

The Doughty Centre for Corporate Responsibility  
Cranfield School of Management, UK

# ANNUAL REPORT 2010-2011

Doughty Centre



Corporate Responsibility

*Cranfield*  
UNIVERSITY  
School of Management

sustainability at the heart of successful management

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# From Frank Horwitz, Director of Cranfield School of Management



I am delighted to write this Forward for the Doughty Centre Annual Report. In its four years the Centre has made enormous strides and very importantly has made an impact. Its work is wide and varied, fundamentally concerning the role of business in society and helping develop leaders who have a new and different world view about their role and the importance of responsible leadership in this new, turbulent and complex era of business. The work that the Doughty Centre does is fundamentally aligned with the mission of Cranfield School of Management of 'transforming knowledge into action'.

The Centre has been both active and indeed under Professor David Grayson's dynamic leadership, has been highly proactive. In this report you will get a clear sense of the important nature of the Centre's contribution, including its role in helping review the School's curriculum to integrate corporate responsibility and sustainable development as core rather than add-on courses, the development of relevant and impactful case study material and the external impact the centre has made in our broader society.

I wish to thank Professor Grayson and his team for this Report. It is testimony to their commitment to the principles for which the Centre and the Cranfield School of Management firmly believes in and to the excellent progress the Centre has made. Nigel Doughty has been a pillar of strength and support and can, I believe, be very proud of the accomplishments of the Centre and its people.

Professor Frank Horwitz  
Director of Cranfield School of Management



# From the Director of the Centre

## Professor David Grayson CBE



It has taken us several years, but we now have a clear research focus seeing clear results. Our primary interest is why and how companies embed sustainability and responsibility, so that they are built in to business purpose and strategy; and, in particular, we want to know more about how companies can engage their employees in this endeavour. This past year we have investigated the business arguments for embedding sustainability and responsibility: The business case for responsible business. This was a joint project with the business-led CR coalition Business in the Community where once again, thanks to our strategic partnership with BITC, we were able to interrogate the data from BITC's Corporate Responsibility Index – a voluntary, annual benchmarking exercise for companies which provides a unique, longitudinal data-set from 2002 onwards. We used this same data-set for another study this past year on the use of stakeholder advisory groups by companies, to assist their board oversight and governance of CR.

Our research programme on engaging employees for sustainability has included the production of a how-to guide on the subject, and papers on internal marketing to engage employees and on social intrapreneurs – individuals who are people within large corporations who take direct initiative for innovations which address social or environmental challenges profitably. They typically work 'against the grain', challenging the conventional mindsets and behaviours of their peers at work. Moving forward we are continuing the work on social intrapreneurs – focused on how companies can create an enabling environment for them – and looking in more detail on the role of employees in how an organization becomes sustainable, be they champions, sustainability experts or senior management. In the coming year we also want to further investigate board oversight and governance of corporate responsibility as part of further work on embedding sustainability.

Whilst some of our research has already appeared in academic journals, we are trying to speed up the availability of our research – and make it accessible to people in companies who are the primary target audience for it. Thus over the last year we have shared our research through webinars (for example, two run by The Guardian newspaper); in business conferences (e.g. two run by Business in the Community); through the CR press (e.g. quarterly essays in Ethical Corporation magazine); and in social media, (e.g. regular blogs on Guardian Sustainable Business and our twitter account) – as well as via our own publications. We have also deliberately been accessible to general media – whether that is our local radio station Three Counties Radio or the world's global business newspaper The Financial Times. We also Twitter about our work and are slowly building a following from this. We don't blind-review such research, (assuming this is generally possible anyway); but we do have multiple expert reviewers from business and sometimes also from academia, for each paper. Such an accessible approach is fraught with challenges – but ones that have to be faced if the perennial demand from companies for faster access to and greater relevance from research is to be answered. In the coming year we will continue to manage this balance through both academic and practitioner channels, using marketing and social media to disseminate the work.

During the year, we have maintained our teaching in the School for both graduate and executive programmes. We have also taken on responsibility for the Cranfield Non-executive director course, and undertaken some bespoke executive education module delivery. We continue to offer student projects and thesis for students, and have had a wide variety of students taking these opportunities, from Marketing to MBA and School of Applied Science.

Simultaneously, as we research, teach and advise on how to embed, we are trying to apply these insights on our own doorstep: the Cranfield School of Management. We have always been clear: we are an integral part of the school and want to help Cranfield embed sustainability and corporate responsibility in its research, teaching and practice – and in how the SOM operates as an organization. Cranfield's experience has already been written up in a profile published by the influential AACSB, and have contributed to a forthcoming study co-ordinated by the Nottingham Business School for the Higher Education Funding Council on how UK business schools are tackling sustainability.

Like each company which has to map its own journey, business schools will do so based on their culture; faculty perspectives and foci; student, alumni and business partner interests; and wider university resources (where appropriate). We hope that the launch this autumn of "Cranfield on corporate sustainability" and the AACSB re-accreditation process will stimulate further embedding in Cranfield.

Our work programme this past year could not have been achieved without the support and encouragement of our advisory council; the help of visiting faculty and our associates – particularly Chris Marsden and Melody McLaren; close collaboration with a number of Cranfield faculty; and the practical help of colleagues in IT, Press Office, TV Studio, Reception, Grad Admin, executive education, HR and Finance. We are particularly pleased to welcome Prof Andrew Kakabadse and Sheena Darby who are now devoting part of their Cranfield time to the Doughty Centre, as we profile later in the report. I would like to give special thanks to Nadine, Thea and our temporary research assistant Hayley for their good humour and commitment to our work.



