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**EXPLORING THE COMMUNICATION RELATIONSHIP  
BETWEEN CORPORATE DONORS AND SOCIAL  
DEVELOPMENT NPO RECIPIENTS**

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Communitas  
ISSN 1023-0556  
2012 17: 199-221

**Louise van Dyk and Lynnette Fourie\***

**ABSTRACT**

*The complexities in the social development setting in South African are clearly evident from unemployment and poverty statistics, low levels of literacy and education and lacking government response to social ills (CASE 2003). Added to the complex environment in which South African non-profit organisations (NPOs) operate, is the communication relationship between NPOs and their corporate donors (as stakeholders of one another). This relationship is important for the survival and financial sustainability of the NPOs and to the corporate companies' adherence to stakeholder demands and guiding principles such as set out in the King III Report (IoDSA 2009). In this article, findings resulting from partially structured interviews with NPO managers, corporate social investment (CSI) officers of South African corporate companies and independent CSI consultants are discussed. This study maps the complex shared and divergent perceptions of communication relationships between social development NPOs and their donors, and finds that not only is the communication relations strained, but a corporate communication perspective alone is not suitable to describe (or manage) this specific relationship.*

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\* Louise van Dyk lectures in the Department of Communication Science at the University of South Africa in Pretoria. Professor Lynnette Fourie is Programme Leader: Postgraduate Studies in the School for Communication Studies at the Potchefstroom Campus of the North-West University.

## **INTRODUCTION**

Corporate success and organisational goal-attainment are linked to the on-going process of stakeholder management in which the needs of stakeholders are identified and managed strategically (Freeman, Harrison, Wicks, Parmar & De Colle 2010: 6; Freeman & Reed 1983: 91; Steyn & Puth 2000: 210). Such a relationship can be described and measured by considering the following dimensions identified in corporate communication literature: commitment, trust, satisfaction, cooperation and the use of dialogic, open communication (Bruning & Galloway 2003: 316; Grunig 2002: 2; Jahansoozi 2002: 4; Ledingham 2003: 188-189; Ledingham & Bruning 1998: 63).

In South Africa, one of the stakeholder groups to which corporate companies have the responsibility to relate, are social development non-profit organisations (NPOs) whose projects are funded as part of their corporate social investment (CSI) programmes. Corporate companies are obliged to engage with the society within which they operate by requirements as set out in the Companies Act. Voluntary compliance guidelines that further encourage responsibility towards society include the Johannesburg Stock Exchange's listing requirements and compliance with the King III code on corporate governance. In addition to these voluntary guidelines, there are further pressure on companies for socio-economic development ratings on their black economic empowerment (BEE) scorecards and adherence to international guidelines. On the other hand NPOs are dependent on corporate companies for financial support and cannot survive without them (Padaki 2007: 70; Rossouw 2010), let alone attain sustainability.

Despite the authority of stakeholder relationships in organisational communication (Grunig & Huang 2000: 43; Ledingham 2003: 188) and the obligation of corporate companies and NPOs to have relations with one another, this corporate-NPO stakeholder pair is largely under-researched in communication studies.

In this article, the key concepts that define the communication relationship between corporate donors and NPO recipients are briefly explored. This is done in order to broaden the understanding of the specific relationship between corporate donors and the recipient NPOs and could also contribute to the sustainability of those NPOs and the social change they facilitate in their communities.

## **BACKGROUND LITERATURE**

When exploring the key concepts of the communication relationship between NPO recipients and their corporate donors and commenting on the sustainability of existing stakeholder relationship measures to define and manage this relationship, a good starting point is to describe what stakeholder relationships are and how they are usually determined.

## **Who are stakeholders and what are stakeholder relationships?**

Freeman and Reed (1983: 91) define the term stakeholder as groups/individuals that influence the attainment of organisational goals or on which organisational survival depends. In the case of communication relationships between corporate donors and the NPOs it could be argued that NPOs depend on corporate donors for survival, whereas the corporate donor does not face demise in the absence of NPOs. However, having a relationship with society definitely influences the corporate company's organisational goal-attainment (Freeman *et al.* 2010: 6; Freeman, Wicks & Parmar 2004: 364; Steyn & Puth 2000: 210). Various authors focus on the constant exchange of bilateral needs and expectations between parties in a relationship in order to create value for both and maintain the relationship (Broom, Casey & Ritchey 2000: 14, Freeman *et al.* 2010: 9).

