Organizational Antecedents of a Mining Firm's Efforts to Reinvent Its CSR: The Case of Golden Star Resources in Ghana[1]

BILL BUENAR PUPLAMPU AND HEVINA S. DASHWOOD

ABSTRACT

This article reports a case study of how organizational antecedents, specifically leadership choices, decisions, culture, and organizational learning, impact and construct the corporate social responsibility (CSR) initiatives of a Canadian mid-tier mining firm operating in Ghana. The primary objective of the article is to demonstrate, through an in-depth study of a single case, that organizational- and firm-level antecedents are a powerful tool for understanding how ethical, socially responsible, and community-relevant behaviors of a mining firm in a developing area come to be constructed. The article thus contributes to the conceptual and applied literatures on CSR by suggesting that much as the voice of moral suasion, advocacy, and critical censure have been important motive forces behind CSR efforts, it seems that the

Bill Buenar Puplampu is an Associate Professor at the University of Ghana Business School & Dean, Central Business School, Central University College, Dansoman Accra, Ghana. E-mail: bbpups@gmail.com. Hevina S. Dashwood is an Associate Professor at the Department of Political Science, Brock University, St. Catharines, Ontario, Canada. E-mail: hdashwood@brocku.ca.

sustainability and community relevance of CSR efforts are linked to identifiable internal response mechanisms that dispose or enable firms to behave in responsible ways.

INTRODUCTION

I n this article, we explore how a mining firm with a difficult corporate social responsibility (CSR) history in the Western Region of Ghana tackles the challenge of becoming more socially responsive and responsible. We attempt to demonstrate the contribution of organizational-level variables to this process. Various literatures (for example, Hilson 2007; Idemudia 2009; Ofori 2007) suggest that the CSR literature on Africa and certainly in the mining sector is silent on organizational antecedents of CSR behavior. Our objective in this article, therefore, is to analyze the organizational attributes and antecedents likely to facilitate a greater responsiveness to local, community concerns and a more relevant and sustainable commitment to CSR. To do this, we conducted a case study of a mid-tier (revenue range $50 million–$500 million; http://www.metalseconomics.com/pdf/PDAC%20 2009%20World%20Exploration%20Trends.pdf, p. 2) Canadian mining company operating in Ghana.

The company—Golden Star Resources (GSR)—was chosen for a number of reasons. First, one funding agency behind this research had interests in understanding how Canadian mining firms are negotiating the difficulties of responsible mining in developing countries. Second, GSR fit the description of a mid-tier mining firm that may not have the international resources and history possessed by the larger firms. Third, we were able to obtain the full participation of GSR, and thereby, extensive access to officials and community-mine committees.

In recent times, there has been growing awareness of the role of organizational factors in shaping a firm's CSR position (Ubius and Alas 2009; Waldman et al. 2006). Brammer and Millington (2003), for example, explore the organizational structures through which corporate community involvements are managed. Waddock (2006) explored the internal infrastructures through which firms navigate and systematize their social responsibilities. Raufflet (2008)

notes that CSR should be incorporated into every transaction a company is engaged in—into its core business and core competence. Such embedding of CSR within the fabric of an organization cannot take place without recourse to the attributes hitherto considered the preserve of organizational behavior (culture, leadership, structure, etc.).

Clearly, there is a groundswell of opinion supporting greater attention to organizational variables. Our study sits within this emerging intellectual approach and explores three organizational-level variables: leadership, learning, and culture. The choice of these attributes is based on the emerging stream of literatures and, particularly, on the recent work of Ubius and Alas (2009), who studied organizational culture types as predictors of CSR; Maak and Pless (2006), Cooksey (2003), and Svensson and Wood (2007), who have variously examined the impact of leadership as an active and transforming agency; and Cooksey (2003) and Antal and Sobczak (2004), who explored learning in the context of leadership and social responsibility. The CSR literature on Africa and certainly in the mining sector is silent on these organizational variables.

MINING IN GHANA

Foreign interest mining in Ghana (formerly Gold Coast) dates back over 500 years from the first Portuguese landings in 1471. Gold mining and trade was for over 100 years one of the principal reasons why the Gold Coast came to be so important in European trade—until slavery took over. Until the mid-1800s, gold mining was largely alluvial. Underground and extractive mining got underway with the "discovery" of the country's largest and, so far, most productive single mine—Obuasi—in the late 1800s by Europeans. The sector contributes 5 percent of gross domestic product with annual revenues in excess of $1 billion. It contributes, on average, 10 percent to government tax revenue each year (about $523 million in 2006). Ghana earns mining revenue through taxes, royalties, and dividend on carried interest shares.

The 2007 Annual Report of the Ghana Chamber of Mines (Annual Report 2007) lists the following mining firms as active key players: Gold (Abosso Goldfields Ltd., AngloGold Ashanti Ltd.,

Chirano Gold Mines, Goldfields [Ghana] Ltd., GSR, and Newmont Ghana Ltd.), Bauxite (Ghana Bauxite Company Ltd.), and Manganese (Ghana Manganese Company Ltd.). The total number of mining concerns is about 20.

Ghana has the entire range of mining activities taking place: from artisan miners through junior and exploratory firms to mid-tier and large global firms as well as the full range of mining support service providers. Mining policy, concessions, rights, and licenses are issued by the government ministry in charge of mining. The Minerals Commission (MinCom) has the responsibility of administering the laws and regulating the sector. The Inspectorate Division of MinCom is responsible for mine safety, equipment standards, inspections, and human resource competence levels. It issues visit reports to both the management of the mines visited as well as MinCom. Mines have a stipulated time within which to address any issues identified by a report. Failure to take requisite corrective action is punishable by law. The Environmental Protection Agency (EPA) has broad remit over all environmental issues (not just mining). Its essential remit is to ensure that the implementation of environmental policy and planning are integrated and consistent with the country's desire for effective, long-term maintenance of environmental quality. In this regard, it has significant concerns regarding the impact of mining on the environment and receives environment reports from the mining companies.

Ghana's Commission for Human Rights and Administrative Justice (CHRAJ) is responsible for ensuring administrative and procedural justice, transparency, and accountability in both public and private endeavors. It investigates issues of human rights abuses, and thus, the experiences of mining communities in their exchange with mines are a key concern for the CHRAJ. The district assemblies (DAs) are responsible for district-specific local issues such as rural sanitation and governance, liaison with security agencies, as well as acting as the formal state voice of the local people. The DAs are the executive arm of the state at the local level. Any initiative of a mining firm that extends beyond support for an individual or a family and perhaps involves land, building, schools, or farms would need to have the approval or involvement of the DA. The Ghana Chamber of Mines is the umbrella association of the private mining firms in Ghana. It

works to promote mining interest as well as providing a frame-work for peer review and peer pressure on mining companies and their actions.

CSR IN GHANA AND THE DEVELOPING WORLD

CSR has variously been defined as going beyond the legal-regulatory obligations companies have toward those parties affected by their operations with respect to human rights, labor standards, and the environment. CSR expects that organizations engage in a combination of self-regulation; active promotion of the public interest; and an awareness of their fiduciary responsibility to society, stockholders, and various other interested parties (Carroll and Buchholtz 2006). Drawing on stakeholder theory (Donaldson and Preston 1995), Waldman et al. (2006) describe CSR as actions on the part of the firm that further the needs or goals of an identifiable stakeholder group, or a larger societal collective. Consistent with other renditions, they suggest that CSR goes beyond the immediate legal requirements of the firm and include shareholders or other owners as well as a wider spectrum of stakeholders as constituting the range of interest groups for whom CSR is critical.

In an analysis of 37 definitions of CSR, Dahlsrud (2006) shows that CSR is a social construction and concludes that ". . . the challenge for business is not so much to define CSR as it is to understand how CSR is socially constructed in a specific context and how to take this into account when business strategies are developed" (p. 132). This conclusion is germane for two reasons. First, it suggests that businesses need to recognize that CSR is and must be grounded within particular contexts. Second, it suggests that firms need greater guidance on crafting appropriate context-responsive CSR strategies. Drawing on Waldman et al. (2006), it is evident that one way of assisting firms to better address the CSR imperative is to understand the antecedents of CSR practices—which, according to Agle et al. (1999), Wood (1991), and others, include managerial values, decision making, organizational characteristics, etc.

