An exploration of corporate social responsibility (CSR) as a lever for employee engagement in the mining industry: The case of Metallon Gold Mining Zimbabwe (Mazowe) (2002-2012)

BY

BIGGIE JOE JAMES (R036018D)

A dissertation submitted in partial fulfillment of the Requirements for the degree of Master of Business Administration

2013

Graduate School of Management

University of Zimbabwe

Supervisor: Mr. J. Chikura
DECLARATION

I, Biggie Joe James, do hereby declare that this dissertation is the result of my own investigation and research, except to the extent indicated in the Acknowledgements, References and by comments included in the body of the report, and that it has not been submitted in part or in full for any other degree to any other university.

Student signature _______                               Date: __________

Supervisor’s Signature _________                  Date: __________
DEDICATION

I dedicate this dissertation to my fiancée, Dephney and my sister Mavis for their support and encouragement throughout the long journey. Special appreciation goes to Depheny for her patience and endurance over the years to see this work through as she could spend many weekends and holidays alone whilst I was at school.

Many thanks go to my mom, dad and all family members who supported me in different special ways to complete this work; I hope you will draw inspiration from this dissertation.

Above all, I give glory to God for the wisdom and guidance throughout the study period.
AKNOWLEDGEMENTS

Research is a process that is involving in terms of time and resources; therefore it can only be done with maximum support.

I wish to express many thanks to all my classmates, discussion group and authors listed in the reference section of this study for their meaningful input to this work. I also wish to thank my workmates for the moral support, encouragement and time they gave me to complete this research work.

Special mention goes to staff and management at Metallon Gold Mine (Mazowe) for their valued time and information resources they contributed to the successful completion of this study.

Finally, I wish to thank Dr Kaseke and his team at the Graduate School Management, University of Zimbabwe, particularly my supervisor Mr. Chikura and dissertation coordinator Dr Madzikanda for the professional guidance they gave me throughout the study period.
ABSTRACT

Corporate Social Responsibility (CSR) has attracted wide attention and debate throughout the world in recent years. Various stakeholders have developed increased expectations from corporations and employees as one of the key stakeholders are not an exception. Employees now expect their companies to be sensitive and considerate of their social concerns through different employee oriented CSR packages. Previous studies on CSR focused on what mining companies should do for the community and the environment of their operations. Minimal research in the context of Zimbabwe with regard to establish the relationship between CSR and employee engagement has been conducted. Recently the government of Zimbabwe through the MYIEE enacted legislation with effect to the establishment of ESOTs and CSOTs by all mining companies operating in Zimbabwe as part of their CSR packages. This development however was received with mixed feelings amongst mining companies with some even perceiving it as a threat to their operations and investment. There are still questions amongst different companies in the mining sector on how such CSR investment benefit their companies. The quantitative research study focused on establishing the influence of CSR on employee engagement. The study analysed the CSR practices conducted by Metallon Gold Mine (Mazowe) in the period 2002-2012, evaluated employee engagement and organizational reputation within the mining company in view of its CSR practices. 100 questionnaires were used to collect data on how Metallon Gold Mine leveraged its CSR to influence its employees’ engagement. The researcher reviewed literature on CSR and employee engagement in conducting the study. The findings of the study discussed with reference to this literature although suggested that CSR practices by mining companies in Zimbabwe are still grounded in philanthropic responsibilities to the community, however they influence employee engagement in the mining industry. From the findings of the study it can be recommended that Metallon Gold Mine should improve its focus on internal CSR, improve on CSR communication to employees and increase employee participation in CSR. The research also recommended that government should formulate a CSR policy framework for the mining industry.
Table of Contents

DECLARATION .................................................................................................................................................. ii
DEDICATION .................................................................................................................................................. ii
ACKNOWLEDGEMENTS ................................................................................................................................. iii
ABSTRACT ....................................................................................................................................................... iv
LIST OF TABLES ............................................................................................................................................... x
LIST OF FIGURES ........................................................................................................................................... xi
ACRONYMNS ................................................................................................................................................ xii
CHAPTER ONE .............................................................................................................................................. 1
1.1 INTRODUCTION .................................................................................................................................... 1
1.2 BACKGROUND TO THE STUDY ........................................................................................................... 3
1.2.1 An Overview of Zimbabwe’s Mineral Resources .............................................................................. 3
1.2.2 Minerals Legislation in Zimbabwe ....................................................................................................... 4
1.2.3 Zimbabwe’s Mining Sector’s Contribution to the Economy ................................................................. 4
1.2.4 CSR and the Mining Sector in the Globe ............................................................................................... 4
1.2.5 CSR and the Mining Sector in the Region: South Africa ................................................................. 6
1.2.6 CSR and the Mining Sector in Zimbabwe ............................................................................................ 6
1.2.7 Background of Metallon Gold Mining Zimbabwe ........................................................................ 8
1.2.8 CSR practices at Metallon Gold Mining Zimbabwe ....................................................................... 8
1.3 RESEARCH PROBLEM .......................................................................................................................... 8
1.4 RESEARCH OBJECTIVES ..................................................................................................................... 10
1.5 RESEARCH QUESTIONS ....................................................................................................................... 10
1.6 RESEARCH HYPOTHESIS ................................................................................................................... 10
1.7 JUSTIFICATION OF THE STUDY ........................................................................................................ 11
1.8 SCOPE OF RESEARCH .......................................................................................................................... 11
1.9 LIMITATIONS TO THE STUDY .......................................................................................................... 11
1.10 DISSERTATION OUTLINE .................................................................................................................. 12
1.11 CHAPTER SUMMARY .......................................................................................................................... 12
CHAPTER TWO ............................................................................................................................................ 13
2.8.1 Transactional Approach Model ........................................................................... 26
2.8.2 Relational Approach Model ............................................................................. 27
2.8.3 Developmental Approach Model ...................................................................... 27
2.9 MECHANISMS OF CSR INFLUENCE ON EMPLOYEE ENGAGEMENT ............ 29
  2.9.1 Organisational Identification ......................................................................... 29
  2.9.2 Social Exchange .............................................................................................. 29
  2.9.3 Organisational Trust ....................................................................................... 30
  2.9.4 Organisational Commitment and Satisfaction ............................................... 30
  2.9.5 Organisational Citizenship Behaviour ............................................................ 31
2.10 CONCEPTUAL FRAMEWORK ............................................................................. 31
  2.10.1 CSR influence on Organisational Identification and Social Exchange .......... 33
    2.10.1.1 Employees’ CSR perceptions. ................................................................. 33
    2.10.1.2 CSR Perceptions Antecedents. .............................................................. 33
    2.10.1.3 Direct CSR Perceptions Impacts ............................................................ 33
    2.10.1.4 Organizational Justice as a Mediator. ..................................................... 34
    2.10.1.5 CSR Mediated Impact on Trust .............................................................. 34
    2.10.1.6 CSR Mediated Impact on Commitment and Job Satisfaction .................. 34
    2.10.1.7 CSR Mediated Impact on Organisational Citizen Behaviour ............... 34
2.11 CHAPTER SUMMARY ......................................................................................... 35
CHAPTER THREE ....................................................................................................... 36
RESEARCH METHODOLOGY ...................................................................................... 36
3.1 INTRODUCTION ................................................................................................... 36
3.2 RESEARCH DESIGN ............................................................................................. 36
3.3 RESEARCH PHILOSOPHY ................................................................................... 37
3.4 RESEARCH STRATEGY ......................................................................................... 38
3.5 POPULATION AND SAMPLING TECHNIQUES ............................................... 39
  3.5.1 Population ...................................................................................................... 39
  3.5.2 Sampling Techniques ...................................................................................... 39
3.6 DATA COLLECTION METHODS ........................................................................ 41
  3.6.1 Data Collection Instrument ........................................................................... 42
  3.6.2 Data Sources ................................................................................................... 43
3.7 RESEARCH PROCEDURE .................................................................................... 43
LIST OF TABLES

Table 1  Cronbach’s Alpha Reliability Tests  47
Table 2  Period of Service and Age  60
Table 3  Knowledge of CSR Theme and Period of Service  61
Table 4  Knowledge of CSR Theme and Employees’ Trust in Management  62
Table 5  Knowledge of CSR Theme and Employees’ Job Commitment  63
Table 6  Knowledge of CSR Theme and Job Satisfaction  64
Table 7  Knowledge of CSR Theme and Employees’ Inspiration  65
Table 8  Knowledge of CSR Theme and Organisational Reputation  66
## LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 1</td>
<td>Types of CSR</td>
<td>19</td>
</tr>
<tr>
<td>Figure 2</td>
<td>The Integrative Model of CSR influence on Employees</td>
<td>32</td>
</tr>
<tr>
<td>Figure 3</td>
<td>Response Rate</td>
<td>46</td>
</tr>
<tr>
<td>Figure 4</td>
<td>Age</td>
<td>48</td>
</tr>
<tr>
<td>Figure 5</td>
<td>Period of Service</td>
<td>49</td>
</tr>
<tr>
<td>Figure 6</td>
<td>Educational Levels</td>
<td>50</td>
</tr>
<tr>
<td>Figure 7</td>
<td>CSR Policy Written Down</td>
<td>51</td>
</tr>
<tr>
<td>Figure 8</td>
<td>Knowledge of CSR Theme</td>
<td>52</td>
</tr>
<tr>
<td>Figure 9</td>
<td>CSR Programmes</td>
<td>52</td>
</tr>
<tr>
<td>Figure 10</td>
<td>Employees’ Trust in Management</td>
<td>54</td>
</tr>
<tr>
<td>Figure 11</td>
<td>Employees’ Job Commitment</td>
<td>55</td>
</tr>
<tr>
<td>Figure 12</td>
<td>Employees’ Job Satisfaction</td>
<td>56</td>
</tr>
<tr>
<td>Figure 13</td>
<td>Employees’ Respect of Company Policies</td>
<td>57</td>
</tr>
<tr>
<td>Figure 14</td>
<td>Employees’ Inspiration</td>
<td>58</td>
</tr>
<tr>
<td>Figure 15</td>
<td>Metallon’s Internal Reputation</td>
<td>59</td>
</tr>
<tr>
<td>ACRONYMS</td>
<td>DESCRIPTION</td>
<td></td>
</tr>
<tr>
<td>------------------</td>
<td>-----------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>AGM</td>
<td>Annual General Meeting</td>
<td></td>
</tr>
<tr>
<td>AIDS</td>
<td>Acquired Immune Deficiency Syndrome</td>
<td></td>
</tr>
<tr>
<td>BAT</td>
<td>British American Tobacco</td>
<td></td>
</tr>
<tr>
<td>BEE</td>
<td>Black Economic Empowerment</td>
<td></td>
</tr>
<tr>
<td>BRICS</td>
<td>Brazil, Russia, India, China and South Africa</td>
<td></td>
</tr>
<tr>
<td>CG</td>
<td>Corporate Governance</td>
<td></td>
</tr>
<tr>
<td>CSOTs</td>
<td>Community Share Ownership Trusts</td>
<td></td>
</tr>
<tr>
<td>CSR</td>
<td>Corporate Social Responsibility</td>
<td></td>
</tr>
<tr>
<td>EIA</td>
<td>Environmental Impact Assessment</td>
<td></td>
</tr>
<tr>
<td>ESOTs</td>
<td>Employee Share Ownership Trusts</td>
<td></td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
<td></td>
</tr>
<tr>
<td>HIV</td>
<td>Human Immune Virus</td>
<td></td>
</tr>
<tr>
<td>IFC</td>
<td>International Finance Corporation</td>
<td></td>
</tr>
<tr>
<td>ISO</td>
<td>International Standards Organisation</td>
<td></td>
</tr>
<tr>
<td>MMCZ</td>
<td>Minerals Marketing Corporation of Zimbabwe</td>
<td></td>
</tr>
<tr>
<td>MMMD</td>
<td>Ministry of Mines and Mining Development</td>
<td></td>
</tr>
<tr>
<td>MNCs</td>
<td>Multinational Corporations</td>
<td></td>
</tr>
<tr>
<td>MYIEE</td>
<td>Ministry of Youth, Indigenisation and Economic Empowerment</td>
<td></td>
</tr>
<tr>
<td>NGOs</td>
<td>Non-Governmental Organisations</td>
<td></td>
</tr>
<tr>
<td>OCB</td>
<td>Organisational Citizen Behaviour</td>
<td></td>
</tr>
<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
<td></td>
</tr>
<tr>
<td>UNIDO</td>
<td>United Nations Industrial Development Organization</td>
<td></td>
</tr>
<tr>
<td>RBZ</td>
<td>Reserve Bank of Zimbabwe</td>
<td></td>
</tr>
</tbody>
</table>
CHAPTER ONE

INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

Many private companies in the mining sector have been generating an abundance of wealth for their shareholders throughout history. The idea of giving back to the community has been an issue that most mining companies have not been considering with great value. Corporate Social Responsibility began as a form of paternalistic philanthropy in the early 18th-century after most governments in the developed world enacted legislation that held private companies to be accountable of their operations through giving back to the community (Dashwood, 2012).