## **Theoretical constructs of communication relationships**

If stakeholder relationships are defined by referring to the characteristics of those relationships, what are the indicators that distinguish a good relationship from a bad one?

Grunig, Grunig and Ehling (1992: 83) point to the importance of the dimensions of reciprocity, trust, credibility and mutual legitimacy as well as involvement, investment, cooperation, shared goals, interdependence, adaptation, summative constructs, structural and social bonds and passion. They also add that the degree of comfort with the relational dialectics and the level of comparison to alternatives could indicate the health of a relationship. Ledingham and Bruning (1998: 62) echo some of the previously mentioned dimensions, but add that the length of the commitment influences the relationship and that longer term commitments are a positive sign in a relationship.

The most popular, however, are the two types of relationships (exchange and communal relationships) and four indicators (control mutuality, trust, commitment, and satisfaction) suggested by Hon and Grunig (1999: 3) to measure stakeholder relationships. These were selected as the starting point for this article because they offer the most concise way in which the preceding research can be summarised and because these indicators developed by Hon and Grunig (*ibid.*) are regarded highly for their contribution to relationship theory and measurement (IPR 1999).

### *Exchange versus communal relationship*

Grunig (2002: 1) describes an exchange relationship as two parties who are in a relationship because they expect to benefit from one another. This expectation to receive something in return if you have given something is the basis for an exchange relationship. Linking to exchange relationships are the strategic management perspective on stakeholder relationships as described by Ni (2006:

277), where a relationship is only perceived to have value when it contributes to organisational effectiveness. The value of stakeholder relationships in this sense is usually measured by financial performance (Cooper 2004: 3).

In contrast with an exchange relationship, parties in a communal relationship provide each other with benefits because the welfare of the other party is important to them and not because they expect benefits in return (Grunig 2002: 1). This view is in line with post-modernist thinking where non-material dimensions are integrated with material ones. According to Burger (2009: 188) the beyond-modernist thinking about relationships could be associated with terms like interdependency, multiplicity, and reciprocity.

### *Control mutuality*

Control mutuality is defined by Hon and Grunig (1999: 3) as the level of agreement regarding who has power and influence over whom. Imbalances in control mutuality are not unusual, but at least some control must be in the hands of both parties. The sharing of power was also identified by Grunig and Huang (2000: 43) and Jahansoozi (2002: 8) as an element of stakeholder relationships.

### *Trust*

The amount of trust in a relationship is possibly one of the most agreed upon indicators of a relationship (Jahansoozi 2006: 942; Ledingham 2003: 188-189; Grunig 2002: 2). Trust is a complicated concept, and Hon and Grunig (1999: 3) operationalised the word to comprise three dimensions, namely integrity, dependability, and competence, with “integrity” meaning the conviction that the other party is fair and just; “dependability” indicating the belief that the other party will do as it says it will; and “competence” implying that there is a belief that the other party has the ability to do what it says it will. The combination of integrity, dependability, and competence will determine the confidence and willingness to open up to one another (Hon & Grunig 1999: 3).

### *Commitment*

Commitment is the extent, either in line with action or as an emotional orientation, to which parties believe that their relationship is worth the energy spent to maintain and promote the relationship (Hon & Grunig 1999: 3). Various other authors also refer to commitment as an important relationship indicator (Grunig & Huang 2000: 42; Jahansoozi 2002: 4; Bruning & Galloway 2003: 316).

### *Satisfaction*

Satisfaction refers to the extent to which parties feel fulfilled in a relationship because their positive expectations and beliefs about the relationship are being respected (Hon & Grunig 1999: 3). When a party is satisfied in a relationship

it believes that the other party engages positively to maintain and promote the relationship.

Hon and Grunig's (1999: 3) relationship dimensions refer predominately to the corporate environment. As this article focuses on the relationship between corporates and NPOs, some constructs identified in the social development literature as challenges specific to the social development industry were also included.

