

COMMUNITY RELATIONS IN MINING: A STUDY OF ANGLOGOLD ASHANTI
LIMITED (AGA LTD.), OBUASI MINE

BY

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THIS LONG ESSAY IS SUBMITTED TO THE UNIVERSITY OF GHANA, LEGON, IN
PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE AWARD OF MASTER OF
ARTS IN COMMUNICATION STUDIES DEGREE.



JULY 2016

DECLARATION

I, Elijah Adansi-Bonah, do hereby declare that this work was fully done by me, and that it has never been presented in this university or elsewhere for a similar award. Also, all quoted references or sources have been duly acknowledged. This study was done under the supervision of Dr. Margaret Ivy Amoakohene, Senior Lecturer and Head of the Department of Communication Studies, University of Ghana (UG), Legon

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ACKNOWLEDGEMENTS

To God be the glory, for His mercies bestowed on me throughout this important academic journey.

To my unrelenting Supervisor, Dr. Margaret Ivy Amoakohene, there is no amount of words that can express my profound appreciation to you for your guidance. You have been the giant shoulder on which I stood to complete this work. May God richly bless you.

I acknowledge the role Hon. Kwaku Agyeman Kwarteng, Member of Parliament for Obuasi West and the Deputy Minister of Finance, played. Honourable, may God bless you for your support and guidance throughout my study.

I extend my sincere appreciation to you, Rev. Ferguson Opoku (HFGC, Tema) and Mr. Justice Ofori-Amanfo (Steward, Aldersgate Methodist Church, Sanso, Obuasi Diocese) for the prayers you said for me. Your unflinching support and love throughout my study will always be remembered.

My profound gratitude goes to Nana Ampofo-Bekoe, Edmund Oduro Agyei, and Mavis Nana Yaa Kyei of AngloGold Ashanti Limited (AGA Ltd), Obuasi. I am appreciative of your time and efforts during data collection.

I equally express my earnest gratitude to Nana Ntisem Ababio III, Faustina Amissah, Collins Agyei Amponsah, and George Addai Teng. I also appreciate your time commitment during data collection.

I wish to thank all my family members and friends who encouraged and supported me in diverse ways in making this academic dream a reality.

May God bless you all.

DEDICATION

I dedicate this research work to my late mother, Madam Abena Twumasiwaa (aka Mercy Adams) and my dear and loving wife, Theresa, through whom I have gone this far.



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ABSTRACT

This study assessed community relations (CR) by studying AngloGold Ashanti. The study, through a qualitative research approach, conducted interviews to find out the reasons behind community relations and how it was communicated to the host communities. The study also considered how communities were involved in the implementation of a community relations policy. The challenges and benefits of CR to mining companies and the host communities were also sought. Four community leaders and a community relations practitioner were interviewed to gather data. The study was underpinned by the stakeholder theory and the two-way symmetrical model of communication. The findings of the study established that the purpose of AGA's community relations policy is to gain social license to operate, and to enhance the mutually beneficial relationship between the company and its stakeholders within the communities. The study also revealed that communities like constant communication and community engagement which yield result. It was found that for community relations to be successful, it must not be placed under any other department within an organization but must have a full-fledged department. The findings also revealed that CR should be part of the top management positions in order to run a proactive CR department. A strong CR policy, well implemented, involving community people through the appropriate channels of communication, brings community people to the understanding that community protection is a shared responsibility. The challenges of CR do not only come from the communities but management of the mining company. It was established that benefits of CR abounded for both the mining company and the communities. Feedback was found to be a very important tool in community relations because a lack of it can create mistrust for companies, especially in the mining sector.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Globally, the extractive industry is regarded as a dominant force behind the economies of various mineral rich countries. The contributions of mining companies to the economies of their respective countries are evident in terms of taxes, royalties, social interventions, among others, to support the development of the country. Therefore, host countries and international bodies make several attempts to ensure that inasmuch as these extractive industries exploit the natural resources and make profit from their investments, the environment is not endangered.

Business organizations do not operate in a vacuum. Mining companies are operating within some of the poorest and most marginalized communities in the world (Kemp (2010). The British Geological Survey (BGS)'s report on World Mineral Production contained information about minerals production in Europe, Africa, China and South East Asia and South American. Minerals identified being mined in the world comprise gold, diamond, bauxite, manganese, copper, coal, among others (<http://www.bgs.ac.uk>). Some of these minerals are also mined in Ghana. Garvin, McGee, Smoyer-Tomic and Aubynn (2007) asserted that Ghana is well endowed with substantial mineral resources, primarily gold, diamonds, manganese, and bauxite. Before mining companies begin work in their mining areas, they satisfy all requirements by law including environmental and safety requirements. Thus, government monitors them to pay taxes, renew contracts and agreements regarding the size of their concessions. Despite all the policies and institutions, environmental degradation in most of mining communities in Ghana is still of a major threat and concern. Shockingly, the immediate recipients of the negative impact of mining on the

environment are the local people living within the communities which host these extractive companies.

The sole aim of any mining company, as a privately owned entity, is to maximize profit whereas the host community's concern may also be the protection of the environment for their survival, both for the present generation and the generation to come, improved health, education, and stabilized local economy, among others. Expectations about the roles and responsibilities of both companies and communities can lead to growing misunderstandings, mistrust and eventually conflict (Garvin et al 2007). This obviously demands a very effective community relations team of experts in order to ensure a mutually beneficial relationship between the organization and the host community. For such organizations to operate effectively, they should be able to critically relate to the society and environment. The International Organization for Standardization (ISO) advised businesses and organizations to be socially responsible. ISO's social responsibility standard provides guidance on how businesses and organizations can operate in a socially responsible way. Such standards guides organizations to act in an ethical and transparent way that contributes to the health and welfare of society. (www.iso.org).

This study was driven by mining company's inevitable impacts on the environment, both negatively and positively, which, if not monitored and assessed with respect to time, would affect the current and future generations.

1.1.1 The concept and definition of community relations (CR)

Community relations (CR), is an emerging profession which has not been embraced by many businesses in Ghana. Many a time, organizations use public relations departments and corporate social responsibility policies and programmes to reach out to the society. Due to this, multinational

companies, especially those in the extractive industries, whose operations inevitably impact on the environment, set up community relations departments in order to create a conducive atmosphere for their work.

Kemp (2004) referred to the term ‘community relations’ as involving facilitating and/or managing relationships and interaction between minerals sites and local communities. The definition of community relations as Kemp (2004) has given in his study on company-community relations in gold mining in Ghana is not totally different from how another institution in the extractive industry, Petroleum Commission, Ghana, has given. The Petroleum Commission, Ghana (www.petrocom.gov.gh), defines community relations (CR) as the modalities that organizations use to establish and maintain a mutually beneficial relationships with the communities in which they operate.

In order to have a strong community relations in the mining industry, Fraser Institute, an independent, non-partisan research and educational organization based in Canada reported that community engagement, which is another term for community relations, is not just about listening to the community once, but it must be an ongoing process between mining companies and communities. According to the Fraser Institute, mining companies need to be open and must seriously consider and evaluate the concerns of their host communities and find solutions to them. For example, it is not enough to monitor water quality and availability; the findings need to also be communicated to the community in ways that are easy to understand (www.miningfacts.org).

1.1.2 A brief history of community relations

Hawn (2007) at a conference dubbed “Sea Dumped Conference” made a presentation which described the Community Relations Model being applied in U.S.A with success and reduced risks. Hawn asserted that the first approach to Community Relations was based on EPA model in the USA. He explained that the EPA model of Community Relations had heavy data, no system/vehicle for soliciting and collecting public inputs and reactive community involvement. Hawn summarized this by saying “It’s all about me. Deal with it.” According to him, as the model progressed, data were heavy but community inputs were solicited but governing agencies did not integrate them into project decision making.

Besides, one model was used for all stakeholders and involvement was post field work. In this, the summary was “I know how you feel but I don’t just care.” Hawn further talked about Community Relations today which includes dynamic information, community-sensitive activities and communication, and active and responsive listening. He also mentioned that today’s Community Relations integrates communities’ stakeholders into each aspect of a project (Hawn 2007).

