visions to see transformation in their catchment communities. Again, under the themes of values and visions, the GFGL-D manager was perceived by his CSR officers as a transformational leader who was intellectually stimulating. The GFGL-D manager was described as a leader who challenged long standing traditions of how the company related to stakeholders and also introduced new ideas on how the team of CSR officers should relate to the communities.
5.6.4 Relationship and Results

The themes of relationships and results also emerged from the research. Under these themes, the GFGL-D manager, the GFGL-T manager and the CGM manager were identified as transformational leaders with idealised influence. These managers were perceived as people-oriented and they were greatly loved by both their team of CSR officers and the communities. Some of the CSR officers described their managers as leaders who had won their personal admiration and loyalty. These managers were also described as leaders who offered learning opportunities to their officers to improve upon their skills and leadership, and, their display of power and confidence often inspired their teams in the execution of CSR initiatives.

Again, under these themes of relationship and results, the GFGL-D manager and the CGM manager were perceived as transformational leaders who possessed qualities that relate individualised consideration. The GFGL-D manager and the CGM manager were described as leaders who often spent time to teach and coach their team members especially when tasks were assigned to individuals within the team. Also, these managers were described as leaders who considered the individuals within the team as unique with different needs, abilities and aspirations. On the field, the researcher observed some of these managers helping individual team members and coaching how to carry out given tasks. Also, under the themes of relationships and results, the CSR managers at GFGL-D and AGA were perceived by their team members as transactional leaders who employed contingency reward leadership style. This description and perception of the leadership however do not have direct bearing on the leadership style of the CSR managers but finds its place within the organisational structure. The CSR officers indicated that within the mining companies, payment of salaries was based on the
number of hours an individual worked. An economic exchange relationship therefore exists between the company and the employees.

5.6.5 Sacrifice and service

The themes of sacrifice and service were also among the significant themes that emerged from the study. Under these themes, the GSR manager was identified by his team of CSR officers as a transformational leader with inspirational motivation. The GSR manager was described as a sacrificial and compassionate leader who cared for mining communities and expected the same level of sacrifice from his officers. Again, under these themes of sacrifice and service, the AGA manager was perceived by his CSR officers as a leader who employed contingency reward leadership style. The AGA manager was described by his team as a leader who often focused on the benefits that the company derived from the operations and productions by the company than on relationship with the communities. The AGA manager was also described as a leader who has been job-centered and result-oriented than people-oriented.

5.6.6 Initiatives and Innovations

Initiatives and innovations were also important themes that emerged from the studies. The GFGL-T manager, the GFGL-D manager and the GSR manager were perceived by their CSR officers as intellectually stimulating. These CSR managers were described as leaders who were often babbling with new ideas and initiatives to improve the CSR initiatives of their companies.

The findings suggest that the CSR managers who had several identifiable qualities on the components of transformational leadership styles identified less with the qualities of the
components of transactional leadership style. Also, there were instances where the responses overlaped where the managers were described as possessing idealised influence and inspirational motivation. This was the case with the CGM manager, GFGL-D manager, GFGL-T manager and GSR manager. In the same vein, it was observed that the CSR managers’ whose qualities aligned more with the components or dimensions of transactional leadership had less qualities that identified with the components of transformational leadership styles.

The study identified that, the CGM manager and the GFGL-D manager predominantly possessed the qualities of the 4 components of the transformational leadership style namely, idealised influence, inspirational motivation, individualised consideration and intellectual stimulation. However, there was a noticeable quality of contingency reward in the leadership style employed by the GFGL-D manager. The finding further suggest that the GSR manager predominantly possessed 3 qualities of the 4 components of the transformational leadership style namely idealised influence, intellectual stimulation and inspirational motivation.

The GFGL-T manager also predominantly possessed 2 qualities of the 4 components of the transformational leadership style namely, intellectual stimulation and inspirational motivation.

While the CGM manager and the GFGL-T manager were identified to possess idealised influence on the same themes, the GFGL-D manager and the GSR manager were also identified to possess idealised influence on the same themes.

The ASA manager however showed qualities different from the other 4 CSR managers. Apart from the varied quality of idealised influence, the predominant qualities observed in leadership
style of the ASA manager were contingency reward leadership style and active management by exception.

