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Policy Brief No. 12-2018: ***A SWOT analysis on the current state of the CSR programmes in the Ugandan beer industry***

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Executive Summary

This report analyses the current state of the CSR programmes in the Ugandan beer industry. In April 2018 we visited Uganda and gathered qualitative data (e.g. interviews, observations and written documents). To analyse this information, we did a SWOT-analysis. Hereafter, we come up with three policy recommendations including an increase in post-harvest service, a focus on long-term relationship and a more transparent attitude from the breweries. These findings can serve as a guideline to design or adjust CSR programmes to be more impactful in the future.

Introduction

"People are going to want, and be able, to find out about the citizenship of a brand, whether it is doing the right things socially, economically and environmentally." **Mike Clasper President of Business Development, Proctor and Gamble (Europe)**

Corporate Social Responsibility (CSR) is a rising star in terms of importance among business worldwide. CSR means "context-specific organizational actions and policies that take into account stakeholders' expectations and the triple bottom line of economic, social, and environmental performance. Although the definition of CSR refers to policies and actions by organizations, such policies and actions are influenced and implemented by actors at all levels of analysis (e.g., institutional, organizational, and individual) (Aguinis & Glavas, 2012, p. 2)." In this paper we would like to analyse the CSR programmes of the two biggest breweries in Uganda; Uganda Breweries Limited and Nile Breweries Limited. By means of a SWOT- analysis the data about the current state will be analysed and interpreted. Hereafter, an elaboration on the policy recommendations and conclusion is made.

The aim of this paper is to examine and identify the current state of CSR in the Ugandan beer industry and give an overview with some policy recommendations on how this can be improved. This study will gain better insights on current CSR programmes. This study can contribute by a reflection on these programmes and recommendations on how to improve this.

This research took place in April 2018 in Kampala, Uganda. The data obtained of the study include two case studies from interviews with representatives from Uganda Breweries and Agricultural Officers in the Bugiri district, as well as observations and CSR – documents available on their websites.

Uganda Breweries Limited (UBL), which brewed their first beers in 1950, is one of the two biggest breweries in Uganda. This brewery is part of the MNE Diageo which is known for its spirits like Smirnoff, Johnny Walker and Captain Morgan. In Uganda UBL also sells their spirits, but they are best-known for their beer brands which include Bell, Guinness, Lite and Tusker. The key objective, as stated on the website, of UBL, is to deliver the highest quality brands to consumers and long-term value to their investors. When it comes to social responsibility, UBL also have a dedicated programme. The CSR programme of UBL is divided in six different topics which include 'water of life', 'skills for life', 'local raw material support', 'environment', 'alcohol in society' and 'special projects (Uganda Breweries, 2018).

Nile Breweries Limited (NBL) is the biggest brewery of Uganda with a market share of 59% (Nile Breweries, 2018). This brewery, established in 1951, is part of the MNE AB Inbev. which is known for brands like Carona, Beck's and Stella Artois. In Uganda NBL is known for its local beer brands which include Nile, Eagle and Club beer. The CSR programme of NBL is divided in three topics: 'Reducing environmental footprint', 'local sourcing', 'Corporate Social Investment' (Nile Breweries, 2018).

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The focus of the CSR programmes of the two breweries is on the environment, local sourcing and local social programmes like scholarship and contribution to HIV/AIDS reduction. Moreover, both companies stimulate responsible alcohol consumption in society. They recognize the fact that their products can cause harm when abused. Their commercial communication is often supported with a “never drink and drive” or “never drink underaged” slogan. Both breweries try to increase commitment to promote the responsible alcohol consumption philosophy among their employees as well. These include strict rules, trainings and strict procedures with respect to company events and company pubs (Uganda Breweries, 2018).

CSR is a strongly debated subject for the last decades. The right execution and the right policy design can be beneficial for the company and its stakeholders. These CSR advantages could result in a better financial performance (Heyder and Theuvse, 2008) or in a better long-term relationship between stakeholders (Batt, 2000). It could also function as a necessary defense tool against competition or as a competitive advantage (Haddock, 2005).

