

#### **About the RSA**

The RSA has been a source of ideas, innovation and civic enterprise for over 250 years. In the light of new challenges and opportunities for the human race our purpose is to encourage the development of a principled, prosperous society by identifying and releasing human potential. This is reflected in the organisation's recent commitment to the pursuit of what it calls 21st century enlightenment.

Through lectures, events, pamphlets and commissions, the RSA provides a flow of rich ideas and inspiration for what might be realised in a more enlightened world; essential to progress but insufficient without action. RSA Projects aim to bridge this gap between thinking and action. We put our ideas to work for the common good. By researching, designing and testing new ways of living, we hope to foster a more inventive, resourceful and fulfilled society. Through our Fellowship of 27,000 people the RSA aims to be a source of capacity, commitment and innovation in communities from the global to the local. Fellows are actively encouraged to engage and to develop local and issue-based initiatives.

# Contents

Foreword **5** 

Acknowledgements 6

Executive summary 7

Context 9

Method 12

Findings 13

B&Q's Community Footprint **20** 

Principles 21

Processes 23

Proposals 24

Bibliography 26

#### Sir Geoffrey Chandler, 1922-2011

Sir Geoffrey dedicated the later years of his life to encouraging business to engage with wider society. We would like to dedicate this report to his memory.

The **RSA** in partnership with





## Foreword by Rt Hon Oliver Letwin MP

Everyone knows that dynamic businesses underpin a strong economy. But as this report shows, businesses are also vital to building a strong society. Britain's shops, pubs and cafes are the spaces where society happens; where people come together, meet their neighbours and connect with their communities. So if we want to create flourishing local communities we need to focus on the places – including businesses – that link people together.

The creativity and innovation of businesses can be powerful tools in helping us to tackle some of the most pressing social problems in our country. It can sometimes be tempting, when faced with a major challenge such as obesity, worklessness or family breakdown, to simply reach for new legislation or more regulation. Of course, government has a role to play - but we know that government alone can't solve every problem. Businesses are often better placed to respond to these challenges. Many are well trusted and liked. They are situated in the forefront of people's lives. Put simply they can reach the parts that government can't reach.

So we want to build a genuine relationship between government and business – a partnership for the common good. Our Every Business Commits agenda sets out the deal at the heart of this relationship: government commits to helping businesses prosper; in return, businesses invest in their local communities, whether that's through creating local jobs, investing in skills, supporting new businesses, or improving the wellbeing of their employees.

This isn't just good for society; it's good for business. Countless studies show the benefits to business of investing in their local communities. It improves reputation, builds brand loyalty and helps with staff retention. There is a virtuous circle of responsibility and profit, and we need to draw more businesses

So I am proud of the progress this government has made in working with businesses. Our Public Health Responsibility Deal has seen leading

players in the food and drinks industry taking action on major health challenges like bing drinking and obesity. We have also worked with leading retailers like B&Q on socially-responsible initiatives, such as reward schemes that encourage energy efficiency. We hope this is just the start – that in the years to come this relationship between government and good business grows exponentially.

It's in that spirit that I welcome this report from the RSA. I hope it encourages the businesses that are already playing their part – and inspires others to follow their lead.

## **Acknowledgements**

This project was made possible due to the generous financial support and partnership of B&Q, for which we are grateful.

We would also like to thank the renowned designer Ben Kelly RDI, who kindly spent time visiting B&Q in Sutton to talk to staff and customers and provide invaluable insight and advice on design and other issues.

We would like to thank the members of staff who commented on drafts of this document including Matthew Taylor and Adam Lent from the RSA, Kelly Metcalfe from B&Q and Caroline McCarthy-Stout from Kingfisher.

Finally, we would also like to thank the customers and staff of B&Q Sutton who were willing to give up their time to make valuable contributions to the research which informed this report.

### **Executive summary**

In this report we outline a method for both assessing the community impact of a given business and producing an action plan with local people to improve the impact of a business on the surrounding community. We call this impact the community footprint.