The leadership styles of the CSR managers of the 4 multinational gold mining companies were also perceived to be influenced by their demographic profile including their educational background and career experiences. The findings therefore show that transformational leadership style was the predominant leadership styles adopted in the leadership of CSR initiatives in the Ghanaian mining industry as seen in the CGM manager, GFGL-T Manager, GFGL-D and GSR manager as opposed to transactional leadership style employed by AngloGold Ashanti.

The findings above contrast the assertion by Walldman (2006b) who suggested that charismatic leadership also known as idealised influence was not a predictor of either strategically or socially oriented CSR. As observed in the discussion, idealised influence or charismatic leadership was predominant in the leadership styles of all the 5 CSR managers in carrying out their CSR initiatives. Again, the findings contrast Halal (2002) observation that on the issues of morality and social responsibility, managers generally look upon their stakeholders poorly. Halal (2002) argument suggested that economic value and competitive advantage were regarded more highly than morality and social responsibility. The evidences in this research however suggest that with the exception of AngloGold Ashanti, all the 3 multi-national gold mining companies prioritise the interest of the community more because they recognise that neglecting the interests of the communities could lead to demonstrations and violence. CSR managers were therefore ethical and socially responsibility. Among the moral qualities
expressed by these CSR managers were respect, honesty, transparency, trust, sympathy, friendliness, fellow-feeling and compassion.

Again, Halal’s (2002) conclusion that managers do not seem to understand that transformational leadership and CSR could be united was not the case with the CSR managers of the Ghanaian gold mining companies. The CSR managers and the CSR officers in the Ghanaian mining industry have demonstrated that the adaptation of transformational leadership styles helped to achieve win-win CSR outcomes. The findings however support the works of Campbell (2000) who observed that proactive behaviours of managers shape the work environment and enhance productivity. The findings again substantiate the argument by Bass and Steidlmeier (1999) that, transformational leadership was associated with advanced stages of moral development, where leaders take all stakeholders’ interests into account and participate in organisational governance based on universal ethical principles. This situation was observed in how the transformational CSR managers of the mining companies interacted with the stakeholders through the C.C.C.

This finding again suggest that the transformational leadership style as exemplified among the 3 gold mining companies possibly accounted for their peaceful dwelling with their communities as opposed to AngloGold which kept having pockets of conflicts and violence in their catchment communities and concessions. The responses from CSR officers and the stakeholders indicate that transformational leadership was a more effective leadership approach required for the success of CSR initiatives as it allowed interactions with the C.C.C through formal and informal means and engaged the stakeholders in decision making. This affirms the position by Shahin and Zairi (2007) that regarding their role in CSR, transformational leaders seem to be more effective when compared with transactional leadership. This study further
affirms Fairhurst’s (2007) assertion that leaders as gents of transformation have the ability to construct the environment to which they and their subordinates must respond to organisational responsibility. Considering these findings, transformational leadership style was perceived as the leadership style which helped CSR managers to mitigate the impact of the mining companies on the environment and the communities. Transformational leadership style helped to ensure peaceful co-existence. Transformational leadership style helped the CSR managers to rally support for their CSR initiatives as the decision-making process involved the stakeholders through dialogue. Transformational leadership style ensured and promoted security and win-win opportunities for both the mining companies and their catchment communities hence the guarantee of the social licence and community development.

Finally, contrary to the argument by Dartey-Baah and Amponsah-Tawiah (2011) that African managers were very concerned about social network and relationships as people were valued as ends in themselves and not a means to an end, it study showed that though the Ghanaian CSR managers of the gold mining companies were concerned about social network and relationships, they explored their relationship for a win-win CSR outcomes. It emerged from the study that legitimacy theory and social exchange theory which underpinned the operations of most of the mining companies, and, transformational leadership style are concepts that harmonised for effective CSR initiatives as they ensure win-win outcomes for both the mining companies and the mining communities.

