

# GROWING BACK BETTER - EAST MIDLANDS BUSINESSES' APPROACH TO COMMUNITY ENGAGEMENT



East Midlands  
Chamber

Derbyshire

Nottinghamshire

Leicestershire

## GROWING BACK BETTER - FOREWORD

As both the economy and our communities recover from the impacts of the coronavirus we're being presented with many opportunities. Traditional ways of doing business have been massively disrupted, but disruption isn't always a negative. Organisations we are talking to are looking for new opportunities, new markets, new products, processes and ways of working. All of this challenges us to question why things were done in certain ways previously, and if the ideas and logic behind that are necessarily still true today.

As part of this there's an opportunity for businesses to reimagine how they engage, support and work with their local communities, often referred to as Corporate Social Responsibility (CSR). The following report details how over recent years more and more businesses are engaging in this activity – which is fantastic – but the interesting thing to consider is the drivers behind why they're doing this. For many involved it's viewed quite simply as the 'right thing to do' from an altruistic and giving back perspective, and that will hopefully always be the case. But an increasing number are also viewing it as the right thing to do from a business-perspective also.

The report shows that more and more businesses are engaging in CSR activity as they understand the benefits it can bring to their own staff – whether it's personal development, recruitment or retention benefits. It can also help them stand out from the crowd when it comes to winning new business. And many are realising the learning can flow both ways, with the experiences of the communities they're involved with informing and strengthening their own business strategies.

All of this is important as it can help drive more meaningful, longer lasting relationships, where the impact is maximised for both the community and business alike.

For this reason the Chamber is launching the East Midlands Coming Together Campaign (#EMComingTogether). Through this we aim to support those that want to do more in local communities to understand the opportunities and different ways to do so. We want to help those businesses that perhaps aren't yet engaged but would like to understand how they can be. We also want to help build a better mutual understanding between businesses and communities around what needs exist and how they can most impactfully be met.

As the economy continues its recovery from the pandemic there's a real opportunity in the East Midlands to support a more inclusive growth. We're excited to be working with so many brilliant businesses, and across so many wonderful communities, and we look forward to making that engagement even more impactful for all those that live, work and play in the East Midlands.

We would like to thank the **University of Derby, Futures Housing and Nottingham Community Housing** for partnering with us on this work.

#EMComingTogether.



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## Introduction

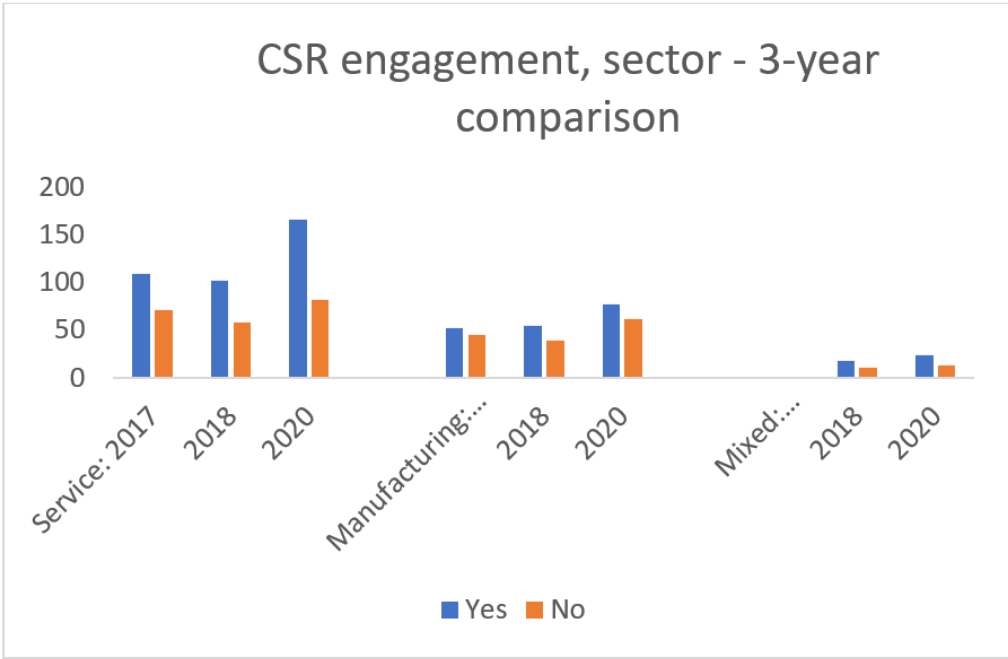
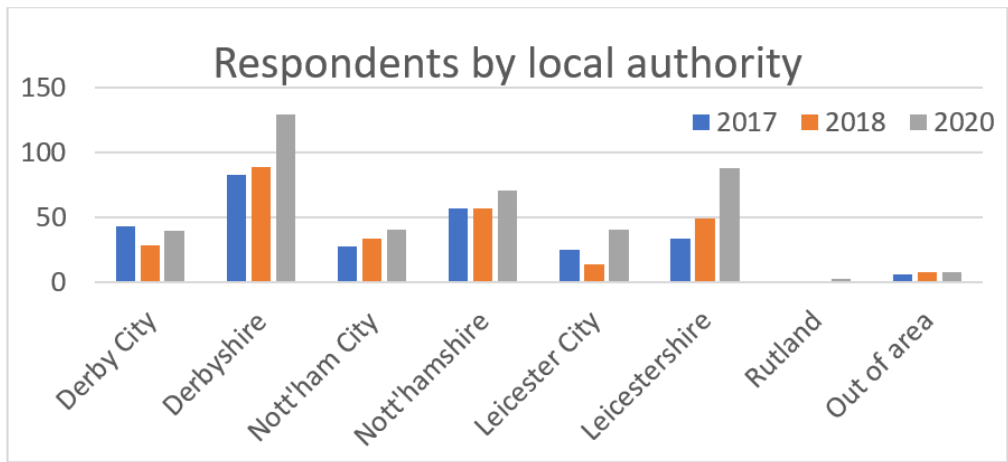
The aim of this briefing paper is to give an overview of how members of the East Midlands Chamber (Derbyshire, Nottinghamshire, Leicestershire) engaged with Social and Community activities (Corporate Social Responsibility (CSR), over the last four years. The data were recorded through three consecutive surveys, dated 2017, 2018 and 2020.