However, early CSR consisted of paternalistic philanthropy where private companies after the industrial revolution would engage in community projects and donations in form of housing, libraries, churches, parks and hospitals. As the concept of CSR evolved from being driven by the government, the communities have taken center role in bringing large companies to the bargaining table. Increased corporate governance and awareness by communities of corporate wrongdoings have been the major defining factors of modern CSR (Dashwood, 2012).

CSR is not a new concept to companies in the mining industry in Zimbabwe but however major emphasis had been on philanthropic donations to communities. Most mining companies in Zimbabwe are located in remote rural areas and have been involved in the provision of infrastructure in the past 100 years such as roads, schools, hospitals, water, electricity and also support for adjacent agricultural projects for the benefit of the community. There are many towns in Zimbabwe that have developed around mining and these include Shurugwi, Zvishavane, Hwange, Kadoma, Bindura and Bulawayo (Zimbabwe Chamber of Mines, 2010).
However the community is one of the many stakeholders to CSR although it received much attention by most mining companies in Zimbabwe. Stakeholders to CSR include employees, customers, suppliers, financial markets, community and regulators (Yener, 2002). The major drive for most companies to engage in CSR in communities was to enhance their reputation and be accepted as part of the community to legitimize their operations. This therefore shows that most companies consider CSR as a tool for gaining good reputation with the external environment without much consideration being made to the employees of the company. Employees constitute the backbone of every successful company and it is imperative that they are engaged in a strategic manner with their organization (Bourne, 2013).

Employees are the most critical stakeholder in any company (Greenwood, 2007) as they are closely integrated with the firm (Crane & Matten, 2004). Firstly, employees constitute the firm and they are the most important resource of any company. Secondly, employees represent the company towards other stakeholders and act in the name of the company (Crane & Matten, 2004). The success or failure of an organization affects the employees as they invest in specialized skills (Maltby & Wilkinson, 1998) and they are dependent upon their employer’s success through income and equity. It is on this basis that employees have legitimacy and moral claim on their companies (Kaler, 2002; Mitchell et al., 1997).

The Government of Zimbabwe through the MYIEE introduced a law to compel companies in the mining sector to form ESOTs and CSOTs, to give back a significant percentage of their profits to the employees and surrounding communities as part of their CSR. This legislation was enacted as a result of the realization that companies in the mining and other sectors were exploiting the environment in which they operate from without giving much back to the society from which they get their resources. Literally CSR has thus become a defacto law in the mining sector due to the introduction of these ESOTs and CSOTs. This has therefore ushered a new beginning for companies in the mining sector to consider CSR seriously in their activities as it has become integral to their business. The Act has got a provision that requires companies to form ESOTs and cede at least 5% equity to the trusts. The purpose of the trusts is to
ensure that employees become part of the business and benefit through dividends over and above their direct remuneration. A number of ESOTs have been established by big companies such as Old Mutual, Blanket Mine, Meikles, Zimplats and BAT, since the enactment of the new Indigenization Law and in the mining sector alone almost 400 ESOTs have been established (Masenyama, 2013).

This research seeks to explore how mining companies in Zimbabwe can effectively leverage their CSR to engage their employees as a strategic asset to the success of their business. The major focus of the research is to bring out to the fore the benefits of CSR in building good relationships with employees as a key stakeholder in the business. It is therefore the thrust of this research that mining companies in Zimbabwe should consider CSR not merely as a social obligation to the community but as an investment that can add value to company success.

The researcher used Metallon Gold Mining (Mazowe) as a case study and the background of this study is provided in the sections below.

1.2 BACKGROUND TO THE STUDY

1.2.1 An Overview of Zimbabwe’s Mineral Resources

Zimbabwe is endowed with vast mineral resources which include gold, platinum, chromite, nickel, coal, diamonds, iron ore, copper and coal bed methane among others. Minerals such as diamonds, platinum, iron ore and coal bed methane are amongst the world’s largest well known resources in the world (RBZ, 2009).

The country has got a heterogeneous geology believed to have a similar terrain which has yielded significant resources in Australia and Canada. Zimbabwe's terrain is underlain by a core Archea Basement called the Zimbabwe Craton which consists of granitoids, gneisses and schists with green stone belts remnants. The Zimbabwe craton is bordered by the Zambezi Magondi Supergroup (copper), Mozambique, Limpompo (gold and base minerals) belts to the north, northwest, east and south respectively. The Great Dyke (platinum group of minerals) intrudes into the craton to the north east. The
Karoo Supergroup (coal) overlay the craton in the north, northwest and east of the country (Chamber of mines, 2013).

The estimated quantities of some of the mineral resources in Zimbabwe are as follows; gold 13 million tonnes, platinum 2.8 billion tonnes, chromite 930 million tonnes, nickel 4.5 million tonnes, coal 26 million tonnes, diamonds 16.5 million tonnes, iron ore 30 billion tonnes and copper 5.2 million tonnes (RBZ, 2009).

1.2.2 Minerals Legislation in Zimbabwe

The Mines and Minerals Act (Chapter 21:05) is the principal law governing mining in Zimbabwe and it has been in force since 1965. The Act is administered by the MMMD. It provides security of tenure and has clear provisions for acquisition, maintenance and relinquishing of mining title. The mining operations in Zimbabwe is governed by thirty one (31) pieces of legislation and among some of the most important ones include; Indigenisation and Economic Empowerment Act (Chapter 14:33), Companies Act (Chapter 24:03), Gold Trade Act (Chapter 21:03), Precious Stones (Chapter 20:27), MMCZ (Chapter 21:04) and Mining (management and safety) Regulations SI 109 of 1990 (Chamber of Mines, 2012).

1.2.3 Zimbabwe’s Mining Sector’s Contribution to the Economy

The country’s mining sector is now dominating in exports. As of March 2013, minerals accounted for 68.8% of the US$689 million export earnings (Ministry of Finance, 2013). The mining sector contributed 25.8% to GDP in 2011 and provides 45000 jobs in primary activities as well as 15000 jobs in downstream related industries (Chamber of Mines, 2011).

1.2.4 CSR and the Mining Sector in the Globe

Private companies over the past two decades made increasing efforts at the global level to promote CSR in the environmental, labor and human rights realms. The efforts by the private sector together with governments and NGOs at the global level made a high
degree of importance in pushing for the promotion of CSR the world over (Dashwood, 2012).

Mining companies have been struggling for the past two decades to build and improve on the reputation that has been damaged by the environmental devastations and social disruptions caused by their operations. The world over, mining companies has left a legacy of pollution and environmental degradation (Miranda et al., 2003; Diamond, 2005). This bad reputation of mining companies has been further worsened by the world’s attention brought by the media and NGOs with regard to social dislocations associated with mining (Dashwood, 2012).

The environmental damages caused by mining operations are severe and long lasting as it negatively impacts on sustainable development. Therefore, in consideration of the foregoing, a focus on the mining sector represents a “hard” case for theorizing on CSR. The early 1990s saw mining companies across the globe treating environmental impacts as an externality and lacked a sense of responsibility towards the communities of operations. However by the end of the 1990s, most mining companies across the globe were now taking responsibilities of their environmental and social responsibilities with some even taking a leading role in promoting global CSR norms relevant to the mining sector (Dashwood, 2012).

According to the European Commission, (2013) the following ten instruments have influenced and made a coherent global framework on CSR:

- Sustainability Reporting Guidelines, Global Reporting Initiative (2000)
- ISO26000, Guidance on Social Responsibility (2010)
• International Labour Organization Tripartite Declaration of Principles concerning Multinational Enterprises on Social Policy

Large MNCs have been a dominating force in the area of CSR but due to globalization more companies of different sizes from a variety of sectors have also shown great interest in social responsible practices. This has come after a realization by most companies that being socially responsible improves organizational productivity and profitability (Porter & Kramer, 2011).

1.2.5 CSR and the Mining Sector in the Region: South Africa

CSR practices have been adopted by most companies in South Africa to address the social and economic inequalities generated due to Apartheid. The BEE Act was enacted to address social and economic inequalities of the apartheid era. The publication of the King 3 report further developed the concept of CSR in South Africa. This report is not necessarily law as such but gives highlights to companies on the need to engage in CSR and balance the interests of all stakeholders of the company (Dekker & Esser, 2008). The King 3 report in particular constitutes the general guidelines on how companies can be socially responsible entities in contributing to sustainable development in South Africa (King 3, 2009).

1.2.6 CSR and the Mining Sector in Zimbabwe

CSR has received much attention in Zimbabwe since the publication of a paper by Francis Maphosa of the University of Zimbabwe in 1997 on CSR. In the paper he made a conclusion that in the absence of a legal framework mandating social responsibility, companies in Zimbabwe continue to lightly consider social issues in their strategies, policies and information systems. Since the publication of this paper, there has been a growing interest in CSR by mining companies in Zimbabwe due to global and regional pressures (Zimbabwe Chamber of Mines, 2010).
Zimbabwe’s mining sector and indeed CSR are at a turning point in the business history of the country. The enactment of the Indigenization and Economic Empowerment Act has drawn much public attention to the operations of mining companies. A requirement that some share of the required Zimbabwean ownership of mining companies (under the Indigenization Act) could be accounted for by CSR activities has put corporate social responsibility even higher on the national agenda than the attention now normally expected globally of CSR. Under the new Indigenization Law there is a provision for the establishment of EOSTs and CSOTs. Employees were being highly marginalized in CSR and this new Law ushers in a new beginning in the lives of employees across all sectors of the country (Masenyama, 2013).

The Zimbabwe Chamber of Mines led a dialogue with the government on how the possibility of a credit for CSR in the mining sector might be defined and addressed. The initiative by the Chamber of Mines is consistent with an established interest in CSR across all sectors in Zimbabwe (Zimbabwe Chamber of Mines, 2010).

The country is currently in the process of coming up with a CGCode through an alliance of the Zimbabwean Leadership Forum, Institute of Directors and Standards Association of Zimbabwe. The code is not yet published but it will contain best practice principles, including in relation to investor capital. The concept of CSR has been developing in Zimbabwe since the early 1990s. In addition to activities generated in connection with government’s 1994 EIA Policy, a series of business initiatives have been done in connection to CSR and these include (Zimbabwe Chamber of Mines, 2010):

• 1992 – establishment of the Environmental Forum of Zimbabwe by companies concerned with environmental issues

• 2003 – creation of the Zimbabwe Business Forum Against HIV/AIDS, which promoted workplace programs

• 2004 – the Confederation of Zimbabwe Business produced a Business Ethics Charter

1.2.7 Background of Metallon Gold Mining Zimbabwe

In Zimbabwe, Metallon Gold Mining is known as the largest gold producer on the local gold mining industry producing almost 50% of the total national gold output. The company is valued at US$320 million and employs almost 3600 workers at its five mines which include Arcturus, Shamva, How, Redwing and Mazowe mines.

Arcturus, Shamva and Mazowe mine are located 22, 90 and 30 kilometers from Harare respectively. How mine is located 39 kilometers south east of the city of Bulawayo whilst Redwing on the other hand is located in Penhalonga, 265 kilometers from Harare (Todhlana, 2010).

1.2.8 CSR practices at Metallon Gold Mining Zimbabwe

The company is regarded as a socially responsible corporate citizen that believes in sustainable mining in its areas of operations. This has seen the company engaging its community in corporate social responsibility programmes which include building of clinics, schools and assisted in various programmes of national development. Metallon Gold also seeks to follow best practices in Safety, Health and Environment management systems across its five mines. EIA are also considered as integral to the development of new projects in the mines and this has been shown by providing reports of its EIAs to relevant authorities in compliance with the law. The company further recognizes the impact of HIV & AIDS on its workforce and surrounding communities. The company has therefore implemented various education programmes on HIV & AIDS to bring awareness of the killer disease to the attention of the workforce and the community (Todhlana, 2010).

1.3 RESEARCH PROBLEM

Zimbabwe is endowed with vast mineral resources but its general populace is amongst the most poorest in the world as mining companies extract and export the minerals for
the benefit of their shareholders who in most cases are foreigners (Regional Centre for Social Responsibility, 2012).

The contribution of the mining sector to the social development has been minimal. The communities have been complaining about environment degradation, pollution and slowed community developments. The government of Zimbabwe after realizing that most mining companies are exploiting resources without giving back to the communities of operations, enacted legislation to the effect that mining companies establish ESOTs and CSOTs as part of their CSR programmes through the Indigenization and Economic Empowerment Act. This development was received with mixed feelings amongst mining companies in Zimbabwe, with some perceiving it as a threat to their operations and investments. However, a total of 173 mining companies have complied with the law and 400 ESOTs have been established as of March 2013 (Ministry of Indigenization, 2013). The major reason why there has been such a resistance is that most mining companies do not see the rationale of them making these commitments as part of their CSR packages.

Employees are the first most important stakeholder of any organization and their needs come first before that of other stakeholders and their importance to the success of any organization cannot be underestimated. There has been an overemphasis by companies on only considering the cost side of CSR but not looking at the positive side of it, that it can be used as an investment in advancing the organization to success.