In the same way, social contract theory and transformational leadership theory harmonise for effective CSR and organisational profitability in the Ghanaian mining industry. The challenges
the transformational leadership style presents to the CSR managers and the mining companies however include delay in productions especially when productions or operations had to be halted to ensure amicable resolution of a potential agitations from the communities through dialogue; delay in the carrying out of CSR projects as the leaders strived for consensus with the Community Consultative Committees before embarking on CSR initiatives and, again, transformational leadership style as observed in this research had the tendency of tolerating sluggish behavior of some team members as the leaders often tried to carry every one along.
CHAPTER SIX
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

6.1 Introduction

This final chapter of the study provides a summary of the study and highlights the main research findings. Additionally, this chapter contains the study recommendations.

6.2 Summary of research findings

The study sought to explore how the leadership styles of CSR managers affect CSR activities of the Ghanaian gold mining industry. The study was guided by 5 specific objectives; to understand how CSR is conceptualised in the Ghanaian gold mining industry; to determine the source of CSR policies in the Ghanaian gold mining industry; to identify the drivers of leadership of CSR in the Ghanaian mining gold industry; to determine the involvement of communities in the CSR of the Ghanaian gold mining companies and, to determine the leadership styles employed by CSR managers in the Ghanaian gold mining companies. Qualitative research approach was adopted for the study and in-depth interview was used. 35 participants were purposively selected and interviewed. The interviews were audio recorded, transcribed, organised according to themes and critically discussed. The findings of the study are summarized as follows:

6.2.1 Objective 1

The first objective to understand how CSR is conceptualised in the Ghanaian gold mining industry was extensively addressed. The study showed that there was high level of awareness of the CSR concept among CSR managers, the CSR officers and some of the opinion leaders.
However, their understanding of the concept was skewed mainly toward embarking on CSR initiatives such as community development programs in their catchment communities and engaging the communities in decision making. These communities were seen by the mining companies as their main stakeholders; hence much effort was focused on them than other stakeholders. The findings suggest that in the context of the Ghanaian gold mining industry CSR was perceived as a voluntary initiative the mining companies are required to operate within the legal requirements and the regulatory standards in the country. This notwithstanding, the gold mining companies’ placed much importance on CSR initiatives because CSR was a major factor in determined their acquisition and sustenance of social legitimacy or their social licence to operate. Social licence was perceived as one of the prominent reasons for CSR in the gold mining industry. The term social licence was therefore central to the definition of CSR among the gold mining companies. In this regards, the conceptualisation of CSR in the Ghanaian gold mining industry contrast the proposition by Carroll’s CSR pyramid. Carroll’s CSR pyramid suggested that the pursuit of economic gain was the bedrock of the CSR pyramid, followed by the legal, the ethical and then Philanthropy. In the Ghanaian gold mining industry, priority was given to the economic, followed by the legal, then Philanthropic (although the gold mining companies do not consider it as an act of charity) and then ethical consideration.

Again, it emerged from the research that the multinational gold mining companies in Ghana had well developed structures and systems that sustained their CSR initiatives. Some of the gold mining companies had embraced specific shared value concept of win-win CSR outcomes. With the shared value concept, a company like GoldFields Ghana Limited partnered with some of the indigenes in the communities to establish private businesses around the by-products of the mining companies. The research indicated that the gold mining companies in Ghana do not
embark on CSR activities mainly because they have made enough money to give back to the society after profits but rather because they want to make profits. They perceived CSR as a business tool for obtaining a win-win situation in their catchment communities.

6.2.2 Objective 2
The second objective of determining the source of CSR policies in the Ghanaian gold mining industry found that, the CSR policies emanated from the board of directors. The content of these policies were largely fed by the CSR managers, CSR officers and the communities, and some aspects of the UN Millennium Development and sustainable development goals. These policies defined the financial formulae for CSR initiatives funding, the specific areas of their CSR investments or focus and the structures of operation of CSR Foundations. These policies were adopted and implemented by well defined CSR departments to meet the specific needs of each region of the companies’ operations. These policies were often reviewed based on changing needs and CSR managers were adopting new ways of leading and generating funds for the sustainability of their CSR initiatives and projects.