Professor David Grayson CBE  
Director, The Doughty Centre for Corporate Responsibility

# KEY ACHIEVEMENTS



**Research** success in understanding the social intrapreneur and how to engage employees en mass; identifying and articulating the business case for responsible business as part of embedding sustainability into organisational thought and action.



Successful engagement is not a temporary state that passes when initial efforts cease. Instead, successful employee engagement is about creating a "state of being" where this culture thrives in the longer term, feeding into individual commitment and success. Business success = sustained engagement.

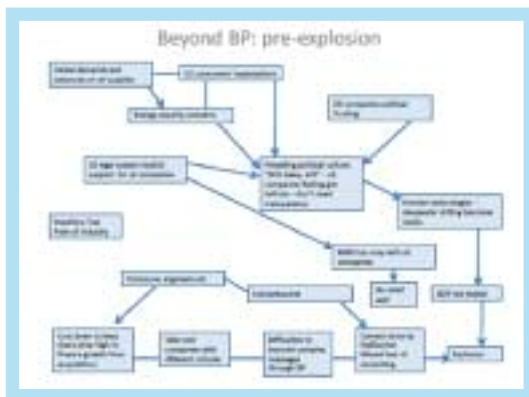


Even more **students engaging** with us via our elective, projects, student club, trips and conference attendance sponsorship, Pears Foundation Business School Partnership lectures, and our CR lectures and network.





**Influencing practice** via significant expansion of our online collateral and presence via social media; capturing emerging practice and thought leaders via our points of view; engaging with business on critical issues at conferences and via media.



Learning how to **engage with faculty** on their terms, such as developing case studies for joint teaching, development of a SoM book (Cranfield on Corporate Sustainability), faculty-student debates, facilitating SoM research, enthusing students to learn, and creating recognition of our contribution to the School's profile.



## August 2010

### Consultancy

- CSR Europe benchmarking assignment, R Ainsbury and N Exter

### Teaching

- 'O' week debate for incoming MBA students
- Executive education Business leaders' Programme teaching at Cranfield, Profs. D Grayson and A Kakabadse

### Conferences

- 'Joint Management Stakeholder Committees' paper by E Hanson and H Spitzbeck presented by E Hansen at EABIS colloquium
- BP Deepwater Horizon case EABIS colloquium, Prof. D Grayson

### Meetings

- BITC Annual Researchers Meeting, presenting findings from business case research, N Exter and S Cunha
- DCCR Annual Advisory Council dinner, chaired by Lord Stevenson

## October 2010

### Publications and articles

- *Financial Times Soapbox*, Integration of new management skills for sustainability into the teaching of business schools, Prof. David Grayson
- *Management Focus*, Social Intrapreneurs article, Prof. D Grayson
- MBA orientation booklet for new students, N Exter

### Speeches

- Cranfield Alumni Annual Conference on Leading Responsibly speech, Prof. D Grayson
- Common Purpose, The Good Later Life, presentation by Prof. D Grayson
- Doughty Hanson 25th Anniversary AGM guest speaker Prof. D Grayson on Global Sustainability Challenge

### Teaching

- DCCR BP Deepwater Horizon Case taught to entire full-time MBA

### Publications

- Hot Topic series: 'Enough responsibility to go around: lessons in CR from corporate crises', Prof. D Grayson and A Barnor

## December 2010

### Teaching

- Overhaul of Managing Sustainable Business MBA elective

### Research grants

- Doughty Centre small research grants 2010-11 invites for proposals

### Teaching

- MBA Oath meeting with students and alumni Neil Marshall, facilitated by N Exter

### Publications

- How to guide: 'Supporting Corporate Responsibility Performance Through Effective Knowledge Management', M McLaren
- Occasional paper: 'Social Intrapreneurs – an extra force for sustainability innovation', Prof. D Grayson, M McLaren and H Spitzbeck
- Q1 press release and dissemination

### Conferences

- GOLDEN Research conference, hosted by Bocconi Business School, Milan – presentation on Marks and Spencer; Prof. D Grayson

## February 2011

### Teaching

- Student Career service 1st workshop by Career specialist, organised by N Exter and SOM Careers

### Conference/meeting

- IESE student Conference, Doing Good conference, Barcelona Doughty Centre sponsored MBA and MSc students to attend

### Articles

- *Ethical Corporation* 'Grey Skies Thinking' article, Prof. D Grayson
- *Guardian Sustainable Business Blog*, 'Social intrapreneurs', Prof. D Grayson

### Publications

- Interactive annual report 2010 launched

## September 2010

### Publications

- Occasional paper 'Stakeholder Governance: an analysis of BITC Corporate Responsibility Index Data', E Hansen and H Spitzbeck
- Working paper 'Using internal marketing to engage employees in CR', Dr I Sanchez-Hernandez and Prof. D Grayson
- Q3 press release and dissemination

### Speeches/presentations

- Corporate Governance, Innovation, Social and Environmental Conference Lisbon speeches, Profs. D Grayson and A. Kakabadse
- Citigroup Global Transaction Services International Management Conference, weblink to New York sustainability speech, Prof. D. Grayson
- New Cranfield doctoral students dinner presentation, Prof. D Grayson

### Conferences

- EMERGE conference, Said Business School Oxford Doughty Centre sponsored 25 Cranfield MBA students attendance

### Meetings

- Innocent Sustainability panel, Prof. D Grayson
- 1st Net Impact MBA student meeting, facilitated by N Exter
- Annual Pears Foundation Business School Partnership meeting, Prof. D Grayson and N Exter
- BITC Annual Account Managers Meeting, presenting findings from business case research, N Exter
- Guest expert for BITC engaging employees workshop, N Exter