An important advantage of analyzing organizational variables is that it provides a means to differentiate firms in terms of the

degree of their commitment to CSR by looking at behavioral and policy implementation antecedents. This overcomes the undifferentiated tendencies in the critical literature on mining and CSR, which tends to lump all mining companies together as "bad," failing to acknowledge that there are leaders, laggards, and many shades of green in between (Gunningham et al. 2003). Noranda (now Xstrata) and Placer Dome (now Barrick), for example, were leaders in terms of bringing about organizational change to improve their CSR (author: source suppressed so as not to reveal identity). Other companies, such as Phelps Dodge (now Freeport-McMoRan), were much slower to awaken to their environmental and social responsibilities (author, forthcoming). We argue that the "shades of green" within the range are informed in part by internal organizational attributes. As noted by Brammer and Millington (2003), the CSR literature has seen few attempts to understand "either how firms organize the management aspects of their social responsibility or the consequences of chosen organizational forms for the nature of corporate social activities" (p. 213).

ORGANIZATIONAL-LEVEL ATTRIBUTES: LEADERSHIP, CULTURE, AND LEARNING

So how would a firm come to engage in relevant, sustainable action within the context of its CSR initiatives? Increasingly, the answer seems to lie in the organizational attributes. In this research, we draw on the emerging literatures and attempt to explore three such organizational variables: leadership, culture, and learning. Given the emerging nature of work in this area, we crafted research propositions (instead of hypotheses) regarding organizational attributes critical to CSR—as a way of indicating that the questions we ask are still very much in development.

Organizational Leadership

The organization that is the subject of this case study has been through many transitions and is operating in a community-sensitive area: mining in a developing country. Recent scholarly writings suggest that there is still some debate about the role of

leadership in organizational performance (Svensson et al. 2008). However, other researchers have noted its critical place in managing transitions, determining the emotive tone and values framework of the organization, as well as ensuring that the organization actually achieves its goals (Cooksey 2003; Lakomski 2001).

By leadership, we do not refer to any one individual. We are using Nicholson's (2000) rather basic notion of leaders as those who occupy positions of responsibility (power, decision making, resource control, etc.) at the strategic apex of organizational structures. In this regard, therefore, our notion of leadership is operationally defined to cover the executive group (chief executive officer, president/vice president, and others within this category). We are exploring their self-articulated actions, decisions, preferences, and explanations as the processes around which the CSR efforts of their companies are built.

In a perceptive article, Skovira (2006) argues that the ethical model of corporate leader(s) stems from an appropriate engagement with the organization's (internal) ethical ecology and structural components and the external relationships within the organization's sphere of operation. He describes the ethical ecology as the moral obligations, intentions, actions, and consequences of doing business. He further suggests that the structural components that must engage the ethical ecology include corporate policy, financial affairs, environmental concerns, organizational reputation, relationships, etc. The net result of this engagement would be frames of meaning, shared symbolisms, algorithms, and routines for action. To quote Skovira (2006), "frames . . . work silently and quietly . . . and make their presence felt in concrete behaviour . . ." (p. 161).

We argue that sustainable CSR is only possible on the back of a systematized ethical architecture. We posit that this architecture is driven by the preferences and choices of the leaders of the organization. This provides the basis for our first proposition:

> Proposition 1: Organizational leaders and leadership need to set out an ethical architecture that enables the firm to respond to the CSR imperative.

A number of recent works provide further argument on the role of corporate leadership in leveraging responsible behavior. Maak

and Pless (2006) suggest that there can be no bypassing the stakeholder character of today's societal context in which businesses operate. Agle et al. (1999) argue that the actions of business leaders often involve responses to stakeholder concerns based on stakeholder power, legitimacy, and urgency. They suggest that leaders' perceptions and values of situations influence the decisions and choices they commit their organizations to. Business is operating in an interconnected world. A corporation's stakeholders include employees, clients, customers, business partners, social and natural environments (and the custodians of same), and shareholders. In this context, the responsibility of leaders is to foster constructive engagement, relationships, and facilitatory dialogue with the concerns and interests of all these groups. This draws in the triple-bottom-line concept (Elkington 1998), which has gained ground and argues that corporate leaders need to begin to see their role as an embracing one, engaging with and reporting on people, profits, and the planet. Lynham et al. (2006), writing on the role of corporate leaders in fostering and assisting South Africa's transitions, note that these are times when leaders need to deploy compelling personal values of community, agency, and citizenship and reject what has largely been concluded to be an artificial dichotomy between business profit and community well-being. Svensson and Wood (2006) argue that sustaining ethical leadership is a process that connects certain inputs (such as stakeholder expectations and legislation) with certain actions (such as engaging in dialogue and discourse with stakeholders and being compliant) to achieve certain outputs (such as returning a profit, being a proper corporate citizen, facilitating economic growth of the area, etc.). Blending Agle et al. (1999), Lynham et al. (2006), and Maak and Pless (2006) with Svensson and Wood (2006), we arrive at our second proposition:

> Proposition 2: Organizational leadership that sustains ethical action and CSR is likely to be dynamically and systematically connected with the myriad of interests that come to bear on the business of the firm.

Our approach to investigating these aspects of leadership in the context of CSR is to access the explanations, choices, and stated aims and intents of the leaders of the case study company.

Organizational Culture

The next organizational attribute we consider is culture. Culture is variously defined as the pattern of beliefs, values, and learned ways of coping with experience that have developed during the course of an organization's history and that tend to be manifested in its material arrangements and in the behaviors of its members (Brown 1995). As with leadership, scholars still debate the link between culture and firm performance (Detert et al. 2000), although Kotter and Heskett (1992) suggest that the link is fairly well established. The debate notwithstanding, there is sufficient ground to argue that the culture of an organization affects its ethical stance. This is demonstrated by Ubius and Alas (2009) using Cameron and Quinn's (1999) culture types.

But why is culture so important? Schein (1997) suggests that culture illuminates the actions of individuals and groups within the organization; it assists in putting into proper perspective the organization's response to new technologies and processes. Schein is one of those scholars who are unequivocal about the importance of leaders and leadership in embedding various cultural forms in organizations.

Shockley-Zalabak and Morley (1989) show that internal cultures inform practice, process, behavior, and values orientations. We take our cue from these arguments. Supporting the argument, Zsoka (2007) found that when environmental values are integrated into an organization's culture in a stable, unambiguous manner, the organization's pro-environment behavior is significantly enhanced. This is a point previously articulated by Camerer and Vepsalainen (1988), who note ". . . the firm's culture as a mechanism for governing rational behaviour of individuals . . . " (p. 116), and also by Sinclair (1993), who asserts that culture not only explains what happens in organizations but is also a tool with which to ". . . attempt to shape what happens in ways that are consistent with organisational goals . . . " (p. 63). With these ideas, we examine the extent to which the company's culture demonstrates an embedded commitment to CSR. We measure this by exploring the perceptions of the culture, the extent to which both staff and management are conscious of the CSR imperatives and initiatives. We are not exploring how (or indeed whether) the culture has changed. We are interested in

determining whether there is a consistent and broad understanding of the company's CSR message and whether this message is seen as embedded in the organization's way of life. Our aim is to use this to explore Proposition 3:

> Proposition 3: Mining firms in Ghana may benefit from recognizing and using organizational culture as a mechanism through which to ensure sustainable CSR initiatives.

Organizational Learning

A learning organization can be defined as an organization skilled at creating, acquiring, and transferring knowledge and at modifying its behavior to reflect new knowledge and insights (Garvin 1993). Learning is an essential part of the process of adapting to changing circumstances (Stacey 2000). Cooksey (2003), in his helpful synthesis of much of this literature, argues that effective leadership is critical to successful learning processes. His concept of "learnership," defined as "a developed capability to know when, where and how to best engage in the collective learning process to maximize the chances of successful organisational adaptation to rapidly changing circumstances," points to the interdependent relationship between learning and leadership (p. 207). Crossan et al. (1999) pick up on the theme of leadership in the learning process by noting the role of individuals in identifying and interpreting new information, and ultimately, institutionalizing changes in practices. As lasting change cannot be dependent on any one individual in the organization, institutionalization occurs through the establishment of systems, structures, procedures, and strategy.

In an important and enlightening article, Antal and Sobczak (2004) detail the multiple types of learning processes relevant to CSR. Part of the learning process around CSR involves improving on current ways of doing things, what Antal and Sobczak (2004, citing Argyris and Schon 1978, 1996) call "single loop learning" (p. 81). Given that as recently as the mid-1990s many mining executives remained skeptical about the merits of CSR, some "unlearning" has been necessary in order to change old mind-sets and meet society's shifting expectations (Antal and Sobczak 2004, p. 82, citing Hedberg 1981). For many companies there has been a

substantial change in thinking about CSR, whether for strategic or for normative reasons. Such companies have had to rethink their internal procedures and introduce new measurement techniques to reflect environmental and social obligations, what Antal and Sobczak (citing Argyris and Schon 1978, 1996) call "double loop learning."