Businesses can bring people together, promoting social interaction within communities. They can also benefit from these communities. Our research found that there is a huge amount of social interaction in business spaces. In just one B&Q retail store in Sutton, four in ten customers we spoke to had had some interaction with other customers while they were in the store. There is huge potential to develop this and to explore how retail stores can become community hubs, for the benefit of both the community and business. Currently, the difficulties of measuring social interaction, competing priorities and disjointed government policies make it hard for businesses to promote social interaction. In this report we outline a method for both assessing the community impact of a given business and producing an action plan with local people to improve the impact of a business on the surrounding community. We call this impact the community footprint.

Professor Michael Porter has argued that businesses should focus on creating

'shared value' in which they pursue profit making activities which benefit the communities they work with. His rationale is that the competitiveness of businesses is related to the health of the communities with which they operate. Perhaps the most striking example of strong communities benefiting businesses can be found in the case of the 'Third Italy'. A community with supportive social networks and a complex pattern of overlapping working relationships proved to be the perfect breeding ground for a cluster of world leading artisan businesses. Indeed, Third Italy workers say that the close links between businesses and the wider community allows them to be innovative and stay ahead of competitors because of the confidence such a supportive and close-knit environment generates (Criscuolo, 2002).

Individual businesses can benefit greatly from working with local communities and creating shared value. A number of leading business thinkers and practitioners suggest that creating shared value with customers is the most important determinant of building trust (Mukherjee and Nath, 2003, 2007) and consumers are more likely to buy from and promote companies they trust. Such action includes sharing their experiences of the company with others both on and off-line. Generating stronger links to the community will also sustain loyalty amongst customers. Seven in ten consumers say that they would remain loval to a brand that demonstrates social value even in a recession. Alongside improved reputation and community relations, becoming a community hub will also provide more space for innovation as businesses are better able to draw on the ideas and understand the needs of the community. The community can become more than an aggregation of customers and instead assume the role of a complex learning system that informs everything from product design to store layout. As Professor Rosabeth Kanter has argued, values-driven companies have a competitive advantage for many customers, particularly because they are better able to innovate and use their close relationships with customers to better respond to their needs (Kanter,

Despite these benefits, many firms can still feel like they are moving into uncharted territory when they seek to operate in a way that improves the strength of local communities. The recommendations we make in this report are challenging for any business. The existing culture of a business, obligations to shareholders and operational concerns can all be barriers to embracing the more community-driven way of working that we outline here. Furthermore, big businesses in particular are often seen as the enemy of local communities. Organisations like Tescopoly exist to highlight the damage big business can do to if it is not developed in harmony with local interests. However, we believe that big business has the potential to do good in communities if such businesses are prepared to collaborate and work in the interests of local areas as well as for profit. We also believe that businesses will quickly see the benefits of becoming 'community hubs' as they consider this research and its implications.

The difficulties some businesses experience in promoting social interaction are compounded by government

policy. Traditionally, enterprise policy and community policy have been kept separate from each other. This trend has continued with the current government. On the one hand the Coalition has announced a range of initiatives to encourage economic development in certain areas, including Local Enterprise Zones. On the other hand they have unveiled programmes to support community development, such as Communities First.

We worked with B&Q, the DIY company, in particular the B&Q store in Sutton, London, to understand how a company could co-produce a measure of its community footprint with customers and critical friends. What we found was that even in a single retail store there was a huge amount of social interaction taking place and the potential for far more. On the basis of our research we have developed the following recommendations:

#### For government:

These policy strands could be brought together in Government supported Social Economy Zones. Within these areas government could support and encourage businesses and communities to jointly assess the *community* footprint of major businesses and to coproduce action plans to promote social interaction, social value and economic development. Social Economy Zones (SEZ) would be in areas with lower than average levels of social interaction, where businesses operate close to communities and in areas where there is a need for economic growth. Government could provide support to partnerships of businesses, customers and community groups to co-produce community footprint action plans. Government could also provide support to all stakeholders in implementing these action plans, for instance through small pots of funding.

