Partnership for integrating the corporate social responsibility of project stakeholders towards affordable housing development

A South African perspective

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Abstract

Purpose – The purpose of this paper is to investigate the role of partnership in integrating the corporate social responsibility (CSR) of project stakeholders towards better housing affordability.

Design/methodology/approach – A research methodology, consisted of literature review and field studies, is designed to accomplish four objectives. First, to provide a comprehensive literature review of the concepts of affordable housing, project stakeholders, CSR and partnership; second, to present and synthesis the results of relevant field studies examined the experiences of CSR and partnership among selected construction firms and the Government of South Africa (SA) in affordable housing projects; third, to develop a CSR-partnership model (and its action plan) that integrates the CSR of project stakeholders to achieve greater housing affordability; finally, to draw some conclusions and recommendations to improve the practice of CSR and partnership among government authorities and construction professionals.

Findings – Affordable housing is one of the greatest challenges that face countries around the globe, especially developing countries. The complexity of the problem hinders governments, alone, from achieving their plans for sustainable development. Project stakeholders must have social responsibilities towards supporting government initiatives for affordable housing development. The five-domain CSR-partnership model developed by the authors will help integrating the CSR of project stakeholders as an approach for developing affordable housing project.

Research limitations/implications – Because of the conceptual nature of the proposed model, it has to be tested and validated to ensure its capability to integrate the CSR of project stakeholders as an innovative approach for overcoming the difficulties facing governments in providing housing for the poor.

Originality/value – The conducted review provides better understanding of the issue related to the practice of social responsibilities and partnership of project stakeholders, both worldwide and in SA. Through its five domains (government, society, economy, law, and technology), the proposed CSR-partnership model and its action plan are expected to serve as a foundation for optimising the partnership of project stakeholders with government authorities towards better housing affordability. This ideology has received scant attention in construction literature. The developed model represents a synthesis that is novel and creative in thought and adds value to the knowledge in a manner that has not previously occurred.

Keywords South Africa, Housing, Corporate social responsibility, Partnership, Affordable housing, Project stakeholders

Paper type Research paper
1. Introduction

The construction industry plays a significant role in the social and economic development in both developed and developing countries (Miles and Neale, 1991) through constructing buildings and infrastructure projects that meet the needs of the community on the short and long terms. In addition, it supports government efforts by achieving strategic development objectives, increasing gross domestic product (GDP) and offering employment opportunities (Field and Ofori, 1988; Shutt, 1995; Mthalane et al., 2007). In South Africa (SA), the construction sector contributes 8 percent of the total employment of the country with 1,024,000 people in 2006 (Department of Housing, 2007). The government is the single biggest construction client, making up between 40 and 50 percent of the entire construction expenditure (Department of Public Works, 1999; Council for the Built Environment, 2007).

According to the Apartheid’s Group Areas Act, Blacks were not allowed to live in White areas and were forced to move to townships, which were located on the outskirts of the cities. During that period, very few houses were built for the Blacks. For instance, in 1994, it was estimated that only one formal brick house was built for every 43 Blacks, this was less than 10 percent of what was needed (Knight, 2001). Since its transaction into a democratic state, housing the poor has been one of the greatest challenges that face the South African Government. The extent of the challenge is derived from the massive size of the problem and the increasing demand for housing; the desperation of the homeless; the cost of housing, the slow delivery rate as well as the bureaucracy inherited from the Apartheid regime. In its “White Paper” legislation entitled A New Housing Policy and Strategy for SA, the Department of Housing declared the inadequate provision of affordable housing and stated the collaboration between the government and the private sector to establish supportive mechanisms throughout the country to assist individuals and communities in developing housing projects (Department of Housing, 1994; Othman and Conrads, 2009). Despite the government initiatives, many South Africans are still homeless, settlements are located far from job opportunities, shelter performance is poor, layouts are monotonous, and services are inadequate.

Recently, an increasing attention has been witnessed towards perceiving and adopting the concept of corporate social responsibility (CSR) in all business activities, especially in the construction industry. Verster (2004) confirmed that one of the most pressing problems facing the world that needs the attention of the construction professionals is the settlement of people, specifically the poor. Ofori and Hinson (2007) and Hopkins (2004) pointed out that companies are becoming more active in contributing to society than used to be the case in the past. This is shown in the explicit commitment to CSR made in the visions, missions and value statements of an increasing number of companies all over the world. CSR usually goes beyond profit maximisation to include the company’s responsibilities to a broad range of stakeholders including employees, customers, community and the environment.

Being a complex and time-consuming process, construction involves multitude of organisations with different objectives and structures to complete projects on time, within budget and as specified. Many contracts have to be signed daily in order to organise the relationship between the different project stakeholders (Edwards and Bowen, 2005; Flanagan and Norman, 1993). Historically, the construction industry has used procurement methods and contractual arrangements that have encouraged negative and adversarial relationship among project stakeholders and have reinforced
any differences in values, goals and orientations that exist within the construction project stakeholders (Banwell, 1964; Higgin and Jessop, 1965; Morris, 1973; Cherns and Bryant, 1984; Ball, 1988; Latham, 1994). Such relationship hinders the creation of trustful and cooperative environment that encourages every stakeholder to contribute positively to the project and community (i.e. generating innovative solutions, playing a social role towards community development particularly affordable housing). In recent years, most of the above issues are expected to be changed and considerable attention has been directed towards developing forms of relationships among project stakeholders based more upon cooperation and trust. Although such relationships can take a variety of forms (including joint ventures), debate has crystallised around the emergence of partnership as the major vehicle of change within the industry (Barlow et al., 1997; Holti and Standing, 1996; Rasmussen and Shove, 1996; Barlow and Cohen, 1996; Bresnen and Marshall, 1998, 1999, 2000; Thompson and Sanders, 1998). CII (1989), NEDO (1991), Bennett and Jayes (1998) and Bennett et al. (1996) have argued that partnering can have a substantial positive impact on project performance, not only with regard to time, cost and quality objectives, but also with regard to more general outcomes such as greater innovation and improved user satisfaction.

