



Enhancement of the CSR profession

This paper is based on a speech by Andrew Cartland for the European Commission at the Multi-stakeholder Forum on Corporate Social Responsibility - 2 February 2015

About Acre

Acre connects professionals with a common purpose; to create social and environmental value and promote good business. We measure our success one individual at a time.

The market leader in sustainability recruitment for over a decade, we have built a community of the sharpest sustainable business professionals in the world. This unique network can be deployed in a number of ways – through interim consultants, as permanent hires, via the Acre Bench or our business intelligence function to address key challenges and opportunities.

Over our ten years into our journey we've placed over 3000 people in important roles.

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Foreword

This paper was drafted originally as a presentation for the European Commission at their Multi-stakeholder Forum on Corporate Social Responsibility in 2015.

The aim of the session was to understand how *"CSR can be promoted and enhanced among employees by companies, and how higher education institutes can develop dedicated programmes and integrate CSR into other courses, whether they be MBAs, apprenticeship courses or on-the-job training"*.

This paper addresses major themes in how we educate our future employees and leaders to ensure that they are impactful but that they also understand the changing world that we live in. It reflects on my personal experiences as an employer and also references organisations that are already making progress on this topic. I have a particular interest in the role of technology and the internet, so this is a theme which I reference strongly.

Thank you in particular to Matthew Gitsham, Director of the Ashridge Centre for Business and Sustainability, Jim Woods, Chief Executive of The Crowd, and Ioannis Ioannou, Assistant Professor of Strategy and Entrepreneurship, London Business School who have provided me with their thoughts around this topic.

People

I want to start by reflecting on my personal experience as someone who has been hiring people into their own business for a long time. At Acre we need to hire exceptional sales and business development experts, as well as marketers and operational professionals. An education background in sustainability isn't essential but the capacity to learn and understand the quickly changing landscape is imperative.

People that we interview fall into three discreet categories:

1. The first are those who already get the challenges and opportunities that sustainability brings. They are engaged and typically easy hires.
2. The second are those who don't yet understand the issues but adopt the concepts easily
3. But there is a third more challenging category; those who think we operate in a niche, and because of that they're not interested in joining our business.

Which of these am I interested in as an employer? The answer is, *"all of them"*.

I want to secure the best commercial talent out there but by definition the third category, who believe we operate in a niche, contains a lot of people who will be hard to secure and this significantly reduces our options.

This view of Acre as a microcosm is important because we are a reflection of the wider corporate world. It is a mistake to think that we are a "sustainability" business - we are a commercial recruitment business, which understands the commercial opportunities that sustainability brings.

And because of that understanding Acre has outperformed the UK recruitment market dramatically since 2007 and was awarded *Recruitment Agency of the Year* in the UK, across all market segments last year. By understanding Sustainability we have gained a huge advantage and in the meantime some of our competitors operating in traditional market places such as oil and gas, are facing the prospect of challenging years ahead.

This niche view of sustainability is an issue – a segment of the market doesn't get that this is about adapting to huge global challenges. So when I think about education, I'm interested in getting to our future leaders and executives and ensuring that this third category is diminished. Because when people understand how to leverage sustainability to gain commercial advantage, they can be really successful.

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Perhaps the most striking example is Elon Musk - one of the most successful business-people in the world. If you haven't heard his name before, you will likely have heard of PayPal which Musk founded. Let's consider other key projects that he's involved in:

- **Solar City** –one of the largest (if not the largest) provider of solar energy in the US
- **Tesla** – a forerunner in electrical vehicle technology
- **Hyperloop project** – A high speed travel system proposed for the West Coast of the US. Powered by Solar and faster than commercial aircraft

Beyond harnessing sustainability megatrends for commercial gain, he demonstrates a changing mind-set based on trust, values and transparency. This is becoming more commercially important and in 2014 Tesla stated the following on their blog:

“Tesla Motors was created to accelerate the advent of sustainable transport. If we clear a path to the creation of compelling electric vehicles, but then lay intellectual property landmines behind us to inhibit others, we are acting in a manner contrary to that goal. Tesla will not initiate patent lawsuits against anyone who, in good faith, wants to use our technology”.

He knows better than anyone that sustainability isn't a niche. And this message must be taken to the future Marketers, Supply Chain experts, Financial Directors, Chief Executives, Entrepreneurs, Visionaries. It is such people with core commercial skills who will be best equipped to drive change within their businesses.

Dual Skill Set

So it is a duality of skill set which really begins to move the dial. This means a combination of a core role function alongside an understanding of sustainability – these are the people who will be more valuable to their businesses and as citizens.

At Acre we're already seeing sustainability being embedded more deeply into business. Ten years ago Acre primarily recruited Sustainability and Corporate Responsibility Managers – these positions still exist, but in addition we are now we're hiring more frequently into core business functions. In particular this includes recruiting into the supply chain, procurement, marketing and corporate affairs functions, as well as Finance Managers and Chief Executives for companies where an understanding of sustainability is critical right now. In more recent times we've also started to recruit chairmen and chairwomen for boards, within both large organisations and start-ups.

To a great extent, we've seen an evolution from technical and box ticking roles ten years ago, to positions which are really penetrating into core business functions. There is already evidence of an increasing demand for this dual skill set.

The Internet

One particularly powerful combination is where sustainability meets digital knowledge (think Elon Musk again) - these people can be extremely effective. The internet is the key to the development of highly efficient solutions for global challenges; particularly in respect to how we use our resources efficiently – whether to promote car sharing, industrial symbiosis or access to healthcare. What's more, technology forecasters already predict that over the coming years we'll move away from a purchase economy towards one where we'll subscribe to access rather than pay money for possessions.