1.1.3 A brief history of AngloGold Ashanti Limited (AGA Ltd.), Obuasi Mine

According to Yeboah (2008) AngloGold Ashanti Limited, which began as Ashanti Goldfields Corporation (AGC Ltd), started operations as a mine since 1897. It was founded by three Cape Coasters – Joseph Biney, Joseph Brown and Joseph Ellis. It was officially incorporated and listed on the London Stock Exchange in 1897 by Edwin Arthur Cade (Obuasi Mines Presentation, 2006). The aim for the enlistment was to raise funds to expand and modernize the mine. The company was also enlisted on the London Stock Market. In the late 1960’s, Lonrho, under the leadership of

Tiny Rowland, took over the ownership and direction of the Ashanti Goldfields Company. In 1969, the ownership structure changed with the Ghana Government having a stake in the company for the first time in the history of the company. The government had a 20% stake in the company with Lonrho maintaining the remaining 80% (Obuasi Mines Presentation, 2006). The ownership structure changed again in 1975 after a coup d'état in Ghana in 1972 led by Ignatius Kutu Acheampong to topple Dr. K. A. Busia's democratically elected government. The government, together with Lonrho, agreed to increase Ghana Government's shares from 20% to 55%. The political instability between the 1960s and the late 70s affected the mining business negatively.

Gold production in 1972 at Ashanti Goldfields peaked at 533, 000 ounces. By the end of the economically and politically troubled decade, the annual production of AGC had fallen to 232,000 ounces (Ayensu2006). The situation began to improve when Flight Lieutenant Jerry John Rawlings' military regime assumed office in 1982. As part of the Economic Recovery Programme, the government took steps to create a more favourable climate for investment in Ghana which was launched in 1983 with the backing of the International Monetary Fund, the World Bank and the Western aid donors. In 1990, new mining equipment was purchased for mining surface oxides at Sansu and a new heap leach plant was commissioned. In 1991, a new oxide treatment plant (to treat ore from the Sansu open-pit operations) came on line (Ayensu 2006). A merger in 2004 between Ashanti Goldfields Company Limited, Ghana and AngloGold Limited of South Africa made the name AngloGold Ashanti Limited (AGA Ltd).

1.2 Problem statement

Many business organizations have not paid attention to community relations, unlike public relations. Even though community relation is a form of public relation some businesses do not

have any plan or policy to guide them relate to their stakeholders. There are others who do community relations but it is placed under other departments. Considering the investments investors make in the extractive industry and how operations of these companies impact on the host communities, community relations has a very essential role to play in mining in order to ensure a mutually beneficial relationship is created between the industry and the host communities. Despite the laws that allow the mining companies to operate, community concerns cannot be overlooked because that can destabilize the congenial environment needed to operate.

Chatham House, the Royal Institute of International Affairs, an independent policy institute based in London, in June 2013, hosted a one-day workshop with a group of 27 business leaders and extractive sector experts with the goal of identifying key challenges for establishing more constructive relations between communities and companies in the extractive industries. Their final report captured that it was important businesses maintain good relations with the local people for business success because recent cancellations and delays of several high-profile projects were due to community concerns. The report also stated that half of the risks projects in the extractive industry face were not technical but stakeholder related. This attests to the fact that community relations is crucial in the lifecycle of the extractive industry. The costs resulting from delays associated with community conflicts are substantial. Mistrust, strained relations and conflicts with the local people in the extractive industry are common (Chatham House, 2013: p. 2). This makes it important to study community relations in mining as this work seeks to do. Some managers are particularly concerned about declaring dividends at the end of the financial year. Therefore, any activity that would cause a reduction in profit would have to be managed and controlled. However, they always expect community relations practitioners to rapidly go out to resolve all conflicts or concerns with the local people for operations to continue unabated. Kemp & Owen (2013: 526-

527) wrote that “while the company indicates that it “does not want a cash relationship” with the local community, when access difficulties arise, other departments often expected Community Relations and Development to “hurry up and payoff [landowners]” so that mining and operational activities could continue according to the technical plan and without delay or disruption.”

In Ghana, Garvin et al (2007) asserted that multinational companies operating in small, remote centres must be socially responsible by interacting with the rural or indigenous people who have strong emotional and historical links to the land on which they operate. The study recommended that companies should increase their budgets in order to develop local communities. However, they said this will be very difficult in many nations, such as Ghana, where uneven development and immense social disparities are so pervasive.

Flowing from the above discussion, there is always tension between communities and extractive companies which AGA and its host communities are part. It is therefore necessary to investigate the relationship that exists between AGA and its host communities and find out how the company implements its community relations policies.

1.3 Research objectives

The objectives of the study include the following:

1. To examine AGA’s community relations policy
2. To explore how AGA communicates its community relations policy to the host communities and get them involved in implementation.

3. To discover the challenges AGA faces in implementing community relations policy
4. To assess the benefits of community relations to AGA and the host communities

1.4 Research questions

1. How does the proper application of community relations policy contributes to the operations of AGA?
2. To what extent does AGA communicate its community relations policy to host communities and get them involved in its implementation?
3. How do AGA's community relations policy implementation challenges, if any, impact on the company and the host communities?
4. How does AGA's Community Relations policy benefit AGA and the host communities?

1.5 Significance of the study

The purpose of this study was to provide evidence-based information on AGA's community relations. This study provided information about community relations in one mining company. It serves as a source of scholarly information on how residents of one mining municipality feel about community relations and serve as a resource material for managing their expectations and what the mining companies can do for the communities. However this is a small scale project and therefore call for other to build on it.

1.6 Scope of the research

The study focused on AngloGold Ashanti's community relations. Thus, a community relations practitioner of the company was interviewed to seek his views on CR. The views of two communities, namely, Ahansonyewodea and Anyinam in the Obuasi municipality, whom AGA's operations impact directly, were also sought.

1.7 Structure of the research

This study contains five chapters. The introductory chapter comprises the background of the study, the problem statement, the objectives and the research questions. The significance, the scope and the structure of the study also form part of the introductory chapter. Chapter two comprises the theoretical framework underpinning the study, namely, the stakeholder theory and the two-way symmetrical model of communication. It also captures other scholars' studies and related works relevant to this study. Chapter three highlights the methodology adopted for the study. This comprises the research design, the target population, the sample and sampling technique, and the data collection. Chapter four presents and discusses the findings of this study. Chapter five presents the conclusion of the study. It contains a summary of the findings, limitations and recommendations for future research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter discussed theories on which community relations hinges, and how they are used by experts. The study considered the Stakeholder Theory and the Two-Way Symmetrical Model of Communication under the Four Models of Public Relations, and the perspectives of the specialists of communication. The Stakeholder Theory was considered because without stakeholders/publics of corporations, community relations is of no relevance, hence worthy of review. Other professionals' works were reviewed. The Two-Way Symmetrical Model too was adopted for this study because of its symbiotic nature and the element of feedback needed in relationships.

2.2 Theoretical Framework

In view of the fact that this study sought to assess the benefits of the relationship between mining companies and their host communities, the underpinning theories of this study are the stakeholder theory and the two-way symmetrical model of communication.

2.2.1 Stakeholder Theory

The term 'stakeholder' was first used in the 1960s from pioneering work at Stanford Research Institute. The argument then was that managers "needed to understand the concerns of shareholders, employees, lenders and suppliers, in order to develop objectives that stakeholders could support" Hitt, Freeman and Harrison (2001, p.190).

