



Received: 21-01-2025
Accepted: 01-03-2025

ISSN: 2583-049X

Assessing the Effectiveness of Corporate Social Responsibility of the Mining Companies on Local Community Development: A Case Study of Konkola Copper Mines (KCM) in Chingola District

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DOI: <https://doi.org/10.62225/2583049X.2025.5.2.3856>

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Abstract

This study examines the effectiveness of corporate social responsibility initiatives by Konkola Copper Mines in Chingola District, Zambia. The study found that while the initiatives have had some positive impacts, such as improved access to education, healthcare, and infrastructure, they have been criticized for being inadequate, unsustainable, and failing to address the root causes of poverty and inequality in the local community. The study identifies several challenges that have contributed to the ineffectiveness of the initiatives, including inadequate stakeholder engagement, lack of transparency and

accountability, and insufficient resources. The study also found that the initiatives have been largely driven by the company's interests, rather than the needs and priorities of the local community. The study recommends that mining companies adopt a more sustainable and inclusive approach to corporate social responsibility, prioritizing stakeholder engagement, transparency, and accountability. This includes involving the local community in the decision-making process, providing regular and transparent reporting on the initiatives, and ensuring that the initiatives are aligned with the needs and priorities of the local community.

Keywords: Corporate Social Responsibility, Mining Companies, Local Community Development, Konkola Copper Mines (KCM)

1. Introduction

1.1 Background

Mining activities have historically been a crucial driver of economic development, particularly in resource-rich regions (Adler *et al.*, 2019)^[1]. However, while mining contributes significantly to economic growth, it often comes with environmental and social costs, especially for communities living in close proximity to mining operations (Dauda *et al.*, 2020)^[5]. To address these challenges, mining companies have increasingly adopted Corporate Social Responsibility (CSR) initiatives to mitigate negative impacts and foster sustainable development (Nash *et al.*, 2018)^[10].

The effectiveness of CSR initiatives, however, is dependent on multiple factors, including socio-economic conditions, cultural heritage, and environmental considerations (van der Zwan *et al.*, 2021). This study focuses on assessing the impact of CSR programs implemented by Konkola Copper Mines (KCM) in Chingola, Zambia, and their effectiveness in promoting local community development.

CSR, as a business approach, has evolved since the Industrial Revolution, when companies first recognized the importance of employee welfare and productivity (Carroll, 2010)^[2]. In modern times, CSR has become an essential component of corporate strategy, with businesses using it to enhance brand reputation, attract talent, and secure investor confidence (Global CSR Study, 2017). Companies that fail to integrate CSR risk losing competitive advantage, as stakeholders increasingly expect businesses to address social and environmental concerns (Carroll & Shabana, 2018)^[3].

1.2 General Objective

To assess the perceptions on the effects of Corporate Social Responsibility of the Mining Companies on Local Community Development

1.2.1 Specific objectives

1. To establish the current practices of women in farming in relation to Corporate Social Responsibility programs by KCM in promoting local community development in Chingola District.
2. To examine how mining has assisted the improvement in the livelihood of people in the community.
3. Evaluate the effectiveness of Corporate Social Responsibility initiatives implemented by KCM.

1.3 Research questions

1. What are the mining practices is KCM practicing in relation to CSR in promoting Local community development by empowering women in farming in Chingola District?
2. How has the practices affected the local community of Chingola households are community?
3. What are the mitigating measures put in place to mitigate the effects?
4. What are the challenges faced by KCM in implementing CSR initiatives?

1.4 Theoretical framework

This study applies Stakeholder Theory and Legitimacy Theory to examine the role of CSR in the mining industry. Stakeholder Theory, introduced by Freeman (1984) [7], argues that a company's responsibilities extend beyond shareholders to include other key stakeholders, such as employees, customers, suppliers, and local communities. Prior research has shown that effective CSR initiatives in the mining sector require active stakeholder engagement to ensure that community needs are adequately addressed (Weerts, 2007). Companies that build strong stakeholder relationships tend to experience long-term sustainability and improved corporate reputation (Näsi, 1995).

On the other hand, Legitimacy Theory suggests that businesses must align their activities with societal expectations to maintain public trust (Deegan, 2009) [6]. This theory emphasizes that companies like KCM must actively demonstrate their commitment to CSR through transparent reporting, ethical business practices, and community involvement. Research indicates that firms perceived as socially responsible gain higher legitimacy and long-term acceptance within their host communities (Gray, Owen & Adams, 2010) [8].

By integrating both Stakeholder Theory and Legitimacy Theory, this study evaluates whether KCM's CSR programs effectively balance corporate objectives with community welfare.

1.5 Effects of Mining Practices on Local Community Development

The World Business Council for Sustainable Development (WBCSD, 2010) [14] defines CSR as a company's ongoing commitment to ethical business operations that contribute to economic development while improving the quality of life for employees, their families, and surrounding communities. Scholars argue that CSR should extend beyond philanthropy and include sustainable business practices that reduce environmental harm and enhance social well-being (Clarkson, 1995; Waddock *et al.*, 2009) [4, 13].