## KEY FINDINGS

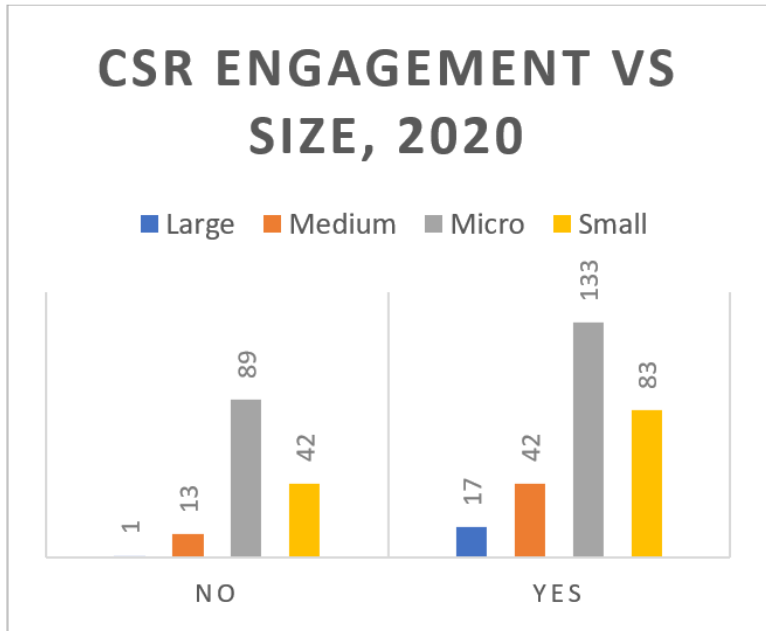
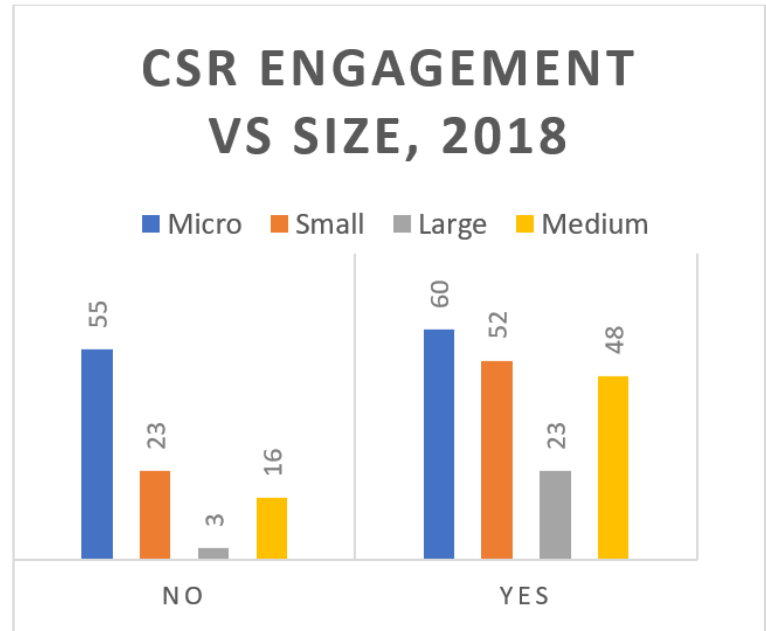
- **Micro/small businesses** and **manufacturing businesses** should be the focus of the support from the Chamber, to achieve the desired Chamber target of 70% of firms having some CSR engagement.
- The dominant reason for non-engagement is 'not enough resources' across the sector/year: it is suggested that an awareness campaign might encourage engagement in even small ways. It is not necessary to have huge resources to engage.
- In 2020, more businesses are beyond the 'I am not interested' phase, instead focusing more on 'how to implement CSR' (compared to 2017 and 2018), which means there is openness to be engaged in awareness seminars on CSR activity and strategic outcomes.
- Large companies engage in more strategic CSR, smaller/micro firms in more personal ways; but in general, there is always a form of personal/normative link to CSR.
- **CSR related to staff** (staff volunteering and salary sacrifice) is a gateway for **more strategic CSR**.