The term, since Freeman's (1984) seminal text "Strategic Management: A Stakeholder Approach", has become increasingly prevalent. As propounded by Edward Freeman in 1984, stakeholders can be defined as any group or individual that can affect or that can be affected by the process by which business objectives are achieved (Freeman 1984). Clarkson (1995) differentiated between primary and secondary stakeholders. Clarkson defined primary stakeholders as those that the corporation cannot survive as a going concern without their continuing participation. Primary stakeholder groups typically comprises shareholders and investors, employees, customers, suppliers, governments and communities that provide infrastructures and markets, whose laws and regulations must be obeyed, and to whom taxes and other obligations may be due. There is a high level of interdependence between the corporation and its primary stakeholder groups. Clarkson (1995) defined secondary stakeholders as those who influence or affect, or are influenced or affected by a corporation, but they are not engaged in transactions with the corporation and are not essential for its survival. The media and a wide range of special interest groups are considered as secondary stakeholders under this definition.

Classical View of the Stakeholder Theory

In 1970, Milton Friedman, propounded the Classical View Theory which was considered as a traditional perception of trying to do away with performing corporate social responsibility (CSR) activities in order to maximize business owners (shareholders) profit. Friedman (1970) supported this classical view with the statement that businesses exist to maximize profits, to earn good return on the capital invested and to be a good corporate citizen by obeying the law as it is and must not go beyond the law. This is typical of the capitalist system where businesses are only concerned with profit maximization. The stakeholder theory which is one of the theoretical frameworks on which this study stands is in contrast with Friedman's theory. Stakeholder theory proposed that

organizations should not be particularly concerned with the interest of its shareholders of wealth creation but focusing on the broader interests of external stakeholders. The theory also emphasized that organizations should pay attention to their social performance. They should also take into consideration those who have stake in their operations. This theory greatly influences community relations. Stakeholder theory posits a model of the enterprise in which "all persons or groups with legitimate interests participating in an enterprise do so to obtain benefits, and there is no prima facie priority of one set of interests and benefits over another" (Donaldson and Preston, 1995:68).

Relating stakeholder theory to community relations, Freeman (1984) asserted that inasmuch as the local community allows the firm to build facilities, the firm would pay taxes and also contribute economically and socially to the benefit of the community. This would create a mutually beneficial relationship between the mining company and the host communities if the company continues to be a good corporate citizen. If for some reasons the firm must leave a community, it is expected to work with the local leaders to make the transition as smoothly as possible (Freeman (1984). These clearly show that community relations is a key to ensuring that there is mutual coexistence between mining companies and host communities. It is important to note that communities should also not do otherwise in order to create a peaceful environment for the companies operating in their area. The researcher applied the stakeholder theory in this study in order to help investigate AGA's community relations policy and operations in the host communities since the communities are part of the stakeholders.

Criticisms of Stakeholder Theory

Key (1999) critiqued stakeholder theory that "the current conceptualizations of stakeholder theory do not meet the requirements of scientific theory." Key indicated that the explanation given about how firms behave in the environment is inadequate. She asserted that it lacked adequate

environmental assessment. Philips (1997) also criticized stakeholder theory that it did not have any means to determine who stakeholders are and who not stakeholders are in moral sense. Philips was particularly concerned here about the theory's inability to differentiate between stakeholders and non-stakeholders which threaten the meaningfulness of the term.

Although some scholars have critiqued stakeholder theory, it was useful to this study since it enabled the researcher to identify the various stakeholders of mining who are involved in community relations which is the focus of this work.

2.2.2 Two-Way Symmetrical Model of Communication

James Grunig and Todd Hunt, in 1984, propounded the Four Models of PR. They published their book, *Managing Public Relations*, and outlined four distinct types of practice which have been generally accepted as accurate. They are the following: Press agency or publicity (one-way, no dialogue, from source to sender, propaganda); Public information (one-way but the truth is fundamental, just to inform); Two-way Asymmetric (making people think like the organization with feedback to change strategies, not to change organization's position); and Two-way Symmetric which is adopted for this study. The Two-way symmetrical model uses communication to ensure that an organization negotiates with its publics, resolves conflict, and promotes mutual understanding and respect between the organization and its publics. Two people in a dialogue are relatively equal and mutually respectful, both being able to influence the other to effect change. It is only the two-way symmetrical model that has a good element of feedback. Thus, it is balanced and vital when implementing community relations policy. Considering community relations in mining as the focus of this study, it is important to examine how mining companies operate to ensure mutual coexistence with the host communities. The feedback element of the Two-way

symmetrical model makes it appropriate when investigating relationships between an organization and its stakeholders or publics. Herschey (2005) asserts that it is vital to consider feedback if an organization wants to know how effective its communication strategy is.

Criticisms of the Two-Symmetrical Model of Communication

Some scholars have critiqued the Two-way Symmetric Model. Notable among them are L'Etang and Pieczka (1996) who asserted that the symmetrical model is a mere utopia. Thus, L'Etang and Pieczka (1996) warned that the ideal nature of symmetry is a reductionist attempt to impose a personal viewpoint on others. Xifra (2010) asserted that Grunig's theory has not been unanimously accepted by academics, especially in Europe, who have reacted to the normative approach of two-way symmetry.

2.3 Related studies

This part of the study reviewed other studies carried out by other researchers which are related to the study. Literature about community relations in mining were not many in Ghana and Africa in general compared with those conducted on other continents including Asia, America and Europe.

2.3.1 Community Relations in Peru and Latin America.

Triscritti (2013) conducted a study in Peru which has been the largest gold producer in Latin America since 1996. This case study was conducted qualitatively by interviewing representatives of the Barrick Gold Corporation based in Canada which managed the Lagunas Norte mine and Newmont Mining Corporation based in United States which managed Yanacocha's Conga mine. They are, respectively, the largest and second-largest pure gold companies in the world (Triscritti

2013 p.441). The study observed that awareness creation of the high environmental costs of modern large-scale gold mining has been increased, and the time and resources mining corporations will invest in corporate-community relations may have a direct impact on the level of conflict. Other observations were that historical events may burden present-day mining operations. A mining company's past negative reputation can be a challenge to its project acceptance today as happened to Newmont's Yanacocha's Conga mining project in Peru, and increased levels of tension and violence reached in mining conflicts are indications of the central Government's failure to mediate creditably and independently. Triscritti (2013) suggested in her article that dynamic corporate–community relations might be an essential condition to prevent conflict to ensure sustainable mining. However, if institutions are weak with severe social inequalities, sustainable mining practices only are not likely to generate long-term sustainable development. The researcher encouraged that further research can analyze how stakeholders would exchange corporate-community conflicts for constructive dialogue, and how governments can encourage and benefit from successful community-relation cases to promote development for all. Again, this study focuses on community and relations in the mining sector and the focus of this study is to provide evidence-based information about host communities and mining companies.

2.3.2 Community relations in Australia and New Zealand

Kemp (2010) carried out a study to investigate community relations (CR) in the mining industry in Australia and New Zealand. The focus of the study was to explore an existing conceptual and pedagogical framework for community–company interaction that distinguishes public relations, community relations and community development work in mining. It also focused on community relations as an as a three-dimensional practice that involved working for the company to understand local community perspectives, bridging community and company perspectives to

generate mutual understanding, and to facilitate necessary organizational change to improve social performance. It addressed the challenges of institutionalizing and professionalizing community relations within the mining industry. On methodology, three sources of data were used in this study. The first one was a survey of 91 community relations practitioners in the Australian and New Zealand mining industry. The second source was an ethnographic study with eight community relations practitioners. The third source was insights from a series of 32 one-on-one confidential and anonymous interviews with industry representatives and advisers as part of primary data collection for a project that focused on responsible dispute handling in the global mining industry. These sources can be summarized as survey, ethnographic research and industry interviews. Kemp (2010) established that community relations is conceptualized as a three-dimensional practice. The company works to understand local community perspectives, and brings together the community and the company's perspectives to generate dialogue and mutual understanding. It also facilitated necessary organizational change to improve social performance. In terms of professionalization, the study suggested that community relations practitioners with Social Sciences background need to study or use several specialized subjects or skills of hard sciences, engineering-type concepts and quantitative analysis. Kemp (2010) also suggested that the mining industry must refine its own community-company interaction concept and structure. The study suggested that community relations practitioners need support in their practice from their organizations and professional networks beyond mining. "Limitations of practice and ways of working need to be better understood to avoid social harm and enhance the possibility of positive outcomes from mining. Kemp (2010 p.12). There is a link between Kemp's study and this study since both focus on community relations and mining.

