



Funding maths strategically



Sarah Morrison
Client relationship manager

We all know that the vast majority of South African children receive a very poor education in maths. They complete their schooling with a weak grasp of basic mathematical concepts, they cannot go on to study maths at university, they are unable to engage with the necessary mathematical concepts in technical subjects at FET colleges, they struggle in their daily lives to use basic maths tools confidently. In short, they are limited in life choices, career choices and an endless array of decision-making processes because they do not know and cannot apply basic mathematical concepts.

Because this state applies to the bulk of learners, not just a small group, it fundamentally constrains the South African economy. And the depth of the problem is acute – South Africa performs in international tests of ability in maths and science well below other developing countries.

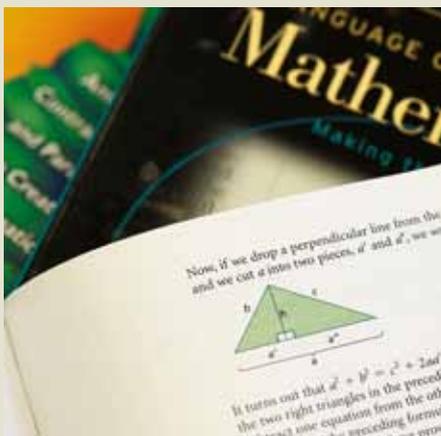
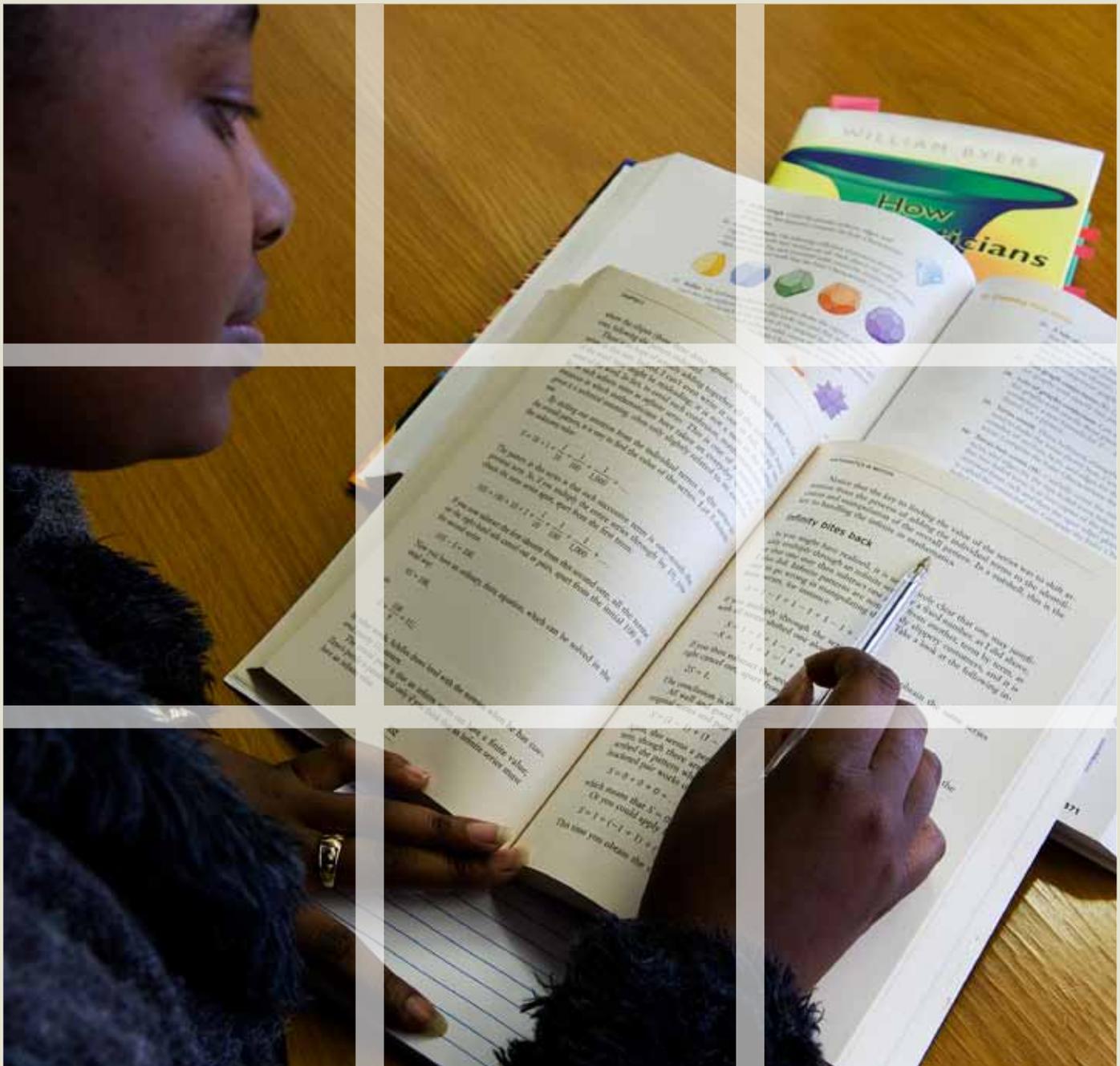
For corporates investing in education, there is a recognition that much of what needs to be done to change this failure in the school system lies outside the direct influence of a private company. Certainly, leaders in the business community, if well briefed by advisors, can be strong voices in making the case for urgent reform in the education system. When it comes to investment choices, there is a strong sense that CSI trusts have the opportunity and responsibility to make strategic and focused decisions that will leverage the opportunities that exist in the system. Giving money to learners, teachers and schools because they need it is simply not good enough and, in some cases, may even do more harm than good.