#### For business:

Businesses too could seek to understand the amount of social interaction that they currently support and identify ways in which this can be built upon. Newly formed Local Enterprise Partnerships provide a vehicle for businesses in a single area to collaborate to develop strategies for increasing the amount and quality of social interaction they promote. Businesses that have a serious commitment to developing the com-

munities in which they operate should jointly assess their community footprint and develop a plan to improve it, with the communities themselves. Our work with B&Q in Sutton provides a template for this.

# For B&Q, our partner on this project:

Design and create a central in-store community space that encourages interaction between customers and staff. This space should be community-orientated rather than commercially-orientated and can be used for training and skills events. customer information sharing (e.g. on local traders) and innovation. Alongside this, identify a member of staff who will be responsible for leading on community work, including having responsibility for running the central community space. This staff member should if at all possible be a local person and their role should include building local partnerships (e.g. with third sector organisations and social landlords) and making it easier for customers of different backgrounds to interact.

In the shorter term, B&Q store staff should firmly commit to a more community-driven approach to business. Store managers should back the Community Footprint initiative and begin to embed it in their everyday practice. This will include devoting space to discussing community work in daily meetings (known as huddles) and giving permission to staff to spend a certain amount of time every week on relevant activities (e.g. participating in training or encouraging customers to interact with each other).

In a time of austerity we cannot rely on the public sector to fund and deliver efforts to develop communities. In a time where innovation is more important than ever, businesses must look more broadly for new ideas. Communities and businesses co-producing plans to jointly improve their communities by promoting social interaction is one way of addressing these two problems.

 ${\tt I. \ See: www.goodcorps.com}$ 

# Context

By extending their community impact, businesses will benefit from improved reputation, trust and loyalty from customers and the ability to access new ideas for products and services from the community. Ideally, this would create a positive loop whereby businesses promote social interaction and this social interaction leads to more creative ideas which the business can implement.

There is an emerging consensus amongst politicians, policy makers and some business leaders and thinkers that business has a vital role to play in building and sustaining the type of communities in which people want to live. In this pamphlet we suggest these include building on the interaction that takes place in business spaces as a means of promoting wellbeing, resilience and opportunities for innovation and growth.

Matthew Taylor, Chief Executive of the RSA, argued in his 2011 annual lecture that businesses can combine a strategy for competitive success with a commitment to social good (Taylor, 2011). Similarly, John Denham MP, former Shadow Secretary of State for Business, Innovation and Skills has called for 'the spread of the "good company" - profitable businesses and corporations which add value both to the economy and to society' (Labour Party, 2011). This chimes with the

emphasis that the Prime Minister has placed on the role of business in helping to build the Big Society. As he said in a speech to the Business in the Community Leadership Summit "corporate responsibility is much more than simply businesses avoiding doing harm, it's about contributing to a better society" (Cameron, 2010).

Business thinkers have been making these arguments for some time. In Creating Shared Value: Redefining Capitalism and the Role of the Corporation in Society Porter and Kramer argue that the competitiveness of a company and the health of the communities around it are mutually dependent. They conclude that the focus for business should be on identifying and utilising the ways in which business advantage and societal progress overlap (Porter, 2011).

Businesses can support stronger communities in a number of ways.

For example, the RSA's Connected Communities project found that the Sainsbury's store in New Cross Gate. London, is one of the few places in the area in which relatively isolated people interacted with their better connected neighbours. It is also one of the few places in which those who are in work interact with those who are out of work (Rowson, Broome & Jones, 2010). We know from the work of Granovetter and others that many people find employment and other opportunities through 'weak ties' (acquaintances and other relatively weak social connections) (Granovetter, 1973). This throws new light onto the role that businesses such as Sainsbury's play in building more connected, resilient communities.

B&Q has long prided itself on operating in a responsible manner. This has included support for national and local charities, a 16% reduction in CO2 emissions (with the objective of a 90% reduction by 2023) and Job Done, their DIY programme for schools. For this reason B&Q were interested in working with

the RSA to both assess and improve the community impact of their stores and explore how their stores could become hubs for their local communities.

