

## **Blueprint for Better Business**

### **Note for Cranfield Mapping project**

### **August 2014**

#### **Who?**

*What sort of organisation is behind this initiative?*

*What is its guiding spirit?*

'A Blueprint for Better Business' (BBB) is independent of any particular agenda and in order to provide this "movement" with a guiding entity, a Trust (the Blueprint Trust) was formed in 2014 to further its aims and to express its independence of any specific business, political, societal or religious organisation.

The Blueprint Trust has human dignity and the common good of society as its exclusive motivational inspiration.

BBB is concerned with the role of business and the market economy within society, and the long term detrimental effects of a decline in trust between the two. In the wake of the financial crisis in 2008, leaders of some prominent financial institutions in the City of London initiated a private dialogue with the (then) Archbishop of Westminster – Vincent Nichols - about how financial institutions should change following the crisis. One of the catalysts for initiating discussions was the publication of the Caritas in Veritate Encyclical which was seen as a powerful analysis of the lessons to be learned from the financial crisis and Cardinal Nichols was seen an independent and positive voice about the role of business in society.

In 2011, as more and more negative corporate behaviour came to light and the relationship between society and business continued to worsen, a broader range of business leaders renewed their approach to Cardinal Vincent Nichols. He responded by tasking a working group to explore how the relationship between business and society could be improved.

The widespread realisation amongst business leaders that society would not trust a solution born from within their own ranks, lead the BBB team to look to society, and what has sustained it over millennia, as its guiding spirit including:

- Philosophy: e.g. Aristotelian virtue ethics
- Social and Behavioural Science
- Faith Teachings: principally catholic social teaching as the written tradition over the last century represents a social and economic commentary
- Economics and organisational theory

What links these sources is a focus on the need for strong relationships in building and maintaining trust and the motivations of the human person towards seeking a collective good.

#### **What?**

*What is the agenda of this initiative?*

*The key themes that emerge from the initiatives we have found*

The fundamental aim of the Blueprint Trust is to help re-establish, within business, behaviour and ethics that maintain a betterment in its relationship with society, for the public benefit. The Trust aims to fulfill its objective by encouraging the growth of 'purpose driven businesses'.

BBB recognises that this involves a journey for businesses and the people that work within them – beyond the completion of an initiative or the achievement of a kite mark. It also highlights the phenomenon of the “divided life” starkly exemplified by the divergence of personal values and corporate purpose.

Evidence of the need for this betterment and the existence of the divided life is everywhere; exacerbated by memories of the global financial crisis, continuing high profile corporate scandals, and ongoing debates about business behaviours and executive pay.

It is society’s perception that is worse affected. Business is seen as self-serving, whose only purpose is to make profit - as quickly as possible, however possible - and that the people making decisions about how businesses are run are driven by the wrong incentives.

Business is given its licence to operate by society and without trust and reciprocity in the relationship that licence is in jeopardy. Business talent, innovation, growth and success are at risk. And if the world of commerce and the market economy is not innovating or growing it cannot realise its potential to serve the common good and the society in which it operates.

BBB focuses on the essential of the role of the human person in this relationship and the dignity and value of people. Businesses are driven by people and society is made up from some of the same people who drive business. The divergence between the values held by individuals at home and those promoted at work, leads to a “divided life”. Without attention to the whole person, both organisations and society suffer from the subsequent reduction in people’s engagement and ability to reach their full potential. The divided life reinforces the perception that business is apart from society rather than being part of it and contributes in large measure to mistrust between the two.

### **Why?**

*What is the purpose of this initiative? What is it hoping to achieve?*

The purpose of the BBB is to unite corporate purpose and personal values to serve society.

To achieve its purpose, the BBB seeks a change to negative corporate behaviour and society’s current response to it: which is to regulate and legislate. Reactionary regulation can overshadow what usefully exists. Businesses can then become bogged down in a growing bureaucracy, which stifles talent and innovation in a culture of compliance and reference to the measures: is it profitable and is it legal?

With greater unity of values and improved trust, a more positive regulatory environment can develop for business, allowing it the freedom to innovate within a framework of behaviours that maintain society’s trust.

In supporting companies in the provision of goods and services that truly serve, society itself will not only benefit from growth and better organisational health, but also from increased individual wellbeing with a positive learning experience in the workplace re-enforcing virtuous behaviour in the community. People no longer need to live a divided life and can seek fulfilment in their business activities confident that the business has a purpose which delivers long-term sustainable performance and which serves society, respects the dignity of people, and can generate a fair return for responsible investors

### **How?**

*How does this initiative propose to proceed? What sort of change is envisaged?*

The defining change is for companies to rediscover and state their purpose in relation to the good of the business within society. The BBB requires – as any positive response from society would - business to acknowledge that behaviours need to change and requires that an orientation towards a common good be demonstrated and evidenced. Clear commitments must be made by business to enable public scrutiny of the alignment between their stated purpose and actual performance, including a commitment to build strong relationships with those impacted by decisions its people make.

The BBB achieves change by providing business with a bridge to the independent body of learning on which it is based. BBB describes a journey. It is not a prescriptive doctrine on “how to be better” involving widespread corporate restructuring or a definitive instruction on achieving minimum behaviours. It has two simple elements: “Five Principles of a Purpose Driven Business” and a “Framework to Guide Decision Making”. *(There needs to be a link to these 2 documents somewhere in here)*

The Five Principles help organisations identify the key relationships in achieving authenticity according to the central tenets of a defined purpose, and also help organizations consider what’s needed to nurture those (often pre-existing) relationships. The principles also provide a common set of actions and outcomes that address the organizational behaviour that has driven the erosion of trust between business and society. The actions and outcomes apply across all businesses and yet allow each one to be unique in its expression of purpose, what it prioritises and how it engages.

The 5 principles are the first level of access to the underlying provenance of the BBB. The “Framework to Guide Decision Making” enables a deeper connection. The Framework firstly helps further to define purpose within the boundaries of the dignity and value of people as well as the common good. Secondly, it describes the behaviours needed to build character and achieve purpose.

Being a Framework to guide decision making, it is used to challenge to decisions before they are taken and how the decision makers behave in the course of making them. If a decision, and how it is arrived at, cannot be explained by reference to the character traits expressed in the Framework, it is unlikely to be seen as being true to the stated purpose and will fall short of achieving it.

The BBB is a “movement” within which the standards of a whole network of businesses can change and evolve across any sectors. It is designed to be accessible by businesses large and small, by the society from which it draws its provenance [and by people of faith or no faith at all]. People from the BBB are engaging representatives from business and society, through one to one contact, events, conferences and specific work in defined areas. Current workstreams are working with large corporates, investors, SME’s, NGO’s, inter-faith groups, business and research academics and future leaders.

21<sup>st</sup> August 2014