Addressing the challenges of CSR also requires "deutero" learning (Antal and Sobczak 2004, pp. 81–82, citing Argyris and Schon 1996) and the ability to "learn how to learn." In this context, learning is an ongoing, dynamic process requiring the ability to adapt to evolving societal expectations and norms. This process requires interactive engagements between industry players and external stakeholders at the local, regional, national, and international levels. National organizations such as the Mining Association of Canada (MAC), as well as international organizations such as the International Council on Mining and Metals (ICMM) and the International Organization for Standardization (ISO), can act as teachers by disseminating information about best practices and by setting voluntary standards. Existing research confirms the importance of such collaboration (Campbell 2006; Galaskiewicz 1991; Hardy et al. 2003). The UN Global Compact, for example, was explicitly established to promote learning about social and environmental responsibilities within industry as a whole (Ruggie 2002). We suggest, therefore, that leading mining companies that have been successful in implementing CSR also can serve as "teachers" from whom other companies learn.

The above discussion highlights how social learning within mining companies might occur. It demonstrates the importance of recognizing that sources of new knowledge may be both internally generated (e.g., based on a reflection of the values of senior management) and externally generated (through collaboration with industry associations at the national and global levels, and other stakeholders such as nongovernmental organizations [NGOs]). Leaders within organizations must interpret new information, scan for best practices from successful companies and industry organizations, listen to external stakeholders, and institutionalize lasting change. As change agents, they in turn must "teach" what they have learned to their organization members. The above lead us to Proposition 4:

Proposition 4: The specific challenges involved in bringing about change to meet CSR obligations requires strong leadership from the top and the adoption of different types of learning strategies, as no single learning approach is likely to be sufficient.

METHOD

This research is designed as a case study. Case studies provide rich empirical data (Hartley 1994). We took an in-depth approach, choosing to explore four propositions in the context of one organization because the company offers a unique history as a business actor that had suffered from a rather poor image and difficult community relations for a variety of reasons. Proponents of the case study method (George and Bennett 2004) note that a variety of data approaches are possible within the context of a case study. In the instance of this research, we used three data approaches: unstructured one-on-one interviews, focus group sessions with community groups, and document analyses.

Procedures

Access to the company was first negotiated through company executives based in Canada. Subsequent to this, the researchers detailed their data itinerary to the vice president responsible for CSR issues who facilitated a program of interactions and visits. The researchers visited the company's Bogoso and Wassa mines in March–April 2009. This was followed up by a visit to the Wassa mine by one of the researchers in October 2009. The researchers chose which managers to interview or interact with. Some of the respondents had prior knowledge of the impending interviews; others were opportunistically accessed (for example, the researchers simply showed up at their office and asked for some time for a brief interview). The community groups were accessed via the company's Community Affairs Department.

Interview Sample and Analyses

The company has operations at Bogoso and Wassa—towns in the Western Region of Ghana. The total number of managers (at both

facilities) at the time of this research was about 30. The present research focused on management as a consequence of the propositions under investigation. Unhindered access was granted to managers. We interviewed 15 company executives and managers (of whom 4 were expatriates of various nationalities; the rest were Ghanaian). Some interviews with managers and executives were arranged in advance and were held on site at the company's two mines and lasted approximately 45 minutes depending on the manager's availability. However, interviews with employees were accessible only through a small focus group of six employees made up of three males and three females. We did not set up this employee focus group prior to arrival at the mine. Employees were called on the internal telephone extension system, and those available at the mine or in the office were asked to assemble in the meeting room for a short discussion with a researcher. This was arranged by the human resource manager in the presence of one of the researchers. Two telephone and two in-person interviews were also conducted with company executives in Canada in 2008 and 2009. Interviews were unstructured, mostly carried out by both researchers; the interviews were transcribed; and the transcribed data was exchanged between the researchers. For the interviews, we used questions such as the following:

At what levels are CSR decisions taken and why?

How would you describe the culture of the company?

What role has learning from other companies and industry organizations played in developing your policies?

What steps have been taken to institutionalize improvements in CSR?

The analyses approach adopted here drew on the direct statements of respondents and the multiple references to issues across different respondents. These were used to assess the plausibility of each proposition.

Document Sample and Analyses

The researchers accessed a variety of relevant company documentation: Company Annual Reports (2007, 2008, 2009), Sustainability Reports (2007, 2008), website information including CSR policy

updates (2008), and company promotional Microsoft PowerPoint presentations (GSR-Golden Star Oil Palm Plantation [GSOPP] 2009). The researchers also consulted newspaper reports and NGO reports specific to GSR, as well as generally on mining in Ghana. In analyzing documents we were keen to establish the changes or pieces of evidence on the past and present state of the CSR efforts of the organization that would confirm or refute our propositions. This therefore required identifying stated events, policy statements, evidence of problems, actions, and the operationalization of policy—as noted in these documents. Much as there are noted challenges of the method (such as "company spin" and use by powerful coalitions to advance their political and subjective agendas), documents do provide a window into the thinking of organizational leaders and can be invaluable in scientific research (Forster 1994).

Community Sample and Analyses

We met with and conducted four focus groups within the communities. These focus group sessions were with the Community-Mine Consultative Committees (CMCCs) made up of traditional rulers and representatives of youth groups, women's groups, as well as representatives of DAs or district authorities. Participants for these groups numbered between 6 and 12. Two of these sessions were conducted in English and two were conducted in Akan with concurrent translation into English. These sessions had two primary objectives: first, to confirm the CSR projects the company claimed it had initiated, and second, to ascertain communities' views on the company's efforts and CSR image. Questions used during these focus group discussions included the following:

  Are you happy with the company's initiatives?

  What are the good or bad consequences of the company's presence here?

  What are the most important issues to you arising from the company's presence?

  Does the company treat your people who work in the mine well?

How does the company set about deciding what initiative to fund?

Analyses of the data again focused on statements made, repeated references to issues, and the balance of positive and negative comments in respect to the company's actions.

FINDINGS AND DISCUSSIONS

In this section, we present and discuss our findings. We first present our findings from company documentation. This provides something of a "story" about the company, its history, challenges, efforts, failings, and successes. This is followed by findings derived from interview data where we use the discourses to interrogate and unearth the processes by which the company attempted to reinvent itself and to realign and mainstream its CSR.

Findings from Company Documentation

The mining legacy that GSR inherited was marred by a history of mistrust between communities and mining companies (Garvin et al. 2009), as well as between communities and local and central authorities (Ayine 2001). Add to the mix, GSR's own actions (or inactions), and the company emerged in the mid-2000s with a bad reputation among the local communities.

The Historical Perspective

There are about a dozen communities in the Bogoso/Prestea concession in Western Ghana where GSR operates and half a dozen in the Wassa/HBB concession. Allegations made against GSR include human rights abuses (such as poor management of resettlement issues) and damage to the environment (such as a major tailings spill in 2004). Media reports from the mid-2000s cited complaints about the "violations of community rights" at Bogoso and criticized GSR for being "irresponsible and arrogant" (Ghana News Agency 2005, August 13 and August 24). GSR's early efforts to respond to community concerns were corporate led rather than community led, resulting in inappropriate alternative

livelihood projects, the cultivation of silk worms being one example (Hilson and Banchirigah 2009).

In 2005, the senior management of GSR began to make a concerted effort to improve its CSR policies and practices. In response to these external pressures, GSR sought to improve its relations with the local community, to acquire a "social license to operate," and to adopt best practices pertaining to environmental and social issues. Part of this process involved major organizational changes that were initiated in 2005 and 2006.

GSR's Response to Environmental and Social Challenges

From our review of company documentation (GSR 2008a, 2009a, 2009b), we gather that GSR has undertaken a number of major initiatives in response to CSR challenges. This is, effectively, the company's own story.

Internal Changes The decision was made in 2006 to create the position of Vice President, Sustainability. The company also created a Sustainability Committee of the Board. Each mine now has a Community Affairs/Sustainability Department and an Environmental Affairs Department. The Community Affairs Department at Bogoso was established in 2005 and is led by a Community Affairs Manager. The Environmental Department at Bogoso was created in 1999, the year GSR acquired the mine, and has an Environmental Manager. At Wassa, the Community Affairs functions were tacked onto the Human Resources Department in 2003, so there is a Manager of Human Resources and Community Relations. Wassa did not have a separate Environment Department until 2009, when the environment function was carved out from a department that had been responsible for environment, health, and safety. The position of "Environmental Superintendent" was then created in February 2009 in addition to a new "Group Safety Manager" position.

Community Initiatives To further dialogue and communication with the local communities, CMCCs were established at the Bogoso and Wassa mines. The CMCCs provide a forum where community members can voice their concerns to GSR, and are composed of the Chief's representatives, the DA representative, a women's representative, a youth representative, "opinion leaders," and farmers'

representative. GSR invests $1 per ounce of gold produced into the Golden Star Development Foundation (Development Foundation), which was established in 2006. According to GSR, total investments in the Development Foundation are over $800,000 (as of February 2010). Suggestions for community projects are provided through the CMCCs. Initiatives funded by the Development Foundation include schools, electricity poles, bore holes, health clinics, nurses' quarters, assistance with medical equipment, and other community-requested infrastructure.

