



## Wildhearts GEL 2018

It is an absolute pleasure to speak to you all today. The collective power and imagination in this room is something really special.

Let's make sure we don't waste it: if nothing else, we just don't have the time.

Our world is changing. Fast.

A third of babies born this year will reach their 100<sup>th</sup> birthday.

By 2050, 68% of us will be living in an urban environment.

Almost three quarters of large companies don't have the skills they need to tackle tomorrow's issues.

Each of those examples represents an opportunity for our world to become bigger, bolder and better. But they also show the extreme pace of change, often despite us really understanding the consequences. If we don't take the time to get to grips with what these changes mean for our society, our communities will suffer.

When I say 'we', I'm thinking about business. Yes, there's a lot for government and the civil society to do as well, but business leaders have the ability to move quickly, to invest in what they don't know. They're on the front line and the time for planning has long gone.

In the last ten years, we have seen what it means to be an employer shift radically; with the gig economy just coming of age, that upheaval's only going to continue. The definition of employee is caught between powerful flexibility and the threat of exploitation; we're being forced to reshape our ways of the working on the hoof, with thousands of people delivering our meals – or us – every day. The nature of work is being determined by the tap of an app and the rest of us have to catch up.

And that's only one tiny part of the new digital lives for business to consider.

Last week, we learned that IBM has been working with Brent council to predict which children in the area will be most at risk of gang exploitation. Could there be a better example of the incredible things which new technology help us to do? Imagine being able – in this world of limited local government budgets – to know which young people need our help the most. And imagine being able to know that before that young person was vulnerable: prevention, not cure.

But it's also a perfect example of how technology could damage our world.

Should we really be making decisions about the lives of young people through a computer programme? What about biases – racial or otherwise – which affect almost everyone, including our computer programmers? Can we ever be sure enough that we're including the right variables when it comes to a child's future?





The digital revolution holds the key to so many of our problems, but its unintended consequences run the risk of leaving us worse off than ever before. The changing relationship with customers, the new products, the responsibilities across value chains and what digital means for the average working day are all just beginning to be understood.

Where should a business turn to make sense of this kaleidoscopic world and the demands of our future leaders?

Luckily, Business in the Community has at least some of the answers.

In this ever-shifting world, responsible business remains steadfast.

Yes, some of our ideas have changed. To be honest, that's not surprising after 35 years in the business. When we first set out in the 1980s, in the aftermath of the riots which shook our nation, businesses often focused on donating money, writing cheques to support good causes. That was a good start.

Eventually, companies began to adopt volunteering, happily sending their employees out all over the country to paint fences and work in schools. That showed the right kind of attitude – companies certainly have more than money to offer their communities.

Now, of course, we know that the best businesses don't see corporate responsibility as a separate department, but something that runs through their company like words in a stick of rock. They're thinking about how the strategy decisions they make at their boards could be made richer and stronger by considering the impact on their communities.

So responsible business has evolved and I'm sure it will do again.

But the principles have remained the same – despite the creation of the world wide web, despite the global recession, despite the rise of reality TV. Despite all that, our foundation has endured:

Businesses can – and should – try to change the world for the better.

Naturally, Business in the Community has altered since the '80s. We've had a couple of rebrands, a few strategy shifts, several different offices. But we've always known what our primary role is. It's not to do the heavy lifting: a business can't buy a responsible reputation from us. What we can do is support a business to understand what responsibility means and – more importantly – what it can mean to that company.

We take the individual desires of businesses to do something positive for their communities and bring them together. By convening business leaders and their ideas, we've developed a voice on responsible business which is bigger than the sum of its parts. It's not just a membership organisation. It's a movement.

That said, I'm very aware that there are two different motivations for joining it.

Some people want to use the enormous influence which the business sector has as a positive influence of the world. They see setting the standards in diversity, supporting our children to get





the skills they'll need or rewriting the conversation around what's waste and what's wealth as the right way to spend their money and time.

Other people see an opportunity. They've heard millennials say that they not only want to work for a company with purpose, but that they are actively expecting business to help solve the world's problems. For those who are still confused about you a millennial is, that's not tomorrow's workforce – they're in your offices today and they're wondering whether they should stay.

This second group also knows that investing sustainability can only mean a better future for the company in the long run: oil companies are planning for the day when we've seen our last drop.