Previous studies on CSR in Zimbabwe concentrated on the exploration of donations made by mining companies to the community. These studies reveal that some mining companies have been involved in road construction, building schools, helping the needy, building hospitals, drilling boreholes in the communities of their operations. However, although a lot has been done for the communities by mining companies in Zimbabwe, the researcher is of the view that very little has been done with regard to engaging employees in CSR. Most mining companies in Zimbabwe have been worried about keeping a good reputation with the external community not paying much attention to the internal community which is constituted by their employees. Employees have been neglected in CSR for a long time by their very own employers until the recent
enactment of the Indigenization Act that compels mining companies to reserve 5% equity for the establishment of ESOTs.

The focus of this research is therefore to contribute to the body of knowledge of CSR through exploring how CSR can be leveraged by mining companies in Zimbabwe to influence employee engagement.

1.4 RESEARCH OBJECTIVES

The main objective of this study is to explore the effects of leveraging CSR on employee engagement by mining companies in Zimbabwe. The specific objectives of the study are to:

1. Analyze CSR programmes that Metallon undertakes in the communities of operations.
2. Evaluate employee engagement within Metallon as a result of CSR.
3. Establish organizational reputation of Metallon as a result of CSR.
4. Provide recommendations in view of the research findings.

1.5 RESEARCH QUESTIONS

This study aims at providing solutions to the following research questions:

a) What are the CSR programmes being undertaken by Metallon in the communities of operations?
b) How have CSR practices of Metallon influenced employees’ engagement?
c) How do the employees of Metallon view the reputation of their company?
d) What recommendations can be provided to Metallon from the research findings?

1.6 RESEARCH HYPOTHESIS

H₁: CSR influences employee engagement in the mining industry.
1.7 JUSTIFICATION OF THE STUDY

Firstly, the study will give insight to mining companies in Zimbabwe that CSR can be leveraged to productively engage employees.

Secondly, the study is hoped to assist mining companies and the government in crafting CSR policies that seeks to address the social needs of employees in the mining sector.

Thirdly, the research findings of this study will contribute to the CSR body of knowledge regarding the role played by employees as an important stakeholder in mining companies in Zimbabwe.

Lastly, this study is a partial fulfillment for the award of the Master of Business Administration Degree by the Graduate School of Management, University of Zimbabwe.

1.8 SCOPE OF RESEARCH

The study explores how Metallon Gold Mine Zimbabwe leveraged its CSR to productively engage its employees over the period 2002 to 2012 at its Mazowe Gold Mine in Mashonaland Central Province, located 30kms from Harare. The data was collected from 100 respondents at Mazowe Gold Mine over a period of six months.

1.9 LIMITATIONS TO THE STUDY

This study only focused on Metallon Gold Mining located in Mazowe, Mashonaland Central Province, whilst there are a number of mining companies in the country extracting different minerals in different geographical locations. The study also used only quantitative method of data collection which would have led to omission of some critical data that would have otherwise been collected through the use of qualitative data collection methods.
1.10 DISSERTATION OUTLINE

The rest of the Chapters are organized as follows:

Chapter Two- This chapter provides the literature review which is relevant for Chapter Four of this research.

Chapter Three- This chapter provides the research methodology adopted in conducting this research.

Chapter Four- This chapter provides the analysis and discussions of the research findings.

Chapter Five- This chapter provides the conclusions and recommendations of the study.

1.11 CHAPTER SUMMARY

The Chapter focused on the background of concept of CSR in the mining sector around the globe, region and Zimbabwe, background of MetallonGold Mining Zimbabwe, research problem, research objectives and questions, research hypothesis, scope of the research and justification of the research study.
CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter reviews literature on the leveraging of CSR by mining companies to productively engage employees. The chapter will start by outlining the definition of CSR and discuss major concepts on CSR programmes that mining companies can undertake in the communities of operations and employee engagement as a result of CSR. These concepts are in line with the research objectives stated in Chapter One. The literature review provided a framework within which the findings of the study were discussed. The Chapter concludes with a Chapter summary.

2.2 DEFINING CSR

2.2.1. Enlightened Shareholder Model

The enlightened shareholder model asserts that companies should pursue shareholder wealth with a long-run orientation that seeks sustainable growth of the entity and profits based on responsible attention to the full range of relevant stakeholder interests (Millon, 2010; King 3, 2009). The enlightened shareholder model is a capitalistic approach to the view of business in relation to its stakeholders. The publication of a book, The Wealth of Nations by Adam Smith in 1776 is widely regarded as the landmark of modern capitalism (Smith, 1991). The proposition by Adam Smith was that business in pursuing profits and efficiency, provides for its common good and that of the society through provision of goods and services consumed by the society (Lantos, 2001). Neoclassical economists like Milton Friedman argued that the ultimate goal of a business is to make as much profits as possible for the benefit of its shareholders as long as it is done in an ethical way and in obedience to the law. Therefore the shareholder model regards CSR as a disservice to the shareholders as it decreases shareholders’ wealth (Friedman, 1970; Lantos, 2001; Moir, 2001).
2.2.2 Stakeholder Inclusive Model

The stakeholder inclusive model asserts that an organization should take into consideration the legitimate interests of all stakeholders in a manner that benefit the long term sustainability of the entity (King 3, 2009). The model proposes that business and society (stakeholders) has got a strong relationship (Moir, 2001). The society’s expectations of business dramatically changed in the 1950s and 1960s as business was viewed to have increased duties towards identified constituencies in society (the stakeholders) (Carroll, 1999; Lantos, 2001). The stakeholder inclusive model view CSR as having positive long term economic benefits to all its stakeholders (Post et al., 2002; Margolis & Walsh, 2003; McAdam & Leonard, 2003).

The two models as outlined above agrees that the combination of a long-run, sustainable conception of value coupled with acknowledgement of the importance of stakeholder considerations for achievement of that goal resonates with notions of CSR (Millon, 2010). However, the way in which stakeholder interests are being treated in the models is very different. The enlightened shareholder model only places instrumental value on the legitimate interests and expectations of stakeholders in the best interests of shareholders whereas the stakeholder inclusive approach considers stakeholders’ legitimate interests and expectations on a case by case basis for the best interest of the company (King 3, 2009).

The researcher adopted the stakeholder inclusive approach in defining CSR for the purposes of conducting this research. The model as discussed above recognises that companies should consider the legitimate expectations of its stakeholders for the best interest of the entity not for shareholders only as asserted by the enlightened shareholder model.

2.2.3 CSR Definitions

Carroll, (1991) defined CSR as economic, legal, ethical and philanthropic responsibilities of business to society. Enderle & Tavis, (1998) viewed CSR as the policy
and practice of a corporation’s social involvement over and beyond its legal obligations for the benefit of the society at large. McWilliams & Siegel, (2001) posited CSR as a situation where a company goes beyond its legal compliance and engages in social causes which are beyond its interests. Hill et al., (2003) proposed that CSR is the obligation of a company to use its resources in ways that benefit society by improving society welfare as one of its members. Lepoute & Haine, (2006) argued that CSR is when a company treats its business partners fairly, cares about employees’ well-being, motivates employees and behaves like a good citizen through respecting natural resources in the local community.

2.2.4 Core Characteristics of CSR

Kakabadse, Rozuel & Lee-Davies, (2005) identified the core characteristics of CSR as accountability to stakeholders, social contract, long term, beyond the law, philanthropy and contextual in practice. Accountability to stakeholders involves the fulfilment by business of legal and moral claims of its various stakeholders. Social contract is regarded as a licence of business to operate free of moral restraints in society. Long term perspective views CSR as a long term economic gain and a valuable asset for future profitability that may not be immediately financially measured. Companies should not merely be regarded as abiding by laws but going beyond the narrow economic, technical, and legal requirements of the firm. Philanthropy is whereby a firm gives back to the society some of its generated wealth as a thanksgiving for society’s inputs. Lastly, CSR cannot be regarded as a static concept but as one that changes according to the developments in the environment.

2.3 CSR IN THE BRICS: THE CASE OF INDIA

BRICS is an acronym that refers to the economies of Brazil, Russia, India, China and South Africa which are considered as the most developing economies in the world. The five economies of the BRICS is speculated to be wealthier than the most current major economic powers by 2050. In March 2012 before South Africa joined the group, the
BRIC controlled 18% of the world’s GDP and were home to 40% of the world’s population (Rosenberg, 2013).

The world over, companies are under increasing pressure to demonstrate that they are responsible citizens. About 70 percent of large companies in Europe and the Americas are reporting on their corporate social responsibility (CSR) initiatives. Despite this development of CSR across the globe, the concept still remains a controversial topic from different sectors and one point of controversy being whether companies should be legally required to report on their CSR activities. Some countries have already taken steps towards mandatory CSR reporting requirements and these include Sweden, Norway, the Netherlands, Denmark, France, and Australia. As a new development in the BRICS the Indian government has seriously considered making CSR activities mandatory (Karnani, 2013).

The Indian government is in the process of drafting a law that will make CSR mandatory for all companies registered under the Indian laws. The pending legislation will create a new turn around in the development of CSR in India and will affect companies operating in the country. In the new proposed law, all companies operating in India will be required to allocate at least 2 percent on CSR programmes from their net profits. This is meant to ensure that companies increase their spending on CSR activities, and a company that would have failed to comply with this regulation would be expected to make a report at its AGM explaining why it has failed to do so (Meyer, 2013).

The Indian parliament has already approved the new Companies Act which contains some provisions relating to CSR, thus replacing the old Companies Act of 1956. A prominent provision in the new Act on CSR, stipulates that every company operating in India with a net worth of $91 million or a yearly turnover of $182 million, is required to establish a CSR Committee to spearhead the company’s CSR activities as outlined in the new Companies Act (Meyer, 2013).
Although India has experienced rapid economic growth, the benefits of economic growth have not been fairly distributed to the lower levels of the society at large. The newly proposed law is a welcome move towards addressing social and economic imbalances although some critics fear that it might scare away potential investors as it may put India at a competitive disadvantage on the global market place (Karnani, 2013).

2.4 DRIVING FORCES OF CSR

According to Mirvins&Googins, (2006) CSR driving forces can be divided into internal and external drivers. Internal driving forces include firm traditions and values, corporate reputation and strategic competitive advantage. On the other hand external driving forces of CSR include customers, community expectations, government laws and political pressure.

2.4.1 Internal CSR Driving Forces

2.4.1.1 Corporate Reputation

Companies always strive to create a good name in the community so that they are accepted as part of the society. Creating good relationships is critical for the firm’s survival as different stakeholders have diverse interests in the operations of the company. Most suppliers for instance prefer to deal with companies that are socially responsible as they feel proud to be associated with such a company of good repute. Employees on the other hand feel proud to work for a company that is recognized in society as socially responsible. A good corporate reputation helps a company build a strong brand and win trust from its various stakeholders (Korkchi&Rombaut, 2006)

2.4.1.2 Firm Traditions and Values

Every firm has got its own founding principles, traditions and values. Such values as responsibility, humanity and citizenship are some of the motives that firms end up engaging in CSR practices. The values are binding forces amongst the different stakeholders of the company and justifies the firm’s existence. Values build the
operations of a company that encourages cooperation, inspires commitment and
innovation as well as boosting self confidence amongst the firm’s stakeholders
(Korkchi&Rombaut, 2006).

2.4.1.3 Strategic Competitive Advantage

An organization engaged in CSR is more likely to get better business opportunities than
its competitors because of its constant interaction with its stakeholders. This gives an
organization a cutting edge over its competitors as it would have positioned itself in a
strategic position although CSR benefits are not short term but long term in nature
(Korkchi&Rombaut, 2006).

2.4.2 External CSR Driving Forces

2.4.2.1 The General Community and NGOs

Most companies have come under intense public scrutiny in the role they play in society
and the manner they operate. Companies are expected by community to behave in a
socially responsible manner. This can be traced back to the rise of MNCs the world over
in which communities had fears of those big companies evading local legal systems and
put their interests first( Broadbent,2002).NGOs on the other hand have become
champions of human rights the world over and their interest in environmental issues
have increased. Most mining companies have been under scrutiny by NGOs in the
manner they extract mineral resources and this has forced most mining companies the
world over to engage in CSR practices (Mirvins& Googins,2006).

2.4.2.2 The Government

The government has responded to the concerns of the community with regard to how
companies operate in society by enacting legislation to protect the community and the
environment (Mirvins&Googins, 2006).Such efforts can be seen by the enactment of
CSR legislation in countries such as Sweden, Norway, the Netherlands, Denmark,
France, and Australia(Karnani,2013).
2.5 TYPES OF CSR

Carroll, (1991) indicated that CSR is in four types which are legal, ethical, and discretionary responsibilities. These four criteria together fit to form the whole company’s social responsibility and define the motive for involvement in CSR. Recent research has also revealed that organizations are moving from the classical model of CSR to a modern one which is more responsive to the turbulent business world hence firms now have global responsibilities in addition to what Carroll,(1991) proposed(Milovanovic, Barac&Andjelkovic 2009).