### *Shared goals and expectations*

Shared goals, common interests and expectations are frequently emphasised in relationship literature (Ledingham 2003: 188; Jahansoozi 2002: 8) and indicated as specific threats to the relationship between social development NPOs and corporate donors by Rajesh (2000: 327) and Rossouw (2010).

### *Time and resource constraints*

Limited time-frames and resource constraints on the side of the donors are regularly cited as being challenges for donor relationships (Rajesh 2000: 327; Rossouw 2010). Also mentioned by Ledingham (2003: 189), is the importance of the respondents' opinions of time orientation. These perceptions on the influence of resource and time constraints on the relationship are also examined.

With the well-researched relationship dimensions of Hon and Grunig (1999: 3) and the additional dimensions indicated by both relationship and social development theorists as potentially important in defining this specific relationship, the scene is set for exploring this relationship. However, before any enquiry can ensue, the importance of this relationship and the roles of the two parties should be investigated.

## **CORPORATE-NPO COMMUNICATION RELATIONSHIPS**

CSI represents a corporate company's interaction with the society in which it operates. Largely encouraged by various legislative and normative rating scales and codes, CSI forms part of the overall requirement of corporate governance (Rossouw 2010).

The touchstone regarding corporate governance is the King Code of Governance for South Africa which put South Africa's CSI practices at the forefront of governance internationally (IoDSA 2009: 4). The report emphasises that all stakeholders need consideration from the company and not only those who are instrumental to the financial success of the company (IoDSA 2009: 11; Rensburg & De Beer 2011: 153).

The voluntary and regulatory requirements for corporate companies doing business in South Africa further include the Johannesburg Stock Exchange's Socially Responsible Investment Index (JSE's SRI index) that consists of a set of criteria to measure the social and environmental responsibility of companies and also serves as a platform where potential investors can access information on the sustainability and responsibility of the companies' business practice (JSE 2010).

The third and most enforceable requirement is the Companies Act 71 of 2008 that came into effect on 8 April 2009. The purpose of the Act, among others, is to encourage transparency and high standards of corporate governance because of the significant role of companies within the social and economic life of South Africa. It places high value on responsibility, transparency, accountability, and integrity of enterprises in the country (SA 2009: 42,142). The Act requires that public and state-owned companies appoint a social and ethics committee that will monitor the companies' compliance to equality, empowerment, corruption, health, public safety, and consumer and labour relations legislation (Lomax 2010).

Another act that promotes CSI is the National Black Economic Empowerment (BEE) Act 53 of 2003 that has the broad aim of righting inequalities of apartheid by deliberate transferring of equities to the black community, transforming the workplace and promoting the development of black people (Babarinde 2009: 360). In order to measure a company's compliance, companies are required to set up a scorecard that rests on the seven pillars of broad-based BEE. The CSI pillar of the BEE scorecard measures the extent to which a company contributes toward socio-economic development that increases access to the economy for black people (SA 2007: 10).

These legal requirements and best practice benchmarks support the notion that corporate South Africa should contribute to positive societal change and compliance to then drive CSI decisions. This aspiration for compliance, and the rewards it holds, result in stakeholder relationships with the social development community and set the scene for CSI in every corporate company.

NPOs fit into the bigger social development sector as the implementation agencies that apply funding to ultimately effect social change in the recipient communities (Rossouw 2010). They also act as the link between donors and recipient communities. NPOs are also positioned closer to the recipients than the corporate donors and are in an ideal position to articulate the needs of the communities in a bottom-up process to the donor. From a donor perspective the link that NPOs provide to recipient communities enable the donor to mobilise their social investment (Shumate & O'Connor 2010: 578).

The literature suggests that, despite the important role of NPOs in social development, they are constrained by lacking infrastructure (Boafo 2006),

disparities in the communication between urban donors and rural NPOs (Boafo 2006), dependence on donors for funding (Byrne & Sahay 2007: 71; Hodge & Piccolo 2005: 175; Helmig, Jegers & Lapsley 2004: 107) and increased competition for funding from other development organisations (Helmig *et al.* 2004: 112). When considering the role of NPOs in social development, these challenges for NPOs then also become challenges for the recipient communities.