### Social media

- Webinar: Embedding sustainability hosted by 2Degrees, chaired by Prof. D Grayson

## November 2010

### CCRN

- 'The Institute for Economics & Peace and the Global Peace Index' presentation, Steve Killelea
- Inaugural lecture of Pears Business School Partnership at London Business School, Stephen Green

### Meetings

- Family Foundation Giving Trends launch via Pears Foundation, attended by N Exter

### Publications

- Australian Centre for Social Impact research conference proceedings and presentation on social intrapreneurs, Prof. D Grayson
- *Stanford Social Innovation Review*, An unusual merger; Prof. D Grayson

## January 2011

### CCRN

- 'Is Business Meeting the Scale of the Sustainability Challenge?' presentation, Patrick Laine
- 'Micro-finance' presentation, Malcolm Harper

### Events

- Debate on Hot topic 'Enough responsibility to go around: Lessons in Corporate Responsibilities from corporate crises' publication, hosted by PA Consulting with David Pitt-Watson as guest expert

### New starters

- Prof. A Kakabadse and Sheena Darby join DCCR part-time

### Presentation

- All Party Parliamentary group, House of Lords on engaging employees for Sustainability, Prof. D Grayson
- Three Counties radio interview "Guru of the day"

### CCRN

- 'Tri-Sector Partnering presentation, Ros Tennyson
- 'Integrated reporting, updating on the creation of the IIRC' presentation, Paul Druckman

### New starter

- Marketing and Social Media Contractor; M McLaren



**Teaching**

- 2011 student projects and thesis start, 12 confirmed students
- BITC workshop 'Driving change for CR', S Jackson and N Exter

**Publications and articles**

- 'The Business Case for Being a Responsible Business', N Exter and C Turner from BITC
- *Guardian Sustainable Business Blog* 'What business schools can do to encourage sustainability', Prof. D Grayson
- *Guardian Sustainable Business Blog* 'M&S staff champion sustainability', Prof. D Grayson
- *Guardian Sustainable Business Blog* 'CEOs should have crucial conversations on sustainability', Prof. D Grayson
- *Parliamentary Brief* 'Showing We Care', article Prof. D Grayson

**Research grants**

- 2010-11 successful applicants for Doughty Centre small research grants confirmed and notified

**April 2011****Teaching**

- 2011 full-time MBA Sustainable Business elective starts
- Student Career service 2st session with recruitment consultants and alumni, organised by N Exter and SOM Careers
- Cranfield MBA students moderate IBM Global Jam on Sustainability

**Teaching**

- Executive education Non-Executive Directors' Seminar teaching, Profs. D Grayson and A Kakabadse

**Publications and articles**

- Case study for ecch: 'Going Beyond Corporate Philanthropy: United Bank for Africa Foundation, Nigeria' K Amaeshi
- Occasional paper: 'Salvaging the Big Society: A ten-point plan', Prof. D Grayson and D Harrison
- *Ethical Corporation Magazine* 'Engage employees and transform social and economic performance' essay, Prof. D Grayson and M McLaren

**Conference**

- Ethical Corporation Conference, chaired by Prof. D Grayson; N Exter and H Warren attendance

**June 2011****Teaching**

- Student organised debate on China, chaired by Prof. D Grayson
- 47 MBA Students China IBE study tour, led by Prof. D Grayson and Dr Stephanie Hussels, plus presentation to IBS, Shanghai
- Cranfield Advanced Development Programme teaching
- Cranfield MBA China debate, moderated by Prof. D Grayson

**Conferences and meetings**

- Doughty Centre Strategy Day
- EFMD PRME conference, University represented by N Exter
- Guardian Sustainability meeting on engaging employees, N Exter attend as 'expert'

**Teaching**

- MBA masterclass on 'Managing in a low carbon economy' run by faculty from SAS for MBA Students
- Student Career service 3st session: one-on-one sessions
- BITC Train the trainer session 'Driving change for CR', S Jackson
- End of year farewell gathering with MBA students interested in CR
- EGOS presentation, Rajiv Maher

**Publications**

- Hot Topic: 'Corporate Responsibilities in Times of Civil Unrest: the Case of Egypt and Vodafone', C Marsden
- Book 'Bilderberg People', Prof. A Kakabadse
- 'Demystifying CSR' K Amaeshi, accepted in CSR Files
- *Guardian Sustainable Business*, 'Phone hacking: what corporate responsibility could have done to stop it', Prof. D Grayson

**March 2011****CCRN**

- 'The Future of Sustainable Capitalism' presentation Jessica Sansom, Head of Sustainability, innocent drinks
- Net Impact meeting, Conrad Young and Chantel Beaudoin

**Conferences**

- BITC Responsible Business Summit, 'The Business Case' presentation Prof. D Grayson
- Skoll World Forum, Prof. D Grayson, visiting professor John Elkington, Charmian Love and Julika Erfurt on Second Half and Social Enterprise
- Education without Borders attended by student Mohamed Ali Nair
- 14th World Business Dialogue
- Sunday Times Non-executive director awards presentation

**New Starter**

- Research Assistant, H Warren

**Visitor**

- Dr Louise Lee, Massey University, Australia for PRME discussions
- Steve Killelea and the Global Peace Index

**Article and social media**

- *Guardian Sustainable Business* 'Santander's sustainability challenge is a hit with Brazilian students'
- Guardian Online discussion 'Engaging employees in sustainability', Prof D.Grayson