![Diagram of CSR types]

**Figure 1, Types of CSR**
Adapted from Carroll (1991) as cited by Cahyandito, 2011

2.5.1 Global Responsibilities

Globalisation has seen most companies not only operating within their geographical boundaries but also beyond their borders. Competitive pressures have grown on the global market and companies make a self-introspection of themselves whether their goods and services are acceptable globally (Milovanovic,
Governments continue to interact and sign various treaties that relate to CSR and good business practices on the global market. According to the European Commission the following conventions relating to CSR have been ratified by most governments across the world:

- Sustainability Reporting Guidelines, Global Reporting Initiative (2000)
- IFC Performance Standards on Social and Environmental Sustainability (2006)
- ISO26000, Guidance on Social Responsibility (2010)
- International Labour Organization Tripartite Declaration of Principles concerning Multinational Enterprises on Social Policy

### 2.5.2 Legal Responsibilities

Governments in different countries across the world are increasingly playing a major role in establishing CSR policy frameworks to drive CSR. The world over it has generally been observed that the welfare state has failed and this has forced governments to tap into the resources of the private sector to address social and economic imbalances. The failure of existing voluntary systems the world over for organizations to engage in CSR has driven most governments to enact legislation that makes CSR mandatory (Kloppers, 2013). There are countries that have CSR mandatory through legislation and these include Sweden, Norway, the Netherlands, Denmark, France, and Australia (Karnani, 2013). CSR is now being considered by governments as a cost-effective means of enhancing sustainable development strategies to achieve national competitiveness and attract foreign direct investment (Kloppers, 2013). A
purely voluntary approach to CSR has failed and without any legislative intervention it cannot succeed (Maphosa, 1997; Kloppers 2013).

2.5.3 Ethical Responsibilities

The society expects that companies will operate in a just and fair way for it to justify its legitimate existence within a community (Milovanovic, Barac&Andjelkovic 2009). The need for a community social licence and ethical considerations to operate in mining is a driver to adopt CSR in mining. The term ‘license to operate’ refers to a firm’s ability to acquire the necessary legal, political and social permissions to conduct their business in a given region or community. Gunningham, (2007) explains the license to operate as both a literal and figurative term, that is, it simultaneously describes the ability of a corporation to obtain legal licenses and the ability for that corporation to obtain a ‘social license’ whereby the majority of the citizenry acknowledge the legitimacy of that business’s operations. While often overlooked in the CSR literature, the ability of firms to obtain a social and legal license to operate has emerged as a significant driver of responsible business initiatives, particularly in the developed world (Porter & Kramer, 2006). The difficulty in obtaining and retaining a license to operate motivates high levels of CSR performance and the desire to keep ‘good terms’ with the community (Yakovleva, 2005; Gunningham, 2007).

2.5.4 Philanthropic Responsibilities

These are voluntary responsibilities that companies undertake to get a good reputation with the society and be regarded as good citizens. Many corporations undertake CSR activities in order to protect their reputation and the good name of the corporation and its associates. Reputation management is an important issue for mining companies in the world. Philanthropy is whereby a firm gives back to the society some of its generated wealth as a thanksgiving for society’s inputs (Kakabadse, Rozuel& Lee-Davies, 2005). This arises from the fact that few activities are undertaken explicitly to improve a company’s reputation, and improved reputation is usually one of the several benefits resulting from any given corporate responsibility management activity. CSR
activities have been used to enhance the reputation of mining companies across the world (Milovanovic, Barac&Andjelkovic, 2009).

2.6 BENEFITS OF CSR

Organizations should not view CSR as a cost but an investment that yields benefits in the long run. Benefits that can be brought about by engaging in CSR include enhanced company reputation, increased sales revenue, reducing business risk, attracting and retaining a more productive workforce, increasing rival costs, improving internal resources and skills (Gardeberg&Fombrun, 2006).

2.6.1 Enhanced company reputation

Organizational reputation ranks as the most important benefit of CSR from a practical point of view (Fombrun&Shanley, 1990). Employees, customers, suppliers and financiers normally would like to deal with a company that has got a good reputation than a company with a bad or poor reputation (Shuler & Cording, 2006). Reputational effects are not only external but internal as well. This is shown by employees’ commitment to their organization because of a good reputation (Davies, 1973; McGuire et al., 1988).

2.6.2 Increased sales revenue

In the long run, companies that have invested in CSR enjoy increased sales revenue as they can charge premium prices for their products due to enhanced reputation (Auger, 2003). Customers would want to be associated with companies that are socially responsible and can be willing to pay higher prices for the firm’s goods and services (Miller, 1997). The increased sales revenue can be both from increased premiums customers are willing to pay or a large customer base generated through a good company reputation (Auger, 2003).
2.6.3 Reducing business risk

CSR can reduce business risk by allowing firms to anticipate environmental changes well in advance through constantly interacting with the outside world (King, 1995). This reduced business risk can also bring about financial benefits to the firm (Orlitzky & Benjamin, 2001). Business risk is reduced as the firm constantly balances the needs of the multitude of its stakeholders thus addressing their concerns proactively and interactively, reducing the risk of falling into unnecessary legal costs (Waddock, 2002).

2.6.4 Attracting a more productive workforce

CSR can be used as a measure that a firm upholds ethical values and it is socially responsible thus attracting better employees (Blackhaus, 2002; Greening, 2000). A large pool of prospective employees gives a competitive advantage to a firm that practices CSR over its competitors that do not practice CSR (Orlitzky, 2007).

2.6.5 Increasing rival costs

CSR can be used as a political strategy by a company to increase rival’s costs by heavily investing in CSR practices (McWilliams et al., 2002). Investment in health and safety, environmental friendly equipment and community development projects can raise the costs of potential rivals. Firms with a strong strategic inclination can turn CSR practices into company assets that are valuable, rare, imitable and non-substitutable to give the firm a competitive advantage.

2.6.6 Improving internal efficiency

Higher CSR investment can translate to improved utilization of organizational skills and resources (Holliday et al., 2002). Management get exposed to the external environment by engaging in CSR and it improves their understanding of the changes that may take place in the business world. It is critical that management are on top of the situation all the time with what is happening in the external business environment as this will assist them in making better informed decisions (Russo et al., 1997).
2.7 DRAWBACKS OF CSR DEVELOPMENT

2.7.1 Shareholder Expectations

A negative shareholder expectation is a serious challenge in CSR development. As argued by Friedman (1970), organizations are established to generate wealth only for their shareholders. However, the case has now changed as all the interests of all stakeholders have to be balanced in achieving the objectives of an enterprise. Some shareholders feel secure and happy to invest in companies that are socially responsible whilst others may not be comfortable as they fear that CSR is an expense that decreases shareholders’ wealth. Some companies around the globe have even dropped their commitments to CSR practices when they had faced financial problems, so as not to compromise on shareholders’ wealth. Once shareholders view CSR practices as not giving their company a competitive advantage, they will put pressure on management to pull out of the CSR programmes so as to safeguard their interests. Therefore, CSR is a bubble that will imminently burst as shareholders fear they might lose more if there is too much firm commitment to CSR practices (Corporate Watch Report, 2006).

2.7.2 High Costs

Some companies object to embrace CSR as it is associated with costs such as paying for more employee welfare, environmental and waste management programmes. CSR proponents argue that expenses incurred in implementing CSR practices are covered by generated strong relationships with key stakeholders. (Corporate Watch Report, 2006).

2.8 CSR AND EMPLOYEE ENGAGEMENT

CSR can be viewed as when a firm is engaged in corporate actions that address issues beyond its scope of narrow economic, technical and legal requirements (Aguilera et al., 2007; Carroll, 2008). Barnett, (2007) argued that CSR is a form of corporate investment that is characterized by a dual orientation of improving social welfare and stakeholder
relations. The focus on stakeholder relations explains why CSR impacts employees as a key stakeholder. First and foremost, employees are an agent of social change in an organization when they pressurize their organization to adopt socially responsible behavior (Aguilera et al., 2007). Secondly, the adoption of environmental policies by organizations demonstrates that employees' support is key in securing effective CSR programmes and policies (Ramus & Steger, 2000). Thirdly and lastly, employees evaluate, judge and react to their firm's CSR programmes and actions as a key stakeholder group (Rowley & Berman, 2000; Wood & Jones, 2006; Rupp et al., 2006). Therefore from a theoretical perspective, employees can be explained as a dependent variable that can be influenced by CSR (Maigan & Ferrell, 2001; Peterson, 2004).

Previous research had limited attention of employees as a unit of analysis in CSR literature (Swanson & Niehoff, 2001; Rupp et al., 2006; Aguilera et al., 2007). The focus previously on CSR research was on the relationships between leadership and corporate social behavior or socially responsible leadership (Waldman, Siegel & Javidan, 2006; Swanson, 2008; Waldman & Siegel, 2008). Few studies have therefore focused on CSR's impact on employee engagement.

Employee engagement is when employees have a positive emotional and intellectual attachment to organizational success through applying additional discretionary effort to work (Gibbons, 2006). Employee engagement is where employees are psychologically and physically present when occupying and performing an organizational role (Kular, 2008). Kular, (2008) defined employee engagement as the commitment of employees to the organization and its values and the ability to contribute discretionary effort to organizational success. Although the concept is relatively new, high performing companies in the world acknowledge that employee engagement leads to achieving corporate goals and competitive advantage over competitors (Gallup, 2011). Firstly, employees are the most important stakeholder in any organization as they understand the organization’s vision, mission and values. Secondly, employees help the
organization win the war for talent in attracting and retaining the best skills on the job market (Bhattacharya, Sen & Korschun, 2008).

Several studies have shown a positive correlation between CSR and employee engagement (Brammer, Millington & Rayton, 2007) and yet there is a daunting employee engagement gap in business around the globe (Mirvis, 2012). Mirvis, (2012) argued that according to a 2007 Towers Perrin survey of 90,000 employees conducted in 18 countries across the globe, it was found that only 21% reported being fully engaged on the job, 41% simply enrolled, 30% disenchanted and 8% disconnected.

There are three different ways that companies may use to engage their employees through CSR and these are transactional, relational and developmental approaches. Transactional approach is where a company undertakes programs to meet the needs of employees who want to take part in the CSR efforts of the company. Relational approach is based on a psychological contract that emphasizes social responsibility. Developmental approach aims to activate social responsibility in a company and to develop its employees to be responsible corporate citizens (Mirvis, 2012).

2.8.1 Transactional Approach Model

This approach is more of human resources management in an organization (Mirvis, 2012) as a company undertakes programmes that seek to meet the needs of its employees who want to be part of its CSR efforts. Companies should view employees as their internal consumers and thus engage in internal marketing to recruit and retain the best talent. Just as a company design very good product packages for their customers, the same can be done for employees by coming up with attractive “job products” whose features include salary, benefits packages and job responsibilities to meet the diverse needs of employees. If designed properly the job products would lead to job satisfaction, employee retention and productivity (Bhattacharya, Sen & Korschun 2008). This will give a very good fit between the employee and employer’s interests. CSR can humanize the company in ways that other facets of the job cannot, and a
salary may keep a person on the job physically, but the salary alone will not keep a person on the job emotionally (Sims & Kroeck 1994).

The major weakness of this model is that it targets individual employees that are willing to partner the company in its CSR efforts. This model turns a company’s CSR into fragmented initiatives without a sense of how they hang together and what a firm is trying to accomplish in overall. Thus the CSR efforts of a company is reduced to mere public relations campaigns rather than service (Bhattacharya, Sen & Korschun, 2008).

2.8.2 Relational Approach Model

This approach is a shift from the “me” (individual employee) advocated by the transactional model to “we” (collective employee community) approach in a company’s CSR initiatives. Under this model the company instills a culture of social responsibility for itself and its employees (Mirvis, 2012). Thus this will make the employees to have a shared vision, mission and values with their company in CSR programmes (Mirvis, Googins & Kinnicutt, 2010).

The major strength of this model is that it provides an integrated platform of CSR initiatives and programs through which to engage employees and embed social responsibility into the company culture (Kanter, 2009). The major weakness of the relational model is that not all companies practice what they preach. Companies can also become so complacent with their CSR culture to the extent that they cannot take note of the environmental changes (Mirvis, 2000).

2.8.3 Developmental Approach Model

The developmental approach to CSR enlarges the scope of engagement from the “me” to “we” to “all of us” as it involves engaging the company, its employees and all other stakeholders. This is a form of transformative engagement as it hinges on employee development. The thrust of this model is that it moves the CSR of a company firmly into the commercial space and gets employees interacting with stakeholders to enhance its impact on the business and society (Mirvis, 2012). The downside of the developmental
approach is that the ownership of CSR agenda is blurred as to who will drive the CSR initiatives.

However, a key question to companies is; which employee engagement model to adopt that best fits its strategic intent and yields the most cost beneficial return? It is generally agreed that employees engaged through CSR can produce social and business value. Therefore it makes good business sense firstly to accept that CSR is a long term investment and ensure that the company conforms to CSR standards by considering human resources issues as CSR issues. The human resources issues that can be CSR issues include job stress, work hours, rates of pay, health care, pension benefits and even job satisfaction (Pfeffer, 2011).