Because of the importance of supporting the government initiatives for affordable housing development coupled with the need for utilising the CSR of project stakeholders and the significance of overcoming the scant attention paid to this topic in construction literature, this paper aims to investigate the role of partnership as an effective tool for integrating the CSR of project stakeholders towards affordable housing development. The paper has four objectives:

1. Reviewing the concepts of affordable housing, project stakeholders, CSR, and partnership.
2. Presenting and synthesising the results of three recent field studies carried out by (Othman, 2007; Othman and Mia, 2008; Othman and Sirbadhoo, 2009). The first two studies aimed to investigate the CSR of architects and South African Quantity Surveying Firms (SAQSF) as an approach to support the government initiatives for developing sustainable housing projects for the poor in SA, while the third study focused on the creation of partnership between government and South African Project Management Firms (SAPMF) for rural areas development.
3. Developing a partnership model and its action plan for integrating the CSR of project stakeholders towards affordable housing development.
4. Outlining the research conclusions and recommendations for government and construction professionals concerned with affordable housing development.

Owing to the abundance of material found on previous literature and case studies on the research subject, field surveying of more primary data was not considered as a research strategy in this research paper. A research methodology based on a data found through a comprehensive review of relevant literature and field studies is considered more suitable for achieving the above mentioned aim and objectives of the research. Owing to the absence of models applying the concept of CSR specially when merged with public-private partnership (PPP), this research has chosen to concentrate more on the conceptual structuring of the model, based on the existing information, rather than indulging in more primary data.
2. Literature review

2.1 Affordable housing

Miles et al. (2000) defined affordable housing as a dwelling where the total housing costs are affordable to those living in that housing unit. Generally, housing can be considered affordable for a low or moderate income household if that household can acquire use of that housing unit (owned or rented) for an amount up to 30 percent of its household income. When the monthly carrying costs of a home exceed 30-35 percent of household income, then the housing is considered unaffordable for that household.

According to the Queensland Department of Housing in Australia, there are six categories that have to be satisfied when providers deliver affordable housing, namely: appropriateness of the dwelling, housing and social mix, tenure choice, location, quality of environmental planning, and design and cost (Susilawati and Armitage, 2004).

In general, there are two major factors which affect the provision of affordable housing: household income and housing cost. First, household income is a primary factor in housing affordability. The most common approach is to consider the percentage of income that a household is spending on housing costs. Affordable housing should fit the household needs and should be well located in relation to services, employment and transport and the cost for housing should not be more than 30 percent of income. Second, the global increase of material prices and construction cost hinders government from embarking new affordable housing projects. Berry (2001) suggested increasing the government subsidy and the involvement of the private sector and project stakeholders as an approach to increase the supply of affordable housing causing the cost reduction.

A study by Abdellatif and Othman (2006) aimed to improve the sustainability of low-income housing projects in the United Arab Emirates revealed that the briefing of these projects was initiated by government authorities and that end-users were not involved in the briefing and in the design process. Hence, residents’ requirements were not captured and their needs were not reflected in the building design. Architects mentioned that this could be attributed to the nature of the government and mass production nature of the projects, where the end-user is usually absent or unknown during the development process. Reffat (2006) stated that participation in the housing development should be the right of every stakeholder who will be affected with the final product.

2.2 Project stakeholders

2.2.1 Definition and categories. Juliano (1995) defined stakeholders as an individual, individuals, team or teams affected by the project. The PMI (2000) defined project stakeholders as the individuals and organisations who are actively involved in the project or whose interests may be positively or negatively impacted by the project. They may also exert influence over the project’s objectives and outcomes. To ensure a successful project, the project team must identify the stakeholders, determine their requirements and expectations, and manage their influence in relation to the requirements.

Stakeholders have varying levels of responsibility and authority when participating in a project and these can change over the course of the project’s life cycle. Their responsibility and authority range from occasional contributions in surveys and focus groups to full project sponsorship, which includes providing financial
and political support. Stakeholders who ignore this responsibility can have a damaging impact on the project objectives. Likewise, project managers who ignore stakeholders can expect a damaging impact on project outcomes. Key stakeholders on every project include:

- **Project manager.** The person responsible for managing the project.
- **Client/customer.** The person or organisation that will use the project’s product.
- **Performing organisation.** The enterprise whose employees are most directly involved in doing the work of the project.
- **Project team members.** The group that is performing the work of the project.
- **Project management members.** The members of the project team who are directly involved in project management activities.
- **Sponsor.** The person or group who provides the financial resources for the project.
- **Influencers.** People or group that are not directly related to the acquisition or use of the project’s product, but they can be influential; positively or negatively affecting the project.
- **Others.** Internal and external, investors, sellers and contractors, team members and their families, government agencies and society, individual citizens, etc.

