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**“CORPORATE RESPONSIBILITY AND SUSTAINABILITY: WHAT IS IT,
WHAT IT MEANS FOR THE HIGHER EDUCATION SECTOR - AND WHAT
HR PROFESSIONALS SHOULD DO ABOUT IT”**

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1. INTRODUCTION – EXPLAINING CORPORATE RESPONSIBILITY

Corporate Responsibility, Corporate Social Responsibility, corporate sustainability.

You may not be too familiar with the terms – but I bet you know a lot about it in practice. Please stand up and remain standing if you have:

- Boycotted a company whose behaviour you disapproved of
- Complained about excessive packaging
- Blown the whistle on unethical practices
- Complained to bosses about racist or sexist or homophobic jokes or bullying and harassment at work
- Chosen to work for one organisation rather than another – even where the pay was higher in the other organisation, because you preferred the values of the organisation you chose to work for
- Spoken to a financial adviser about switching your investments in to funds which screen for ethical and environmentally friendly businesses
- Switched banks to one whose ethical stance you admired
- Been asked to cover up something at work or been asked to do something at work that you thought your mother would disapprove of
- Written to a member of parliament or the media to protest against a company moving into an area or expanding because you think they are a bad neighbour
- Talked favourably to friends and neighbours about a company's green strategy – or criticised another company for green washing
- Been invited to pay extra for your airline ticket to pay for carbon offset
- Looked for a FairTrade logo or similar such as FSC for sustainable wood or MSC for sustainably fished product

If you have done any of these things then – perhaps without knowing it – you have first hand experience of debates about Corporate Responsibility.

We have some electronic voting devices. Please vote now

1

www.eventsforce.net/riley/frontend/reg/thome.csp?pageID=3992&CSPCHDx=000000000000&CSPIHN=108058-108058:443&CSPSCN=CSPSESSIONID&eventID=18&mode=preview&version=future&eventID=18

Do you think companies should:

- a) Maximise financial performance regardless of social/environmental laws
- b) Meet social/environmental laws but do nothing voluntarily
- c) Take voluntary action above the law only when there is a direct business benefit
- d) Take voluntary action above the law in the knowledge that it is good for long term business
- e) Make a major contribution to society + environment regardless of the cost?

2. EVOLUTION OF CORPORATE RESPONSIBILITY

When I left university, thirty years ago, there was little discussion of Corporate Responsibility or similar terms. Here and there, there were little bits of corporate philanthropy. Then came the 1980s, wholesale restructuring of British industry, mass unemployment and social unrest. Prominent business leaders – in the words of the late Sir Marcus Sieff – recognised that “prosperous high streets need prosperous back-streets.” Businesses became increasingly involved in the community – giving cash, seconding staff, contributing surplus premises, equipment and expertise. With the promotion of organisations like Business in the Community, we saw the emergence of several hundred local enterprise agencies; education-business partnerships; Groundwork Trusts; business support groups for community development trusts etc.

By the 1990s, in Business in the Community² and elsewhere, we were recognising that businesses could not claim to be responsible because they were supporting environmental charities if they were gross polluters; they could not say they were responsible because they supported AIDS orphanages in Africa, if they discriminated against any of their own staff who were HIV+; they could not claim to be responsible because they let staff volunteer in local schools, if they did not also create a learning culture in the business. In other words, we recognised that corporate responsibility is about how companies conduct their core operations. The Doughty Centre defines a responsible business as:

one that has built-in to its purpose and strategy a commitment to deliver sustainable value to society at large, as well as to shareholders, and has open and transparent business practices that are based on ethical values and respect for employees, communities, and the environment.

More recently still, as concerns about Climate Change and other aspects of sustainable development have grown, the language has shifted again: organisations like Goldman Sachs talk about ESG: environmental, social and governance issues for business³. More companies are committed to corporate sustainability. PWC define corporate sustainability as:

a business approach that creates long-term shareholder value by embracing the opportunities and managing the risks associated with economic, environmental and social developments⁴.

² www.bitc.org.uk

³ <http://www2.goldmansachs.com/ideas/environment-and-energy/goldman-sachs/gs-sustain/index.html>

⁴ PWC/ SAM - The Sustainability Yearbook 2008

Expectations about how business should be run have been raised because of a series of examples of bad corporate behaviour – *run timeline*⁵.