In an increasing culture of entitlement, opportunities for creating real improvements should go only to those who show determination, passion, commitment and good governance. Effective corporate investment happens when the beneficiary actively chooses to engage in the opportunities created. And the best type of corporate investment happens when the designs of those opportunities are co-created between the funder and the recipient, and are there for an agreed period of time.

For example, the schools that are supported by the Epoch and Optima Trusts have to submit detailed plans for implementing and expanding known approaches to teaching and support that they believe from their own experiences are likely to produce improved results. They are held accountable against targets that have been committed to upfront. The reward is that the schools get the flexibility and freedom each to identify the resources and programmes that each particular school needs to improve its quality of maths education.

Schools and NGOs that work to achieve quality maths education have only two common characteristics – they take maths seriously, and they have hardworking teachers and managers. They continue to be optimistic and swim against the tide, with both teachers and learners prepared to give that special effort and commitment. Increased contact time after school hours, over weekends and in holidays, lots of homework that is promptly marked, careful planning and participation in third paper maths and advanced programme maths collectively provide the precious commodity of real life and career choices.

Corporate South Africa can and should reward those people and organisations who go the extra mile and can show proven results. The lessons from projects that have demonstrated success should be written up, shared and replicated with other donor funders and, even better, with government.



*Tshikululu works with remarkable clients. Through them, in 2009:
 maths funding was given to 101 schools*



It means more than buildings



Victor Modiba
Capital projects consultant to Tshikululu

One of the critical success factors to the growth of the South African economy is infrastructure investment. Key areas of government expenditure, which account for more than half of the total public sector infrastructure investment and incorporate all spheres, are: provincial and local roads, bulk water infrastructure and water supply networks, energy distribution, housing, schools and clinics, business centres, sports facilities, and multi-purpose government service centres, including police stations, courts and correctional facilities.

This is still, to a large extent, catering to the basic needs of previously disadvantaged communities in rural areas and townships, which represents the majority of the population in South Africa.

South Africa, as a developing economy, needs to start responding to the pressures of being a global player by producing the highest levels of quality in education and health as one of its primary objectives. Part of improving these levels of quality is providing infrastructure that responds to global needs in terms of skills, technology, sports, etc. In the case of education, much focus has been on eradicating classrooms under trees and on providing sanitation in schools.

Through coordinated partnerships with government, business is able to offer much-needed support to this part of their corporate social investment initiatives. An example is the Anglo American Chairman's Fund and the De Beers Fund, both in partnership with the Limpopo Department of Education through the Rural Schools Programme.

In 2009, this programme was able to provide not only classrooms but waterborne toilets, water tanks and boreholes, science laboratories, libraries, computer centres, cooking areas and administration blocks. With these facilities, children can focus on learning, teachers are afforded a good working environment and cooking for children is done in hygienic environments. The next step of the programme could be to provide actual equipment for the facilities provided i.e. computers, laboratory equipment, projectors etc. This would ensure that even a school in the most rural part of Limpopo Province would be able to access the worldwide web, perform experiments and embark on research projects, among other things.