2.3.3 Community Relations in Ghana.

Another study by Aubynn (2010), conducted in Ghana, used mainly qualitative method but quantitative method was used to describe some statistical data in the study. Purposive sampling method was employed to sample 42 participants and informants. The study also used in-depth interview and focus group discussion to collect data. The main purpose of the study was to identify factors which help gold mining companies obtain and sustain social acceptance for mining projects. The study revealed that some communities expected the mining company to be socially responsible and pay adequate and prompt compensations to property owners. Some of the communities also held the belief that they owned the resources and must share the benefits accrued to the company. It was revealed that mining impacts on agriculture, cost of living, health and security were perceived to be negative whilst trade or commerce, employment, personal income, basic infrastructural development and built environment were positively perceived. However, they expressed mistrust and dissatisfaction about the mining company's commitment to the local employment and development. The study also found that the acceptance the company received at the beginning reduced, and that indicated that social license in relationships is dynamic, not static. Aubynn (2010) recommended that companies should document stakeholder expectations at the early stages of projects. Also, companies should minimize bureaucracies internally to allow flexibility in terms of meeting stakeholders, and they should monitor communities acceptance of development so as to timely modify their programmes appropriately. Aubynn's study is significant to this study because it engaged a mining company and its stakeholders, clearly studying the relationship between them in diverse ways. This is not far from what this study is about.

Davis and Franks (2014) in their study examined how, and the extent to which, companies in the extractive sector identify and understand the costs arising from conflict with local communities around their operations. It aimed at avoiding and mitigating company-community conflict. The researchers mainly used qualitative research methods but quantitative information were gathered where possible. In-depth confidential interviews were conducted to gather data. The interview questions were semi-structured and five companies agreed to participate in research. The field research was done in Peru. Some of the empirical findings were that environmental issues were the most common issues to precipitate conflict. Pollution and the absence of opportunities for community stakeholders to provide consent at the outset of projects were also identified as findings as well as changes affecting community health and safety. However, the most common underlying issues were socio-economic issues, particularly the distribution of project benefits, changes to local culture and customs, and the quality of ongoing processes for consultation and communication related to the project. Researchers said where conflict triggers were present, there were typically underlying issues with the quality of the relationship between the company and community. One of the areas Davis and Franks (2014) suggested for future research was how the industry can move away from the perception that community relations is simply about spending money, and how appropriate value can be placed on its sustainability professionals.

2.3.4 Community Relations in West Africa.

Kemp and Owen (2013) carried out a study in West Africa to find out the position of community relations in mining. The study used face-to-face interviews and observation in data collection. The researchers designed a semi-structured interview guide to interview 30 community relations and development officers. Practitioners were selected voluntarily and confidentially, and interviews

were conducted on mine site. The study revealed that community relations and development practitioners were ascribed relatively low status within the company. On the contrary, practitioners were ascribed a high level of status within their community. Although they occupied a role within the company, practitioners were criticized in instances when the company did not meet community expectations. It was established that community relations described themselves as intermediaries between the company and the communities, or as the conduit when establishing an amicable relationships. Other practitioners described their roles in the companies as similar to political roles because they lobby, influence, protect and/or negotiate on behalf of one party or the other. The study also revealed that the purpose and end value of community relations and development are poorly understood by businesses. Thus, management bodies are not being able to define and articulate the role of community relations and development in an operational setting. For further research, researcher admitted that the study could not explore fully the tension between the role attributed to community relations and expectations, and can be investigated. Garvin et al, (2007) did a study in Ghana and examined the community members' and mining company managers' perception about the economic, socio-cultural, and environmental impacts of gold mining. The study adopted a combined research approach of quantitative and qualitative to examine three mining companies and their host communities Findings were that communities attributed the series of economic, social and environmental changes to mining companies. Communities, though recognized some benefits the mines had brought to them, they felt that companies did not live up to their responsibility of supporting local development. The study also found that companies' response denied and dismissed the communities concerns, and shifted blame to the communities' own behaviour of mismanagement of facilities, lack of maintenance culture, and personal hygiene. Findings showed again that lack of engagement and action on government's part at all levels placed

the companies in a position where they acted as substitutes to government capacity. Researchers recommended that communities be given a role to play in government-corporate negotiations. Also, local people need to be engaged in the planning process in order to voice their concerns and to prioritize their developmental needs. Communities need better understanding of both negative and positive impacts of surface mining. Other recommendations were that companies should increase their budgets and efforts for local communities' development, and equitably balance both impacts and benefits in order to reduce tension. This study's focus related to the study reviewed. The literature reviewed looked at both community members' and managers' perception as indicated above whilst this study sought the reasons for mining companies embarking on community relations.

Another research conducted by Joseph Yaw Yeboah in 2008 in Ghana also focused on examining the environmental and health impact of AngloGold Ashanti's mining activities on the people of Obuasi and other surrounding communities. The study employed both quantitative and qualitative research method. A total of 300 respondents were sampled from five communities for data collection through questionnaire and interview. Findings revealed that mining activities have resulted in land degradation leading to limited arable land available for local food production and other agricultural purposes. Findings also demonstrated that clearly that the health effects of mining on communities are dependent on distance from active mine sites. A recommendation was made that the company should revise its environmental management policy in the area in order to reduce drastically environmental effects of mining. Besides, it was recommended that the governments build additional health centres, principally, in all the villages close to the mining sites to ensure adequate accessibility to health facilities. This study and the recommendations made

demanded a serious community relations approach in order to avert the negative findings of the work because the host communities are the main recipients of the impact.



CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter centres on the methodology employed in data collection for the study. It indicates the research design, target population, sample size and sampling technique, instruments used, sources of data collected, method of data collection and data analysis.

3.2 Research design

The general approach to this work was the qualitative research approach. In qualitative research, researchers use naturalistic approach to investigate people's feelings and beliefs, or a way of life. The qualitative research methodology was chosen because it explores and interprets data by deriving themes from the data (Greenhalgh & Taylor, 1977; Thompson, 1999; Weiner et al., 2001). This method relies on the quality of the information based on its relevance to the subjects being studied rather than on the quantity of responses to a particular issue. In-depth interviews were particularly employed for this study. It enables one to get detailed information about how a person thinks and behaves, or if one wants to explore issues in details (Boyce & Neale, 2006; Wimmer and Dominic, 2000). The selection of in-depth interview was influenced by Boyce & Neale 2006 who believed that it may create a more relaxed atmosphere when collecting information, and people may feel more comfortable than being taken through questions in a survey.

The researcher used qualitative research approach because its questioning approach has flexibility. Although a set of questions was designed to start the project, the researcher could change the question or ask follow-up questions at any time.

3.3 Target population

Polit and Hungler (1996) defined population as the entire aggregation of cases that meet a designed set of criteria. Thus, the population always comprises the aggregation of elements in which the researchers are interested. The population is therefore the target group about which the study is interested in gathering information and drawing conclusion. The study could not capture to interview all mining companies in Ghana due to how complex it would be. Time constraints also would not have permitted this work to factor all the mining entities. The researcher, thus, selected AngloGold Ashanti Limited (AGA Ltd.), Obuasi Mine.

3.4 Sample and sampling technique

Sampling is designed as a process of selecting a section to represent a whole. Wimmer and Dominick (2003) wrote that a sample is a subset of a population that is representative of the entire population. The researcher used non-probability sampling and purposive sampling specifically. Purposive sampling was used because of the nature of the study where respondents were intentionally selected based on their qualities or positions to meet the needs and requirements of the study. This study purposively selected one person from the Sustainable Development Department of AGA Ltd., Obuasi. The Community Relations Manager from the Sustainable Department was selected since he is in charge of stakeholder engagements, particularly with the host communities. Berg (2011: 32) stated that “when developing a purposive sample, researchers use their special knowledge or expertise about some group to select subjects who represent this population.” Four community leaders (two each) were selected from the two selected communities, namely, Anyinam and Ahansonyewodea. These two communities, due to their locations have constant interactions with AGA when implementing community relations policy.