Awareness on the positive impact of CSR activities on achieving strategic objectives needs to be encouraged, in particular in the manufacturing sector. Such strategic awareness is a gateway to a sustained increase of CSR commitment.

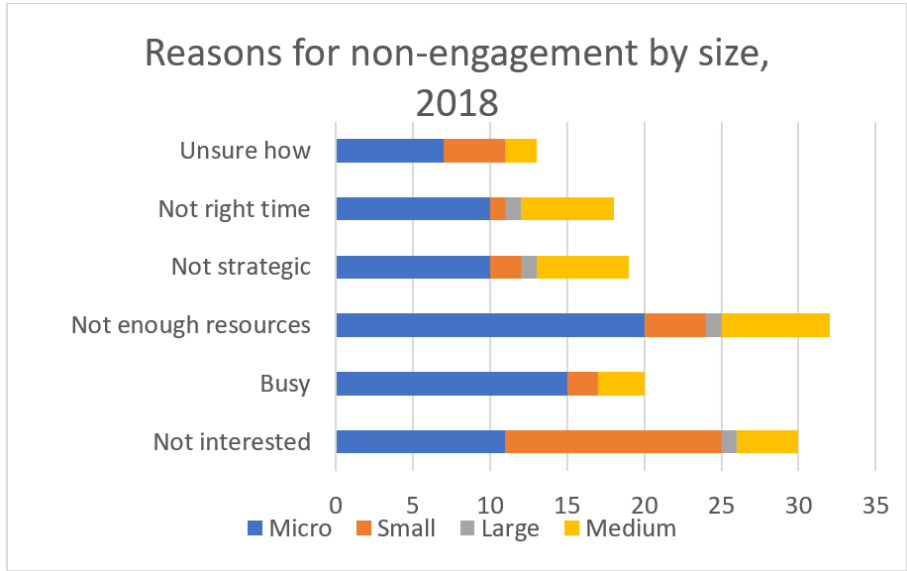
# ENGAGEMENT BY REGION, SIZE & SECTOR



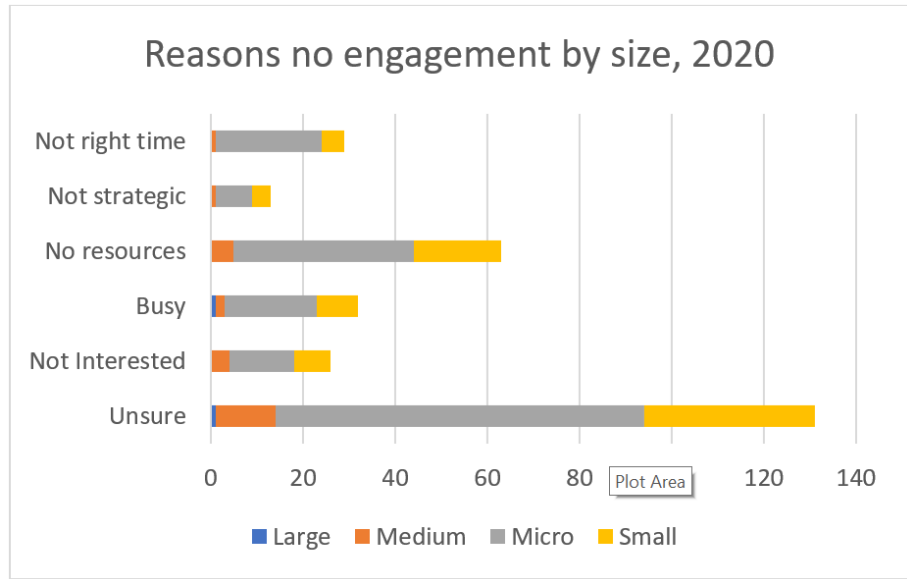
- There was a broad coverage of respondents across the region in each of the three years
- There were 277 respondents in 2017, 280 in 2018 and 421 in 2020. 60% of respondents were involved in some social or community activities in 2017, 65% in 2018 and 66% in 2020
- CSR engagement is higher in the service industry (67% 2020, versus 56% of manufacturing in 2020)