They're also the people who have done the maths and figured out that excluding women or minorities from their workplace – even accidentally – can only mean they aren't hiring the best people.

Ultimately, they have understood that responsible business means better staff retention and satisfaction, as well as better profits in the long-run. They're working on a perfectly fine principle of enlightened self-interest.

A lot of people assume I might have a problem with that – surely, they say, the first group – the one with the moral motivation – is the right one?

Actually, I don't care.

I think that most of our members lie somewhere in between the two: even the most idealistic recognise the potential benefits for their businesses. And what's wrong with that?

The most important thing for me is that the role of business continues to shift towards being a positive force in our communities, not a drain upon them.

I want to share a wonderful example of a company which embodies that.

Recycling Lives was founded in 2008. It's a waste management and recycling business which exports recycled metals and plastics across the world. But it's also much more than that. Recycling Lives is based on the idea that the old business model doesn't work anymore: society won't accept profit for profit's sake.

Determined to create social value which is equal to or greater than 10% of the business' annual turnover, Recycling Lives invests in our communities. By opening recycling academies inside prisons across the UK, the company is supporting offenders to develop the confidence and skills they'll need at the end of their sentence, as well as dramatically reducing the re-offending rate. On release, prisoners are supporting in to work and housing by the Releasing Potential programme.

The company is making sure that the men and women who go through our justice system have a better shot at rehabilitation, a better chance of becoming an independent, successful member of society.

Most compelling of all: this is no charitable donation. It's part of their business model.





That's taking the core, unchanging principles of responsible business and shifting the perspective on how to apply them.

That's something we welcome with open arms.

For example, this week, we launched our new Responsible Business Tracker. Designed to answer the question, 'how good is my company at responsible business?', the Tracker is set to be the definitive benchmark for companies across the UK.

To develop our new tool, we've worked with over 200 companies to understand what they want from a benchmark. In response, we've created something which is far less about competition with other companies and more about helping a business to really understand their own successes and areas which need more attention. In fact, there are over 16,000 unique paths through the Tracker to reflect the different ways to engage with responsible business.

We like to build on the brilliant work that other people do, not to try and duplicate it, so we've aligned our Tracker to the UN's Global Goals. We know that there's no chance that the world will meet the UN's deadline of 2030 without the full weight of business behind the Goals, so we're asking companies to think about responsibility from the ground up.

I believe that the Tracker is going to give us a more detailed understanding of what responsible business looks like across different sectors and what we need to do to turn the dial.

But data can only go so far. We also need to revolutionise the way in which businesses take action.

That's where our Place strategy comes in.

At its heart, it is all about the power of compound impact. Businesses getting on with their individual plans can make a big difference, but it's when they work together – and with other stakeholders – that we see the scale of change that we need.

Just look at what Anglian Water has achieved in Wisbech.

One of the pilot areas for our Place strategy, this town is only 40 miles from Cambridge, but life expectancy there is a full seven years lower. It's an isolated community – the biggest town in England that's not connected to the rail network. And it struggles to provide an education: 35% of the population don't have any qualifications. When you add all this together, it's not surprising that it's ranked the 6<sup>th</sup> worst place in the country for social mobility.

What could one business do on its own? It could help out in a few of the schools or support some of the population into work. But one voice can't change the world for Wisbech.

Instead, Anglian Water joined forces with local businesses, government and community groups and stakeholders to create a movement for change. This powerful partnership has moved the needle in Wisbech: it's supported the college to open new courses, teaching the skills that businesses in the area actually need; it's worked with national government to begin the process for re-opening the railway line and it's led to plans for a brand-new garden town.





Earlier this year, we asked businesses all over the UK to get inspired by the work which Anglian Water has done in this town. Every business touches a community like Wisbech. Every business can be part of a partnership that is bigger than themselves. Every single one of you could step up and make a difference.

Business in the Community's role is to help you do it.

To me, businesses today have a clear choice. They can try and navigate the choppy waters of changing politics, technology and values on their own, risking reputation, loyalties and their sustainability by thinking in the old ways.

Or they can accept responsible business principles as a guiding hand on the tiller.

They can understand that a better future for their community is a better future for themselves.

Which type of organisation do you want to be?