However, infrastructure alone is not a complete solution without capacity-building of the teachers and parents. In most cases, a school's success is dependent on the involvement of parents in their children's education, as well as the ability of the education system to support the teachers.

Leadership is the single biggest success factor in a school; therefore, principals and school governing bodies need serious development interventions if South African schools are to compete at a global level. These interventions, therefore, need to be part of the deliverables when embarking on infrastructure projects. Infrastructure projects in this context should include the social aspects of that particular environment as project success factors, and not just a building.

There is still a great need to monitor these investments. Monitoring, evaluation and review will play a key role in informing the formulation of further strategies in response to the developmental needs of the South African economy. The goal in education should be to have all schools in South Africa as whole schools, where a child is able to develop academically, socially and physically i.e. interactive classrooms/labs/lecture halls; art studios/libraries/theatre halls and sports halls/fields.

Twenty-four infrastructure projects managed by Tshikululu in 2009 saw classrooms, administration blocks, computer centres and laboratories built





Welfare needs funder recognition



Doug Greenshields
Learning and development manager

The word “welfare” has different meanings and connotations, especially in the development sector and the social investment context. There is debate as to whether “welfare” is actually “development” or even part of it. Nevertheless, in my view, “welfare” falls within what we could call the social development sector. This sector includes entrepreneurship development, skills training and job creation, sustainable livelihoods, community development and welfare.

In essence, work in the social development sector begins with welfare, characterised by a high degree of dependence (those who have lost hope, are disempowered, poverty-stricken, vulnerable, violated and abused), and moves through various community development processes (restoring dignity, self-empowerment and self-worth) to sustainable livelihood programmes (skills training, job creation and economic empowerment), which allow individuals the independence to take control of their lives and to reintegrate themselves into society and the economy.

The basic premise and primary aim of welfare support is to act as a safety net and support mechanism for the most vulnerable in society, to arrest their fall into oblivion, and then to begin a process that restores them back into the mainstream of society wherever possible. Even so, I am mindful that there will always be a need for society to provide a humanitarian safety net for those unable to fend for themselves, and who remain at the starting point of the continuum.

In recent times, I have become acutely aware of the powerful forces that are running counter to the interests of welfare funding. These include changes to international funding priorities, compounded by the global economic situation and, while local CSI spend might have increased, competition for funding by the different CSI sectors is naturally still fierce, with education and health faring best in this arena.

The sector being most negatively affected is welfare, where the decline in the economy has had a twofold effect, manifested by a tightening of corporate giving and a rapid inflow of the vulnerable into a contracting welfare net.

Welfare also has its own particular obstacles, and these make it especially difficult to work in this sector. They include a heavy dependence on government subsidies, difficulties establishing monitoring and evaluation criteria, and difficulties in assessing measurable outcomes when compared with other sectors. In addition, the disappearance of traditional societal support networks, a result of urbanisation and modernisation, and the absence of new social support systems to take their place, have also harmed the sector.

Tshikululu’s interaction with organisations working in welfare shows that they have adopted various strategies to stave off the effects of diminishing funding. These include the discontinuation of some projects, the reduction of services, and the development of innovative and more cost-effective interventions. As this process continues apace, it is alarming to see how many of these fine organisations are gradually running down their reserves and, in spite of their best efforts to survive, must eventually be forced to close down.

Yet welfare organisations protect and support the most vulnerable segments of society – the destitute, children, women, the aged, people with disabilities, the abused and victims of violence – and they fulfil a fundamental role in our society. It isn’t always the most attractive one to funders and company branding, but it is absolutely critical to societal well-being and development. The gradual disappearance of these organisations should concern anyone who cares about South Africa’s future. With every organisation that disappears, the pressure on those remaining increases and the downward spiral picks up momentum. Once gone, the chances of re-establishing such organisations will be difficult in the extreme. There are warning signs of an impending crisis in welfare provision, with far-reaching negative consequences.

This needs to be addressed, and corporate donors need to step up to the plate.