This document details the component parts that make up a business' community footprint and offers recommendations for how businesses can develop greater shared value with communities and customers. The examples are taken from research that we undertook with B&Q, especially the B&Q store in Sutton. However, the process that we outline can be used by any business to assess its community footprint and to design and evaluate an action plan and our recommendations are valuable for all businesses interested in pursuing the social and business benefits that becoming a community hub will deliver.

#### **Community Footprint**

At a recent speech at the RSA Ian Cheshire, FRSA and Chief Executive of Kingfisher,<sup>2</sup> explained that each B&Q store has a 'community footprint' (RSA, 2011). This idea has also been cham-

pioned by Business in the Community (Business in the Community, 2011). We are used to the idea of individuals, companies and countries having a 'carbon footprint', a way of measuring the impact that our activities have on the environment, especially in relation to climate change. Cheshire's argument is that, in an analogous sense, each B&Q store has an impact on the communities in which it operates.

The idea of a carbon footprint implies a number of things: that the footprint can be assessed with a reasonable degree of accuracy; that a plan of action can be drawn up to change the footprint; and that the impact of this plan can be measured.

The same is true of the community footprint of a business. For the idea to have any power we need to develop a way of assessing the current footprint of a given business as well as the outline of a process for changing the footprint and assessing the effectiveness of any changes. By focusing on community footprint we naturally focus on collective issues.



This document provides any retail business with a set of questions to ask itself to assess its community footprint, that is, the positive impact a business has on the community. It also provides a set of principles and processes that should be followed in order to develop and evaluate an action plan for improving a business' community footprint. Our work on the community footprint with B&O in Sutton is an initial survey and taster of the multiple ways in which a store can strengthen the community in ways which are also in its business interests. It is intended to provoke further discussion about the potential which exists for full scale community engagement and strengthening shared value strategies in retail businesses.

#### **Social Networks**

The RSA's Connected Communities project describes communities through the lens of social networks - the relationships and connections that give communities their unique qualities (see: Rowson et al. 2010 and Marcus, 2011). Rather than viewing people as atomised individuals or as members of homogenous groups, we see people as individuals with a set of relationships. The pattern and quality of these relationships can have 'emergent' effects such as the development of social norms and can lay the foundations for innovation and collective problem-solving.

Seeing community in this way enables us to analyse the qualities and patterns of relationships among a given number of people, using social network analysis as a way of getting to grips with the complex nature of the communities of which these people are a part.

Viewing community through the lens of social networks is also useful in assessing the community footprint of a given business. By studying the patterns and qualities of relationships we can start to see how the activities of a business impact on the community. For example, we can see the extent to which the business initiates, sustains, diversifies, utilises, reduces or prohibits relationships and therefore the consequences of these relationships.

Communities are more than simply relationships. We also need to measure the extent to which the business improves the skills and confidence of the

community, provides goods and services that serve the needs and aspirations of the community, uses its supply chain and purchasing power to benefit the local community, and aligns its goals with the ambitions of the local community.

Our proposition is that by extending their community impact, businesses will benefit from improved reputation, trust and loyalty from customers and the ability to access new ideas for products and services from the community. Ideally, this would create a positive loop whereby businesses promote social interaction and this social interaction leads to more creative ideas which the business can implement.

<sup>2.</sup> Kingfisher PLC is the parent company of B&Q

# Method

In order to assess the impact and potential of the B&Q store in Sutton on the local community, we conducted qualitative research with a variety of stakeholders. This included:

- Short, semi-structured interviews with 100 B&Q customers, asking them about their local connections and their perception of the store.
- In-depth interviews with 12 members of staff based in the store, asking about their view of the contribution B&Q makes to the local community.
- Short interviews with B&Q staff working on community projects around the country.
- In-depth interviews with members of staff at the London Borough of Sutton, the Scouts, and the Volunteer Centre Sutton.

Further to our qualitative research we also conducted a half day workshop

with RSA Fellows based in Sutton, representatives from the London Borough of Sutton and experts in community development to develop and explore ideas for how the B&Q store could make a more positive contribution to the local community.

The renowned designer Ben Kelly RDI also spent half a day exploring the B&Q store and then gave us the benefit of his experience in making imaginative use of spaces.