GSR incepted the GSOPP, a major alternative livelihoods project in 2006. Oil palms are native to Ghana, and conditions are ideal for growing this plant. The GSOPP is a subsidiary of GSR, but its mandate is to provide economic development by providing livelihoods that should endure beyond the operational life of the mines.

The project is based on the smallholder model, with each farmer receiving four hectares to cultivate. The land, which is owned by the Chiefs, is pledged to GSR for the purposes of developing the plantations. GSR implemented a program that allows farmers removed from the land to have access to other areas for food cropping and guarantees them participation in the GSOPP scheme. GSR confirmed that an ongoing priority is to increase the amount of reclaimed land used for the plantations, thereby decreasing the dependence on farmers' lands. One key stated objective of the GSOPP is to provide alternative livelihoods to people needing to be relocated as a result of GSR's operations, and to provide employment to youth and people who might otherwise be engaged in galamsey activity. As of February 2010, over $2 million had been invested in the project, and 732 hectares had been planted.

Environment Since 2006, GSR has systematized its environmental monitoring and reporting procedures with inspections carried out to ensure appropriate water levels are maintained within safe limits on the tailings disposal facilities. As reported in its Sustainability Report, in 2006, GSR signed the International Cyanide Management Code (ICMC) as part of its efforts to come into conformity with international standards in the handling and use of cyanide. A detoxification plant was built at Bogoso/Prestea to treat excess water from the tailings disposal facilities (GSR 2008a). The company attempts to suppress dust (particulate

matter) through watering. In 2008, roughly 50 percent of disturbed land available for rehabilitation was converted into oil palm production.

Findings from Interviews

We now turn our attention to the interview findings that triangulate the documentary data. We use extensive quotes from interviewees to demonstrate the points being made.

On Leadership

Given the organization's history, what has been the approach of the leadership in dealing with CSR issues?

GSR's CSR Is Unequivocally Top Executive Led

In an organization, which actors act to mainstream CSR? McGuire and Hutchings (2006) suggest that leaders, powerful and/or dominant coalitions, and sagacious leadership are clearly central to corporate change. The evidence from GSR seems to confirm this.

> GSR's CSR is driven by the top. The Sustainability Committee of the Board decided to work on a series of initiatives that would improve the company's CSR. . . . (Executive 2)

> The leadership of the firm needs to approve all CSR funding. (Executive 1)

> Lower level staff are not conscious of the issues . . . the leaders are alive to CSR, but the rest of the company? I don't know. . . . (Manager 2)

GSR Leadership Facilitated an Internal Structure that Began to Mainstream CSR

We set out to explore the contribution of leadership decisions and choices. These choices appear to have created structures and frameworks that have positioned the firm's behavior.

> [T]he Board directed the set up of a "sustainability" post at the VP level . . . charged to develop thoughts and concepts around CSR and sustainability. (Executive 2)

We issue a monthly sustainability report. (Manager 3)

Previously we did not have a Community Affairs Department. This has been created. Its role is to serve as the eye of the company on what happens in the community and to structure the company's relations with the community and engage the community representative committees. (Manager 4)

The Environment Department focuses on regulatory compliance . . . no, it is different from the Community Affairs . . . it looks to make sure the company complies with environmental issues, prevention of pollution, water, rehabilitation of disturbed lands . . . historically, the situation was different. The leadership did not use to pay much attention to these environmental matters . . . even if staff wanted to raise these matters, they had no avenue or voice for that. The situation has changed now. . . . (Manager 1)

GSR Has Invested in Building Internal Leadership
The researchers noted that the heads of the units (mining supervision, environment, HR, community affairs, etc.) were engineers, environmental specialists, project managers, etc. with corporate experience from other mines, other firms, and other sectors. They were also able to access regular capacity building, which enhanced their ability to understand and lead in CSR and environmental matters. The organization had also put in place training programs designed to build capacity across areas such as health and safety and environmental awareness:

We engage in in-house in-service training regularly. (Executive 1)

GSR's Leadership Choices Regarding Internal Arrangements and CSR Appear to Have Led to More Community-relevant and Community-led Initiatives (since about 2005/2006)

Since 2006, there has been a deliberate effort arising from changes at the top, to improve on social, media, community and environmental initiatives. . . . (Manager 3)

We now have the Golden Star Oil Palm Plantation (GSOPP), established as subsidiary in April 2006; this is an initiative

welcomed by all stakeholders . . . the chiefs provide the land, we provide the capital. (Manager 4)

GSR has a scholarship scheme for young people in the community. We take them through secondary school to university and then offer them placements with the mine. (Manager 1)

GSR now has a "community development fund" and it is the communities which decide what projects to source funds for. (Manager 3)

I am worried about the need to educate the communities on matters such as human rights, compensation, contractual arrangements, etc. . . . I think this we should do, to help them understand issues more clearly . . . it is a lack of understanding and poor advice which leads to problems and disputes in things like surface rights, resettlement, speculative land use, etc. (Manager 3)

The company's ethical stance on these matters has clearly moved from an unconcerned posture to one of apparent active engagement.

On Culture

In looking at culture, we sought to identify any references to values, corporate practices, and histories that would provide a window to the company's culture. We noted right from the outset that GSR's community relations were poor and its CSR initiatives did not have a consistent history.

[R]emember the firm has changed hands many times and we were not paying attention to some of those things earlier . . . . (Executive 1)

GSR had a problem before. It was not seriously socially responsive. Choosing instead to suggest initiatives to the local community people rather than listen to them. (Executive 2)

[W]e tried with tie-and-dye as well as snail farming (I think) and silk worm breeding . . . but the people did not patronize these efforts. *We* had offered these to them. (Manager 1)

> [O]ur community relations were poor. We are focused on financial returns, we had weak communication channels to the community. . . . (Manager 2)

> Community relations used to be bad. We had no community relations unit . . . we had a cyanide spillage in 2004 which was poorly handled and which created many problems . . . . (Manager 3)

There was much unanimity around these findings. They appear to suggest that GSR did not (for many years) articulate for itself its system of values around which to respond to community issues. In a sense, therefore, it did not *know how* to respond. This is an important element of culture that touches on learning and sense making (O'Leary and Chia 2007). An organization's culture will dispose it to particular responses to its environment and experiences. These responses are artefactual windows to the deeper not-so-visible assumptions that the organization lives by. This is perhaps evident from the following interview quote:

> [P]erhaps we took the view that having paid our taxes and royalties, the State should supply the roads and other things the people need. But of course we know that in most developing countries the roads are in the cities, not the mining communities . . . in principle the company does not have to invest in the area. . . . (Executive 2)

GSR's Internal Culture Is Fluid and Still in Development
We note from the interviews with managers that there appear to be two versions of the company's sense of its culture:

> [W]e generally have a get-on-with-it approach to things. We have open communication lines and discuss many things amongst ourselves as management. . . . (Executive 2)

> Our aim is to be an efficient mining operation. The more efficient we are the greater the benefits to all our stakeholders . . . this is rolled down to all employees. . . . (Executive 3)

> At the level of the Board, we are clear that our business must be run well. Things have to be done right. This is not just a response to CSR but simply a way of doing business . . . it is now evident in our internal training programmes, health and safety checks. . . . (Executive 1)

These sentiments suggest a company with an internal focus on sound task systems and mechanisms. The alternate reality is captured in the following:

> [S]taff for a long time did not feel involved in the community initiatives. . . . (Manager 1)

> lower level staff are not conscious of the issues . . . the leaders are alive to CSR, but the rest of the company? I don't know. . . . (Manager 2)

> [I]f staff are aware, it would help them become more efficient and more ambassadors for the company. . . . (Manager 3)

> I worry about the fact that the work-force does not know the main values of the company. There is nothing that tells you when you walk around what our mission and vision are. The philosophy of the owners is unclear. Let's take CSR. It should be everybody's responsibility. But because we do not see how it fits with everything else about this company, staff cannot consolidate the CSR drive through their presence in the community because they do not have such a mandate. (Manager 1)

> [I]n short, the day the leaders decide to change their focus, our CSR efforts will not be sustained. It will die. . . . (Manager 1)

These sentiments suggest that the managers interviewed acknowledge that the staff do not appear to possess a sense of the involvement and efficiency that emerges from the earlier set of responses. Perhaps this should not be surprising. The first set of responses was elicited from those who may be referred to as senior executives; the second set was from line managers. This confirms Helms and Stern's position that company cultures are differentially perceived or experienced.