**May 2011****University sustainability**

- Cranfield University Green Week – including a DCCR presentation

**CCRN**

- 'Emerging Aspirations: Exploring new innovation agendas for Bottom of the Pyramid Consumers' presentation, Prof. Simon Bolton
- 'Developing Responsible Leaders, China: a challenge but a survival imperative' presentation, Prof. Henri-Claude de Bettignes

**Social media**

- Twitter account launched

**Publications and articles**

- *Guardian's Sustainable Business blog* 'What's good for the planet is good for business' article, Prof. D Grayson
- How to guide: 'Engaging Employees', N Exter in collaboration with Futerra and Camelot
- *Corporate Governance: International Journal of Business in Society*, 'Joint Management-Stakeholder Committees' by H Spitzbeck, E Hanson and Prof. D Grayson
- Q2 press release and dissemination

**July 2011****CCRN**

- 'CR in the Chinese Context', Dr Stephan Rothlin

**Events**

- Joint Institute of Business Ethics-DCCR seminar on 'Business Ethics in China' with Prof. S Rothlin
- Lord Michael Hastings, KPMG, Cranfield Distinguished Speaker Lecture

**Social media**

- *Guardian Sustainable Business Blog*, panel member for debate on role of business schools, N Exter
- BITC webinar on engaging employees, Prof. D Grayson and M McLaren
- Doughty Centre website re-launched

**Speeches**

- LEAD Europe speech, Prof. D Grayson
- Age UK 'CR and the ageing society', speech Prof. D Grayson

## INTO THE CENTRE, 2010-2011

The relationships we have built and maintained with faculty and students at Cranfield University, visiting fellows, associates and external stakeholders have helped the Doughty Centre remain at the centre of corporate responsibility discussion and allowed us to achieve our commitments to helping others integrate corporate responsibility fully into management practice, create, teach and inspire managers to engage fully with environmental and social issues in the workplace and to further promote corporate responsibility research and development.

This year, we have asked some key stakeholders to provide their thoughts and opinions of the work we have carried out over the past year and how we can develop and grow over the coming years.



### INSIGHT from Chris Marsden OBE, Visiting Fellow

*Chris teaches MBA courses on Corporate Responsibility and Business Ethics. He is visiting professor at the International Management School of the Ecole Nationale des Ponts et Chaussées (ENPC) and a board member of EABIS (the Academy of Business in Society), which he was partly responsible for founding. He is Chair of Trustees of the Business and Human Rights Resource Centre and*

*the Institute for Human Rights and Business.*

I have been involved with the Centre since the beginning in 2007. The whole concept of corporate responsibility has moved on so much in that time and it is important to remember where things were four years ago in order to appreciate what has been achieved in the meantime.

If it was being set up today, I don't believe it would be called the Centre for Corporate Responsibility. I suspect that its name would be something like the 'Doughty Centre for the Study of Business in Society'. The idea of responsible business in 2011 is about how a company manages its total value creation in terms of its 'triple bottom line'. It is increasingly about the role of a company in the governance of public welfare issues on which it has an impact, alongside traditional government agencies and civil society. The concept of corporate responsibility, or CSR as it is popularly called, is constrained by its history. It is still, in the minds of many, associated with corporate philanthropy, percent clubs, etc., while others think of it as somehow anti-capitalist and in opposition to profit-seeking enterprise. At best it has been seen as a voluntary activity undertaken by the more enlightened companies, at worst as an anti-capitalist plot, instead of being a fundamental and integral part of all business activity if the future of companies and the world in which they operate is to be sustainable.

These negative perceptions of CR were part of the hurdle the Doughty Centre had to overcome. It has been a constant source of frustration to me that the School of Management has taken so long to 'get it'. The MBA curriculum still lacks proper consideration of the role of business in society. However, during the last year real progress has been made in the numbers attending the electives and the increasing demands made by students for issues of business in society to be included in the core MBA and in executive programmes. Perhaps, at last, with its more explicit emphasis on governance and sustainability in its social as well as environmental sense, the importance of the role of the Centre as a catalyst and an enabler for radical change in the approach to MBA teaching will be recognised and allowed to fulfil its potential.

In terms of my own involvement with the Centre, it is always a stimulating environment in which to work. David Grayson is so well connected to so many of the prime movers in the field that one always gets the feeling of being at the centre of a vital change network. Teaching MBA students is always great fun and stimulating and this year's classes have been better than ever. There's no doubt that more and more students 'get it' each year. I have also enjoyed working with a masters research student on how and why companies move from conventional CSR activity to direct involvement in addressing public welfare issues.

Highlights for me in the last year, in addition to some memorably lively MBA classes, include a cross-faculty presentation to the whole MBA cohort of the BP Gulf of Mexico disaster case, which had been written by David Grayson, David Denyer and myself. There were also other excellent Cranfield CR Network (CCRN) lectures by David Logan and Innocent Drinks. I have written another BP case on the Texas City refinery disaster and two Centre 'Hot Topics' papers one on the implications of the financial crisis and the other on Vodafone's human rights dilemmas during the Egyptian Jasmine revolution. The financial crisis 'hot topic' led to a lively debate with faculty and students.

It has been a hard four years for the Centre. I feel that during this last year there have been more signs of a breakthrough. I hope now that Cranfield seizes the opportunity to lead in the vital re-thinking of the purpose of business and its implications for the managers of the future.