The media and entertainment industry already holds good examples of this shift – gone are the days of large home CD and DVD collections – the emerging model is one of downloading. But in the long run this will become ever more prevalent in our economy – people may not own cars in the future, but one will show up at your door when you need it.

The internet is the enabler for this type of transaction, and there will be huge commercial wins for those who capitalise on this trend. But our future innovators need to understand the drivers that will create the need for game changing products. Young people and recent graduates have been born of the digital economy and they are the critical piece in this jigsaw.

Education

What does this mean for education? The most useful thing that MBAs and universities can do is weave issues of sustainability into all of their courses. This is how this dual skill set begins to really emerge and this is beginning to happen.

Ashridge business school makes for a great case study. In 2005 Ashridge created a compulsory module on sustainability in its MBA programme. Matt Gitsham, (the Director of the Ashridge Centre for Business and Sustainability) describes that at that time there was a painful resistance from some students – even anger on occasions. He recalls a student banging his fists on the table stating that he had signed up to learn about business, not sustainability.

However, things have changed - over the past three years resistance has been replaced by excitement and Ashridge believe that many students select their MBA programme specifically due to the inclusion of sustainability. Ashridge aren't alone in this regard but are certainly ahead of the curve. In their pioneering approach, they have taken risks and learnt lessons that other business schools may benefit from.

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But whilst higher education has been reasonably pro-active, sustainability is not effectively embedded in the UK National Curriculum. According to research compiled by UK charity Global Action Plan, sustainable development remains under-represented at primary schools in particular. Yet over 80% of 7-14 year olds want to learn more about global issues at school and rank this 3rd after numeracy and literacy.

Accreditation and regulation bodies

Education assessment bodies are important influencers in this discussion. Brussels based Equis (the major European accreditation body for business schools) now base 14% of their accreditation on how well ethics, corporate responsibility and sustainability is embedded in the curriculum. Other accreditation bodies however are laggards in this respect.

Likewise The UKs Quality Assurance Agency for Higher Education (QAA) has set the expectation that sustainability should cut across all higher education courses. This is potentially powerful as they are the key regulating body.

Companies

There's a great meta study by Oxford University and Arabesque Asset Management titled "From Stock Holder to Stakeholder", which discovers a remarkable correlation between sustainability business practices and economic performance. Based on over 190 sources of data it concludes that:

Sound sustainability standards lower the cost of capital of companies

Stock price performance of companies is positively influenced by good sustainability practices.

Solid Environmental Social Governance practices result in better operational performance for firms.

From the corporate's perspective such evidence must have a dramatic impact on what they look for from the educational landscape – and they are key influencers on this agenda.

It implies that an understanding of sustainability is imperative for business and that it must be embedded. It points to an all encompassing approach where we are educating the masses rather than the few who are already bought in. But most importantly it points to the fact that a quality education for aspiring senior executives must include sustainability.

Conclusions and Recommendations

There is growing evidence both anecdotal and scientific, to support the notion that sustainability is, and will become a key driver for tomorrow's economy. The issues are complex, but at their heart are meta-issues such as dramatic population growth, resource scarcity and changing weather patterns. Beyond these lie local challenges such as youth unemployment and corporate tax evasion.

With this in mind, education must play a fundamental role in returning future generations to citizens in how they behave and make decisions. When we step in to our place of work, we will lose a commercial advantage if we leave the citizen at the door – and we will often be acting against our personal codes of practice. Education must make clear that aspiring to do the right thing is becoming ever more entwined with good business.

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My recommendations which I shared with the European Commission at their Multi-stakeholder Forum on Corporate Social Responsibility in 2015 are as follows:

- The central strategy of key influencers (such as the European Commission) should be to embed sustainability into the broad educational landscape – from primary school education, to MBA programmes.
- There are several trail blazers who are already making progress down this path. I have mentioned Ashridge business school and EQUIS already. The lessons that such institutions have learned should be shared and promoted amongst organisations that are behind the curve.
- Companies are pivotal; research which makes the link clear between company share value and their sustainable business practices should be supported/commissioned and shared with the business world. Companies have a great deal of influence over business schools and will respond to evidence.
- Like-wise, the provision of research that demonstrates that individuals with dual skill sets are both highly impactful in their work and as citizens will help crystallise the topic for business and educators.



Education must make clear that aspiring to do the right thing is becoming ever more entwined with doing good business.



About the Author



Andrew Cartland | Founder and Director | Acre

Andy co-founded Acre in 2003 and is the company's Managing Director - driving forward Acre's growth plan.

He works closely with the sales, marketing and support teams to ensure Acre's services offer the most effective recruitment solutions to our customers around the globe.

Andy's commitment to developing the leading recruitment business in the field of sustainability has seen the company's turnover increase year-on-year at a growth rate which has significantly out-performed the UK recruitment sector since 2007. In 2014 the business was awarded Recruitment Agency of the Year at the UK Recruiter Awards for innovation, transparency and positive disruption.

Outside of Acre, Andy has co-founded some of the UK's most successful and innovative online product comparison businesses, is an advisor to Social Impact Consultancy Uscreates, and has acted as an advisor to the recently launched ICRS, a new professional institute dedicated to supporting CR and Sustainability professionals. Andy is also a Trustee with Global Action Plan, a charity that brings people together and inspires them to take practical environmental action.



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