Efforts toward Interdepartmental Collaborative Culture

The company has made internal process changes that now stress the need for interdepartmental collaboration; the different departments that are at the forefront of managing the "negative" consequences of mining are now mandated to inform their colleagues on developments, facilitate awareness, and help others *within* the

company to become more knowledgeable in these matters. These departments now see others as their "internal customers." In the view of managers in charge of community relations and environmental issues, such language (internal collaboration, internal customers, etc.) was previously unknown in the company.

To further explore the dynamics of internal culture and views of employees with regard to GSR's CSR, we held a focus group session with six employees from across functions such as HR, Administration, Community Relations, Engineering, and Transport. The following are verbatim quotes:

> The company in my view treats staff well. I have been here for 5 years and have no intention of leaving; however there is a major problem with promotions. Some have been on the same job grade for many years without advancement. We need a policy on skill upgrade. (Employee 2)

> I agree, the problem of training and development is a problem. No clear T&D programme. (Employee 1)

> I think most of us working here are happy with our jobs, just that the location is quite remote. But it's a choice. (Employee 3)

> The company has to look into equipment. Sometimes we junior people are asked to work with machines that may be faulty. (Employee 1)

> The GSOPP project has been very good. It has given employment for the local community with people earning GH¢5–6.40/day (~US$4). (Employee 5)

> The roads are also better. For example, travelling to Takoradi now is easier. The community now have a centre with a big screen TV. People are showing enthusiasm. (Employee 4)

> The community is involved with the GSOPP, so I think it will be sustainable. But we employees are not involved in the decision making on the community projects. So the leaders need to have ways of understanding the community so they can prioritize. (Employee 2)

> The new GM is keen on ensuring safety at the mine. Safety is top priority for him as well as productivity. We can see that. Despite this, more should be done to help people express

themselves more. I think the unions have some problems with the bonus system that has been changed. (Employee 5)

The culture here is mixed. We have come from a difficult situation. There were both community and employee problems right from the start. We are trying to get team work to be strong. We try to share CSR initiatives through the monthly staff newsletter. We workers are the ambassadors but some are passive and not concerned so we cannot get them to help get community buy-in. If you stay with us at Bogoso and then at Wassa, you will notice that the culture at the two mine sites are different. The VP is now trying to build a common culture through training programmes, communication, committees, peer reviews, etc. Some of the expatriate managers need to improve their human touch. But the new GM is really trying very hard to make us all partners. (Employee 6)

We draw from the above that the GSR internal culture is still in dynamic flux. Clearly there are some gaps between views and efforts of senior management and perceptions and feelings of staff. It would seem that the culture dynamic is yet to fully embrace CSR as a corporate company-wide drive that involves everyone. We are particularly struck by the obvious mix of views—in other words, employees are able to express divergent opinions and wish for greater openness within the company.

On Organizational Learning

GSR has been on a very steep learning curve since undertaking 2006 initiatives to improve its reputation and its relations with the local communities. GSR's efforts to bring about change entailed not merely improving on current ways of doing things (single-loop learning) but rethinking its internal procedures and the introduction of new practices and management systems (double-loop learning) (Antal and Sobczak 2004). These learning processes had to come from the top, and as argued earlier, the role of senior management has been critical in promoting CSR within the company.

GSR has instituted a number of key organizational changes, and hired more people in order to increase its competency on CSR. These changes, together with other policy initiatives, suggest the company took steps to undertake organizational changes that

would enable it to adapt to its CSR responsibilities. In so doing, it has established systems, structures, and procedures to ensure the institutionalization of the CSR practices instituted by senior management (Crossan et al. 1999).

GSR Has Employed Different Learning Strategies to Improve Its CSR, Including a Rethink of Policies and Practices, and the Institutionalization of New Practices

There is documentary evidence that in 2007, GSR updated its policies on health, safety, and the environment (GSR 2008b, http://www.gsr.com/Social_Responsibility).

> GSR created the position VP, Sustainability in 2006, and established Community Relations departments at Bogoso and later at Wassa. (Executive 1)

> Prior to 2006, GSR had internal policies that were not published . . . the first Sustainability Report came out in 2007 for the 2006 reporting year. (Executive 3)

> Each month, the GMs prepare monthly reports for the VP, Sustainability, which form the basis for the annual Sustainability Reports. (Executive 3)

> The executive committee of GSR sets environmental and community targets as well as targets for reporting to the UN Global Compact. (Executive 1)

> There are no silos; decision-making on CSR is integrated, and there is a community, environment and safety component at every management meeting. (Executive 1)

> An internal auditing process is in place where quarterly reports are prepared on sustainability issues, which serves as a means for tracking whether internal targets are being met, and as a mechanism for ensuring continual improvement. (Executive 1)

> GSR has established approximately 10 Community Mine Consultative Committees in the Bogoso area, and 3 in the Wassa area. (Manager 4)

> There is ongoing and regular training on environmental issues; some aspects are focused on the entire company, and

other training is more specific and focused, depending on the work involved. (Manager 1)

The Environment department at Bogoso acts as the company's police force. (Executive 1)

Wassa has a new Environment Department set up in February 2009, and is now about to start the process of aligning its procedures with ISO 14,001. (Manager 9)

Internal coordination between the various departments has improved, such that other departments are now aware of and sensitized to what the Environment and Community Affairs Departments are doing. (Manager 1)

In changing its CSR policies and practices, GSR has had to respond to a range of stakeholders. For example, the company's environmental compliance (which is now possible as a result of internal changes) responds to both regulatory and community concerns. On the social side, a critical aspect of successful adaptive change at GSR has been learning how to engage appropriately with the local communities. In contrast to earlier approaches, where initiatives to assist communities were undertaken without adequate consultation, the company has learned that it must listen to the communities.

In the Process of Learning around CSR, GSR Has Engaged in Deutero Learning by Adapting and Responding to Societal Demands

We invest US$1 per ounce of gold in GSR's Development Foundation. (Executive 1)

We do not dictate community development projects. We invite the community to approach us through the Community Mine Consultative Committees. (Executive 3)

The oil palms sustainable livelihood project is best suited to the ecology of the area, . . . local farmers are already growing oil palms, . . . the trees grow quickly, producing quick returns . . . there is a good domestic market for oil palm fruits . . . there is potential down the road for future processing on site. . . . (Manager 5)

The Company Is Attempting to Foster a More Dynamic, Interactive Process of Community Consultation, Which Suggests GSR Is Learning How to Learn

Community Mine Consultative Committees are the company's eyes and ears; they allow us to address concerns in a timely manner so that they do not fester, and they give us the opportunity to educate and train community members about our procedures and their rights. (Manager 4)

GSR is working through the Chiefs, who have authority over youth in their areas, to remove the galamsey operators (illegal miners) and find alternate forms of employment. (Executive 4)

Leaders as "Teachers" and Efforts to Incorporate Best Practices Developed by Global and Nationally Based Agencies Are Evident

On the initiative of the former CEO, GSR began in 2006 to provide annual reports under the United Nations Global Compact . . . Participation in the UN Global Compact has helped to foster learning on such issues as corruption and child labour . . . for example, GSR now ensures vigilance on child labour practices along the company's supply chain. (Executive 1)

GSR follows what the "big boys" (i.e., large multinationals) are doing, and applies best practices where they are applicable to GSR's operations. (Executive 1)

GSR has taken steps at Bogoso to conform to the ISO 14,000 EMS but cannot afford the external certification process. (Executive 3)

GSR considers the International Finance Corporation's (IFC) Performance Standard 5 as exemplifying the best practice for community resettlement (IFC 2005), and has provided training to its Community Affairs Departments to ensure that resettlement projects are completed in accordance with that standard (Sustainability Report, 2009). The company therefore also applies the MAC's (2008) Sustainability Performance Levels in evaluating its performance in such areas as community consultations, the environment, and safety (GSR 2008a). GSR adheres to the ICMC and was seeking certification in 2008 (as of the end of March 2009, Wassa had not yet received ICMC certification). It has successfully trained over 200 persons in emergency response to cyanide spillage.

One important aspect of learning acknowledged in the literature is "unlearning," casting off old mind-sets or changing ways of thinking about a company's responsibilities (Antal and Sobczak 2004; Hedberg 1981). Unlearning has been especially important for GSR in addressing the need to earn a "social license" to operate.