The roles of both corporate companies and NPOs in social development and their various reasons for relating to each other make the communication relationship between the parties important for sustainable development as well as for corporate goal attainment.

## **RESEARCH PROCEDURE**

This exploratory research within the interpretative paradigm aimed to gain insight into the experiences and perceptions of role-players in the CSI environment regarding the relationship between corporate donors and their recipient NPOs. A qualitative design is suitable in this case because the perceptions of respondents are central to the analysis (Henning, Van Rensburg & Smit 2004: 5).

The sample consisted of two managers of social development NPOs who receive funding from corporate donors, and two representatives of corporate companies who manage the relationships with NPOs. To add to the richness of the data, the sample also included two independent consultants who work in this space and could provide information regarding the perceptions of both corporate donors and NPOs as well as provide their own opinions regarding the context of the relationships.

Drawn purposively to ensure the inclusion of the three groups mentioned above, the researcher based the selection on previous knowledge of the target population. The data was collected by using partially structured interviews with the respondents in their places of work. The duration of the interviews was between 45 and 55 minutes each and the interviews were recorded for later transcription.

### **Interview protocol**

To suit the exploratory nature of this article, the Grunig (2002: 2-6) qualitative interview guide for evaluating stakeholder relationships was adapted for use in this enquiry. This instrument was used because it has its roots in award winning measurement research (IPR 1999) and additional constructs could be added to the interview guide with ease.

To further allow the researcher to explore the possible link between the developmental realities in the work of the NPOs and the framework set by CSI

practices for the relationship, items about the role of both parties in the broader social development sphere were added to the interview guide. Probes to explore the approaches to development and CSI of both parties in the relationship between corporate donors and NPOs were also included in the interview guide.

The data was analysed using qualitative thematic analysis of the content of the partially structured interviews. The data-analysis for this article was based on Carney's ladder of analytical abstraction. This ladder suggests three levels of analysis comprising of steps overall and also indicates the tasks for each step (Miles & Huberman 1994: 92).

## **INTERPRETATION OF THE RESULTS**

The findings of the partially structured interviews are organised to report on the relationship per relationship dimension to indicate key concepts and discuss the emerging themes.

### **Type of relationship**

Respondents found questions about the type of relationship between corporate donors and NPO recipients difficult to answer, with many responses indicating characteristics of both types of relationships. It is clear from respondents that money flows from the corporate to the NPO who acts as an implementation agent in the social development field and that a return on this investment, in the form of results and reports, is expected by the corporate donor. However, it is not only the corporate companies that require some form of exchange from this relationship; the NPOs agreed that they are only in this relationship because they get something in return. The following responses provide an overview:

*Most of them do it for what they get in return, it is not a bad thing, but many are just doing it for their own benefit and not for those who are being served – NPO respondent*

*(We are in this relationship because) we need the money – NPO respondent*

*We expect return on investment – corporate respondent*

Apart from the definite exchange that can be deduced from responses, some characteristics of communal relationships are also prevalent. The NPOs argue that they expect something from the relationship they have with corporate donors, but what they get in return is not for them, but for the communities they serve.

The corporate respondents believe that they only needed returns from NPOs to ascertain that the good they want to do, gets done.

### **Control mutuality**

From the responses it is clear that corporate donors hold control over the relationship to such an extent that the channels of communication, the communication process and agreements between parties are controlled by the corporate donors with seemingly little input from the NPO party in the relationship.

Although a natural power imbalance is to be expected in healthy, positive relationships, the negative attitudes of respondents imply that the power imbalance in this relationship is not natural and positive, as is summarised by a consultant respondent:

*The power always remains in the hands with the money.*

A finding that further highlights the power imbalance is that corporate respondents claim that the needs NPOs express in their funding proposals automatically mean that the donors are attentive to the needs of NPOs. The impression created is that the formal proposal takes care of the needs of NPOs instead of the focus being on a constant exchange of needs.