A meta-analysis about CSR in developing countries and the role of MNEs gives us even more valuable insights on the implication for different stakeholders (Eweje, 2014). Discussion on CSR and sustainability concepts in developing countries is growing, and many stakeholders including businesses, governments, and universities are working toward achieving sustainability. The analysis suggests that in order for developing and emerging economies to move forward and achieve the gains from globalization; businesses, governments, and other stakeholders should work together to benefit from the various initiatives on CSR (Eweje, 2014).

Breweries produce an enjoyable but also potentially harmful product. Moreover, they are

located in a developing country, collaborate with thousands of suppliers and have influence on millions of consumers. They also have an important role as employer. Overall, the design and the execution of the CSR policies of these two breweries is highly important. Taking all this together, we would like to answer the following research question in this report:

“What are the strengths, weaknesses, opportunities and threats of the current CSR approach of Ugandan breweries?”

We used different types of qualitative data to answer this research question and come up with some policy recommendations on how to improve. The qualitative data include interviews, observations and sustainable development reports of both breweries.

This research will be beneficial for all stakeholders in the beer industry. It will be constructive to evaluate the CSR-policies from a neutral foreign student perspective. Insights on the CSR policies and potential improvements on their CSR will contribute to a more beneficial, efficient or social supply chain. Practically it will be valuable for the breweries and its stakeholders, but also for other agricultural organizations in developing countries who can learn from best practices and recommended improvements.

Hereafter, we will discuss the SWOT-analysis, the tool which we will use to analyse the current CSR state. Then, we will discuss the methodology of this paper. Next, two practical cases will be described, where after the SWOT-analysis is applied. Finally, we end with practical recommendations and a conclusion.

Conceptual Framework

To conduct research on the current state of CSR we will use a managerial framework which is called the SWOT-analysis. SWOT stands for strengths, weaknesses, opportunities and threats. The resulting SWOT matrix contrasts the results of the internal

analysis (strengths and weakness) and the external analysis (opportunities and threats) to define strategic fields of action. (Pahl and Richter, 2007). In this case we will use it to better frame and visualize the current advantages and challenges of the policies.

SWOT analysis is also concerned with the analysis of an organisation's internal and external environment with the aim of identifying internal strengths in order to take advantage of its external opportunities and avoid external (and possible internal) threats, while addressing its weaknesses (Panagiotou, 2003).

The classification of the four variables might also need some further explanation. First, the strengths of a company or department means the things that are going well and positively contribute. The weaknesses include the things internally in a company or department that could be done better. Opportunities mean chances that arise from the macro-environment outside the company or department. These might include political decision, economic factors, environmental factors, and so on. However, from these macro-environmental factors outside the company, also the threats can arise. These include potential challenges that can occur from outside the company or department (Panagiotou, 2003).

It is relevant to use the SWOT analysis in this paper for three reasons. First, this framework is applicable for more problem domains than the company strategy in general. This means that you can use it also for a business unit or function. This is the case for our research; we will analyse the CSR-functioning of the breweries. Second, the SWOT analysis allows data integration. In this research we will also use different types of data, including interviews, observations and documents. Information from these data can all be integrated in this model.

Lastly, the simplicity of the SWOT analysis contributes to a clear overview of the internal and external benefits and challenges. Therefore, it is applicable and understandable for anyone with knowledge about the research question (Panagiotou, 2003).

Research methods

In this chapter we will discuss our context, the research design, the data collection and the data analysis.

Research context

This study took place in April 2018 in Uganda. The research was in collaboration with AgriQuest, a Ugandan organization which strives for strengthening agribusiness ethics, quality standards and ICT usage in Uganda's agricultural value chains (AgriQuest Uganda, 2018). The data consists of several interviews, observations, documents and photos from relevant stakeholders in the Ugandan beer industry (e.g. farmers, factory workers, CSR experts from the breweries).

The semi-structured interviews were conducted in English. This is the official first language of Uganda. However, some interviewees spoke just their local language. These interviews were conducted via an interpreter. Most interviews outside Kampala were arranged via Agriquest. The rest was arranged via direct approach. The research team consisted of a driver, three Ugandan researchers, five Dutch researchers and a local interpreter.