In the mining industry, CSR programs typically focus on

investments in healthcare, education, and infrastructure development. However, studies suggest that these initiatives often fall short due to insufficient stakeholder engagement, lack of transparency, and weak governance structures (Hilson, 2002; Porter, 2011) [9, 12]. Furthermore, mining operations can cause environmental degradation, including deforestation, water contamination, and soil erosion, which negatively impact food security and public health (Petkova-Timmer *et al.*, 2009) [11].

As the second-largest copper producer in Africa, Zambia faces challenges in ensuring that mining-driven economic growth translates into sustainable community development (International Copper Study Group, 2014). While companies like KCM have implemented CSR initiatives, concerns remain regarding their effectiveness in addressing poverty, inequality, and environmental sustainability. This study examines whether KCM's CSR efforts have led to meaningful improvements in community welfare or if they primarily serve corporate interests.

1.6 Significance of the study

This study is important in that it would contribute to the body of knowledge on the role of mining companies in enhancing corporate social responsibilities.

This study is important for both theoretical and practical reasons. As mining companies place increasing emphasis on social responsibility and development contributions, it is crucial to understand the effectiveness and impact of CSR initiatives from the perspectives of local communities who are directly affected. Evaluating perceptions will provide valuable insights to identify gaps between intentions and outcomes in order to optimize industry efforts and strengthen partnerships. A win-win situation in mining CSR activities will benefit the mining firms as well as the community.

1.7 Scope of the study

The main aim of the study is to assess the perceptions on the effects of corporate social responsibility of the mining companies on local community development to Chingola community. To establish the current mining practices in relation to Corporate Social Responsibility by KCM in promoting local community development in Chingola District, to examine the effects the of mining practices on the Local Community Development, to identify factors that influence either positive or negative perceptions of the effectiveness and sustainability of CSR initiatives in contributing to local development.

1.8 Operation definitions of key terms

Corporate: Refers to anything related to corporations, which are legal entities created to conduct business.

Social: Refers to interactions between individuals or groups within a community or society.

Responsibility: Refers to the duty or obligation to fulfill certain tasks, duties, or obligations.

Mining: Refers to the process of extracting valuable minerals or other geographical materials from the earth, usually from an ore body, vein, or seam.

Companies: Refers to businesses or organizations engaged in commercial, industrial, or professional activities.

2. Literature Review

2.1 Mining practices in relation to Corporate Social Responsibility

In the global context, corporate social responsibility (CSR) has become increasingly important for companies operating in various industries, including mining. Scholars have emphasized the role of CSR in promoting sustainable development and addressing the social and environmental impacts of mining activities (Boutilier & Thomson, 2011). Global initiatives such as the United Nations Global Compact and the International Council on Mining and Metals (ICMM) have outlined principles for responsible mining practices, urging companies to engage in CSR activities.

In the regional context, the perception and implementation of CSR initiatives by mining companies vary based on geographical and regulatory factors. For instance, in Latin America, where mining plays a significant role in the economy, scholars have highlighted the importance of integrating CSR into mining operations to address social inequalities and promote inclusive development (Valdivieso, 2019). In Africa, where the extractive sector is a major source of revenue, studies have examined the impact of CSR initiatives on local livelihoods and environmental sustainability (Bryceson & MacKinnon, 2018). Regional organizations such as the African Mining Vision have called for greater transparency and community engagement in the mining sector to maximize the benefits of natural resource extraction (UNECA, 2011).

At the local level, the perception of mining companies' CSR initiatives depends on factors such as community engagement, benefit distribution, and cultural sensitivity. Research conducted in specific mining regions, such as the Andes Mountains in Peru or the Appalachian region in the United States, has highlighted the complex interactions between mining companies and local communities (Bebbington *et al.*, 2008; Stoecker, 2016). Local residents often have firsthand experience with the social and environmental impacts of mining operations, leading to varying degrees of trust and cooperation with companies (Hilson & Murck, 2000). Studies have also examined the role of indigenous communities in negotiating agreements with mining companies to protect their rights and preserve traditional lands (Banks *et al.*, 2016). Overall, the local perspective underscores the importance of context-specific approaches to CSR that prioritize community participation and sustainable development (Davis & Franks, 2014).

There are four various general approaches to social responsibilities and can be divided into four basic stances: Obstructionist, Defensive, Accommodative, and Proactive (Amanda, 2010).

An organization which holds an obstructionist stance "tries to block and stop what is going on" and avoid corporate social responsibility (Steege, 2011). When an obstructive company cross the ethical or legal line that separates acceptable from unacceptable practices, their typical response is to deny or avoid accepting responsibility for their actions by blocking any attempts to point out the company's lack of social responsibility to defend its economic priorities. An obstructive company does not make social responsibility an effort, instead making profits the most important aspect of its business. Some people view obstructive businesses as immoral since they may exploit their employees, pollute natural lands or deceive customers

(Kanobi, 2010).