### INSIGHT from Juan Guerra, MBA student 2010-11

*Juan Guerra is a Mexican national who lived three years in Germany where he played guitar in bars to pay for his undergraduate studies in International Business Administration. Juan received a Chevening scholarship with co-sponsorship from HSBC and joined the Cranfield MBA. He is interested in business as a means to drive sustainable development. Juan had been actively*

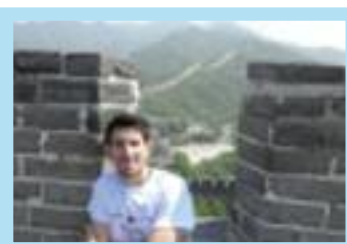
*involved in a number of events offered to students throughout the year.*

This has been one of the best years of my life. The quality of the course has been deeply motivating, rising challenging questions – some of which I have not yet answered. We have gained an ability to identify and question issues we could not see before. I have become more aware both personally and professionally.

I have attended the Centre's lectures on Globalization, in Organisational Behaviour and taken the Sustainable Business Elective. Sustainability issues are discussed in several classes, not just the Sustainable Business Elective, and this gets people thinking about issues they had overlooked or taken for granted before. The earlier on this is done, the better.

From my experience at Cranfield I have realised it is important to get the message out that sustainability is not a cost centre, that it is not about PR and greenwashing, and that it can deliver value to all stakeholders, shareholders included. Sustainable initiatives should ideally make profits or at least not make losses if they are to be sustainable in the long run. Unfortunately not everybody is up to speed with corporate responsibility and sustainable issues; therefore the first task of the Doughty Centre is to educate people in the SoM with the basics: What is CSR, what is sustainability, what in these areas costs money and what makes money. Once that has been established, the ethical dimensions can be explored.

I am currently working on a project with Doughty Hanson, an independent student project I received from the Doughty Centre. My work analyses whether and how sustainable operations can generate value in the context of private equity (PE). If the PE firm can solve those issues, it will enhance the company's value and make a profit on sale. PE could become an engine for sustainable business!



As part of my IBE I was lucky to get the chance to go to China lead by David Grayson, and Stephanie Hussles from the Bettany Centre for Entrepreneurship, respectively. It was a mind-blowing experience.

We had the privilege of visiting companies, a university, and meeting experts to learn more around Chinese business practices and their approach to sustainability. The experience was very intense, yet comprehensive for a 10 day programme.

Cranfield continue to run excellent CCRN lectures, which are open forums designed for faculty, students, associates, alumni and partners to engage, interact and develop ideas and understanding. The CCRN provides both a platform for Cranfield students and faculty to present their research and test out ideas, as well as involve visiting speakers and provide an opportunity to explore new issues in Corporate Responsibility and potential research topics.



This academic year we have had the privilege of being invited to excellent presentations covering a range of contemporary topics in the field, from China experts, to sustainable business leaders (innocent drinks), and to NGOs (WWF). Many of them have been truly inspiring and paradigm shifting for many of us. There is also the chance to network and learn more on the subject through The Cranfield Net Impact Chapter. This helps students join forces and carry out rich debates on pressing issues concerning profits, planet and people. It is also a very good platform to search for jobs related to sustainability and network with likeminded individuals across the world. Nadine Exter, Centre Manager at the Doughty Centre, helps us coordinate activities and presents initiatives which are relevant, such as the MBA Oath initiative.

One of the best conferences of my MBA was EMERGE, Oxford. This was a fantastic opportunity to see what is being done in the forefront of sustainability from the perspective of blue chip corporate organisations, consultants, sustainable entrepreneurs, and academia. I think this should be done every year.

This year the Doughty Centre and SoM Careers' help in finding possible careers in sustainability was an extremely useful service. The service helped us match profession and purpose without necessarily having to sacrifice salary or career progression. Expert consultants are helping us target the right jobs and tailor our CVs accordingly. This is the first time the service has been offered to students and it was a worthwhile experience, one which Cranfield should maintain. Getting the right job is difficult so the more support students receive the better.

Moving forward I would suggest the Doughty Centre promote more collaborative working and provide a platform where students can share ideas with their colleagues on what they have done around sustainability and corporate responsibility and liaise with students from other Schools within Cranfield University to share knowledge and ideas. Aside from the academics, Cranfield has the unique potential of becoming the "MIT of Europe", with its renowned business school, its healthcare division, complemented by the Centre for Design and the School of Applied sciences. Synergies must emerge!



**INSIGHT from collaborator and partner, Charlotte Turner Research & Information Director, Business in the Community**

*Charlotte Turner has been Research and Information Director at Business in the Community for ten years, where she is responsible for developing and communicating research, assessing business and the societal impact of responsible business, public affairs and*

*knowledge management. Charlotte was previously a Research Director at Ipsos MORI specialising in stakeholder engagement, corporate reputation and responsibility research.*

Business in the Community and Doughty Centre work together regularly, whether on specific research projects or training sessions through the CR Academy. We wanted to work with a corporate responsibility research centre to put some independence into analysing our data. We also needed to be able to give this in the context of the broader business environment, which a well-regarded business school like Cranfield could provide. We wanted to be relevant to mainstream business not just to the CR community and felt the Doughty Centre for Corporate Responsibility could help us to do this. Another advantage was that the Doughty Centre have used our unique CR Index data-set before. And besides, Nadine (the project lead) is a woman who makes things happen!

Collaborative projects are very effective, drawing on the relative strengths of both organisations. For example, in the jointly produced 'The business case for being a responsible business' project, the Doughty Centre brought academic rigour to Business in the Community's data and knowledge of and contact with businesses. We have had a fantastic reception to this report from businesses, consultancies and academics. The business case project allowed us to identify some more research gaps or opportunities, and we look forward to working together on these over the next couple of years.