3.5 Procedure and data collection

An unstructured interview guide was designed to guide the researcher in the data collection process. Minichiello, Aroni, Timewell and Alexander (1990) defined unstructured interviews as interviews in which neither the question nor the answer categories are predetermined. The unstructured interview guide helped the researcher get responses needed due to its informal and flexible nature. It gave respondents the opportunity to develop their answers. The selected interviewees (respondents) were interviewed at different times, dates and venues. A structured interview guide was not selected for this study in order to avoid any rigidity in the interviews. Tape recorders were used to help in recording the interviews. The consent of interviewees was obtained. The researcher sought the consent of the community leaders and the management of AGA before the interview guide was administered. To avoid plagiarism, the researcher has acknowledged all sources. The purpose of the study was made known to respondents before any form of interaction began. All issues pertaining to confidentiality were treated as confidential. Personal details of respondents were made optional in order to guarantee anonymity. A confidential agreement was signed between the interviewer and AGA before the interview with its staff was conducted.

3.6 Data analysis

Bogdan and Biklen (1992:145) define qualitative data analysis as “working with data, organizing it, breaking it into manageable units, synthesizing it, searching for patterns, discovering what is important and what is to be learned, and deciding what you will tell others.” Data collected were grouped according to the themes derived from the questions asked in the interview guide. Matters

of similarities and dissimilarities of the questions and responses were compared. Data collected were summarized and explanations of the analyses were given.

3.7 Summary

This chapter captured the research design, the sample and sampling technique, procedure and data collection. This chapter considered ethical issues, confidentiality and issues of anonymity.

The next chapter presents the main research findings.



CHAPTER FOUR

FINDINGS AND DISCUSSION

4.1 Introduction

This chapter contained the findings and qualitative analysis of the study and sought to give responses to the research objectives and questions set. The researcher collected the data for this study from the field through interviews based on an unstructured interview guide. This section of the study specified how the set objectives were attained. It began with a brief description of the background of the participant organization and the host communities. It also looked at the purpose of community relations as well as community involvement in community relations. These were also followed by challenges in community relations implementation and the benefits and the impacts of community relations on both the mining company and the host communities.

4.2 Description of respondents' background

Individuals from two host communities and management of the mining company were interviewed. From each community, two opinion leaders were interviewed and a senior officer of the mining company was interviewed for this study. They were four males and a female. They all had formal education. The educational backgrounds of the respondents were reasonably good with two of the opinion leaders being professional teachers with Bachelor of Education degrees. One of them completed senior high school with West African Senior School Certificate Examination (WASSCE) and the other respondent completed elementary school with Middle School Leaving Certificate (MSLC). All the community leaders interviewed were natives of Obuasi. Two of them were Assemblymen, one was a unit committee chairman and one was a chief. One employee of

the mining company who was a senior officer in charge of community relations was interviewed. He had worked with the company for nine years in community relations. He held a bachelor's degree in Social Science and majored in Sociology. He also held a master's degree in Management and Organisational Development (MOD). He is not a native of the area. The interviews of Anyinam leaders, Ahansonyewodea leaders and AGA employee were conducted on 16th, 18th and 21st July, 2016 respectively. The lengths of the three interviews varied and were thirty-seven, forty and one seventy minutes for Anyinam, Ahansonyewodea and AGA employee respectively. Besides notes taken, all the interviews were recorded and transcribed later for analyses.

4.3 Findings

The findings of this study presented insights about how AGA understood community relations and how communities were communicated to and involved in community relations policy implementation. Findings gave information about the challenges of community relations as well as the benefits that accrued to both AGA and the host communities. In the findings and the discussion, 'COMRP' means community relations practitioner of AGA, 'COMM1' refers to the first two community leader and 'COMM2' refers to second two community leaders.

4.3.1. The purpose of community relations

It was gathered from the interview with the community relations practitioner of AGA that the reason for the company's community relations policy was to enhance social license and create a mutually beneficial relationship between the company and its host communities. In the context of AGA, the community relations practitioner said that community relations is about how to involve communities in decision making in order to create mutually beneficial relationships. He also

revealed that communities' cooperation was important for achieving objectives set, and thus community relations policy must suit the customs and traditions of the local people. It was revealed that AGA regarded community relations as part of the core business of the company. Thus, the head of community relation was part of management and took part in the decision making of the mine.

COMRP: The reason for our CR is to enhance social license and the mutually beneficial relationship to operate. Community Relations is about involving communities in decision making in order to create a mutually beneficial relationship throughout the lifecycle of the mine. We need communities' cooperation to achieve our overall objectives. Aside from their internal conflicts, we have to implement the community relations policy to suit the traditional set up of the area within which we operate. We take part in the decision making process. The sustainability manager is part of the mine's Executive Committee (EXCOM). If you talk of sustainability it is more of community relations which is part of the core activities of the mine and the sustainability manager is part of the EXCOM and whatever decisions they take he is also aware it.

Another reason for AGA's community relations approach to dealing with host communities established was that it minimized clashes with communities in order to create conducive environment to implement their plans as a mine. In the past, AGA did not pay much attention to issues concerning host communities. It was discovered that AGA did not have a full-fledged community relations department until 2004.

COMRP: The reason for AGA's Community Relations was to minimize the clashes with communities in order to create conducive environment to operate. In the past, AGA's CR was done ad hoc and thus there were clashes with the communities. CR was under HR so the people did not consider community issues as major issues. The merger in 2004 between Ashanti Goldfields Company Limited (AGC Ltd.) and the South African mining giant, AngloGold Limited which gave birth to AngloGold Ashanti Limited established CR in the company. Today, PR is under Community Relations in AGA so that the host communities will become better off.

4.3.2 Communicating community relations to host communities and involving them in implementation

AGA had several channels of communication it used to communicate with its stakeholders. They included members of staff, the media, leaders of host communities, internet (especially social media, emails, text messages,), snail mails (using postal addresses), interpersonal meetings, video calls, among others. The study revealed that AngloGold Ashanti used telephone calls, written letters and community meetings called community consultative committee (CCC) meetings which was interpersonal or sometimes done as a focus group discussion. They also used community leaders as the main point of communication to the community members. It was also established that there were few occasions that the community relations staff communicated directly to the entire members of the host communities. Community leadership was used as a channel of communication. The community relations practitioner said higher traditional authorities' communications were done by the top managers, not the community relations staff. He described their role as liaison officers.

COMRP: CR job is about communication. To me, 90 percent of CR job is about communication and the one communicating. There are some things you say which trigger to destroy the whole plan. The community relations manager meets the community relations staff and craft a message per the relationship plan. Top management members update the top traditional authorities like Adansihene about what is going on in the mine. We organize community forums to also communicate through the community consultative committee. Letters and telephone calls are all part of the channels of communication. Then, we therefore move into the community, we organize a meeting and then we share the plans of the mine with the community members. We play that liaison role.

The study revealed that AGA communicated to its stakeholders but not fully. The company sometimes embarked on projects that destroyed people's farms, access to farms, water bodies etc without first informing or doing broader consultation. The study found that there were occasions communities stopped projects due to insufficient communication and broader consultation. It was

established from the study that AGA had regular community meetings where concerns were communicated to both parties. Community leadership, through their engagements with the company, sometimes voluntarily helped the mining company in addressing problems. AGA also communicated to community members through key community leaders of the host communities, not directly to the community members.

COMM1: They meet us every two months. We raise our concerns and they also raise theirs. If it is about theft issues, as leaders of the community, we sometimes form volunteer groups to assist them. There were time they did not inform us about their decisions. When they were starting the fencing of the mining area, we only saw their machines and the contractor working.

COMM2: AGA used to meet us. Every two months we have the consultative meeting. Those who form part of the community consultative committee are the chief and elders, the assemblyman and the unit committee, women's representative, and youth's representative. AGA used to meet us. For the past two years we have not met perhaps due to delays in the assembly elections last year or the chieftaincy dispute here.