6.2.3 Objective 3
The third objective to identify the drivers of CSR engagements in the Ghanaian mining industry was extensively addressed. The research reveals that though there were many motivating or promotional factors of CSR activities in the mining industry, there were equally challenging factors that hindered CSR in the industry. These hindering and promoting factors were collectively referred to as the drivers of CSR. Evidences from the findings suggest that the CSR managers, the CSR officers and most of the opinion leaders understood the opportunities and
the challenges that CSR initiatives presented. These had informed the level of attention being
given to the development of CSR in the industry and, the strategies being devised to respond to
most of the prevailing conditions. Among the promoting factors identified were regulatory
bodies and their legal requirements, security and social legitimacy, geographical locations and
cultural values, mitigation, reputational capital gain, shared value propositions, land access and
legacies, International standardisations, and De facto governance (Mines as agents of
development). Among the hindering factors identified were speculative activities, ‘Galamsey’
and ‘Politics of the Mine’, illiteracy and laziness, bureaucracy and delays, negative legacies,
mistrust, prevailing mindsets and perceptions, sustainability of projects and, other external
pressures from top officials.

6.2.4 Objective 4
The fourth objective focused on the level of involvement of the communities in the CSR of the
Ghanaian gold mining companies. The findings indicated that the communities were
significantly involved in determining the CSR initiatives of the mining companies. In most
cases, the communities made inputs that informed the CSR policies. The findings suggest that
the mining companies through their CSR managers and departments had organised and formal
structures as well as informal means of involving the communities in undertaking CSR
initiatives. The democratic processes of involving the communities and other stakeholders was
called stakeholder engagement meetings. The communities and the mining companies
discussed the impact of the activities of the mining companies on the communities, both
negative and positive, and they made decisions on CSR projects and initiatives at these meeting.
This process of engagement was done through stakeholder groups and interest groups in the
communities. The companies engage with groups such as the paramount chiefs, chiefs, youth associations, farmers’ association, local media, district directors and other opinion leaders. These groups were referred to as the Community Mine Consultative Committees, and Community Consultative Committees. In most cases, the paramount chiefs were chosen as the heads of these groups. This study reveals that both the communities and the mining companies managed the accounts to the CSR Foundations in the mining communities to ensure accountability, transparency and efficiency in the implementation of CSR projects. There were however variations in the Foundations, their system of management of the Funds, and the financial formulae for funding CSR projects in the different companies. Despite that, in all the companies, decisions were not made without going through the deliberate decision-making process involving the Communities and the district assemblies to ensure sustainability of projects. The CSR managers believed that without involving the communities, the projects would be neglected and, it would also threaten their social licence and legitimacy to operate in the communities.

6.2.5 Objective 5

The fifth objective was to explore the style(s) of leadership employed by managers for CSR initiatives in the Ghanaian mining companies. The findings from this research suggest that transformational leadership style was the leadership styles employed by CSR managers from Chirano Gold Mines, GoldFields Ghana Limited Tarkwa, GoldFields Ghana Limited Damang and Golden Star Resources as opposed to transactional leadership style which was the case for the CSR manager at AngloGold Ashanti.
The CSR managers in 3 of the 4 selected multinational gold mining companies believed that the adaptation of transformational leadership styles helped to achieve a win-win CSR outcomes. Win-win outcomes because the companies obtained their social licence and legitimacy to operate and the communities received CSR projects such as basic infrastructure and other forms of support from the companies. These findings in this research again indicate that the transformational leadership style employed by the 3 major mining companies greatly accounted for their peaceful co-existence with their communities as opposed to AngloGold which kept having pockets of conflicts and violence in their catchment communities and concessions.

This study suggests that legitimacy theory, social contract theory and social exchange theory which underpinned the operations of most of the mining companies, and, transformational leadership style were concepts that could be harmonised for effective CSR initiatives and profitability.

6.3 Conclusions

Evidence from this study suggest that managers of the gold mining companies in Ghana are aware of the importance of CSR activities. The awareness of CSR among the managers in the Ghanaian gold mining industry was centered on the issues of community development, ethical business operations and community engagements. However, the acquisition of a social licence has been central to the conception of CSR initiatives in these multinational gold mining companies. The operations of these companies were prominently underpinned by the legitimacy theory, social exchange theory and the social contract theory where the gold mining companies strived to obtain win-win CSR outcomes. These companies embarked on CSR initiatives to
satisfy the needs and demands of the communities in their catchment areas of operation in order to gain their social licence to operate. The nature of the relationship between the mining companies and communities was based on social exchange rather than economic exchange, even though the inherent motivation of all mining companies is to enhance profitability. The leadership of the CSR managers was therefore critical and a compelling factor in ensuring peaceful co-existence between the mining companies and the communities. Leadership of CSR in the Ghanian mining industry was therefore perceived as the strategic relationship developed between two or more people (managers and stakeholders), intended to promote the corporate and communities’ interests, and to transform lives and the environments. It is seen as a relationship developed through the process of engaging people’s will, intellect and emotions as well as the systems around them towards a mutually expected end.