The transactional model is suitable for a company that has got a diversified culture and not competing on the basis of social and environmental performance. A company taking this approach to CSR should be wary of new competitors in the industry that offer more appealing employee CSR packages (Mirvis, 2012). The relational model on the other hand is more suitable for companies in industries where CSR-seeking employees are on demand, labour markets where “war for talent” is very high and employee loyalty is a source of competitive advantage (Linnenluecke& Griffiths, 2010). The developmental model is relevant to industries where human capital is highly mobile and innovation in CSR is rapid (Mirvis, 2012).

The benefits of employee engagement include among others a high level of commitment, greater morale, and dedication to excellence in work tasks thus employees contribute to the achievement of company’s goals (Bhattacharya, Sen & Korschun, 2008).
2.9 MECHANISMS OF CSR INFLUENCE ON EMPLOYEE ENGAGEMENT

2.9.1 Organisational Identification

CSR conveys a corporate image that can directly contribute to employees’ identification with the organization (Riordan et al., 2007). Organisational identification is the degree to which employees view their organization as sharing the same attributes with them (Pratt, 1998), therefore there should be an overlap of organizational and individual attributes.

Social theory explains that people identifies themselves with organisations they perceive to be highly prestigious and attractive as well as those that enhances member’s self-esteem (Pratt, 1998).

According to the social theory, firstly employees care about CSR practices of an organization because they reveal the character of an organization as a distinctive corporate activity (Bhattacharya & Sen, 2001). Therefore, employees would like to identify themselves with socially responsible firms especially where there is an overlap of firm and individual values. Secondly a good corporate reputation is normally attributable to socially responsible organisations (Fombrun & Shanley, 1990), thus employees feel proud to work for organisations that have a positive contribution to society (Turban & Greening, 1997; Brown & Dacin, 1997).

2.9.2 Social Exchange

Employees’ reaction to CSR triggers reciprocity of actions. Employees would reciprocate the positive treatment they receive from their organisations in terms of CSR (Zellars & Tepper, 2007). Conversely, studies have also shown that employees who are underpaid tend not to feel obliged to their organization and abuse company property so as to counteract the perceived injustices of their organization (Greenberg, 2002).
There are three distinguished forms of social exchange which are negotiated, reciprocal and generalized social exchanges (Molm & Cook, 1995; Flynn, 2005; Lawler, 2001). Negotiated exchanges involve two parties and the terms of exchange are discussed openly resulting in mutual benefits that are often immediate (Flynn, 2005). Reciprocal exchange is where the rate of exchange is established over time and two parties are involved in unilateral acts of giving (Molm, Collet & Schaefer, 2007). Generalised exchange on the other hand involves an indirect and impersonal form of social exchange involving three or more parties where the exchange stipulates a kind deed though not necessarily to the original recipient or giver (Bearman, 1997). Therefore these three forms of social exchange affect how CSR impact on employees engagement.

2.9.3 Organisational Trust

Kreitner & Kinicki, (1998) defined trust as reciprocal faith in one’s intentions and behaviours. Organisational identification leads employees to feel part of the organisation and this enhances their propensity to trust the organization. Organisational trust gives an opportunity for members to easily communicate with each other the value they attach to their organization (Kramer, 2001). Stronger trust is produced where there is reciprocal than negotiated exchanges. On the other hand, generalized exchanges encourage trust as it is associated with solidarity and belief that other partners will adhere to a collective norm of cooperation (Lawler, 2001).

Organisational trust in employees tends to lead employees to produce high quality products cost effectively. Employees tend to be highly motivated, enjoy their work, innovative, risk taking, understands the vision, mission and values; as well as display organizational citizenship behavior (Colquitt, Scott & Lepine, 2007).

2.9.4 Organisational Commitment and Satisfaction

Organisational identification leads to employee commitment and job satisfaction (Rikketta, 2005). Employee commitment and job satisfaction is stronger when relations revolves around reciprocal rather than negotiated exchanges (Molm et al.,
According to Scholl & Schmidt, (2012) there are three types of commitment which are identification with the organization, long term membership and high levels of extra role behavior. Organisational identification refers to an employees’ identification and pride with the organisation’s vision, mission and goals. Long term relationship is often termed loyalty with the organization and this is the intention by an employee to remain with the organization. On the other hand, a high level of extra role behaviour is citizenship behavior that is going beyond required behavior. These three types of organisational commitment relates positively to job satisfaction (Rikketta, 2005).

2.9.5 Organisational Citizenship Behaviour

Organisational citizenship behavior refers to anything that employees voluntarily do outside their specified contractual obligations. This involves employees going an extra mile or beyond their normal duties to help others in areas they are familiar with for instance assisting a new employee to settle in their office, helping a workmate struggling to meet deadlines or even volunteering to change shifts or organize office-wide functions (Zhang, 2011). OCB therefore contributes positively to the general performance of the organization due to its voluntary nature (Organ et al., 2006). Podsakoff et al., (2009) argued that OCB is related to increased productivity, efficiency and reduced costs within an organization.

2.10 Conceptual Framework

The researcher adopted the Integrative Model of CSR influence on Employees (Figure 2 below) as proposed by (Gond et al., 2010). The model will give an overview of how mining companies in Zimbabwe can leverage CSR for employee engagement. The figure below (Figure 2) maps the levels of influence of CSR actions (macro) on employees perceptions of CSR (micro), and explains how individual perceptions may influence organizational identification and social exchange, subsequently employees attitudes and behavior (micro) related to dimensions of employee engagement (macro).
Figure 2, The Integrative Model of CSR Influence on Employees

Adapted from: Gond, Elkreimi, Igalens & Swaen, 2010
2.10.1 CSR influence on Organisational Identification and Social Exchange

2.10.1.1 Employees’ CSR perceptions.

The way employees perceives and evaluates CSR actions influences their attitudes and behaviors (Barnett, 2007; Bhattacharya & Sen, 2004). The perceptions are a key variable in mediating the influence of CSR actions on employees (Rupp et al., 2006; Schuler & Cording, 2006). Employees perceptions can be modeled along the four CSR responsibilities of a firm as proposed by Carroll (1991) which are economic, legal, ethical and discretionary responsibilities (Maigan & Ferrell, 2001; Peterson, 2004).

2.10.1.2 CSR Perceptions Antecedents.

Employees’ socially responsible attitudes and behaviors are affected by a lot of intervening factors such as; awareness about CSR, individual employee’s CSR beliefs and the fit between organization and employees’ values. CSR is likely to influences employees perceptions and attitudes only if they are aware of such actions (Battacharya & Sen, 2004; Schuler & Coding 2006). Employees have different beliefs on why a firm should adopt CSR and these beliefs influence their CSR perceptions differently. An employee who favours CSR will support the firm’s CSR actions more than an employee who is not in favour of CSR (Tetlock, 2000).

2.10.1.3 Direct CSR Perceptions Impacts.

Identification impacts employees in social areas such as organisation’s prestige and external image, and employees self-esteem (Riordan et al., 1997). As CSR is an important component of corporate image and reputation (Fombrun & Shanley, 1990), employees find it gratifying to be identified with firms that are socially responsible (Greening & Turban, 2000). Therefore CSR enhances employees self-esteem by increasing their pride in their organization (Tyler & Blader, 2000). Identification is whereby there are shared organizational beliefs and values between the employees and their organization (Pratt, 1998). An increased fit between organizational and personal values is related to increased levels of commitment, job satisfaction and lower levels of employee turnover (Ambrose, 2008). CSR can as well enhance the social welfare of
employees, thereby introducing a social component in economic exchanges between firms and their employees (Barnett, 2007; Cropanzano & Mitchell, 2005).

2.10.1.4 Organizational Justice as a Mediator.

Justice is used by employees to determine their relationship with their organization (Tervino & Weaver, 2001). A firm that is dedicated to CSR creates a friendly and ethical working environment (Wimbush et al., 1997). Consequently, employees will feel that firm authorities treat them fairly especially when the CSR initiatives include employees’ issues such as improved working environment, fair wages and non-discrimination policies (Naumann & Bennet, 2000).

2.10.1.5 CSR Mediated Impact on Trust.

A firm that practices CSR is assumed to be trustworthy by its employees. Organizational identification refers to oneness of employees and their organizations. Trust between members occurs when there are explicit negotiations or binding agreements amongst partners to exploit opportunities (Molm & Cook, 1995).

2.10.1.6 CSR Mediated Impact on Commitment and Job Satisfaction.

Organisational identification serves as an important predictor of commitment and relates to positive job satisfaction (Riketta, 2005; Pratt, 1998). The extent at which employees identifies with their organization determines the strength of the commitment to the organization (Dutton et al., 1994).

2.10.1.7 CSR Mediated Impact on Organisational Citizen Behaviour.

Organisational values and beliefs are integrated with that of its employees when individual employees identifies with the organization (Dutton & Dukerik, 1991). Employees regard organizational success and failure as their own when organizational identification is high. They are likely to input extra efforts in reaching organizational goals and objectives. Therefore, organizational identification is positively related to organizational citizenship and behavior (Rikketta, 2005; Tyler & Blader 2000).
2.11 CHAPTER SUMMARY

The literature provided in this Chapter assisted in answering the problem of the study. Research objectives of the study were used to review literature and this assisted in the discussion of the research findings in Chapter Four.
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 INTRODUCTION

The chapter discusses the research methodology and sources of data used for this study. The chapter also provides the research design, data collection and analysis techniques, population and sample size that the researcher adopted in conducting the research to address the research problem identified in Chapter One. The Chapter lastly outlines how the collected data was analyzed and research results presented.

3.2 RESEARCH DESIGN

Research design is defined as the logical sequence that connects the empirical data to the study’s initial research questions and ultimately to its conclusions (Yin, 2003). It provides the framework for the collection and analysis of data collected through experimental, cross-sectional, longitudinal, case study or comparative research design (Bryman, 2004). Collins & Hussey, (2003) highlighted research design as a science or art of planning procedures for carrying out studies to get valid findings. Cooper & Schindler, (2011) on the hand regarded a research design as a plan and structure of investigation created to enable the researcher to get answers to the research questions. The research design guided the researcher in data collection, analysis and interpretation in order to draw inferences concerning causal relations among the variables under investigation (Yin, 2003).

Easterby-Smith, (2002) argued that there is a deductive and inductive approach to a research design. Deductive approach is whereby a theory is tested through the use of a specific research strategy (Collins & Hussey, 2004). According to Saunders et al., (2002); the deductive approach is more of a structured approach in which scientific
theories are developed through scientific laws. The inductive approach on the other hand involves the generation of a theory through data collected and analyzed by the researcher. This will lead into a model being designed from the study results generated through conducting data analysis; therefore there is less concern in making generalizations of the research.

The purpose of this research was to explore the effects of leveraging CSR to influence employee engagement in the mining industry in Zimbabwe, the case of Metallon Gold Mine (Mazowe). This explicitly suggested that the researcher extend the general CSR principles in exploring its influence on employee engagement. The researcher therefore in view of the foregoing adopted the inductive research design approach for the purposes of conducting this study.

Based on the inductive approach adopted by the researcher for this study, conclusions were drawn from the research findings obtained made from empirical data collected from the case study; Metallon Gold Mine (Mazowe). As the research sought to establish cause and effect relationship between CSR and employee engagement, a quantitative research methodology was most appropriate.

3.3 RESEARCH PHILOSOPHY

A research philosophy influences the manner in which the researcher intends to carry out the research or how the research is conducted (Crouch & Houdsen, 1996). Saunders et al., (2009) argued that there are four research philosophies which are realism, positivism, phenomenology and pragmatism. For the purposes of conducting this research, the researcher adopted the realism philosophy. Saunders et al., (2009) argued that realism research philosophy is appropriate for researches where data is collected and theories derived through observable phenomenon. Realists believe that the “truth is out there” and it is the job of the researcher to use objective methods to uncover this truth. In realism the researcher is detached from the research phenomenon and his involvement in the research is minimized by the objective methods he uses to
uncover the truth. The researcher in this adopted the realism philosophy as he sought to observe and analyse the cause and effect relationship of CSR’s influence on employee engagement amongst the respondents at Mazowe Mine. The researcher detached himself from the research environment to objectively conduct the research as realism involves accepting things as they are in their actual spirit and essence. However, there are a lot of problems in viewing the world as existing out there and adopting objective methods to measure it. The major drawback for this research philosophy is that the researcher cannot be said to be detached from the world he is observing as we are all part of the world we are researching. The researcher’s view of the world can therefore be biased due to his cultural and other experiences. A lot of parameters affect the outcomes of a research as these factors influence the research environment in one way or the other at different stages of the research.

3.4 RESEARCH STRATEGY

According to Punch, (2005) a research strategy is an outline of the manner in which the researcher has gathered data. According to Saunders et al., (2009) there are seven different research strategies which include survey, experiment, case study, action research, grounded theory, ethnography and archival research. A case study was adopted by the researcher to conduct this study. A case study is whereby the researcher seeks to generate a detailed analysis and understanding of a research phenomenon under study (Robson, 1993). According to Punch, (2005) in a case study the researcher has got defined boundaries within which to conduct the research.

