

Business in the

Community

# An MP's Guide to Responsible Business

In partnership with

**accenture**  
*High performance. Delivered.*



**Socially responsible business practices can make a powerful, positive impact on the lives of your constituents at the community level where you can drive the agenda in your role as a Member of Parliament.**

This short briefing note and appended materials are designed to support you in understanding what responsible business means, why it's important, and what you can do to drive and foster its development.





# What does responsible business mean for me?

Responsible business is about embedding commerce into the community, and generating improved social outcomes in parallel with better business performance - it makes business sense and it makes sense for your constituents.

Socially responsible business spans the internal workings of the company - including ethical employee treatment and respecting diversity - through to external ethical supplier management and funding of community programmes. Both the internal and the external must be fostered to generate optimum benefits.

A 'responsible business':

## Invests in the community to generate improved social outcomes -

financially and in the form of skills- through social inclusion projects such as the provision of recreation facilities for young people; time and skills given by business people to individuals or organisations in the community.

## Supports working practices that prioritise the welfare and diversity of your constituents -

promoting flexible working practices; implementing recruitment policies that promote diversity; offering training and skills development.

## Focusses on ethical supplier management -

paying fair prices for goods and services; using local suppliers; sourcing in ethical and diverse ways.

## Implements sustainable operational practices -

saving money and safeguarding the community through recycling and other sustainable operational arrangements, which in turn create jobs in recycling, renewable energy and other sustainable industries.

**Responsible business is not just about big companies - small enterprises can offer some of the best opportunities for tangible benefits to be generated for the organisation and the community in which it operates.**





# Why is responsible business important for my constituents?

The responsible business ethos can deliver the following specific, mutual benefits for business and the community:

## FOR THE INDIVIDUALS IN YOUR COMMUNITY:

- Financial investment in facilities and services that improve community life.
- New skills for local people, such as basic financial management, offered by employees of local businesses.
- Policies and actions that meet specific social needs - such as targeting ex-offenders or homeless people for employment opportunities.
- Responsible waste management and recycling programmes that make for greater sustainability and a cleaner local environment.
- Safer working conditions and an increased focus on employee welfare.
- Flexibility, diversity and respect for the individual employee.
- New skills for local employees, delivered through structured training by businesses to their staff.

## FOR LOCAL COMPANIES:

### Investor companies

- Increased brand value, reputation and re-enforcement of company core values through investment in community projects.
- Access to skills they might not otherwise source - through offering flexible working, and targeting under-represented sections of the community.
- Reduced operational costs through recycling and other sustainability schemes.
- Reduced negative environmental impact on the community.
- Healthier and more appropriately skilled employees.
- Profits from supplier relationships in developing sectors - for example computer and mobile phone recycling.

### Recipient/supplier companies

- New business opportunities in sectors which benefit society (such as recycling).
- Fair, ethical terms and conditions with the companies they supply.

# Why should I promote responsible business?

By brokering opportunities between businesses and the community, you can improve social and business outcomes at no cost to the public sector. You can:

Influence the lives of your constituents within their workplace and outside their workplace.

Drive progress against some of your specific priorities, which may include environmental protection, diversity and the protection of vulnerable constituents.

Have an impact in creating new economic opportunities in industries such as renewable energy generation, which benefit the economy and the environment.

Encourage companies to be open about their practices and report them transparently to drive improved performance.

You are in a strong position to demonstrate to companies that responsible business makes financial sense. For example:

Healthier employees are better for business - companies can expect to get a return of approximately £4 for every £1 spent on health improvements at work\*.

Well trained employees tend to be more motivated and more productive.

Reducing environmental impacts means lower costs: less waste to dispose of, more recycling which generates a financial pay-back and lower utility bills.

\*Source: The Vielif/HPM Health and Performance Research Study



# So in practical terms, what can I do?

As an MP, you can positively influence the further development of responsible business practices where they exist, and lobby for these types of practices where there is none at present.

You can lobby companies to:

## **Report on their business activities -**

transparently and openly, to help you and the company determine priority areas in which to improve business practices.

## **Prioritise and invest in social cohesion and improved social outcomes -**

through funding local programmes where investment is needed most.