### 2.2.2 Impacts of stakeholders on the projects
Stakeholders may have positive or negative impacts on the project. Positive stakeholders are those who would normally benefit from a successful outcome from the project, while negative stakeholders are those who perceive or receive negative outcomes from the project’s success. For example, business leaders from a community that will benefit from an industrial expansion project may be positive stakeholders because they see economic benefit to the community from the project’s success. Conversely, environmental groups could be negative stakeholders if they view the project as doing harm to the environment. Interests of positive stakeholders are best served by facilitating the successful completion of the project (i.e. helping the project obtains the needed permits to proceed). The negative stakeholders’ interest would be better served by impeding the project’s progress by demanding more extensive environmental reviews. Negative stakeholders are often overlooked by the project team at the risk of failing to bring their projects to a successful end (Tenstep, 2008).

### 2.3 Corporate social responsibility

#### 2.3.1 Background and development of the CSR
Schermerhorn et al. (2005) defined CSR as the obligation of an organisation to act in ways that serve the interests of its stakeholders. Recent times have witnessed increasing effort and proactive research to provide better and shared understanding of what SCR means. Before the 1990s, CSR was loosely defined and companies were simply doing good to look good (Kotler and Lee, 2005). Carroll (1999) stated that companies donate money to as many charitable organisations as possible, reflecting a perception that this would satisfy most people and consequently create the most visibility for philanthropic efforts. CSR is about organisations that make short-term commitments to various stakeholders to be viewed in the public eye as socially responsible entities. Table I summarises the growth of CSR over the years and indicates that evidence of the business community’s concern for society can be traced back for centuries.
Today CSR means different things to different stakeholders. In different countries, there will be different priorities, and values that will shape how business undertakes its CSR (Baker, 2007). The World Business Council for Sustainable Development in its publication *Corporate Social Responsibility: Making Good Business Sense* 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. The same report gave some evidence of the different perceptions of what this should mean from a number of different societies across the world (Table II) (Holmes and Watts, 2000).

In addition, CSR is perceived by highlighting the emerging consensus amongst business to extend the role and responsibility of business beyond profit seeking (McAlister, 2005; Carroll, 1993). There is widespread acceptance of the view that if business is to prosper then the environment in which it operates must prosper as well. This entails that business has to adopt an approach in which companies see themselves as part of a wider social system. CSR during recent times has been awarded a significant number of terms and definitions, including corporate responsibility,

<table>
<thead>
<tr>
<th>Period</th>
<th>Development of CSR perception</th>
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<tbody>
<tr>
<td>During 1950s</td>
<td>CSR was referred to as SR. Bowen (1953 cited in Carroll, 1999) defined CSR as the obligations of businessmen to pursue business goals in terms of the values of society.</td>
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<tr>
<td>During 1960s</td>
<td>There were increased efforts to formalise the definition of CSR. Davis (1960 cited in Carroll, 1999) referred to CSR as businessmen’s decisions and actions taken for reasons beyond the firm’s financial interests. Later, McGuire (1963 cited in Carroll, 1999) stated that corporations have SRs beyond their economic and legal obligations. This period also marked a milestone that considered companies as people, and highlighted the notion that business must act as justly as a proper citizen should.</td>
</tr>
<tr>
<td>During 1970s</td>
<td>Johnson (1971 cited in Carroll, 1999) defined CSR by highlighting that socially responsible firms have diverse interests. According to Carroll (1999), it was during this period that increased mentioning of corporate social performance (CSP) and CSR occurred.</td>
</tr>
<tr>
<td>During 1980s</td>
<td>Carroll (1999) stated that the 1980s paved the way for a number of definitions that emerged in relation to CSR including corporate social responsiveness, public policy, business ethics, and stakeholder theory. During this period, there were increased attempts to measure and conduct research on CSR.</td>
</tr>
<tr>
<td>During 1990s</td>
<td>Wood (1991) presented an important contribution to CSR and its definition in the form of a CSP model, based on the work of Carroll (1979, 1999). The model incorporated three dimensions (i.e. principles, processes, and outcomes) and thus expanded the definition of CSR.</td>
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<tr>
<td>During 2000s</td>
<td>Steiner and Steiner (2000 cited in Ofori and Hinson, 2007) mentioned that SR is the duty a corporation has to create wealth by using means that avoid harm, protect, or enhance societal assets. Pearce and Doh (2005 cited in Ofori and Hinson, 2007) described CSR as the actions of a company to benefit society beyond the requirements of the law and the direct interests of shareholders. Katsoulakos and Katsoulacos (2007) developed a strategic management framework that supports the integration of CSR principles and stakeholder approaches into mainstream business strategy. Othman and Mia (2008) studied the practical application of the CSR concept in the construction industry through developing an innovative framework to integrate CSR into the quantity surveying profession as an approach to support the government initiatives for housing the poor in SA.</td>
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Table I. Development of CSR over the years
corporate accountability, corporate ethics, corporate citizenship, sustainability, stewardship, triple bottom line, and responsible business (Hopkins, 2004). According to Baker (2007), CSR is about how companies manage its business processes to produce an overall positive impact on society. It refers to the way in which a corporation behaves while it is pursuing its ultimate goal of making profits (Vogel and Bradshaw, 1981). Recently more corporations pick a few strategic areas of focus that fit with their particular corporate values as well as selecting initiatives that support their business goals (Tenstep, 2008; Galbreath, 2009). Thus, the contemporary approach to CSR entails supporting corporate objectives while simultaneously playing a CSR so that the company’s social role is complementary to its primary, business role.