The major advantage of case study is that it gives the researcher an in depth knowledge of the research interest. Researchers make use of case studies to produce a detailed description giving possible explanations and evaluations of the research phenomenon (Gall et al., 1996). According to Stake, (1995) the use of case study has got its weaknesses as well such as the results may be a poor reflection of the phenomena under study and also distortion of the results due to the intense involvement of the researcher in the study.
3.5 POPULATION AND SAMPLING TECHNIQUES

3.5.1 Population

The research population is a group of all elements that the researcher is interested in making inferences (Wegner, 1999). Saunders et al., (2009) argued that a population is composed of a set of all elements that from which a sample can be drawn. However in conducting a research, at times it is regarded as difficult to deal with the whole population. Saunders et al., (2003) argued that there are two categories of population that is target and study population. The target population is the actual population to which the researcher wishes to generalise research findings, but due to various reasons this target population is not readily available. The study population on the other hand is the population to which the researcher is able to generalise. The difference between the attributes of interest in the study population and the corresponding attributes in the target population is called the study error.

In this study the target population includes all employees in Zimbabwe’s mining industry and the study population was made up of 800 employees (staff and management) at Metallon Gold Mine (Mazowe).

3.5.2 Sampling Techniques

Leedy, (2008) argued that time, material and financial resources are limiting factors in conducting research using the entire population, and thus the use of a sample to make a research enquiry is most desirable. According to Saunders et al., (2000) a sample established through an appropriate sampling technique, refers to a fraction of the percentage from which a researcher is seeking information. Gofton & Ness, (1997) argued that a sample should be a representative of the entire population to minimize errors into making the research inquiry.

According to Wegner, (1999) there are probability and non-probability sampling methods that can be used to obtain a sample. Probability sampling is composed of
simple random, cluster, systematic and stratified sampling techniques. Non-probability sampling method on the other hand is composed of judgmental, convenience, quota and snowball sampling techniques.

The researcher adopted the simple random sampling technique for the purposes of selecting participants for this research in which 110 participants were selected from a total of 800 employees at Metallon Gold Mine (Mazowe). Simple random sampling technique is appropriate where the variables under study have got the same characteristics and each item has got an equal chance of being chosen in the sample (Wegner, 1999). The major advantages with this sampling technique are that it is simple to implement as no advanced auxiliary information is required for the respondents like in other sampling techniques, all elements are independent of each other unlike in systematic sampling and it is easy to understand and communicate to others. The drawbacks of this sampling technique are that it requires the listing of all elements of the population and at times produces larger errors that may affect the outcome of the entire research than stratified sampling. However, in selecting the sample size; the researcher was guided by the minimum sample size of 82 participants obtained by using the formula developed by Green (1991) as shown below;

\[
\text{Number of Participants} = 50 + 8n \\
\text{Where } n = \text{the number of independent variables under study} \\
\text{Number of Participants} = 50 + 8(4) \\
= 82
\]

The researcher chose a sample size of 110 so as to maintain the required sample size of 82 participants to validate this research. The researcher took into consideration that some of the questionnaires would not be returned by the respondents and therefore a higher sample size was desirable. Generally, simple random sampling requires a large sample size so as to ensure that the chosen sample size is representative of the study population (Haralambos & Holborn, 1991)
3.6 DATA COLLECTION METHODS

There are basically two methods of data collection which are quantitative and qualitative (Cresswell, 2002). Quantitative research produces reliable population based data that explains cause and effect relationships (Denzin & Lincoln, 2005). On the other hand, the qualitative approach is ideal where people’s opinions and understanding are being sought. Qualitative research methodology generates rich and detailed data that contributes to the in-depth understanding of the context (Denzin & Lincoln, 2005).

The researcher adopted the quantitative data collection method for the purposes of conducting this research. In quantitative data collection the researcher is an objective observer of what is being examined and does not participate to influence the research process. Quantitative research seeks to uncover the truth existing in the world out there through the use of scientific procedures. The scientific methods adopted to uncover the truth are most likely to guarantee that results obtained from the research are more relevant, reliable and unbiased (Bryman, 2004). The quantitative research approach resonates with the realism research philosophy adopted by the researcher in conducting this research as it is objective in its approach. As argued by the realist that the “truth exist out there”, the researcher considered that quantitative research methodology would objectively uncover this truth through examining the cause and effect relationship between CSR and employee engagement of 110 respondents at Mazowe Mine. The adoption of the quantitative research methodology enabled the researcher not to influence the research process as he was detached from the research environment through administering a questionnaire to obtain data from the respondents.

The major strengths of the quantitative research methodology are that it is precise, controllable, and replicable and its ability to produce causality relationships amongst the study variables. However the drawbacks of this method are that it fails to achieve its objectivity due to the subjectivity of the researcher right from choosing the research problem as researchable. Due to human nature it is difficult to control all the study variables as argued and also respondents may not respond differently to different
variables making it difficult for the research to make an objective assessment of the variables under study. It is also problematic to produce reliable results in that quantification of research findings can become an end in itself and leads to the research in making wrong assumptions applicable to all the elements in the study population (Burns, 2000).

The researcher did not use the qualitative research approach due to its subjective nature. Qualitative research approach emphasise the role of human subjectivity in its view of the world. In this research methodology it is argued that reality does not exist out there but it constructed by us and our observations. The researcher therefore has to be part of the research environment he is observing in order to transform and influence the outcome of the research process. The researcher presence in the research therefore compromises the study and the findings cannot be replicated. Issues of respondents’ anonymity and confidentiality are also compromised when qualitative research methodology is used (Burns, 2000).

3.6.1 Data Collection Instrument

Saunders et al., (2009) argued that there are various instruments of data collection which include observations, focus group discussions, interviews and questionnaires. The researcher adopted the use of a questionnaire to collect data from the respondents at Metallon Gold Mine (Mazowe) for the purposes of conducting this research. A questionnaire is a data gathering instrument containing preset questions in which respondents are required to provide answers (Wenger, 1999). The researcher adopted the use a questionnaire because it is more convenient than interviews as well as more reliable and valid than observations. The use of a questionnaire has got advantages that they are convenient and less expensive to administer to a large group of participants. The disadvantages with a questionnaire are that respondents can give a wrong response due to misunderstanding of questions, response may be low due to lack of interest by respondents and the respondent may get interested in answering certain questions thereby ending up partially completing the questionnaire (Haralambos&Holborn, 1991).
The researcher designed the questionnaire and it contained 15 questions in total composed of 13 close-ended questions and 3 open-ended questions. The researcher wanted direct, exact and concise answers; hence the majority of questions were close-ended. However due care was taken to come with only precise and simple questions for easy understanding by the respondents.

3.6.2 Data Sources

There are two types of data sources namely primary and secondary data (Haralambos & Holborn, 1991). Primary data is gathered directly from the elements of the population whereas secondary data is collected from records holding the primary data (Haralambos & Holborn, 1991). In conducting this research, the researcher made use of both primary and secondary data. The primary data was collected through questionnaires administered to the respondents at Metallon Gold Mine (Mazowe). The secondary data was obtained from Metallon Gold Mine’s annual reports.

3.7 RESEARCH PROCEDURE

3.7.1 Pilot study

Pre-testing of the questionnaire is conducted to clear vague questions and also to ascertain whether the instrument is a reliable tool for data collection (Gilbert & Churchill, 1998). The researcher pre-tested 10 questionnaires with selected employees at Metallon Gold Mine (Mazowe). The researcher wanted to establish how much time it would take a respondent to complete each questionnaire and whether the questions were simple and precise. Information gathered during pretesting was incorporated into the redrafting of the questionnaire and questions that would not provide useful data for the research were discarded.
3.7.2 Questionnaire Administration

The researcher administered the questionnaire by distributing randomly to the selected respondents at Metallon Gold Mine (Mazowe). The questionnaires were collected by the researcher after the respondents had completed answering the questions.

3.7.3 Data Analysis and Presentation

The data collected in the study was quantitative in nature. The Statistical Package for Social Science (SPSS) was used to analyse the data collected. Descriptive statistical methods of data analysis such as bar graphs and pie charts were used to explore and understand the data gathered in this research (Caswell, 1991). Inferential statistics in the form of Chi-square tests were also conducted to test relationship between various variables.

3.7.4 Data Reliability and Validity

Reliability refers to the consistency of findings, that is, whether one would get the same results if the study was repeated (Saunders et al., 2003). According to Robson, (1993), data quality throughout all stages needs to be assured. To ensure reliability of the data, the research instruments used were pre-tested and responses from the pilot questions were incorporated into the final questionnaire to improve the quality of data captured. A reliability test of all the variables was conducted through SPSS and those variables that had Cronbach’s Alpha value of 0.70 were included in the questionnaire under relevant variables of study.

According to Gill & Johnston, (1997) validity is concerned with whether the research instruments adopted in conducting the research measures what the researcher intends to measure. The researcher therefore ensured that appropriate research instruments were used; interpretations and conclusions were derived from the research findings as well as used as a guide for managerial and policy recommendations.
3.7.5 Ethical Considerations

The research was planned and conducted in a manner consistent with the rules and regulations of Metallon Gold Mine Zimbabwe. Permission was sought from management at the mining company prior to conducting the research. The explanation of the purpose of the research helps to develop understanding and trust amongst participants (Fritzche, 1997; Burns, 2000).

The language used in the designing the questionnaire was reasonably understandable to cater for the participants with different levels of educational backgrounds. Participants were assured that the information gathered in the study was solely for this academic research and confidentiality of participants was also upheld.

3.8 CHAPTER SUMMARY

The Chapter discussed the research methodology that was used to collect, process, present and analyse data from the study population. The researcher adopted the realism research philosophy in conducting this research and also used an inductive research design approach by using Metallon Gold Mazowe Mine as a case study. The research used quantitative methods of data collection and a questionnaire was used as an instrument of data collection to gather primary data. Research findings presented in Chapter 4 were analysed using SPSS and graphs were generated through Microsoft Excel. The researcher also made sure that ethical issues were considered throughout all the stages of the research.
CHAPTER FOUR

RESEARCH FINDINGS AND ANALYSIS

4.1 INTRODUCTION

This chapter presents the research findings and analysis of results produced from the study sample. The researcher used questionnaires to gather the data and SPSS was used to analyse the data and produce results. The results have been discussed and analysed with reference to the relevant literature reviewed in Chapter Two.

4.2 RESPONSE RATE

![Figure 3, Response Rate](image)

Source: Primary Data

The researcher selected a sample of 110 participants constituted of both staff and management at Metallon Gold Mine (Mazowe) for the purposes of conducting this study. The researcher managed to obtain 100 of the 110 questionnaires distributed to the participants for completion. This therefore shows a 91% response rate of the
participants in this study. The remaining 9% comprised of participants who returned the questionnaires without completing (5%) and those questionnaires the researcher found not useable (5%) as shown in figure 3 above. According to Richardson, (2005) a response rate of 50% is considered acceptable. Therefore the obtained response rate of 91% validates the data collected from the participants who completed the questionnaires at Metallon Gold Mine (Mazowe). There was such a high response rate because the researcher had been allocated time by management at the mining company to explain the purposes and importance of the research to the participants. Therefore many participants were interested in participating in the research as the researcher had taken time to explain the concept of CSR to the participants with reference to this research.

4.3 RELIABILITY TEST

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach’s Alpha</th>
<th>No. of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demographic aspects</td>
<td>0.775</td>
<td>3</td>
</tr>
<tr>
<td>Company’s CSR practices</td>
<td>0.675</td>
<td>4</td>
</tr>
<tr>
<td>Employee engagement</td>
<td>0.897</td>
<td>5</td>
</tr>
<tr>
<td>Company’s Reputation</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

The researcher conducted an analysis of the reliability of all the variables under study in achieving reliable results for the stated objectives of this research. Firstly, the researcher calculated the Cronbach’s coefficient alpha for the items under each variable. Secondly, the researcher eliminated and also substituted some of the items that did not contribute significantly to the reliability of the variables. The table above (Table 1) shows that the Cronbach’s alpha for all the variables ranged from 0.675-1 after adjustments of all the items under each variable. The values were therefore acceptable as they are within the recommended standard range of 0.70-1 (Hair et al., 1998). The researcher was therefore confident that the questionnaire would achieve the desired results for this research after conducting the Cronbach’s alpha reliability test.
4.4 DEMOGRAPHIC ASPECTS

4.4.1 Age

The above figure (Figure 4) shows that the mean, mode and median age of the employees at Metallon Gold Mine (Mazowe) fell in the 36-46 years age group. This age group constituted 53% of the respondents, pointing that the mining company had the most economic active age group. The 26-35 years age group followed secondly and constituted 28% of the respondents, followed by 15% constituted by those respondents above 40 years and lastly 4% of the respondents who were below 25 years of age. This observation corresponded to the findings by UNIDO, (2003) that the most economic active age group in the mining communities around Zimbabwe is in the range 20-40 years.
4.4.2 Period of service

The figure above (Figure 5) shows that Metallon Gold Mine (Mazowe) has got the most experienced workforce that had served the company for over 10 years. The figure shows that 79% of the respondents had been with the company for the period above 10 years whilst 17% had served the company for 5-10 years. Only 4% of the total respondents had been with the company for a period less than 5 years. This analysis therefore shows that Metallon Gold Mine had managed to retain its most valuable and experienced employees over the years. Therefore, the researcher was confident that the respondents would be knowledgeable about the CSR practices of the company and contribute significantly to this study.