Research design

To conduct this research, we make use of a qualitative research. Since the insights on the current state of CSR in the Ugandan beer industry were not well researched yet and the state of prior theory is nascent, the qualitative approach of this research project is appropriate. If little is known, rich detailed and evocative data are needed to shed light on the

phenomenon. Openness to input from the field helps ensure that researchers identify and investigate key variables over the course of the study (Edmondson and Mcmanus, 2007).

Data collection

The data has been collected during two fieldtrips to the Bugiri district in the east of Uganda, and the Oyam district in the north of Uganda. Moreover, the headquarters of the breweries in the capital of Uganda, Kampala, have been visited. From all the data collected, two cases and the written documents (sustainability reports from the two breweries) are chosen to perform the SWOT-analysis on. The cases include one brewery visit and one Agricultural Officers visit, so that we have insights on two perspectives from the CSR policies, from both breweries.

Case analysis & findings

We will describe two cases and do a SWOT-analysis on the data we gathered from the specific case. These two cases are used since they include the policies of both breweries and they include both a brewery/headquarters impression and a field impression.

Case study 1: Brewery visit Uganda Breweries Limited

The first visit at the brewery took place in the evening of Friday 6 April 2018. The headquarters of Uganda Breweries Limited is located next to the brewery, near to Miami Beach in Kampala, Uganda. We had an appointment with Peter Mugisha, who is responsible for planning and logistics.

At 6pm we arrived at the entrance of the brewery. Here was a strict control before you were allowed to enter the domain of the brewery. A security guard had a bag with white and red balls, and you randomly had to scramble for a ball. If you had a white ball, you were allowed to pass. If you had a red ball, you had to do blow on a tool for an alcohol testing.

These security guard were friendly, but strict. I had to blow and were allowed to pass to the next station.

The qualitative data from the interviews has been analysed through open coding with a use of Gioia's method (Gioia et al., 2012). We drew on this inductive coding methodology to develop theoretical categories that could be used to find strengths, weaknesses, opportunities or threats. The notes from the observations and photos have also been used to find categories. Finally, the case studies were described and also used for the analysis.

Within the brewery there are strict walking paths on the road. This is for security reasons. These are clearly painted on the roads and lead you through the terrain. Before we could enter the headquarters, we had to administer ourselves at a small counter just after the entrance. Together with two fellow students we had to fill in some forms (name, nationality, purpose of visit, etc.). When all administration was done, we received a yellow safety vest. Moreover, we were not allowed to take photos on the terrain because it was perceived as commercially sensitive information.

Then, Peter arrived at the entrance and took us with him to the headquarters. We expected to have a meeting with the CSR managers. Once we entered the headquarters, Peter took us to the rooftop where we entered the terrace. It was relatively crowded with around 50 employees.

Peter took us to a table with some of his colleagues who were drinking beers. Together we formed a group of 7 people, 4 employees including Peter and us, the three VU-students. The atmosphere around the table was tensed and we did not feel very welcome in the beginning. Many questions were asked about the purpose of our visit. Counter-questions about their jobs and responsibilities from my colleagues towards employees were not appreciated.

After this first acquaintance, Peter explained us many things on the several brewery parts. He explained the ins and outs of the entrance of the raw materials, the brewery process, the bottling stage and the packaging department. He told us the known CSR policies which were applicable to the different stages of the brewery process. From Local Raw Material (LRM) program, to the water reduction initiatives. From the rooftop, we were allowed to take some photos.



Figure 1. View from the rooftop bar on the terrain of the brewery. Left; Crate gathering centre. Right; Packaging department and water treatment plant.

When we came back at the table, the first thing we noticed, was that most of the employees drunk more than the responsible three glasses per day per person. This was also the case for the other employees at the rooftop bar. (Diageo, 2018). It seemed that this first visit did not result in the expected and promised meeting with a CSR manager. Eventually, they first wanted to see and hear our purposes and intentions in real life. It could also be the case that the CSR manager was not available

anymore. We did not get an answer to this question.

Around 8pm we were guided back to the entrance of the brewery by Peter. One thing which we found remarkable, was the hierarchy among the employees working at the brewery. Peter, wearing neat shoes and a white shirt, was almost submissively greeted by the truck drivers who were packing their trucks with crates.