### 2.3.2 Perspectives on corporate social responsibility

Property Sector Transformation Charter Committee (PSTCC, 2007) has recognised two opposing views of social responsibility (SR):

1. **The classical view.** It states that management’s only SR is to maximise profits. Milton Friedman has been recognised as an advocate of this view and believes that the primary responsibility of managers and directors is to operate in the best interests of the shareholders who are essentially the true owners of a corporation. The classical view perceives that corporate expenditure on social causes is a violation of management’s responsibility to shareholders at least to the extent that these expenditures do not lead to higher shareholder wealth.

2. **The socioeconomic view.** It states that management’s SR goes beyond making profits to include protecting and improving society’s welfare. Socioeconomics are of the view that the corporation has an obligation to the wider society that creates and sustains them. Wilson (2005) mentioned that corporations can

<table>
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<th>Country</th>
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<tr>
<td>Argentina</td>
<td>CSR is about a corporation’s ability to respond to social challenges. It starts with developing good relations with neighbours. Companies should make a strong commitment to education, worker rights, capacity building, and job security. CSR is stimulating the economic development of a community</td>
</tr>
<tr>
<td>Brazil</td>
<td>CSR is about commitment to strive for the best economic development for the community, to respect workers and build their capacities, to protect the environment and to help create frameworks where ethical business can prosper</td>
</tr>
<tr>
<td>Ghana</td>
<td>CSR is about commitment to make socially responsible investments. It respects cultural differences and finds the business opportunities in building the skills of employees, the community and the government</td>
</tr>
<tr>
<td>Philippines</td>
<td>CSR is about business giving back to society</td>
</tr>
<tr>
<td>USA</td>
<td>CSR is about taking personal responsibility for your actions and the impacts that you have on society. Companies and employees must undergo a personal transformation, re-examine their roles, their responsibilities and increase their level of accountability</td>
</tr>
<tr>
<td>Taiwan</td>
<td>CSR is the contribution to the development of natural and human capital, in addition to just making a profit</td>
</tr>
<tr>
<td>Thailand</td>
<td>CSR must be locally relevant and meaningful only if backed up action</td>
</tr>
<tr>
<td>The Netherlands</td>
<td>CSR is about making a leadership commitment to core values and recognizing local and cultural differences when implementing global policies. It is about companies endorsing the UN Convention on Human Rights and the International Labour Organisation Rights at Work</td>
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</table>

Table II. Different perceptions of CSR
be further segmented based on the motivations behind adopting the CSR approach. She referred to “relational responsibility” which is adopting the socioeconomic view for the purpose of promoting the welfare of groups such as employees, customers or neighbours whom are directly affected by the company’s operations. The alternative segment is “social activism” whereby a firm adopts a socioeconomic approach to positively benefit society or particular interest groups which fall outside the company’s ordinary commercial operations. In this perspective, all corporations get involved, even if they believe that their operations have no negative impact on society.

2.3.3 Benefits of the CSR. In spite of any opposing views of CSR, there are a significant number of benefits associated with it, namely (Kotler and Lee, 2005):

1. Improving financial performance and increasing sales and market share.
2. Better risk and crisis management.
3. Reducing operating costs.
4. Increasing workers commitment, motivating and keeping them loyal to their organisations.
5. Enhancing brand value and reputation as well as supporting brand positioning.
6. Good relations with government and communities.
7. Long-term sustainability for the company and society.
8. A licence to operate.
9. Long-term return on investments and increasing productivity.
10. Enhancing corporate image and clout.
11. Increasing appeal to investors and financial analysts.

These benefits of CSR indicate a wide array of advantages to a variety of stakeholders and provide motivation to integrate CSR into the business as these benefits are closely related to corporate objectives and complement the primary role of the business.

2.4 Partnership

2.4.1 Definitions and background. Although there are several definitions to the term “partnership” (Online Oxford English Dictionary, 2011; Association of Project Management Partnering Special Interest Group (APM SIG, 2003; CII, 1991; CIB, 1997), they all agree that partnership is a long term commitment between two or more parties or organisations for the purpose of achieving specific business objectives by maximising the effectiveness of each participant’s capability through creating innovative relationship based on shared culture, trust, dedication to common goals, understanding of each other’s expectations, values, and cooperation.

Partnership is a process to establish productive working relationship among all parties on a project. It attempts to create an environment where joint problem solving prevents disputes and the parties truly work as a single team towards the goals of a successfully completed project and continuous improvement (APM SIG, 2003).

2.4.2 Development of partnership concept around the globe. The concept of partnering was found in the ancient Chinese culture. In modern day construction industry, the concept of partnering was first used in the USA with Arizona State
Highways and the US Army Corps of Engineers in 1980s. It was claimed that the use of partnering had resulted in some 9 percent reduction in cost and 8 percent improvement in time for completion in some projects. When the concept of partnering was introduced to the UK and Australian construction industry, a non-contractual partnering approach was adopted as the first step. In this approach, parties entered into a partnering relationship after a traditional contract had been awarded through competitive tendering. Research showed that such arrangements achieved cost savings of 2-10 percent, compared to the expenditure of 1 percent or less used on facilitating and managing the partnering process. Partnering in the UK is now becoming the norm in civil contracts in both private and public sectors. Projects are performing much better in meeting their time, budget, quality, and client satisfaction. The successful adoption of partnering in the UK construction industry resulted in producing new forms of collaborative contracts such as the New Engineering Contract. The use of this new form of contract is also gaining popularity in SA. In Hong Kong, the Hospital Authority and Mass Transit Railway Corporation were probably the first clients to embrace the concept of partnership in mid-1990s. Partnering was adopted in a number of projects which resulted in reducing project cost. In June 2003, the Association for Project Management Hong Kong published Partnering Guidelines for Construction Projects in Hong Kong. The aim of this document was to support best practice in partnership within the Hong Kong construction industry (Construction Industry Review Committee, 2001; Wai, 2004).