In most cases, companies that take a defensive stance towards social responsibility are not particularly responsible (Kanobi, 2013). Companies hold the concept of "argues that nothing has been done wrong by them despite possible bad outcomes", and doing only what is required of them by law and nothing more (Steege, 2011). These companies may consider themselves neutral, and they make profits a more important motive than performing actions in a socially responsible way. They make a point of following the law to ensure that others cannot take legal action against them. A company may create more waste than necessary, but it will remove of the waste in a legal method rather than dumping it illegally (Kanobi, 2010).

2.2 Effects of mining practices on the Local Community Development

The World Business Council for Sustainable Development defined Corporate Social Responsibility as the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large, (WBCSD, 2010) ^[14]. Hence the fundamental idea of CSR is that business corporations have an obligation to work towards meeting the needs of a wider array of stakeholders (Clarkson, 1995; Waddock *et al.*, 2009) ^[4, 13]. More generally, CSR is a set of management practices that ensures the company maximizes the positive impacts of its operations on society or 'operating in a manner that meets and even exceeds the legal, ethical, commercial and public expectations that society has of business' (BSR, 2011).

Other scholars defined CSR as "the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large," (Baker 2009).

In 2011, Harvard Business School Professor Michael Porter put forward a radical proposition to global corporations. "Businesses must reconnect company success with social progress," he wrote in the Harvard Business Review. "Shared value is not social responsibility, philanthropy, or even sustainability, but a new way to achieve economic success. It is not on the margin of what companies do but at the center," (Porter, 2011) ^[12]. "To advance CSR, we must root it into a broad understanding of the interrelationship between a corporation and society while at the same time anchoring it in the strategies and activities of specific companies" (Porter & Kramer, 2009).

Mining is a chief economic activity in many less developed countries. Operations, of any kind (small or large-scale), are naturally upsetting to the environment, generating massive amounts of waste that can have harmful effects for decades. The environmental deterioration caused by mining occurs mainly as a result of inappropriate and wasteful working practices and rehabilitation measures (Hilson, 2002 ^[9]; McCurdy, and Keresztes, 2012). Mining causes substantial environmental and social harm, it depletes water supplies, pollutes the air, soil and water, and destroys ecological systems. Mining also destroys arable land, leading to a decline in food security (Petkova-Timmer, Lockie, Rolfe, & Ivanova, 2009) ^[11]. As indicated by Noronha (2001:65), the social and environmental impacts are more persistent in regions where operations are newly established or are

closing down. Albert (2015), has commented on the potentially hostile effects of mining, which include displacement of local people from ancestral lands, marginalization, and oppression of people belonging to lower economic classes.

Mineral exploitation contributes significantly to economic growth and development in most world economies. Globally, Zambia is the seventh largest copper producer in the world and in Africa it is ranked second (International Copper Study Group, 2014). The previously state-owned mines have been privatized and for the last decade the government has encouraged foreign investments in the mining sector as a way of advancing the country's economic activity. Mining in developing countries like Zambia can however be a treasure or a trouble depending mainly on factors like institutional stability, economic management and overall management of the sector itself (World Bank and International Finance Corporation, 2002). The country's major copper fields are located on the Copperbelt province. Although records indicate that mineral exploration and exploitation in Zambia began in 1889 under the British indirect rule (Filer, 1998).

There is evidence suggesting that local people, using traditional methods of mineral prospecting, produced minerals centuries before the establishment of the colonial administration. As indicated by Ghosh (2008:10), most of the deposits were discovered by the settlers with the assistance of the local scouts, who had knowledge of mineral deposits before the white settlers. The copper industry has dominated the mining scene in Zambia for more than eight decades since the first commercial mine was opened 1928 (Simutanyi, 2008).

2.3 Identify factors that influence either positive or negative perceptions of the effectiveness and sustainability of CSR initiatives in contributing to local development

Garriga and Mele (2004) distinguish four groups of CSR theories, considering their respective focus on four different aspects of the social reality. These are instrumental, political, integrative and ethical theories. The first one focuses on economics and the corporation is seen as a mere instrument for wealth creation. The second group focuses on the social power of the corporation and its responsibility in the political arena associated with its power. The third group focuses on social integration. It includes theories which consider that business ought to integrate social demands. The fourth group of theories focuses on ethics, it includes theories which consider that the relationship between business and society should be embedded with ethical values.

At the core of the CSR debate is the idea that Corporations should transition from a state of mere compliance to a mode of engagement, from harm minimization to value creation (Luetkenhorst, 2018).

