BUSINESS-LED CORPORATE RESPONSIBILITY COALITIONS:

Learning from the example of Business in the Community in the UK

An Insider's Perspective

David Grayson

Written by David Grayson
Designed by Alison Beanland

Abstract

Business in the Community (BITC) in the UK is the largest and one of the oldest business-led coalitions dedicated to corporate responsibility. This paper, written by one of the organisation's former Managing-Directors and a longstanding staff member for more than twenty years, documents the evolution of BITC from a group dedicated to regenerating local economies through charitable contributions, to one concerned with integrating sustainability into its members' core business strategies. BITC has helped to institutionalise and mainstream the practice of corporate responsibility. The author documents the organisation's accomplishments as well as missed opportunities. The story offers lessons for the potential of business-led coalitions in galvanizing change and building the civil economy.

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David Grayson

Chair of Corporate Responsibility and Director, Doughty Centre for
Corporate Responsibility, Cranfield School of Management

Senior Fellow, Corporate Social Responsibility Initiative
Kennedy School of Government, Harvard University

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EXECUTIVE SUMMARY

Interest in Corporate Responsibility (CR) is growing around the world. CR can be defined as businesses seeking to minimise their negative environmental and social impacts and maximise their positive environmental and social impacts within an ethical decision-making framework. A variety of factors drive society's increased expectations of business. One factor has been the creation in many countries of business-led coalitions promoting CR. These coalitions can play roles including agenda-setter, broker between companies and causes, and standards-setter. The coalitions are part of civil society and an emerging civil economy, whilst also being business-led and aligned to business concerns and capacities. They are helping to change business behaviour and influencing ideas about the purpose of business and how business interacts with other parts of society.

Business in the Community (BITC) in the UK is the largest and one of the oldest of these CR coalitions, established in 1982. It built on the work of pre-existing groups such as the Action Resource Centre and the Community of St Helens Trust. BITC has so far gone through three major phases. During Phase I in the 1980s, it predominantly championed business support for local enterprise agencies as a way of business helping to regenerate local economies depressed by corporate closures. A major activity was to encourage small business development and re-skilling. Phase II during the 1990s involved BITC promoting a wider agenda of corporate community involvement. The focus was on helping businesses better organise their involvement. Phase III has seen BITC embrace corporate responsibility – or as the organisation now prefers to call it: "responsible business." The business driver has shifted more to competitive advantage for individual companies and the pressures of sustainability as a business challenge. Throughout, BITC has encouraged companies to get involved individually and to work together through collective business action.

BITC has made it socially acceptable for business leaders to acknowledge publicly that corporate responsibility is important. It has allowed private belief to become public. Without BITC, it is unlikely that the agenda would have been taken up so broadly – or so strategically – by so many companies. BITC has helped to institutionalise and mainstream the practice of corporate responsibility and created a consensus and expectation for it amongst business and its stakeholders. According to its champions, BITC's success has depended on five Critical Success Factors: entrepreneurship, partnership, apprenticeship, showmanship – and – above all – the ability to inspire and actively engage the top, current leadership of major businesses.

Critics of BITC highlight its failure to apply one or more of these success factors such as partnership. They also argue that BITC has focused too single-mindedly on top business leadership and their concerns and has been too entrepreneurial and opportunistic in moving

from one topical wave to another. Supporters identify an ambitious forward-agenda to influence business behaviour on issues such as climate change and the global clash of values and social exclusion. They say that BITC has also demonstrated an ability both to adapt to and shape a rapidly evolving and complex business agenda and operating environment.

Those familiar with the organisation suggest a number of policy and organisational changes. BITC has adopted particular funding and governance models, reflecting its founders and leaders. Other business-led CR coalitions elsewhere can learn from BITC's work and experience, but will need to consider how and where to apply this learning to their own circumstances, national market-place, and business culture. A forthcoming paper will explore in more detail the experience of other business-led coalitions around the world and the broader lessons from them.

PART ONE: SETTING THE SCENE

There is increasing interest globally in corporate social responsibility (CSR) (alternatively described as corporate citizenship, corporate responsibility (CR), and responsible business – but essentially the idea that businesses should seek to minimise negative environmental and social impacts and maximise positive impacts and run their business transparently and ethically and with accountably to stakeholders).[1] A Google search for the term "corporate social responsibility" produces 41 million references.[2] A survey by McKinsey published in 2006[3] of business leaders internationally found that only 16% agreed with the proposition that large corporations should "focus solely on providing the highest possible returns to investors whilst obeying all laws and regulations." Instead, 84% of business leaders agreed with the statement that large corporations should "generate high returns to investors but balance with broader contributions to the public good."[4] There are many reasons for this increasing interest. 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. Another significant factor has been the emergence of business-led corporate responsibility intermediaries.

BUSINESS-LED CORPORATE RESPONSIBILITY COALITIONS

These intermediaries may be local, national or international. They may be open to any type of business or focussed on a particular size or business sector. These CR intermediaries may seek to cover the entire CR agenda or concentrate on a particular aspect such as ethical sourcing or encouraging a more diverse workforce. The distinctive features of these coalitions are:

- composed mainly or exclusively of for-profit businesses (directly or through business-membership organisations)
- a directing board composed predominantly or only of business people
- a mission to promote responsible business practice
- funded primarily (or totally) from business

TABLE 1 EXAMPLES OF BUSINESS-LED CR COALITIONS

Local	National	International	Subject-specific	Particular target	Part of wider business organisation
Vermont BSR	MA'ALA (Israel)	International Business Leaders Forum (IBLF)	UK Employers Forum on Disability	UK Small Business Consortium	Bombay Chamber
Cleveland Tomorrow	Canadian Business for Social Responsibility	Business for Social Responsibility (BSR)	Thailand Business Coalition on HIV/AIDS	Responsible Care (Chemicals)	American Chamber of Commerce (AMCHAM)
Australian Business-Community Network: Sydney	Instituto Ethos (Brazil)	CSR Europe	Institute for Business Ethics (UK)	Global Mining Initiative	The Conference Board
	Business in the Community	World Business Council for Sustainable Development (WBCSD)			
		Centre for Tomorrow's Company			

On a conservative estimate, there are at least 100 such national business-led coalitions.[5] This figure probably rises to several hundred if the sectoral, subject-specific and international coalitions are included as well.

Focussing just on the national coalitions: some of them – like Business in the Community in the UK, or the Philippines Businesses for Social Progress[6] – have been in existence for more than a quarter century. Others have been established much more recently such as the Hungarian Business Leaders Forum[7] or Vietnam Business Links.[8]

Additionally, there are multi-stakeholder CR organisations in which business is one partner such as the UN Global Compact[9] and its national chapters such as Singapore Compact for Corporate Social Responsibility and the Equator Principles[10] for the banking sector. Furthermore, there are international agencies like UNIDO, UNDP, and the World Bank which are seeking to engage business.

These business-led CR intermediary organisations can fulfil a number of possible roles, as outlined in Table 2.

TABLE 2 POTENTIAL ROLES OF BUSINESS-LED CR COALITIONS

AGENDA-SETTER	▍ authoritative, credible vehicle to put issues on the business agenda
	▍ real-time intelligence from business and from society to put the right issues on the table in ways most likely to secure positive business engagement
	▍ "mavens" or "canaries in the mine" to spot new trends eg Sir David Varney – former chairman BITC: "leadership is the ability to read the weak signals before most others do"
GOOD PRACTICE IDENTIFIER AND DISSEMINATOR	▍ clearinghouse for the why, what, and how of CR
	▍ independence to Identify, Disseminate, Evaluate, Apply broadscale (IDEA) good practice in CR
	▍ third-party validation and endorsement of good business behaviour
	▍ societal / media spokesman for CR
ADVISER TO COMPANIES	▍ safe haven for CR newcomers to explore the implications for them
	▍ benchmarking service to encourage non-performers (because their stakeholders have something to measure against)
	▍ overcome the loneliness / nervousness / uncertainty of how to act on CR in the early stages of CR in a country
BROKER	▍ delivery broker between business offering help and communities / causes seeking help
	▍ the more established intermediaries can also be the platform for dialogue / "safe place to collaborate" between businesses themselves (including those who are fierce competitors); and between groups of business and other parts of society on "wicked issues" which span boundaries between the sectors and which require actions by different "players" individually and collectively if problems are to be solved[11]
	▍ broker between business collectively and government, concerning business in society
STANDARD-SETTER	▍ through membership requirements or through voluntary codes and initiatives

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The role of standards-setter is a less-explored but potentially important one for the business-led CR coalitions. Critics of CR from both a right-wing, classical free-market tradition and from a left-wing, market-interventionist perspective have all criticised CR – inter alia for the

fact that the leading corporate citizens (especially if they are powerful multinationals) effectively impose their environmental and social standards on other businesses and have a vested interest in extending the costs of implementing the obligations which they have themselves voluntarily assumed on to their competitors.[12]

A more benign interpretation is that CR offers a route either to new mechanisms for creating smart standards (i.e. better influenced by technological and market-place standards because the voluntary early adopters provide their practical experience to regulators of how to achieve their policy goals) or is a voluntary alternative to formal regulation, if there is enough industry / sectoral support for voluntary standards so as to obviate the need for formal regulation.

The report, "Tomorrow's Global Company: Challenges and Choices," suggests that one key role now for global companies is setting **standards.** Standards may be at the level of the individual firm; they may also be voluntary, industry-wide agreements or the fore-runner of mandatory national or international standards.[13] Atle Midttun from the Norwegian School of Management has suggested that individual companies adopting CR may be self-regulators and where a group of companies together adopt higher standards of ethical, environmental, or social performance, they are co-regulating.[14] Midttun further suggests that putting some kind of democratic framework around these voluntary company commitments may also be one way of addressing some of the current criticisms of CR as being either undemocratic or anti-competitive.[15] In practice, this standards-setting role may occur from conscious intention, unconscious evolution, or be externally pushed by governments, NGOs, or other businesses.

Academic literature on corporate responsibility and governance has tended to focus on the role of business in local regeneration partnerships or in cross-sectoral partnerships.[16] Harvard Business School professor James Austin, head of the School's Initiative on Social Enterprise (ISE), for example, has argued that businesses and non-profit organizations are joining together in alliances to create value for themselves and society that far surpasses the sum of their parts. Less attention has been given to date to the role of business-led coalitions promoting responsible business at the national and international levels.[17] This lack of attention reflects the prevailing lack of focus amongst political scientists on companies as significant actors in global governance.[18] One person who has highlighted the role of companies is John Ruggie from the Kennedy School of Government. Ruggie argues[19] that a global public domain is emerging that is no longer coterminous with the system of states and that CR is one manifestation of this new domain.

Some see the emergence of these business-led CR coalitions as one element in the broader growth of a civil economy. Just as in the political sphere, there is now a parallel "constitutionalisation of the marketplace."[20] New standards of accountability are starting to redefine the role of the corporate board, expand transparency, enfranchise share-owners, and overhaul directors' appointments.

At the same time as business-led CR coalitions have emerged around the world, there has also been a substantial increase in activity by campaigning NGOs seeking to change business

behaviour. In some respects, this could be described as "good cop, bad cop" influencers, with BITC cast as "good cop" and NGOs critical of business playing the "bad cop" role. In most instances, one without the other is probably less effective in getting businesses to act. Depending on precise circumstances, there are likely to be advantages and disadvantages to each, as depicted in Table 3.

TABLE 3 PROS AND CONS OF BUSINESS-LED CR COALITIONS

	ADVANTAGES	DISADVANTAGES
BUSINESS-LED CR COALITIONS	Understand business, so well-placed to find practical solutions	Unwilling / unable to criticise members of the club
	Empathetic to business, so more likely to get business leaders to share their problems and to talk frankly about their challenges	May not be fast enough to spot changes in external environment
		May compromise too readily and accept sub-optimal standards
	Better able to gain access to senior business leaders	May be prevented from raising certain issues – explicitly or implicitly
NON-BUSINESS CAMPAIGNING NGOs	Freedom and clarity to criticise business	May be distrusted by business and unable to get access
	Can hold out for campaign goals	Lack of understanding / empathy for business may mean don't spot possible solutions to issues they are campaigning on

Business-led CR coalitions use different funding models: some rely on membership subscriptions. Some are financed by grants from public or charitable sources. Others rely on consulting fees or sponsorship. Some have hybrid funding models. Business in the Community has varied over the years but the bulk of funds have come from a mixture of company subscriptions supplemented by grant income from public sector sources for specific pieces of work and additional contributions from some member companies for agreed projects. Particularly in the early years, BITC also benefited from considerable help-in-kind including premises provided free or at peppercorn rent; secondees (executives on loan – from both companies and the public sector); and pro-bono help from professional firms for a variety of services such as communications, legal advice, and auditing.

OVERVIEW OF BUSINESS IN THE COMMUNITY

Established in 1982, BITC (www.bitc.org.uk) is one of the oldest and is the largest of the national business-led CR intermediaries. It began as a broker (principally from business to local enterprise agencies and trusts). Over time it has evolved to the point where it now fulfils all of the above roles except that of standards-setter.

This report explores what Business in the Community has learnt about engaging business. The starting point has been to establish the key elements in BITC history, identifying what key players see as the seminal events and exemplar "stories" which define the organisation. The report then draws on feedback from current and former staff and board members, member

companies, partners in the public and voluntary/community sectors, experts in responsible business, and opinion-formers in business and politics.[21] The goal is to define some of the key lessons that BITC has learnt about engaging business for corporate responsibility over the long-term. These lessons are based both on the undoubted successes of BITC over 25 years, but also on some of the failures and areas where the organisation could have done better and could still do better. This discussion leads to a brief description of some of the challenges and the potential future directions for BITC.

BOX 1 BITC OVERVIEW

Business in the Community (BITC) is a movement in the UK of over 800 member companies. It is a business-led charity. Its purpose is to inspire, challenge, engage, and support business in continually improving its positive impact on society.

Together, member companies employ over 12.4 million people across 200 countries. In the UK, members employ over 1 in 5 of the private sector workforce.

Membership of Business in the Community is a commitment to action and to the continual improvement of the company's impact on society. Members commit to:
• integrate responsible business practice throughout their business
• impact through collaborative action to tackle disadvantage
• inspire, innovate and lead by sharing learning and experience.

The President of BITC is HRH The Prince of Wales. The Chairman is Sir Mike Rake (chairman of KPMG and chairman-designate of BT), and the CEO is Julia Cleverdon CBE CVO.

The Annual General Meeting elects a board of business leaders[22] on rotation for three-year-terms, including the chairs of Campaign and Regional Business Leadership Teams. Overall strategy is approved by the board, although in practice there has always been considerable discretion devolved to the individual campaign leadership teams and to the CEO and the senior management team.

BITC employs 450 staff members. The organization is based in a head-office in London or in one of 10 offices around the UK.

In 2006, 8000 individuals attended BITC conferences, workshops, and seminars. 30,000 participated in BITC-brokered employee volunteering, and more than 800 companies were supported and challenged to improve their responsible business practice through involvement in one or more of the BITC Indices.

The organization's budget in 2006-07 was £21million of which approximately 61% came from the private sector (up from 53% in 2005-06); 33% from the public sector[23] (down from 42% 2005-06), and 6% from not-for-profit organizations 6%[24] (up from 5% last year).

Amongst activities in 2006-07:
• regional and national Awards for Excellence in responsible business attracting 427 entries. Run in association with *The Financial Times* and the UK Government's Department of Trade and Industry. Approximately 4000 business leaders and partners of business attended the regional awards and a further 2000 attended the UK awards at the Royal Albert Hall in the presence of HRH The Prince of Wales and Vice-President Al Gore
• series of board members' meetings with Prime Minister-designate Gordon Brown in Downing Street and separately with the opposition leadership on engaging more responsible business
• input to Labour and Conservative party policy work on corporate responsibility and key-note plenary addresses to the annual conferences of both the Conservative and Labour Parties
• supplement on responsible business in *The Financial Times*
• May-day summit on Business and Climate Change run simultaneously in London and nine regional locations and engaging 1200 business leaders with HRH The Prince of Wales
• exhibition on how consumers can influence businesses on climate change, sponsored by BSkyB satellite TV, touring shopping malls across the UK. Footfall at the shopping malls hosting the first 12 exhibitions estimated at 10.7 million people with commitments from further malls taking the footfall to 21 million

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There are now three broad dimensions to BITC's work:

- a series of **campaigns** focussed on different aspects of responsible business or on mobilising business energy and expertise to tackle social problems

- **account-management** with individual member companies to support their continuous improvement in responsible business and sustainability

- **regional offices** supporting member companies and campaigns and brokering business support in to the community, principally through employee volunteering (CARES) and pro-bono professional help (ProHelp)

Staff numbers have grown from five secondees (executives on loan) at the beginning to 450 today. During the 1980s and early 1990s, much of the growth in staffing came from secondees both from member companies but also from central government departments and executive agencies.

TABLE 4 GROWTH IN BITC STAFF, 1982-2006
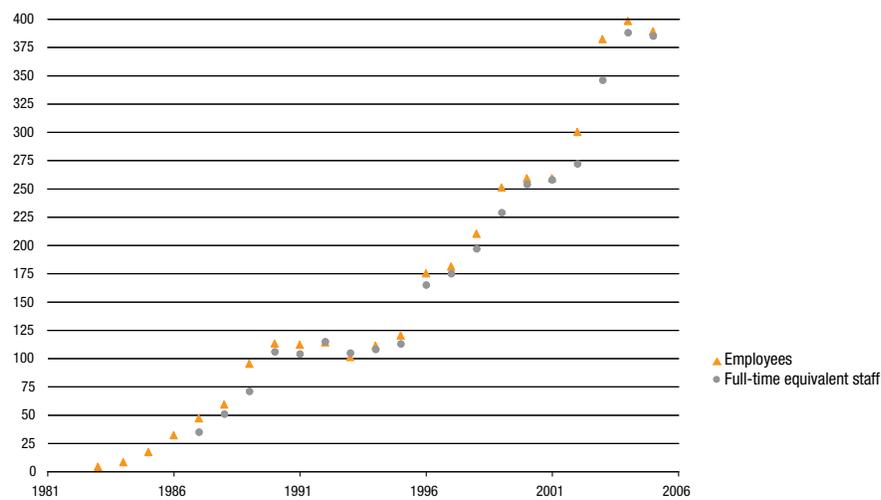
TABLE 5 GROWTH IN BITC INCOME AND EXPENDITURES, 1982-2006
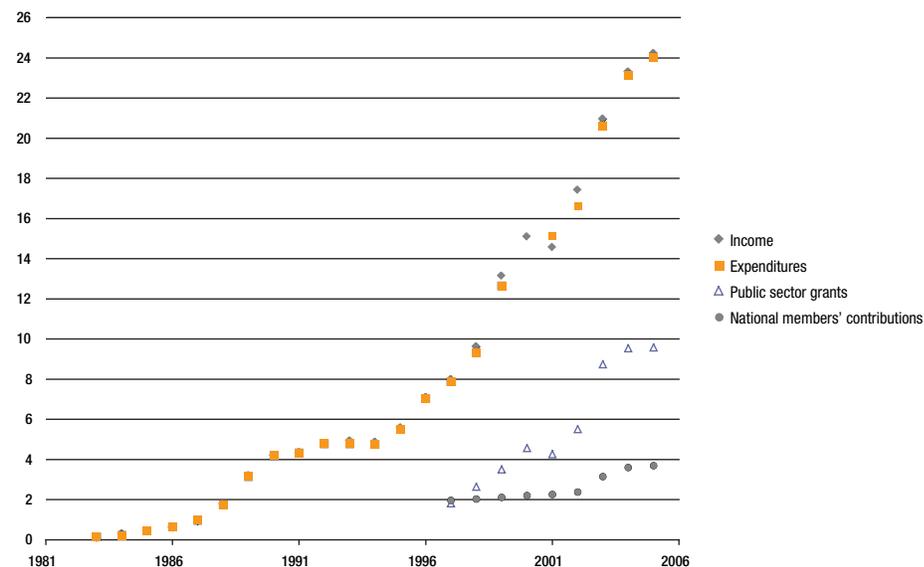
Source: data compiled from annual returns to Companies House by Daniel Kinderman, Cornell University[25]

THREE PHASES OF BITC

There have been three phases of BITC so far. During phase I in the 1980s, it predominantly championed business support for local enterprise agencies as a way of business helping to regenerate local economies depressed by corporate closures. The predominant driver for business in this phase was social cohesion and a recognition of the social costs of just walking away from the human consequences of massive corporate restructuring. Phase II during the 1990s involved BITC promoting a wider agenda of corporate community involvement, including how businesses should better organise their involvement. The business driver in this phase shifted more to the international competitiveness agenda: the need to address the UK's decline in the international competitiveness league tables, improve basic skills in literacy and numeracy, and find talent which drove more companies to embrace diversity in their workforce. Phase III has seen BITC embrace corporate responsibility – or as the organisation now prefers to call it: "responsible business." The business driver has shifted more to competitive advantage for individual companies and the pressures of sustainability as a business challenge. Throughout, BITC has encouraged companies to get involved individually and to work together through collective business action.

The "action" has reached the boardrooms of most leading businesses but also some of the most deprived communities around the UK. To read the lists of BITC board, leadership teams, conference speakers, and Prince of Wales "Seeing is Believing Visits" is to study a "Corporate Who's Who" of the past quarter century. Most leading politicians of the era, from all the major parties, have been involved – alongside thousands of voluntary and community organisations.[26]

WHAT'S IN A NAME?