CSI practitioner Graeme Wilkinson inspects the fruits of a sustainable livelihoods project being funded through the Anglo American Chairman's Fund at Johannesburg's Leeuwkop prison



Tshikululu works with remarkable organisations. Through them, in 2009:

direct assistance went to more than 15 000 people in subsistence agriculture



Using brands to build CSI



Paul Pereira
Executive: Public Affairs

We live in an era of crass exploitation of suffering for perceived image and commercial gain. It is a time when product or company and brand image is often being pushed on the back of communities and individuals who have fallen by the wayside of life. No ethical brand custodian, communications specialist, marketer or CEO should properly be a part of this.

Rather, their communications should be of an altogether deeper and more nuanced explaining of reality. South African companies – either through a considered conscious decision, or through the encouragement of proscribed industrial sector charters, or in reaction to employee or consumer pressure – increasingly involve themselves in community good works of some or other sort through sponsorships, cause-related marketing, social responsibility and corporate social investment (CSI). A world of jargon surrounds these things, so let's narrow down: my interest is in CSI programmes and their positioning. This isn't about corporate social responsibility (CSR) per se.

The latter is about business in society and involves a commitment to contribute to the economic, environmental and social well-being of communities through various interventions. CSI is a core element of this, but should be informed by a vision of business and society. It embraces a holistic concept of local communities, recognising that in any society there are organisations, institutions and individuals that are more effective agents of social change at the grassroots than business could ever be.

While much of CSR is business led, CSI is different. In CSI, the role of business is a supportive one and is primarily about backing the initiative of others.

Communicating CSI in appropriate ways is more of a challenge than might be imagined. Often this challenge comes in disciplining oneself not to forget why and how development initiatives are being carried out.

Properly constructed CSI programmes are those in which the bulk of effort is borne by individuals and organisations “on the ground”, and the way we tell their story and the story of our associations with them must always be carefully done to maximise advantage for communities, demonstrate respect for our partners, and explain why we are involved in this sphere in the first place.

Still, there are many reasons why company CSI work and that of its partners in CSI should be communicated, and communicated well. It is of obvious importance in various ways to a company's image in its own communities, particularly among employees. Again, as with all of this messaging, sincerity should be the watchword – anything else would be better not done at all. Communicating community partnerships also assists beneficiary projects by helping them to attract other support. This is because a company agreeing to partner with community projects gives the latter a measure of exposure and even brand strength they might not have otherwise had. Communicating CSI work can therefore be a valuable part of social investment, rather than just an add-on.

Talking consistently and clearly about CSI also helps to spread “learnings” about what works in community development – learnings that come the hard way, through the work of partners and through a company's own experience.

Which isn't to say that there aren't real challenges and drawbacks for CSI practitioners within their own companies.

This is because:

- CSI is not a direct income-generating activity and so its importance, and that of its communications, is sometimes not fully appreciated. This can suddenly change should the company face some overarching reputational risk issue, which is when some may mistakenly think that the CSI function is a “dip tank” to rescue company image.
- Getting the message out (“messaging”) is often misunderstood as a part of a company’s marketing strategy and handled accordingly. Thus the immediate returns required by typical marketing campaigns are thought as needed when communicating CSI. But CSI is by its very nature a long-term horizon investment, and its returns to company less easy to measure.
- Sometimes a level of community development fatigue exists within companies.

Yet defending CSI’s proper purpose and space doesn’t mean having to avoid project or partnership branding. It is right that a company’s partnership with a project should be duly acknowledged for reasons of benefit to the project, and to the supporting company both internally and externally. Here, again, common sense is the best guide:

- Companies should be careful not to lend their name and image too readily to projects and events over which they have no control. When branding through the placement of plaques or signage at the premises of a CSI project, it is best to have this signage dated. This is because you cannot always know what state the project or its work will be at some future time, when the signage will still be there.
- Organisations and their projects should never be overwhelmed with branding. This leads to understandable public disquiet about motives. Some things lend themselves to branding more than others – a hospice or a feeding scheme is less suitable for this than a marching band.
- Placing messages in press releases or on project websites should be done using messages that pass the “glory” onto the partner project.

Here are thoughts to inform a careful approach:

- Enter into agreements and relationships with beneficiary organisations and communities with an understanding of the seriousness of developmental work. CSI mustn’t be seen as frivolous activity. Doing so would undermine the sincerity and integrity of this important effort.
- It is in the sometimes perceived power relationship nature of funder vis a vis beneficiary that the latter will appear in the lesser position. Be careful. Very, perhaps most, often the opposite is true in terms of the work done, expertise employed, sacrifice made, and results achieved. Never be blinded otherwise.
- Be mindful of the difference between cause-related marketing and meaningful community development, and act accordingly.