*When a proposal is presented to us by an NPO it is needs-based and is already an indication of what needs need to be attended to and when we approve that we respond to those needs.*

When considering these aspects of control from the viewpoint of NPO and consultant respondents, it appears that the corporate donors generally do not attend to the needs of NPOs nor take the interests of the NPOs into account. The lack of attentiveness and interest is evident in the following responses:

*I have not come across many of them (corporates) who are willing to come and sit and listen to the needs of the communities – NPO respondent*

*We don't have a bargaining platform – NPO respondent*

### **Trust**

Trust seems to be a much individualised factor, specifically regarding the integrity of the parties in the relationship where responses varied between the extremely positive and extremely negative with no dominant trends emerging. However,

some perceptions were evident when looking at the responses to questions about competence and dependability.

The respondents had a distinctive view on the competence factor and indicated that corporate donors are generally regarded as competent while NPOs are generally regarded as incompetent. A lack of competence on the side of social development NPOs is part of each respondent's perspective. These comments illustrate the point:

*The problem is, many community organisations do not have the skills and resources to facilitate good communication with corporates – consultant respondent*

*We work with local people in our company that also do not have the capacity. We do not have the funding to hire highly qualified staff. Corporate companies really do not understand that, they think that an NPO should run just as smoothly as a department in their company where they pay very high salaries – NPO respondent*

It is interesting, however, that there are different interpretations of the factors that constitute trust. Most respondents equated dependability with on-time payment when they responded on the dependability of the corporate donors while the NPOs' dependability was generally linked to service delivery and their influence on the brand of the corporate they are linked to.

Two respondents posed these views:

*We however also believe that how we engage with each other causes them to be dependable, so that we have never been required to call into 'action' clauses that we sign and hence feel quite confident in the control that we have been able to establish through the building of relationships – corporate respondent*

*Well, compared to government contracts, corporates normally pay in the time the contract stipulates – NPO respondent on responding to questions pertaining to dependability*

## **Commitment**

When reporting their perceptions of commitment to the relationship, the length of commitment proved to be a contentious issue to the respondents. From the responses it seems that the longer the funding term, the better the results and development impact. In an industry where funding cycles are an average of twelve

months and a long-term commitment is three years, the sustainability of this CSI practice is questioned and criticised by most of the respondents.

The respondents had this to say about the sustainability that the most funding cycles allow:

*Sustainable impact does not come overnight and if you have annual funding cycles you cannot create sustainable impact with a child for instance – it is just crazy expectation – consultant respondent*

*You cannot create impact in twelve months and with a million rand – consultant respondent*

Some respondents report an understanding for the funding cycle dilemma by explaining that long-term commitments are like *putting all your eggs in one basket* and that the capacity of the NPO should develop over time and at some point they should be more sustainable and less dependent on funding sources.

## **Satisfaction**

Satisfaction proved to be different for each individual relationship, but it appears that satisfaction is linked and even subject to other relationship dimensions. The perceived short term of commitment from corporate donors, when it comes to funding cycles, is a source of great concern to the NPO and consultant respondents. They perceive the short funding cycles to have negative consequences on the sustainability of NPOs' work and also on the amount of relationship satisfaction of the NPOs.

Satisfaction was also linked to trust by many of the respondents as they referred to factors such as dependability and integrity in their responses about their relationship satisfaction.

## **Shared goals and expectations**

It was clear from the onset of the study that corporate donors and NPOs as organisations have very different goals. One respondent voiced the opinion of all of the respondents by saying *they are from two different worlds*.

However, when respondents discussed the various roles of the corporate donors and NPOs in social development, a whole new point of view emerged with the two parties having related and supporting social development goals. Even though they have different organisational goals and roles to play, they have one overlapping goal in mind – sustainable social change.

When respondents shared their opinions and experiences of the unique characteristics of this specific relationship, the responses told a story of nuanced

expectations and motivations, sometimes shared, sometimes conflicting; it is expected from NPOs to be specialists in social development who make a meaningful contribution to social development, and to be much more than mere delivery mechanisms for CSI funds. The corporate respondents were quick to add that although NPOs are important, they are difficult to work with and if they see themselves as too independent and only want the money, the relationship may take a turn for the worse.