Finally, we met with representatives from Business in the Community and the Department for Communities and Local Government to discuss government policy around business' role in the community.

# Findings

Healthy communities are made up of people with a variety of skills and capabilities. As well as diverse, resilient networks, people need a degree of efficacy, accomplishment and autonomy if they are to be able to actively participate in their communities

This section of the report outlines the key themes businesses need to take into account when understanding their community footprint and how they can build on this to become a community hub and/or develop greater shared value with customers and the community. The data gathered from B&Q Sutton is used to illustrate this method in action and to develop a community footprint for the company. This footprint both highlights the good work already being undertaken by B&Q and outlines areas of challenge where more could be achieved.

#### 1. Relationships

Relationships are the fundamental building block of communities and are increasingly recognised as a means of tackling social challenges around health, skills, regeneration and economic development (DCLG, 2010). Without strong relationships it is impossible to have a strong community. The way businesses

operate can impact both positively and negatively on relationships within the communities in which they operate. Strong relationships will not only have a positive impact on wider social outcomes but encourage increased trust between customers and businesses and lower transaction costs. Businesses that encourage strong relationships are more likely to enjoy high levels of consumer trust and loyalty.3 Naturally this is of enormous benefit to individual businesses and brands. At a store-level, it will cement loyalty amongst existing customers, help stores reach new people and help staff feel in touch with customers and the community.

There are three aspects to consider when assessing the impact that a business has on relationships within the communities in which they operate. These are the extent that the business initiates new and diverse connections; sustains existing connections; and utilises

the relationship that it has with customers for the good of the community and, in doing so, the business.

#### a. New and diverse connections

Businesses should ask themselves to what extent they operate in a way that makes it easy and normal for customers and neighbours to make new connections. For example, how many customers make new connections through or as a result of the business?

In the B&Q store in Sutton we observed a number of ways in which the business operates so that customers can make new connections. For example, we found that 42% of customers had some interaction with other customers in the store and that 23% of customers asked other customers in the store for DIY advice.

"Customers standing in front of products ask each other about brushes or they ask 'does this go with this?" (Member of staff at B&Q)

Although positive, there is clearly room to encourage more customers to interact with each other. There are a number of ways that B&Q could make it easier to make new connections. One is through developing large, multi-use central community spaces in stores which can act as a meeting and learning environment. B&Q could aim to support a greater amount of social mixing through this innovation. These spaces would normalise customer interaction, thus strengthening community connections, but could also be a space for innovation where stores can test new ideas and informally learn about customer preferences and behaviour. There are also technology-driven opportunities for supporting people to make new connections. B&Q is currently examining how an internet platform could be used to make it easier for neighbours or other groups of people to bulk buy seasonal goods. For example, this could involve providing materials for Christmas street parties, encouraging social mixing. This would confirm B&Q's identity as an important part of the local community at key seasonal moments. Local stores would move from being another retail outlet to feeling a more significant part of community occasions. Initiatives such as MasterCard's and EDF's sponsorship of The Big Lunch has already established recreational events as a means for business to encourage stronger community ties. But B&Q could take this one step further, not only offering sponsorship but providing the apparatus needed to host community events, encouraging savings for communities by making it easier to make bulk-purchases and even providing planning-areas in new in-store central community spaces.

Initiating diverse as well as new connections is an important role for any institution that is looking to build stronger communities. We found that many members of staff at the B&Q store are asked to recommend local traders. The staff are by and large nervous about giving recommendations. They are concerned that a trader might do a bad job or charge too much and that this would have negative repercussions for B&Q and them personally.

"You could get in big trouble if you recommend someone and it doesn't work out. They might come back and kill you or something. If someone is certified I'll say he's a good bloke, but I wouldn't recommend them." (Member of staff at B&Q)

Whilst it is understandable that staff are nervous about recommending local traders, an opportunity is being missed here. Encouraging the use of local businesses is an important element of creating shared value with the broader community and supporting local economic development (Porter, 2011). There are ways in which B&Q could make it easier and normal for customers to make a connection with handymen and other local traders. For example, Kingfisher supports www.jobsorted. com, a website that allows customers to review and recommend traders to each other. A similar approach could be used in the store by having a noticeboard or directory which customers can use to select, review and recommend traders. By encouraging knowledge-sharing in this way, B&Q both supports local business and provides a valuable community service which could have the added effect of making people more likely to use the store. Local stores could take this initiative themselves, creating noticeboards

in the front of stores before the longerterm goal of a community space is implemented.