Again, evidence from this study suggests that leadership is contextual and situational in practice even though it is a multifaceted concept with universal principles of application. This study reveals that in the gold mining industry, Leadership is not the absence of problems but the presence of solutions. This is because, to the CSR managers and officers, there could never be mining operations in Ghana where the indigenes in the communities of the mining operations are never impacted. Leadership in the mining industry therefore meant mitigating the negative impact of the activities of the mines. Leadership required that the mining companies ensured proactive ways of solving problems and ensuring peace between them and the communities of their operations. CSR initiatives were therefore seen as the tool for leadership and win-win CSR outcomes in their catchment communities. This explained why most mining companies and
CSR managers employed the transformational leadership style which engaged the external stakeholders in decision making for the effective implementation of CSR initiatives.

This study therefore concludes that leadership is very essential for the effective implementation of CSR initiatives. Further, the transformational leadership style is the most appropriate in the context of the mining industry as it enhances the development of the CSR concept and leads to competitive advantage for companies. The transformational leadership style helps to mitigate the impact of the gold mining companies on their communities. On the other hand, although the transactional leadership style also contributed potentially to CSR initiatives of the mining companies, it was not as effective and efficient as the transformational leadership style which is the dominant leadership style employed by CSR managers.

6.4 Recommendations

It is recommended that academic institutions take particular interest in the extractive industry and in particular develop relevant courses and training in leadership development for officials in the mining companies involved in CSR. This is essential in building on experiences useful to ensuring harmony between mining companies and the communities in which they operate.

In practice, the HR departments of the mining companies should train CSR managers and CSR officers in the understanding and practice of transformational leadership style, the social exchange and social contract theory as such awareness could potentially further enhance collaboration between mining firms and the communities.
Although Ite (2004) and Amponsah-Tawiah and Dartey-Baah (2011) argued that CSR projects used as ‘developmental gap fillers’ by governments are inadequate responses, this study proposes that, government and policy makers should leverage on the mining companies as development agents. A framework for the development of mining communities should be designed so that development is not haphazardly done by the mining companies. It is also recommended that the, CSR policies of the mining companies are aligned to the development goals of the country.

6.5 Limitations and direction for future research

This study, like any other, has certain limitations. The study concentrated on a single industry (mining sector) which means the results may be applicable to only this sector. A future research could consider a cross-sector study.

Additionally, a further study could employ the mixed method approach in the study to gauge the study outcome.
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APPENDIES

APPENDIX A: INTERVIEW GUIDES

INTERVIEW GUIDE

CSR IN THE GHANAIAN MINING INDUSTRY: DOES LEADERSHIP MATTER?

SECTION A:

PERSONAL PROFILE

Gender:         Male       Female
Job Title:           Senior Manager             CSR Officer               Community Leader
Level of Education: ……………………… Years of Employment: ………………………

SECTION B:

LEADERSHIP, CSR & POLICY (CSR MANAGERS-HEADQUARTERS)

i.   What is your understanding of the Concept CSR? How does your company define CSR?

ii.  Why does the company engage in CSR? What do you seek to achieve with the CSR initiatives? [Goals]

iii. Does the company have a separate department for CSR? If it does, what are their functions? If it does not, how are CSR activities carried out by the company?

iv.  Do you have a policy on CSR? What does the policy say about your operations in the communities?

v.   Where does the policy on CSR emanates from? a) Board level b) Management level C) Department level D) Community level

vi.  Who drives the CSR policy of the company? (Who determines the priority areas of focus?) a) Management b) Field agents c) Community. Why?

vii. What informs the choice of CSR initiatives in the company?

viii. Do you have an annual budget line for CSR? Has the fall in prices of minerals affected CSR activities? How?
SECTION C: LEADERSHIP AND COMMUNITIES (INTERVIEW WITH CSR MANAGERS AND COMMUNITIES)

i. How important are CSR initiatives in the communities?