There is also the perception (and this was echoed by the NPO respondents) that NPOs change their focus and beneficiaries overnight to fit donor requirements. The implication is that they work on different social issues every year, because they know where to find funding for those issues. One of the NPO respondents commented that they understand the expectations corporate donors have of them, but that they just do not have the resources or time because they spend their days working on the ground with the community.

A further corporate-NPO relationship trend is that the two parties are in this relationship for two very different reasons. All the respondents mentioned that for corporate donors CSI is mandatory, and legislated:

*Broadly it is now a legislated requirement, all corporates, if they want to be on index they have to give 1% net profit after tax to CSI.*

On the contrary, the work of NPOs is seen as an act of heart; an emotional motivation for representing the disenfranchised communities of South Africa:

*It involves something larger, bigger than both the parties, that person or child at the end of the line as the end-beneficiary of the relationship.*

There is also consensus that this emotion is a difficult construct in business language and that the motivation of the NPOs alone, although sincere, is not enough for sustainable change. One of the respondents expresses the dilemma:

*The basis of the relationship is wrong, it's always been wrong, because there are resources at stake here.*

The world of the NPOs, on the other hand, is presented by the respondents as a world driven by the needs of the communities they represent. These examples illustrate the point:

*I think what we need to understand here, is the heart and the nature of development work. It is not predefined; it comes with enormous challenges – consultant respondent*

*Then you start something and after a year they say sorry, we don't have funding for next year or cut your funding in half, then you are stuck. You are feeding children and next year if your funding is cut in half, the children, they are still hungry – NPO respondent*

### **Time and resource constraints**

There is agreement amongst respondents that the funding cycles set by the CSI departments regulate the timelines in this relationship. The NPO respondents feel that the funding cycle is something they do not even try to negotiate. This comment illustrates the frustration of NPOs with the lack of sustainable change due to time constraints:

*Development takes years. Remember we are working here with social change. You cannot change a pass rate in one month, twelve months and five years, maybe in twelve years you can expect some change.*

The corporate and consultant respondents perceive the NPOs to also be the cause of time constraints. They claim that time constraints could also result from an NPO overpromising the time that a project will take during the application phase in order to secure funding and then being unable to deliver on deadline.

When asking the respondents about financial transparency the most predominant responses were about the lack of transparency from the side of the NPO. From the anecdotes it appears that NPOs have opportunity to be untruthful about their finances and almost all respondents recalled examples of embezzled funds. This lack of transparency and tweaking of budgets are, according to the respondents, not without reason.

One respondent remarks:

*It is not in their (NPOs) benefit to be (transparent). If I have approached you for one million rand for a programme, remember the risk, you can say yes or no to me. Then I apply to ten corporates. What happens if all ten says yes. Now I have ten million rand. NPOs will not necessarily tell their funders about this. That is why I say it is not in their best interest to be transparent and I don't blame them.*

An NPO respondent defends the practice:

*Some corporates, you (NPO) say you need R150 000 and then they give you R70 000. Now what are you supposed to do?*

The constraints due to timelines and resources seem to be very fitting in this relationship context and contribute greatly to describe the reality of this relationship.

## **DISCUSSION**

The insight of the role-players provided the researcher with a valuable understanding of the nature of these communication relationships. Three thoughts emerge from interpreting the combined perspectives of all respondents and trends emerging from the data; the first being a concern for the strikingly negative responses regarding the state of the communication relationship between the corporate companies and the NPOs they fund. The second opinion deduced from the responses is that the relationship constructs, as defined by Hon and Grunig (1999: 3), and the resulting qualitative instrument by Grunig (2002: 1) do not seem to be ideal for understanding this relationship and thirdly, the communication in this relationship seems to be purely managed from the corporate perspective while the participatory ideals for development communication are merely being paid lip service.

### **The state of affairs in this relationship**

The relationship that emerges in this article is largely characterised by negative perceptions. Although the respondents show some empathy with the other party in the relationship, the relationship itself shows stark shortfalls and the respondents speak of discordant, one-sided and unequal relationships.

The evidence supports the notion that this relationship lacks control mutuality, trust, commitment, transparency, and a stringent framework while being overwhelmed by conflicting roles and expectations, time constraints and resource shortages.