It should be remembered that CSI practitioners are not really in the business of empowering anybody – change champions in developmental organisations or institutions being funded are. Indeed, I sometimes think that the terms “empower” and “uplift” falsely and patronisingly put the credit for positive change on the funder or “giver”, whereas no amount of giving will get us anywhere unless the “receiver” is the change champion, the doer.

The best that corporate social investors can hope for is to increase opportunity or to expand possibilities. The real victories come afterwards and always and only through remarkable and dedicated individuals.

So useful CSI communications aren’t about spending an amount on a development organisation and then many times that on boasting about the fact. Rather, they’re about considered support for remarkable individuals and their organisations. It’s not the business of just responding to need. It’s about backing champions. Done properly, it’s an investment with real social returns itself.





M&E for societal development



Mokibelo Ntshabeleng
Monitoring and evaluation specialist

Talking about monitoring and evaluation (M&E) as a discipline in the corporate social investment (CSI) space is often a conversation about the power dynamics between grantmakers and grantees.

Historically, financial clout dictated the balance of power. The relationship between the measured and the evaluator was a transactional one – a positive report equals funding – without regard for the ethical and practical application of results.

Those being measured viewed M&E fearfully as little more than policing, resulting in a potential loss of funding.

What didn't help this perception was that those measuring projects perhaps did not see the value of their M&E work, and so their measuring created little more than reports that filled up bookshelves, never to be looked at again and never to be used as tools to further the development of projects and programmes.

Often, without a comprehensive knowledge of the discipline, without a strategic, cost-effective and consultative approach, those measuring projects influenced their methodologies to ensure that the results they gathered fitted what they wanted to report.

Whether this created reports that were unduly negative or positive, both impacted upon the credibility of the discipline and this is, obviously, a relationship that is unsustainable.

More and more, particularly following the global economic downturn, companies are required by government, stakeholders and consumers to properly report on all activities, including spend on CSI partnerships.

At the same time, NGOs are having to compete for corporate spend, demonstrating efficient and effective programmes delivering positive impact. There is no better way for either party to demonstrate their value than through mature, systematic and transparent monitoring and evaluation.

Of course, value in CSI should mean just one thing – social change for real people. This is where M&E becomes more than an obligation, or good corporate governance. It is a scientific discipline that has a very human impact – the potential to foster the creation of opportunity for South Africans who previously did not have the option to better their circumstances.

M&E enables us to identify change champions and pinpoint the innovative ideas that are working in social development. It also allows us to provide these champions with additional support, whether of a monetary or other kind.

The seeking of these projects and people is the true calling of M&E work – not ticking boxes, compiling reports and analysing only what is presented in an application form.

Thanks to the establishment of the South African Monitoring and Evaluation Association (SAMEA) in 2004, and the Performance Monitoring and Evaluation Unit by the South African government in 2009, the local M&E industry is striding towards this ideal.

Capacitating all users of evaluation – the measurers, the measured and the end-users of this work – drawing on local and international expertise, is a significant challenge for these bodies, but one that will reclaim M&E for societal development.



Grantmakers saying goodbye



Claire Hugo
CSI practitioner

Grantmakers almost inevitably find themselves having to exit funding relationships with NGO partners. Doing this carefully and with consideration for a project's viability can become a process of benefit to both funder and grantee. Indeed, exit strategies are a touchy subject in the corporate social investment space, particularly as grantmakers wrestle with the need to develop exit strategies before a funding relationship even begins.

While acknowledging that the social development problems NGOs seek to resolve are complex and deep-rooted, needing a long-term vision and therefore a long-term commitment, it is also a reality that donors cannot fund an organisation into perpetuity. Thus, the inevitable exit needs to be planned for and adopted by both donor and grantee.

There are numerous reasons for exiting a funding relationship. These include changes in the market, declining assets, changes in the thinking or composition of foundation leadership, change in project officer or the desire to keep the strategy fresh and flexible.