ii. Are managers/community members often concerned with the adverse effect of mining activities in the community? What are some of the adverse effects? How are they managed?

iii. How does the company engage the community leaders and stakeholders in its CSR activities?

iv. What are some of the challenges in working with the local people (community leaders)?

v. What are some of the factors that influence your leadership of CSR initiatives? (Promoting and hindering factors)

SECTION D: LEADERSHIP STYLES (INTERVIEW WITH CSR OFFICERS)

i. What keeps you motivated in the execution of your CSR duties?

ii. Are you given extra allowances for your CSR duties? How are you rewarded when you achieve goals?

iii. How would you describe the working culture in the department?

iv. What are the corrective measures applied by the manager and when are they applied?

v. What are some of the peculiar challenges you have with your manager?

vi. How would you describe your working relationship with your manager?

vii. How are you guided in carrying out your work in the department? Do you work independently on projects or as a team? What are the reasons?

viii. What new things has the manager introduced to help CSR initiatives? How did that come about?
APENDIX B: List of International institutions and CSR initiatives

Global Compact – Ten Principles

http://www.unglobalcompact.org

The Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption enjoy universal consensus and are derived from, the Universal Declaration of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention Against Corruption. The Global Compact asks companies to embrace, support and enact, within their sphere of influence, set of core values in the areas of human rights, labour standards, the environment, and anti-corruption:

• Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

• Principle 2: make sure that they are not complicit in human rights abuses.

• Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

• Principle 4: the elimination of all forms of forced and compulsory labour;

• Principle 5: the effective abolition of child labour; and

• Principle 6: the elimination of discrimination in respect of employment and occupation.

• Principle 7: Businesses should support a precautionary approach to environmental challenges

• Principle 8: undertake initiatives to promote greater environmental responsibility; and
• Principle 9: encourage the development and diffusion of environmentally friendly technologies

• Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.

The OECD Guidelines for Multinational Enterprises (MNEs)

http://www.oecd.org

The OECD Guidelines for Multinational Enterprises (MNEs) are recommendations to enterprises, made by the Governments of OECD Member countries. Their aim is to ensure that MNEs operate in harmony with the policies of the countries where they operate. These voluntary standards cover the full range of MNEs' operations. The Guidelines are voluntary and, consequently, not legally enforceable.

Global Reporting Initiative

http://www.globalreporting.org

The Global Reporting Initiative (GRI) was established in 1997 by CERES – the Coalition for Environmentally Responsible Economies. The Global Reporting Initiative, which is a framework with guidelines for how and what a company may report on CSR.

ISO 26000

http://www.iso.org

ISO, the International Organisation for Standardization, has decided to launch the development of an International Standard providing guidelines for social responsibility (SR). The guidance standard will be published in 2008 as ISO 26000 and be voluntary to use. It will not include requirements and will thus not be a certification standard. ISO has chosen SIS, Swedish
Standards Institute and ABNT, Brazilian Association of Technical Standards to provide the joint leadership of the ISO Working Group on Social Responsibility (WG SR).

**World Business Council for Sustainable Development (WBCSD)**

http://www.wbcsd.ch

The World Business Council for Sustainable Development (WBCSD) brings together some 180 international companies in a shared commitment to sustainable development through economic growth, ecological balance and social progress. Their members are drawn from more than 30 countries and 20 major industrial sectors. WBSCD also consist a global network of 50+ national and regional business councils and partner organisations.

The mission is to provide business leadership as a catalyst for change toward sustainable development, and to support the business licence to operate, innovate and grow in a world increasingly shaped by sustainable development issues.
APENDIX C: Pictures from the mines

Gold Fields Foundation Reporting Structure
Gold Fields Ghana Limited Tarkwa Community Engagement Meeting (Community Consultative Committee meeting)
GoldFields Gh. Limited, Tarkwa’s CSR initiative: Investment in Education—School block
GoldFields Gh. Limited, Tarkwa’s CSR initiative: Centre for Child Development
Speculative Activity at Gold Fields Ghana Limited Damang.
APPENDIX D: Maps to Chirano gold mining sites

Map of Chirano Gold Mine Relative to other parts of the country, Ghana