## **Source workers locally and appropriately -**

promoting a workforce that values diversity and 'hard to reach' groups.

## **Train, retain and offer flexibility to workers -**

to promote skills development and work/life balance.

## **Source products and services locally and ethically.**

## **Minimise their adverse environmental impacts -**

by reducing waste generation, increasing recycling, and engaging with employees to change their behaviours.



# How do I get started?

The annexes which follow this note give you a suggested framework by which to plan and carry out your discussions with local businesses and your constituents. These give you an idea of where good practice may already exist and could be developed further. In addition, specific actions you can take include:

- Work with local business leaders and constituents to understand who the major business players are in your community and with whom you might engage.
- Understand in more depth how to assess a socially responsible business using the checklist tool at annex 1 to plan interactions with local businesses and communicate to them what responsible business means and what type of activity you want them to consider undertaking.
- Plan your interactions with businesses and the community to discuss how you can lobby for the right things in the right way, through perhaps:
  - Community focus groups
    - What does the community need in terms of social investment?
    - Which groups within your constituency particularly need job opportunities or training?
    - What is working well already which could be replicated elsewhere?
  - Targeted meetings with businesses of all size in your area:
    - What are they already doing in terms of social responsibility?
    - How do they measure up against the responsible business criteria at annex 1?
    - Where are the opportunities for further activity?
    - What are the barriers and how can you help?
- Plan how and when to report your activities to your constituents - to communicate your findings and engage them in planning future activity.





# Tool 1: Checklist for assessing a socially responsible business

## DOES THE COMPANY...

### COMMUNITY:

- Encourage its employees to volunteer in the local community?
- Consult key stakeholders in the communities upon which it has an impact?
- Reflect the local community in its workforce profile or work within the community to remove those barriers which prevent this happening?
- Invest at least 1% of its pre tax profits through cash, time and gifts in kind?

### ENVIRONMENT:

- Work at reducing greenhouse gas emissions from energy use, transport and industrial processes?
- Use energy and raw materials efficiently - minimising dependence on fossil fuels?
- Re-use and recycle to help reduce the amount of waste?
- Minimise the negative impacts it has on natural habitat to protect the diversity of plant and animal species?
- Implement policies and set targets to manage its environmental impact?

### WORKPLACE:

- Invest in individual training and development to equip employees with the skills to do their jobs effectively and support them to progress within the business?
- Recognise the value of diversity in meeting customer expectations, developing products and services?
- Operate a culture where inclusion is the norm and diversity and equality are promoted through recruitment, staff development and flexible work practices?
- Promote health, safety and the well-being of employees and sub contractors?
- Encourage its staff to play an active role in community activities?

### MARKETPLACE:

- Understand its supply chain (particularly any risks to stakeholders) and work in partnership with suppliers to minimise these risks?
- Share best practice with its suppliers?
- Manage the needs of vulnerable customers and ensure that their vulnerabilities are not exploited?
- Engage with policy makers (at national and local levels) to support the business in achieving social, as well as commercial benefits?
- Meet minimum standards of behaviour in areas where laws or standards are absent / not enforced (e.g. human rights or working conditions)?
- Develop new products and services to minimise or resolve social or environmental problems or to serve new (underserved) markets?



## Tool 2: Case studies

These case studies highlight real examples of how companies are addressing issues affecting their local community, their workplace, their marketplace and the natural environment. We hope that these will be useful, replicable, good practice examples for you to work through with companies in your constituency to encourage them to become more responsible businesses.

Many more examples of good practice can be found at:

[www.bitc.org.uk/resources/case\\_studies](http://www.bitc.org.uk/resources/case_studies)

### MANAGING ENVIRONMENTAL IMPACT

With the Stern report highlighting that warming of 3 or 4 degrees could result in millions of people experiencing flooding and 200 million being permanently displaced, no company can afford to ignore its environmental impact. Businesses should be looking beyond regulatory compliance towards building environmental issues into their mainstream business planning and decision-making.