There Is Evidence That "Unlearning" Has Occurred, Indicated by a Change in Mind-sets/Attitudes within GSR

The previous regime created the impression in the minds of the people that the company could exist without the people . . . GSR lacked a social license and needed to earn it. (Executive 2)

The leadership is better now, before there was not much understanding. (Manager 1)

Managers in other departments not directly responsible for the environment and community relations have come to a better appreciation of the work of the Environment and Community Affairs Departments . . . They now take initiative and consult with the relevant departments where environmental performance and safety relations may be affected . . . that didn't always used to happen. (Manager 1)

In the past, one would make suggestions and they might not get acted on. Now, if I make a suggestion for improvement on environmental performance, I feel confident that I will be listened to. (Manager 9)

I believe that there is still much more that can be done in terms of improving GSR's performance in the areas of safety, community health care, and the treatment of the galamsey problem. (Executive 4)

Community Perceptions of GSR's CSR

The views of the local communities in close proximity to GSR's operations are an important barometer of how well GSR's efforts at the organizational level have led to improvements in its interactions with the communities and in addressing and meeting their concerns. We have drawn on company documentation and managerial interviews to make the arguments for the importance of organizational attributes to CSR. At this point we wish to draw

on the findings from our focus group sessions with two community consultative groups at Wassa and two at Bogoso.

We had open exchanges with CMCCs and local representatives, including traditional authorities who provided a combination of positive and negative views. We detail in the following some of those views through verbatim quotes that go to inform the conclusions we have drawn:

> We are the custodians of the land; Golden Star coming has been more an advantage than disadvantage. They brought electricity to this area. The Palm Plantation project shows that the work in this area is not only about gold. The problem is that before the mine we the chiefs did not have the responsibility of taking care of the consequences of mining for our people. So we wish the mine to visit the communities more often. Our local people sometimes do not find it easy to understand the reason why we give the land. So if the mine would make sure that the local people are the ones to be employed in the mine, it would be better. (Traditional Ruler)

> The roads have been done, but as you can see they are all dusty roads. This should change. It is good that now the mine uses the community group to consult on projects. Before it was not like that. So there is some improvement. But like the Chief said, employment is still a problem. Another problem is that the mine said they would repair the land [reclaim]. But they are rather using fresh land for the plantation. (Local Assembly Man)

> Now what the community wants is what is done. This did not used to happen. (Chief's Linguist)

> Now we have a relationship. To help to maintain it, the mine must make contracts for local people to do mine supplies and so on. The employment issue, we were supposed to have a protocol so that we always bring our local people and youth from the area for work, but this is not always happening. If it happens properly, Nana's (The Chief) people will feel that he is truly looking after their interests. (Chief's Linguist)

> I gave 6,000 hectares to GSR for the oil palm plantation in Wassa, and feel that the people who had farms on the land are now better off than they were before. (Chief's Linguist)

> The Company has provided electricity to the area, something the government would not do, but things are not 100%.

> Because the Chief's area is not directly affected by mining operations, we do not get the benefit of jobs; GSR's policy is to focus on the immediate communities (in its catchment area) but this means that Chief's area (adjacent to communities) is left out. (Chief's Linguist)

> "GSR is not adequately informed about community disputes" (referring to "destooling of a Chief in another area"). GSR official explained that "he doesn't have his own company vehicle, so can't visit often enough."

We conclude that for these two mining areas (Bogoso and Wassa), the initiatives of GSR to improve its social responsibilities and engage the communities have not led to the cynical situation where the communities or their representatives may appear to have been "bought out" by the mine. Furthermore, members of the CMCCs were free to be critical of GSR and offered critical input even in the presence of company officials.

From the interactions with the CMCCs, we gather that the communities directly affected by mining accept that GSR's presence is at once helpful and problematic. Nearly every initiative of GSR has unresolved issues. For example, on the all-important issue of employment: community members acknowledge that the mine has brought in employment. GSR has a protocol in place for posting employment opportunities and assessing applicants, specifically designed so that the local communities can audit prospective applicants. However, community members argue that local youth do not even know of job openings at the mine, and mine officials appear to collude with nonlocals by falsifying their origins to enable them to secure jobs. Even though GSR states that it has a formal audit process in place, community representatives nevertheless suggested that GSR needs to have an audit process in place to check and verify local origins of prospective applicants for the jobs "reserved" for locals. Assuming GSR does indeed have an audit process in place, this suggests either that it is inadequate in its current form or that there are inadequacies in informing community members of the existence of the process. Community members further assert that many locals are "contract" staff rather than permanent employees, thus depriving them of a range of benefits and cover reserved for permanent employees.

Concerning education, the people at Wassa, for example, are happy with the scholarships for children and with the bonus package for teachers in the village schools but, in the same breath, suggest that the environmental challenges confronting the community renders some of these initiatives insignificant. The community wishes the mine would practice more preferential treatment in giving small-time contracts and services to local entrepreneurs.

They accept that the mine has brought in electricity, and the GSOPP project has been well received because it reflects local agricultural practice. However, they raise the issue that much of the land for the GSOPP initiative is fresh land provided by the Chiefs—not reclaimed land. They would wish more land is reclaimed. They feel GSR has promised to reclaim and use land for oil palm but without giving firm timelines. Yet, according to GSR, the company has committed to a rehabilitation and closure plan that is approved by Ghana's EPA and addresses operational and community needs in its end land use plan. Community input to the closure plan is incorporated following community meetings to discuss closure. As these areas are the tailings disposal facilities, they will only be rehabilitated at the end of the mine life. Again, these discrepancies point to the complexity of the issues being dealt with and suggest that the community's expectations as to when land can be reclaimed for the GSOPP do not match what have been put in place between the company and the EPA. This is not simply a matter of educating the public, though, as community members clearly want to see the amount of fresh land devoted to the oil palms project minimized as much as possible from the outset. Therefore, as much as GSR is working on handling the dynamic relationship with the local communities, the difficulties encountered confirm that there is no automatic linear progression in improving community–company relations. GSR has learned to do things differently, albeit still a work in progress.

CONCEPTUAL DISCUSSIONS

The findings suggest that organizational leadership (in terms of senior management decisions and choices), learning (in terms of commitment to adopt multiple learning strategies), and (to a lesser extent) firm-level culture (in terms of level of employee

involvement and recognition of the company's CSR initiatives) are important attributes necessary for sustainable CSR. Given these findings, what conceptual lessons could be drawn? We turn to our propositions to guide a brief discussion.

> Proposition 1: Organizational leaders and leadership need to set out an ethical architecture that enables the firm to respond to the corporate responsibility imperative.

Based on Skovira (2006), GSR first needed to set up the internal system to enable it to begin the process of mainstreaming its responsibility to its communities. For GSR, this is achieved through a combination of the leadership decision to create posts at the highest levels to deal with CSR; the creation of community facing departments, and the engagement of a thought process that says in brief "things have to be done right." We are compelled to argue that this process is one that—for now at least and on the balance of evidence—could not have emerged from below. It is the responsibility of leadership. We found that the company's historical challenges, poor community relations, and an apparent pressure from banks and other such interest groups provided a certain amount of external pressure. This external pressure notwithstanding, there seems to be a clear internal leadership commitment to respond.

> Proposition 2: Organizational leadership that sustains ethical action and CSR is likely to be dynamically and systematically connected with the myriad of interests that come to bear on the business of the firm.

The rallying cry of all interest groups in CSR in developing countries and elsewhere is for corporate initiatives to be both relevant and sustainable. Our Proposition 2 arises from Svensson and Wood and others who point to the need to be engaged and connected in an ongoing and systematic manner to stakeholders, interest groups, issues, and changes. We find that GSR is beginning to tread such a path. Through its Community Affairs Department it is actively engaging the communities in which it works, even if tentatively and still gathering momentum. Through its Environment Department it is responding to regulatory requirements. Given that it has a Sustainability Committee at board level and a VP post dedicated to sustainability and CSR issues, one can

only presume that it is through these bodies, intending to regu-
larize its discourse with the interest groups and issues. Writers
and researchers in the area of organizational design and effective-
ness have long argued that the design decisions that manifest in
structures, procedures, control mechanisms, etc. are the trigger
for ensuring that "a predictable level and type of performance is
attained and maintained" (Child 1988, p. 136). We therefore con-
clude that for GSR, sustainability of the CSR thrust is likely to be
carried forward if the systems that enable the firm to remain
dynamically and systematically connected to the big and small
issues are maintained. Again, we reiterate the organizational per-
spective: that pontificating about ethical and moral obligations are
not enough. The firm needs the internal engagement gears.

> Proposition 3: Mining firms in Ghana may benefit from rec-
> ognizing and using organizational culture as a mechanism
> through which to ensure sustainable CSR initiatives.