CR has grown around the world for a variety of factors. These include the increased expectations of employees, consumers, governments, Non-governmental organisations (NGOs); increased global media scrutiny of business; and greater business power as a result of privatisation, liberalisation and consequent globalisation.

In the UK, most large companies now measure and report on their environmental and social performance, including more than 90% of the FTSE 100 largest companies.

There are no hiding places today. You may have read stories about Coca-Cola and its alleged impact on the water supply in Kerala, India. That began when a one person ngo in Kerala started promoting the story –as Paul Hawken in his latest book– *Blessed Unrest* – explains. Today, Coca Cola has created the CEO Water Mandate with the help of the international NGO: WWF.⁶

In *Everybody's Business: Managing Risks and Opportunities in today's global society*, in 2001, Adrian Hodges and argued that a series of global forces for change – revolutions of technology, markets, demographics & development, and of values – were combining to present businesses with a series of urgent, management issues.

Issues like the environment, human rights, diversity, health and well-being, work-life balance, the community which – historically – might have been regarded as “soft issues,” we argued, had now become hard for business. Hard to ignore, hard to manage and very hard for the businesses that got them wrong.

3. FROM RISK MINIMISATION TO OPPORTUNITY MAXIMISATION

Three years later, in *Corporate Social Opportunity*, we further developed our argument, that handled correctly, these issues need not just be about risk-minimisation, but could become a source of new marketplace insight and a stimulus to innovation. We always saw *Corporate Social Opportunity*, as both a corporate mindset; and also specific products and services. The fruit smoothies company innocent which has made their commitment to sustainability integral to their identity and values; or Marks and Spencer with their Plan A commitment would be examples of corporate mindsets for sustainability

Corporate social opportunities we defined as commercially attractive activities which also advance environmental and/or social sustainability. We identified three types of such opportunities: new products and services; serving new or under-served markets; and the development of new business models in R&D, financing, marketing and distribution – typically involving partnerships with community organisations, campaigning ngos or even the public sector⁷.

⁵ For text version see: <http://www.som.cranfield.ac.uk/som/p9349/Research/Research-Centres/Doughty-Centre-for-Corporate-Responsibility/Sources-and-Resources>

⁶ http://www.unglobalcompact.org/docs/news_events/8.1/Ceo_water_mandate.pdf

⁷ Grayson and Hodges, *Corporate Social Opportunity: Seven Steps to make corporate social responsibility work for your business* (2008) Greenleaf

Several recent reports from global consulting firms and investment banks have confirmed the potential for profitable products and services which also address sustainability and corporate responsibility. These include Goldman Sachs's SUSTAIN report (2007) which analysed sector by sector, the businesses which the bank's investment analysts believed were well-placed to exploit sustainability versus laggards in that sector; and the Economist Intelligence Unit's "Doing good - Business and the sustainability challenge" (2008). The argument has further been spurred by a number of seminal articles, speeches and studies. These include Porter and Kramer's '*Strategy & Society, The Link between Competitive Advantage and Corporate Social Responsibility*'⁸ which described and legitimised for many the notion that competitive advantage can be found by integrating and aligning societal expectations and need with business strategy; C.K Prahalad's '*The Fortune at the Bottom of the Pyramid*'⁹ and the Jeb Brugmann and C.K Prahalad's '*Co-creating Business's New Social Compact*'¹⁰ which focused on the co-creation of opportunities for societal and commercial value from business and NGO relationships. Bill Gates's lecture to the 2008 Davos World Economic Forum on the theme of "Creative Capitalism," which argued for new market solutions to the global challenges of sustainable development reinforced the "opportunity" message¹¹.

I am particularly interested in corporate social opportunities where companies have consciously used their commitment to responsible business to gain new marketplace insights; worked with unconventional, non-business partners to make projects commercially viable; and even developed something as a community initiative but subsequently found that it was commercially successful. I think, for example, of Lloyds TSB's Sharia-law compliant financial products; Nike Grind made by recycling the soles of Nike trainers which was originally used for surfacing community sports facilities but which is now also being used in a new Nike clothing range; Tunstall - the world's leading provider of telecare and telehealth solutions - partnering with social enterprise Housing 21 to develop new telecare products for people with dementia with support from the UK Government's Technology Development Board; or Vodafone's M-PESA which provides basic banking services to the unbanked in Kenya. M-PESA started as a community project in partnership with the UK Government's Challenge Fund; but was so successful that it quickly became a mainstream product for Safaricom - in which Vodafone has a significant stake.