2.4.3 Benefits of successful partnership. Latham (1994) pointed out that within successful partnership, project stakeholders will have better opportunity for coordination and communication openly, honestly, and effectively with each other. Decisions made amongst the project stakeholders using their expertise are mutually agreed upon by all parties and create commitment for implementation. Since every stakeholder is committed, not only to perform his/her part but also assist the others, improvement to progress and quality of work could be achieved.

Carmack (1993) stated that successful partnership enhances cooperation between project stakeholders, increases their dedication towards achieving project objectives, creates collaborative, and harmonious environment that escalates productivity and stimulates the generation of creative and innovative ideas. In addition, working as partners towards solving arising problems during the course of works generates positive feedback and mutual respect. This leads to replace confrontation with cooperation and reduce claims as well as disputes. Furthermore, initiating partnership at the early stages of the project life cycle facilitates project stakeholders’ mutual understanding and appreciation of one another’s views and establishes lines of effective communication and efficient planning. Hence, the risk of delay and cost overrun are minimised.

2.4.4 Bases of successful project partnership. Law (2004) and Chan et al. (2004) mentioned that successful partnership depends on the following factors:

(1) **Top management’s commitment.** Commitment to partnership must come from top management of the project and should be cascaded down to every stakeholder and individual in the project. As the top management sets the strategic directions of the project and influences the culture, goals and attitudes of stakeholders, its commitment and support are essential to motivate stakeholders to embrace partnership during the progress of the work.
(2) **Mutual trust.** Partnership is built on trust and respect in that partners have faith on each other in meeting their own obligations. Each partner must be open to sound out their respective goals and objectives or even difficulties in order to make them appropriately aligned. When the whole project stakeholders work together towards the mutually agreed goals, synergy will come.

(3) **Fairness.** Project partners must be considerate and willing to take the win-win approach in satisfying one another’s expectations in the development of common goals and the allocation of risks among different parties.

(4) **Effective communication.** Communication can be enhanced by maintaining an open dialogue with direct lines of communication among all partners. Decisions should be made in a timely manner and problem needs to be resolved as soon as they arise.

3. **Review of relevant field studies**

3.1 **Background and results**

Despite the government initiatives to provide affordable housing projects in SA (United Nations, 2006), there is still a real housing problem for the poor. The ESSA (2005) attributed this problem to a number of reasons, amongst them: high unemployment rate, poverty, slow commitment from the private sector to provide housing loans to the low incomers, high cost of building materials and land development, unavailability of land in urban areas and the bureaucratic government procedures in terms of land release. Overcoming these problems called for all community organisations to bear their corporate SRs to support the government efforts towards society improvement. This section presents the results of three recently completed field studies carried out by Othman (2007), Othman and Mia (2008) and Othman and Sirbadhoo (2009). The first two studies aimed to investigate the CSR of architects and SAQSF as an approach towards sustaining the government initiatives for housing the poor in SA. The later study investigated the creation of partnership between government and SAPMF for rural areas development.

3.1.1 *The CSR of architects in SA.* In SA, corporate social investment (CSI) is used to refer to CSR and is guided towards larger-scale projects that contribute to a fundamental transformation of the social and economic landscape of SA as a whole. SA is ranked seventh in the *World Corporate Report on Social Responsibility of Business Leaders* (Rockey, 2004). The PSTCC (2007) identified the need for adopting the concept of CSI within the South African individuals, groups, communities, projects, and the construction industry at large. These projects could include education, training, development programmes, and infrastructure development among other initiatives. This shows that:

- CSR is essential to the long-term prosperity of companies as it provides the opportunity to demonstrate the human face of business – a vital link to society in general and, in particular, to the communities in which businesses are located.
- The value of creating practical partnerships and dialogue between business, government, and organisations cannot be underestimated.
- Companies should say what they stand for and demonstrate it in action.

Othman (2007) stated that despite their important role in the design and construction process, architects have a social duty towards supporting the government initiatives
and uplifting their communities. He mentioned that architect’s social role goes beyond making profit to construct buildings that save the environment, enhance the society and prosper economy.

At the environmental level, architects can play a role in escalating the awareness within the architectural profession towards saving the environment, integrating the concept of sustainability in the design process, reducing the negative environmental impact of buildings through using durable materials which are environmental friendly, non-toxic, easy to maintain, energy efficient, and recyclable. In addition, architects are responsible for considering the different environmental conditions, forces, and unexpected events such as fierce climate, earthquakes, and floods in their designs.

At the social level, architects can contribute towards enhancing the society through perceiving stakeholders’ needs and requirements particularly people with special needs (i.e. handicapped) as well as involving them in the decision-making process to ensure that the developed design meets their requirements and fulfil their needs. In addition, architects can promote the health and safety regulations in their design, utilise the feedback gained from end-users and people affected by the built environment to improve the performance of new projects. Furthermore, architects can offer training programmes, job opportunities for new graduates and create partnership between the different engineering disciplines to improve collaboration and experience exchanges which results in enhancing the built environment.