Finally, I arranged a new appointment with a colleague of Peter a week after. Joseph Kawuki was the CSR-manager, specialized in contract farming. A week after the meeting was planned and again I visited the brewery.

This second time, 2pm at 12 April I arrived again at the entrance of the brewery and passed through the process to enter. However, the office of the CSR managers was at another place, 100 metres away from the brewery. I went there and was invited to Josephs office. I was sitting in his neat office, where all beer ingredients were exposed. After around thirty minutes Joseph also arrived.

After a short introduction about ourselves, we started the interview about the CSR policies of UBL and contract farming (another topic which I was interested in). Some things became clear to me which are not stated in the official 'sustainability and responsibility' documents. For example, UBL does only directly communicate and negotiate with light-scale farmers. These farmers have over 50 acres of land and could be seen as decent SME's. The other ingredients come from middlemen and agents, who are mediating between small scale farmers and the breweries. This contact with small scale farmers, therefore, is minimal.

A lot of focus of the CSR programmes is also on the quality and quantity of the raw materials, which feels like a short-term interest with a focus on own interest. These programmes include purely technical trainings

to increase efficiency, chemical supply and the supply of other

fertilizers. However, due to the Local Raw Material (LRM) program, a lot of local farmers are supported. The supply of raw materials comes from local farmers and so increased the lives of thousands of Ugandan farmers. This program arose from a collaboration with the state and was supported by a governmental tax incentive.

There exist cooperative projects with the brewery and the government. Especially, when it comes to the environment and sourcing the state is seen as an important stakeholder. However, governmental collaboration is low when it comes to social economic development among the farmers/suppliers of the brewery Joseph implicitly said.

After an interesting interview of almost 90 minutes, I was guided back to the entrance of the building. I thanked Joseph a lot and he returned to his office.

SWOT-analysis case 1

In this chapter we will analyse the data received from the first case by means of the four variables of the SWOT-analysis.

Strengths: The strengths of the current CSR state of UBL that came clear consists of four parts in particular. First, it is the focus on the environment. UBL is aware of their role in society in terms of environmental protection and sustainability. For example, this resulted in their Water of Life and E-Green initiatives.

Next, a positive trend and program is the focus on local sourcing. This is super beneficial for Ugandan farmers who have a bigger and reliable market and easier access to fertilizers, chemicals and sometimes even machinery. Consequently, the brewery contributes to a sustainable economic development in Uganda.

This is also the case for the social initiatives in which UBL is involved. It is not an important program. Nevertheless, it is a small contribution to the economic development, which is huge gift for the chosen few.

Lastly, we experienced a strict enforcement of the safety rules on the brewery terrain. This means that the brewery feels very strongly about the safety of the employees, which is a positive responsibility the brewery takes.

Weaknesses: The first weakness we identified was the irresponsible drinking behaviour of the employees themselves in the brewery bar. Most of them exceeded the maximum of two glasses to drive. Potentially, this can cause serious reputation damage if accidents occur. This should be better regulated. This is a weakness of the social responsibility of the brewery.

Moreover, the brewery seems not be really transparent in terms of CSR policies. Questions asked in the beginning were not appreciated and also during the interview it was sometimes hard to get answers on questions. It would be helpful if employees are more brand ambassadors of the CSR-programmes of the brewery. All of the CSR-projects in which UBL is involved, are positive things to talk about. So, scepticism and in transparency about these policies is interpreted as a weakness.

Lastly, the focus on light-scale farmers and relatively low focus on the social aspect with farmers, are identified as a weakness in the CSR program. Small-scale farmers are approached via agents and do not have any direct contact with the brewery, while this is they are the biggest supplier (65% of all suppliers, according to Joseph). The focus is on the quantity and quality aspects of the raw materials. However, there is some space in the CSR programs for social improvements of suppliers.

Opportunities: The first opportunity for the brewery is the communication on CSR. After a

month in Uganda, it became clear that companies almost not communicate about their CSR policies. Not in their advertising, nor via their corporate public affairs. This might be an opportunity for UBL and also NBL.

Second, an intensified relationship with suppliers and governments. The LRM program is an example of a successful collaboration between brewery, government and suppliers. There are many other CSR-projects where collaboration would be beneficial for all stakeholders. For example, local social initiatives, credit supply and contract enforcement.