4. CORPORATE RESPONSIBILITY – A GROWING PHENOMENUM

The pressures on companies to behave responsibly have become even stronger in the current crisis and the consequent loss of trust in business as demonstrated by recent polls from Globescan¹² and from the US headquartered PR firm Edelmans.

⁸ Porter and Kramer's '*Strategy & Society, The Link between Competitive Advantage and Corporate Social Responsibility*' (Harvard Business Review Dec 06)

⁹ C.K Prahalad's '*The Fortune at the Bottom of the Pyramid*' (Wharton School Publishing 06)

¹⁰ Jeb Brugmann and C.K Prahalad's '*Co-creating Business's New Social Compact*' (HBR Feb 07)

¹¹ Which inspired a book of sometimes critical commentaries on the concept: *Creative Capitalism: A Conversation with Bill Gates, Warren Buffett, and Other Economic Leaders* (Hardcover)

by [Michael Kinsley](#) (Editor), [Conor Clarke](#) (Editor) Simon & Schuster (2 Dec 2008)

¹² http://www.globescan.com/csr_overview.htm

The 2009 Edelman Trust Barometer – published at this year’s Davos World Economic Forum, shows that 62% of respondents (77% in the USA) trust business less than a year ago:

Business has had a disastrous year, well beyond the evident destruction in shareholder value and the need for emergency government funding. Whereas the problems of corporate trust were limited largely to New Economy enterprises like Enron and Global Crossing in 2001-2003, companies at the center of the global economy are in serious trouble in 2008-2009. And in a further blow to corporate authority, confidence in CEOs as a reliable source of information about their companies has hit a new low globally.”¹³

Politicians across the political spectrum have endorsed the importance of businesses behaving responsibly and ethically.

Gordon Brown has spoken of “the modern view that trust and reputation are critical to business success, and that corporate social responsibility is not an add on, a side show or incidental, but integral, mainstream and at the heart of what you do – the smart solution for business today: a recognition that in the modern world, the good economy and the good society go together. Britain is now leading the world in corporate social responsibility.”¹⁴

David Cameron has declared that: “I want the modern Conservative Party to be not just the party of business but of responsible business.....responsible business is not only in the public interest but the commercial interest too.”¹⁵

5. CORPORATE RESPONSIBILITY AND THE PUBLIC SECTOR

It is increasingly recognised that Corporate Responsibility does not just apply to for-profit organisations with shareholders / owners, but can also be relevant to the public sector where a commitment to being a responsible organisation can have business benefits.

Professor Ken Peattie from the ESRC-funded Centre for Business Relationships, Accountability, Sustainability and Society (BRASS) at Cardiff University argues said that for him the most helpful view of CSR and one that was equally applicable to the commercial or public sector was to “view it as concerning the professional and responsible management of relationships with your key stakeholder groups.” He also argues that CSR is important for the building of trust.¹⁶

¹³ <http://www.edelman.co.uk/files/trust-barometer-2009.pdf>

¹⁴ (HMRC Corporate & Social Responsibility Conference with His Royal Highness, The Prince of Wales, at HM Treasury, 24 October 2006).

¹⁵ (Foreword to “Final report of the Conservative Party Working group on responsible business - A light but effective touch - MARCH 2008).

¹⁶ Taken from (Embedding CSR in the Public Sector: Some Personal Reflections – Professor Peattie, ESRC Centre for Business Relationships, Accountability, Sustainability and Society (BRASS) Cardiff University)

6. UNIVERSITIES AND CR

Since 2002, a number of major companies have voluntarily benchmarked their environmental, social and governance performance each year in the Business in the Community Corporate Responsibility Index, the highlights of which are published in a national newspaper (previously The Sunday Times, going forward, The Financial Times)¹⁷.

In 2007, BITC (Yorkshire and Humber region), BITC nationally, Leeds Metropolitan University, the Environmental Association for Universities and Colleges¹⁸, CSR Consultancy¹⁹, and the Higher Education Funding Council piloted a version of the index for universities: Universities that Count²⁰. 25 Higher Education Institutions took part.