By and large the customers in the B&Q store in Sutton have high levels of social capital. They tend to have lived in the area for longer than average, 84% are homeowners compared to a national average of 68.9% (ONS, 2010) and they are more likely to volunteer than average. One member of staff described the location of the Sutton store as an 'upmarket borough'.

But this general picture masks some interesting diversity. For example, when people start their tenancy in Sutton Housing Partnership (the Arm's Length Management Organisation that manages the London Borough of Sutton's housing stock) they are normally given vouchers to spend at B&O. This means that, in addition to having customers that have higher than average social capital, the store also has a number of customers who are likely to have lower than average social capital. As has been highlighted by the Homes and Communities Agency (HCA, 2010) there are few circumstances or spaces in which people with high social capital and people with lower social capital could or would make contact with each other. This is an opportunity that B&Q needs to harness; more needs to be done to make it easy and normal for these customers to speak with each other and interact. For example, B&Q staff, who are often highly experienced and well respected by customers, could take on the role of network weavers, a term coined by June Holley to describe people who are adept at bringing together diverse people and organisations (Holley, 2006). In particular this could be the role of a dedicated member of staff with responsibility for community development. Providing a central community space that is designed and dedicated to promote interaction would also be beneficial here. Again, this has added benefit to B&Q itself. If customers feel that a particular store is a place that they will meet people they know or is a place where they meet people that are useful to them, then they will feel more positively towards the store and be more likely to drop in.

#### b. Sustain existing connections

Human connections are fragile. Some endure while others last for only a brief

period of time. The reasons for this are many and varied. However, institutions that seek to build stronger communities should ensure that they are doing as much as possible to make it easy to both sustain existing and develop new connections.5 For instance, Mario Small outlines how childcare centres in New York were able to significantly expand the social networks of mothers by shifting pick-up and drop-off times to encourage interaction between parents (Small, 2009).

The café in B&Q Sutton is a good example of the type of initiative that helps to sustain existing relationships. We observed a number of customers sitting down in the café with others to enjoy a cup of tea and to gossip or catch up with each other. Having a space such as this makes it straightforward for people that know each other to come together and to engage in the types of activity that help to sustain relationships. Providing a central community space in stores also makes it more likely that new connections will be sustained.

To expand work in this area, B&Q could explore ways of strengthening ties between customers by using the central community space, or in the mean-time in-store cafés, to encourage customers to share their DIY ideas with each other at lunch or tea clubs for regulars. This will help local stores feel like community spaces as well as retail spaces.

#### c. Utilising existing relationships

Surveys show the B&Q brand has strong positive associations, far higher than other DIY stores (YouGov, 2011). The relationship that customers have with B&O is also an asset that can be used for the benefit of the communities in which B&O stores operate. To demonstrate the relationship customers have with B&Q we asked customers what four words they would use to describe B&Q. Words such as convenient, helpful, variety, good, friendly and value for money all stand out.

B&Q is able to use this positive brand association for the benefit of the community. For example, B&Q has for several years been a champion of the One Planet initiative, a global initiative developed by BioRegional and WWF to promote sustainable development. B&Q Sutton not only stock a number of One Planet products<sup>6</sup> but they also offer advice to customers on more sustainable lifestyles. It is possible that this advice is more readily received by B&Q customers, as a result of the positive association they have with the brand, than if the same advice was coming from, for example, the Local Authority. There is certainly business value in using existing strong relationships with customers to promote socially and environmentallyfriendly activity and behaviour. As the Carbon Trust (2005) and Futerra (2009) have reported, climate change mitigation and pro-environmental behaviour are competitive issues for companies such as B&O that have a strong brand value.