Thirdly, there is an opportunity for the brewery to change their key objective. This would also be helpful to incorporate the social responsible mentality among the employees and create real ambassadors. The current key objective is: *“Delivering the highest quality brands to consumers and long-term value to our investors”*. There are many relevant stakeholders excluded in this objective.

Threats: There are not many threats to the current CSR program of UBL. Only one of the threats could be that farmers will switch crops if they can expect better ‘terms & conditions’ in another agricultural sector.

Another threat could be stricter regulation and enforcement when it comes to drink and drive. This will then be the case for both consumers and employees. Nowadays, UBL communicates with *‘your night, your choices, your consequences’* and so tries to trigger everyone’s own responsibility. Unfortunately, accidents because of alcohol abuse often also include people who did not drink. The threat will be a mandatory change on communication guidelines, stricter controls, and so worst-case reputation and financial damage.

[Case study 2: Group meeting with Agricultural officers Bugiri district, representatives of sorghum farmers Nile Breweries Limited](#)

On April 2nd 2018, we went to the Bugiri district in the East of Uganda. With a research team from AgriQuest and 5 students from VU University we visited several stakeholders who were relevant for our different studies. Before we started our interview sessions, we also disseminated brochures to farmers to those who were visited last year by other students. Practical implications and trainings, mainly on ethics in agribusiness, were given.

On April 4th 2018, we had an appointment with the Agricultural Officers of the Bugiri district. These officers represent the local farmer groups and work on behalf of their interest, to stimulate and improve agribusiness. The region of Bugiri is known for rice, maize and sorghum. Especially sorghum is interesting for the beer industry.

We entered the area in between the maize fields, where several offices were located. Here we were welcomed by a small group of agricultural officers. Then, after some formalities, we first had short one-on-one interviews with an expert in our field of interest. It felt like a privilege for the interviewees, since there were other representatives standing outside the offices while watching and listening the interview (there were no windows in the building).

Hereafter, together with 3 other students and 2 AgriQuest representatives, we started a group discussion with 11 Agricultural Officers of the Bugiri district (10 men and 1 woman). The first thing that we observed was that they were extremely willing to talk about the topic of CSR. For us, it felt that not often someone was listening to their concerns and recommendations from the field. We experienced an assertive and energetic vibe from the interviewees’ side. Since we experienced a more easy-going and relaxing attitude among the Ugandan population, this attitude we experienced during the interview was remarkable.



Figure 2. Group meeting with Agricultural Officers Bugiri District

There was only one topic on which they reacted a bit more sceptical and uncomfortably. This was when one of my colleagues started questioning about gender-equality in the agricultural sector. We observed that some started whispering in local language to each other and the only woman in the group did not want or dare to answer.

Hereafter, we continued the group session with a focus on the CSR-policies from the breweries and how their farmers experienced this. The farmers in the Bugiri district supplied Nile Breweries Limited. Overall, they mentioned that the farmers did not experienced a lot from the CSR-policies. However, when we continued asking more into detail, they admitted that the farmers are really happy with the technical trainings, fertilizers and seeds they receive from the agents (via the brewery). Therefore, the farmers were willing to have contracts with the brewery via the agents. Both because of the access to these supplements, as well as the assurance of a market.

Next, we started discussing the improvements they would make on the CSR programs, if they were representatives from the brewery. The main focus was on the post-harvest service of the brewery. Farmers experienced a pro-active approach from agents before the harvest (seeds, technical trainings on how to grow, etc), but did not receive any attention after harvest. This resulted in storage problems,

quality decrease and side-selling. Moreover, they argued on the relatively low involvement of the brewery itself. All the communication and trainings are via an agent or self-called 'middleman'.

We experienced this session as valuable in terms of information acquisition and local involvement. The Agricultural Officers were really specialized in the agribusiness in their district and had knowledge into detail. This is because of the many conversations and visits with farmers they have on a weekly basis.



Figure 3. Entrance Nile Breweries Limited. Kampala, Uganda.