Universities that Count suggested, a number of reasons why CR is just as pertinent to this sector as any other:

- Universities provide a significant contribution to the economy of the area where they are based
- Turnover considerable amounts of money
- Are usually large employers, within what has been viewed as reasonably secure employment
- Have significant supply chains
- Work hard to attract customers e.g. students. It's worth remembering that Universities have operated in a fixed-price market for a number of years, and that variable fees will bring an element of 'values proving value for money' into student application decisions. At one of the "Universities that Count" Getting Started workshops last November, it was pointed out that variable fees will bring parents (as part-funders) much more into the decision process, so it's not only your reputation with potential students that needs to be managed, but also your image in the older age range, which is arguably sensitive to different parts of the CR mix than its sons and daughters
- Have an environmental impact that must be increasing well managed within the tighter legislative boundaries and the higher expectations.
- Have student populations, research programmes, resources and facilities that impact on local and in some case global communities.
- It was also felt that HEI were future shapers in the way they direct research, markets, science, technology and values and also that they are in the prime position of providing the next generation of society's professionals, politicians and leaders, whose doctrines have a very important bearing on the future of the economy and the environment.
- The survey concluded that the HEI sector would come under increasing scrutiny over the next five years from key stakeholders with regard to social and environmental impacts and equally that a market effect would be brought

¹⁷ http://www.bitc.org.uk/cr_strategy_and_integration/cr_index/

¹⁸ (www.eauc.org.uk/home)

¹⁹ www.csrconsultancy.com

²⁰ <http://www.eauc.org.uk/utc>

to the sector and transparency would be a necessary part of an enhanced brand management and licence to operate, very akin to the private sector²¹.

It could also be added that:

- More and more companies are including environmental and social performance in their tender requirements – and those apply to service providers as well as manufacturers – so if a university has business customers, it can expect to have more requests to prove sustainability credentials.
- The spike in utility prices last year has driven many universities to be much more proactive in seeking efficiencies - business sense rather than corporate responsibility perhaps, but the effect will be the same in the end.

In the pilot UTC

- On the Environmental Index side, the overall score for those HEIs that took part (some 17% of the sector) was found to be 55%, compared with the overall Business Environmental Index score of 83%.
- When these results for universities were plotted against other companies, only 5 of the HEI respondents fell within the top 100 and only 1 within the top fifty. The overall conclusion was that the HEI sector had room for improvement. However, it was recognised that there were pockets of best practice within the some of the impact areas for example Water Consumption scoring at 78% and Biodiversity at 69%.
- The findings were that overall the Strategy and Integration scores amounted to 51%, compared with the business score of 84%. Corporate Strategy was the strongest score at 84% whilst Integration was lowest at 48%.
- When compared against other sectors, HEI were the lowest with the next comparator being Government scoring 62%.

HEFCE were so pleased with the pilot UTC programme that they agreed to fund it for a further three years, and took what had been an England-only programme UK-wide by recruiting their colleagues in the Welsh, Scottish and Northern Irish funding councils to support their Universities in taking part.

57 universities are taking part this year, including Queen's University here in Belfast; and the high-level results will be announced at the Green Gown Awards at Imperial College in London on June 23rd. This autumn, UTC will invite every UK university to join in the 2010 edition.²²

Companies that have regularly completed the Corporate Responsibility Index say that the very fact of the annual benchmarking tool, is a valuable discipline encouraging continuous improvement. A practical action step from the UPA conference would be to go back and make sure that your university will commit to completing Universities that Count in 2010.

²¹ Taken from (Universities that Count – a report on Benchmarking Environmental and Corporate Responsibility in Higher Education) www.bitc.org.uk/resources/publications/universities_count.html

²² www.eauc.org.uk/utc

7. WHAT SOME UNIVERSITIES ARE ALREADY DOING

The pilot UTC showed some particularly pertinent data for HR professionals. Specifically, progress in the Workplace Management Practice which looks at recruitment and retention of high calibre staff, equality and diversity, performance and development, wellbeing and welfare and health and safety. It was felt that the majority of HEIs had determined their key workplace issues from regular risk assessment and impact review processes and thus achieved a respectable score of 60%.

Equally there was strong activity within the Performance and Impact section which incorporated Workplace Diversity, scoring 76% compared to the business average at 72%. This shows clear integration of policies and procedures and mainstreaming of diversity into employment practices and measuring diversity profiles²³.

Higher education is already doing a lot of which we can be proud. Cardiff University, for example, published their Strategic Plan which refers to CR throughout the document quoting, for example, standards of ethics and conduct, inclusiveness culture, commitment to equality and diversity, effective and efficient communication both internally and externally; a sustainable approach to strategic development and a commit to CSR, governance, integrity in every aspect of the its work²⁴.