- Large businesses engaged almost in 90% of cases, small/medium businesses engaging between 65/70%, while micro businesses reaching almost 50% of cases
- Micro businesses and manufacturing are the focus areas for the Chamber to achieve a target of 70% engagement



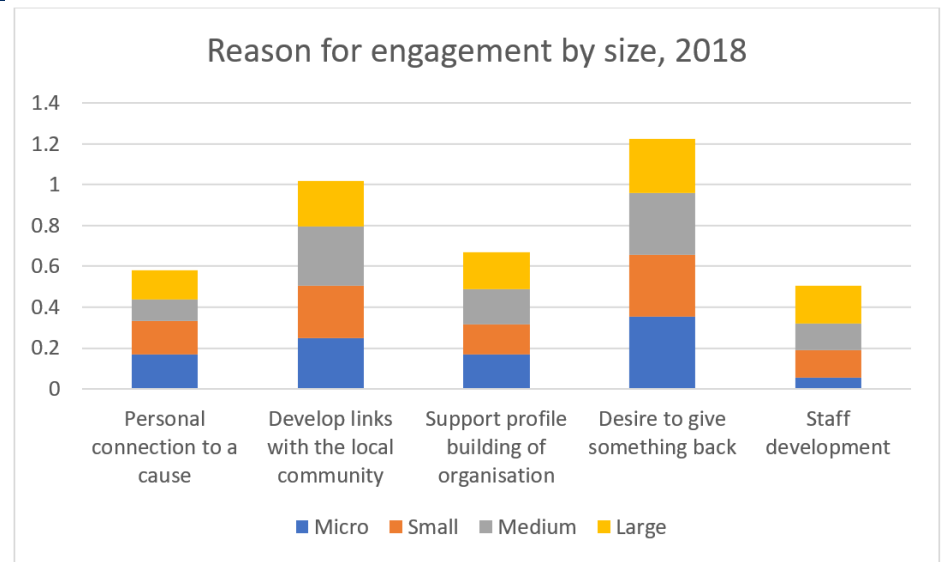
REASON FOR NON-ENGAGEMENT IN CSR BY SIZE



- Not enough resource’ and ‘Not interested’ were key reasons for non-engagement in CSR in 2018, particularly among **Micro/Small businesses**. The same results emerged in 2017.
- Similarly, the common reason for non-engagement across sectors is ‘not enough resources’.
- Interestingly, this trend is not confirmed in 2020, with many more businesses mentioning “Unsure” as a key reason. This means that there should be broader CSR awareness across the region about what firms can do to make a difference.