In order to reduce their environmental impact Co-operative Financial Services (CFS) built a solar tower in Manchester which generates enough electricity in a year to power 1000 computers. All three sides of the 25 storey building are clad in energy-generating solar panels. The project is being supported by a £885,000 grant from the Northwest Regional Development Agency (NWDA) and a £175,000 grant from the Department of Trade and Industry (DTI). CFS have also introduced an energy efficiency programme across their business and reduced the combined global warming potential of the Bank's air conditioning and fire control systems by 92% since 1998.

### IMPLEMENTING A SKILLS PROGRAMME

According the Department for Education and Skills the lack of basic skills in the workplace costs UK business £10 billion per year. By bringing an additional 3.5m people up to the basic level of achieving five or more GCSEs, employment levels could increase by 375,000 to 425,000 over the next 15 years.

In response to a lack of basic skills among its 20,300 bus drivers First Bus UK has worked with the Transport & General Workers' Union (TGWU), to open 40 learning centres, focussing on improving basic skills. The objectives were to increase access to learning; increase the retention rates of drivers; create job opportunities for local people (particularly minority groups); to improve safety; and to increase customer satisfaction. An independent customer satisfaction survey showed that in one year overall service quality had increased by 50%. The average number of staff injuries has decreased by 25%; driver turnover has progressively improved and is now at 26% average (industry average is 30%), even lower where 'learning centre culture' at its most robust and there has been a saving of at least £2.8million in driver recruitment costs since the learning centres were introduced.





## ENCOURAGING EMPLOYEE INVOLVEMENT

Research by BT shows that graduates are more likely to see work as a means to a stimulating and satisfying life, rather than an end in itself, and that potential employers' social and community activity is particularly important to this group. Many companies find that by supporting employee volunteering, they are sending a clear message that the business cares about its employees and its local community.

Accenture encourages its employees to participate in community engagement activities that benefit the individuals concerned and the communities in which Accenture operates. Accenture UK offers its employees 3 days paid leave per year to work with charitable projects of their choice; in addition, Accenture offers its people across a number of countries the opportunity to spend two or more months working with Voluntary Services Overseas (VSO) to harness their consulting skills for projects in the developing world, through the VSO Business Partnerships Scheme (VBP) - and have their permanent job to return to at the end of VSO. Recent project locations include Rwanda, Uganda and Bangladesh. Accenture has also pioneered Accenture Development Partnerships - an innovative not-for-profit initiative to deliver consulting services to organisations and communities in the international development sector at greatly reduced costs. Accenture contributes certain overhead costs and takes no margin; Accenture people take a voluntary pay-cut to reduce costs further and the development sector clients pay a modest fee to cover the remaining costs.

## ADDRESSING THE NEEDS OF VULNERABLE CUSTOMERS

According to the Office of Fair Trading much consumer policy and regulation appears to assume that all consumers are the same - they are not. Some, due to for example disability, ethnic origin or education, may experience greater difficulty than others in accessing the information they need on particular goods and services. Others are unusually at risk, either to impacts caused by a product or service or, under certain circumstances, to interruption in supply of the product or service.

Camelot, the lottery operator, has committed to design, promote and sell National Lottery games to ensure they do not target vulnerable people: those who are under-16, those on low incomes and those who are likely to play excessively. If one of their products appears to be particularly risky for a vulnerable group, Camelot either revises the product and/or its marketing, or simply does not launch the game.

## REDUCING BARRIERS TO WORK

Around 380,000 people are affected by homelessness in the UK. 85% of them have previously been in employment, and just under half have qualifications. Many face prejudice in the search for a job, which in turn leads to low self-confidence. Offering work experience helps people affected by homelessness to move from dependence towards independence and long term employment.

Marks & Spencer addresses the difficulties faced by homeless people, disabled people, lone parents and the young unemployed by offering work experience placements. The Marks & Start scheme allows people to try out a job to give greater confidence and skills for entering the job market. Placements in 300 stores are offered to 3,000 people each year. Currently 40% of the programme participants go on to employment. The success of the programme is attributed to the support of partners, such as Disabled Go and the Prince's Trust, and in particular the commitment of staff who act as mentors.