The "canvas" for BITC has evolved and expanded over the years from encouraging businesses to contribute to economic regeneration in specific localities in England, Wales, and Northern Ireland (and in Scotland through the sister organisation Scottish Business in the Community) through promoting corporate community involvement, to corporate social responsibility, to responsible business.[27]

The focus began with regeneration principally through companies supporting local enterprise agencies with cash, secondees (executives on loan), premises, equipment, expertise, and employee volunteering. This was described as corporate community involvement – later amended to "corporate community investment" – to signify that business might gain benefits (such as enhanced reputation or improved staff morale) which would not necessarily accrue from ad hoc corporate philanthropy.

As BITC's attention broadened to the way that business carries out its core activities and the impacts it has in the workplace, the marketplace, on the environment, as well as in the community, the language switched to "corporate social responsibility" (CSR). Over the years CSR has been used in different and contradictory ways – but is still frequently used to describe

community involvement programmes. BITC itself tried to address this problem of definitions first by dropping "social" and referring instead to "corporate responsibility" (also arguing that this was more widely understood to include environmental impacts) and then, since many people familiar with the US business environment interpreted "corporate responsibility" as to do with "corporate governance," moved to the term "responsible business." The latter is understood to mean not just particular activities and programmes, but how the business aspires to operate overall.

BITC itself had to add the "t" when lawyers for BIC biro threatened legal action for infringement of their name as Business in the Community's profile grew in the 1980s and its original diminutive form "BIC" came to the notice of the biro manufacturers.

THE BRITISH CONTEXT

Over the past twenty-five years, business has become a much bigger part of British society. Britain was, of course, the first country to privatise significantly in the 1980s as BA (British Airways), British Gas, BT (British Telecom), the water companies, the railways, electricity, and many other state-owned enterprises came under private control. Many of the most prominent and influential business leaders of the time, such as Allen Sheppard (the then CEO of Grand Metropolitan),[28] were clear that the quid pro quo for a smaller state was a more activist business community. Business is much higher profile today – many business leaders have become media celebrities. Popular television programmes about business such as "Dragon's Den" and "The Apprentice" point to the public's heightened interest in business. Not surprisingly, therefore, interest in how business makes its money and the impacts is has on society and on the environment has grown too.

In retrospect, BITC has benefited from a British business culture somewhere between the continental European social model and US free-market voluntarism. Arguably, globalisation is now producing a convergence in these very different models of capitalism, but the UK's early adoption of responsible business ideas reflects the prevailing UK business culture. Many business leaders felt both a moral duty and a business imperative to act. In the words of one early BITC board member[29]"you cannot have prosperous High Streets without prosperous back streets." Geography has also been important for BITC: corporate UK remains heavily concentrated in London. Even CEOs of companies head-quartered in northern parts of the country will tend to spend one to two days each week in London. Engaging a critical mass of business leaders based in close proximity is easier in the UK than in the United States or Australia where corporate head quarters are more dispersed across the country.

The operating environment for business and, therefore, for BITC, has changed dramatically in the past 25 years and continues to do so. Global connectivity through 24 hour news, the Internet, and cheap air travel mean that what were once events in far away countries of which we know little and care less are increasingly happening in places which we have ourselves visited or have friends and colleagues with family living. The complexity, turbulence, and

speed of business today as more and more have global operations, means more businesses are directly impacted whether by poor labour standards in suppliers factories or employees having relatives affected by flooding. More companies are doing business in regions with weak governance or where local rules conflict with international standards on human rights, creating ethical dilemmas and reputational risks.

And not only is business more global, but its structure has dramatically changed, thanks to liberalisation, privatisation, and consequent globalisation. In the first ten years of BITC, regional head-quartered companies made up the bulk of membership. Now head-quartered companies are global and even some household company names are owned by Private Equity – which now employs 1 in 5 of the UK's private sector workforce.

Alongside this, there are higher expectations of business – consumers, employers, media, and campaigning organisations all now have more information available. Societies generally are less deferential to those in authority and businesses specifically face more organisations campaigning to make them more accountable

BITC has not operated in isolation. It has been part of a rich, if sometimes confusing and overlapping tapestry of national and local organisations such as "Arts and Business" (formerly ABSA: the Association for Business Sponsorship of the Arts) – created in 1976 to encourage arts-business partnerships; Common Purpose – created in 1990 to encourage the development of active citizens through joint leadership development of people from business, the public, and the voluntary/community sectors; and the Media Trust (formed in 1994). A timeline (Appendix) summarises developments in BITC alongside developments in CR more broadly, and some of the key events in business, politics, and society.

QUESTIONS FOR PUBLIC POLICY

For public policy-makers and students of public policy, the emergence of business-led CR coalitions raises a number of issues:

- Do these coalitions increase the quality and quantity of business engagement in helping to tackle societal problems?

- Do they increase the numbers of businesses committed to corporate responsibility?

- Do they have a role in setting new de facto (or even de jure) standards for business?

- In fulfilling the various potential roles of a business-led CR coalition, do such coalitions operate in ways that are fundamentally different from more traditional business representative organisations?

An initial attempt is made to answer these questions in relation to BITC, but these issues will be explored further in a subsequent paper for the CSR Initiative of the Kennedy School of Government.

AN INSIDER'S PERSPECTIVE

As someone who has been involved with BITC since the very early days – variously over the years as a volunteer, staffer, member of the senior management team, Managing-Director, and – most recently – as an associate – it is hard to be dispassionate.

Several of the major developments I write about, such as the build-up of the local enterprise agencies, BITC's agenda-setting "Directions for the Nineties" and "Work in Society," I led. In the historical narrative – Part 1 – I have adopted the approach of describing in chronological order the start of each new area of work. The text focuses on many of the seminal stories of BITC's history reflecting the campaigning techniques and style of the organisation.[30]

PART TWO: HISTORICAL HIGHLIGHTS OF BUSINESS IN THE COMMUNITY 1982-2007

"IT TOOK A RIOT!"

"It took a riot!" So began Michael Heseltine's[31] report to the Thatcher Government in 1982 on the condition of Britain's urban areas. It is commonly assumed that it was in response to those same urban riots in Brixton, Merseyside, and elsewhere in 1981 that Business in the Community was formed. Certainly the urban unrest was a powerful stimulus, but the initial prompt was an Anglo-American Conference held at the Civil Service Staff College at Sunningdale in 1980 hosted by Tom King, then one of Heseltine's junior ministers at the Department of Environment. The conference had been planned by the previous Labour Environment Secretary of State, Peter Shore, so even in its beginnings we see BITC's all-party connections. King invited a group of American business leaders involved in the urban regeneration of Baltimore and Detroit in the 1970s to share their experiences with British counterparts. Some of the British business leaders decided as a result to create what became BITC. BITC's roots are also in the Action Resource Centre – ARC[32] – with whom the organisation was to merge in 1995, as well as Project Fullemploy founded in 1976 to encourage business to tackle the problems of lack of skills and unemployment amongst black urban youth. BITC was also to be inspired by the heritage of the Industrial Society,[33] from whom a number of key personnel were to come, including BITC's second[34] (and current) CEO, Julia Cleverdon.

These early pioneers recognised at the beginning of the 1980s that British business faced a massive shake-out. Already in 1977, the then head of Shell, A.C. Pocock, had delivered a seminal lecture at the Ashridge Management School in which he predicted that great businesses like Shell would employ far fewer people in the future and had obligations to help society manage the resulting restructuring by helping individuals to re-skill and small businesses to start and grow.

Sir Alastair Pilkington, the first chairman of BITC, suggested that the new organisation might help to replicate what he had done in St.Helens on Merseyside. Pilkington was CEO of a family glass-making business. He had invented a revolutionary glass-making technology which boosted the company's fortunes. The downside was that far fewer employees were needed with the new technology. At that stage Pilkingtons dominated St Helens, which was effectively a one-company town. Pilkingtons needed to keep the motivation and commitment of remaining staff when it was laying off their family members, friends, neighbours. The solution was the Community of St Helens' Trust, a non-profit organisation created to help local people acquire new skills and to support small business creation. Pilkingtons provided premises,

staffing, and funding for the new agency. In his book "The Pathfinder," the long-term Pilkingtons employee Bill Humphreys, who became the first director of the Trust, describes its origins and growth.

Quite separately, the Somerset Small Industries Group had started in Bridgewater; an industrialist Herbert Loebl and a small business academic Allan Gibb had formed Enterprise North in the mid 197Os; a group of major employers had formed the London Enterprise Agency (LEntA) in 1979; and (what is now the longest surviving agency) Project North East began in 1980.[35] Together these enterprise agencies or trusts offered models of how business could second staff, provide cash, surplus premises and expertise, and open doors to other large businesses to stimulate new job and business creation, typically in partnership with local authorities.

As the restructuring of large companies and traditional industries intensified during the early 1980s through the Thatcher Government's economic and trade union reforms, BITC set about replicating the enterprise agency model. BITC's push to promote the enterprise agencies was boosted when the Small Business Minister David Trippier announced government incentives: cash on a declining scale over three years to match rising business contributions. Thus incentivised, the informal "Trippier – BITC roadshow" travelled around the country to persuade local business people to get involved in regeneration initiatives based on the enterprise agency model.

TABLE 6 **NUMBER OF LOCAL ENTERPRISE AGENCIES IN EXISTENCE**[36]

1981	1983	1985	1987
4	100	196	300+

BITC was not alone in promoting the enterprise agency model. The European Social Fund started well-funded demonstration projects in Wigan and Tyne & Wear in 1981. British Steel (Industry) and later British Coal (Enterprise) – job-creation agencies established as subsidiaries of the state-owned parents – became major supporters of the local enterprise agencies (LEAs) in steel and coal-closure areas respectively. Nevertheless, by 1987, it was BITC that was acknowledged as the "umbrella" for more than 300 LEAs. Each LEA was fiercely independent. Each had its own board of local business people and local authority representatives and its own strategy for dealing with job and business generation. Nevertheless, most LEAs did look to BITC for leadership and support. The BITC Enterprise Division – with financial and moral support from the major national corporate supporters of the LEAs (the banks, the oil companies, firms like Marks and Spencer, Whitbreads, Legal and General) and from government – produced "how to" guides, found secondees from business to staff the agencies,[37] ran training courses for new and established LEA directors, and sought to enthuse more business participation both locally and nationally. In consultation with both the major sponsors and the most active LEA CEOs, the Enterprise Division ran a series of national conferences both for agency staff and volunteer chairmen, published "The Future for Local Enterprise Agencies," and started an early version of certification for individual small business

advisers (adopted and expanded by government almost a decade later). In 1989, BITC took over the newly built London Arena in London Docklands for an LEA tenth anniversary celebration with Prime Minister Margaret Thatcher. At this event BITC announced that Sir Kit McMahon, chairman of the Midland Bank (now part of HSBC), would lead a group of top business leaders to champion the LEAs and help them raise more sponsorship under the banner, "Enterprise Works."

"AND NOW FOR THOSE INNER CITIES"

In June 1987, the Thatcher Government won a comfortable majority for a third consecutive term. On election night, a jubilant Margaret Thatcher stood in Tory Party HQ and declared "and now for those inner cities." Ever-vigilant to advance the BITC agenda, the CEO – Stephen O'Brien – immediately wrote to Mrs Thatcher, congratulating her on her magnanimity for recognising in her victory hour the needs of Britain's urban areas. Whether Mrs Thatcher had in fact been making a partisan statement that the Tories had to win back the inner city seats they had lost is unclear. O'Brien though persuaded the head of the Prime Minister's Strategy Unit – Brian Griffiths[38] – to commission a paper from BITC on how business could work with local and central government and community organisations to revitalise the inner cities. BITC quickly convened a series of breakfast meetings with the most involved of the corporate CEOs to help draft the paper – which came back later from No 10 with ticks and positive annotations from Mrs Thatcher.

Later that year, at its Annual General Meeting in Birmingham, BITC announced eight teams of business leaders to explore particular aspects of regeneration which had been identified in the dialogue with No.10.
- finance for enterprise
- local purchasing
- marketing business action to SMEs
- urban regeneration
- voluntary sector initiatives
- enterprise development
- education partnership
- priority hiring

The Education Partnership Leadership Team continues to this day.[39] The Priority Hiring Team, under the leaderhip of David Ellstein, then at Thames Television,[40] developed a series of practical "how to" kits for employers prepared to collaborate with skills agencies and local community groups on "pre-recruitment" skills training programmes. The idea was that if (say) a major retailer or construction firm knew that it would be moving to an area of high unemployment, it would work in advance with local organisations to identify unskilled but motivated individuals who could be helped through a customised training programme to ensure that when the employer was ready to recruit, the individuals would have the requisite skills they needed. This approach involved changing the way that both employers and publicly

funded skills-training agencies operated. The recession of the late 1980s and early 1990s delayed the major roll-out of the programme. Customised training was though a model that the leading British retailer Tesco was to pursue in the opening of its supermarket in Seacroft in Leeds and in other urban stores a few years later.

Other leadership teams went semi-independent but produced practical results: Finance for Enterprise led by veteran city heavyweight Sir David Scholey[41] created a series of Regional Venture Capital Funds which laid the basis for many subsequent regional venture capital initiatives from both government and the private sector.[42] All, however, helped shape emerging BITC understanding of the importance of engaging top, current business leaders and making sure that all BITC initiatives had such business champions and practical examples to work from.

ONE-TOWN PARTNERSHIPS

One of the practical examples for BITC at that time was the Halifax One-Town Partnership. In 1985, The Prince of Wales had become President of BITC (initially for a five year period). A year later, he had co-hosted an Anglo-American conference in Boston on youth employment with the Massachusetts governor Mike Dukakis. During a previous visit, the Prince had visited Lowell, Massachusetts. Lowell was a former mill town that had confronted massive economic restructuring. A U.S. Senator from Lowell, Paul Tsongas, had brought business and civic leaders together to develop a common vision and action plan for the future of his home town. Inspired by the Lowell story, Prince Charles persuaded BITC to replicate the one-town partnership in the UK. After examining a number of locations, BITC decided that Halifax, West Yorkshire was particularly open to the idea of a public-private-community regeneration partnership. The philanthropist Vivien Duffield was persuaded to fund "Eureka" – a Children's Museum – modelled on a number of similar museums in Boston and other cities. A successful local businessman, Ernest Hall, bought the derelict former Crossley Carpet Factory which physically dominated the town. Hall converted the complex of buildings into Dean Clough, a mix of business incubator units, small business premises, and conference and entertainment facilities. In time, Dean Clough provided more jobs than the carpet factory had done at its peak.[43]

The Halifax One-Town Partnership, in appealing to local civic pride and in creating a vision for the future, an action plan, and a capacity for action, was not that different from Alastair Pilkington's approach in St. Helens or the several hundred enterprise agencies that followed. It was, though, painting on a bigger canvass. The early success of Halifax persuaded BITC to join forces with the Confederation of British Industries (CBI)[44] to create a specialist, time-limited unit, Business in the Cities, to replicate the Own-Town Partnership model elsewhere. Now, however, the emphasis was on "Business Leadership Teams" – first in Blackburn and then in a dozen other locations.[45]

Many of the business leaders who emerged through One-Town Partnerships and Business Leadership Teams[46] later migrated to become the early leaders of the government-funded

Training and Enterprise Councils (TECs) which were created by the Thatcher Government to involve business in the development and implementation of skills and local economic development strategies. Indeed, as the Director-General of the CBI at the time, John Banham later wrote: "the leadership teams of Business in the Community provided a role model for the TECs."[47] At the time of their creation and for some time afterwards, the government insisted that only CEOs could serve on the TEC boards. Senior government officials stated that the BITC recommendations for business leaders were consistently the most credible, senior, and effective of the nominees of any of the business organisations they consulted.

Most of the One-Town Partnerships and BLTs got absorbed within two to three years into their local, publicly funded Training and Enterprise Councils (TECs) or – in the case of Bristol – into their local Chamber of Commerce. The North West Regional Business Leadership Team continues today, focussed on discussing strategic issues facing the regional economy. The experience of these local Leadership Teams also provided the initial blueprint when Stephen O'Brien – after ten years as CEO of BITC – stepped down in 1992 and set up "London First" under the chairmanship of a former BITC Chair Allen Sheppard of Grand Metropolitan (now part of Diageo). More than a decade later O'Brien handed over the London First CEO-role to Jo Valentine, the first CEO of the Blackburn Partnership.

A parallel embryonic effort to apply this emerging regeneration experience to rural areas was made with a BITC Rural Leadership Team under the chairmanship of the Duke of Westminster. Pushed by The Prince of Wales in the wake of the growing plight of the rural economy after the Foot and Mouth Crisis of 2000-01 which devastated farmers' incomes, BITC launched a second and more substantial Rural Action Team a decade later in 2001. The 2000's version devolved a series of innovative progammes such as "The Pub is the Hub" which showed how to use rural pubs (bars) as the focal point for a range of community services. A related program of affordable rural housing linked banks with empty floors above their rural branches which could not be rented out for security reasons with police forces needing cheap accommodation in rural areas for their young police officers.[48]

A year after their establishment, the TECs had created a national voice: the TEC National Council. Working closely with this Council and with the British Chambers of Commerce, BITC convened another conference at the Civil Service National College – Sunningdale – at the end of 1991. This brought together senior officers and business leaders involved in BITC, Chambers, TECs and One-Town Partnerships with government officials. The "exam question" was how together these different networks might provide a consistently better quality of help to small businesses – especially those with the aspiration and the potential to grow. The Sunningdale Communique which emerged from these meetings recommended a One-Stop Shop model. Michael Hesletine later took up this model when he was appointed President of the Board of Trade and Secretary of State for Trade and Industry as part of the Major Government's competitiveness agenda after the 1992 General Election.

These developments led to the establishment of a new national network of business development organisations for England – the Business Links – again with BITC playing a prominent role in developing the vision for the Business Links; providing a meeting-place for the chairs, boards, and CEOs of the Business Links to meet together; and working closely with the Major Government to implement the programme.[49]

EDUCATION, EDUCATION, EDUCATION!

"Education, education, education" – the slogan of Tony Blair as incoming Prime Minister in 1997 to signal his government's priorities – might have been a mantra for business involvement in the community around the world. Education has been a perennial favourite in many societies whether that has meant employee volunteers going to help in schools, or sponsoring educational opportunities for child labourers displaced by Western multinationals' drives to stop under-age working in their supply chains. Even back in 1991, a *Harvard Business Review* survey of over 12,000 business managers in more than 20 countries identified education as the critical societal issue for business, and the one which was consistently rated as the most popular topic for corporate community involvement. In the UK, business involvement in education has seen marked increases in the quality and extent of engagement including through the vehicle of a network of local Education-Business Partnerships which broker business support.

The initial stimulus for what became the Education-Business Partnership network was a study visit to the Boston Compact in 1986 involving Whitbread, the then London Enterprise Agency, and Business in the Community. The Boston Compact was essentially a deal between enrolled students, schools, and local employers brokered by the Compact (itself a joint venture between the Boston Schools Commissioner and business) which linked improvements in school attendance and test grades to summer job and work-experience guarantees. The original director of Boston Compact, Cay Stratton, was invited to the UK and has been a prominent player in the UK ever since, acting as a special advisor to successive governments on skills and business involvement in education and skills. Stratton also served as a senior member of the BITC management team during the mid 1990s.

The original East London Education-Business Partnership (EBP), modelled on the Boston Compact, spawned what in its heyday became a national network of 300+ local EBPs. The focus was on raising aspirations and achievements, particularly amongst those with the poorest results. In Birmingham, for example, the Compact helped lift GCSE results from 4% to 25% in some of the most challenging schools. The EBPs brought together local businesses, schools, and the local education authority. There had been no all-encompassing, national vision in advance to create such an EBP network, but timing, an effective vehicle, and key partners were all aligned and positive. There are close parallels with the original Community of St. Helens Trust started a decade earlier in 1979 which became the inspiration for the national network of local enterprise agencies. With both the St. Helens Trust and the East London Education Business Partnership there had not been any prior intention to create a replicable model, but

LEAs and similarly EBPs were seen to be a practical and do-able response to recognised need. In both cases, Business in the Community played an important brokerage role: convening players, identifying and sharing good practice, and "naming and faming" successful local partnerships and business and community leaders.

"IT'S EASIER TO SEEK FORGIVENESS THAN IT IS TO ASK PERMISSION"

Much of the Thatcher Government's Urban Regeneration Strategy such as the Urban Development Corporations was based on major, flagship physical re-developments: the Quayside in Newcastle, the Lowry Museum in Salford, the Meadowhall shopping centre in Sheffield, and above all the London Docklands. Early on, however, BITC realised that alongside top-down, physical renewal there had also to be a bottom-up, community regeneration. Thus, in 1986 BITC launched the first (with the Finsbury Park Community Trust) of six Neighbourhood Economic Development Partnerships which aimed to bring in big business cash and expertise to help neighbourhood-based community development groups.