The study also found that AGA involved its host communities in the implementation of community relations policy as well as its outcomes. The four community leaders interviewed emphasized that the company respected them and involved them in the implementation of their community relations outcomes. However, one interviewee said there were occasions when they were not consulted. The study found that some contractors did not inform community relations staff to plan how community people would be involved in the execution of a particular project or programme which arose from company-community engagements. The study found that feedback was a major issue since the communities were not sent regular feedbacks after engaging them.

COMRP: The communities, per our plan, are supposed to even champion all the projects. We fall on the community leadership, we discuss with them and we let them know the areas we would like them to bring people for. They consult their subjects and let us know the areas they might be interested in, in terms of artisans, skills development. They are part of the decision making because if it is about alternative livelihood projects, they are supposed to provide the people for training. They are also supposed to provide land and sometimes the labour. They also change some of our plans so that we amend it to suit the community's so that we don't impact or impede human movement.

COMM1: In the past there were no frequent interactions and involvement in their operations. Within the last decade, they are doing better than in the past. However, they don't bring feedback to us after interacting with us. However, it is not all the time that they inform us before starting an activity which affects the community. Even the surface mining they started in the 1990s, they did not inform us about it, and the impact it will bring on us.

COMM2: They involved us in all implementations, but there are times they start the work before they inform us. Sometimes they didn't involve us at all, but I think that was in the past. When they were rehabilitating our town roads, they only informed us but did not involve us in the implementation. The contractor did not employ anybody from the community. As a result the elders and the youth in the community were not happy.

4.3.3 Challenges AGA faced in implementing CR and the impacts of the challenges

Another major objective was to discover the challenges AGA and the communities faced during CR policy implementation and the impacts of such challenges on both the company and the host communities. Findings revealed that both AGA and the communities faced challenges in the implementation of the company's CR policy. The community relations practitioner revealed that insufficient funding to execute their plans was a major challenge to the implementation of the community relations policy of the company. Management level decisions, especially on contracts, affected their work sometimes because the head of community relations was not part of the awarding contracts. One duty of the community relations staff established in the study was to communicate every project the company did to the host communities before commencement. However, sometimes contractors bypassed the community relations staff and moved to the site. It was also established that conflicts within the host communities served as challenges to the implementations of community relations policy and its outcome projects.

COMRP: In terms of projects and budgetary allocation, we don't get enough funds for various physical interventions. Aside from that, sometimes decision making at management level too affects the communities and changing it too becomes difficult. This is because we are not part of the contractual process. Chieftaincy disputes, land tenure system are some of the challenges from the communities. A community like Anyinam, as

at 2013, we were supposed to have completed their toilet project but due to internal conflicts about leadership and where we are supposed to site the project, it has become outstanding since. As we talk, we don't have a map that shows that this land is for Edubiase or Bekwai. Adansi is history. People use their implicit knowledge. Abadwum and Edubiase are claiming ownership of the land at the back of Precious Estate.

Others challenges identified were chieftaincy disputes, communities' reluctance to bringing up issues for discussion, and the communities not being able to maintain developmental projects done for them.

COMRP: We do a project for you and it is your own so you are supposed to make sure the project thrives on. In order for community relations to be effective and our policies to be much more beneficial, after implementation, the sustainability would have to be borne by the community members and that is a major gap. Most of the communities we do project for, later, leave everything is in a bad state. Normally when it happens like that, you don't have that urge to embark on another project, and that affects the community relations.

Another challenge they faced was that government or the state, often, sided with communities during disputes. The communities' chieftaincy disputes and poor land tenure system also served as a challenge. It was also established that AngloGold also inherited the negative past of Ashanti Goldfields Company Limited when they did not factor the communities' concerns that much in their operations, and this gave a bad reputation to the company. Both selected host communities made references severally to AGA's past records. Also, the community relations department referred to the past as not good for community relation. The study also found out that the challenges the host communities had were as a result of lack of feedback from the company, the company's failure to communicate its impact to the community people before and during their core business operations of mining, and lack of education on laws governing mining in the country. Due to the lack of regular or prompt feedback from the company, community members developed mistrust for the company.

COMM1: When we brought up legitimate concerns, and they assure us of getting back to us. Sometimes it takes about two years before you hear from them with the response. Regarding taking sample of our water to check its quality level, we get no result from them. Recently, they said they were doing some exercise with Environmental Protection Agency (EPA) so they came to dig boreholes some at Kwameduakrom and others. Every month they came for sample of the water. At our community engagement meeting, I asked them for a feedback of the samples being taken, but they said they will give the assembly members a copy of the results every quarter. I am not sure they will bring it.

COMM2: Somehow AGA engage and involve the community in decision making. There is a communication team called the consultative committee which AGA partially engages occasionally. Constant communication and involvement would demystify the negative perception of the community people about the company as not paying much attention to their problems. Involvement is good but can be improved to either better or best. They don't tell us how the work they are doing will affect us too.

The study revealed the impact of community relations challenges on the company and the host communities. The impact of the challenges identified through the study included delays in project implementation, loss of mining hours leading to loss of production, unnecessary press lashes and soaring of projects cost.

COMRP: For instance, you have awarded a contract per your plan, you are supposed to embark on a project within time. Sometimes communities stop contractors. The contractor is not bothered about the stoppage. I remember during the demonstration of Diawuoso when we were taking the tailings from there, there was a demonstration, they stopped the work for three good days and we lost three days production. This brought additional cost to the company.

4.3.4 Benefits of community relations to AGA and the host communities

It was discovered that there were benefits of CR policy. AGA aimed at benefitting from its community policy implemented through community engagements. The company gained community support, good reputation, and conducive environment devoid of clashes with communities. Conflicts or grievances were addressed. Community relations enabled the company

to work according to plan and met set targets. Project implementations were not delayed unnecessarily as a result of the company's community policy implementation. It was revealed that community relations policy implementation ensured that conflicts or grievances were proactively addressed before they escalated.

COMRP: Community policy gives us social license or community support. We get good reputation because when you consult people, you respect their tradition and customs. It also helps to learn from each other. It gives the company conducive atmosphere to operate. Project implementations are not delayed unnecessarily. There is mutual agreement and issues are addressed as they arise. Conflicts or grievances are proactively addressed before they escalate or complaints are always addressed before they become grievances or conflicts. It is information sharing. All other things being, you are able to plan and implement your plan effectively without recourse to community agitations and any community stoppages, thereby meeting our target (not necessarily increasing production).

It was also revealed that communities also benefitted through AGA's community engagements.

The study revealed that host communities also benefitted from the implementation of CR policy of AGA. The benefits of CR policy identified with the host communities were building of schools which gave formal education to the locals, skills development training through alternative livelihood programmes and business opportunities that emerged out of the mining operations. As a result of the local content policy, employment opportunities were created for the residents of the mining communities. Through CR policy implementation, students got scholarships to cater for their education. Free electricity and free drinking water were supplied to some communities. CR policy implementation provided infrastructural facilities like roads, gutters and bridges construction for some host communities of AGA.

COMM1: Benefits— renovation of our school, through the Community Trust Fund, Community Trust Fund scholarship for two children. Standpipes to replace the water bodies destroyed. They once gave us woods and roofing sheets to provide a canteen for schoolchildren and a structure for passengers at the lorry station, 50 bags of cement for constructing a gutter. There were few occasions that our interactions yield results.

COMM2: We benefit from free electricity and water supply from AGA. They destroyed our water bodies and replaced them with this free treated water. Another benefit is the reconstruction of Anyinam town road from AGA Club to Precious Estate.

4.4 Discussion of findings

The findings of this study reported were discussed based on the research objectives and the research questions. The discussions were also backed by the underpinning theoretical frameworks of the study.