David Grayson is a long-time friend of Business in the Community and was a popular speaker at both our annual Responsible Business Convention and CR Index results breakfast meeting this year, where we discussed the business case for being a responsible business. Business in the Community doesn't always have the time and resources to analyse our in-depth and long-term data but we feel it is important to make it available to reputable parties like the Doughty Centre. We aim to be the voice of responsible business, and we do this better by working in strategic partnerships like with the Doughty Centre for Corporate Responsibility.



**INSIGHT from collaborator Julika Erfurt, Accenture**

*Julika Erfurt is part of Accenture's Global Strategy Practice and is an expert in demographic change. Her key focus lies in future-proofing organisations to harness the opportunities of ageing societies. Beyond that Julika works on public sector reform, sustainability, thought-leadership development and strategic planning for public and private sector organisations. Prior to joining*

*Accenture, Julika worked in international development for GTZ (Sri Lanka), at the UN (New York) and with local NGOs (Ecuador).*

I have had the honour and pleasure of working with the Centre since early 2010 as part of the Second Half Network. Second Half was set up by David Grayson, John Elkington and Charmian Love (Volans), Dr. David Metz (Unltd) and myself and represents a space where individuals and organisations interested in the interface between demographic change and sustainability and/or entrepreneurship can develop thinking and action.

Highlights this year included a presentation at the Skoll World Forum in Oxford and several round table discussion hosted at Accenture with a cross-section of experts from business, academia and think tanks on new work models, work after 50, future-proofing organisations, and product innovation. Working with David and our Second Half colleagues helped push the boundaries in understanding the next generation of demographic change thinking.

As next steps we are discussing developing a Silver Economy Index to assess organisations' "gray-dar" – i.e. readiness to serve an ageing market and aim to continue building the network of experts. For more information please see [www.volans.com/lab/projects/ageing/](http://www.volans.com/lab/projects/ageing/)



**INSIGHT from Melody McLaren, Research Associate and Marketing Contractor**

*Mel is a writer and consultant with over 25 years of experience in public relations, sales promotion, web development and corporate responsibility campaigning in the US and Europe. She worked as a specialist consultant with marketing firms in the Netherlands and the UK before joining Business in the Community in 1990, where*

*she worked in diverse communications and knowledge management roles. She also spent four years as a client services/project director in a Silicon Valley web consultancy. Following a stint as interim Managing Director of corporate social responsibility consultancy The SMART Company, she founded McLaren (UK) in 2006. She is also a jazz enthusiast.*

As a close observer of the work of the Doughty Centre team over the past year, I am reminded of the exploits of early jazz pioneers, chronicled in feature films and documentaries such as *Round Midnight*, *Bird* and *Blue Note: A Story of Modern Jazz*. As it was for Charlie Parker, Bud Powell and other musicians leading the early bebop movement, the Doughty Centre team are walking a difficult and often lonely road. They, along with like-minded colleagues and friends in academia, business, Government and NGOs, are trying to change fundamentally the way people think about, and do, business – what a company is for, what it should be trying to do and how it should go about it.

I have watched the corporate responsibility movement with interest since I was first recruited as a Corporate Writer by Business in the Community back in 1990. Last year I was invited to join the Centre's research team as an Associate, working initially with David and Heiko Spitzack on interview research with social entrepreneurs and then with Nadine Exter and Cranfield School of Management Prof. J C Spender writing a *How To Guide for CR Knowledge Management*. Most recently my remit has expanded to include working with Hayley Warren and Thea Hughes, as well as Nadine and David, on social media and other online communication channels.

Through all of this I have been struck by the many challenges the team face. These include University bureaucracy (which plagues academic institutions everywhere, often reaching comic heights (and depths)), shortages of time, and limited resources in the face of growing interest in, and demand for, academic and practical research, teaching modules and advisory services. Like jazz musicians everywhere, the team have had to learn how to improvise and are constantly discovering new ways to develop their craft, driven by the need to survive and press on with their work.

I was recently asked to edit the Doughty Centre's corporate responsibility historical timeline. In the midst of that exercise it became apparent that, although the drive to create sustainably managed businesses has built up slowly, global socio-economic and political events have now propelled that movement to a tipping point.

## UPDATE FROM TARGETS 2010-2011

We have worked hard to achieve the goals we set out for ourselves last year. Despite being low on staff head count, we have achieved much of what we set out to.

What we said we would do	What we did in 2010-11
<b>RESEARCH</b>	
Develop 3 new Pears cases.	For year 2 of the partnership we have cases on BP 2010 Gulf of Mexico crisis, social intrapreneurship and social entrepreneurship, in development.
Complete and publish book 'Cranfield on Corporate Sustainability'.	We have had more contributions than expected, which is very positive, but this has required more time for project management and editing. The book will be published in 2011-12 academic year.
Develop and agree an applied research agenda around engaging employees, including social intrapreneurs.	This is agreed and on our new website.
We will have operational a Research Grant Committee, funded by us, to enable SOM/University faculty to research - leading to cases and / or publications and / or conference submissions.	This is operational and in 2010-11 we issued 5 grants. For 2011-12, from feedback from the Committee, we are considering reducing to 2 awards but of larger sums. We continue to track the progress of the research, which is on-going.
We will continue with specific research.	With the addition of Andrew Kakabadse we are also looking at the role of directors and NEDs, with a few key research opportunities identified to follow-up on. The role of the individual is also developing well, and has been made a priority research area for Nadine in 2011-12. We added 'The business case for responsible business' research project this year.
<b>TEACHING</b>	
Assess our teaching across the board starting with the MBA Sustainable Business Elective.	The MBA SB elective was revised following a detailed critique, and the revised elective was launched this year with more business interaction and a tighter flow. Student feedback has been positive.
We will support students with at least 3 bursaries for relevant conferences, assist with the Net Impact chapter and actively recruit our associates to be project and thesis supervisors.	40 students benefitted from travel bursaries to attend sustainability-related events in other business schools; Net Impact chapter has over 20 members but is not as active this year as last (which is being explored as to why); over 10 separate projects/thesis with Associates, PhD students and core team as supervisors.
Expand our numbers on the Sustainable Business elective.	Ongoing
Look for opportunities for contributing to core MBA classes, such as OBPPD, Globalisation and Society, and look to offering session on the MSc.	Ongoing