By now, BITC was starting to work with a number of local activists whom it described as "community entrepreneurs:" men and women who are highly entrepreneurial, but for social benefit rather than personal gain. Prominent amongst them was Tony McGann, a key figure in The Eldonians, a group of local residents who had defied the Militant-controlled Liverpool council and its plans for wholesale redevelopment of their neighbourhood. The Eldonians had eventually won the right to rebuild on their own terms. They came to typify a group of determined, pragmatic community activists ready to work with business and other sectors to achieve their goals.[50] Other prominent community entrepreneurs with whom BITC worked closely included Iain Tuckett and the Coin St Community Builders who won the right to redevelop an area along the south bank of the Thames between Waterloo and Blackfriars Bridges; Roger Matland and the North Kensington Amenity Trust; David Robinson and Community Links; Andrew Mawson and the Bromley by Bow Centre (see Box 3); and in Derry, Northern Ireland, Paddy Doherty, known as "Paddy Bogside." Business people tended to empathise with the "can-do" spirit and energy of the community entrepreneurs and to agree with Paddy Doherty that "it is easier to seek forgiveness than it is to ask permission!"

When Andrew Mawson became the United Reformed Church minister in the Bromley-by-Bow area of east London in 1984, he was not over-burdened with resources. His church had a leaking roof, a central heating system that barely worked, a piano with its keys stuck together, and a congregation of a few elderly people. The church was based in the second-most-deprived ward of the most deprived local authority in the country.

Mawson set about tackling the crisis of the church and the community. The church was redesigned to create a lighter, more open, and flexible space that could be both religious and social. The space is now mainly used as a crèche and nursery; it becomes religious at weekends and on some evenings.

The first projects were idiosyncratic. A local woman, a squatter, used the church hall to build a boat. Several local artists moved in to use workshops and provide classes for local people. From that beginning the scheme generated its own momentum. The centre marketed itself through word of mouth, creating an interest that pulled in more people and created more connections. Soon a dance school started, a nursery, and a café. A disability group started working on the garden outside the church.

In 1995, a health centre opened, built to the highest standards, housing local general practitioners. The health centre remains the only one built and run by a community development trust.

The centre is the base for an outreach project to help provide local Bengali families with literacy skills. The park surrounding the centre has been transformed to create a garden, children's play area, and sculpture park. Housing for homeless single young people has been added next door, and an enterprise centre has opened which serves as a greenhouse for local small businesses and social enterprises.

Source: *The Rise of the Social Entrepreneur* – Charles Leadbeater[52]

BITC's chairman at the time – Hector Laing of United Biscuits – persuaded Margaret Thatcher to meet a cross-section of community entrepreneurs during a visit to Liverpool. It was not an obvious alliance but the Premier and community entrepreneurs concluded that they could – to borrow one of Mrs Thatcher's memorable phrases - "do business" with each other. Mrs Thatcher invited the group to a follow-up lunch in Downing Street and encouraged the government machine to use the community entrepreneurs for the delivery of various government-funded regeneration and training programmes. Beginning in early 1988, BITC was involved in developing and running several training programmes for the community entrepreneurs, and in helping to find business partners and matching private-sector funding. It was in a trade union training centre in Haringay, North London, in 1990, when BITC was running one such good practice sharing conference for community entrepreneurs, that the BITC President, The Prince of Wales, met a then young, junior opposition front-bench parliamentarian who had been invited by BITC to sit in on the final conference session: one Tony Blair.

As well as hands-on work with community entrepreneurs in a number of locations, by 1989 BITC and its members were also getting a "deal-flow" of interesting community projects for potential support as a result of BITC managing the Times Community Enterprise Awards with the Royal Institute for British Architecture (RIBA). Further leads came from the establishment of the Professional Firms Group (now known as ProHelp). ProHelp began in 1989. It started as the theme of Christopher Jonas's presidential year at the Royal Institute of Chartered Surveyors (RICS).[53] The idea was that professional firms would volunteer in cross-sectoral teams to provide pro-bono help to community projects. The ProHelp network has

now grown to 33 groups across the country, brokering more than £2.0 million per annum. Over the last four years spending has reached the equivalent of £2.1 – 2.3 million annually of pro-bono help from architects, engineers, lawyers, accountants, and PR firms to local community groups. This concept of brokering sectoral help was later replicated in BITC's own "COMM.UNITY" programme to engage the Information and Communications Technology sector in the community and in the creation in 1994 of The Media Trust to engage pro-bono help from media companies.

It was sometimes necessary for BITC to "ask forgiveness." As with private-sector entrepreneurs, not all of its efforts succeeded. One of the community enterprises that BITC took many senior people to visit – the Stonebridge Bus Depot in Harlesden, North London, where a group of young Afro-Caribbean activists had transformed a former bus depot into a multi-purpose leisure complex and small business centre – fell victim to fraud and mismanagement. Overall, however, BITC's early encouragement of community entrepreneurs and the Community Development Trusts was an important catalyst. In 1992, Angela Monaghan, who had developed much of BITC's work in this area, became the founding CEO of the Development Trusts Association.[54] The concept of community enterprenerus was further popularised in the 1990s under the more generic term "social entrepreneurs" by the think-tank DEMOS and by the emergence of organisations such as the Scarman Trust,[55] The Community Action Network (CAN)[56] and the School for Social Entrepreneurs.[57]

BITC's innovative work in the early 1990s to create the Local Investment Fund as a loan alternative to grants to community entrepreneurs was built on by the Blair Government. The Government created a number of new funding devices such as FutureBuilders and UnLimited to provide new funding sources for voluntary and community organisations.

At one point, one of the co-founders of CAN, Rev Andrew Mawson from Bromley-by-Bow, proposed a strategic collaboration between CAN and BITC, effectively putting CAN under the umbrella of BITC. As BITC had then recently dis-engaged from the local enterprise agencies, BITC concluded that it was in the best long-term interests of all concerned for CAN to grow as an independent network. Significantly, there was to be recognition of the work of CAN when its co-founder and CEO Adele Blakebrough was named the winner of the Sieff Award for Community Impact in the Silver Jubilee Awards for Excellence in 2007.

SEEING IS BELIEVING

BITC's early work with community entrepreneurs also benefited hugely from the interest and contacts generated through The Prince of Wales "Seeing is Believing" Programme (SiB). Like so many of the most successful and enduring of the BITC programmes, SiB began as a single project in 1990. Leading firms of headhunters (executive search) were asked to open up their "little black books" of contacts of rising star business leaders they were tracking. The combined list produced the invitation list for the original SiB visits. Each visit was led by a prominent business leader already committed to BITC and the particular topic of the visit. In groups

usually of six to ten people, groups of senior business figures and rising stars, were taken to look at a particular social problem in a specific part of the country and then report back as a whole group to The Prince of Wales.[58]

A number of the early visits led to long-term partnerships between community entrepreneurs and business leaders. Bill Castell (then running Amersham International – now part of GE) became a long-term mentor to the Rev John Morgan and a regular visitor to the Penrhys housing estate in South Wales which he had originally visited on SiB. Neville Simms from Tarmac similarly collaborated with Dick Atkinson on the regeneration of the Balsall Heath district of Birmingham. These and numerous other partnerships were not pre-planned or anticipated. They resulted from the personal chemistry between business leaders and community entrepreneurs and a sense that "something needs to be done – so let's start here and let's start now!"[59]

One of the most consistent community "hosts" for Seeing is Believing has proved to be David Robinson and Community Links, which Robinson founded in Newham, East London in 1977.[60] Robinson served on BITC's board for several years and has been a community "conscience" for BITC as well as a persistently innovative and successful social innovator, as recognised by his appointment in summer 2007 by the new British Prime Minister Gordon Brown to chair a new "Council for Social Action."

The BITC Jubilee Big Tick Award Winners (announced at the Awards for Excellence 2007) recognised long-term corporate impact in the community, in some cases stretching back more than two decades. Several of these programmes started with the support of BITC around this time such as Avon's Breast Cancer awareness and fund-raising campaign and UBS's Roots and Wings.[61]

DIRECTIONS FOR THE NINETIES

During 1990, Prince Charles heard concerns from a number of business leaders that government was making too many uncoordinated and disconnected requests to business to join all manner of "partnerships" with government. In at least some cases, business felt that these so-called partnerships were more like civil servants telling their ministers that there was insufficient public funding for the minister's pet scheme but that if the initiative was dressed up as a partnership with business, the latter might make up the shortfall! In one week, several leading corporate citizens received eight different requests from different government departments. IBM alone reported requests for financial support from ministers exceeding their entire annual community involvement budget. At a meeting of the BITC board at the Virgin HQ in 1990, the Prince, therefore, invited BITC to consult its member companies and their partners on what should be the priorities for business involvement in the community in the 1990s.

With the help of a number of short-term secondees (including one from the Transport & General Workers Union) and temporary extra staff, BITC ran a series of consultation meetings, including one for leading thinkers and practitioners back at Sunningdale, and

interviewed almost 100 CEOs and other key figures. Some of the early ideas to limit demands on companies – for example, to rule out business funding certain things like paying teachers' salaries – quickly had to be abandoned when it was discovered a few companies were doing so. Instead, what emerged was a more nuanced set of messages. Namely, that:

- Different businesses would have different priorities but three broad themes for business involvement in the community in the 1990s would be the 3Es – Education, Environment, and Enterprise.

- Whilst some businesses were involved because they believed it was simply the right thing to do, others would additionally or alternatively look for a business case which could be summarised as building your people, building your market, and building your licence to operate.[62]

- Businesses should seek to professionalise their approach to community involvement by applying the ACTION mnemonic: Assess, Commit, Tell, Integrate, Organise, and Nurture, as described in Table 7.

TABLE 7 THE A.C.T.I.O.N GUIDE TO CORPORATE COMMUNITY INVOLVEMENT

ASSESS	Community and business priorities and where there is the best fit
COMMIT	The business to the cause or community partner
TELL	Employees and other stakeholders why the company is involved and what it is doing and how
INTEGRATE	Cash support with a range of other corporate help
ORGANISE	Community involvement just as professionally as any other aspect of corporate activity
NURTURE	Long-term relationships with community partners and develop their capacity

A working version of "Directions for the Nineties" was shared with an inner circle of business leaders, the Cabinet Secretary, the General-Secretary of the Transport and General Workers Union, and The Prince of Wales at a dinner in the Prince's Kensington Palace home in early summer 1991. A few weeks later, a more refined version was the subject of a day-long conference which BITC organised in the Greycoats School in Westminster. The Prime Minister – then John Major – and The Prince of Wales gave key-note addresses. Panels of business leaders and community partners reacted to the proposals, and a plenary session was held with rising stars from all three political parties. The BITC talent-spotters chose: Tony Blair (then a Labour shadow Cabinet Minister), the Environment Minister Chris Patten (later Governor-General of Hong Kong), and a young MP from Britain's third political party – Charles Kennedy (later to become leader of the Liberal Democrat Party).

Over the previous decade, BITC had been building up its corporate membership base and progressively engaging more business leaders. Coming up to its next decade, BITC had come of age, and the business attendees for Greycoats confirmed it. Bob Wigley – now Chairman of Merrill Lynch Europe and chairman of BITC's Education Leadership Team, but then a young corporate financier at Morgan Grenfell (now part of Deutsche Bank) – attended the event. He remembers sitting in the car, en route to the conference, with the Morgan Grenfell Head of Corporate Finance. The latter was sceptical, scanning the attendance list, that many

of the senior figures on the list would show up at the event at all. They did, and the bankers ended up staying for much more of the conference than they had planned because so many of their senior clients were staying!

BITC published the final version of "Directions" in October 1991 and presented it at a series of regional conferences around the country. At the time, security in Northern Ireland remained a serious problem. In retrospect, the invitation to the Northern Ireland "Directions" roll-out event (an imitation brick to help build a more prosperous future) sent by mail to business leaders was a brave move.

"Directions for the Nineties" was the first of a number of inquiries over the following 15 years, some initiated by BITC, some by government, and some by individual businesses. BITC was involved in all of these inquiries. All explored how to increase the quality and extent of business involvement in the community. These included "Two-Way Street" (NCVO and BITC in 1998), The Committee of Inquiry into a New Vision for Business (commissioned by the late Anita Roddick – Body Shop – and Tony Blair in 1999), and Business & Society (Department of Trade and Industry in 2004).[63]

ENGAGING THE POLITICIANS

In the early years, BITC had to work hard to establish credibility with politicians and civil servants both nationally and locally. That it did so was due in no small part to its parliamentary and government liaison director for much of the 1980s (a role she continued on a part-time basis alongside family commitments up to the mid 1990s) – Cathy (now Baroness) Ashton. Her astute political savvy and personal warmth helped to persuade a wide range of politicians, from across the political spectrum, to work with BITC.[64]

Paradoxically, BITC's messages of public-private-community partnership and corporate responsibility proved attractive in different ways to all the major parties. For the Thatcherite Conservatives, these messages were part of the quid pro quo for a smaller state and ameliorating the social consequences of the dramatic industrial restructuring of the 1980s. For "One-Nation" Tories like Michael Heseltine and Chris Patten, BITC's messages were a powerful endorsement of the need for a practical helping hand. For the Liberal Democrats, they played strongly to local devolution. For Labour – and especially New Labour after 1994 – they were part of a wider wooing of business and the City of London financial community in the run-up to the 1997 General Election.[65] The messages from BITC's Work in Society project in the mid 1990s, that what happens to business matters to society but also that what happens to society matters to business, resonated well with a party told by its late leader John Smith, in his final speech the night before he died in 1994, that "international competitiveness and social cohesion are just two sides of the same coin."

Much later, BITC was to encourage the formation in 2001 of the All-Party Parliamentary Group on Corporate Social Responsibility chaired by the formidable cross-bench peer and

former CEO of the charity Age Concern, Sally (Baroness) Greengross.[66] The group was established by a group of backbench[67] MPs and Peers after a 2001 survey (undertaken by BITC and PricewaterhouseCoopers) revealed a lack of awareness and understanding about corporate responsibility in parliament. The group's main aim is to promote debate and understanding of CR among parliamentarians.

"BUILDING THE BUSINESS…"

In early 1992, Julia Cleverdon – previously one of the joint Managing-Directors of BITC (together with the author) – took over from Stephen O'Brien as CEO. By now the organisation was working with its member companies on a number of issues such as diversity in the workplace, business-education links, and early environmental initiatives by business. Tony Cleaver, then chairman of IBM UK, had become the first chair of BITC's Business in the Environment initiative, BiE. One of BiE's early successes was to persuade The Prince of Wales to revive his Cambridge Footlights days as a comic actor. The Prince co-starred with the veteran British comedian John Cleese in "Grime Goes Green." "Grime" was a light-hearted film made by the highly successful management training company Video Arts to get messages about improving environmental performance across to business.

Since 1986, BITC had also provided the secretariat for "The Per Cent Club" to encourage businesses to give as a minimum one-half percent of pre-tax profits to the community. The Per Cent Club was loosely modelled on a number of similar clubs in the US.[68]

Mobilising business engagement for a variety of social issues sat uneasily with providing leadership and an umbrella for just one type of organisation – enterprise agencies – for one issue – enterprise. In 1992, BITC formally withdrew from its role as the national umbrella for the LEAs. The agencies subsequently formed their own National Federation of Enterprise Agencies with help from former BITC regional director John Guest from Cadburys as first CEO.[69]

BITC was now free to focus more on identifying and disseminating good practice amongst businesses about how to work in the community. An elementary account management system had been introduced in 1990. This was now accelerated with a dedicated national membership team. A pilot training course for corporate community involvement managers from member companies was run with Manchester Business School in 1992 and transferred to Ashridge Management School in 1993 where it has been run once or twice a year ever since. A decade later, Ashridge would use the experience it had developed through this training programme to build on the work of corporate responsibility managers in the Corporate Responsibility Group[70] to develop a "competency framework." This competency framework tried to identify the skills for what any manager in business needed in order to be able to handle business-society interactions successfully.[71] In turn, this led the British Government's CSR Minister Stephen Timms, to create a "CSR Academy." (Responsibility for this was transferred to BITC in 2006.) In 1992, BITC also created a Corporate Community Involvement Research Forum

to bring together leading company CCI managers, consultants, and academics interested in the field. For several years, this Forum provided an opportunity to share emerging research, identify knowledge gaps, and encourage further innovation.

A significant boost to the scale of BITC operations[72] and capacity around the country came with BITC's merger with the Action Resource Centre in 1995.[73] ARC pre-dated BITC. It was formed in 1973 as a charity to mobilise business resources for community organisations. Whereas BITC came more from a business tradition, ARC had more of a community culture. Mergers of this sort are rarely easy, and this one was no exception. Following the merger, however, BITC was able to strengthen its regional offices[74] and offer a more comprehensive local brokerage service for businesses, especially to support more employee volunteering in the community. Before the merger few of the FTSE 100 largest companies had formal employee volunteering programmes. Today, few don't have. The merged organisation's vehicle for volunteering was CARES. CARES was another import from the US after a delegation of business leaders including Sandy Leitch, then of Allied Dunbar, visited the New York CARES in 1996.[75] Significantly, the cities of Leeds and Leicester (where there had been strong ARC offices) were amongst the first to embrace the CARES programme to encourage more employee volunteering.

The strengthening of BITC's regional teams in 1995-96 was to prove prescient, as an incoming Labour Government in 1997 was to move quickly to implement its devolution agenda. This involved the establishment of the Scottish Parliament in Edinburgh and the Welsh Assembly Government in Cardiff. In England, it involved the establishment of nine Regional Development Agencies (RDAs). The RDAs were to become sometime partners and outlets for programme delivery and sometime funders and target audiences for BITC to influence. In Yorkshire and Humberside, BITC was to sign a multi-million pound, 3 year contact (later extended) with Yorkshire Forward (the RDA) to increase the quality and extent of corporate responsibility.[76]

In Northern Ireland, under the visionary and entrepreneurial leadership of John Heaslip (BITC's Northern Ireland Director since 1989 when the organisation was properly established in the province), the organisation has been able over the years to bridge the sectarian divide with extensive education-business links and partnerships between businesses and community organisations from the different traditions.[77] Most recently, it has launched an innovative mentoring scheme between business and the new Northern Ireland Police Service.

PROMOTING DIVERSITY

One of the forerunners of BITC, Project Fullemploy (a charity to help young black Britons to get skills and jobs), had been co-founded by BITC's first CEO Stephen O'Brien in 1976. The 1981 urban riots, which had increased the momentum for the creation of BITC, had particularly involved disaffected young black Britons.[78] BITC's work with many

of the local enterprise agencies, Education-Business Partnerships, and the Neighbourhood Economic Development Partnerships after 1987 showed the continuing, dangerously high levels of social deprivation and exclusion amongst many of Britain's black communities. BITC recognised that a more proactive approach to equality had to be pursued and that whilst corporate community investment would go so far, the real improvements would come from changes to core business policies in the workplace and the marketplace.

BITC's first foray into an explicit diversity campaign was Opportunity 2000 (later re-branded as Opportunity Now). This campaign aimed to create a more balanced workforce male:female ratio at every level of an organisation. Started under the energetic leadership of Lady Howe (the first deputy chair of the statutory Equal Opportunities Commission) it quickly engaged a range of public and private sector employers, as described in Box 4.

BOX 4 OPPORTUNITY NOW

Opportunity Now was founded in October 1991 with 61 employers and supported by the then Prime Minister, The Rt Hon John Major MP. It has become the UK's leading membership organisation working towards gender equality and diversity in the workplace, with a membership network of more than 350 organisations from the private, public, and education sectors with a combined workforce of over 4.2 million employees. It as originally chaired by Baroness Elspeth Howe of Idlicote CBE (1991-1998), then by Clara Freeman, OBE from Marks & Spencer (1998-2005). Since 2005, Carolyn McCall, Chief Executive from The Guardian Media Group plc, has led the organization.

The original aim of Opportunity 2000 – to maximise the potential of female employees and improve their recruitment and retention – remains. The business case remains the key driver for affecting cultural change within organisations. Opportunity Now has promoted the business case through 'how to' publications, workshops, and benchmarking. It aims to develop, share, and celebrate best practice in overcoming the barriers to the recruitment, retention, and development of women through awards, research,[79] and benchmarking.

Opportunity Now has evolved a sophisticated benchmarking process, which is the most extensive annual survey on gender equality and diversity in the UK. It enables employers to benchmark progress year on year against competitors and acts as a checklist for cultural change. Over two-thirds of members submit information for this in-depth analysis, and a detailed report is published each year. It remains one of the key programmes of the campaign. There is now a detailed validation process involved in the scoring of the benchmarking questionnaires, and evidence is now required to ensure findings are robust.

Opportunity Now has cultivated relationships with key partners including: Cranfield Centre for Developing Women Leaders; Diversity Alliance; Equal Opportunities Commission – the Equal Pay Forum; Equalities Exchange; the Institute of Directors (IOD); and Working Families.[80]

Opportunity Now's campaign experience was subsequently transferred to race with the launch of Race for Opportunity (RfO) in 1995. Since its formation, RfO has tracked the development of race diversity on the business agenda, the development of appropriate HR practice and the impact of race on company profits. Its activities are summarized in Box 5.

Critics argue that notwithstanding Opportunity Now and RfO, BITC has so far failed to develop a coherent diversity agenda. This is despite various attempts to do so, including an abortive attempt to create a Diversity Forum with non-BITC organisations which also wish to influence business on diversity such as the Employers' Forum on Disability, the Employers' Campaign on Age, and Stonewall (a gay rights NGO).

CAUSE-RELATED MARKETING – WHO CARES, WINS!