The proponents for CSR are commonly the stakeholders. The term "stakeholders" is broad in scope and have been defined as all those with a 'critical eye' on corporate actors (Bowman-Larsen and Wiggen, 2004). Freeman (1984) ^[7] states that stakeholders are "groups and individuals who can affect or are affected by, the achievement of an organization's mission ". Stakeholders, acting either formally or informally, individually or collectively, are a key element in the firm's external environment that can

positively or negatively affect the organization (Murray and Vogel, 1997). In a more recent article, Friedman and Miles (2006) notes that other subgroups may have an interest, such as academics, non-governmental organizations and government. This theory maintains that corporations should consider the effects of their actions upon the customers, suppliers, general public, employees, and others who have a stake or interest in the corporation (Jensen, 2002; Smith, 2003a; Freeman, Wicks, & Parmar, 2004; Lee, 2008; Schaefer, 2008). Supporters reason that by providing for the needs of stakeholders, corporations ensure their continued success. Proponents of stakeholder theory maintain that increasing shareholder wealth is too myopic a view. According to stakeholder theory, increased CSR makes firms more attractive to consumers. Therefore, CSR should be undertaken by all firms, (Seglin, 2002).

Carroll (1991) supported the stakeholder's theory and stated that, "there is a natural fit between the idea of corporate social responsibility and an organization's stakeholders", he clarified that stakeholders should be satisfied with the company's objectives. He further stated that this win-win outcome is not always possible 'but suggested that, should this be achieved, the long-term protection of the company with the company's interest increases. Legitimacy theory emphasizes that organizations continually attempt to ensure that they are perceived as functioning within the bond and norms of the society in which they operate (Deegan, 2009) ^[6]. Legitimacy theory implies that a "social contract" exists between a business organization and its respective societies (Deegan, 2006; Deegan & Samkin, 2009 ^[6]). This social contract deals with whether an organization operates within the above bounds and norms of society or, simply, the expectations of society. The terms of this contract could be partly explicit and partly implicit. Explicit terms consist of legal requirements, whereas community expectations constitute implicit terms (Deegan, 2000). One or all of the Lindblom's (1994) legitimization strategies can be employed by adopting CSR activities and CSR reporting. As an example, organizations generally tend to disclose positive CSR behavior rather than negative news (Gray et al. 2010) ^[8]. This strategy implies that through CSR disclosure, organizations seek to communicate their legitimization actions (Deegan, 2007).

Some activities and events, such as environmentally friendly organizational behavior, community development projects, and disclosing positive news, enhance organizational legitimacy, whereas some activities, such as a major accident or a financial scandal published in mass media, decrease it, (Gray, 2010) ^[8].

3. Methodology

3.1 Research design

This study to be conducted will be of the descriptive design. The major purpose of descriptive research is description of the state of affairs as it exists.

3.2 Target population

A research population is a group of individuals, objects or items from which samples are taken for analysis. Population refers to all entire of persons or elements that have at least one thing in common such as KCM employees. KCM has a total number of 6568 employees and the Business partners has 5595 workers, giving a total of 14170 populations. And consisted of KCM employees, its stakeholders and the

community.

3.3 Sampling Procedure

In this study a convenience sample of 55 respondents was obtained. These are employees who are involved in the before and after KCM took over the operations in 2004.

3.4 Sample Size

The sample size for this research was 100 respondents.

3.5 Data collection procedures

Questionnaires were used since the respondents answered the same type of questions. The use of questionnaires is useful as they permit anonymity and produces higher response rate with high confidentiality. The questionnaire schedule was made and distributed by the researcher to the respondents. The researcher made follow up calls to respondents for clarifications where necessary. The respondents were be re-assured of the confidentiality of information given.

3.6 Data analysis

The data will be analysed by using Statistical package for Social Solution (SPSS) software, version 22 and Excel.

3.7 Triangulation (method)

The research validated the data by using the check triangulation method, thus, it is easier to validate the data before being analyzed for consistency and accuracy's sake. Creswell explains the idea of data validation by saying that triangulation is the process of collaborating evidence from; different individuals such as commercial farmers, small scale farmers, types of data such as field notes, and case studies, and, methods of data collection such as documents and interviews (Creswell, 2013).

3.8 Limitations of the study

Accessibility to information will be one limiting factor which the researcher faced. There has been little study about mining activities and their effects on CSR in Zambia. Most of the studies have been done on environmental CSR. Also obtaining the quantitative data of financial and performance reports was a challenge because the firm under study had a policy of non-disclosure of certain information. So, it was difficult to collect information on the budgets and CSR expenses.

3.9 Ethical consideration

Ethics is a branch of philosophy that deals with the conduct of people and guides the norms or standards of behavior of people and relationships with each other (Blumberg, 2015). It refers to an "ethos" or "way of life", "social norms for conduct that distinguishes between acceptable and unacceptable behavior" (Akaranga, 2013). Many societies have legal rules which dictated behavior, but ethical norms are broader than laws. However, societies apply laws to enforce the moral standards.

In this Thesis, participants were treated with respect, consent was obtained from participants before they

participated in the study, they had the right to understand what the researcher was doing and the researcher shared the findings with them for their reactions among others.

Ethical clearance was obtained from the University of Zambia Ethics Committee and is attached, reference number, 2018, July, 02.