## THE POWER OF PARTNERSHIPS

**Businesses tend to make the greatest impact when they work in partnership with each other, with not-for-profit organisations and with local or national government to improve local neighbourhoods and tackle social problems.**

In order to increase the scale, impact and sustainability of business involvement in tackling key social issues in deprived parts of Preston, a group of public and private organisations came together to form the Preston Community Impact Group (CIG). Membership is made up of ASDA, BNFL, HM Revenue & Customs, J Sainsbury and the Preston Marriott Hotel. Working collaboratively enables the group to: share best practice in promoting employee volunteering; target employment opportunities at minority groups; use community involvement as a development opportunity for staff and focus resources to meet local regeneration needs.

## LOCAL SOURCING

**In a recent research study, conducted by the Institute of Grocery Distribution (IGD) 86% of British consumers say that they want Britain to remain a strong farming nation, and 60% want to buy local food. There is also increasing public concern about food miles (the distance food travels from field to plate) which have doubled since 1978.**

Ensors (a Gloucestershire-based meat processor) recognised that local farmers lacked knowledge about butchery and marketing skills. The company worked with local farmers to establish a producer group and agreed to procure at least 90% of the livestock used within their home delivery service from the group's members. The scheme has had direct financial benefits and has increased the sustainability of participating local farms. In addition Ensors has developed butchery training courses for local farmers to learn how to add value to their products when selling them direct to consumers.

## ADDRESSING DIVERSITY IN THE WORKPLACE

**Workplace equality promotes opportunity, fairness, trust and respect for all staff. Without equality, employers will be unable to tap successfully the diverse talents employees bring to work.**

As a newcomer to the market Northbrook Technology Northern Ireland (NTNI) faced a number of challenges with serious competition from other companies as well as a shortage of specific skills and under-representation of women in the IT Industry. In response the company made diversity, dealing with exclusion and stereotyping training mandatory and appointed a dedicated officer responsible for taking the college beyond statutory compliance. NTNI now lobby to address the female imbalance in the IT sector, present to local schools on the opportunities for females, as well as develop initiatives to accommodate family needs with a child voucher programme and enhanced maternity and paternity leave. The company now has a 100% return rate for those taking maternity leave.





## Tool 3:

# Facts and figures on responsible business

Seven in ten British adults think industry and commerce do not pay enough attention to their social responsibilities.

(MORI Reputation Centre 2005)

Around one in five British adults has chosen a product because of a company's ethical reputation and conversely a similar proportion has boycotted a company's product on ethical grounds.

(MORI Reputation Centre 2005)

79% of fund managers and analysts say the management of social and environmental risks has a positive impact on a company's market value in the long term.

(Investing in Responsible Business: The 2003 Survey of European Fund Managers, Financial Analysts and Investor Relations Officers, 2003.)

92% of employees say that they would prefer to work for a company with an employee volunteering project than one that does not.

(Community Service Volunteers, 2005)



# = Where can you find us?

## Business in the Community Regional offices

### East of England

Business in the Community  
Bank House  
PO BOX 93  
Newmarket, CB8 1ZN  
T 01638 663 272  
E [eastern@bitc.org.uk](mailto:eastern@bitc.org.uk)

### East Midlands

Business in the Community  
3rd Floor, 30-34 Hounds Gate  
Nottingham, NG1 7AB  
T 0115 924 7400  
E [eastmidlands@bitc.org.uk](mailto:eastmidlands@bitc.org.uk)

### London and South East

Business in the Community  
137 Shepherdess Walk  
London, N1 7RQ  
T 0870 600 2482  
E [london@bitc.org.uk](mailto:london@bitc.org.uk)

### North East

Business in the Community  
4&6 Kingsway House  
Kingsway  
Team Valley  
Gateshead, NE11 OHW  
T 0191 487 7799  
E [northeast@bitc.org.uk](mailto:northeast@bitc.org.uk)

### North West

Business in the Community  
2nd Floor, Amazon House  
3 Brazil Street  
Manchester, M1 3PJ  
T 0161 233 7750  
E [northwest@bitc.org.uk](mailto:northwest@bitc.org.uk)

### South West

Business in the Community  
2nd Floor, Alliance House  
161 Armada Way  
Plymouth, PL1 1HZ  
T 01752 510 410  
E [southwest@bitc.org.uk](mailto:southwest@bitc.org.uk)