BITC's cause-related marketing campaign began in 1995. The idea is to link the power of business and marketing to a social cause. The original idea had been developed by a professional marketer, Sue Adkins. In brainstorming her initial ideas with friends, one had mentioned that they thought there was an organisation called something like "Business in the Community" which might be interested. Adkins had had to use telephone directories to ascertain whether there was such an organisation and make contact. Her ideas intrigued BITC's CEO Julia Cleverdon but it was some time before potential sources of funding were identified and obtained.

Seed funding came from Sir Dominic Cadbury and the Cadbury-Schweppes Charitable Foundation. The initial brief was to refine the concept, develop the business and the social case for it, and put a marketing campaign around it. Using the BITC leadership team framework,

a number of leading companies were assembled including Cadburys, BT, Unilever, Centrica, National Westminster Bank (later replaced by Barclays Bank) and Tesco, whose Marketing Director Tim Mason was to take over the Cause-Related Marketing Leadership Team chairmanship from Dominic Cadbury. Tesco's "Computers for Schools" became a highly visible flagship of the campaign.

Sue Adkins' approach was to identify what she as an ex-marketing director would need by way of research, case-studies, and how-to guides, and go out and produce them herself or commission others to do so. Her most notable commission was Research International (part of WPP), which produced the evidence base for the business and social benefits from well-designed and professionally executed cause-related marketing.[81] Adkins' cause-related marketing campaign follows closely the key principles of running successful business campaigns described in Part 3 below (page 47).

WHAT GETS MANAGED IS WHAT GETS MEASURED

Several of BITC's eight chairs to date have had a distinctive theme for their term. For Peter Davis, then CEO of Prudential, it was to push business to measure its impact on society. Yet another Leadership Team led by Bill Cockburn, then Managing-Director at BT, was asked to investigate tools for measuring business impacts. Cockburn was supported by Stephen Serpell at BT, who proved a tireless champion for the idea of rigorous measurement by businesses of their environmental and social impacts. Fittingly under the tutelage of BT, this Business Impact Taskforce launched its own Impact on Society website at the end of 1999 to post material it was discovering and the ideas it was generating. This was one of the early effective uses by BITC of the Internet. The site generated the most international traffic of any BITC website before or after. Continuing BITC's tradition of "creative swiping" from the United States, the Taskforce got permission and published in early 2000 a British version of an introductory primer for businesses on measuring impacts produced by the San Francisco-based Business for Social Responsibility (BSR). The Taskforce helped to generate a common understanding among several of the world's business-led coalitions promoting corporate responsibility such as BITC, BSR, and CSR Europe that business impacts should be measured with respect to four dimensions: marketplace, workplace, environment, and community. BITC's work also pointed to the need to link responsible business to purpose and values and guiding principles for a business and human rights. For a period, BT also provided a portal on the web, www.worldcsr.com, which gave direct access to the websites of the leading business-led CR coalitions.

The Cockburn Taskforce reported in November 2000 under the banner of "Winning with Integrity." By late 2005, 91 of the FTSE 100 companies produced a CSR report, as did 69 of the Fortune global top 100 companies and 38 of the Fortune top 50 European companies.[82] It is easy to forget how quickly this trend for companies to measure and report their non-financial impacts has occurred. It has been the result of pressure from a wide variety of UK and international sources. The Cockburn Impact on Society Taskforce was undoubtedly one of

them. Its suggestions for how to measure impacts was a real Unique Selling Proposition USP for BITC, at a time when, for example, the Global Reporting Initiative had only just started.[83]

Following "Winning with Integrity," BITC established the Business Impact Review Group (BIRG) under the chairmanship of Phil Hodkinson, now Finance Director of the bank HBOS. BIRG brought together 20 leading companies which agreed to try out the indicators proposed in the Cockburn Team Report and to report on their experience of doing so after two years. The result was "Indicators that Count," published in July 2003. Asking companies to produce a Sustainability / Corporate Responsibility Report represented a significant new request from BITC of its member companies.

<table>
<tr><td colspan="3">TABLE 8 COMPANIES THAT PRODUCED "INDICATORS THAT COUNT"</td></tr>
<tr><td>BAA</td><td>BUPA</td><td>Cap Gemini EY</td></tr>
<tr><td>Carrillion</td><td>Coca-Cola GB</td><td>CIS</td></tr>
<tr><td>FLAG</td><td>GUS</td><td>HBOS</td></tr>
<tr><td>Jaguar</td><td>EDF Energy</td><td>Marks & Spencer</td></tr>
<tr><td>Nestlé</td><td>Orange</td><td>Powergen</td></tr>
<tr><td>Sainsbury</td><td>Severn Trent</td><td>Thames Water</td></tr>
<tr><td>United Utilities</td><td>Zurich Financial Services</td><td></td></tr>
</table>

The Business Impact Review Group was one of the major drivers of greater corporate responsibility reporting in the UK. Many critics of business argue the voluntary disclosure by some companies is at best only partial progress and dilutes the arguments of those seeking mandatory reporting by business of its environmental and social impacts. So far, campaigns in the British and European Parliaments for mandatory reporting have been largely unsuccessful. In a relatively rare policy stance,[84] BITC has opposed mandatory measurement and reporting, believing that a mix of marketplace, employee, and investor pressures, combined with companies' spirit of volunteerism, will produce superior results.[85] Subsequently, Hodkinson led a consultation exercise with BITC member companies to produce recommendations for a UK government review of reporting requirements. In 2006, a group of leading CR practitioners who meet under BITC co-ordination as the Integration Peer Group advised on BITC's submission to the Global Reporting Initiative for their consultation on the G3 (third generation) GRI.

Since the original work on Winning with Integrity and the Business Impact Review Group, BITC has subsequently published a Director's Guide to Corporate Responsibility Reporting (with AD Little, Camelot and HBOS, 2005); and "Taking Shape…The Future of Corporate Responsibility Communications" (with Radley Yeldar, 2007).

BENCHMARKING – HARNESSING THE COMPETITIVE SPIRIT

Implicit to "Winning with Integrity" was the idea of a Corporate Responsibility Index (CRI). In 1996, BITC's Business in the Environment (BiE) campaign had launched the BiE Index.

Today, BITC's membership surveys show that the opportunity to benchmark is one of the most valued aspects of BITC. At the time of the launch of the BiE Index though, many thought that its publication could lead to mass resignations. It was an act of leadership on the part of CEO Julia Cleverdon, the BITC board, and the Business in the Environment Leadership Team to press ahead. As with so many of BITC's innovations, it was championed by a senior business figure, in this case the BiE Chair Tony Cleaver,[86] who provided much needed protective "air-cover" for BITC with his industry peers. A dedicated swimmer, Cleaver was even known to harangue about the Index any non-participating corporate CEOs he encountered on his daily early morning swims in London's Royal Automobile Club's pool in Pall Mall. He was supported on the Business in the Environment Leadership team by business heavyweights such as David Quarmby (then Managing-Director of Sainsbury) and Derek Wanless (then CEO of National Westminster Bank).

The publication of the first BiE Index[87] was controversial, particularly as newspaper headlines emphasised "pollution." One key member company implied that their share price had been negatively impacted by the Index. There was even talk of FTSE 100 chairmen closing ranks against BiE and boycotting any future surveys. With perseverance and improvements to its methodology, and with the appointment of KPMG as independent auditors for the process, member companies came to accept that the Index was a useful management tool and that publication of the BiE Index as an effective league table of corporate environmental performance had sounded a much needed and timely wake-up call in the UK's boardrooms.

Now the plan was to build on the experience with the BiE Index and invite companies voluntarily to benchmark against their peers in terms of how far they were integrating a genuine commitment to responsible business in to their purpose and strategy. Based on the BiE model, the first CRI listed the top 100 performing companies in five quintiles, each quintile listed in alphabetical order. Imagine the horror when reports of the publication of the first Index on BBC Radio News described Reuters and WH Smith (the last in the alphabetical listing of the fifth quintile) as the worst companies in Britain. Despite this gross misreporting and fall-out from the negative publicity, the CRI is now published as "Companies that Count" in a special supplement of *The Sunday Times*.[88] Along with benchmarking exercises for BITC's diversity campaigns, Opportunity Now and Race for Opportunity, there is now a stable of indexes helping companies to integrate their commitment to responsible business. In 1996, 73 companies completed the BiE Index. In 2006, 829 organisations took part in Business in the Community benchmarking activities (BiE, CR Index, RFO, Opportunity Now).

Benchmarking has also extended to higher education with a pilot "Universities that Count" survey in 2007 involving 25 higher education institutions completing either the full CRI or the Environmental Index; and also separately to UK football clubs with "Clubs that Count" through which participating football clubs benchmark their community engagement. The challenge now for the main CRI is to ensure that the leading companies continue to be stretched and supported on a continuing journey to more responsible business.

KEEPING THE AGENDA REFRESHED

Winning with Integrity and the Indexes are two examples of the way BITC has tried to keep the agenda fresh for member companies and other businesses. Earlier thought-leadership exercises included Directions for the Nineties (see pages 26-28) and, during 1993-94, "Work in Society." Box 6 describes the latter campaign.

BOX 6 WORK IN SOCIETY (WINS)

WINS was an hour-long presentation of global trends and what they meant for business and society. It stressed the inextricable link between improving international competitiveness and social inclusion. A theme for the presentation was, "What happens to society matters to business but also, what happens to business matters to society."

The idea for what became WINS began with a conference which HRH The Prince of Wales hosted for all his major charities in Autumn 1992. The then Permanent Secretary at the Department of Employment Geoffrey Holland analysed future employment trends. In response, the Prince asked his charities to consider the implications for their own work. BITC took on the responsibility of developing the analysis. It brought together experts from Shell scenario-planners, McKinsey, and other member companies. The resulting WINS presentation was delivered by the author on 300+ occasions to a wide variety of audiences. These included prominent politicians, the boards of member companies, the annual conference of Chief Constables, local authority CEOs, and conferences of long-term unemployed in Teesside, Merseyside, and Northern Ireland.

More recently, the then BITC Chairman David Varney produced "The Perfect Storm" (2002) using the title of a popular movie of the time. In "The Perfect Storm," Varney warned his fellow business leaders that in the aftermath of WorldCom, Enron, and other international business scandals, expectations of business were growing massively around the world, whilst perceptions of performance were declining dramatically – a point subsequently confirmed by the Canadian-based polling organisation Globescan in their annual surveys of international public opinion.[89] For BITC's twentieth anniversary, the former editor of *The Financial Times*, Richard Lambert, attended a series of Anniversary Dialogues and then produced his Lambert Commentary summarising what he believed that BITC and the corporate responsibility agenda had achieved. Lambert had memorably advised BITC at the 2000 Awards for Excellence dinner that it was time to "kick the tyres," in other words, to check on the substance of companies' commitments. In part, his Commentary reviewed how robust the tyres had become.

Now, in 2007, a group of business leaders led by Amelia Fawcett from Morgan Stanley are looking at what should be a responsible business approach to the workplace and plan a thought-leadership exercise which brings together previous work on diversity with new thinking around building a learning organisation and creating a culture that encourages employees to give their best.

TOWARDS RESPONSIBLE BUSINESSS

All too often, businesses have treated corporate responsibility as a *bolt-on* to business operations rather than as *built-in* to business purpose and strategy.[90] The development of the

Corporate Responsibility Index and the detailed CRI questionnaire that participating companies have to complete each year effectively summarised those steps which BITC considers to be essential elements for a business which wants to integrate corporate responsibility. Through a somewhat ad-hoc mixture of awards, CRI results, conferences, and how-to guides on individual aspects of responsible business, BITC has tried in recent years to flesh out the guidance it gives to member companies, as shown in Table 9.

TABLE 9 KEY BITC GUIDANCE DOCUMENTS

ASPECT OF CR	BITC GUIDANCE
Developing business case	*The Business Case for Corporate Responsibility, ADL and BITC,* 2003
Guidance for company boards	*Rewarding Virtue: Effective Board Action on Corporate Responsibility,* 2005
Integrating into Marketplace	*Responsible Marketplace Principles,* 2006
Measurement and Reporting	*A Director's Guide to Corporate Responsibility Reporting,* 2005
Stakeholder Engagement	*Taking Shape – The future of Corporate Responsibility Communications, with Radley Yeldar,* 2007
Management framework	*Winning with Integrity,* 2000

In turn, BITC guidance has led to a professionalisation of the corporate responsibility and sustainability function in many companies, which has also been supported by organisations such as the Corporate Responsibility Group (CRG), an association of individual CR directors of leading companies formed in 1987.

GOING INTERNATIONAL

In his "Twentieth Anniversary Commentary," Richard Lambert (now Director-General of the Confederation of British Industries) identified the impact of globalisation for BITC and its member companies. As previously noted, BITC had never been immune from overseas influences, dating back to the original Sunningdale Conference which inspired BITC's creation. Social innovations BITC has imported to the UK from abroad include:

• Lowell One-Town Partnership inspiring Halifax One-Town Partnership

• Boston Compact as the model for the East London Education Business Partnership and the EBPs and the Training and Enterprise Councils

• New York CARES inspiring BITC's UK CARES movement

• Gifts in Kind – also from the US (the UK organisation is now known as "InKind Direct")[91]

Equally, from the mid 1980s onwards, the exchange of social innovations has became a two-way street with overseas visitors seeking to learn from BITC and the British experience. In 1985, Swedes advising Per Gyllenhammar of Volvo studied BITC and the early local enterprise agencies. This led to the creation of Swedish "Jobs and Society" which has developed a Swedish network of over 90 business-led local enterprise agencies.[92]

There were to be (abortive) attempts to start a Business in Community in each of the Australian states in the late 1980s (largely focussing on the enterprise agency and Information Technology Centre models from the UK).[93] Weeks after the fall of the Berlin Wall, and against the advice of the British Foreign Office which feared failure, BITC led by Prince Charles hosted a gathering of international business leaders in Charleston, South Carolina. This Charleston meeting gave birth to what was first called the International Business in the Community but quickly became The Prince of Wales International Business Leaders Forum, and then simply International Business Leaders Forum (IBLF). Charleston had been masterminded by Robert Davies, then BITC's deputy CEO, who quickly became the founding CEO of IBLF. Under Davies's visionary leadership, the IBLF developed a series of innovative business-community partnerships and influenced core business behaviour and showed how business can contribute through social investments and contributions to better public policy formulation.[94] Davies's untimely early death in August 2007 robbed the corporate responsibility movement globally of one of its most talented and entrepreneurial figures.[95]

BITC was slower off the mark when the then President of the European Commission, Jacques Delors, called on European business leaders in 1993 to play a more prominent role in tackling social exclusion across the EU. The resulting organisation, the European Business Network for Social Inclusion, now known as CSR Europe, included many of BITC's core member companies. The original UK partner, however, was not BITC but the London Enterprise Agency LEntA. Only in 1999 did BITC take over as UK national partner. One might argue, as some continental European colleagues have done, that BITC attitudes and engagement with CSR Europe rather mirrors the UK's general schizophrenia when it comes to matters European![96] Similarly, the board of BITC rejected an invitation to become the UK chapter for the UN Global Compact in 2006.

In fact, the BITC board had been clear back in 1990 that whilst it recognised the relevance and importance of promoting responsible business engagement internationally, it did not want to distract the organisation from the continuing challenges of doing this well in the UK, hence the decision to create a separate organisation: IBLF. For the nineties, this division of labour worked reasonably well. Individual BITC staffers were occasionally invited to speak at conferences or help out overseas, sometimes through IBLF or through the encouragement of a member company. Thus, BITC can, for example, claim a hand in the conversion, masterminded by IBLF, of a former Russian Red Army barracks in Kesckemet, Hungary, into small business incubator units, modelled on similar managed workspaces developed with a number of member companies in the UK during the 1980s. It also played a role in mentoring a small business loan fund for young people in Israel. Often unknown to BITC, its publications popped up in translation around the world: the Business in the Environment DIY Guide was published in Mandarin; the Two-Way Street report into strengthening links between business and the voluntary and community sectors was translated into Spanish in Argentina (and was quoted back to this author who had also co-written Two-Way Street, at a meeting in Buenos Aries by an Argentinian NGO leader unfamiliar with the original source!).

As privatisation, liberalisation, and globalisation gathered paced through the 1990s and beyond, more and more of BITC's member companies spread their operations internationally and began to expect that BITC could advise on corporate responsibility issues elsewhere – or at least would be able to make introductions to similar organisations in other parts of the world. Take one of BITC's oldest members and BITC Company of the Year 2007, BT. When BT was privatised in 1984, it had been a monopoly provider of fixed land-lines in the UK only. Today, it provides a range of telephony solutions in 170 countries on six continents. Similarly, today 20% of BITC's membership invoices are paid or approved outside of the UK as ownership of more British headquartered companies such as Abbey National or BAA has passed overseas.

On an ad hoc basis, BITC has helped in the creation or expansion of business-led corporate responsibility coalitions in several other countries such as Business in the Community Ireland, the Australian Business Community Network, and Fundacion Empresa y Sociedad in Spain. Working in partnership with IBLF, BITC also created the ENGAGE Network (formerly CECILE) with a number of leading international businesses such as Citigroup and KPMG to support employee volunteering first across Europe and now further afield.

Individual BITC staff members have spoken and advised in almost 60 countries[97] around the globe from Australia to Zimbabwe and including Serbia, Kazakhstan, and South Korea as well as China, Japan, Russia, Brazil, and India. They have provided input to companies' activities in the area of employee volunteering or responsible business more broadly. How best to support member companies in integrating their commitments to sustainability and corporate responsibility wherever they do business, and how best to learn from and share learning with other business-led coalitions around the world, is a new challenge for BITC's second quarter-century.

WILL IT TAKE ANOTHER RIOT?

In May 2007, 400 business leaders and community/NGO partners gathered in a central London hotel for two days for a European Responsible Business Summit co-hosted by BITC and the corporate responsibility magazine "Ethical Corporation." Amongst the keynote speakers was the long-time BITC supporter and inspirer, Richard Lambert. He had been invited to address the summit on the key forward challenges for business and society. He highlighted the continuing challenge for the UK of the large numbers of unskilled workers. He quoted a businessman he had recently met who had said, "It is easier to recruit from Poland than it is from the backstreets of Batley [a poor, northern English town]."

For individual businesses that may be so. But as Richard Lambert emphasised, ignoring the needs of Britain's poor is not an option for UK plc. Large numbers of unskilled, alienated young people is a recipe for unrest and violence. Twenty-five years on from the start of Business in the Community much has been achieved, but there is so much still to do.

PART THREE:
LEARNING FROM BUSINESS IN THE COMMUNITY

I. BITC IMPACTS[98]

BITC is more than aware that whilst members have made significant progress in tackling social issues, there is still much more to be done. And whilst BITC and others discuss impacts, finding mechanisms to measure impacts is still one of the most challenging activities in which it is engaged. Ironically this applies most particularly to the area of its genesis – community.

Whilst it is possible to provide hard numbers – companies in membership, budgets, participants in Indices are a few of the measures commonly used – it is much harder accurately to assess impact. Perhaps, impact is best summed up in two interviewees' comments, one an influential adviser to the Blair / Brown Government and another an adviser to the Conservative Opposition Leader David Cameron. Both these people have known BITC for a decade or more. One said of BITC: "it has made it socially acceptable for business leaders to admit corporate responsibility is important….allowing private belief to become public...without BITC it is unlikely that the agenda would have been taken up so broadly by so many companies." The other said of BITC that it is: "the largest and most influential and visible of all the corporate responsibility groups…its strengths are the relentlessness of the agenda-setting…BITC has helped to institutionalise and mainstream the practice of corporate responsibility and created a concensus and expectation for it." Many share the view that BITC's great success has been in making responsible business mainstream; getting influential business leaders personally involved and keeping them involved. In doing so, it has created a range of campaigning techniques for engaging business and a practical menu of things for businesses (and for individual business-people) to do, whether they are experienced or just starting out.

BITC has been the catalyst to create or take broadscale a whole range of organisations and corporate responsibility activities such as the Employers' Forum on Disability; the International Business Leaders' Forum; employee volunteering; the idea of businesses voluntarily benchmarking their performance through the Corporate Responsibility Index; and encouraging companies regularly to measure and report on their environmental and social impacts:. In the UK, for example, 90% of the top companies now regularly report.