4.4.1 The purpose of AGA's community relations describing its understanding

The study sought to find out the purpose of AGA's community relations policy. The reasons given represented the company's understanding of community relations. The findings indicated that AGA deemed community relations very important in its operations. The findings revealed that AGA has a full-fledged community relations department, and its Public Relations Department is placed under the Community Relations Department. This is in line with Kemp (2010)'s study that community relations should be de-linked from Public Relations if it is to gain strength as a professional domain of work. The CR Department of AGA, with its trained professionals, confirmed Kemp's assertion (2010) that in terms of professionalization, community relations practitioners with Social Sciences background needed to study or use other specialized areas such as physical science. The findings established clearly the purpose or the reasons for the companies' community relations policy. The purpose was to gain and enhance social license or community support, confirming Davis and Franks (2014)'s assertion that there is a growing recognition of the importance of social license to operate in the extractive sector. Findings also established that community relations created a mutually beneficial relationship as Kemp (2010) stated that with

community relations, companies work to understand local community perspectives, and bring together the community and the company's perspectives to generate dialogue and mutual understanding.

Due to the company's understanding of community relations in the local people's perspectives, community CR was explained as involving communities in decision making to help create a beneficial relationship for all. The company sought the cooperation of the communities through the CR policy as a way of achieving its set objectives since the relationship is good and the environment conducive.

In terms of how the company recognized the place of community relations in its operations, AGA regarded community relations as part of core business. Due to this, head of CR is found at the top hierarchy of the company taking part in decision making. This clearly refuted Kemp and Owen (2013)'s statement that businesses poorly understood the purpose and the value of community relations and development. Thus Kemp and Owen (2013) established that management bodies are not able to define and articulate the role of community relations in an operational setting. It was also established that the CR policy minimized clashes with communities, and suited the traditions and customs of the people. Triscritti (2013)'s study about conflicts in mining attributed some conflicts to mining companies' changes to local culture, and customs. AGA's community relations policy adapted to culture.

4.4.2 The extent to which AGA communicated CR policy and involved communities in implementation

The interview sought to find out whether AGA communicated its community relations policy implementation to the host communities and how they did it. The interview also considered how

AGA involved the communities the implementation of its CR policy. The study's findings indicated that AGA communicated its community relations policy to the host communities through telephone calls and written letters (practices which none of the literature mentioned as communication channels), community meetings called community consultative committee (focus group, interpersonal). Almost all the reviewed literature were silent on channels of communication apart from Aubynn (2010) who mentioned the media as channels AGA used to communicate. However, he did not specify which stakeholders they communicated to through the media. The company resorted to the community leadership as the key channels of communication meaning there were few occasions that they met the entire members of the host communities. The study also revealed that although the community relations practitioners were responsible for dealing with the communities regarding AGA's operations, it was the responsibility of the top management members to communicate to and update top or high traditional authorities of their host communities, especially at the paramountcy level or the regional level. This confirmed the respect for the culture of host communities which Triscritti (2013) mentioned. It is dangerous to always rely on leadership to communicate to the community members if we consider what Garvin et al (2007) said that local people needed to be engaged in the planning process. The study indicated that in the past communication from AGA to the communities was poor and the local people were not involved directly in the implementation of projects and programmes if compared with the situation today. It was clearly established that communication in AGA was always from the company to the people. Seldom would government or state institutions communicate in any way to augment the company's communication, or to assess whether the company was communicating the right information to the poor and vulnerable local people, Kemp (2010) asserted that mining companies operate within some of the poorest and most marginalized communities in the world.

In 2007, Garvin et al, found in their study that lack of engagement and action from government placed companies as surrogates to government capacity. The study's findings found that community relations staff, sometimes, was not communicated to by contractors. This phenomenon found was also not linked to any of the findings of the literature reviewed directly but can be somewhat linked to the fact that community relations must take part in all decisions affecting the communities and the company because failure to allow that can cause tension in the communities, especially when communities are not aware of projects being implemented.

4.4.3. Challenges AGA and the communities faced in community relations implementation

Findings indicated that AGA faces challenges when implementing community relations plans or strategies designed based on its CR policy. The challenges were grouped into two, namely, internal and external. The external challenges were that funds to carry out plans were not sufficient. Management's budgetary approval made it difficult for the CR department to live their plans fully. Davis and Franks (2014) suggested that further research should tackle the perception that community relations is simply about spending money. Garvin et al (2007) also recommended that companies should increase their budget and efforts for the development of local communities so that there will be equitable balance in both impact and benefits so as to reduce tension. Chieftaincy disputes, communities' reluctance to bringing up issues for discussion and lack of sustainability were all identified as challenges to the company's CR policy implementation. Davis and Franks (2014) asserted that where conflict triggers were present, there were issues with the quality of the relationship between the company and the community. Thus, CR people would be challenged to achieve their purpose. The issue of chieftaincy disputes would inevitably disrupt what Kemp (2010) described as a three-dimensional practice, a description he gave to community relation. Triscritti (2013) asserted that if institutions were weak with severe social inequalities, only

sustainable mining practices could not generate long-term sustainable development, but dynamic community relations too plays a role. Communities did not take good care of community initiatives and this affected effective community relations. Garvin et al (2007) talked about lack of maintenance culture to support the challenge of sustainability raised by the mining company.

Other challenges like land tenure system also impeded the implementation of community relations strategies. Almost all the reviewed literature were silent about these findings.

The study revealed that the past of Ashanti Goldfields Corporation or Company (AGC) which was negative still hindered smooth implementation of CR plans. Communities still didn't trust the company that much in terms of issues discussed in community engagements. Triscritti (2013) established that a mining company's past negative reputation can be a challenge to its project acceptance today, citing Newmont's Yanacocha's Conga mining project in Peru. Triscritti observed that historical events may burden present-day mining operations. Lack of feedback was found to be a major challenge to the host communities because it affected their commitment to CR plans of the company. Again, the company's failure to communicate its impacts to the people and lack of education on laws regulating mining were identified as issues among the communities. A recommendation from Aubynn (2010) indicated that companies should document expectations of stakeholders from the beginning of a project. This is in line with feedback, though not directly. If the expectations are already documented, it will inform the company to know what feedback is important and must be communicated to host communities. Kemp and Owen (2014) indicated that some community relations practitioners described themselves as intermediaries and conduits when establishing amicable relationships. This is a diversion on the part of the CR officer regarding the communities' complaint of lack of feedback. Two-way symmetrical communication model is not being applied by these community relations professionals properly. On lack of education on laws

regulating mining, a statement of Kemp (2010) said that to avoid social harm and enhance the possibility positive outcomes from mining, ways of working and the limitations that practitioners have needed to be understood. If communities do not understand laws governing mining, how can they understand the operations of a mining company?

4.4.4 How AGA and the host communities benefitted from community relations

The interviews sought to assess the benefits of community relations to AGA and the host communities, and findings indicated that both AGA and the host communities benefitted from community relations. It emerged that one of the accrued benefits of community relations to AGA was social license or community support. Davis and Franks (2014)'s in a study, sought to identify and understand the cost arising from conflicts with local communities around their operations. It was discovered that it is social license or community support gained through community relations that can serve as a mitigating measure against conflicts and their associated costs. One of Kemp (2010)'s three-dimensional practices, that is, to generate mutual understanding also linked the acquisition of social license or acceptance to operate. Other benefits were good reputation, which also contributed to gaining social license and international recognition as well as conducive atmosphere without any clashes with communities that contributed to meeting targets. Project implementation delays and their resultant problems of soared project costs were duly dealt with as a result of vibrant community relations. It was established that community relation per se did not increase production but meeting targets set. If CR strategies were successfully implemented and produced good result but the technical staff and other direct supporting staff were not working hard, production would not increase.

Findings also revealed that communities also benefitted from community relations implementation. Community relations benefitted host communities because that was where communities raised community concerns during company-community engagements and needs were prioritized. The communities benefitted from building of schools which gave formal education to the local people, skills development through alternative livelihood programmes, and business opportunities that emerged from the mining operations. These benefits highlighted the importance of community relations to the host communities. The employment opportunities are as a result of the law backing it. The communities anticipated to benefit more than they got from the employment opportunities. Few of them also got educational scholarships for their children. One of the communities enjoyed free electricity and water supply, benefits which the two parties agreed in their company-community engagements. However, maintenance of these projects was borne by the community. It was established that one of the communities benefitted from road rehabilitation, a project agreed upon by the company and the community through the community relations policy implementation of AGA.