### West of England

Business in the Community  
ITV West, Bath Road  
Brislington  
Bristol, BS4 3HG  
T 0117 972 2111  
E [westofengland@bitc.org.uk](mailto:westofengland@bitc.org.uk)

### West Midlands

Business in the Community  
83 Bournville Lane  
Birmingham, B30 2HP  
T 0121 451 2227  
E [westmidlands@bitc.org.uk](mailto:westmidlands@bitc.org.uk)

### Yorkshire & Humber

Business in the Community  
Kingswood House  
80 Richardshaw Lane  
Pudsey  
Leeds LS28 6BN  
T 0113 205 8200  
E [yorkshire@bitc.org.uk](mailto:yorkshire@bitc.org.uk)

### Scottish Business in the Community

1st Floor (east),  
Livingstone House  
43a Discovery Terrace  
Heriot-Watt University  
Research Park  
Edinburgh, EH14 4AP  
T 0131 451 1100  
E [info@sbcscot.com](mailto:info@sbcscot.com)

### Wales

Business in the Community  
4th Floor, Empire House  
Mount Stuart Square  
Cardiff, CF10 5FN  
T 029 2048 3348  
E [wales@bitc.org.uk](mailto:wales@bitc.org.uk)

### Northern Ireland

Business in the Community  
Northern Ireland  
Bridge House, Paulett Avenue  
Belfast, BT5 4HD  
T 028 9046 0606  
E [info@bitcni.org.uk](mailto:info@bitcni.org.uk)

### Business in the Community Ireland

32 Lower O'Connell Street  
Dublin 1  
Ireland  
T +3531 874 7232  
E [reception@bitc.ie](mailto:reception@bitc.ie)

**accenture**  
*High performance. Delivered.*

## Accenture offices

Accenture is located throughout the UK, however core office locations are as follows:

### London Offices

60 Queen Victoria Street  
London  
EC4N 4TW

20 Old Bailey  
London, EC4M 7AN  
United Kingdom

### Manchester Office

Kingsley Hall  
20 Bailey Lane  
Manchester Airport  
Manchester M90 4AN

### Newcastle Office

Fleming Business Centre  
Burdon Terrace  
Newcastle NE2 3AE

### Leeds Office

1 Park Lane  
Leeds LS3 1EP

For more information please contact:

**Tom McLaughlan**,  
Director of UK Government Relations  
Accenture  
T + 44 20 7844 9180  
E [tom.mclaughlan@accenture.com](mailto:tom.mclaughlan@accenture.com)  
[www.accenture.com](http://www.accenture.com)

### International

Business in the Community operates through a global network of 90 plus national organisations and are the UK partner of CSR Europe.

Business in the

Community



Business in the Community is a unique movement of over 750 member companies, with a further 2,000 plus engaged through our programmes and campaigns. We operate through a local network of more than 100 business led partnerships and 90 plus global partners.

[www.bitc.org.uk](http://www.bitc.org.uk)

Email: [information@bitc.org.uk](mailto:information@bitc.org.uk)

### Business in the Community

137 Shepherdess Walk  
London N1 7RQ  
T +44 (0) 870 600 2482  
F +44 (0) 20 7253 1877  
E [information@bitc.org.uk](mailto:information@bitc.org.uk)

January 2007

A pdf of this publication is available for download from

[www.accenture.co.uk/corporatecitizenship](http://www.accenture.co.uk/corporatecitizenship) and [www.bitc.org.uk/resources/publications](http://www.bitc.org.uk/resources/publications)

Registered Details 137 Shepherdess Walk, London N1 7RQ. Telephone: 0870 600 2482

Registered Charity No: 297716. Company Limited by Guarantee No: 1619253

Designed by Logistik Ltd. Printed by Beacon Press. Printed on Revive 75 Silk containing 75% recovered fibre. Product code 01BIC000324



### Mixed Sources

Product group from well-managed forests, controlled sources and recycled wood or fiber  
[www.fsc.org](http://www.fsc.org) Cert no. SGS-COC-0620  
© 1996 Forest Stewardship Council