TABLE 10 BITC IMPACTS

IMPACT ON	EXAMPLE
Individual business leaders	More than 5000 have participated in HRH The Prince of Wales "Seeing is Believing" programme visits and report-backs; 7000 business leaders have been twinned for two-way mentoring with school head teachers (principals); at any one time, more than 500 top business leaders are providing strategic direction through membership of BITC boards, leadership teams and as speakers at BITC events
Individual businesses	Several hundred companies now have the BITC Big Tick Award for excellence in Responsible Business[99]
Business world in UK / internationally	Institutionalised concept of corporate responsibility; promoted corporate responsibility reporting by companies as a management and communications exercise
NGOs / voluntary and community sector – (what / how they operate and capacity)	Started In-Kind Direct; Employers' Forum on Disability; Teach First; established concept of "community and social entrepreneurs" and helped build all-party support for them. Nearly a quarter of all UK head-teachers have had a business mentor through the BITC-led "Partners in Leadership" Programme
Government / government policy / delivery of public services (e.g. convening power to get business collectively involved; e.g. influencing thinking of civil servants)	Created the expectation of cross-sectoral partnerships as integral to delivery of social policy and worked with local, regional, and national governments irrespective of political persuasion.
Management education (thinking about role of business in society and how it operates vis-à-vis other aspects of society)	Report for BP 1995 on how to introduce corporate responsibility into business schools which led to BP-supported Centre for Corporate Citizenship at Warwick Business School and to early work which led to the creation of the European Academy for Business in Society (EABIS) which brings together leading European business schools and multinational businesses interested in improving research and teaching of Corporate Responsibility (www.eabis.org).
Specific localities	Halifax One-Town Partnership for the regeneration of the former mill-town – a model subsequently replicated in a dozen other locations and which encouraged the British government to engage business leaders in local regeneration through Training & Enterprise Councils, Business Links, Regional Development Agencies; Bridge-building cross-communities Northern Ireland – vehicle for younger generation of business-people to participate in civic life 1990s in non-political way
Specific social and environmental issues	Affordable housing in rural areas; support for community entrepreneurs; Opportunity Now and Race for Opportunity campaigns enabled organisations to benchmark and improve their performance on gender and racial diversity
CR coalitions elsewhere	Inspiration for FES Spain, BITC Ireland. Support for employee volunteering around the world through ENGAGE; created the International Business Leaders Forum (IBLF)

II. CRITICAL SUCCESS FACTORS

Arguably, BITC has been most successful when it has applied five critical success factors. These are:

Leadership – BITC has relentlessly pursued the current top business leaders. CEOs and main board directors of FTSE100 companies head its board and all its campaign leadership teams.

Apprenticeship – developing a series of tools based on effective brokerage to engage business. Even some of BITC's critics acknowledge its intense, eclectic networking.

Showmanship – in the style and content of BITC events, but also its formal and informal media partnerships.

Entrepreneurship – like the businesses it is seeking to inspire, BITC has always been opportunistic in spotting and filling gaps, pulling together resources from many disparate places, and being prepared to experiment and take successful examples like the benchmarking Indices and spread them quickly.

Partnership – working variously with national charities, local community and voluntary organisations, governments at local and national level, and international institutions like the European Union.

By far the most significant of these has been leadership.

LEADERSHIP

BITC has always enjoyed the active engagement of top, current business leaders. It has been "the club to belong to." Each area of BITC work, region, and campaign has a business leadership team in charge. Membership of the BITC board and of leadership teams has been at the level of company chairmen, CEOs, and main board members of FTSE 100. Strategic direction has come from the top of companies rather than been confined to the CSR function. The continuing ability to attract and retain the most senior levels of business leadership has been crucial. One top marketing guru argues that BITC has made it "socially acceptable for business leaders to admit it [corporate responsibility] is important," and created agendas for action.

One aspect of continuing to engage top, current business leaders has been leadership to set the agenda and move the debate about business and society forward. This has included a series of ground-breaking initiatives such as BITC's Race for Opportunity (RFO) campaign, the Business Impact Review Group which encouraged more companies to measure and report on their environmental and social impacts, and the subsequent work to launch the Corporate Responsibility Index (CRI). This has also included periodic "thought-leadership" exercises to consult on and then suggest a forward agenda such as Directions for the Nineties (1991),

Work in Society (1994), Perfect Storm (2002), and the Lambert Commentary for BITC's 20th Anniversary in 2002. Most recently, thought-leadership has been exercised in the development of the Responsible Business Marketplace Principles and now in a new Responsible Business in the Workplace Leadership Team.

The engagement of top, current business leaders has also enabled BITC to take a leadership role as an authoritative, independent third-party endorser of good practice in responsible business, for example through the annual Awards for Excellence which are independently judged and verified and through the increasing role in benchmarking, particularly the Corporate Responsibility Index as well as the earlier Business in the Environment (BiE) Index and benchmarking by BITC's Race and Gender equality campaigns.

BITC has also benefited from strong executive leadership with just two CEOs in 25 years, Stephen O'Brien (1982-1992) and Julia Cleverdon (since 1992) The charisma and convening power of these two CEOs and specifically their phenomenal "people-tracking" and networking skills have complemented the skills and experience of the eight chairmen who have led the organisation: Sir Alastair Pilkington (Pilkingtons), Lord Robert Carr (Prudential), Sir (now Lord) Hector Laing (United Biscuits),[100] Sir Neil Shaw (Tate and Lyle), Sir (now Lord) Allen Sheppard (Grand Metropolitan), Sir Peter Davis (Prudential),[101] Sir David Varney (O2), and Sir Mike Rake (KPMG).[102] The two CEOs, Stephen O'Brien and Julia Cleverdon, have also been able to work very closely with BITC's only president: HRH The Prince of Wales (1985 onwards).

BOX 7 THE ROLE OF HRH THE PRINCE OF WALES

Prince Charles became President of BITC in 1985 and over the 22 years since has undertaken more than 350 engagements for BITC. These have included taking more than 30 "report-backs" from Seeing is Believing and leading visits to community projects across the UK. His memos to BITC chairmen and to BITC CEOs Stephen O'Brien and Julia Cleverdon identifying new issues and spotting potential synergies and opportunities to advance responsible business have become a regular part of BITC life. He personally promoted the rural regeneration leadership team at the time of Britain's foot and mouth disease crisis in farming. His early and persistent identification of climate change has been globally recognised. In the early years before the concept of responsible business was widely known he was particularly crucial in opening doors. Today, his own widespread networks and experience ensure new issues and potential synergies are constantly being explored.[103]

A further, recent extension of leadership has been the creation of regional and national "Prince of Wales Ambassadors" for BITC, appointed annually and announced at the relevant regional Awards for Excellence dinner.[104] Over time, the kudos and unspoken expectations of the role that these ambassadors will fill is rising.

APPRENTICEHIP: THE PRACTICAL SKILLS TO MAKE THINGS HAPPEN

BITC, and the Action Resource Centre before it, which BITC subsumed in 1995, have operated as credible, honest brokers between business and society. Effective brokerage[105] has been at the heart of delivery. It is easier to be this broker if the organisation and its staff are able to relate to and empathise with business. Hence the stated purpose of the organisation,

"To inspire, engage, support, and challenge companies to continually improve the impact they have on society." The BITC philosophy has been to inspire rather than to bludgeon, to "name and fame" through the annual Awards for Excellence, for example. A further aspect of brokerage is being able to talk simultaneously at the level of the FTSE 100 board and community activist and grassroots organizations, and where necessary, translate between.

Another element of apprenticeship has been having a range of concrete community issues for companies to get involved with: a menu for people at different levels in a business (CEOs to front-line staff) and for different business functions (marketing, purchasing, HR). This also extended to developing menus of action for particular business sectors such as "Comm.unity" (to engage the IT sector) and "ProHelp" (to broker pro-bono help into the community from professional firms). A crucial aspect of BITC has been the simultaneous emphasis on individual and collective business action. Providing a safe place for businesses (often fierce commercial competitors) to meet and discuss collective business responses has also been important.

Intense, inveterate networking – putting people in touch with useful contacts – is part of the BITC corporate culture and this fits well with prevailing British business culture. Significantly, when the then BITC Chairman David Varney persuaded a top American strategy consultant Richard Poston to advise BITC, Poston presented the BITC management team with a business school case-study about Tupperware whose enduring global success has been based on selling through personal contact and networks! Even some of BITC's critics acknowledge its intense, eclectic networking which seems in BITC's DNA and something which staff seem hard-wired to deliver.

SHOWMANSHIP

BITC has had a number of successful media partnerships over the years. These have included the (London) *Evening Standard*[106] which published a series of full-page articles by corporate CEOs on different aspects of corporate responsibility, brokered by BITC, over an 18-month period in 1992-3, annual BITC supplements in *The Financial Times*, and Granada TV's[107] Community Challenge to five major companies in the North-West of England each to adopt a local community and together fulfill a community development goal. BITC's annual Awards for Excellence are run in partnership with *The Financial Times*. "Companies that Count" is an annual supplement on the Corporate Responsibility Index which is published in the leading Sunday broadsheet newspaper, *The Sunday Times*.[108] The Giving List with data from BITC's Per Cent Club is published annually in *The Guardian*.

Showmanship is also about the creativity of events to keep BITC fresh for long-serving member companies and individuals and celebrating success. In the words of one top business leader, "BITC is now probably the best events organiser in London."[109] The PR guru Tim Bell[110] in 1990 told BITC it had to create the "Oscars of Responsible Business." Arguably this happened when BITC started holding the Awards for Excellence in the Royal Albert Hall. The 2007 Awards involved former Vice-President Al Gore; HRH The Prince of Wales; Lionel

Barber editor of *The Financial Times*, nine Permanent Secretaries of key government departments, and 1800 business leaders. Creativity is in the venues used such as holding the Fifteenth Anniversary of "Seeing is Believing" in an old Nineteenth Century Music Hall – Wiltons – which is now being restored by enthusiasts. Creativity also in the format of events, for example "Conversations" with top business leaders in the British Museum as described below in Box 8. The quality and originality of BITC events have been masterminded for more than a decade by BITC's Communications Director, Gail Greengross.

BOX 8 CONVERSATIONS AT THE BRITISH MUSEUM

Conversations have involved several different business leaders including Niall Fitzgerald (Chairman of Reuters and previously CEO of Unilever), Sir Martin Sorrell (WPP), and Lord Browne (BP). Each session involved a CEO choosing examples from the British Museum collection to illustrate his chosen themes of business responsibility. Niall Fitzgerald chose African artefacts to make the business case for business engagement in Africa. John Browne used museum exhibits from Venice to tell the story of Venice and lessons for sustainability, memorably asking why Venetian power waned and concluding that it was when the merchant class grew complacent and stopped asking, "What is the news on the Rialto?" In other words, when a business, organisation, or society stops being interested in learning, progress, and finding better ways of doing things, it goes into decline. Richard Lambert has moderated each conversation.

Showmanship is also demonstrated in the way that BITC has relied on story-telling over the years to communicate its key ideas and messages. It is probably no coincidence that the BITC CEO Julia Cleverdon has been such a popular presenter on platforms like "Fifty Lessons" where business leaders describe significant incidents in their careers and then draw out the lessons they gained from the incident.[111] In the words of one commentator, "Julia is one of nature's story-tellers. She has been able to engage even business leaders who are normally numbers-driven to their back teeth!"

ENTREPENEURSHIP

BITC has spotted and exploited opportunities. One of its greatest skills has been picking up issues early on, putting them on the boardroom table, and helping to make them mainstream. BITC's most successful initiatives did not start out as national programmes but as specific practical examples and projects. Subsequently, some of these were taken broadscale, for example, the St Helens Community Trust which became a national network of 300+ local enterprise agencies. The East London Education-Business Partnership became a national network of (in their heyday, some 300) such partnerships. The Halifax One-Town Partnership (modelled on the example of Lowell, Massachussetts) led to some 12 other public-private-community city partnerships. BITC learnt from New York City CARES and developed more than 30 local CARES projects around the UK to encourage employee volunteering. In turn this has now been exported to Australia, with Melbourne CARES.[112]

A further manifestation of this entrepreneurship is the ability to spot, tap, and harness individual business leaders' passions – e.g. international banker John Studinski's commitment to homelessness which led to him chairing BITC's Business Action on Homelessness. In order to do this, BITC has used the "Tupperware" Principle: persuading current supporters to draw

in the next generation of business leaders. This has involved an appeal to hearts and minds, as in The Prince of Wales "Seeing is Believing" programme (SIB).

Entrepreneurship has also been about assembling a range of resources to develop practical solutions for identified social problems such as affordable rural housing. In the early 1990s, for example, BITC's work with community entrepreneurs revealed a funding gap which led to BITC creating the Local Investment Fund (LIF) to offer an early alternative to grant-funding for community organisations. This concept was subsequently taken up and replicated by government.

BITC has also played to the competitive instincts of entrepreneurial businesses with the Awards for Excellence and the various benchmarking Indexes. Companies strive to improve their rankings. When Marks & Spencer was chosen by independent judges as BITC's Company of the Year for the second time in three years, the company took out full-page advertisements to celebrate the recognition[113] – and use it to evidence the centrality of its commitment to corporate responsibility as part of its corporate brand values.

PARTNERSHIP

BITC has not been about business replacing the public or voluntary sectors – the emphasis has more been on cross-sectoral partnerships. Corporate responsibility is not associated with any one political party or tradition. It is for all seasons. BITC has worked to achieve all-party engagement and active involvement with successive governments. This has included helping to (i) shape government ideas (Business Link, Compact, Training and Enterprise Councils); (ii) implement government policies (such as the New Deal and initiatives to tackle social exclusion) and (iii) take BITC programmes broadscale through public funding and support e.g. "Right to Read" to Literacy Hour; and "Partners in Leadership" (to provide mentors between business leaders and high school head teachers). Thus, BITC worked with the Thatcher Government whilst simultaneously helping miners' wives' support groups during the miners' strike (1984-5) and worked with local government of all colours (a number of the 1980s-early 1990s local authority contacts of BITC became Blair government ministers). BITC has assisted successive governments: former Managing-Director Peter Davies undertook a review of the effectiveness of Education Business Partnership (EBP)s for the Government. This author chaired the national taskforce to establish the Business Link network and subsequently chaired the government's Business Link Accreditation Board. A previous BITC Chairman, Sir Peter Davis, chaired the government's New Deal Taskforce and several members from BITC assisted the Prime Minister's Social Exclusion Unit. BITC board members have led a number of government reviews including the Russell Commission on volunteering amongst young people, the Leitch Skills Review, and the Wanless Reviews of Health. Julia Cleverdon is now chairing a taskorce for the new Prime Minister Gordon Brown to engage more businesses with schools. BITC's retiring chairman, Sir Mike Rake, is leading the Government's new Commission for Employment and Skills.

As depicted in Box 8, all five critical success factors can be seen at work in the implementation of successful BITC campaigns. Some of these campaigns have focussed on increasing the quality and extent of business involvement in the community such as Business Action on Education and campaigns on various aspects of regeneration (including earlier leadership teams on economic development and engaging more small and medium size businesses in the community). Other BITC campaigns have focussed on core business operations such as environmental impacts or most recently campaigns to persuade businesses to adopt responsible marketing principles.

BOX 9 BITC CAMPAIGNS

< From initial awareness--Widespread acceptance >

Business in the Community campaigns have been central to the success of the organisation over the last 25 years. Some of the key learning points include:

Purpose
Campaigns aim to create a lasting change in an aspect of business practice. The aim is to improve the positive impact of business on society. They are the means by which BITC delivers its mission to inspire, engage, support, and challenge.

Principles – Campaigns must be:
1 business-led, not staff-led or government-led
2 business-funded, attracting core business funding that can leverage government funds. The McKinsey report on BITC[114] (1994) identified the willingness of business to invest as the critical acid test of business need
3 based on a business case of clear business benefits
4 self financing businesses that make at least a 5% pa surplus averaged over the 3 year cycle
5 time limited with exit strategies,even if the strategy is to establish a long-term campaign brand

Evolution and renewal of a campaign

1 **Identifying an issue for business** – may be triggered by a suggestion from HRH The Prince of Wales or board discussion or a challenge from government or third sector, or it may start as a result of discussion on (say) a Seeing is Believing visit

2 **Scoping what the issue means for business, potential solutions, and possible business contributions, research partners, public and private partners, businesses, and business people already interested.** At this stage, it is important to build key partnerships with public and NGO sectors and involve them in the leadership team where appropriate since their involvement will be often critical to providing the inspiration, basis for funding bids, and for long term exit strategies

3 **Making the business case – building the hard evidence from practical examples** – Identify a research partner who can establish benchmarks and plan regular research to measure progress. Many consultancies will be keen to offer pro bono support to build relations with business leadership

4 **Building leadership – finding and recruiting business leaders.** As with organisations, the leadership style effective in the early stages of a campaign may not be best suited to a mature campaign or one being refreshed. The campaign leaders – the business leaders who are passionate – are critical. This tends to be based on personal commitment or business interests. Campaigns must directly engage these leaders and while it may be necessary to go through intermediaries in the business, direct engagement is critical to success. Get to know the personal assistant (PA) – plan into their diary, link to speaking engagements or business visits, and use the address book. The relationship between Campaign chair and Campaign director should ideally be like the champion ice-skating couple "Torvil and Dean." Campaigns should be fun for business leaders too with inspirational opportunities. Avoid becoming involved in the routine. Campaigns need to know how to run great parties and use the BITC tupperware model for engaging more businesses and more business leaders.

5 **Promoting the agenda for action – involving both actions for individual businesses to adopt and the agenda for collective business action** – Use Seeing is Believing – the most powerful engagement tool at all points in the development of the campaign. It can also be used at Step 4 to build the leadership team, engage business on the issue, and later to communicate impact to a wider business audience. Create a web resource – it will act as a focal point and reference point for companies you want to engage. Make sure it is full of leadership company endorsement and case studies which can be used in the media and in speeches. Use the companies to host "open door" sessions.

6 **Learning from early adopters, refining the agenda in the light of their experience and promoting refined agenda to a more broadscale audience** – Work with BITC Account managers because they know the members best, but make life easy for them. Provide brief, regular updates, join with them in meetings with key target companies, and keep them involved when you have engaged their company. Products and services campaigns go through a cycle of development, moving from awareness-raising through to service provision in providing the business solutions developed by the campaign. Be clear about how these are to be delivered in the long term.

7 **Show-casing and reporting results and using these to renew the campaign.** Case studies are best generated through awards such as BITC Awards for Excellence which are externally assessed. Award winners may be the initial step prompting a campaign, help to scope what is possible, and contribute to the business case as well as the agenda for action. Awards also provide critical profile. Enlist media partners and make campaign leaders the spokespeople. A partnership with a specific media outlet can make an impact although it can also limit wider coverage by other media. Make sure all the relevant trade/specialist/CR press are briefed and know the campaign team personally. Some campaigns work best on the "slimming club" model: companies join as a commitment to improve, regularly measure progress against each other, and share what has worked with each other – the BITC version of weight-watchers! Business leaders will want to be focused on measuring and reporting campaign success from the outset, so make sure this is clearly established. In implementing these Seven Steps, BITC has applied its five critical success factors. It can now also use a "toolkit" of different techniques and devices which help to shape the campaign.

EXPERIENCE IN PRACTICE

A number of BITC staff suggest that the organisation has often been more effective on the early steps and has been weaker on refining the agenda for broadscale adaptation and renewing campaigns: on identifying the point on the Sigmoid Curve: X rather than Y when renewal is needed.

The Sigmoid Curve
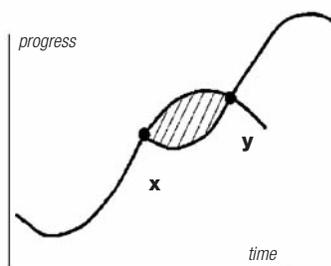
Source: The substance of this box is a summary of campaigning lessons prepared by Peter Davies, Managing Director of BITC 1996-2005.

III. CRITICISMS OF BITC AND CORPORATE RESPONSIBILITY IN THE UK

Inevitably, in 25 years, BITC has not always got it right: sometimes it was the right idea but the wrong time, sometimes the right idea but insufficiently resourced, and sometimes it just did not grab the opportunity. Some things that BITC is now criticised for not having done are clearly comments made with the benefit of hindsight. Some are items which campaigners wish *some* organisation might have picked up, and in this case, the criticism is directed at the responsible business movement generally rather than BITC in particular. Neverthess, one of BITC's former chairmen used to say, "Study your failures, you can often learn more from them than from your successes." BITC needs to do both if it is to maximise its positive impacts in the years ahead.

SLOW TO SPOT THE NEW ISSUES

The weakness most consistently mentioned is that in recent years, as the organisation has grown in size, campaigns have become more established, and BITC has become more of a delivery organisation, the "fleetness of foot" has declined. It has been less able to spot the next topical waves. BITC, for example, has come relatively late to the climate change agenda, even though the BITC President HRH The Prince of Wales had been speaking out on the issue for a long time. Nor has the organisation yet been able to produce a coherent overall business agenda on diversity despite many of its member companies, such as the international investment banks, leading the way.

Similarly, the organisation lagged leading members in moving from corporate community involvement to corporate social responsibility. Some communications specialists argue that the continuing existence of programmes like the Per Cent Club and association with newspaper supplements such as "The Giving Age" perpetuates mixed messages about whether the focus is on the community activities of business or on the broader issue of how business conducts its overall activities in an ethical and responsible way. Indeed, one leading change-maker interviewed for this report argued that BITC needs a brand make-over: "Look at everything: name, look, feel, ways of working, programmes!"

Paradoxically, if BITC has not always been fast enough to identify new issues, another criticism over the years has been that it was often too quick to start new initiatives at the expense of not sticking with existing programmes and taking them to scale. In the words of one current board member, "BITC is good at starting things but poor at finishing."

"FIG-LEAF" FOR BUSINESS – EXCUSING POOR BUSINESS BEHAVIOUR

This leads to a linked criticism that sometimes membership of BITC can be seen as a fig-leaf for some companies who are really doing very little to minimise their negative environmental and social impacts and maximise their positive impacts. This is part of a wider argument from critics of corporate responsibility, namely that whilst some individual companies may be genuinely pursuing ethical and sustainable business practices, business generally is not doing so and, therefore, there needs to be more regulation at the national and international levels.[115]

For proponents of this view, organisations like BITC which are seen as "cheer-leaders" for CR are muddying the waters and diluting efforts for broader compulsory measures. For some companies, participation in a BITC campaign may have been a relatively easy "bolt-on" to operations rather than being "built-in" to their purpose and strategy. In part, this is the price to be paid for being a "broad church" and having "everyone who is anyone" in membership. Nevertheless, the most recent BITC membership surveys suggest that amongst the leading companies the complaint is that BITC does not challenge them enough.