At the end of the group meeting we thanked all the representatives for their input and time. We helped them to stack up the plastic chairs. Then, one of the representatives took me with him to his office and showed the different types of sorghum and its quality. He told me here, that due to draught and high harvest estimations, farmers sometimes not meet upon the agreed amount of sorghum. Different types of sorghum will then be mixed, and this has a negative influence

on the quality of raw materials for the brewery. After 90 minutes of discussion, we went back to our minivan and had to continue to our next meeting due to time limits.

SWOT-analysis case 2

From the perspective of the second case, we will again formulate the strengths, weaknesses, opportunities and threats when it

comes to the current state of the CSR program of the beer breweries in Uganda.

Strengths: The strengths of the CSR-program of Nile Breweries Limited that became clear after case study 2, consist of three parts. First, is the sourcing of Local Raw Material (LRM), that result in more farmers that are needed to supply all of the needed raw materials. As a consequence, this project resulted in more employment and stability among Ugandan farmers in rural areas. Second, due to a lot of contract farming, farmers have the assurance of a market. Beforehand, farmer and brewery or farmer and agent agree upon a certain quality, quantity and price. Both farmers and brewery can better forecast their income and plan their production. Thirdly, these programs provide farmers with better training, seeds and fertilizers. These supplements result in a win-win for both farmer and brewery. Moreover, it will contribute to a sustainable development by means of a better agricultural sector.

Weaknesses: This case presented three weaknesses of the current CSR program of Nile Breweries Limited. First, the role and contribution to value chain of agents is questionable. The Agricultural Officers were unhappy with their attitude and way of working. They experienced this as a short-term focus and in individual interest. It might be interesting to consider internalization of these agents, so that they are not working for themselves but as employees of the brewery. Second, in line with the first point, the Agricultural Officers and so the farmers, experienced the brewery as intransparent. Moreover, it was hard for them to approach the brewery with questions or remarks. The most important reason was the use of external agents or middlemen. Lastly, farmers experienced limited post-harvest support. There was often limited storage place and too few responsible drying tools. Both limitations resulted in quality drops of their crops.

Opportunities: The opportunities for the CSR-program of NBL consist of two parts. First,

farmers are extremely willing for contracts and to collaborate. The Agricultural Officers

mentioned that contract farming is a positive phenomenon in general. The willingness of the farmers to produce and also to collaborate with each other, gives the brewery the opportunity to make use of economies of scale or other synergies. Second, there is an opportunity to collaborate more with the Agricultural Officers in every district. Nowadays, there is no collaboration between breweries and district officers. However, they fulfil an important role in the agricultural business within a district. It could be beneficial to include these officers more to share knowledge and to directly reach the involved farmers.

Threats: The threats of this CSR program consist of two parts. First, it is, according to officers, extremely easy for farmers to switch crops. If the prices or supplements are better at a competitor who needs other crops, it is easy to switch for them. So, the competition are all companies involved in agribusiness. Second, due to draught and high harvest estimations, farmers sometimes not meet upon the agreed amount of sorghum. Different types of sorghum will then be mixed, and this has a negative influence on the quality of raw materials for the brewery. Therefore, mixing crops could be threat of the program if they not incorporate proper expectations and estimations.

Conclusive SWOT-analysis

The two case studies illustrated the practical implication of CSR-policies of both breweries on their employees and suppliers. From these insights, combined with the interviews that occurred during these visits, we made a conclusive SWOT analysis. This analysis gives an overview of the data gathered and divide this in the strengths, weaknesses, opportunities and threats of the current CSR-programmes of the two biggest beer breweries in Uganda. These results are presented in Table 1.