Figure 5, Period of Service
Source: Primary Data
4.3 Educational Levels

The figure (Figure 6) above shows the educational levels of the respondents who participated in the research and reveals that 68% had attained ‘O’ level education, 16% primary education, and 4% ‘A’ level. The figure also shows that those who attained vocational training in various disciplines constituted a total of 12% of the respondents with 5% having attained certificates in various disciplines, 4% diplomas and 3% degrees in various fields of study. The researcher established that the 16% of the respondents, who had attained primary education mainly constituted of the age group that was above 46 years and had served over 10 years in the mining company. The 25-35 years age group constituted 68% of the respondents who had attained ‘O’ level education. The researcher therefore was confident that the respondents were literate enough to competently complete the questionnaires and provide information needed to conduct this study.

Figure 6, Educational Levels
Source: Primary Data
4.5 METTALLON’S CSR PRACTICES

4.5.1 CSR Policy

Metallon Gold Mine Zimbabwe has got a CSR policy that guides CSR practices of all its mines including Mazowe Gold Mine. This was supported by a 100% response from all the participants who answered that their company had a CSR policy. However, as shown by the figure below (Figure 7), 76% of the respondents confirmed that the CSR policy of the company was written down whilst 24% indicated that they were not sure whether or not the CSR policy was written down.

![Figure 7, CSR Policy Written Down](image)

Source: Primary Data

In addition to the above, 76% of the respondents understood the CSR theme of their company whilst 24% were not sure of the inclination of the CSR theme of their company as shown by the figure (Figure 8) below. This therefore meant that the above 76% respondents who knew that the CSR Policy of their company was written down also constituted the 76% who knew the CSR theme of Metallon Gold Mine. On the other
hand, the 24% respondents who were not sure whether or not the CSR policy was written constituted the 24% that did not know the theme of their company’s CSR policy.

![Figure 8, Knowledge of CSR Theme](source: Primary Data)

### 4.5.2 CSR programmes

![Figure 9, CSR Programmes](source: Primary Data)

52
The researcher established that Metallon CSR practices were outside focused, that is, it was inclined towards addressing the social concerns of the community. Figure 9 above shows that 96% of the respondents indicated that the company’s major focus was on external CSR whilst only 4% responded that the company focused on internal CSR. The company’s external CSR programmes were constituted mainly of donations to schools, churches, clinics and sponsorship of sports events. In addition to the foregoing, the company also was involved in some environmental preservation programmes around its area of operations. Further analysis showed that, the 4% who responded that the mining company had internal CSR programmes was mainly constituted of senior and middle managers at the mine whilst the 96% was made up of the general staff. The company had packages such as career development funding, medical aid, vehicle loan schemes and schools fees benefits for senior and middle managers, and this was the reason why the managers responded that the company’s CSR practices were internally focused. This shows that the external CSR practices of Metallon was not voluntary but driven by some external forces like mining laws and regulations. This concurs with Mirvins&Googins (2006), that governments have responded by enacting legislation to protect communities and the environment from the destructive activities of mining operations.
4.6 EMPLOYEE ENGAGEMENT VARIABLES

4.6.1 Employees’ trust in management

The findings established 60% of the respondents agreed that they had trust in their management, 37% strongly agreed whilst only 3% were neutral in their responses as shown in the above figure (Figure 10). This shows that the company's CSR practices had created organizational identification within the respondents that led them to have trust in their management. Kramer, (2001) agreed with this finding that CSR practices creates organizational identification that builds organizational trust.
4.6.2 Employees’ Job Commitment.

The figure (Figure 11) above shows that 52% of the respondents strongly agreed that they were committed to their job, 31% just agreed whilst 17% were neutral in their responses. These findings indicate that job commitment at the mining company was very high and this was beneficial to the company as it benefited from the experience acquired by its employees due to the longer period of years the majority had served the company. This finding is supported by figure 4 above, where 79% of the respondents had served the company for more than 10 years. Scholl & Schmidt, (2012) argued that there are three types of job commitment which are; identification with the organization, long term membership and high levels of extra role behavior. Therefore the long term membership of the 79% of the respondents who had served the company for more than 10 years was a testimony that job commitment at the mining company was very high.
Employees’ job commitment and job satisfaction are interrelated (Rikketta, 2005). As observed in figure 11 above, on employees’ job commitment, 52% strongly agreed, 31% agreed and 17% were neutral that they were committed to their jobs. These figures almost correspond to the findings on job satisfaction (Figure 12) that 53% strongly agreed, 32% agreed whilst 15% were neutral that they were satisfied with their jobs. This is supported by Rikketta (2005) who argued that the three types of job commitment; organizational identification, long term membership and high levels of extra role behavior positively relates to job satisfaction.
4.6.4 Employees’ respect of company policies.

Figure 13, Employees’ Respect of Company Policies

Source: Primary Data

Company policies regulate and determine the organizational citizenship behavior of employees at work as well as defining the relationship between the employer and the employees (Zhang, 2011). The figure (Figure 13) above shows that 66% of the respondents said that they agreed that they respected the company’s policies, 15% strongly agreed whilst on the other hand 19% were neutral. This observation supports the above findings on job commitment and job satisfaction. If employees are committed and satisfied with their job they tend to respect the policies of their company hence showing a good organizational citizenship behavior. As argued by Zhang, (2011) employees with a good organizational behavior go an extra mile to help their colleagues to meet deadlines or even helping a new workmate to settle in their offices through advising them on company policies.
4.6.5 Employees’ inspiration.

The figure (Figure 14) above indicates that 56% of the respondents were inspired to give the best effort at work to achieve organizational goals, 30% agreed and 14% were neutral. These figures correspond to the findings on job commitment (Figure 11) and satisfaction (Figure 12). As also supported by figure 13 above, employees that respect their company policies are inspired to give the best of effort to meet their goals at work regardless of any challenges that their company may face (Rikketta, 2005).
4.6.6 Organisational Reputation.

![Organisational Reputation Chart](chart.png)

**Figure 15, Metallon's Internal Image**

Source: Primary Data

Metallon Gold Mine has got a good internal image by its employees. This is supported by the figure (Figure 15) above which shows that 60% of the respondents said that the mining company had a good internal image, 14% said that the internal image was very good whilst 26% said that the internal image of the company was just normal. Fombrun & Shanley, (1990) and Tyler & Blader, (2000) agreed with this finding that CSR enhances the company’s image both internally and externally. Employees find it very gratifying to work for a company that is socially responsible (Greening & Turban, 2000).

4.7 CHI-SQUARE TESTS OF VARIABLES

4.7.1 Period of service and Age

The researcher conducted a chi-square test to establish the relationship between age and period of service at work of the respondents at Mettallon Gold Mine (Mazowe) as shown in the table (Table 2) below;
The chi-square test performed showed that there was a relationship between age and period of service, $X^2 (6,n=100)=1.37$. The statistic is significant as its significance level was 0.00 and less than the 0.05 conventional significance level, therefore the researcher was 95% confident that the relationship between the two variables was not due to chance. This is evidenced by the observation that those respondents with a period of service of more than 10 years were above 35 years of age whilst those respondents below 35 years had less than 10 years period of service with the mining company.

### 4.7.2 Knowledge of CSR theme and Period of Service

The researcher conducted a chi-square test to establish the relationship between knowledge of the company’s CSR theme and period of service of the respondents as shown by the table (Table 3) below;
| Table 3: Knowledge of CSR theme and Period of Service Chi-Square Tests |
|---------------------------------|-----|-----------------|
|                                 | Value | Df | Asymp. Sig. (2-sided) |
| Pearson Chi-Square              | 48.253 | 2  | .000                |
| Likelihood Ratio                | 44.376 | 2  | .000                |
| Linear-by-Linear Association    | 45.653 | 1  | .000                |
| N of Valid Cases                | 100   |     |                     |

Source: Primary Data

The chi-square test performed showed that there was a relationship between period of service and knowledge of the company’s CSR theme by the respondents, $X^2 (2, N=100) = 48.25$. The statistic is significant as its significance level was 0.00 and less than the 0.05 conventional significance level, therefore the researcher was 95% confident that the relationship between the two variables was not due to chance. This is evidenced by the observation that those respondents with a period of service of more than 10 years were more knowledgeable about the company’s CSR practices than those who had spent less than 10 years with the mining company. The reason for this little knowledge of the company’s CSR theme by the respondents who had less than 10 years of service with the mining company was that, the benefits and impact of CSR investment are not immediately realized and can only be realised in the long term. This is supported by Kakabadse, Rozuel& Lee-Davies (2005) who argued that the economic benefits of CSR are long term in nature.

4.7.3 Knowledge of CSR theme and Employees trust in management

A chi-square test was also conducted by the researcher to determine the relationship between the respondents’ knowledge of the mining company’s CSR practices and their trust in management as shown in the table (Table 4) below;
The chi-square test performed showed that there was a relationship between period of service and knowledge of the company’s CSR theme by the respondents, \( X^2 (2, N=100) = 25.16 \). The statistic is significant as its significance level was 0.00 and less than the 0.05 conventional significance level, therefore the researcher was 95% confident that the relationship between the two variables was not due to chance. This was supported by the observation that those respondents who were knowledgeable about the company’s CSR practices developed trust in the management of the company. Molm & Cook, (1995) argued that a company that practices CSR is assumed to be trustworthy by its employees.

**4.7.4 Knowledge of CSR theme and Employees’ Job Commitment**

The researcher also conducted a chi-square test to determine the relationship between the respondents' knowledge of the company's CSR practices and their job commitment as shown in the table (Table 5) below;
Table 5: Knowledge of CSR theme and Employees’ Job Commitment Chi-Square Tests

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>62.299</td>
<td>2</td>
<td>.000</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>67.206</td>
<td>2</td>
<td>.000</td>
</tr>
<tr>
<td>Linear-by-Linear</td>
<td>56.941</td>
<td>1</td>
<td>.000</td>
</tr>
<tr>
<td>Association</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary Data

The chi-square test performed showed that there was a relationship between knowledge of the company’s CSR theme and their job commitment by the respondents, $X^2(2, N=100)=62.30$. The statistic is significant as its significance level was 0.00 and less than the 0.05 conventional significance level, therefore the researcher was 95% confident that the relationship between the two variables was not due to chance. This was supported by the observation that those respondents who were knowledgeable about the company’s CSR practices were committed to their jobs. This is supported by Rikketta (2005) who argued that employees who identify themselves with their company due to the company’s CSR practices are committed to their jobs.

4.7.5 Knowledge of CSR theme and Employees’ Job Satisfaction

A chi-square test was conducted by the researcher to establish the relationship between the respondents’ knowledge about the mining company’s CSR practices and their job satisfaction as shown in the table (Table 6) below;
The chi-square test performed showed that there was a relationship between knowledge of the company’s CSR theme and job satisfaction by the respondents, $X^2 (2, N=100) = 57.19$. The statistic is significant as its significance level was 0.00 and less than the 0.05 conventional significance level, therefore the researcher was 95% confident that the relationship between the two variables was not due to chance. This was supported by the observation that those respondents who were knowledgeable about the company’s CSR practices were satisfied with their jobs. This is supported by Rikketta (2005) who argued that employees that identify themselves with their company due to the company’s CSR practices are satisfied with their jobs.

### 4.7.6 Knowledge of CSR Practices and Employees’ Inspiration

The researcher conducted a chi-square test to determine the relationship between the respondents’ knowledge about the CSR practices of the mining company and their inspiration to work as shown in the table (Table 7) below;
Table 7: Knowledge of CSR Practices and Employees’ Inspiration Chi-Square Tests

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>52.975</td>
<td>2</td>
<td>.000</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>54.787</td>
<td>2</td>
<td>.000</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>50.537</td>
<td>1</td>
<td>.000</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary Data

The chi square test performed showed that there was a relationship between knowledge of the company’s CSR practices and inspiration of the respondents to give their best effort to achieve their goals at work, $X^2 (2, N=100) = 52.98$. The statistic was significant as its significance level was 0.00 and less than the 0.05 conventional significance level, therefore the researcher was 95% confident that the relationship between the two variables was not due to chance. This was supported by the observation that those respondents who were knowledgeable about the company’s CSR practices were inspired to give the best of effort at work to meet their goals.

