

The Guardian roundtable in association with Aviva

Strike the right balance

Businesses need to be profitable to survive. But increasingly, to truly find favour with their customers, they must also embrace public sentiment which demands they be instruments of social change. **By Sue George**

Hunger, unemployment, bad housing... whether in the UK or elsewhere, there is a seemingly endless round of social problems that urgently need addressing. Governments are cutting back on spending, while individuals are struggling. So what can the private sector do? While the core purpose of any business is to make money - without profit there can be no corporate social responsibility (CSR) - businesses are now often expected to play a more active role in society.

A recent roundtable discussion held at the Guardian, in association with insurance firm Aviva, looked at how the private sector can effect social change. What is the role of business in driving this process? How can this be done in practice? Can change be measured? And, given that so many problems need to be tackled, how can social innovation be scaled up?

All these questions were covered in a lively and wide-ranging discussion with participants from business, charities, academia and government.

Given that 12 April is International Day for Street Children, which Aviva sponsors as part of their Street to School programme, the debate often focused on youth projects. This is an area in which a great deal of good work is already being done.

Kicking off the event, Marie Sigsworth from Aviva explained how her company had set about changing their corporate social responsibility strategy from "champion" to "catalyst" for change, especially for street child rights. "It's much more than raising money. We wanted to find a cause we could stand for and get our whole business engaged with, alongside experts from the community to have a much greater impact."

One of the key threads running throughout the discussion was partnerships, and how to play to the strengths of each element of those partnerships.

Aviva has been working with youth-focused charities such as the Consortium for Street Children and Railway Children as well as governments and the UN; other large corporations with representatives around the table, such as O2 and IBM, have also been involved in significant, long-term partnerships with a range of other charities.

Partnerships

The central idea behind these partnerships is that, rather than a business simply handing over the money to a charity, areas of skill and expertise - such as staff knowledge and time - are shared. For those roundtable participants who are working at this level of partnership, whether from the charity or private sectors, it is key that each partner work to their strengths and sphere of knowledge. Private sector partners have one kind of expertise, NGOs another, governments another - and so on.

Charlotte Hill, CEO of UK Youth, told the roundtable her organisation had been working with O2 for four years. At the beginning, she said, "it was them coming in and saying 'we're not experts in working with young people but you are.' From the beginning we were working at development together."

Terina Keene, from Railway Children, spoke about how non-governmental organisations (NGOs) had often seen the private sector as "cash cows": "The private sector will often choose a brand to enhance their brand's capital. Aviva chose us because we were about creating change."

The long-term commitment and effectiveness of these partnerships is striking and, clearly, there have been great changes in the way some organisations operate. However, some participants sounded notes of caution about the extent and depth of these changes across the private sector as a whole.

Guy Battle from Deloitte considered that there had been significant shift to "How do we act as a catalyst to environmental, social and economic growth while making money?" Yet many boards had not really bought in to the concept. As Francis West of Save the Children pointed out, it was often investors who wanted change.

According to Prof Adrian Henriques, the partnerships on specific projects didn't necessarily constitute social change on a macro level. "When you don't ask what this or that organisation can do for you, but what you can do for them - and that becomes routine - then there will have been a change."

Participants also agreed that in some circumstances there was still a role for simply giving money. David Schofield



It can be difficult to measure how effective social interventions have been, for instance when working with street children Getty

pointed out that even when working on the accessibility of products and services, you can't always reach the most excluded members of communities. That's why Street to School focused on the hardest to reach young people. Marie Staunton stressed that direct investment in a country such as Niger and Guinea would mean a company having a great deal of power and responsibility in comparison with that country's government.

Researcher Dr Sarah Thomas de Benitez, who authored a report for the Consortium of Street Children, which was funded by Aviva, stressed the importance of finding corporate backing for similar studies: "The government is not going to pay, NGOs can't pay, but we need this research."

So why do businesses choose one cause rather than another? Sometimes, the decision comes down to the personal taste, interest or experience of their CEOs. For others, though, it is related to the core purpose of their business.

There are also situations where business can do what governments can't or won't. This may be especially true in the developing world. Charlotte Edgeworth, from mining company AngloAmerican, explained how her organisation was able to start HIV testing and treatment in South Africa at a time - 20 years ago - when the government was not. "We could see pressure from the public and we could be a leader in that discussion."

Evaluation

So how can the private sector - or, indeed, governments or NGOs - measure the impact their interventions have had? How do they know if they are spending their money, or using their time, to the best possible effect? Mark Wakefield, corporate citizenship manager IBM, argued that this level of assessment was often not feasible: "Does IBM spend \$5 million better than AngloAmerican, or the government? We can measure inputs and outputs and evaluate some outcomes, but nobody knows over the longer term."

Thomas de Benitez mentioned some very simple situations, such as mass inoculation, where it was easy to tell what the outcomes were. However, it was much more difficult to assess what the impact of complex interventions might be. "All evaluation is subjective to some extent," she said. However, she considered that evaluation could be very useful in tracking how programmes were progressing, or not, and looking at next steps.

What was definitely important, many participants agreed, was building trust with communities and potential partners, through accountability, openness and transparency. This openness and willingness to admit mistakes can be very difficult for NGOs, and is rare for businesses, the debate heard. Academic research, however, shows how measures have not worked and this can be helpful to other sectors.

Participants also stressed the seemingly endless number of social problems that keep arising. "People have been predicting the death of CSR," said Wakefield, "but our experience is that new developments in society, business, technology and science bring about new challenges. But that doesn't mean we shouldn't be trying to meet them."

The consensus was that while there may have been a sea change in the way some companies view CSR, the overall effect was still limited, and there was a great need to scale up the social impact of this work. Participants had many suggestions as to how this could be done - from advocacy, to making a business case, to financial transparency.

Above all, ensuring the private sector is a catalyst for social change requires closer collaboration between partners. That may be difficult, requiring respect and understanding of difference. "It sounds utopian," said Battle, "but that's not an excuse to not do it."

streetchildrenday.org/the-day



Seminar report commissioned by Seven Plus and controlled by the Guardian.

Discussion hosted to a brief agreed with Aviva.

Funded by Aviva.

Contact Dan Gee on 020-3353 3295 (dan.gee@guardian.co.uk)

For information on roundtables visit: guardian.co.uk/sponsored-content

At the table

Jo Confino (Chair)
Executive editor, the Guardian



Charlotte Edgeworth
Group foundation manager, AngloAmerican



Marie Sigsworth
Group corporate responsibility director, Aviva



Guy Battle
Partner, Deloitte

Prof Adrian Henriques
Visiting professor, Middlesex University



Marie Staunton CBE
Chair of charity boards, former chief executive officer, Plan UK and Amnesty UK



Zoe Billingham
Policy adviser, Cabinet Office



Charlotte Hill
Chief executive officer, UK Youth



Dr Sarah Thomas de Benitez
Independent researcher



Terina Keene
Chief executive officer, Railway Children



Mark Wakefield
Corporate citizenship manager, IBM



Leonora Borg
Development manager, Consortium for Street Children



David Schofield
Group head corporate responsibility, Aviva

Francis West
Senior private sector adviser, Save the Children



Simon Davis
Head of corporate responsibility, O2