Plymouth University published a strategic action plan on how they intended to embed sustainability into their four 'C' areas, for example within Culture, they stated that they would integrate sustainability into all university's strategies, plans and policies as they are written or revised and that they would build in sustainability criteria, where appropriate, into job descriptions, role specifications and business plans²⁵.

Edinburgh University's Strategic Plan is a very good example of where CR has been given a high priority. One of the aims under their mission statement was to make a significant, sustainable and socially responsible contribution to Scotland, the UK and the world, promoting health and economic and cultural wellbeing. They identified enablers to deliver their strategic goals and themes. One of the key enablers being employees²⁶.

The Equality and Diversity Unit funded by HEFCE²⁷ and others, has made significant progress and most universities have a dedicated staff member or even a whole unit pursuing this work - London South Bank has a unit with four staff networks (gender, ethnicity, sexual orientation and disability) and lots of staff training and discussion. There is a Champions Group among Vice-Chancellors.

Cranfield University has produced a Carbon Management Plan with the help of The Carbon Trust and we have been awarded £250k from the Salix fund - a revolving

²³ Taken from (Universities that Count – a report on Benchmarking Environmental and Corporate Responsibility in Higher Education) www.bitc.org.uk/resources/publications/universities_count.html

²⁴ <http://www.cf.ac.uk/plann/strategicplan/index.html>

²⁵ <http://csf.plymouth.ac.uk/actionplan/index.htm>

²⁶ http://www.planning.ed.ac.uk/Strategic_Planning/SP2008-12/StrategicPlan.pdf

²⁷ <http://www.hefce.ac.uk/lgm/divers/>

fund for implementing carbon saving projects. Key projects funded are ca £3 million of CHP and Electricity efficiency improvements. This is part of our wider “Cranfield Green” programme which began with the university executive committing £100,000 to explore what we might do, both in terms of environmental footprint and what has come to be known as our “Carbon Brainprint.” This also enabled us to make phased progress towards ISO14001 accreditation.

Other aspects of Cranfield Green include:

- Cranfield students are currently undertaking a group project to map the biodiversity of the campus. The outputs to contribute to the forthcoming Cranfield campus vision document.
- Cycle to work policy adopted and implemented to complement the car sharing initiative that is already in place – more publicity and incentives required
- Campus vision plan in preparation to address issues of future sustainable development of the campus

8. HOW DO ORGANISATIONS EMBED CORPORATE RESPONSIBILITY?

A McKinsey report for the UN Global Compact in 2007 based on a survey and 1:1 interviews with CEOs of Global Compact companies identified the key things that companies need to do to embed Corporate Responsibility²⁸.

Top leadership has to believe and walk the talk. Staff and other stakeholders need to hear their leaders explain regularly what Responsibility and Sustainability means for the business, why it is important and how it is integrated with business purpose and strategy. This should be explicitly linked to the stated values of the business. Intelligent companies use their values as criteria in the recruitment of staff. They incorporate values into induction and on-going staff training; in appraisals and for determining compensation and promotions. The values are the criteria against which the business takes tough decisions.

Corporate Responsibility requires effective board governance. Some companies have a board committee for Corporate Responsibility and Sustainability. Some have a lead non-executive director in charge. Some have a mixed committee of executives and non-executives. Whatever the precise structure, it is important that the company regularly addresses what are the most significant responsibility and sustainability issues for it – and discuss these at the most senior levels. A mining company will have some very different priorities in terms of environmental and social impacts versus a bank or an IT company. Any business – large or small – needs a process for getting each part of the business, each business function, to understand their significant environmental and social impacts. Corporate Responsibility has to be everybody’s business – not hived off to a “good works” department. In particular, this means effectively engaging stakeholders including suppliers, which requires being able to measure and then report environmental and social impacts – in an increasingly varied range of different formats – from websites and blogs, to putting environmental or health information on packaging and leaflets for consumers.

²⁸ Shaping the New Rules of Competition: UN Global Compact Participant Mirror July 2007: McKinsey & Co

For a quick summary, take a look at a film summary of an international conference we ran at Cranfield last September for the European Academy for Business in Society:

<http://www.som.cranfield.ac.uk/som/p11718/Research/Research-Centres/Doughty-Centre-for-Corporate-Responsibility/EABIS-2008>

Please take your voting panels up again:

Does your university have a sustainability strategy?