POOR INSTITUTIONAL MEMORY

BITC has had a patchy record at tracking and codifying its learning, at least until now. Some argue that some of the other business-led responsible business coalitions like BSR, IBLF and WBCSD have done better at thought-leadership and codifying good practice. One aspect would be that BITC has not fully exploited the richness of the raw data it has from The Prince of Wales Seeing is Believing Visit Reports, for example, and the annual returns for the Corporate Responsibility Index and submissions for the annual Awards for Excellence. Certainly these data represent a substantial research resource.

Additionally, as one senior, former government policy adviser observed, whilst BITC has contributed to the development and implemenation of a range of specific government policies in both the Thatcher-Major and the Blair-Brown eras, it has not helped to translate this social innovation into lessons for broadscale public policy reforms.[116] In fairness, this same interviewee conceded that this has also been a failing of successive governments themselves as well. There has been little, consistent attempt within government to implement I.D.E.A: **I**dentify good practice; **D**isseminate; **E**xperiment in different circumstances; **A**pply refined learning broadcsale.

MIXED RECORD ON PARTNERSHIPS

Although partnership was listed as one of the critical success factors for BITC, there has been a mixed track-record on partnership-working, particularly with some of the charity and front-line community partners. Some argue that BITC may be culturally too competitive to make a natural partner. Indeed, examples have been cited – hardly surprising with such a large organisation over a 25 year period – of where one or even several of the five critical success factors were missing or where a too-intense focus on one factor such as engaging current top business leadership alienated other partners.

Amongst other failures and weaknesses quoted:

- BITC's organisational structure had many of the problems commonly found in small businesses: it was slow to establish processes to manage growth in its human resources, financial controls, and impact measurement.

- BITC has not tracked and involved the rising star civil servants (or perhaps voluntary and community sector rising stars as well) as effectively as it has done with the rising stars in business. It could be argued that Common Purpose,[117] started by another Industrial Society

alumni Julia Middleton, has played this role not just in tracking but also in capacity-building for working across the sectors (business, public, and third sectors). Perhaps, therefore, the issue is more one of how to build better connections between BITC and Common Purpose?

- BITC has not always engaged effectively with the corporate responsibility professionals in businesses. One of the downsides of focussing so strongly on CEOs and senior directors of member companies has been that the managers responsible day-to-day in the same companies have often felt side-lined or bounced into funding commitments by BITC. One experienced CR professional who has worked in several BITC member companies, says – only half in jest – that BITC word-processors are programmed only to write to CEOs and Chairmen![118] Anecdotal evidence suggests continuing frustration amongst CR professionals with BITC.

- BITC has shown limited success on thought-leadership around corporate responsibility and particularly at integrating the learning and thinking of other organisations on responsible business such as The Centre for Tomorrow's Company. Consequently, in recent years, BITC has tended to punch below its weight in the opinion columns of the quality press and has been largely invisible as a commentator in the media on business and societal trends on radio and TV. Some would argue though, that as a "good (positive) news" membership organisation which seeks to inspire rather than to bludgeon, it is inevitably harder to get media than for organisations happy to "name and shame."

- One solution to both the development of institutional memory and thought-leadership would have been to develop a close collaboration with some of the leading business schools. Although there have been periodic attempts to do this (including a conference at Highgrove in December 2002), and BITC has become an associate member of the European Academy for Business in Society (EABIS), engagement with business schools has been patchy. BITC has not persuaded member companies to include responsible business issues in specifying what they want from customised executive management programmes provided by business schools. Nor has BITC yet managed to make its data available for MBA and executive management training or to link with the academic research agenda. There are now efforts to build such links.

- There have been been some "no-go" topics such as the links between corporate responsibility and executive compensation and how commitment to responsible business should change how corporate lobbying is conducted.

- BITC was slow to embrace the Internet or – more recently - the new Web 2.0 philosophy.

- BITC has been less attractive to the (new) entrepreneurial class, and efforts to engage smaller businesses regionally and through collaborations with small business organisations such as the Small Business Consortium[119] have so far produced limited results, albeit with very limited resources available.

- Although BITC has consistently emphasised that it is a business-led organisation, it has accepted substantial public funding in recent years. Some argue that, when it has taken government funds, it has, as a result, lost entrepreneurial focus. The former chairman of

BITC member company Northern Foods, Lord Haskins, leveled this criticism in an article in *The Financial Times* in Aug 2006.[120] The danger is that public funding reduces creativity in looking for ways of engaging business. On the other hand, BITC's experience in Northern Ireland has been that pump-priming from public funds in the early years enabled the organisation to recruit talented, entrepreneurial key staff who were able to operate to scale and impact from the outset (and who by co-incidence came from each of the religious traditions in the Province).

Thus, there are substantial criticisms of BITC. However, as some critics have themselves volunteered, a number of the perceived and actual weaknesses are apparent only with the benefit of hindsight. Expectations of how business will behave and the extent of corporate responsibility is far higher today than when BITC began, thanks in no small part to the work of BITC itself.

Similarly, whilst it is now well-resourced by the standards of many community and voluntary organisations, its resources have always been very limited compared to the scale of its operations and the scale of resources available to the senior figures in business, politics, and society that BITC is seeking to influence and work with. Through sheer hard work, dedication, and entrepreneurialism, it continues to pull off events on often short lead-times that would defy many far larger organisations. Thus, although it was late coming to climate change, when it did so it was able to organise the May-Day Summit. This involved The Prince of Wales, the nine Regional Development Agencies, government ministers, and 1200 top business leaders at 12 locations across England, all linked by live satellite connection.[121]

Furthermore, many of the issues which it is criticised for not tackling are deeply intractable social issues that continue to challenge governments and civil society. As one candid friend of the organisation put it, "I recognise that when I criticise BITC for not doing things, I really mean that I wish someone, anyone would do them, and BITC is a convenient focal point for my impatience!"[122]

Another experienced CR practitioner likens the relationship with BITC to that of any long-term partnership between people: "There are highs and lows, there are arguments and differences of opinion, the relationship has to be worked at so that it can be successful with one's eyes continuously on the horizon of what together people are trying to achieve." He goes on to say, "Rome was not built in a day, and there is much to celebrate. Better to contribute positively than to carp at the work of an organisation encouraging so many businesses to make real, behavioural, strategic change, and a difference in our global village."

IV. FUTURE CHALLENGES – MAKING BITC FIT FOR FUTURE PURPOSE

BITC has to continue to improve and innovate to remain relevant, particularly to those the McKinsey Report on BITC 13 years ago described as the "sophisticates," companies with high skill and high will to be responsible businesses. BITC must be nimble in anticipating the next

topical waves – what the social philosopher Charles Handy has described as spotting the Sigmoid Curves: namely, renewing and refreshing an individual or organisation's purpose before the current activity has peaked and started to decline (see diagram page 48).

When BITC started, there was still a President of the Union of Soviet Socialist Republics (Leonid Brezhnev). It was almost a decade before the Berlin Wall was to come down or before Nelson Mandela was released from prison. The Timeline in this report shows some of the profound economic, social, political, technological – as well as business – changes that have occurred in the past quarter century. The one certainty of the next 25 years is that the pace and extent of change is likely to accelerate.[123]

Before BITC celebrates its Golden Jubilee, China may have become the world's largest economy. India may have become the most populous nation. As the Inter-Governmental Scientific Panel on Climate Change in its most recent reports has warned, without urgent global action, by 2032 there may be mass, forced migrations caused by flooding resulting from climate change. The latest UN Population Report[124] (for 2006 – published March 2007) suggests that the world population will rise from 6.7 billion today to 9 billion by 2050: growth equal to the entire world population in 1950.

We will all have our ideas of what the topical waves for responsible business and for BITC are likely to be going forward. Some obvious ones include:

1. **CLIMATE CHANGE:** both helping businesses to work out their own agenda, but also through cross-fertilising all BITC work. For example, the education team could incorporate environmental education into its agenda with business; professional firms group ProHelp could be supporting environmental community entrepreneurs; CARES might encourage environment-related employee volunteering; and a greater number of Seeing Is Believing visits might look at environmental issues. Many elements to celebrate the Silver Jubilee are focussed on developing this greater degree of "join-up" between climate change and other BITC work such as the MayDay CEOs' summit; special Awards for Excellence in 2007 on environmental impacts; and a shopping mall touring exhibition aimed at inspiring consumers of the role they can play in influencing corporate action on climate change. Further aspects could include identifying and disseminating good practice in companies on engaging their employees on the issue.

2. **DEVELOPING A SINGLE AGENDA FOR SUSTAINABILITY AND RESPONSIBLE BUSINESS:** 2007 is the 20th anniversary of the Brundtland Report on Sustainable Development and reports on Tomorrow's Global Company and from the Inter-Governmental Scientific Panel on Climate Change. Is this the opportunity to produce a single, common business agenda for sustainability and responsible business, or at least, a common terminology?

3. **DIVERSITY AND RECONCILIATION:** Developing a single diversity agenda for business might be a priority for BITC going forward. One aspect of this could be the role for business – in contributing through its own need for workforce diversity – to encourage better inter-faith / inter-cultural understanding, respect, and tolerance. BITC's new Burnley Initiative[125] led

by Allen Leighton of The Royal Mail, in collaboration with other organisations in the Prince's family of charities, is one manifestation of what this business and inter-faith dialogue might look like.[126]

4. **SUSTAINABLE SOURCING, PRODUCTION, AND CONSUMPTION AND RESPONSIBILITY FOR THE MISUSE OF BUSINESS'S PRODUCTS AND SERVICES:** How does BITC help its members to respond to heightened expectations of business globally including what responsibilities businesses have for possible misuse of products and services such as the food sector and childhood obesity and the new business action on health campaign? BITC has just developed a set of Responsible Business Marketplace Principles, emphasising also the business opportunities from being proactive as well as the risks to business of inaction.

5. **HEALTH AND WELLBEING:** will an increasing part of responsible business involve companies taking an holistic interest in their staff and staff wellbeing, health, work-life balance, stress levels, and encouraging on-going learning and development? In summer 2007, BITC launched its latest business leadership team: Business Action on Health.

6. **THE GROWING IMPORTANCE OF PRIVATE EQUITY:** BITC has traditionally focussed mainly on large publicly quoted companies, but will it need to focus more in future on other forms of ownership. What, for example, will be the implications of de-equitisation of the UK market and the mounting power, influence, and scale of private equity and its perceived lack of accountability, transparency, and responsibility? The BITC Managing-Director Stephen Howard is leading a project on Private Equity. More broadly, will we see more engaged, institutional investors as proposed in a recent book "The New Capitalists"[127] and exemplified by the Carbon Disclosure Project?[128]

7. **APPLYING RESPONSIBLE BUSINESS VALUES IN EMERGING/DEVELOPING ECONOMIES:** The report of the Tomorrow's Global Company Inquiry published June 2007 suggests a forward agenda for global businesses operating in markets around the world. The independent think-tank and consultancy SustainAbility emphasises the importance of getting more authentic voices on responsible business from the global south in its own twentieth anniversary report "Raising our Game."[129]

8. **EXECUTIVE PAY AND REWARD IN THE OVERALL CONTEXT OF BUSINESS INTEGRITY AND INCREASED SHARE HOLDER PRESSURE:** Will there be more of a link between business ethics and the responsible business agenda, and within that to executive compensation?

9. **PHILANTHROPY AND VOLUNTARISM:** Given the dramatic increase in individual wealth, will a new Golden Age of venture philanthropy and personal involvement in charities and social causes start to engage not just the super rich but a much wider cross section of society,[130] and can business be a facilitator for this engagement? Academic research is already emphasising the concept of "blended value" whereby responsible business, social enterprise, and civic entrepreneurship learn more from each other.[131]

10. **RESPONSIBLE ENTREPRENEURSHIP:**[132] Is there a role for BITC in developing the language, agenda, and routes to reach smaller firms, especially the "gazelles:" small firms with the ambition and the potential to grow fast?

More fundamentally, will BITC have to change how it operates in order to be relevant to those businesses which are increasingly looking for what BITC's Company of the Year 2004 and 2006 Marks and Spencer, calls "competitive integration?[133]

The gap between the leading businesses that are committed to the sustainability / responsibility journey and the rest is widening, and the gap is likely to grow still larger. When the territory was just corporate community involvement (CCI), the business impact of a well-run (as opposed to a pedestrian or non-existent CCI) programme was marginal. This is not the case with responsible business practice. Will BITC continue to be relevant and able to add value to the leading-edge member companies?

If so, what changes might be required not just in terms of the topics covered, but of how BITC organises itself? How far will the model be collaborative action through leadership teams and campaigns? How far will the leaders share with competitors as they used to do in CCI? How far will BITC need to upskill individual account managers (brokers) so that they are able to understand the key issues relevant to a particular business and develop close relationships with a number of key players at different levels in the business? Will this require more sectoral expertise? BITC now has competitors both domestically and internationally.

Two critical issues stand out: Going forward, will BITC principally be a campaigner or a deliverer? Will its focus be primarily global or local?

1. CAMPAIGNER VERSUS DELIVERER

Perhaps the issue most frequently raised in interviews has been the scale and range of BITC's delivery activity today and whether the organisation's focus and breadth distracts from its ability to identify and pursue new agendas. BITC's function as a service delivery organization is seen to have added urgency as the range of issues which corporate responsibility covers increases and it becomes ever harder to have in-house expertise in all of them or to keep in touch with innovation.

Does the new corporate responsibility agenda imply the need for organisational change? If the enduring USP (Unique Selling Proposition) of BITC is the capacity to inspire and engage top business leaders with the most relevant and important aspects of responsible business, should BITC's focus be more on this campaigning role? Does this imply fewer "own labels" and a greater capacity to signpost to a range of strategic partners? These strategic partners might be a mix of specialist NGOs/campaigns, boutique CR consultancies, business schools, as well as different organisations expert in particular aspects of responsible business such as human rights, business ethics, sustainable production and consumption, and responsible sourcing? These organisations would deliver more services to companies, brokered perhaps through BITC, leaving BITC free to focus on its core competency as a convener of business. Such an organizational structure would represent a significant shift from today's generally loose, ad hoc and sporadic relationships with other organisations. BITC would thus become an effective translator between member companies and these specialist, strategic allies. How far would

such organisations be interested in a strategic alliance with BITC as one of their key channels to connect to leading businesses?

In a very real sense, BITC's future role is a continuing debate. In a major study of the growth of corporate community involvement in the UK published in 1991, Michael Fogarty and Ian Christie noted that "a number of our own informants fastened particularly on what they saw as confusion over the division of responsibilities between BITC and other more specialised agencies…BITC's principal responsibility should be to start things off and back them up."[134]

In practice, the issue is not campaigning versus any delivery. Without some delivery experience, it would be hard for the organisation to understand the campaign issues or the practical obstacles to be overcome. The real question, therefore, is likely to be the scale of delivery and how BITC finds partners to deliver broadscale.

2. RESPONDING TO GLOBALISATION: LOCAL OR GLOBAL

BITC is already confronting the challenge of speaking credibly to the growing number of non-UK headquartered businesses in membership and to long-standing members whose operations and areas of focus have become increasingly international. Already 20% of annual invoices are approved abroad.

International businesses – whether from the UK or from overseas – are increasingly concerned with their social and environmental impacts in emerging markets, and with a clash – if not of civilisations, then of values. Godless communism may be vanquished, but some see a Godless capitalism in its place.[135]

One part of BITC's response has been to start building links with like-minded organisations in other parts of the world through an emerging Global Partners Network (GPN). Like private clubs that offer reciprocal membership arrangements to members of affiliated clubs as they travel around the world, is there some referral service to be developed between GPN participants? The report of the "Tomorrow's Global Company Inquiry" involving a number of BITC member companies and BITC (June 2007) makes the argument that global businesses need to "expand the space" through which they interact with society.

Handled sensitively, BITC could play an important convening role which builds on London as a global meeting point especially in the run up to 2012 and the large number of "EMEA" (Europe, Middle East,Africa) management teams based in the UK. One specific focus for the emerging Global Partners Network would be to involve key global member companies to host awareness-raising and action-learning in some of the other, emerging global trading hubs like Dubai, Singapore, Mumbai, New York, Shanghai, and Sao Paolo.

For organisations like BITC, the question now is how they learn from experience and new approaches in different parts of the world – particularly the global south – just as much as BITC shares its own learning.

V. FURTHER QUESTIONS

RESPONSIBILITIES OF BITC MEMBERSHIP

Membership of BITC has historically been open to any business that wanted to join. Members are now encouraged to:

- **Inspire** – innovate and lead by sharing learning and experience
- **Impact** – on key social issues by engaging in collaborative action
- **Integrate** – manage and measure responsible business practice.

It is understood, however, that member companies are at different stages of understanding and of commitment to responsible business. Thirteen years ago, McKinsey & Co, described these difference stages as a skill / will matrix: BITC tries to work with each member company to support its development no matter what its stage, using where applicable tools such as the Corporate Responsibility Index. Repeated studies, including BITC's joint publication with Insight (2005) "Rewarding Virtue," have emphasised the critical importance of corporate leadership and board-level governance if responsible business is genuinely to be embedded. Is there an appetite now to expect that every member company of BITC might "comply or explain" with a commitment to have some form of board-level governance of corporate responsibility?

An allied issue is how directors of member companies and senior managers / rising stars are equipped to lead successfully on sustainability and responsible business. Recent academic and business reports have emphasised the importance of developing leaders in sustainability and responsibility.[136] Some of BITC's most distinctive contributions have been to:

- identify and nurture leadership
- provide progressively bigger stages for that leadership to be tested and developed
- created role-models and encouraged the less certain and unconvinced to "test the waters."

Is a logical extension of long running BITC programmes like Seeing is Believing to run board training, perhaps in collaboration with some of BITC's consultancy members or partner business schools? Or will other organisations emerge to fulfil this role?

HARNESSING THE NEW MEDIA SUCH AS WEB 2.0

The rise of Web 2.0 (which encourages participatory on-line engagement), exemplified by Wikipedia and YouTube, could make it much easier for BITC to keep in touch with, learn from, and contribute to the development of a Global Partners Network of coalitions promoting responsible business.

Web 2.0 represents a new culture, not just new technology. It requires a much more networked approach – one which is willing to cede control rather than seeking to direct from and through a central operation. Some have argued that embracing a Web 2.0 format would require a significant cultural shift in BITC.

More broadly, Web 2.0 creates both risks and opportunities for BITC member companies and other businesses in terms of demands for greater accountability and transparency and for new forms of stakeholder engagement. Organisations are having to master and respond to new methods of communication such as blogging, on-line chat-rooms, and spoof websites.

New XBRL technology[137] enables automatic, real-time comparisons of on-line data, for example between the on-line sustainability / corporate responsibility reports of different companies. Just as BITC led the way in corporate responsibility reporting with the Impact on Society taskforce and subsequent "Business Impact Review Group" (BIRG), so is there now an opportunity to help member companies leapfrog in the accessibility of their reporting and ensure more user-friendly reports which are, therefore, more useful and more used? BITC has the convening power to persuade a critical mass of the major reporters to agree protocols for using the XBRL technology (unseen meta-tags on key data) which allows automatic on-line comparison with the same data in other reports.[138]

WORKING WITH GOVERNMENT WITHOUT BECOMING POLITICISED OR BUREAUCRATISED

BITC has worked with the government of the day since its inception. Individual members of the BITC board and senior management team have assisted in the design and delivery of government programmes. At various stages in the past, some have criticised the organisation for being identified with one or other political party, but this charge has never stuck. More fundamentally, the question now is how to use the experience of BITC and its member companies and partners to help engage business and community in public policy dialogue and programmes without becoming co-opted by the machinery of government?

CONCLUSION – ISSUES FOR OTHER BUSINESS-LED CORPORATE RESPONSIBIILITY COALITIONS

BITC provides a case-study of how corporate responsibility has been successfully promoted in one country in the particular business, social, political circumstances of its time. Corporate responsibility coalitions are not like a McDonalds or a Starbucks franchise which can be transposed to other parts of the world. What was relevant in the UK at a specific point in its development may or may not have resonance elsewhere at a different time. That is for the business community in that other country to determine.

BITC has chosen one particular business model in terms of membership subscriptions and sponsorship. Other business-led CR coalitions have successfully adopted very different models such as in-depth consultancy provided by staff expert in the issues and experienced in specific business sectors. Others have relied on public funding. Different funding models may work better for different types of CR coalition and in different national circumstances.

The intention now is to use this BITC case-study as a stimulus for a broader international discussion on the issues to consider in starting and running a business-led coalition to promote responsible business – or a particular aspect of responsible business such as business action on climate change or business involvement in education. In particular, the goal is to encourage a speedier transfer of learning, so that what it took BITC 25 years to achieve can be done elsewhere in five years or less.

Meantime, groups considering the establishment – or renewal – of some form of business-led responsible business coalition might wish to consider some of the following questions.