4.7.7 CSR Practices and Organisational Reputation

A chi square test was conducted to determine the relationship between the mining company’s CSR practices and its internal reputation by the respondents as shown in the table (Table 8) below;
Table 8: CSR Practices and Organisational Reputation Chi-Square Tests

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>89.879</td>
<td>2</td>
<td>.000</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>96.114</td>
<td>2</td>
<td>.000</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>62.786</td>
<td>1</td>
<td>.000</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary Data

The chi-square test performed showed that there was a relationship between the mining company’s CSR practices and its internal reputation by the respondents, $X^2 (2, N=100) = 89.88$. The statistic was significant as its significance level was 0.00 and less than the 0.05 conventional significance level, therefore the researcher was 95% confident that the relationship between the two variables was not due to chance. This was supported by the finding that 60% of the respondents described the internal image of the company as good, 14% as very good and 26% as normal as shown in the table (Table 12) above. This is supported by Fombrun & Shanley, (1990) who argued that CSR is an important component of corporate image and reputation.

4.8 CHAPTER SUMMARY

This Chapter presented the reliability test, response rate, research results and their analysis with reference to relevant literature. The researcher also conducted Chi-square tests for the variables under study. The research conclusions and recommendations to be presented in Chapter 5 were drawn from this Chapter.
CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

This is the final chapter of the study and it provides the conclusions of the research findings, validation of the research hypothesis, managerial and policy recommendations and highlights areas of further research.

5.2 CONCLUSIONS

The following conclusions were drawn from the research findings presented and discussed in Chapter Four of this study on the effects of leveraging CSR for employee engagement at Metallon Gold Mine (Mazowe).

5.2.1 Knowledge about CSR practices

Employees’ knowledge of the company’s CSR practices is beneficial to the company as it triggers employees’ identification and pride in the company. Communication is a key element in making employees aware of the CSR practices that the company is undertaking both internally and externally. This study has shown that those respondents who have been with the company for a period of above 10 years are more knowledgeable about the CSR practices of the company and this triggered their level of engagement with their company. On the other hand, those respondents who had been with the company for less than 10 years are not very much knowledgeable about the CSR practices of the company and their level of engagement with the company is lower. Therefore employees’ knowledge about the CSR practices of their company and its benefits to them increases according to the number of years one is engaged with the company. As shown in the findings of the study discussed in Chapter Four, 76% of the respondents who had served the company for over 10 years were very knowledgeable
about the company's CSR practices whilst the 24% was mainly constituted of those respondents who had served the company for less than 5years and were not really sure of what constituted the CSR theme of their company.

5.2.2 Employees’ participation in the company’s CSR practices

Employees’ involvement in the company’s CSR practices provides mutual benefits to employees and the company. The company benefits as employees get connected to the company whilst employees benefit through skills development and exploring individual potential. Employees take pride in participating in the CSR programmes of their company as they would like to be regarded by the community as champions of development in their neighborhood. This yields benefits to the employer through creating a strengthened bond with their employees as the employees identify themselves with the organization. Thus employees’ organizational identification grows as they get involved in championing the CSR practices of their company. Through participating in these CSR programmes, employees get exposed to many diverse skills of their colleagues and this help them in realizing their potential.

5.2.3 Internal CSR practices

Employees’ oriented CSR (internal CSR) triggers more employee engagement than the focus on external stakeholder (external CSR), this is because employees are the most first important stakeholder of any company. Companies should view their employees as their internal customers by designing job packages that triggers employee engagement. A focus on CSR practices that are more oriented towards the development of the community alone is not enough to trigger employees’ engagement with their company. Employees’ engagement is therefore strengthened when companies respect employee human rights, implement internal focused CSR practices like employee welfare and career development programmes as well as recognition of employees’ individual contributions to the success of the company. The findings of the study shows that Metallon CSR practices were external focused on community development.
Metallon Gold Mine (Mazowe) had been involved in community development programmes as part of its CSR practices. The company’s CSR practices show that the mining company was merely fulfilling its philanthropic responsibilities in its community of operations. The major focus of Metallon CSR programmes included donations to churches, schools, clinics as well as environmental protection. The company’s CSR policy was externally focused, therefore not employee oriented.

5.3 RESEARCH HYPOTHESIS VALIDATION

The research hypothesis of this study argued that leveraging of CSR practices by mining companies in Zimbabwe influences employee engagement. The research findings of this study have supported this hypothesis. The researcher conducted Chi-square tests on the variables of the study to validate the research hypothesis of the study. The conceptual framework of this study shows that the factors that constitute employee engagement included job commitment, job satisfaction, respect of company policies and employees’ inspiration to give the best of their effort to achieve organizational goals. The Chi-square tests conducted for each variable against the CSR practices variable and all the tests conducted concluded that there was a relationship between CSR practices of a company and employees’ engagement as shown by obtained significance levels of 0.00 which were less than the 0.05 conventional significance level. Therefore the researcher accepted the hypothesis that CSR practices influence employee engagement in the mining industry in Zimbabwe. This hypothesis is supported by Maigan & Ferrell,(2001) and Peterson,(2004) who argued that; employees can be explained as a dependent variable that can be influenced by CSR.
5.4 RECOMMENDATIONS

5.4.1 Managerial Recommendations

The following managerial recommendations have been provided by the researcher in view of the conclusions made to the research findings of the study.

5.4.1.1 Metallon Gold Mine should focus on both Internal and External CSR practices

The researcher concluded that the company’s mere involvement in external CSR practices was not enough to trigger total employee engagement, but a focus on more employee oriented CSR programmes was critical in addressing the internal social concerns of their employees. If a company focuses more on external CSR practices like donations to the community and the needy, it might end up creating resentment and loss of trust in the company by its own employees. Employees will start to think that their company is wasting a lot of resources on nonproductive activities, therefore unnecessarily straining its limited resources that would have otherwise been used to develop and benefit employees directly, thus external focused CSR practices may be regarded as a competitor to the few resources of the company.

It is therefore imperative that mining companies when designing their CSR programmes, special consideration has to be given to employees’ oriented CSR. Employees will feel identified with the company when their social concerns are addressed by their employer. A salary alone is not enough to make employees engaged to their company but fringe benefits packaged in form of CSR programmes play an important aspect to leverage employee engagement. Therefore, employees as the first key stakeholders should not view CSR as only an external obligation to the community alone, but an internal process designed to develop their well-being.
5.4.1.2 Metallon Gold Mine should improve its CSR lines of communication.

It was also concluded from the research findings that employees’ knowledge of CSR programmes of their company is very vital in influencing their engagement to their company. The designing of very good CSR programmes is not enough to trigger employee engagement, but communication of the meaning and benefits of these programmes is vital in influencing employee engagement. A company might have very brilliant CSR practices with a huge investment, but if the company fails to educate their employees on why they are embarking on such programmes, they can fail to influence employee engagement. Communication shapes employees perceptions about the CSR practices of their company and these perceptions are critical in influencing employees’ engagement. The researcher therefore recommends that Metallon Gold Mine develop internal bulleted magazines circulated to employees informing them of the company’s CSR practices and also conduct small internal CSR workshops to educate all employees on its CSR policy and practices.

This is evidenced by the research findings in that, employees that had spent more than 10 years with the company were more engaged with the organization than those who had only spent less than 5 years with the company. This is because; employees get to understand better the CSR practices of their company the longer they serve the company. Those employees who would have spent more years with the company have got the history and background on why the company is involved in CSR. Therefore, it is important that CSR education is conducted regularly to both new and old employees for them to better understand the CSR practices of their company so as to influence their level of engagement with the company.

5.4.1.3 Metallon should promote employee participation at all levels in its CSR programmes.

Employees’ participation in the company’s CSR programmes triggers their level of organizational identification and they also feel proud to be engaged with their organization. Besides their day to day job activities, some employees are talented in
different special ways such that they can make meaningful contributions to the
development of society through exercising their talents. This will lead to skills
development in the organization as employees exchange talents with their colleagues.

5.4.2 Policy Recommendations

The Government should consider coming up with a CSR policy framework that will compel companies in the mining industry to engage in CSR practices.

5.5 AREAS OF FURTHER RESEARCH

5.5.1 The influence of CSR practices on organizational performance.

One possible area of further research is the analysis of how organizational performance can be enhanced through the adoption of CSR practices. It is not only enough to understand how the CSR practices of an organization can influence employee engagement, but it is also imperative that organizations in the mining sector understand how investment in CSR can achieve overall improved organizational performance.

5.5.2 The role of CSR practices in achieving national development goals.

CSR can also be used as a tool by most governments to achieve their national development goals. Through the adoption of a CSR policy framework, governments can compel mining companies to engage in CSR programmes that can contribute towards the achievement of national development goals. Various studies have shown that the welfare state has failed the world over to provide social services, hence the need for governments to partner with the private sector in the provision of social services. Most governments the world over are seized with meeting by 2015 the UN Millennium development goals such as eradication of extreme poverty and hunger, promoting gender equality and empowering women, achieving universal primary education, ensuring environmental sustainability and combating HIV/AIDS among others.
REFERENCES


http://www.miningweekly.com/article/metallon-gold-earmarks-600m-for-zim-mine-expansions-2010-10-29


http://geography.about.com/od/geographyglossaryb/g/ggbric.htm

http://www.zimtreasury.gov.zw/


http://www.mines.gov.zw/

www.chamberofminesofzimbabwe.com


Kloppers, H.J. (2013). Driving corporate social responsibility (csr) through the companies act: an overview of the role of the social and ethics committee. Vol.1, Pg 16.


Moir L. (2001). What do we mean by Corporate Social Responsibility? Corporate


Regional Centre for Social Responsibility, 2012.


APPENDIX 1

QUESTIONNAIRE

Introduction

Dear Respondent

My name is Biggie Joe James, an MBA student with the Graduate School of Management at the University of Zimbabwe. I am carrying a study on; *An Exploration of Corporate Social Responsibility (CSR) as a lever for employee engagement in the mining industry: The case of Metallon Gold Mining (Mazowe) (2002-2012).* The main objective of this study is to explore the effects of leveraging CSR by mining companies in Zimbabwe for employee engagement. The specific objectives of the study are to:

1. Analyze CSR programmes that Metallon undertakes in the communities of operations.
2. Evaluate employee engagement within Metallon as a result of CSR.
3. Establish organizational reputation of Metallon as a result of CSR.
4. Provide recommendations in view of the research findings.

The results of this study will assist mining companies in Zimbabwe to effectively leverage their CSR investment for employee engagement to improve their general performance. Your answers to this study will not be released to anyone and the answers are anonymous, therefore you are encouraged to answer the questions truthfully and faithfully.

To assist you in completing the questionnaire, please be guided by the following working definition of CSR:

*CSR is when a company treats its business partners fairly, cares about employees’ well-being, motivates employees and behaves like a good citizen through respecting natural resources in the local community.*
Section A: Demographic Questions

Please indicate by a tick in the appropriate box.

1. Age

   Below 25 years [  ] 26-35 years [  ] 36-46 years [  ] 46 years and above [ ]

2. Gender

   Male [  ]   Female [  ]

3. Marital Status

   Married [  ]   Single [  ]   Divorced [  ]   Widowed [  ]

4. What is your level of education?

   Primary School [  ] O level [  ] A level [  ] Certificate [  ] Diploma [  ] Degree [  ]

5. What is your position in the company? (Provide)

   ..............................................................................

6. What is the nature of employment?

   Permanent [  ]   Seasonal [  ]   Casual [  ]

7. How long have you been with the company?

   Less than a year [  ]   2-5 years [  ] 5-10 years [  ]   Above 10 years [  ]

8. How long have you been working in the mining industry?

   Less than a year [  ]   2-5 years [  ] 5-10 years [  ]   Above 10 years [  ]
Section B. Employees Knowledge about CSR Practices at Metallon

Please indicate by a tick in the appropriate box.

9. Does Metallon have a CSR policy?
   Yes [ ]  No [ ]  Not sure [ ]  I don’t know [ ]

10. If YES in 9, is the policy written down?
    Yes [ ]  No [ ]  Not sure [ ]  I don’t know [ ]

11. Do you know the theme of CSR at your company?
    Yes [ ]  No [ ]  Not sure [ ]  I don’t know [ ]

12. What concrete CSR actions has your company taken towards employees, other stakeholders?
    Employee welfare [ ]  Employee career development [ ]
    Respect of employee rights [ ]  Donations to churches [ ]
    Donations to schools [ ]  Donations to a local clinic/hospital [ ]
    Sponsorship of sport and cultural events [ ]  Environmental protection [ ]
    Other.................................................................................................................
    ......................................................................................................................
    ......................................................................................................................

Section C: Employee Engagement

13. How do you describe your relationship with the company?

   Using the 1-5 scale below, indicate your opinion of each item by marking with “X” the appropriate number in the chosen block following that item.

   1 = Strongly Disagree (If you believe the statement almost never applies to you)
2 = Disagree (If you believe the statement does not really apply to you)

3 = neither Agree nor Disagree (Not sure if the statement applies or not to you)

4 = Agree (The statement applies to you in some degree)

5 = Strongly Agree (The statement is highly applicable to you)

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have trust in the management of the company.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am committed to my job.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am satisfied with my job.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I respect all company policies.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am determined to give the best of my effort and inspired to meet my goals at work regardless of any challenges that may face the company.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

14. How do you describe the internal image of Metallon?

   Very Good [ ]    Good [ ]    Normal [ ]    Bad [ ]    Very Bad [ ]

15. What do you recommend that management should do to improve its CSR initiatives?

................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................

Thank you for your time and effort