Control and power imbalances are evident from all the responses, but instead of a natural and healthy power imbalance as promoted by Hon and Grunig (1999: 19), the disproportionate control the corporate donors hold in the relationship is perceived in a pessimistic light by NPO respondents.

Trust seems to be dependent on the specific corporate-NPO relationship, but distinct views about the incompetence of NPOs emerge when discussing trust with respondents. Respondents (NPOs included) believe that NPOs are incompetent in the relationship and provide various reasons and defences

for this perceived incompetence including lacking skills of staff members, dependence of volunteers, limited access to resources, and increased exposure to environmental variables.

When considering the commitment of both parties in this relationship, it was clear that only one aspect was important in this instance; the length of the funding cycle. It seemed like no other actions or affinities were important in this relationship and all responses focused on equating commitment with the funding term.

Another contentious issue in the relationship between corporate donors and NPO recipients is the divergent goals and expectations of parties in this specific relationship. It is apparent in the minds of respondents that the goals of corporate companies are vastly different from the goals of social development NPOs, but a definite overlap in goals was perceived between the social responsibility goals of corporate companies and the goals of social development NPOs. In line with the idea that the corporate donors and NPO recipients have opposing goals, the expectations and motivations within this relationship are seen as mostly contrasting and incompatible. The negative perceptions of respondents are clear from their attempts to award blame to the other party and from the defensive attitudes that are evident in almost all responses.

The last characteristic that defines the negative reality of this relationship is the constraints of time and resources that are not only evident in the rest of the relationship characteristics, but also specifically mentioned by respondents as constraints in the relationship. Time constraints are perceived to come from both sides of the relationship; from the corporate side with funding cycles and the compliance-driven nature of CSI goals. Time constraints are also perceived to be exacerbated by slow reactions from NPOs. Resource constraints are seen as part of the reality of NPOs, but within the relationship resource constraints seem to result in negative perceptions around financial transparency.

Studying the responses in this study, it is firstly the challenges in this relationship that come to the fore. The second concern relates to the applicability of the relationship constructs to define this specific stakeholder relationship. It is prevalent in the responses that respondents are uncertain about certain relationship dimensions and the respondents questioned the appropriateness of certain dimensions for a relationship in this context.

### **Applicability of relationship constructs**

When considering the results of the interviews it becomes apparent that the constructs identified by Hon and Grunig (1999: 3) cannot be used to accurately describe the communication relationship between NPOs and their corporate donors.

The type of relationship is described by respondents as being characterised by a combination of exchange and communal elements. The results show that although the exchange of resources forms a definite part of the relationship, the communal cause of the relationship definitely adds the element of a communal relationship between the parties. The Hon and Grunig (1999: 3) distinction between exchange and communal relationships does not seem to be relevant in this relationship.

From the results it is evident that corporate donors perceive their NPO beneficiaries as incompetent and this incompetence has a negative influence on the trust between the two parties. From the responses it seems that a degree of incompetence is implied in the circumstances of social development NPOs. When considering that the incompetence of NPOs are not to be regarded in the same light as would incompetence from the side of corporate companies, it could be that this element of trust cannot be taken on face value to contribute to an accurate description of this relationship.

Commitment is another relationship dimension that produced skewed responses. Commitment is apparently truly watershed in the success of this relationship, but the Grunig (2002: 5) phrasing of the items relating to commitment led the respondents to focus on the length of the commitment and because the funding cycles and short-term nature of many CSI initiatives are so central to the perceptions of the parties of one another, no other view on commitment in the relationship was offered. The definition of commitment by Hon and Grunig (1999: 3) is by implication then also not truly accurate in this context.

Satisfaction is a relational indicator that does not seem to feature as a separate dimension in this specific relationship. From the responses it appears as if satisfaction is either absorbed by other relationship dimensions or regarded as unimportant in this relationship.

Goals and expectations seem to be important in describing the state of the relationship between NPOs and their corporate donors, but from the results it is evident that goals and expectations, as defined for the corporate context, cannot accurately aid the description of this relationship. Questions about this dimension yielded valuable results, but contrasting goals in this relationship cannot be regarded as one of the outright reasons why the relationship is largely negative. The organisation's opposing goals are due to their roles in society and cannot be used as defined by Ledingham and Bruning (1998: 58) and other relationship theorists.