1. yes - formal strategy with clear accountabilities and performance regularly measured and communicated
2. yes - but lacks clear accountabilities and performance is not regularly measured or communicated
3. ad hoc series of initiatives
4. no
5. don't know

Is tone from the top positive about sustainability and responsibility in your university?
On scale of 1-5 - 1 = very negative to 5 very positive and empowering

Is training available for faculty and staff in your university about sustainability and responsibility?

1. yes
2. no
3. don't know

would you like UPA to provide more advice and training about sustainability and responsibility?

1. yes
2. no
3. don't know

9. DIFFERENT STAGES OF MATURITY

I have not researched this, but I would suspect that universities are like businesses in that they are at different stages of maturity – and the Universities that Count survey would seem to bear this out.

The Doughty Centre has combined the insights of several different academic and business experts to refine the stages of CR maturity.

I am told by some experts who have studied universities and sustainability, that most of the best UK universities are probably hovering around Stage 3, with a few leaping into Stage 4 with projects such as Gloucestershire's ISO14001 implementation which includes the curriculum in the management system²⁹, Bradford's Ecoversity³⁰ or Plymouth's Centre for Sustainable Futures³¹.

²⁹ <http://www.glos.ac.uk/vision/sustainability/practice/Pages/default.aspx>

³⁰ <http://www.brad.ac.uk/ecoversity/>

³¹ <http://csf.plymouth.ac.uk/>

	Stage 1: Survivalists & deniers	Stage 2: Compliers	Stage 3: Managers	Stage 4: Innovators	Stage 5: Champions
mindset	Defensive -it's not our fault – and no time anyway	Compliant – we'll only do what we have to do	It's the business	Strategic: it gives us competitive advantage – we can integrate values and value; and find opportunities	Civil – we need to encourage everyone else to do it too
	Yet to meet prevailing legislation	Minimalist, simply complying with existing legislation	Implementing where can see sustainability directly helping business success	New mindset for sustainability, prepared to think creatively to find new business opportunities	Creating new models for business and sustainable development

It would be interesting to explore whether these are 'permanent maturity' stages which influences and affects the whole institution to its core, or temporary bright spots which may dim in future. We need more research to understand what needs to happen for any organisation – company or university - to make the leap to stage 4 a permanent (and sustainable) one.

As for the fifth "Civil" stage, the opportunity to act that way is probably strongest for the funding councils Certainly, I understand that HEFCE is seeking to enthuse the sector through funding demonstration projects like Ecovercity. Indeed, HEFCE is itself completing the UTC Index.

10. FOCUSING ON THE MOST MATERIAL IMPACTS THAT UNIVERSITIES HAVE

If universities are going to be serious about CR and sustainability, we need to identify where we have the greatest impacts in terms of:

- Workplace
- Marketplace
- Environment
- Community

Workplace: Are we a responsible employer? Do we promote health and well-being? As a learning institution do we walk the talk in terms of creating a learning culture for our own employees?

Our “**marketplace**” is principally our research and our teaching, and for some of us business incubators, spin-out businesses and consulting. Are we offering quality services? Given all the debates about social exclusion and access, are we being as creatively as we possibly can in reaching out to students from poorer families. As a former chairman of the UK’s National Disability Council, I have always been particularly interested in how easy it is for disabled students to come to university. I am sure you will be familiar with the work of the charity SKILL which has helped disabled students at university for more than thirty years³². The work of improving university estates to deal with disability has made big steps forward and institutions have taken compliance with DDA very seriously. On the other hand, what about HR policies in relation to disability and in particular mental health?

Improving **environmental** performance is probably the most obvious aspect of CR for universities and many other organisations right now. Are we measuring and publicly reporting our carbon emissions? Have we made public commitments about carbon reductions? Do we have ambitious waste reduction targets? The Green League Table published by the student campaigning organisation People and Planet³³, is now being taken increasingly seriously. However, some of the most prestigious universities are amongst the worst performers³⁴.

How do we interact with local **communities**? I chair a national, social enterprise called Housing 21³⁵ which provides extra-care housing, home-care, and other services to older people across England. I was, therefore, fascinated the other day to learn about a growing phenomenon on American university campuses. This is the development of college/university linked retirement communities on or near a college or university campus. There are an estimated 50 such college/university linked retirement communities (collegiate retirement communities) in the United States and approximately 45 to 50 in the feasibility or early commitment phase.