Research ethics is important in our daily life research endeavors and requires that researchers should protect the dignity of their subjects and publish well the information that is researched (Mantzorou, 2011). There are two dominant philosophical approaches with regard to research ethics: Teleology and deontology (Blumberg *et al*, 2005). The teleological view holds that the ends served by the research justify the means. This implies that the benefits of the research findings could be weighed against the costs of acting unethically. But, this depends on the comparison made about the relative good over the evil produced (Frankena, 2001). While the deontological theories which are the opposite of teleological theories state that the ends served by the research can never justify the use of research which is unethical. They assert that there are considerations which make an action or rule right beside the goodness or badness of its consequences (Frankena, 2001). An action can be morally right even if it does not promote the greatest balance of good over evil. Hence, one cannot use deception to ensure validity and reliability of data.

Konkola Copper Mines employees face ethical dilemmas in their daily duties, so do researchers, when humans are used as study participants in a research investigation, care must be exercised that the rights of those individuals are protected (Hungler, 1999).

4. Results and Discussion

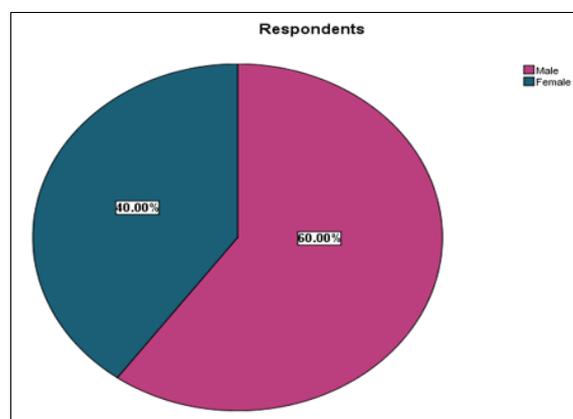
This chapter discusses the interpretation and presentation of the findings obtained from the field. Descriptive and inferential statistics were used to discuss the findings of the study.

4.1 Characteristics of Respondents

This section covered the general information on the characteristics of the respondents in terms of their age, sex, and employment status.

4.1.1 Gender of Respondents

Figure 2: Below shows that data collected from respondents comprised of 60 (60%) males and 40 (40%) females.

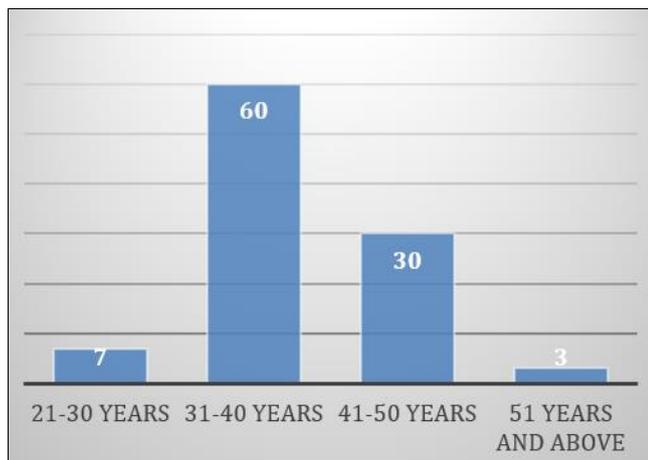


4.1.2 Level of Education

	Level of Education	Number of respondents
1	Certificate	5
2	Diploma	15
3	Undergraduate Degree	70
4	Master's Degree	10

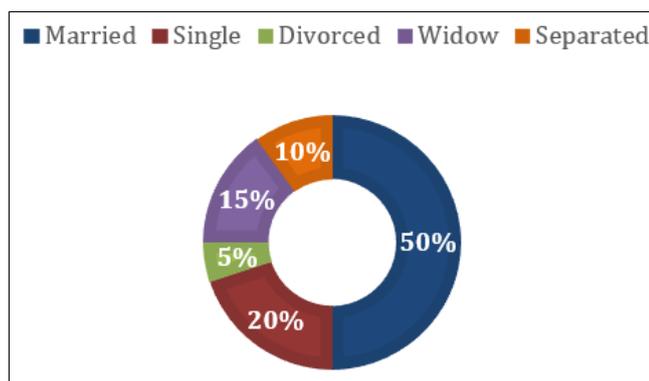
The table above indicates that 5 (5%) of the participants attained certificate level of education, 15 (15%) of the participants attained Diploma level of education, 70 (70%) of the participants attained Undergraduate degree level of education and 10 (10%) attained Master's level of education.

4.1.2 Respondents by Age



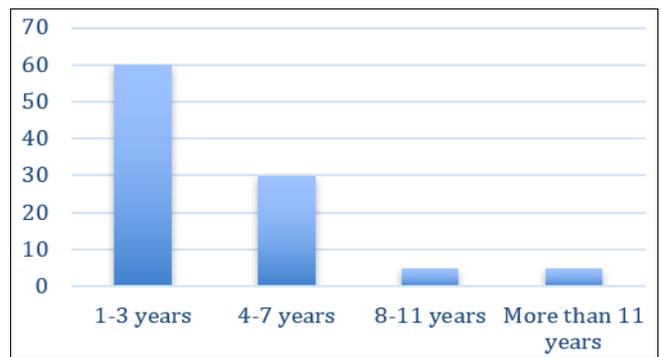
Data gathered from respondents shows that 7(7%) of the participants were aged between 21-30 years, 60 (60%) were aged between 31-40 years, 30 (30%) were aged between 41-50 years and 3 (3%) of the respondents were 51 years and above. This information is shown on the bar graph above.