At the economic level, architects play a vital role in increasing the country’s GDP, providing more job opportunities to reduce the unemployment rate as well as increasing client’s profit and investment return. In addition, architects have a duty towards ensuring that society’s funds and resources are well used, minimising the cost of operation and maintenance, generating innovative solutions that perform the same or even better function at lower cost. Furthermore, architects can encourage national production through specifying locally manufactured materials and reducing the cost of importing materials.

3.1.2 The CSR of South African Quantity Surveyor Firms. Othman and Mia (2008) developed a business improvement framework aimed to integrate the concept of CSR into the SAQSF towards activating their social role towards solving the housing problem for the poor in SA. The framework developed five spheres of contribution to assist SAQSF play their social role, namely: government, society, economy, law, and technology.

At the government sphere, SAQSF can assist in solving the housing problem of the poor through:

- Advising the Department of Housing on the approximate cost and forecasted prices of proposed housing developments.
- Recommending strategies for energy efficient housing and the use of sustainable building methods and materials.
- Assisting the government in deciding the feasibility of proposed projects through appraising the investment of housing developments, taking into account the life-cycle costs and value of the project.
- Expediting the supply of basic services which hinders the delivery of housing for the poor.

At the society sphere, SAQSF can assist in solving the housing problem of the poor through:
• Encouraging the involvement of project stakeholders to produce projects that meet their expectations and reduce the cost of later modifications.
• Producing simple documents for cash flow forecasting, financial reports and interim payments.
• Creating positive partnerships between SAQSF and other engineering disciplines, therefore improving information and experience exchanges which results in improved housing developments.
• Offering training courses and jobs for recently graduated quantity surveyors as well as sponsoring undergraduate students.

At the economy sphere, SAQSF can assist in solving the housing problem of the poor through:
• Clarifying and thoroughly investigating the cash flow, zoning and building regulations of housing developments for the poor, allowing for transparency, accountability and better management of government expenditure.
• Encouraging using local products and labour, helps improve the national economy and reduce the number of unemployed people in SA.

At the law sphere, SAQSF can assist in solving the housing problem of the poor through:
• Facilitating the legal requirements to speed up the release of land and loans.
• Stating rules to encourage SAQSF to integrate CSR into the firm and play an important role in supporting government housing initiatives.
• Improving the guiding rules and parameters for evaluating tenders and contractors selection to achieve best value for money.

At the technology sphere, SAQSF can assist in solving the housing problem of the poor through:
• Utilising the benefits of information management and information technology to facilitate the procurement and tendering processes as well as the communication between parties.
• Reducing the professional time required for work completion through exploiting the identical, simple and repeated design of housing developments as well as utilising simple, repetitive contract documentation.

3.1.3 Partnership between government and SAPMF. The evolution of SA from apartheid to a democrat state in 1994 unlocked a vast array of strategic plans by government to enhance the denied development of rural areas (Othman and Sirbadhoo, 2009). Despite government initiatives to implement these strategies, rural people still face real problems. In particular, rural dwellers who were forced into taking refuge during the apartheid era are the ones feeling the burden of poverty the most. Among the main drivers behind these inadequacies is the lack of sustainable development in rural areas in terms of insufficient housing, services, and poverty (Carter and May, 1999), poor infrastructure as well as lack of clinics and schools (Ardington and Lund, 1996). Government cannot solve the problems of rural areas alone. It requires help,
and the private sector has the capabilities to provide support (Kole, 2004). PPP are being used widely in SA to implement national and provincial government’s infrastructure and service delivery commitments, rural areas should be no exception (SARDF, 1997). Nyagwachi and Smallwood (2007) stated that an effective, credible, and sustainable legal and regulatory framework is essential for promoting and fostering successful PPP projects in SA. Accordingly, Othman and Sirbadhoo (2009) developed an innovative framework that utilised the project management skills of SAPMF towards assisting the government in achieving its objectives for the development of rural areas. The framework views partnership between the government and SAPMF as a project that consists of five phases.

Initiating phase. This phase defines and authorises the partnership between government and SAPMF. It aims to establish the grounds and draw the basis between the two parties by agreeing and understanding the partnership vision, goals, and objectives. The problems facing rural areas development should be identified to enable SAPMF define the roles that they can play towards supporting the government initiatives for rural areas development. Practical working relations, communication lines, decision-making process between partners have to be established.

Planning phase. This phase defines and refines partnership objectives and plans the course of actions required to attain these objectives. The necessary resources required should be identified and secured. A needs analysis of the rural community in question must be undertaken prior to execution and the community is part of the project. SAPMF should apply the relevant planning tools required and identify and organise the tasks to be undertaken. Both parties should put the partnerships organisational arrangements in place as well as the arrangements for monitoring progress and future evaluation.

Executing phase. This phase integrates people and other resources to undertake the tasks in accordance with the agreed plan. SAPMF play a major role by ensuring that they control the entire management of the project and to ensure its smooth execution. Both parties should maintain working arrangements and communications with each other.

Monitoring and controlling phase. Both parties have to ensure that the project objectives are met by monitoring and measuring processes regularly to identify variances from plan so that corrective action can be taken when necessary. It is vital that government uses the professional expertise of SAPMF to manage the time, budget and quality of the project.

Closing and evaluation phase. SAPMF should ensure that the project objectives are met and completed to the satisfaction of the government and end-users. They should also ensure that they have exercised their management skills to the fullest extent in providing government with the professional assistance they required. A lesson-learned document has to be created to evaluate and measure what was achieved in the partnership exercise. This document should identify and define any issues that were incurred by either of the partners with the aim of allowing the partnering parties to learn from the evaluation and use this to develop and improve future partnerships.