College/university linked retirement communities represent new models for retirement in which institutions of higher learning having traditionally been agents of social change can serve in a leadership role by responding to the social challenge of mass longevity and creating an empowering environment that leads to the development of new and more valued roles and personal growth for older adults³⁶. It is a fascinating example of inter-generational equity. The older people are encouraged to attend lectures, use the university facilities etc and students get part-time paid employment as auxiliary care workers. Is there potential for something similar in the UK?

³² www.skill.org.uk

³³ <http://peopleandplanet.org/universities/>

³⁴ The green league table: How environmentally friendly is your university? The green league table is making universities think again. Lucy Hodges on the saints and the sinners *The Independent*. Thursday, 10 July 2008

³⁵ www.housing21.co.uk

³⁶ <http://www.collegewalkretirement.com/index.htm> and www.collegiateretirementcommunity.com

In terms of measuring community impact, the Russell Group has worked with the Corporate Citizenship Company to apply the London Benchmarking Group methodology, to universities³⁷.

Understanding economic impact has also moved apace. A report prepared by Pricewaterhouse for London South Bank University revealed an economic impact six times greater than annual revenue³⁸. This is leading to an understanding of the impact of procurement in the local economy etc. Yet more needs to be done, and in particular we have to find ways of managing European rules on tendering.

If you are here from a university that has a business or management school, then check out the Principles of Responsible Management Education (PRME) of the UN Global Compact³⁹. See if your business school has already joined and if not, encourage them to do so. Alan Murray at Sheffield University Management School, chairs the British Academy of Management (BAM) Special Interest Group on CSR and BAM is holding a one-day seminar at Aston University on June 19th for members interested in the Principles of Responsible Management Education⁴⁰.

BRAINPRINT

And just as companies are now having to look at their extended value-chain from sourcing to final disposal, and where they have most impact along their value-chains, so we as universities need to think about our value-chain: in terms of the “brainprint” we have – the mindsets and the values which our alumni take away. Are we learning from and influencing our alumni even after they have finished their course with us?

11. WHAT DOES IT MEAN FOR HUMAN RESOURCES PROFESSIONALS?

Many aspects of corporate responsibility are concerned with the workplace and, therefore, HR professionals should have a significant role to play in promoting CR within any organisation – and certainly within universities.

CIPD feel that the main arguments for HR engaging in CR are that:

- HR are one of the support functions that are responsible for some of the key systems and processes on which effective delivery depends.
- Equally HR professionals have the relevant knowledge and skills relating to areas such as organisational development, cultural change, risk management and for raising fundamental issues about how individuals are treated.⁴¹

Excepting the underlying compliance issue, some of the key areas where HR managers can impact on CSR issues in a practical sense appear to be:

- Understanding the importance of the value issue to employees

³⁷ <http://www2.warwick.ac.uk/about/community/communityhub/model/>

³⁸ <http://www.lsbu.ac.uk/news-php/newsarchive.php?newsid=305>

³⁹ <http://www.unprme.org/>

⁴⁰ Alan Murray [alan.murray@sheffield.ac.uk]

⁴¹ CIPD Corporate Social Responsibility and HRs role:
www.cipd.co.uk/subjects/corpstrtg/corpsocres/csrandhr.htm

- Undertake attitude and well being surveys
- Regard applicants and employees as a key stakeholders in the whole process i.e. in their decision to apply, their decision to stay and how hard they work
- Influence senior team to adopt the principles of CR in the broadest sense, not just as a bolt on to environmental issues
- Align HR policies and procedures to corporate strategy/vision and incorporate sustainability into all new polices and practices where appropriate
- Promote the University as an employer of choice
- Ensure fair and equitable treatment of employees and have policies and procedures to underpin this
- Influence and manage culture and behaviour change
- Develop and enhance the skills of the workforce
- Ensure a safe and health working environment for employees
- Ensure legal compliance as a minimum
- Develop appropriate reward systems
- Facilitate the communication and consultation process with employee and staff representatives.
- Ensure induction programmes and other development activities align with green programmes/CR issues as appropriate
- Successfully manage the employer/employee partnership to facilitate good working relationships.