4.5 Summary

This chapter basically presented the findings and discussions of the findings in relation to other researchers' studies. The findings were that in the past AGA's community relations policy did not place the communities at the centre as it is presently. AGA now understands community relations and proper mechanisms are put in place for its implementation. The company also communicated its operations to the host communities through a full-fledged community relations department with experienced staff. Communities, it was found that, were involved in CR policy implementation so as to live up to the mutually beneficial relationship it sought to achieve. The CR Department faced both internal and external challenges. AGA's management decisions and communities' conflicts

were the challenges. There were also benefits which accrued to the communities, ranging from social amenities and infrastructural facilities, and the conducive atmosphere that CR policy implementation brought to the company which enabled it to meet its target.



CHAPTER FIVE

CONCLUSION

5.1 Introduction

This chapter summarised the findings of the research work and also highlighted the limitations and the recommendations for future studies.

5.2. Summary of findings

The study sought to find out among others, the reasons AGA embarked on community relations, whether AGA communicated its CR policy to the host communities and involved them in the implementation, the challenges CR posed to both AGA and the host communities, and the benefits accrued to both AGA and the host communities.

The study established that community relations policy gave AGA the needed social license or community support, and created a mutually beneficial relationship for its mining operations. However, the company did not have a full-fledged community relations department until 2004. Prior to this period, community relations were not properly practised and that encouraged clashes with the local communities. The study found that AGA communicated its community relations policy to the host communities in accordance with their community policy. Nonetheless, AGA did not give regular feedback to the communities regarding their community interactions. The study also established that AGA involved the communities in the implementation of community relations initiatives. However, community leaders sometimes did not communicate fully to the community members regarding their involvement in projects or programmes implementation. The study also found that AGA basically used the community consultative committee (CCC) meeting, telephone

calls and writing of letters as the main channels of communication through the community leadership. The study indicated that the challenges AGA's community relations practitioners faced were not only posed by the host communities but by the top management of the company. Insufficient budgetary support and the CR department not being represented in the contractual processes were the main company challenges. It was discovered that communities own internal conflicts (chieftaincy, poor land tenure system etc.) also affected both the company and the communities. The study found that benefits accrued to AGA were community support, good reputation, rapid implementation of plans, lack of unnecessary community agitations and uninterrupted company operations, though there were a few cases of project stoppages by the communities.

5.3 Limitations

Boyce & Neale (2006:3-4) asserted that in-depth interviews were prone to bias due to respondents or participants stake in a program or a number of reasons. One major limitation of this study is the data collection method used, that is, the in-depth interviews. In-depth interviews can also be time-intensive because of the time it takes to arrange with interviewees and conduct the interviews, transcribe them and analyze the results. This limitation can be reduced by getting enough time for the study. The study selected only AngloGold Ashanti Limited, Obuasi mine out of the several mining companies in Ghana because it's one of the oldest mining companies in Ghana. The company has subsidiaries in other countries. Thus, the findings of this work are limited to Obuasi mine and not the rest of the mining companies in Ghana.

Another limitation was that records of past CR practices, as at the time AGA's CR was under the HR department, were not accessible for review as at the time data were being collected. This

information had to be recollected creating room for probable omissions and inaccuracies in the information provided. This limitation does not invalidate the results or findings of this work.

5.4 Recommendations

Judging from the perspective of AngloGold Ashanti Limited, community relations is not treated as a business case. In business, targets are set for other departments, as it is done in the extractive industries, for instance, if a department produces a certain tonnage of gold, they will get that. It is recommended that AGA should treat community relations as businesses where targets would be set and achieved and the achievement valued in monetary terms so that their efforts could be better defined and appreciated. The findings indicated that the company engaged community leaders with the understanding that their subjects would be informed accordingly. It is recommended that AGA should have evidence that agreements with community leaders about projects have been effectively communicated to their subjects before contractors go to site. The evidence could be written minutes, videos, audios, photographs etc. Both selected communities for this study complained about feedback and the fact that their engagements with AGA yielded little or no results. It is also recommended that feedback must be rapidly given to communities after requests had been made by communities and AGA assured them of feedback. AGA should not always rely on the Environmental Protection Agency (EPA) and other relevant state institutions, whose loyalties, many a time, are tilted towards the communities more than the mining companies, to send feedback to the communities.

It was found that government or state institutions did not educate community members about mining laws and the impact of mining on the host communities. It is therefore recommended that government should also empower relevant state institutions with the required knowledge about

mining to educate the local people about their rights, the impact of mining, and how to have complaints and grievances addressed to augment the efforts of the mining company.

Finally, this work sought the views of one employee of AGA and four community leaders whose functions were relevant to the study. Therefore, it is recommended that a study be conducted to find out from the ordinary members of the communities how AGA's community relations policy implementation has impacted on their lives.

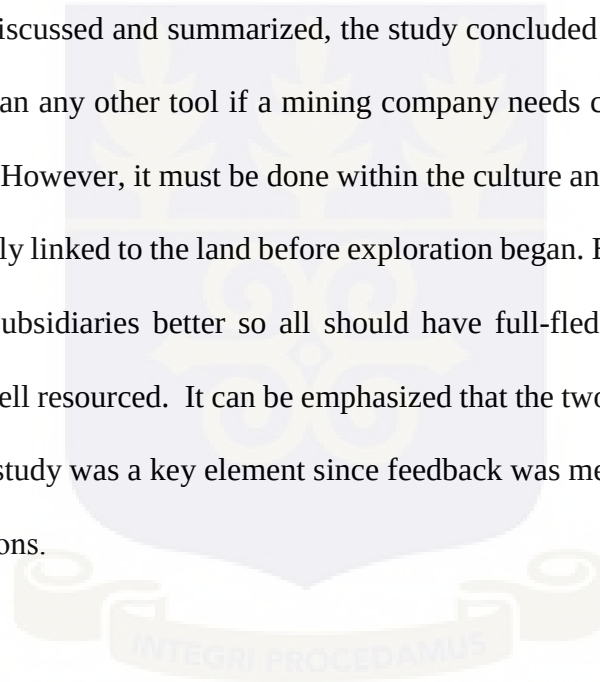
5.5 Conclusion

The objective of the study was to assess AGA's community relations by establishing the reasons for AGA's CR policy to deal with its host communities. The study also sought to find out how AGA communicated its community relations policy and by what channels and whether the company involved the local people in the implementation of CR policy. The study was also meant to discover the challenges both AGA and the host communities faced in the implementation of CR policy. The work considered the benefits of CR to AGA and the host communities. The study established that community relations was an important tool for gaining the support of the communities, good reputation and a mutually beneficial relationship needed for a successful mining operations. As a result, community relations practitioners of AGA ensured the three dimensional practice of Kemp (2010) that involved working for the company to understand local communities' perspectives, bridging community and company perspectives to generate mutual understanding, and facilitating the necessary organizational change to improve social performance.

The study also established that AGA communicated its CR policy implementation programmes or projects and involved the communities either fully or partially depending on the prevailing circumstances at the time. The main channels of communication were telephone calls, community

consultative committee meeting and sometimes writing of letters. It can be emphasized that AGA's communications were done through the leadership of the host communities. The study found that CR implementation had challenges which emanated from both the company and the host communities. It can be emphasized that dialogue was mainly resorted to, to deal with the challenges. The study also established that benefits of community relations policy abounded for both the company and the host communities. However, the company, with the huge investments, put in more efforts than the poor and marginalized host communities.

In view of the findings discussed and summarized, the study concluded that community relations policy is more vibrant than any other tool if a mining company needs community support or the social license to operate. However, it must be done within the culture and the customs of the local people who are historically linked to the land before exploration began. Besides, CR will serve the company or any of its subsidiaries better so all should have full-fledged community relations departments which are well resourced. It can be emphasized that the two-way symmetrical model used as a theory for this study was a key element since feedback was mentioned as missing in the company's communications.



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