Discussing the realities of time-limited grants can be difficult. Grantmakers might be hesitant to focus on exit strategies in the hope that strategic, targeted interventions, even in the face of economic downturn, will have the necessary impact. Grantees value long-term support to provide space for planning, undertaking innovative models and focusing on their objectives without worrying about fundraising or basic administration costs.

Unfortunately, exiting a funding relationship will always be a disappointment to the beneficiary organisation, even if the strategy is clearly communicated. A certain degree of reputational risk is to be anticipated. Can there be such a thing as a successful exit strategy? The Community Fund, based in the United Kingdom, conducted research in 2002 to investigate exactly this, in an effort to identify key factors resulting in an exit strategy that has more positive outcomes than negative.

The success factors identified include good business planning, a passionate champion, continuity of staff and volunteers, an organisation that has several sources of funds, and the involvement of potential continuation funders at an early stage. Conversely, factors that work against project survival include poor business planning, changes of staffing and leaving consideration of continuation funding to the last year of a three-year project.

An explicit exit strategy can be an essential aspect of the relationship between the donor and the grantee. It adds value in numerous ways, including:

- A focused discussion of shared priorities at the outset of the relationship can ensure clarity on how best the donor can invest in the grantee's sustainability, whilst bringing a healthy discipline to an organisation.
- It may encourage both parties to be more specific around their capacity-building efforts and needs.
- The transparent discussion allows for a closer working relationship between the donor and grantee; this is most likely when realistic targets have been set, including realistic time frames and adequate funding, allowing for a shared view of progress and an alignment of effort.
- Wider and more consistent application of exits could similarly assist in greater cohesion between funders, resulting in greater efficacy of donor funding and increased advocacy on behalf of the grantees.

The ideal is to "think upfront" when it comes to establishing a funding relationship, in terms of timelines and outcomes. In this way, grantmakers can manage expectations and ensure discipline in identifying realistic objectives and priority needs for capacity-building.



Not enough loaves and fishes



Graeme Wilkinson
Senior CSI practitioner

South Africa has committed itself to achieving eight Millennium Development Goals by 2015, and arguably the chief determinant among these is food security. That's because human development is dependent on human health. And good health is dependent on good nutrition.

Yet, initiatives that seek to support marginalised and poor communities' food security appear to be left to gather up the crumbs under the CSI funding table. The lion's share of CSI funding locally is channelled into education, health and HIV, and social and community development, understandably. However, food security – as a class of development project – falls seventh on the list after enterprise development and the environment.

It would seem that the powerful dual impact of food security projects is being overlooked, or much misunderstood. First, the provision of support for community food security initiatives allows development workers a direct and tangible way to support the basic and immediate welfare needs of a targeted community. A feeding scheme allows poor and malnourished people access to good, nutritious food for as close to free as possible.

Second, best practice food security projects have also recognised that building sustainability into their operating model means building self-sufficiency into the package for each beneficiary. Teaching the poor and malnourished how to cultivate their own nutritious food is both the most noble and the most cost-effective food security intervention.

But creating the right environment for those who wish to take up the skills learnt – to establish and care for their own food garden as part of a new lifestyle – requires the provision of basic farmer support (having a local presence providing information, expertise and, possibly, collectively bargained discount inputs and collectively bargained marketing channels, where possible).

Among local CSI funders over the past while there has been a failure to recognise that food security projects require sustained ongoing and uninterrupted support. All too often a project is funded just long enough to see the food garden established – without ensuring that the requisite support structures that need to exist to support the micro-farmer are in place and are themselves sustainable.

As select instances across the country are demonstrating, long-term funding support is producing real, deep and meaningful change in the lives of beneficiaries:

- Entrenching a culture of growing one's own food, sustainably and productively;
- Providing good, healthy produce to your immediate community at a fair price;
- Increasing your community's food security; and
- Reducing your community's carbon footprint.

We need a countrywide movement in support of home and community food gardening, and the movement needs patrons who are in it for the long term. Every community deserves and should have an opportunity to engage with the possibilities that food gardening brings. This reach requires much greater levels of investment and commitment from both public and private social investors.

Designed expertly, managed efficiently and funded earnestly, food security projects in South Africa will lay the foundation of a prosperous nation for all. The seemingly out-of-place ugly duckling will, in time and with support, grow to be the swan.



Tshikululu works with remarkable organisations. Through them, in 2009:
200 schools started food gardens