Employee advocacy and CR: Engaging Applicants and Employees

This can be defined as the connection that employees feel to the organisation’s vision, strategies, and business code, together with the commitment to assisting the organisation to realize their objectives over time. This relationship can begin at the embryonic stage of recruitment. For example the development and maintenance of the Employer Brand. The understanding and development of the Brand of the organisation is vitally important for both attracting and retaining high calibre staff. Overall of course this remains a corporate issue and is not just down to HR as HEIs also need to attract students and potential research partners etc. However a highly visible and ethical brand inspires confidence and is more likely to attract better applicants. Activities such as recruitment are very much a shop window and the messages we relay are key. What do we want prospective candidates to know about us, what do they already know, are we viewed as an employer of choice, or are we not very high profile? The power of the ‘Brand’ is therefore very important. Applicants may be selective when it comes to working for a company that has recently had bad press. Credibility and trustworthiness are viewed increasingly as important issues when choosing who you work for and the employers you stay with. CR can help encourage employee advocacy. I know there is a workshop in this UPA conference on the “employer brand.”

Research has shown that an employer brand with positive environmental credentials is a powerful tool for recruitment and retention purposes, particularly for attracting and retaining some younger applicants and employees⁴². Research shows that HR perhaps has a limited role in promoting this aspect, as usually environmental issues are dealt

⁴² See eg Globescan 2009

elsewhere in the organisation, (potentially creating a silo effect). However as both applicants and employees need to buy into this ethos for it to succeed, it needs to be threaded into the brand. For example, when advertising, how well do you promote green issues within the workplace? Is there a dedicated page on your Internet site? Are these issues discussed at interview? How well are recycling policies and other environmental issues such as green transport plans discussed at induction programmes?

HR professionals can undertake employee attitude surveys to understand what motivates individuals to stay within the University. At Cranfield we recently hosted a World Café event focusing on key questions around the vision for the future of the campus. The areas of questioning ranged from what would positively affect collaboration, the environment and communication across the campus to considering what would affect your cultural and spiritual experience and what would have a positive affect on your job experience. It provided employees with the opportunity to have input into shaping the future of the campus and the feedback gave a fascinating insight into the staff opinions. This covers both communication and involvement, but needs to be followed up with positive action.

In terms of communication, the HR remit is wide-reaching and we must remember that we have internal and external target audiences. Whilst recruitment is not perhaps at the forefront of most organisations' activities at present, other HR activities can have a bearing on how companies are viewed. For example if consideration is being given to restructuring or downsizing, the way individuals are treated throughout this process can influence the way the organisation is regarded both internally and externally. Bad press over an Employment Tribunal for example can cause untold damage both short and long term and ultimately reflect on your reputation.

There is a particularly important role for you in promoting CR and sustainability, if you have responsibility for / or manage the interface with internal communications and your university's management development programmes.

Of course, you have many other tasks which directly relate to being a responsible organisation such as work-life balance, health and well-being, and the psychological contract. In the Doughty Centre we have just published a free guide to how to establish and maintain CHAMPIONS for CR and Sustainability. You can download this for free from our website: www.doughtycentre.info

CONCLUSION

In conclusion, Universities and other public sector organisations are already doing many things which count as behaving responsibly - but perhaps without the framework necessary, to get the full benefit of this work. There is obviously room for improvement, but there is evidence to suggest there are real foundations for taking this forward, against the wider backdrop of HEIs accepting that this is the way to go forward.

In a survey undertaken by HR Magazine and Ashridge, 8 out of 10 HR Professionals believed that CR would become an important part of their role in the next 5 years. Therefore there is a need to understand the concepts and how they impact on HR's

work. Research by HR magazine also showed that when considering the range of trends in CR, whereas in 2006 this had been very much process and system focused, the agenda had changed to knowledge and skills of leaders and employees as well as organisational values. This is potentially a key area for impact change.

YOUR STARTING CHECKLIST:

- Do you already have a formal strategy? Who is accountable for each aspect?
- Check what your university website says about your approach to responsibility and sustainability. (You might like to know that one of Universities that Count's review procedures is to type 'CSR' or 'Sustainability' into the Search Box on the home page of the university website. I am told you'd be surprised what often comes up! I am afraid that is true for "CSR" and Cranfield!)
- Be aware of the power of your Brand and the fact that increasingly individuals will use values and reputation a selection tool in many facets of life
- Understand the way that Universities actually go that extra mile, probably more so than in the commercial sector, and that therefore we have a lot to offer
- CR and sustainability needs therefore to be aligned to all business processes and become embedded into the way we operate, i.e. it should be seen as part of normal business, rather than being a bolt on to operations.

And remember: one of the key organisational benefits that some universities report that has arisen out of the UTC benchmarking exercise is the way it has got the different occupational groups working together within the university, so much so that one academic stated that in the 25 years he had worked at his University he has not seen such a common sense of purpose as for developing a sustainability strategy.

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