<p>Strengths:</p> <ul style="list-style-type: none"> - Current program policies including many initiatives like environmental policies, local sourcing policies and social policies. - Strict safety procedures and regulation for own employees on brewery terrain - Market assurance for farmers with a contract - Supplement regulation (in terms of seeds, fertilizers and trainings) for farmers with a contract 	<p>Weaknesses:</p> <ul style="list-style-type: none"> - Irresponsible drinking of own employees at the brewery, not in line with policies - Intransparency if it comes to CSR policies. Hard to approach the brewery and employees to discuss this topic - Hard to reach the brewery for questions about CSR policies or constructions for farmers - Relatively low direct supplier-focus and involvement - The important role for external middlemen to translate CSR-policies into practice (these middlemen are perceived as individualistic and short-term focused by the farmers) - Limited post-harvest support
<p>Opportunities:</p> <ul style="list-style-type: none"> - More communication to consumers on CSR policies - Intensified relationship with suppliers and governments to realize initiatives on a cooperative basis - Adjust key objective and internalize a more multiple stakeholder approach instead of a shareholder focused objective - Intensify the contracts with farmers - Intensify collaboration with agricultural officers in specific districts (they have the expertise, contacts and interest to realize long-term improvements) 	<p>Threats:</p> <ul style="list-style-type: none"> - Crop mixing due to too strict policies could influence the quality of the final product - Reputation and financial damage because of too lose 'drink and drive' communication - Switching crops in favour of a competitor is relatively easy for farmers. Policies should focus more on this potential threat

Table 1. Conclusive SWOT analysis about the current state of the CSR-program in the Ugandan beer industry.

Policy recommendations

We did a critical analysis on the current state of CSR programmes in the Ugandan beer industry. By means of two case studies we did a SWOT-analysis to gain better insights on this state. The current CSR-policies are already highly developed and in a good state. Still, from the lessons learned, we recommend three policy improvements to realize even a higher positive impact on the performance of both brewery and its stakeholders.

Firstly, we recommend to maintain the current CSR-policies and add more post-harvest supportive policies. The overall state of the policies is good. The breweries must continue these initiatives. However, in terms of policies, there is a lot to win when it comes to post-harvest support. The current policies towards farmers are focused on the pre-harvest situation. We recommend breweries to also focus on post-harvest policies (constructive solution on storage, loan on drying tools, trainings on financial management, etc), from which breweries will benefit in both the short-term (better quality products) and long-term (better relationships with farmers and better forecasting).

Secondly, a change from a short-term to a long-term mindset is recommended. This does not just count for the brewery, but for the beer supply chain in total. The stakeholders include the farmers, the agents, the middlemen, the factories, the breweries, the government and control organizations. All these stakeholders have to internalize a long-term mindset. These include several practices. The agents could be replaced by employees of the brewery. This might cost more money on the short-term but will be more sustainable on the long-term to better implement and realize the CSR-policies. Also, breweries would make more impact and probably increase their financial performance if they switch their key objective to a more multiple-stakeholder approach. Moreover, better arrangements with farmers might be costly in the short-term. However, this can

prevent them from switching to other crops. As for breweries, this might result in less side-selling and better forecasting. The current policies that exist, except for the drink & drive 'own responsibility', are already mainly long-term focused, which is a preferred focus. This could be realized by a more intense relation with Agricultural Officers in a district.

Lastly, we recommend breweries to be more impactful by means of their CSR-policies through improvements on their transparency and approachability. Now, it is hard to arrange a meeting, to do ask questions or to do a brewery tour. Moreover, on the websites of the breweries only one subpage is committed to their current programmes. A more transparent and easy-accessible attitude towards farmers and other interested consumers will be beneficial. On the one hand, as a brewery you will not be 'suspicious' or vague for those people with interest. On the other hand, it might be beneficial since the current programmes consist of extremely positive contributions to society from the breweries. It should be used as an advantage to convince consumers to buy their beers. From a farmer perspective, better communication and more transparency will result in a better relationship. For example, this could also be realized via better contacts with agricultural officers in relevant districts.

Conclusion

In this paper we showed that the current state of the CSR programmes in the Ugandan beer industry is respectable. However, we also found out that there is space for improvement, especially when it comes to policies related to the post-harvest-services, a long-term mindset and the overall transparency.

We analysed the data obtained from two case analysis. These include interviews, observations and written CSR programmes. We analysed these gathered data by means of a SWOT-analysis. This analysis provided us with valuable insights on the strengths,

weaknesses, opportunities and threats of the current CSR programmes. We recommend the breweries to design policies on post-harvest services. We recommend all stakeholders involved in the beer industry to focus more on the long-term. Lastly, we recommend breweries to be more transparent and approachable for consumers, farmers and other people with interest.

From a practical perspective, this paper can give breweries valuable insights on their current CSR-program from a neutral external researcher. It can serve as a baseline to further improve and adjust their CSR programmes.

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