4. Proposed partnership model for integrating CSR of project stakeholders

4.1 Background and motivation

Mizruchi (2004) and Business for Social Responsibility (2003) highlighted the increasing power of corporations. Mizruchi suggested that there is growing social
pressure on corporations to use their influence for the benefit of society. More recently, the notion of CSR has been conceptualized into a set of principles guiding corporations to operate in economically, socially, and environmentally sustainable ways while recognizing the interests of their stakeholders.

After investigating the concepts of affordable housing, CSR, project stakeholders and partnership, this section examines the possibility of using partnership as a tool for integrating the CSR of project stakeholders towards increasing the supply of sustainable affordable housing. Every stakeholder plays a role in the development of affordable housing. The development process is not only a matter of design and construction but also the long-term operation of maintenance and asset management process. In the construction process, the government authorities such as Public Works Department, Town Planning Department are working together in producing affordable housing projects. Private builders and developers are generally more efficient in housing construction. The private sector consortia are more successful than the governments in managing risk and at achieving value for money (English and Guthrie, 2003). The financial organisations are always looking for innovative ideas for producing efficient solutions for survival in a competitive market. Private project management firms has the management skills that are needed to enable government authorities achieve their strategies and plans for affordable housing development. Owing to the fragmented nature of the construction industry, each stakeholder works individually within their organisation using traditional methods and policies. Moreover, each stakeholder has his/her own interests and expertise in specific stages of producing and managing the affordable housing asset. Furthermore, a lack of trust and confidence with other stakeholders has constrained innovation and partnership options. This lack of coordination among stakeholders has seriously constrained the development of affordable housing. Project stakeholders need to work across boundaries to be able to coordinate and to optimise the resources and to maximize affordable housing outcomes (Sullivan and Skelcher, 2002). Partnership is an ideal and essential practice that has to be adopted by all stakeholders. It has to be deemed as a strategic policy and action plan for the development of affordable housing projects.

4.2 Description of the proposed model

In order to put partnership in a practical way, this paper suggests a model for using partnership as an approach for integrating the CSR of project stakeholders towards affordable housing development. The model is built on the work of Othman (2007), Othman and Mia (2008), Othman and Sirbadhoo (2009) and consists of five main partnership domains, see Figure 1, where “S” represents stakeholders and “T” represents CSR tasks played by stakeholders. At each level, the model encourages every stakeholder to play his/her SR partnership role with other stakeholders to collectively consolidate and maximise the positive outcome of the process towards facilitating the development of affordable housing project.

4.2.1 The government domain of the CSR-partnership model. Because of the massive size of the housing problem, particularly in developing countries, government authorities need the help and assistance of the private sector. With the diverse and unique skills and expertise of different project stakeholders, government can achieve its objectives towards affordable housing development. Although every stakeholder can contribute and play a role in supporting government initiatives,
establishing partnership between government authorities and project stakeholders and among project stakeholders themselves can maximise the benefit of CSR and enrich the exchange of information and experience. For example, some building regulations and rules stated by municipalities and town planning departments are outdated and do not consider new technology requirements and sustainability concept at the time (Abdellatif and Othman, 2006). Through coordination and open communication between project stakeholders, designers and suppliers can assist government authorities in updating regulations towards better building performance.

4.2.2 The society domain of the CSR-partnership model. Because society is the beneficiary of the constructed buildings, every effort has to be made to ensure that these buildings successfully achieve and effectively accommodate required society activities. With respect to affordable and low-cost housing projects, traditionally, the project brief is dictated by government officials without consulting end-users as they are either absent or unknown during the development process (Abdellatif and Othman, 2006). Partnership between architects, project users, and government authorities can assist...
designers in playing their social role towards identifying the needs and requirements of end-users (specifically people with special needs) as well as understanding their habits and traditions which produces facilities that satisfy their needs and reduce the consequences of later modifications. In addition, partnership between architects and quantity surveyors will benefit the project in terms of specifying durable materials that fulfil the design need, improve functionality and at the most cost effective manner as well.

4.2.3 The economy domain of the CSR-partnership model. Mutual trust and commitment of project stakeholders towards delivering affordable housing projects have a positive impact on economic growth. This could be achieved through creating more job opportunities to eradicate unemployment, specifying locally made construction materials to encourage the national economy and avoiding the cost and consequences of importing materials. In addition, proposing and providing government with financial studies and better cost management plans will help reduce the cost of affordable housing and improve economy.

4.2.4 The law domain of the CSR-partnership model. Co-operation and co-ordination between government authorities and end-users will facilitate the legal requirements towards owning facilities, releasing land, and facilitating loans. In addition, transparency between project stakeholders will establish clearer rules for selecting best contractors based on mutually agreed criteria that add value to the project. Furthermore, within this fair work conditions, every stakeholder understands his/her rights and obligations which reduce conflicts and confrontation in project development as well as improve performance.

4.2.5 The technology domain of the CSR-partnership model. Partnership between project stakeholders, particularly those who are more technologically orientated and equipped, will enable other partners to have better and quick communication. In addition, automating the management of construction processes such as design development and updating, change orders, material approvals will reduce time and cost. Furthermore, technological improvement will assist in producing new and affordable construction materials and equipment that improve functionality at lower cost.