4.1.3 Marital Status of respondents



The chart above shows that 50 (50%) of the respondents were married, 20 (20%) were single, 5 (5%) were divorced, 15 (15%) were widowed while 10 (10%) were separated.

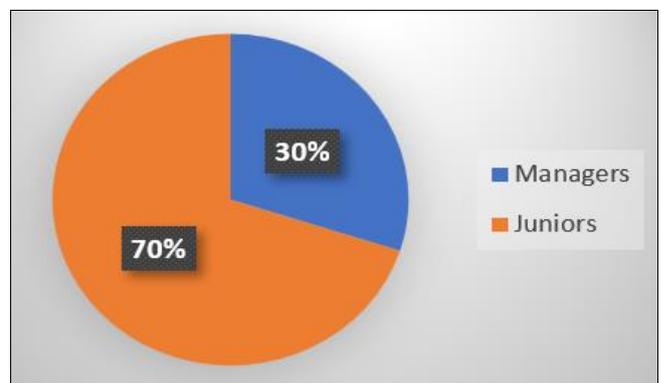
4.1.4 Length of service



The chart above shows that 60 (60%) of respondents served 1-3 years, 30(30%) served 4-7 years, 5(5%) served 8-11 years and 5 (5%) served more than 11 years.

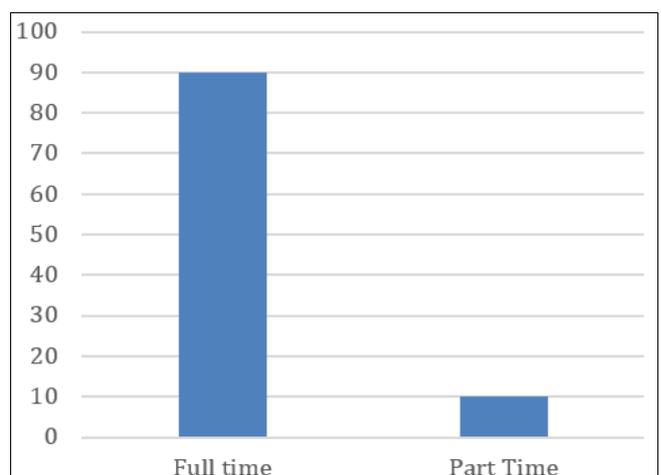
4.1.5 Job title of respondents

The data shows that 30 (30%) of the respondents were managers while 70 (70%) were juniors.



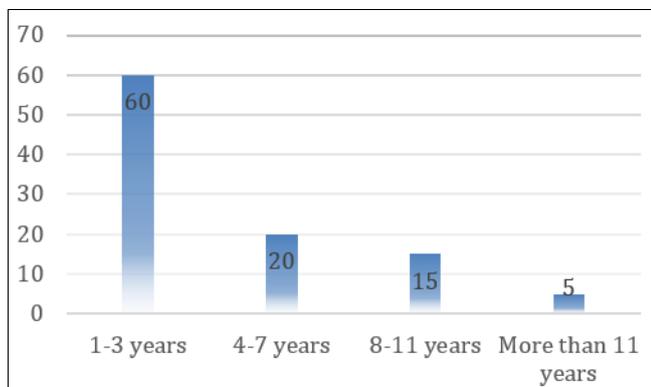
4.1.6 Nature of Position

Table 4.1.6 below shows that 90 (90%) of the respondents occupied full time positions while 10 (10%) occupied part time positions.



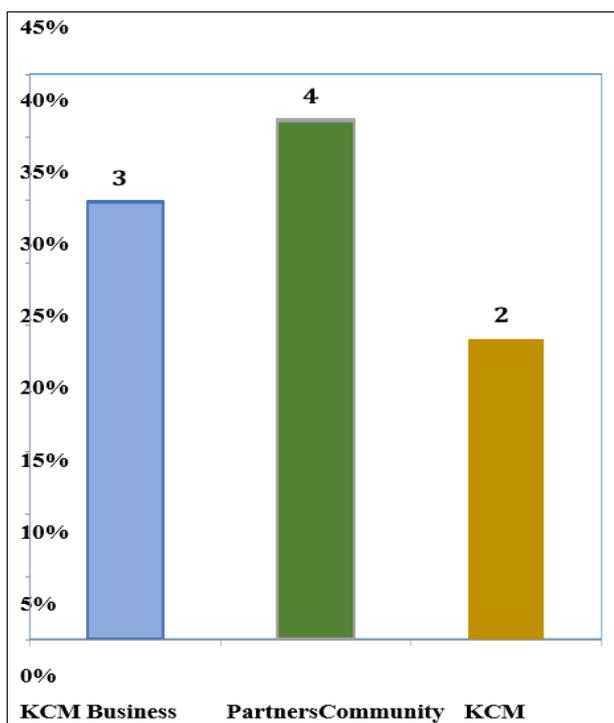
4.1.7 Length of current position

Table 4.1.8 shows that 60 (60%) of respondents occupied the current positions for 1-3 years, 20 (20%) occupied the current positions for 4-7 years, 15 (15%) occupied the current positions for 8-11 years while 5 (5%) occupied the current positions for more than 11 years.