VI. QUESTIONS FOR OTHER BUSINESS-LED COALITIONS

A. TO THOSE WANTING TO SET UP AN ORGANISATION TO PROMOTE CORPORATE RESPONSIBILITY

- Find some top business leaders who understand the business and the ethical case for corporate responsibility, who are credible with their peers, and who are prepared to give their time and leadership to engage others (typically, a mix of "elder statesmen" and "young Turks").

- Remember the "Tupperware" analogy – use the first businesses engaged to recruit others.

- Have a mixture of recruiting devices which can appeal to heart and head: some business leaders respond to cerebral pitch, others to more experiential and emotional approaches. (Hence, for example, Business in the Community's use of "Seeing is Believing" visits but also of various thought-leadership activities).

- Consider whether the BITC Campaigning Steps (Box 9 – page 47) could be applied to the development and implementation of one or more campaigns.

- Recruit executive staff who are energetic, enthusiastic, and credible with businesses and who are able to broker effectively between business and its stakeholders.

- Keep refreshing the agenda and the arguments.

- Work with the public sector, but avoid becoming associated with one political party.

- Create the platforms for dialogue amongst businesses themselves, and between business and other parts of society, in order to explore issues, test out solutions and spot future questions.

- Work through the "Strategic Options" questions: see Box 10.

BOX 10 STRATEGIC OPTIONS QUESTIONS

1. Purpose: initially / ultimately – promoting responsible business overall? A particular aspect (eg business action on climate change)? Or Corporate Community Involvement?

2. Business-led or a multi-stakeholder forum?

3. CEO-driven or CR/Sustainability practitioner-led?

4. Any minimum standards of business behaviour required in order to join / stay in membership?

5. Campaigning or delivery – or both (and if both: in what proportions)? Are we encouraging individual companies to behave better, or collective business action, or some mix of the two?

6. Business model: membership fees / sponsorship / consultancy fees and services / public and charitable grants? Wholesaler versus retailer?

7. In-house expertise or clearinghouse to signpost to external expertise – and if the latter, on what basis?

8. Core philosophy: to inspire, to bludgeon, to cajole?

9. How to generate what venture capitalists call the "deal-flow" of good practice examples: awards; research; benchmarking indexes; good practice visits etc?

10. Do we aspire to thought-leadership on responsible business and sustainability – or will we rely on others to fulfil that role? And if the latter – how?

- Can we articulate what we understand by corporate responsibility and why it is important for our city / region / country?

- Is there a business-led corporate responsibility coalition with a critical mass of credible and respected business leaders who believe in and practice responsible business in membership?

- If not, is there a credible strategy to recruit such leaders?

- Would some public pump-priming funds help or hinder the growth of this coalition?

- Are we clear what the deliverables will be in return for any such funding?

- Are we prepared to develop genuine partnerships with business to advance corporate responsibility?

VII. CONCLUDING REFLECTION

If one had to distil all the BITC history and experience from the past 25 years down to one key message, it would probably be this: successful CR coalitions need to appeal both to the heart (the emotional) and the head (the rational), so that they can continually raise the bar on business performance – fast enough – without getting so far out ahead of their business membership that they lose credibility and authority. It is to the credit of BITC that it has succeeded in making corporate responsibility an integral part of the way that successful businesses do business to an extent unimaginable in 1982.

It is vital that the business-led coalitions promoting responsible business are fit for purpose and so can maximise their impact. As the biggest and one of the oldest of the national, business-led corporate responsibility coalitions in the world, BITC has a particular responsibility and opportunity to share its experience and learning. To do this effectively, BITC must review and renew its own activities and ways of working. Providing it does so, there will be much to contribute.

Many of the people referred to in this account have changed role or moved company; some have subsequently received knighthoods or peerages. For brevity and simplicity, I have generally referred to everyone as they are known now. Many of the companies named have since either been taken over or merged – where this is the case, I describe the company both as it was then known and its current status. A few, key source documents are cited in the text.

This report is a personal contribution by the author and the views expressed here do not necessarily reflect the views either of the CSR Initiative of the Kennedy School of Government nor of Business in the Community and its members, nor of the Doughty Centre for Corporate Responsibility at the Cranfield School of Management.

David Grayson is a former Joint Managing-Director of BITC. Since April 2007, he is the first Chair of Corporate Responsibility at the Cranfield School of Management and Director of the Doughty Centre for Corporate Responsibility. He is a Visiting Senior Fellow at the CSR Initiative at the Kennedy School of Government, Harvard.

In the interests of transparency, his particular involvement with BITC has included
• Co-founder/director of Project North East 1980
• Enterprise Director 1987-89 championing the Enterprise Agencies and Enterprise Works
• Joint Managing-Director 1989-1992 leading the Directions for the Nineties inquiry and developing the regional operations and services for member companies
• Developing and delivering the Work in Society presentation
• Chairing Taskforce 2002 and the Small Business Consortium
• Chairing the UK Government's Business Link National Assessment Panel and subsequently the Business Link National Accreditation Board

Acknowledgements

List of boxes and tables

Methodolgy

I constructed an initial history of BITC from memory and personal files and from a timeline of BITC established by Jane Kershaw for the BITC 20th anniversary from board minutes. The preliminary draft was then circulated for comment inside and outside the organisation. In parallel, a series of open interviews were conducted with opinion-formers, CR and communications specialists as well as current and former staff, board, partner, and company staff to develop critical success factors, areas of weakness, and future agenda. These were then tested further in the workshops.

Business in the Community Timeline

	BITC	Political/Economic	Responsible Business
1981	▍(1980) Anglo-American Sunningdale Conference on Business and Urban Regeneration	▍Brixton, Toxteth and Notting Hill riots ▍30,000 women protest at Greenham Common air base	
1982	▍BITC set up ▍Companies such as IBM, BP, Shell, British Steel (Industry), Marks and Spencer, Barclays Bank, W.H. Smith, ICI and Midland Bank become early supporters of BITC	▍Falklands War	
1983	▍100th Local Enterprise Agency established	▍Government launches the Youth Training Scheme	
1984	▍Amalgamation of CBI Special Programmes Unit with BITC	▍Miners Strike starts ▍FTSE launched	▍Launch of BA & UNICEF's 'Change for Good'
1985	▍HRH The Prince of Wales accepts the Presidency	▍Live Aid Concert ▍Gorbachov becomes leader of USSR	
1986	▍Launch of PerCent Club by HRH The Prince of Wales and Prime Minister Margaret Thatcher ▍Employees Forum on Disability launched	▍Chernobyl disaster ▍Industry Year	▍Institute of Business Ethics
1987	▍First One Town Partnership in Halifax ▍Launch of first Education Compact in East London by HRH The Prince of Wales ▍BITC takes on The Inner City Awards (with DTI) and Prince of Wales Innovation Awards	▍Stock market crash (black Monday) ▍Conservative government re-elected: "And now for those Inner Cities" ▍Industry Matters	▍Brundtland Commission report on sustainable development: "Our Common Future" ▍Corporate Responsibility Group starts ▍Montreal Protocol to protect ozone layer
1988	▍BITC Mission Statement: "BiC is an association of major UK businesses committed to working in partnership with each other, with local and central Government, voluntary organisations and trades unions to promote corporate social responsibility and revitalise economic life in local communities ▍Anglo-American Conference London	▍BSE scare starts ▍Pan Am 747 Lockerbie ▍Margaret Thatcher environmental speech: "no generation has a freehold on this earth. All we have is a life tenancy – with full repairing lease"	▍"The Green Consumer Guide"
1989	▍BITC takes over Community Enterprise Awards, Inner City Awards, and Prince of Wales innovation Awards. ▍Business in the Environment set up at the request of HRH The Prince of Wales. ▍Enterprise Works – 10 years of LEAs	▍Berlin Wall falls after 28 years ▍Tiananmen Square ▍Exxon Valdez tanker ruptures off Alaskan coast and spills 11m gallons of crude oil ▍Employment White Paper proposing Training and Enterprise Councils ▍Greens get 2.3m votes in UK in European Parliament poll	▍The Natural Step think tank for the promotion of sustainability in core business strategy

	BITC	Political/Economic	Responsible Business
1990	▐ HRH The Prince of Wales Seeing is Believing Programme begins. ▐ John Cleese and Prince star in "Grime goes Green" ▐ First Employee Community Involvement Award (sponsored by Whitbread) 5 – 153 entries in three years ▐ First BITC Account Management Handbook	▐ Poll tax riots. ▐ Margaret Thatcher resigns ▐ Nelson Mandela freed in South Africa ▐ Estimated 8million living with HIV/AIDS worldwide	▐ International Business Leaders Forum created after Charleston Conference; ▐ Charles Handy's RSA Lecture: "What is a Company for?"
1991	▐ Launch of Opportunity 2000(Opportunity Now) with over 60 founder members ▐ Directions for the Nineties launched with Prime Minister John Major, Charles Kennedy, Tony Blair ▐ Sunningdale Conference with British Chambers of Commerce, TEC National Council & DTI proposes "one stop shops" to help small business(Business Link) ▐ Mike Heron from Unilever chairs new Leadership Team on Education	▐ Business decide to participate for the first time in the UN Conference on Environment and Development for the first time with NGO's and Governments on a new global platform to help guide world affairs	▐ Coffee farmers suffer as prices fall to a 30 year low. In response Cafedirect is founded by Oxfam, Traidcraft, Equal Exchange and Twin Trading. ▐ Formation of BSR including early members such as Ben and Jerry's and Tom's of Maine ▐ "Companies & Communities" by Fogarty & Christie:PSI
1992	▐ First National Volunteering National Challenge (now Cares) with 30 corporates, 500 community challenges and the participation of more than 8000 people	▐ Earth Summit in Rio ▐ Britain phases out manufacture of CFCs through concerns over the ozone layer Conservative government re-elected	▐ Start of Tesco's Computers for Schools ▐ Launch of London First
1993	▐ Aim High campaign launched ▐ First Managing Corporate Community Investment training programme at Ashridge ▐ Work in Society launched	▐ Maastricht Treaty – European Union created ▐ Go ahead for Sunday Trading	
1994	▐ Launch of Local Investment Fund ▐ Cause Related Marketing campaign set up ▐ First supplement with Financial Times	▐ UK National Lottery launched	▐ SustainAbility coins phrase: "Triple Bottom Line"
1995	▐ Launch of Roots and Wings Mentoring programme ▐ Merger of BITC and Action Resource Centre to form Action: Employees in the Community ▐ Launch of Race for Opportunity with 21 member companies ▐ Launch of Cause-Related Marketing Campaign	▐ Shell forced to back down on scrapping of Brent Spar rig through environmental pressure ▐ Cedric Brown "fat cat" scandal	▐ A Gallup poll finds that those tempted by ethical banking products tended to be in professional classes, under 45 and slightly more likely to be female ▐ RSA "Tomorrow's Company" Report ▐ WICE merged with BCSD to form the World Business Council for Sustainable Development (WBCSD)
1996	▐ BiE Index of Corporate Environmental Engagement launched – 73 FTSE 100 companies benchmark their environmental management ▐ Partners in Leadership launched ▐ Tony Blair addresses Per cent Club at Tate Gallery	▐ President Mandela visits Brixton with BITC	▐ Launch of Gifts in Kind

	BITC	Political/Economic	Responsible Business
1997	▮ Launch of 40 Regeneration Action Areas ▮ Head Teacher mentoring launched ▮ Launch of pilot Principles of Corporate Community Investment	▮ Blair Government elected ▮ national network of Business Links established ▮ Kyoto Protocol	▮ European Business Network for Social Cohesion set up (now CSR Europe); Copenhagen Centre ▮ Global Reporting Initiative created ▮ Marine Stewardship Council set up by Unilever and WWF ▮ "Cannibals with Forks" by John Elkington
1998	▮ Business Action on Homelessness launched ▮ Taskforce 2002: BITC-NCVO reports: Two-Way Street ▮ Launch of Awards for Excellence in Corporate Community Investment ▮ Launch of Right to Read education initiative	▮ Government sets tough new literacy targets. 80% of all primary school leavers to reach standard level ▮ New Deal Launched ▮ Stephen Lawrence murder	▮ Launch of first European Online Resource Centre on CSR
1999	▮ New Principles of Corporate Community Investment launched ▮ First PerCent Club Index launched ▮ Launch of Cares incorporated to encourage employee volunteering ▮ Company of the Year: BT ▮ "Cause-related marketing – "Who cares wins" by Sue Adkins	▮ UK writes off £1bn of debt owing by some of the worlds poorest countries ▮ Mass protests at the WTO meetings in Seattle ▮ Euro adopted as currency by 11 member states of the European Union ▮ World population reaches 6 billion	▮ Committee of Inquiry into New Vision for Business reports
2000	▮ Winning with Integrity' final report of Business Impact taskforce launched at CBI conference ▮ BITC moves to Hackney HQ ▮ Company of the Year: United Utilities	▮ European Convention on Human Rights becomes part of British law ▮ UK appoints first CSR Minister ▮ EU Lisbon Summit	▮ 'No Logo' by Naomi Klein published ▮ UN Global Compact ▮ Millennium Development Goals ▮ CORE coalition to promote transparency and accountability
2001	▮ Launch of Rural Action Campaign ▮ Establishment of the All Party Parliamentary Group ▮ Rural Action Team/Pub is Hub ▮ Company of the Year: Cooperative Financial Services ▮ Business Impact Review Group ▮ "Everybody's Business" by David Grayson and Adrian Hodges	▮ Foot and Mouth outbreak ▮ Oil Storage regulations brought into control pollution ▮ 9/11 ▮ Government's National Strategy for Neighbourhood Renewal	▮ FTSE 4 Good; ▮ First EU CSR Conference by CSR Europe; ▮ Association of British Insurers Guidelines on Socially Responsible Investment ▮ Collapse of pharmaceuticals' companies court case against South African Government
2002	▮ CR index launched ▮ BITC 20th Anniversary ▮ Launch of Engage ▮ BITC/Business Schools Highgrove Conference ▮ David Varney's "A Perfect Storm" ▮ Company of the Year: Scottish Power	▮ European Commission adopts a formal CSR strategy ▮ World Summit on Sustainable Development in Johannesburg ▮ 600 million users of Internet globally	▮ Enron collapse ▮ 20th anniversary Shell Livewire youth enterprise programme ▮ launch EABIS ▮ Sarbanes Oxley Act ▮ "Getting down to business – an agenda for corporate social innovation,"Rachel Jupp, DEMOS
2003	▮ Launch of CR Index results ▮ Skills for Life ▮ Company of the Year: Carillion ▮ "Indicators that Count	▮ Invasion of Iraq	▮ Parmalat Scandal ▮ Equator Principles launched

	BITC	Political/Economic	Responsible Business
2004	▌ Launch of CSR Academy ▌ Launch of Prison Partners ▌ First Conversation at the British Museum ▌ First Starbucks Dialogue ▌ "Corporate Social Opportunity" by David Grayson and Adrian Hodges ▌ Company of the Year: Marks & Spencer	▌ Kyoto Protocol comes into effect	▌ Super Size Me, documentary ▌ "Good Migrations" – study looking at impact of off-shoring of jobs – BT case-study ▌ 'The Corporation' movie ▌ Small Business Journey website launched by Small Business Consortium
2005	▌ Launch of Business Action on Health ▌ Launch of Marketplace taskforce ▌ 15th anniversary Seeing is Believing ▌ Company of the Year; bhp Billiton	▌ Indian Ocean earthquake causes large tsunamis ▌ Hurricanes Katrina, Rita, and Wilma ▌ 40million living with HIV/AIDS	▌ Ian Davis – The Economist: "By special invitation"
2006	▌ Marketplace principles launched ▌ RED Summit to encourage business involvement in priority regeneration areas and issues ▌ Company of the Year: Marks & Spencer ▌ Community Mark relaunched	▌ Companies Act 2006 ▌ One billion users of Internet globally	▌ Al Gore's 'An Inconvenient Truth' ▌ Michael Porter and Mark Kramer, Harvard Business Review: "Strategy and Society: Competitive Advantage and Corporate Social Responsibility" ▌ UN Principles of Responsible Investment
2007	▌ Shopping malls' consumer exhibition on Climate Change ▌ May-Day Summit with Regional Development Agencies ▌ Awards for Excellence with Al Gore ▌ First CR Yearbook with Haymarket Media Group ▌ Silver Jubilee Big Ticks ▌ Jubilee Dialogues ▌ Company of the Year: BT	▌ Tony Blair steps down as Prime Minister and Gordon Brown succeeds ▌ Climate Change Bill ▌ Inter-governmental panel on Climate Change	▌ "One planet Business" published by WWF ▌ Report of Tomorrow's Global Company Inquiry led by BP and Infosys ▌ Baker Report into health and safety failings in BP North America

Index

Endnotes

1. For a summary of some of the definitions in use see: www.som.cranfield.ac.uk/som/research/centres/ccr/mission.asp (accessed 19.11.07)

2. Google search July 15th 2007

3. Global Survey of Business Executives – January 2006 McKinsey Quarterly http://www.mckinseyquarterly.com/home.aspx (accessed 20.11.07).

4. For two recent surveys of CEO attitudes in the US and internationally to corporate responsibility see: Blowfield, Michael and Googins, Bradley. 2006. "Step Up: A Call for Business Leadership in Society – CEOs examine role of business in the 21st Century – A Boston College Center for Corporate Citizenship Monograph." Chestnut Hill: Boston College Center for Corporate Citizenship, and Oppenheim, Jeremy; Bonini, Sheila; Bielak, Debby; Kehm, Tarrah and Lacy, Peter. 2007. "Shaping the New Rules of Competition: UN Global Compact Participant Mirror." London: McKinsey & Co.

5. Interview with Business in the Community, January 2007.

6. www.pbsp.org.ph

7. www.hblf.org/english/home/index.php

8. www.vcci.com.vn/vbli

9. www.unglobalcompact.org

10. www.equator-principles.com

11. Current examples would be the way in which the alcohol industry has had to work together on responsible drinking or the way in which Pepsi and Coca Cola have collaborated on restrictions on vending machines in schools and marketing to children.

12. This criticism comes both from a right-wing, free market perspective – see Henderson, David. 2001. Misguided Virtue: False Notions of Corporate Social Responsibility (Hobart Paper, 142) London: Institute of Economic Affairs – and from a left-wing stance critical of business such as Korten, David. 1996. When Corporations Rule the World. London: Earthscan Publications and Reich, Robert. 2007. Supercapitalism: The Transformation of Business, Democracy and Everyday Life. New York: Alfred A. Knopf.

13. Tomorrow's Global Company: Challenges and Choices (Final Report from Tomorrow's Global Company Inquiry). 2007. London: Centre for Tomorrow's Company. www.tomorrowscompany.com

14. Zadek, Simon. 2004. "The Path to Corporate Responsibility. " Harvard Business Review, Vol. 82, No. 12: See also Mirvis, Philip and Googins, Bradley. 2006. "Stages of Corporate Citizenship: A Developmental Framework - A Center for Corporate Citizenship at Boston College Monograph," Chestnut Hill: Boston College Center for Corporate Citizenship.

15. Prof Atle Middtun, Norwegian School of Management, Oslo, September 2007. Conversation with author.

16. See for example Austin, James. 2000. "Business Leadership Coalitions," Business & Society Review 105(3), and Austin, James and McCaffrey, Arthur. 2002. "Business Leadership Coalitions and Public-Private Partnerships in American Cities: A Business Perspective on Regime Theory," Journal of Urban Affairs 24(1): 35-54.

17. Although see for example: Giddens, Anthony. 1998. The Third Way, The Renewal of Social Democracy. Cambridge: Polity Press, and Zadek, Simon. 2005. "The Logic of Collaborative Governance." Working Paper No 3, Corporate Social Responsibility Initiative, Kennedy School of Government, Harvard University.

18. See remarks by Robert Keohane, Professor of Public and International Affairs, Princeton University, to the European Academy for Business in Society 2007 Colloquium, ESADE, Barcelona, 21.09. 07 noted by author.

19. Ruggie, John. 2004. "Reconstituting the Global Public Domain – Issues, Actors and Practices." European Journal of International Relations 10(4): 499-533.

20. The term "civil economy" and its explanation is based on Davis, Stephen, Lukomnik, Jon and Pitt-Watson, David. 2006. The New Capitalists. Boston: Harvard Business School Press.

21. A list of those who have been interviewed and/or commented on early drafts can be found at the end of the paper.

22. For the current list of board members see: www.bitc.org.uk/who_we_are/our_board_and_governance/board_of_trustee_directors/index.html (accessed 19.11.07).

23. This includes not just government grants but sponsorship and subscriptions for public sector agencies in membership of employee volunteering campaign CARES and Race for Opportunity / Opportunity Now.

24. Not for Profit (this includes charitable funding like the lottery but also membership from Universities and colleges).

25. I am indebted to Daniel Kinderman, a PhD student at Cornell University (USA) for assembling the raw data on which these charts are based. Mr. Kinderman's doctoral dissertation comparing the experience of BITC with German and other European efforts to promote corporate responsibility will be published in 2009.

26. It is impossible to capture the richness of the BITC history in just a few thousand words. Hence, BITC is separately planning to encourage a collective, on-line, Wikipedia-style account which can provide more detail of the various campaigns and initiatives referred to in this report; and which can facilitate the establishment of a formal BITC archive for use both by future researchers and business-led coalition seeking to learn from BITC experience, in other parts of the world.