## **Participatory development communication perspectives**

Related to the applicability of the Hon and Grunig (1999: 3) constructs, the third idea that emerges from the data, is the possible suitability of participatory development theories when considering managing and describing communication relationships in this context. Communication for development is not only confined to the more researched topics of media and messages, but also refers to the broader interaction and relationships in the development process (Servaes 2008: 17). It is this broader application that holds possible solutions where corporate communication theory fails to be effective.

The type of communication relationship, seemingly undefined by the corporate communication idea for this relationship construct, is not such a foreign concept when looking at participatory development theories. The communication relationship between donors and NPOs fits into development communication discussions as a part of the complex communication systems that are implemented to affect social change as described by many communication for development theorists (Huesca 2008: 189; Servaes 2008: 15) and the focus seem to be on how these systems work in order to be means to social development ends. Focusing on whether the relationship fits into either of the two category types of the Hon and Grunig (1999) theory, communication for development ideas are echoed in the responses that the exchanges between the parties are for a greater cause than themselves.

The respondents perceive NPOs to be incompetent when compared to their donors in the communication relationship between them, but the responses also show that competence should not be judged the same for the two different parties in the relationship. Once again, it seems that participatory development communication thinking provides a reason why the corporate communication perception of competence is not suited for this context. With a strong focus of the participatory development literature on the deliberate inclusion and empowerment of recipients (Cleaver 2006: 786)  $\frac{3}{4}$  therewith implying vulnerability, exclusion and powerlessness of the recipients  $\frac{3}{4}$  to change their own circumstances, how can competence in participating and managing their own circumstances then be a fair prerequisite for NPOs to be trusted by their donors? Rather than being viewed as a requirement for trust, competence could be seen as an outcome of participatory development (Tufté & Mefalopulos 2009: 5).

Similarly, the donors and NPOs cannot be expected to have similar organisational goals and relationship expectations. When considering their roles in the development arena – with the donors being both funders of development and drivers of economic development while the NPOs are implementation agencies, parallel organisational goals and expectations are not relevant.

Commitment, another relationship dimension used in the Grunig (2002) qualitative instrument, also has a developmental context that cannot be defined as other corporate communication relationships. The long-term time-dimension required for participatory development and short-term nature of the modernistic and diffusion models of development has been debated by many theorists and practitioners (Tufté & Mefalopulos 2009: 5). The limited funding terms of donors have long been part of this discussion (Battilana & Sengul 2006: 198; Tufté & Mefalopulos 2009: 46). When looking at issues of commitment from a developmental perspective, it is easy to see why the respondents in corporate-NPO relationships experience the corporate communications perspective as limited.

## **CONCLUSION**

Although no case can be made for all relationships or specific corporate-NPO relationships, preliminary concepts and trends could be found in data. The results yielded from qualitatively analysing partially-structured interviews on the perceptions of corporate donors, NPOs and experts in the field suggest that the relationship is viewed as largely negative, despite the importance of successful communication relationships for both parties.

Described as conflict ridden, complex and unequal, the relationship could impossibly produce sustainable impact on communities. Partially to blame for the challenges are the opposing natures of top-down, pro-active corporate social development practices and bottom-up, needs-based natures of development that manifest in social development NPOs.

Also evident is the unsuitability of corporate communication measures to accurately talk about the communication relationship between donors and NPOs. This article suggests the inclusion of participatory development views for the measurement of this relationship instead of solely relying on corporate communication theory, because this relationship is not seated in only the corporate arena, but also in the social development sector. Communication for development scholar, Servaes (2008:16) rightly claims that that communication for development uses skills from corporate communication, but that communication for development ideas reaches deeper into the entire communication process. The preceding statement rings very true for the relationship between corporate donors and social development NPOs as described by the respondents in this study.

The article therefore also provides insight into the broad use of communication for development and communication relationships that can not only help sustainable social development, but also assist in corporate goal attainment.



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