The arguments we have advanced in terms of culture as a key
variable are at two levels of confirmation from this research. The
first level relates to historicity. At this level, we can see that the
company's history of frequent changes of ownership and perhaps
its earlier operational focus on exploration (rather than mining)
made it difficult to articulate an internal ethos toward CSR behav-
ior. We also see that even as it makes efforts to reinvent itself, it
is caught in a classic culture change tension of dual perceptions
of the extant culture: executives articulate an "open door, task
oriented dong things right" type of culture, while managers
suggest that "lower level staff are not aware, culture and values
are not clearly articulated, etc." These realities suggest that much
as GSR appears to be moving in the directions advocated by
Propositions 1 and 2, it is still yet to consolidate the firm-level
software with which to maintain the CSR effort. This takes us to
the second level of confirmation which we see as futuristic. There
are warning suggestions made by some managers: that in the
event that the company's leadership should change its song sheet
(in relation to CSR), the initiatives may well die out because first,
the initiatives are so heavily top executive led and second, there is
insufficient ownership within the larger organization for all
members to act as CSR "champions." In other words, sustainabil-
ity of responsive CSR may well be linked to the consolidation of an

internal culture where responsiveness is not only top driven but also widely shared and owned.

> Proposition 4: The specific challenges involved in bringing about change to meet CSR obligations require strong leadership from the top and the adoption of different types of learning strategies, as no single learning approach is likely to be sufficient.

This case study confirms the argument advanced in the theoretical literature that the requirements of adapting to changing societal demands around CSR are complex and involve much more than simply refining existing policies (single-loop learning; Antal and Sobczak 2004). To develop effective learning mechanisms toward CSR, companies must employ multiple learning strategies and be able to recognize which strategies are most appropriate to a given situation (Dierkes et al. 2001). An essential part of the learning process in the extractive sector is the shedding of old mind-sets—unlearning (Hedberg 1981)—without which any other efforts to promote change would be meaningless. The fact that senior management is prepared to acknowledge that more needs to be done suggests that GSR has shed the "arrogant" attitudes it was alleged to have held five years ago.

The GSR case confirms the necessity of double-loop learning for companies that need to address serious reputational issues, requiring extensive introspection and rethinking about changes that need to be brought about. Evidence from interviews suggest that GSR's senior management recognizes that notwithstanding the significant changes in internal procedures and the mechanisms in place for interacting with the local communities, there is still need for continuous improvement (single-loop learning). The role of different learning strategies was found to be especially critical for GSR, both in terms of the ability to learn from national and global self-regulatory initiatives in the mining sector and in terms of the ability to learn from and listen to local communities affected by GSR's operations. GSR has learned from its "teachers" by scanning for information about best practices from relevant industry organizations, such as the ICMM, and learning from the successful strategies of major mining companies, the "big boys," as one executive put it.

At the level of the local communities, the importance of deutero learning is manifested in the need for companies to be able to interact with and learn from stakeholders affected by the economic, environmental, and social disruptions associated with mining. The creation by GSR of CMCCs mimics the practice of other major mining companies in the vicinity of GSR's operations (e.g., Newmont and Anglo-Gold Ashanti). A key challenge of deutero learning is the ability to adapt to shifting issues and stakeholders, suggestive of the highly dynamic, interactive, and essentially social nature of learning in both addressing and anticipating community concerns (Wenger 1998). Ongoing efforts are required by the firm, and one cannot expect a linear progression to improved CSR performance.

CONCLUSIONS

Our first conclusion is that for mining firms to be responsive with their CSR, they need practical internal engagement mechanisms that include synergies between leadership action and other mechanisms such as learning and culture. The peculiar pressures and responsibilities of such firms arise from the fact that they must operate where ore is found, they are engaged in resource extraction that is depletive and nonrenewable, and they tend to operate in depressed localities using overtly expensive equipment and mechanisms. All these make them particularly vulnerable to community concerns and opposition. This heightens the need for such organizations to explore the practical strategies and conceptual models through which they may be better able to achieve a responsive ethical tone within what is obviously a difficult context. Based on the GSR experience, we conclude that when organizational leaders accept the challenge and commit to creating organizational structures (such as units or departments responsible for social responsiveness), and adopt the learning from compliant "others," they create a potentially productive internal mechanism for achieving responsive CSR. Firms need to structure their operations to include units dedicated to community intelligence, environmental monitoring, regulatory compliance, and sustainability.

Our findings suggest that the single most credible initiative of GSR so far has been its GSOPP subsidiary. This effort fulfills

many of the benchmarks (Bird and Herman 2004; Idemudia 2008) that may be set for sustainable and relevant CSR: it is economically viable and built on a model that goes well beyond the giving of handouts or ad hoc payments; separate from the life of the mine and potentially able to survive beyond the mine; locally relevant, not alien to the ways of life of the people and enhancing of the local economy and it involves the community as active participants. We are therefore cautiously optimistic that if the GSOPP survives to the point where the palm trees begin to bear fruit and processing starts, it may well represent a CSR initiative and approach that is sustainable and facilitates local development.

The inception and viability of the GSOPP seems closely tied to the internal mechanisms noted earlier, which include the creation of sustainability roles at the highest levels, the creation of community affairs departments, and the setting up of the consultative committees through which initiatives are jointly discussed and decided on. Further to this, having set the GSOPP up as a self-financing subsidiary, the company recruited a manager-level professional with experience of palm oil and its commercial uses to manage the initiative. We may not be in a position to generalize from one case, but we remain cautiously optimistic that efforts of this nature may take the CSR engagement beyond haphazard philanthropy to systematic contribution. We accept that for GSR, it is early days yet, but we find that it appears to be building organizational attributes that may now allow a more sustained and systematic engagement with the myriad of CSR interests.

Our second conclusion is that mainstream organizational theories need to be tested more aggressively in the extractive sector in developing countries across both large and junior/mid-tier firms. In reviewing much of the work for this article we have come across precious few studies that start off from the organizational or behavioral and a shade too many that start off from the economic, development politics, and moral censure positions. We believe theoretical and conceptual development in this area would benefit from less orthodoxy. We are calling for research that enables organizations to recognize the ethical and responsibility challenge, deconstruct and decompose these from apparent moral censure and stricture, and thereby act *organizationally* on these challenges. From the GSR case, we tentatively consider that

organizational responsiveness requires commitment to introspection and relevant learning, the development of internal structures and systems, as well as a culture that recognizes the place of responsible behavior in the life of the organization.

Agenda for Future Research

There are three main areas of research we see as potentially emanating from our work. First, our propositions offer some basis for further, more confirmatory work. Second, we believe that a historical analysis of the organizational correlates of poorly behaved mining firms in Ghana and elsewhere would shed some light on potentially predictive organizational variables that may have been there long before any evidence of mal- or misbehavior actually shows. Third, longitudinal studies of the leadership choices and decisions, the adoption of best practices, and the organizational learning through which responsive firms continually negotiate their social license and maintain appropriate community relations would assist firms to move beyond rhetoric to sustainable action.

NOTE

REFERENCES

Agle, B., Ronald, K., Mitchell, R., and Sonnenfeld, A. 1999. "Who matters to CEOs? An investigation of stakeholder attributes and salience, corporate performance, and CEO values," *Academy of Management Journal* 42(5): 507–525.

Antal, A. B., and Sobczak, A. 2004. "Beyond CSR: Organisational learning for global responsibility," *Journal of General Management* 30(2): 77–98.

Argyris, C., and Schon, D. 1978. *Organizational Learning: A Theory of Action Perspective*. Reading, MA: Addison Wesley.

Argyris, C., and Schon, D. 1996. *Organizational Learning II: Theory, Method and Practice*. Reading, MA: Addison Wesley.

Ayine, D. 2001. "The human rights dimension to corporate mining in Ghana: The case of Tarkwa district," in *Mining, Development and Social Conflicts in Africa*. Accra Ghana: Third World Network, pp. 85–101.

Bird, F., and Herman, S. W. 2004. *International Businesses and Challenges of Poverty in the Developing World: Case Studies on Global Responsibilities and Practices*. New York: Palgrave Macmillan.

Brammer, S., and Millington, A. 2003. "The effect of stakeholder preferences, organizational structure and industry type on corporate community involvement," *Journal of Business Ethics* 45: 213–226.

Brown, A. 1995. *Organisational Culture*. London: Pitman.

Camerer, C., and Vepsalainen, A. 1988. "The economic efficiency of corporate failure," *Strategic Management Journal* 9: 115–126.

Cameron, K., and Quinn, R. 1999. *Diagnosing and Changing Organizational Culture: Based on the Competing Values Framework*. Reading, MA: Addison Wesley Longman.

Campbell, J. 2006. "Institutional analysis and the paradox of corporate social responsibility," *The American Behavioral Scientist* 49(7): 925–938.

Carroll, A., and Buchholtz, A. 2006. *Business and Society: Ethics and Stakeholder Management*. Mason, OH: Thompson South Western.

Child, J. 1988. *Organisation: A Guide to Problems and Practice*, 2nd ed. London: Paul Chapman Publishing Ltd.

Cooksey, W. R. 2003. " 'Learnership' in complex organisational textures," *Leadership & Organizational Development Journal* 24(4): 204–214.