27. This has been reflected in the evolving mission of BITC: "BiC is an association of major UK businesses committed to working in partnership with each other, with local and central Government, voluntary organisations and trades unions to promote corporate social responsibility and revitalise economic

life in local communities" (1988);

"The mission of BITC is to raise the quality and extent of business involvement in the community and to make such involvement a natural part of successful business practice" (adopted before 1993-4);

"To inspire business to increase the quality and extent of their contribution to social and economic regeneration by making corporate social responsibility an essential part of business excellence" (adopted before 1998);

"Our purpose is to inspire, challenge, engage and support business in continually improving its positive impact on society." The current mission statement reads: "Business in the Community is a unique movement in the UK of over 800 member companies. Our purpose is to inspire, challenge, engage and support business in continually improving its positive impact on society. Membership of Business in the Community is a commitment to action and to the continual improvement of the company's impact on society.
Our members commit to:
　• Integrate responsible business practice throughout their business
　• Impact through collaborative action to tackle disadvantage
　• Inspire, innovate and lead by sharing learning and experience."

28.　Now Lord Sheppard of Didgemere. Grand Metropolitan subsequently merged with Guiness to form Diageo.

29.　Sir David Sieff, long-serving board member of Marks & Spencer and of BITC.

30.　For a description of the power of story-telling in modern business, see: Denning, Stephen. 2007. The Secret Language of Leadership: How leaders inspire action through narrative. San Francisco: Jossey-Bass.

31.　Then Secretary of State for the Environment in the first Thatcher Government. Michael Heseltine, later served as Deputy Prime Minister during the Major Administration. Now Lord Heseltine.

32.　ARC was formed in the early 70s by the Public Affairs Director of IBM UK, John Hargreaves, who had been invited to contribute to the crisis of the Ugandan Asians refugees expelled by the Ugandan dictator Idi Amin. He had responded not with funds but by seconding an experienced manager to help with the initial resettlement. ARC had two bi-lines "In Business for the Community" and "Business Skills in Community Action." The Action Resource Centre set up the ARC Islington Small Business Counselling Service in the Autumn of 1978 was managed by a paid Manager (salaries for him and a secretary from the Urban Programme partnership fund) and secondees from Marks & Spencer and National Westminster Bank. Typically they were younger managers who came on secondment for 1-2 years.

33.　Founded in 1918, much of the Industrial Society's training activities were sold off in 2002 and the remaining organisation was relaunched as the Work Foundation (www.theworkfoundation.com).

34.　Technically Tony Pelling – a senior civil servant at Department of Environment – had been seconded by Michael Heseltine to set up BITC before Stephen O'Brien took over as first CEO.

35.　For a potted history of the local enterprise agencies see Irwin, David. 2006. National Federation of Enterprise Agencies Report. David Irwin was co-founder/director of Project North East with

the author.

36.　BITC. 1997. The Future for Local Enterprises. London: BITC.

37.　The agency personnel seconded from business tended to be a mixture of young, high-flyers; mid-career; and people approaching retirement. Amongst the latter were a number of senior managers from industry who got a "fresh lease of life" through their secondment and often extended their appointments beyond their retirement date either on extended secondment or through transferring to the payroll of the agency concerned.

38.　Lord Brian Griffiths of Fforestfach served as Head of the Prime Minister's Policy Unit and as Special Adviser to The Rt Hon. Prime Minister Margaret Thatcher MP between 1985-90. He was made a life peer in 1991 and has served as Vice Chairman of Goldman Sachs International since 1991.

39.　For a history of business-education links in the UK since the 1970s and the role of BITC in them, see Cleverdon, Julia and Grayson, David: "A responsibility for education – learning from the examples of business engagement with education." 2006 Jordan, Amanda and Lunt, Amy Eds. "Whose responsibility – the role of business in delivering social and environmental change," London: Smith Institute. www.smith-institute.org.uk/pdfs/whose_responsibility.pdf accessed Nov 21st 2007

40.　Now part of ITV (Independent Television).

41.　Then chairman of Warburgs and a member of the Court (Board) of the Bank of England for many years – approximately equivalent to the board of the Federal Reserve in the USA.

42.　See David McMeekin's 2006 pamphlet on the evolution of these and other funds.

43.　www.deanclough.com

44.　The joint launch of Business in the Cities followed the CBI's work on Initiatives Beyond Charity and a major Confederation of British Industry-led regeneration partnership in Newcastle-upon-Tyne in the North east of England: The Newcastle Initiative.

45.　The intention was that these "Business Leadership Teams" would be the precursors in each case to more multi-stakeholder "One-Town Partnerships" of the Halifax variety. In practice, they stayed as Business Leadership Teams.

46.　Michael Frye in West London was one such business leader. Frye was a successful serial entrepreneur and first chairman of the West London Business Leadership Team. He subsequently became chairman of West London TEC and then of London Business Link and of the Royal Society of Arts (RSA).

47.　Banham, John. 1994. The Anatomy of Change: Blueprint for a New Era. London: Weidenfeld & Nicholson page 167

48.　See Leadership Team publications http://www.bitc.org.uk/applications/site_search/?term=rural&searchreferer_id=1 accessed 20.11.07.

49.　For his account of the establishment of Business Link see Heseltine, Michael. 2001. Life in the Jungle London: Coronet Books, and Grayson, David. 1996. "Making Business Links World-Class." BITC Occasional Paper No 6. London: BITC.

50.　For an early history of The Eldonians and other community entrepreneurs see Leadbeater, Charles. 1997. The Rise of the Social Entrepreneur. London: DEMOS www.demos.co.uk

51.　www.bbbc.org.uk

52. ibid.

53. Christopher Jonas continued to chair ProHelp until 2006.

54. www.dta.org.uk

55. www.thescarmantrust.org.uk. Founded by the late Lord Leslie Scarman who conducted the official UK Government inquiry into the causes of the 1981 Brixton riots.

56. www.can-online.org.uk

57. www.sse.org.uk. The SSE was founded by the prolific British social innovator, the late Michael Young (Lord Young of Dartington), in 1997.

58. Available at www.bitc.org.uk/what_we_do/the_princes_seeing_is_ believing/index.html (accessed 19.11.07).

59. A supplement describing some of these partnerships and their impacts was published in The Daily Telegraph in December 2005 to mark the 15th anniversary of the Seeing is Believing Programme. It describes the experiences of a number of the business leaders and community entrepreneurs involved.

60. www.community-links.org

61. Available at www.bitc.org.uk/what_we_do/awards_for_excellence/about_the _awards/silver_jubilee_big.html (accessed 21.11.07).

62. In the US at roughly the same time – and quite independently – Dr Ed Burke, the founder of the Center for Corporate Community Relations at Boston College, was arguing that business involvement in the community could make a business the employer of choice, the supplier of choice, and the neighbour of choice.

63. A review of how far the recommendations of these different inquiries have been implemented and which remain relevant to pursue now will be published by the Smith Institute: Bush, Geoffrey; Grayson, David, and Jordan, Amanda, with Nelson, Jane. Forthcoming Jan 2008. "Engaging business in the community – not a quick fix." London – The Smith Institute (www.smith-institute.org.uk)

64. Ashton was appointed as Leader of the House of Lords and a member of the Cabinet in Gordon Brown's administration in June 2007.

65. The Work in Society presentation was given to a number of the key policy advisers to New Labour in 1994.

66. Perhaps the term should in future be "sustainable business?" This term several advantages. Unlike "corporate social responsibility" or "corporate responsibility, it does not limit to "corporates" i.e large businesses. "Sustainable" sounds positive – whereas "responsible" suggests to some, the idea of "burden" and "obligation" (and we know from a 2004 Opinion Leader Research (http://www.opinionleader.co.uk) presentation noted by author that many do think C(S)R is "earnest and dull."). Furthermore, a business cannot be a responsible business nowadays without addressing environmental as well as social impacts. And the term "sustainable" can also be interpreted to mean commercially sustainable. Arguably, businesses which want to be around for the long-term are much more likely to take their environmental and social impacts seriously and operate ethically.

67. "Backbenchers" are Members of Parliament who are not Ministers or shadow Ministers (official opposition spokesmen). Ministers and their opposition shadows sit on the front-benches of the House of Commons, hence the term "front-bench spokesmen."

68. The Per Cent Club of the Twin Cities (Minneapolis/St Paul) was based on a 5% commitment.

69. www.nfea.com

70. www.crguk.org

71. "Changing Managers' Mindsets" 2003 – (This report was was updated and developed see– Wilson Andrew & Hind, Patricia: 2006 "Leadership Qualities and Management Competencies for Corporate Responsibility" www.ashridge.org.uk/Website/IC.nsf/wFARPUB/Leadership+Qual ities+and+Management+Competencies+for+Corporate+Respo nsibility?OpenDocument (accessed 20.11.07) Ashridge and EABIS July 2006

72. The growth can be seen in the increase in BITC's annual budget and staff numbers around this time shown in Tables 4 and 5.

73. The merger was designed to reduce confusion in the marketplace and duplication of activity, and achieve better value-for-money. In practice, the BITC business-led culture prevailed over the more community-focussed ARC. By summer 2007, only one person on the UK staff team remained from the old ARC.

74. The original BITC Regional Directors in the mid 1980s had been senior secondees (executives on loan) from member companies such as Neville Martin (Marks and Spencer for North East England), George Pragnall (ICI for the North West) and Tony Weddle for the East Midlands. These early pioneers had had to operate with only minimal office back-up and staff support.

75. New York CARES was formed in 1987 by a group of friends in New York City concerned by social problems and wanting to contribute as volunteers. CARES spawned a national network of CARES organisations, now part of the HandsOn Network which in 2007 announced its merger with the Points of Light Foundation: www.handsonnetwork.org

76. See BITC. 2006. What a difference a thousand days make. London: BITC. This publication celebrates the three-year partnership with Business in the Community Yorkshire and Humber region with Yorkshire Forward.

77. www.bitc.org.uk/what_we_do/where_we_work/northernireland /index.html

78. See the official report of Lord Justice Scarman in to the riots for the UK Government. Lord Scarman's inquiry into what he called the worst outbreak of disorder in the UK this century blamed "racial disadvantage that is a fact of British life." Scarman, Leslie. 1982. "Scarman Report: The Brixton Disorders, 10-12 April, 1981." London: Pelican.

79. See the following BITC publications: Opportunity Now: Breaking the Barriers: Women in Senior Management in the UK; Sticky Floors & Cement Ceilings: Women in Non-Managerial Roles in the UK; Equality & Excellence: The Business Case; Diversity Dimensions: Integration into Organisational Culture; and Line Managers and Diversity: Making it Real.

80. www.opportunitynow.org.uk/

81. Adkins, Sue. 1999. Cause-related marketing: Who cares, wins. London Butterworth-Heinemann. A second edition is forthcoming.

82. Corporate Citizenship Company 2006. Available at http://www.ccbriefing.co.uk/index.php/ccb/briefings/issue_84/re

porting_under_fire_and_under_performing (accessed 20.11.07).

83. www.globalreporting.org

84. Position BITC took when responding to the CORE bill in Parliament 2005.

85. For an account of the CORE Coalition (www.corporate-responsibility.org) which advocates mandatory reporting see the campaign's chair: Doane, Deborah www.deborahdoane.com/publications.htm accessed Nov 21st 2007 . On pressures generally for greater transparency see, for example,Henriques, Adrian. 2007. Corporate Truth: The Limits to Transparency. London: Earthscan.

86. Now Sir Anthony Cleaver.

87. Companies in the Index were ranked in five quintiles and companies in each quintile were listed in alphabetical order.

88. The 2007 Index appeared in The Sunday Times on 06.05.07.

89. See www.globescan.com

90. Grayson, David and Hodges, Adrian. 2004. Corporate Social Opportunity: Seven Steps to Make Corporate Social Opportunity Work for Your Business. Sheffield: Greenleaf Publishing.

91. www.inkinddirect.org.uk

92. Sweden's first Enterprise Agency was created in Kallinge in 1985 with the active participation of Volvo, local authorities, and local business community. It was developed in order to counter the effects of the shutdown of Kockums steel plant. A Swedish-British reunion was held in Cardiff in May 2007 hosted by BITC and Jobs & Society to compare learning.

93. There was a more successful export to Australia in the 2000s of CARES, the Corporate Responsibility Index and BITC's work with schools.

94. See for example the 10th and 15th anniversary reports of IBLF's impacts at www.iblf.org and www.iblf.org/resources/general.jsp?id=123785 (accessed 20.11.07).

95. Available at http://www.iblf.org/about_us/Robert_Davies.jsp (accessed 20.11.07).

96. BITC has however led a CSR Europe campaign to share good practice across the EU in engaging SMEs and is now leading a European CSR Alliance Learning Laboratory on enhancing employability through employee volunteering. See http://www.csreurope.org/whatwedo/alliance/CompaniesandEU Alliance/Laboratories/ (accessed 20.11.07).

97. The list of countries is a composite of those where Sue Adkins, Mallen Baker, Julia Cleverdon, Peter Davies, David Grayson, David Halley have spoken and / or advised.

98. BITC's own official assessment can be found in BITC. 2006. Impact Review. A BITC core publication detailing 25 years of positive impact and celebrating 2006's key achievements. London: BITC. Available at: www.bitc.org.uk/resources/publications/impact_review_2006.ht ml (accessed 20.11.07).

99. Submissions for BITC's Silver Jubilee "Big Tick" Awards for longevity of company-community partnerships repeatedly refer to the trigger from a Seeing is Believing visit or BITC campaign. BITC now has an extensive video library of film clips showing regional and national Awards for Excellence winners. These provide powerful testimonies of the impacts on individuals, businesses, communities, causes, and the environment.

Grayson, David. 2007. The BITC Jubilee Commentary – This much we know. London: BITC provides many testimonies from individual business leaders.

100. Later Lord Laing of Dunphail.

101. Davis was previously CEO of Reed Elsevier and subsequently CEO of Sainsbury.

102. Now Chairman of BT.

103. Some of HRH The Prince of Wales's wider activities can be found at: www.princeofwales.gov.uk

104. The 2007 National Prince of Wales Ambassador is Stuart Rose, CEO of Marks & Spencer and chairman-designate of Business in the Community (December 2007).

105. See for example an independent evaluation of some of BITC's local brokerage activities "Brokeringbusinessconnections – engaging business support for neighbourhood renewal – full evaluation of the Business Brokers Pilot Programme" Available at http://www.bitc.org.uk/take_action/in_the_community/deprived _areas_and_economic_renewal/partnerships/partnership_acad emy/background/businessbrokerpilot.html (accessed 20.11.07) and "Brilliant Brokerage: Tips for Success" Business in the Community . Available at www.bitc.org.uk/resources/publications/brilliant_brokerage.html (accessed 20.11.07).

106. The Evening Standard is a British tabloid newspaper published and sold in London and surrounding areas of southeast England. It is technically a local or regional paper, although it carries considerable influence owing to London's size and importance. It is dominant as a London daily paper, with a strong City (i.e. financial) emphasis as well as carrying national and international news. In 2006, its daily circulation stood at 263,000. For reference, the national morning newspaper The Times had a circulation at the same time of 640,000.

107. Now part of ITV.

108. The 2007 supplement was published in The Sunday Times 06.05.07.

109. Private interview with FTSE 100 company chair, August 2007 and author.

110. Now Lord Bell, a close confidante of Prime Minister Margaret Thatcher and an adviser to many leading companies.

111. www.fiftylessons.com

112. www.melbournecares.org.au

113. Something repeated by BT in 2007 when they became Company of the Year for a second time too.

114. A pro-bono strategic review undertaken by McKinsey & Co on behalf of the BITC board. "McKinsey Strategic Review " 1994. Unpublished report: BITC archives.

115. See for example, Klein, Naomi. 2000. No Logo. New York: Picador. and Monbiot, George. 2001. Captive State: The Corporate take-over of Britain. London: Macmillan.

116. For a description of the potential of translating social innovation by business into broadscale public programmes see Jupp, Rachel. 2002. Getting down to business – an agenda for corporate social innovation. London, DEMOS Available at http://www.demos.co.uk/publications/gettingdowntobiz . (accessed Nov 21st 2007)

117. www.commonpurpose.org

118. Neil Makin, Cadbury Schweppes speaking at the Responsible

Business Summit, May 2007.

119. www.smallbusinessjourney.com

120. Haskins, Christopher. 2006. Companies pay lip service to a Victorian tradition. Financial Times Aug 02, 2006.

121. http://www.bitc.org.uk/news_media/may_day_grows.html

122. Interview with the author February, 2007"

123. SustainAbility's "Raising our Game" offers four scenarios of how the global sustainability debate and practice may evolve over the next twenty years. Available at http://www.sustainability.com/raising%2Dour%2Dgame/ (accessed 20.11.07).

124. UNFPA. 2007. State of the World Population 2007. Available at www.unfpa.org

125. A north western English city with a very significant Muslim population and an area of considerable social and economic deprivation.

126. See Mosaic which is to support business people mentoring young Muslims. Available at http://www.bitc.org.uk/take_action/in_the_community/raising_achievement/mosaic/ (accessed 09.11.07).

127. Davis, Stephen, Lukomnik, Jon, and Pitt-Watson, David. 2006. The New Capitalists. Boston: Harvard Business School Press.

128. www.cdproject.net

129. www.sustainability.com/raising-our-game/

130. See Handy, Charles. 2007. The New Philanthropists. London: William Heinemann Ltd.

131. www.blendedvalue.org and especially see the work of Jed Emerson http://www.blendedvalue.org/publications (accessed 20.11.07

132. The term "responsible entrepreneurship" has been coined by Directorate-General Enterprise of the EU Commission to signify the adoption of C(S)R by small and medium-size enterprises.

133. Interview with author January 2007.

134. Fogarty, Michael and Christie, Ian. 1991. Companies and Communities – Promoting Business Involvement in the Community. London Policy Studies Institute, page xiv

135. Seminar on Islam and CR. Doughty Centre for Corporate Responsibility, Cranfield School of Management. July 2007.

136. See for example Globally Responsible Leadership: A Call for Engagement. 2005. The European Foundation for Management Development and the UN Global Compact. Available at http://www.efmd.org/attachments/tmpl_1_art_051012qnis_att_051017tovb.pdf (accessed 20.11.07) and Tomorrow's Global Company: Challenges and Choices. 2007. London Centre for Tomorrow's Company.

137. XBRL (Extensible Business Reporting Language) is an emerging XML-based standard to define and exchange business and financial performance information. The standard is governed by a not-for-profit international consortium (XBRL International Incorporated) of approximately 450 organisations, including regulators, government agencies, infomediaries and software vendors. XBRL is being rapidly adopted to replace both paper-based and legacy electronic financial data collection by a wide range of regulators. Its adoption has been quicker in Europe and Asia than in the U.S., where it is just now starting to be voluntarily pilot-tested for the disclosure of company financial performance information SEC filings. XBRL is a standards-based way to communicate business and financial performance data.

These communications are defined by metadata set out in taxonomies.

138. In 2007, the Global Reporting Initiative (GRI) published an XBRL Protocol for Company reports produced in conformity with GRI.

THE CORPORATE SOCIAL RESPONSIBILITY INITIATIVE, KENNEDY SCHOOL OF GOVERNMENT, HARVARD UNIVERSITY

Under the direction of John Ruggie (Faculty Chair) and Jane Nelson (Director), the CSR Initiative at Harvard's Kennedy School of Government is a multi-disciplinary and multi-stakeholder program that seeks to study and enhance the public contributions of private enterprise. It explores the intersection of corporate responsibility, corporate governance, and public policy, with a focus on the role of business in addressing global development issues. The Initiative undertakes research, education, and outreach activities that aim to bridge theory and practice, build leadership skills, and support constructive dialogue and collaboration among different sectors. It was founded in 2004 with the support of Walter H. Shorenstein, Chevron Corporation, The Coca-Cola Company, and General Motors and is now also supported by Abbott Laboratories, Cisco Systems, Inc., InBev, InterContinental Hotels Group, Microsoft Corporation, Pfizer, Shell Exploration and Production, and the United Nations Industrial Development Organization (UNIDO).
www.ksg.harvard.edu/m-rcbg/CSRI

THE DOUGHTY CENTRE FOR CORPORATE RESPONSIBILITY, CRANFIELD SCHOOL OF MANAGEMENT

The Doughty Centre aims to inspire future and current managers with the passion for, and to equip them with the skills and outlook to, put sustainability and responsibility at the heart of successful organisations. The Centre was established in 2007 as a result of a personal donation from a Cranfield alumnus Nigel Doughty. The new Centre will combine knowledge-creation (research) with knowledge-dissemination (teaching) and knowledge-application (working with a variety of businesses and other organisations to implement responsible business practice). The initial research focus is concerned with closing the performance-gap between what committed CEOs believe to be necessary to embed Corporate Responsibility and what they think their businesses are so far doing.
www.doughtycentre.info

BUSINESS IN THE COMMUNITY

Business in the Community is a unique movement of over 800 member companies, representing 1 in 5 of the UK private sector workforce. A further 3,000 companies are engaged through our programmes and campaigns which we operate through a local network of more than 100 business-led partnerships. We lead a global partners network of 112 organisations operating in over 60 countries. It is a business-led charity. Its purpose is to inspire, challenge, engage, and support business in continually improving its positive impact on society.
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