4.2 Results based on Objective one; Mining practices in relation to Corporate Social Responsibility

Responses from questionnaires were summarized in three groups. 41% were from the community, 35% were from KCM business partners while 24% were KCM employees.



4.2.1 Corporate Social Responsibilities of Konkola Copper Mines (KCM)

The first research objective of this current study was to identify the corporate social responsibilities of Konkola Copper Mines to the community. Respondents were first asked to indicate how the company has been relating with the society. Responses on this question are presented in Figure 4.3 below also depicts that 21% of the respondents indicated that KCM has not been relating well with the community, whilst only 21% stated that they have been relating well. 18% stated that they were not sure. This finding explains the need for the commitment of the company in carrying out its CSR in order to improve the

standard of living of the community. As depicted by Holme and Watts (2000), CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local community and society.

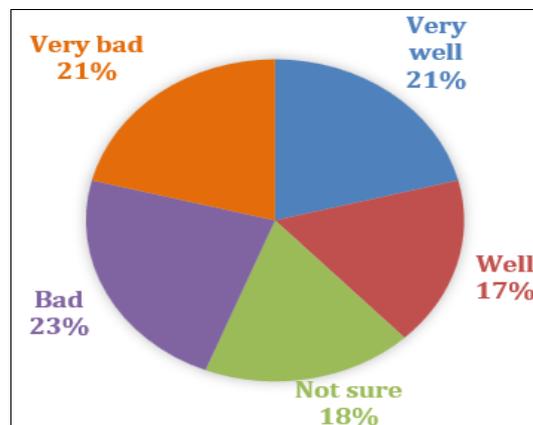


Fig 4.3: How KCM been relating with the Community

A more detailed study on the corporate social responsibility of KCM is presented in Table 4.4. Twelve (12) items measuring corporate social responsibility of KCM Mine were captured in this study. All the variables were measured using a 5-point Likert scale (1=strongly disagree to 5=strongly agree). The average mean for all the twelve (12) variables was 2.61.

4.2.2 Overall Descriptive Statistics of CSR at KCM

Level of Education	Number of respondents %
1 KCM creates more Jobs	4.46
2 Mining Increase of KCM Donations to the Community	1.7
3 Mining Improves the Recreation Facilities To improve Std Of living	2.3
4 Mining Increases the small scale of activities	1.93
5 Mining improves health facilities	4.26
6 Mining improves Cash for Infrastructure	3.93
7 Improvement of the Living standards	2.24
8 Mining Improves Community Participation	2.61
9 Increases the involvement in Recreation	3.6
10 Increases the involvement in infrastructure development	2.24
11 Mining Improves skills training in community	2.4
12 Other	3

From the table (Chart 4.2), it was noted that the company mostly carried out the creation of job opportunities. KCM is currently the major employer in the towns of Chingola and Chililabombwe. KCM is also involved in sustainable developments such the skills development such as Chingola leather projects and the youth skills development programmes. KCM invests in the adjacent communities to its operations through support for sustainable livelihoods. However, the community perceived that the company has not been relating well in the areas of donations to the community, recreation facilities, small scale activities and skills training. KCM is involved in the developments of management trainee, the sponsoring of students at the Copperbelt University (CBU) and at the University of Zambia (UNZA). KCM continues to run the two trust

schools it inherited and has extended the two primary schools to full secondary level schools through investment in infrastructure and teachers, providing education to over 2,000 students, KCM journal, (2012).

The other activity the company is involved is the health improvement facilities. KCM operate eight clinics and two hospitals which it inherited prior to Vedanta’s acquisition of the mine. It provides subsidized medical services to more than 63,000 people annually in areas surrounding its operations. KCM employees and their dependents receive free medical services. According to KCM website, over the years KCM has supported a number of activities such as road infrastructure, reconstructing 7.5 kilometers of road network in Chingola and targeting roads leading to densely populated areas at a cost of \$4.5 million. KCM is the largest sponsor of football in Zambia and is the only privately-owned firm that supports three teams in the leagues of the Football Association of Zambia (FAZ). The teams are Nchanga Rangers, Konkola Blades and Nampundwe FC. KCM teams provide employment to 160 young talents. These three KCM teams have provided 10 players to various junior and senior national football teams.

4.2.3 Has mining assisted in improving the livelihood of the community?

The second objective of the study was to determine whether mining has assisted in improving the livelihood of the community in Chingola. Table 4.3 below shows the perception of the respondents on the state of community development. Responses from questionnaires were whether mining has assisted in improving the livelihood of the community in the areas of health, education, environment and donations. The questionnaire was analysed using SPSS and the results are as below.