4.3 Action plan for the proposed model
In order to facilitate the adoption and application of the proposed model, an action plan was developed by the authors. This plan consisted of four phases: do, plan, study, and act, executed through three processes of input, tools and techniques and output (Table III).

In order to put the proposed model in practice, an action plan was developed by the authors to facilitate the application of the partnership model. This plan consists of four phases of do, plan, study, and act, executed through three processes of input, tools and techniques and output (Table III).

5. Benefits and limitations of the proposed partnership model
The main benefit of the proposed model is integrating the CSR of project stakeholders to facilitate the development of affordable housing projects. It encourages all stakeholders to contribute positively, communicate openly, and cooperate effectively towards supporting the government initiatives for achieving its development plans for affordable housing development in SA.
However, there are several limitations, some of which are:

- The effective adoption and application of the partnership model depends to a large extent on the government authorities' and project stakeholders' willingness to participate into a partnership venture. If they do not have the desire to use the model, then its adoption will be limited.

<table>
<thead>
<tr>
<th>Plan Phase</th>
<th>Input</th>
<th>Tools/Techniques</th>
<th>Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifying areas that need collaboration among project stakeholders.</td>
<td>Issue Awareness Tech.: to escalate the popularity of partnership concept</td>
<td>Problems are identified</td>
<td></td>
</tr>
<tr>
<td>Launching &amp; Supporting Tech.: to ease the introduction and strengthen the foundation for partnership.</td>
<td>Objectives, rules and norms are established</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establishing partnership objective, rules and norms.</td>
<td>Brainstorming and parties consensus techniques</td>
<td>Project manager is selected and authorised</td>
<td></td>
</tr>
<tr>
<td>Putting plans and selecting tools / techniques needed to achieve partnership objectives.</td>
<td>Authority Transfer, Leadership and Management Tech.: from senior management to project manager leading the partnership process to the desired future state.</td>
<td>Project charter is developed</td>
<td></td>
</tr>
</tbody>
</table>

| Do Phase | Output from the "Plan" phase | Implementation Tech.: to execute the plans and activities agreed in the plan phase in the light of: support and commitment of senior management, mutual trust, fairness and effective communication | Partnership project is completed |

| Study Phase | Output from the "Do" phase | Observing the effects of the course of actions taken. | Areas for improvement are defined and learned lessons are documented |
| Progress reports & Feedback | Analysing the results gained & Identifying the lessons learned. |

| Act Phase | Output from the "Study" phase | Taking corrective actions | Partnership in future projects is improved |

Table III.
Action plan for the partnership model
The application of the model is time consuming, and due to the time constraints in construction projects, where insufficient time is spent on collaborating and communicating with other project stakeholders, this model might not be accepted by some sectors of the industry.

There are signs of a lack of awareness of the necessity of partnership, not to mention the CSR among many of stockholders. Hence, escalating the awareness of the importance of creating a partnership between project stakeholders to integrate their CSR and explaining its benefits for affordable housing development will increase the opportunity for adopting the developed model.

Furthermore, absence of strong political support from senior leaders and managers cause true hardship against the application of the proposed model. Therefore, getting the support of senior management will help overcoming these obstacles and facilitating the creation of such partnership as well as getting the resources needed for implementation.

6. Conclusions and recommendations
Affordable housing is one of the greatest challenges that face countries worldwide especially, developing countries and the complexity of the problem hinders governments, alone, from achieving their plans for sustainable development. This highlighted the role that the private sector and project stakeholders can play as an approach to increase the supply of affordable housing. There is a growing consensus that project stakeholders should have SRs towards supporting government initiatives for affordable housing development and that they should play a proactive role and do not wait until their assistance is sought. Literature review showed that integrating the CSR of project stakeholders for affordable housing development has not received enough attention in construction literature. Towards filling this gap, the proposed CSR-partnership model is sought to promote the above consensus. The model establishes five domains of SRs for project stakeholders, namely: the government, society, economy, law, and technology. The model suggests that the various tasks of each stakeholder in each domain be identified and defined thoroughly. An action plan is also suggested in order to facilitate the application of the proposed model in real life. The action plan consists of four phases: do, plan, study, and act. Execution of each phase is suggested through three processes of input, tools and techniques, and output. Because of the conceptual nature of the proposed model and its action plan, it is recommended that further investigation, assessment and development be carried out to improve its applicability in actual settings. The optimum aim is to benefit government authorities, project stakeholders, and of course the projects end-users. Government authorities responsible for the development of affordable housing are advised to initiate serious partnership with all stakeholders of affordable housing projects in order to integrate their SRs as an approach for overcoming the difficulties of providing housing for the poor. The model advocates also that project stakeholders must establish partnership among each others to facilitate information transfer and experience exchange required to ease and optimise their partnership actions. Countries that suffer from affordable housing development and have economic, demographic and governmental conditions similar to SA, could benefit from the developed framework and its action plan towards affording houses for the poor in their context.
Among issues of importance in future research, the following issues remain:

- Testing and validating the proposed model to ensure that it could provide the benefits advocated above (through surveying of opinions and stands of government authorities and project stakeholders, etc.).

- Actions to improve the unwillingness of government authorities and project stakeholders to participate into a partnership venture given the time constrains that might hinder the adoption and application of the developed model.

- Measures to escalate the awareness of the importance of integrating the CSR or project stakeholders and explaining its benefits towards affordable housing development.

- Components of a governmental rewarding system for successful partners as a means of ensuring and encouraging other stakeholders to play a more active role in initiating partnership with government authorities.

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