Crossan, M., Lane, H., and White, R. 1999. "An organizational learning framework: From intuition to institution," *Academy of Management Review* 24(3): 522–537.

Dahlsrud, A. 2006. "How corporate social responsibility is defined: An analysis of 37 definitions," *Corporate Social Responsibility and Environmental Management* doi: 10.1002/csr.132.

Dashwood, H. 2007. " Canadian mining companies and corporate social responsibility: Weighing the impact of global norms," *Canadian Journal of Political Science* 40(1): 129–156.

Dashwood, H. 2012. " Sustainable development and industry self-regulation: Developments in the global mining sector," *Business and Society*, forthcoming.

Detert, J. R., Schroeder, R. G., and Mauriel, J. J. 2000. "A framework for linking culture and improvement initiatives in organizations," *Academy of Management Review* 25(4): 850–863.

Dierkes, M., Berthoin Antal, A., Child, J., and Nonaka, I., eds. 2001. *Handbook of Organizational Learning and Knowledge*. Oxford: Oxford University Press.

Donaldson, T., and Preston, L. E. 1995. "The stakeholder theory of corporations: Concepts, evidence and implications," *Academy of Management Review* 20(1): 65–91.

Elkington, J. 1998. *Cannibals with Forks: The Triple Bottom Line of 21st Century Business.* Oxford: Capstone Publishing.

Forster, N. 1994. "The analysis of company documentation," in C. Cassell and G. Symon, eds., *Qualitative Methods in Organisational Research.* London: Sage, pp. 147–166.

Galaskiewicz, J. 1991. "Making corporate actors accountable: Institution-building in Minneapolis-St. Paul," in W. W. Powell and P. J. DiMaggio, eds., *The New Institutionalism in Organizational Analysis.* Chicago: Chicago University Press, pp. 293–310.

Garvin, D. A. 1993. "Building a learning organization," *Harvard Business Review,* July–August: 79–91.

Garvin, T., McGee, T. K., Smoyer-Tomic, K. E., and Aubynn, E. A. 2009. "Community–company relations in gold mining in Ghana," *Journal of Environmental Management* 90: 571–586.

George, A., and Bennett, A. 2004. *Case Studies and Theory Development in the Social Sciences.* Cambridge, UK: MIT Press.

Ghana Chamber of Mines. 2007. "Annual report, 2007."

Ghana News Agency. 2005. "Mining communities decry destruction of their livelihood (August 13)."

Ghana News Agency. 2005. "Stop BGL's irresponsible and arrogant mining—community (August 24)."

Golden Star Resources (GSR). 2008a. "Sustainability report 2007."

Golden Star Resources (GSR). 2008b. "Policy updates, EHS," http://www.gsr.com/Social_Responsibility, accessed July 22, 2010.

Golden Star Resources (GSR). 2009a. "Annual report 2008."

Golden Star Resources (GSR). 2009b. "Sustainability report 2008."

Golden Star Resources (GSR)-Golden Star Oil Palm Plantations (GSOPP). 2009. "Golden Star Oil Palm Plantations: An innovative approach to community sustainable development," PowerPoint Presentation, March.

Gunningham, N., Kagan, R. A., and Thornton, D. 2003. *Shades of Green: Business, Regulation, and Environment.* Stanford, CA: Stanford University Press.

Hardy, C., Phillips, N., and Lawrence, T. B. 2003. "Resources, knowledge, and influence: The organizational effects of inter-organizational collaboration," *Journal of Management Studies* 40(2): 321–347.

Hartley, J. 1994. "Case studies in organisational research," in C. Cassell and G. Symon, eds., *Qualitative Methods in Organisational Research.* London: Sage, pp. 187–207.

Hedberg, B. 1981. "How organizations learn and unlearn," in P. C. Nystrom and W. H. Starbuck, eds., *Handbook of Organizational Design: Vol. 1 Adapting Organisations to Their Environments.* New York: Oxford University Press, pp. 3–27.

Hilson, G. 2007. "Championing the rhetoric? 'Corporate Social Responsibility' in Ghana's mining sector," *Greener Management International* 53: 43–56.

Hilson, G., and Banchirigah, S. M. 2009. "Are alternative livelihood projects alleviating poverty in mining communities? Experience from Ghana," *The Journal of Development Studies* 45(2): 172–196.

Idemudia, U. 2008. "Conceptualising the CSR and development debate. Bridging existing analytical gaps," *Journal of Corporate Citizenship* 29: 91–110.

Idemudia, U. 2009. "Oil extraction and poverty reduction in the Niger delta: A critical examination of partnership initiatives," *Journal of Business Ethics* 90: 91–116.

Kotter, J., and Heskett, J. 1992. *Corporate Culture and Performance.* New York: Free Press.

Kraatz, M. S. 1998. "Learning by association? Interorganizational networks and adaptation to environmental change," *Academy of Management Journal* 41(6): 621–643.

Lakomski, G. 2001. "Organizational change, leadership and learning: Culture as cognitive process," *The International Journal of Educational Management* 15(2): 68–77.

Lynham, S. A., Taylor, R. G., Naidoo, V., and Dooley, L. M. 2006. "Corporate leadership for economic, social and political change: Principles and practices learned from South African business leaders," *Journal of Business and Society* 19: 172–186.

Maak, T., and Pless, N. M. 2006. "Responsible leadership in a stakeholder society—A relational perspective," *Journal of Business Ethics* 66: 99–115.

McGuire, D., and Hutchings, K. 2006. " A Machiavellian analysis of corporate change," *Journal of Organizational Change Management* 19(2): 192–209.

Mining Association of Canada. 2008. "Towards sustainable mining: Progress report 2007," Ottawa, Canada.

Nicholson, N. 2000. *Managing the Human Animal.* London: Texere.

Ofori, D. 2007. "Social responsibility and ethics in Ghana: Stakeholders' expectations and challenges," in J. Okpara, ed., *Management and Economic Development in Sub- Saharan Africa: Theoretical and Applied Perspectives.* London: Adonis & Abbey, pp. 63–97.

O'Leary, M., and Chia, R. 2007. "Epistemes and structures of sensemaking in organizational life," *Journal of Management Inquiry* 16(4): 392–406.

Raufflet, E. 2008. "Creating the context for corporate responsibility. The experience of instituto ethos, Brazil," *Journal of Corporate Citizenship* 30: 95–106.

Ruggie, J. G. 2002. "The theory and practice of learning networks: Corporate social responsibility and the global compact," *Journal of Corporate Citizenship* 5: 27–36.

Schein, E. 1997. *Organisational Culture and Leadership*. San Francisco: Jossey-Bass.

Shockley-Zalabak, P., and Morley, D. 1989. "Adhering to organizational culture: What does it mean? Why does it matter?" *Group Organization Management* 14: 483–500.

Sinclair, A. 1993. "Approaches to organizational culture and ethics," *Journal of Business Ethics* 12: 63–73.

Skovira, R. J. 2006. "An ethical ecology of a corporate leader: Modeling the ethical frame of corporate leadership," *Interdisciplinary Journal of Information, Knowledge and Management* 1: 159–169.

Stacey, R. D. 2000. *Strategic Management and Organisational Dynamics: The Challenge of Complexity*, 3rd ed. Hemel Hempstead: Prentice-Hall.

Svensson, G., and Wood, G. 2006. "Sustainable components of leadership effectiveness in organizational performance," *Journal of Management Development* 25(6): 522–534.

Svensson, G., and Wood, G. 2007. "Sustainable leadership ethics: A continuous and iterative process," *Leadership & Organization Development Journal* 28(3): 251–268.

Svensson, G., Wood, G., and Mathisen, B. 2008. "Reflexive and critical views of leadership performance in corporate accomplishment. Framework and illustration," *Journal of Management Development* 27(8): 879–899.

Ubius, U., and Alas, R. 2009. "Organizational culture types as predictors of corporate social responsibility," *Engineering Economics* 1(61): 90–99.

Waddock, S. 2006. "Building a new institutional infrastructure for corporate responsibility," Paper presented at the *Inter-continental Dialogue on Corporate Social Responsibility*, Montreal, Canada, 12–15 October 2006.

Waldman, D., de Luque, M., Washburn, N., House, R., Adetoun, B., Barrasa, A., et al. 2006. "Cultural and leadership predictors of corporate social responsibility values of top management: A GLOBE study of 15 countries," *Journal of International Business Studies* 37: 1–15. doi: 10.1057/palgrave.jibs.8400230

Wenger, E. 1998. *Communities of Practice*. Cambridge: Cambridge University Press.

Wood, D. 1991. "Corporate social performance revisited," *Academy of Management Review* 16(4): 691–717.

Zsoka, N. A. 2007. "The role of organisational culture in the environmental awareness of companies," *Journal for East European Management Studies* 12(2): 109–131.