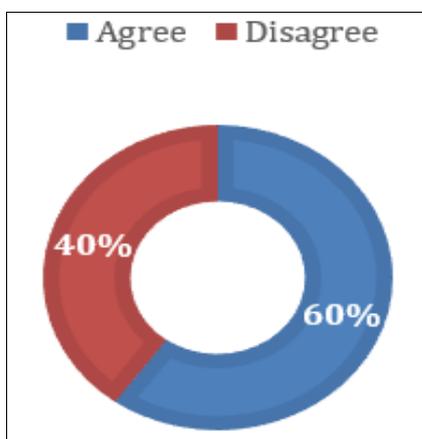
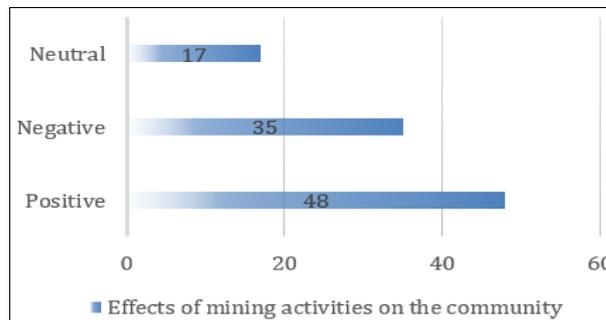


Fig 4.2.3: Response on whether mining has assisted in improving the community livelihood

As can be seen above table 4.3 and graph 4.2, 60% agreed that mining has improved the living standards, while 40% disagreed. Mining activities can improve the living standards of the community through sustainable developments in the areas of economic, environmental and social effects. The mines could achieve this economic development through investment in income generating

ventures to ensure future development and long-term livelihood of the communities are maintained.

4.3 Results based on Objective two; The effects of KCM mining activities on the community



The third objective of the study was determining the effects of KCM mining activities on the community. Table 4.4 above shows the perception of the respondents on how they perceive the mining activities affects them. 48% of the respondents indicated that they are affected positively by the mining activities, meaning that mining can assist in the provision of better roads, better health facilities, improved education systems, better recreation facilities and more employment opportunities. 35% indicated that they are negatively affected by the mining activities, meaning that mining has an adverse effect on the community development. They perceive that the losses outweigh the gains of mining activities. 17% felt that they were not affected in any way by the mining activities.

4.5 Discussion of research findings

The research purpose in this thesis was to study how the mining activities affect the CSR activities at KCM and its response from the stakeholders. The study explored the understanding of corporate social responsibility in the mining industry in Zambia through an investigation of the views of three groups of samples which are the community, KCM employees and KCM partners. The purpose has been achieved by a comprehensive literature review that gave an overview of how CSR is defined and perceived by different scholars, the arguments for and against CSR which are shareholders and stakeholder’s theory, and it also looked at KCM operations and implementation of CSR activities. The data indicated that majority of the respondents felt that KCM has not been relating well with the community, whilst only 35% stated that they have been relating well while 21% stated that they were not sure. This was confirmed by the Likert scale that showed that while the company has been performing well in jobs creation opportunities, it is perceived that the company has not been relating well in the areas of donations to the community, recreation facilities, Small scale activities, and skills training. They may not have access to CSR information at KCM. Much as KCM spends on average \$15m annually on CSR activities which directly or indirectly affect the community, there is need for the company to be pro-active to the needs of the community rather than being re-active.

5. Conclusions

5.1 Conclusion

While there are several reasons why mining companies are involved in CSR activities, these corporate social responsibilities programs provide a mechanism of compensation for the social and environmental costs associated with mining. CSR programs provide the community with a means through which it can be involved in and provide input into the mining activities.

5.2 Recommendations

Based on the findings above, the author has made the following recommendations.

The government must put in place CSR policy which will strengthen and enhance the relationship between the mining firms and the community in which they operate. CSR should be an on-going two-way process of consultation, collaboration and empowerment between the community and the corporation resulting in mutual trust, control of processes and benefits with the government moderating the relationship through policies that create a conducive environment for business and community to live in peace. Mining firms must demonstrate that schools, health care, environment are being used effectively and that community initiatives positively contribute to sustainable development. An important aspect of this is the transparency of revenue flows to the government, money and resources spent on CSR initiatives. Also need to be transparent about how revenues raised from mining companies are used to improve the lives of those directly affected by the impacts of mining. The key to accurate measurements is the collection of comprehensive baseline data (which so very rarely exists in the remote regions where companies operate such as Kanenga) during the social audit process and maintain accurate records throughout the life of the mine. This information must be made publicly available and be externally and independently verified.

6. Acknowledgments

I extend my sincere gratitude to all those who have contributed to the successful completion of this research paper. First and foremost, I thank Dr Chibomba, my research supervisor, for his invaluable guidance, insightful feedback, and continuous support throughout this research project. His expertise and encouragement have been instrumental in shaping the direction and quality of this work.

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