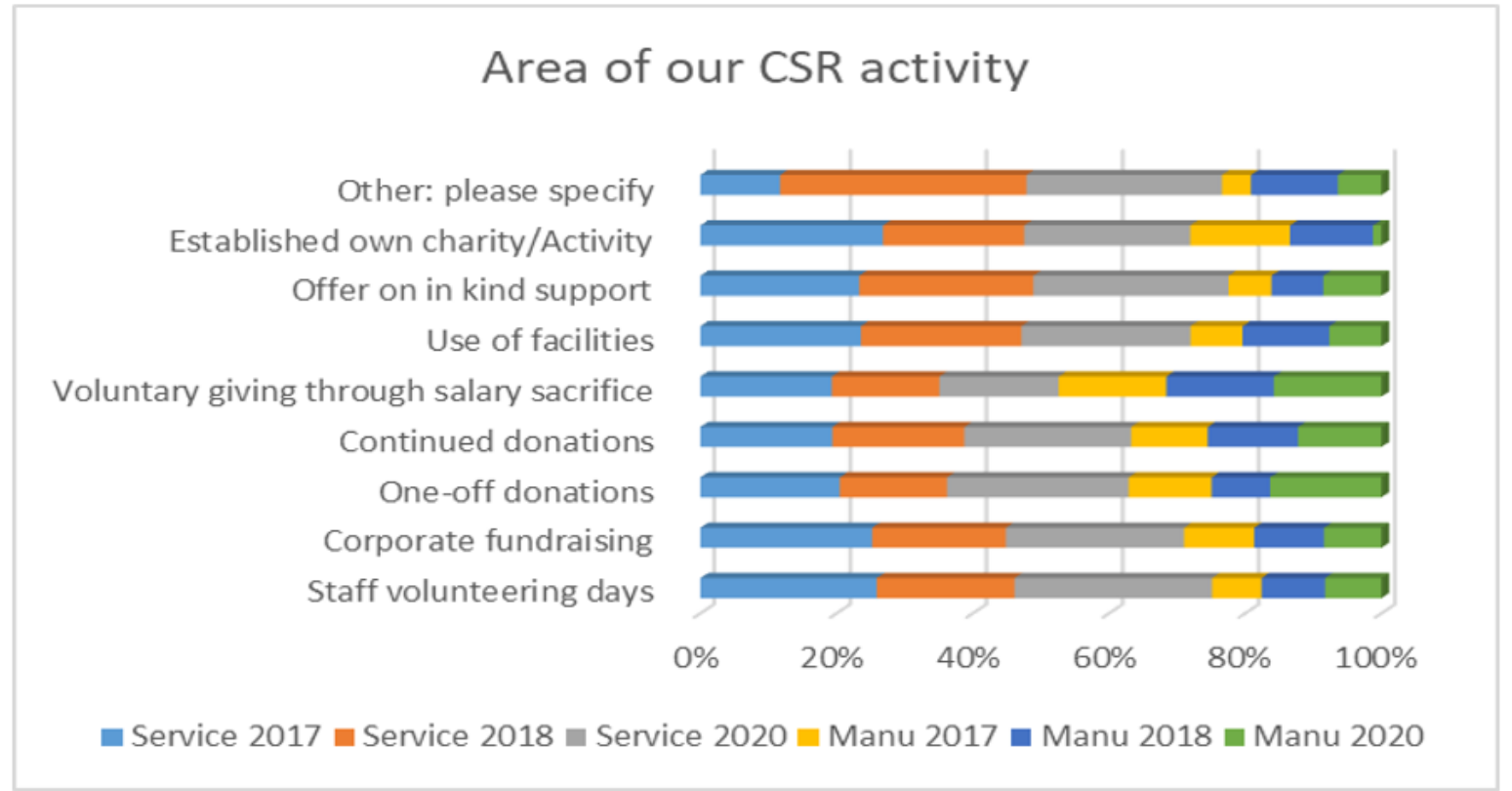


CSR ENGAGEMENT MOTIVATIONS BY SIZE



The reasons for engagement more common in micro/small businesses are particularly “personal link with a cause/ altruism”; there is a willingness to build community links in medium businesses, while staff development is slightly more prominent in large businesses. (note: these values are similar across the 3 years, therefore only 2018 is showcased).