What we said we would do	What we did in 2010-11
<b>TEACHING (continued)</b>	
Develop core modules for executive education. These core modules must be unique to Cranfield.	Lack of teaching resource means this was not fulfilled.
We will support our PhD scholar; Rajv Maher; and work with the DBA/PhD office to identify additional supervisors for the 2011-12 cohort of PhD candidates.	Andrew Kakabadse is available for supervision this year and is working closely with the PhD/DBA office and with candidates.
<b>INFLUENCING PRACTICE AND POLICY</b>	
To affect current practice with 2x How to Guides, 3x Occasional Paper and 2x Hot Topics.	All were researched and published: publications list is available on back cover of this report.
Continue to seek to play a leading role in developing CR practice and thinking through working with the media to disseminate and challenge ideas.	We have contributed regular blogs for The Guardian Sustainable Business and quarterly essays for "Ethical Corporation". Resource Exchange was launched to share directly with business, which Nadine manages and will expand further in 2011-12.
Seek out opportunities to challenge the work of policy makers of business schools and businesses. Will actively look to associates and visiting professors for collaboration on this target.	The school was represented at EFMD PRME conference by Nadine, and David and Andrew spoke at the annual EABIS colloquium held in St. Petersburg.
<b>CENTRE MANAGEMENT</b>	
Draft a tactical Marketing (using Social Media outlets such as Twitter, Facebook and LinkedIn and have a blog running by the end of the year) and PR and communication plan.	We now have a part time Marketing and Social Media contractor (Mel McLaren) working with Nadine Exter. We have developed a strategic social media plan, a clearer brand identity, and understanding of key audiences and tone/message in how we communicate. We have successfully engaged existing and new stakeholders through twitter and Facebook.  We have an operational communications plan identifying critical audiences to engage, and tracking which channels are most useful.
Recruiting new members of Faculty.	We have recruited a Research Assistant to help with a number of projects. This post has been very successful and is being extended.  As discussed above, we have recruited a part time Marketing and Social Media person for a period of 12 months to develop our brand, communications plan and on-line presence.  We welcome Andrew Kakabadse as part-time professor to the Centre, to provide doctoral supervision and to lead research on board governance and oversight of CR. We aim to recruit an additional member of faculty this coming year.
All part-time and visiting faculty will have a written agreed defined role and guidance on their contribution.	This is in development, evolving as several people's contribution has evolved over the last 12 months.
Have a transparent list of all our contributors.	We have on the new website a list of collaborators, partners and associates.

# MOVING FORWARD

### RESEARCH AND PUBLICATIONS

We plan to continue our applied research programmes, including the vehicles we use for disseminating the learning, which is well received: 2x How to Guide, 3x Occasional Paper and 2x Hot Topics. We also have 3 books in the pipeline, as well as journal articles.

### TEACHING AND STUDENT SERVICES

We continue to aspire to embed sustainability and CR as a core MBA subject. We are also looking at how we can accommodate the growing interest from students for a few specialist classes on managing in a low carbon economy, to continue with our student projects and sustainability careers counselling. Each year interest from students grows, and we are spending more time discussing issues, advising on careers, topical issues and requests for research.

We aim to complete our 2010-11 executive education objectives in this year, and expand this offering, particularly for NED and CR Leadership programmes.

We will continue our efforts to embed sustainability into core teaching, especially on the MScs where more work is needed.

### CENTRE MANAGEMENT

We will continue to develop our marketing and PR strategy and engagement with stakeholders by increasing our involvement in the Social Media. We want our twitter presence to continue to grow, and develop our article contributions opportunities.

We hope to engage academic more with the addition of Andrew Kakabadse to the team. Business and students will continue to be engaged at the level seen in 2010-11, especially with the launch of 'Resource Exchange', a programme of collaboration with identified partner organisation.





We would like to thank our network of staff, associates and fellows for their contribution to another busy year. We also warmly thank partners, such as Pears Foundation Business School Partnership and BITC, for the opportunity to continue working with them.

## Core Staff



**David Grayson CBE**, *Chair of Corporate Responsibility and Director of the Doughty Centre for Corporate Responsibility*  
This year David has once again travelled the world developing collaborations and promoting the Centre. He has also focused on two research projects: the second half, and social intrapreneurs. He has been busy with the Sustainable Business elective and expanding our efforts to embed sustainability into the School of Management.



**Andrew Kakabadse**, *Professor of International Management Development, Doughty Centre, Cranfield University's School of Management*  
Andrew joined the Centre as a part time Professor in February this year, and brings with him 2 books 'Leading Smart Transformation', and 'Bilderberg People'. Andrew continues to run the Non-executive course with David, brings a wealth of experience and research on boards, NEDs and senior management leadership, and will be supervising incoming PhD students for the Centre.

### **Nadine Exter**, *Doughty Centre Manager*

As well as managing the Centre's marketing, publications, new staff and work flow, Nadine focused on 2 research projects this past year – engaging employees and building the business case for being a responsible business. Nadine also further developed collaborations and partnerships with SoM and with business, and spent considerable time on student engagement and the different ways the Centre can enhance the student experience.

### **Thea Hughes**

Centre Administrator and PA and CCRN and Events Co-ordinator

### **Rajiv Maher**, *PhD student*



Rajiv started his first year of the PhD program, having successfully completed his MRES. Rajiv is looking at the relationships between local communities and mining companies as part of stakeholder engagement for sustainability management. He co-supervised a thesis student this year to great success, and has already presented

his early research at an academic conference in July.

We would like to especially thank the following associates:

### **Chris Marsden OBE**

Chris has once again engaged our students through MBA teaching and supervising a thesis student, as well as contributing to the multi-disciplinary BP case study, 2 Hot Topics and a subsequent debate. We thank Chris for his ability to bring an independent voice and unique insight into the opportunities and direction of the Centre.



### **Sharon Jackson**, *Research and executive education*

Although Sharon is busy with a PhD and setting up a Centre for Sustainability in Crete, she has found time this year to engage in our teaching, both helping to restructure the MBA elective and some executive education.



### **Melody McLaren**, *Research and marketing/social media management*

Mel has a dual role at the Centre; as an excellent researcher on two projects, and by supporting our social media and media outreach – especially Twitter and article writing. She has worked closely with David on the social intrapreneurs projects and with



Nadine on developing the brand and online media presence.

### **Hayley Warren**, *Research Assistant and associate*

Hayley joined the Centre as Research Assistant in February, supporting us with excellent research help and taking on her own projects such as updating a booklet for SMEs and developing the monthly news update that is sent to close stakeholders. We would like to congratulate Hayley on her marriage and move to New York, but are pleased to confirm that she continues with us as an associate.

The centre is also extremely privileged to have further experienced professionals working with us:

### **Research Associates**

Kenneth Amaeshi and Heiko Spitzbeck

### **Visiting Professors**

Gilbert Lenssen and John Elkington

### **Visiting Fellows**

David Logan, Ronald Endley Ainsbury, Gerry Wade, Edward Bickham, Ros Tennyson, and David Slattery



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## CENTRE PUBLICATIONS

### OCCASIONAL PAPERS

**Designed to stimulate debate on topical issues of Responsible Business and Sustainability:**

- Small is sustainable (and Beautiful!). Encouraging European Smaller Enterprises to be Sustainable. David Grayson CBE and Tom Dodd (2008)
- The Business of Business is.....? Unpicking the corporate responsibility debate. Chris Marsden OBE and David Grayson CBE (2008)
- Embedding Corporate Responsibility in the MBA Curriculum. Chris Marsden OBE (2008)
- Who should head up your sustainability function? Joint think-piece with David Grayson CBE and Stuart Morton of Odgers Berndtson (2009)
- CR and the media. David Grayson (2009)
- CR and the recession: learning from responsible business. Abiola Barnor and Nadine Exter (ed.) (2009)
- Mind the Gap: Making Sense of Sustainability from a Business Manager's Perspective. Sharon Jackson (2010)
- Social Intrapreneurs: An Extra Force for Sustainability. David Grayson, Melody McLaren, Heiko Spitzeck (2011)
- Salvaging the Big Society: A ten-point plan. David Grayson, David Harrison (2011).

### HOW TO GUIDES

**Providing busy managers with up-to-date and relevant advice to embed CR, based on the latest academic research and practitioner insights.**

- CR Champions Networks. Nadine Exter (2009)
- Stakeholder engagement: A road map towards meaningful engagement. Neil Jeffery (2009)
- Guide to how-to guides. Nadine Exter (2009)
- Governance of corporate responsibility. Heiko Spitzeck (2010)
- Supporting corporate responsibility performance through effective knowledge management. Melody McLaren (2010/11)
- Engaging employees in corporate responsibility. Nadine Exter (2011)

### WORKING PAPERS

**Providing a contemporary review of academic research and to identify opportunities for further research, informed by practitioner experience and needs.**

- Non-Financial Performance Metrics for Corporate Responsibility Reporting Revisited. Malcolm Arnold (2008)
- Measuring Business Value and Sustainability Performance. David Ferguson. A joint research project with EABIS (2009)
- Using internal marketing to engage employees in CR. David Grayson, M Isabel Sanchez-Hernandez (2010)

### OTHER PUBLICATIONS

- Sense and Sensibility – Professor David Grayson's Inaugural lecture (2007)
- The Doughty Centre Year One Report to Stakeholders (2008)
- Business-Led Corporate Responsibility Coalitions: Learning from the example of Business in the Community, by David Grayson jointly with CSR Initiative, Kennedy School of Government, Harvard (2008)
- Engaging Business in the Community - Not a Quick Fix, by Geoffrey Bush, David Grayson and Amanda Jordan with Jane Nelson. With the Smith Institute (2008)
- A New Mindset for Corporate Sustainability - a white paper on sustainability as a driver of commercial innovation, produced in partnership with academics from MIT, Beijing, Singapore and IESE in association with BT and CISCO (2008)
- The Doughty Centre Year Two Report to Stakeholders (2009)
- Communicating CR. A joint publication with Ogilvy Worldwide (2010)
- The Doughty Centre Year Three Report to Stakeholders, an interactive pdf (2010)
- The Business Case for being a Responsible Business. By Nadine Exter and Charlotte Turner, BITC (2011)

[www.doughtycentre.info](http://www.doughtycentre.info)

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