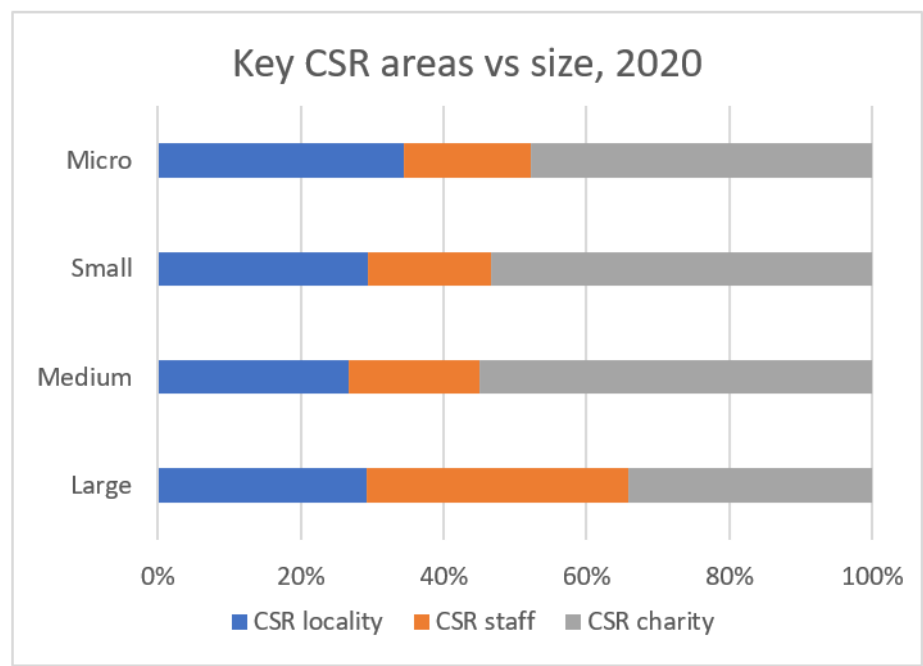
## CSR ACTIVITY AND STRATEGY, BY SECTOR



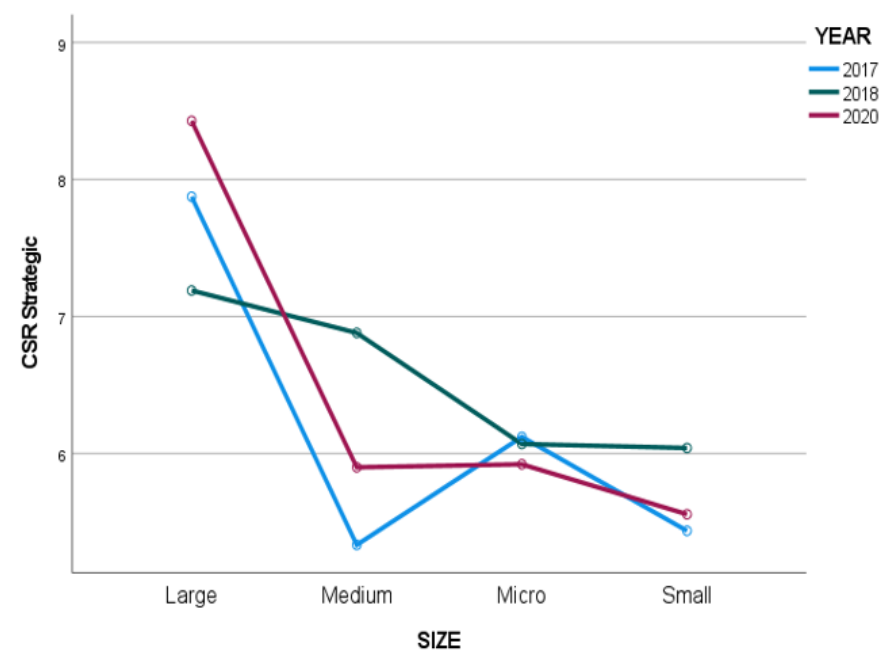
For the service industry, ‘one-off donations and ‘offer in kind support’ have been their main focus for each of the three years.

For the manufacturing industry, they have focused on ‘one-off donations’ and ‘continued donations’.

TYPE OF CSR ENGAGEMENT  
(AGGREGATED), BY SIZE



CSR STRATEGIC LEVEL, BY SIZE IN  
2017/2018/2020



- The following aggregations by type of activities were proposed, which highlight that while most businesses are engaged in some sort of CSR activity, micro businesses distinguish themselves in focusing on the locality, while large businesses are more engaged with staff-related actions.
- **CSR Staff:** Staff volunteering days; Voluntary giving through salary sacrifice.
- **CSR Charity:** Corporate fundraising; One-off donations; Continued donations; Established own charity/charitable activity.
- **CSR Locality:** Use of facilities; Offer of in-kind support; Other (which is mostly about supporting local schools).
- In general, larger companies have a significantly higher strategic outlook on CSR (while micro/small are more personal in approach).
- In 2020, there is progressive growth in awareness of the possible positive impact of CSR activities on achieving strategic goals. (particularly large and the service sector businesses).

CSR ENGAGEMENT IN NEXT 12 MONTHS, BY SECTOR



- The majority of companies said that their CSR activity will stay the same across the three years.
- There is evidence that it is companies with a more strategic outlook on CSR that are planning to invest more in it over the next 12 months.