B&Q could do more to utilise existing relationships for the benefit of customers and the community. For example, as has already been shown, B&Q customers are likely to have higher than average social capital. However, customers did not score well on one particular measure, so-called 'linking' social capital. When asked whether they agree or disagree that they can influence decisions affecting their local area 52% said that they strongly disagreed, compared to a Sutton average of 31%. Those who said that they strongly disagreed that they could influence decisions affecting their local area reported that they spent more money in B&Q, than those who said that they could influence decisions. This suggests that a number of people who feel alienated from public sector bodies such as Local Authorities, but have strong positive feelings towards their neighbourhoods also have positive feelings towards B&O.

If a B&Q store wanted to utilise the positive relationship that it has with these customers it could set up a B&Q community seed-corn fund. The RSA has run a similar fund called Catalyst for a number of years. This fund is open for Fellows of the RSA<sup>7</sup> to bid for small pots of funding (up to £2,000) to assist with community projects. As well as being

Figure 1: Wordle of most common customer responses to question "What four words would you use to describe B&Q?"





open to Fellows, it is Fellows who decide which projects are funded and every effort is made to ensure that everyone who applies to the fund is linked in with other Fellows that may have an interest in the area. We have also worked with the London Borough of Camden to help them develop a new Innovation Fund, along similar lines, that will support local voluntary groups to develop more innovative solutions to social problems.<sup>8</sup>

Similar principles could be applied to a B&Q seed-corn fund. This could be a small-sparks fund that is only open to loyal B&Q customers. They would propose projects to improve their local area (for example, refurbishing of community buildings or improvements to parks or green spaces) and apply for support with funding, materials and training. The successful applications could be determined by other loyal customers in partnership with store management and every effort would be made to link these projects in with other customers that might be interested in assisting. This fund could be overseen by a member of staff whose remit it is to manage community activities and the central community space (both recommendations of this report). Alternatively, B&Q could explore making this funding available via a partnership with a local community or charitable organisation who would be responsible for the management of funds, with a staff member of the B&Q store sitting on an awarding committee. In this way B&Q would not only be utilising the relationships that it has with its customers but it would also be fostering new connections and encouraging positive community activity and regeneration.

#### 2. Skills

Healthy communities are made up of people with a variety of skills and capabilities (JRF, 2011). As well as diverse, resilient networks, people need a degree of efficacy, accomplishment and autonomy if they are to be able to actively participate in their communities (Dellot, 2011). Skills are particularly important in the context of increasing community resilience, inclusion and wellbeing. A range of research studies have found that one of the major drivers for people failing to participate in their communities is a lack of confidence that stems from a selfperceived lack of skills (NCVO, 2005; TSA, 2009; Demos, 2010; Norris, 2011). And as leading examples of community regeneration such as Balsall Heath have shown, having skilled and confident

individuals in deprived areas is a crucial element of helping communities to make changes and become more resilient (Demos, 2010). To become a community hub, stores such as B&Q must play an active role in supporting local people to gain skills and confidence.

B&O already prides itself on its work to build the skills and confidence of its customers. There are clear commercial reasons for it to do so. After all, the better B&Q customers are at DIY the more they are likely to spend in B&Q stores. In order to assess B&Q's work with regard to skills, we need to look at the extent to which it provides opportunities for customers to improve their skills and confidence; empowers and supports its staff to assess, advise and supervise customers; provides space for customers to learn from each other; and works with a number of partners to improve the skills and confidence of a range of people.

## a. Provides opportunities for customers to improve their skills

B&Q already provide a range of opportunities for customers to improve their skills including demos, kids classes, online materials including videos and manuals, the Job Done initiative and instore DIY advice for customers. Taking

You Can Do It as an example, participants in classes are taught by B&Q staff how to perform DIY tasks such as patch plastering and tiling walls. According to the customers that took part in our research, You Can Do It participants not only gain in confidence, they also feel more in control and make new local connections with other participants.

In order to build on this work, B&Q should build on these existing initiatives and explore other ways for customers to improve their skills. You Can Do It is a relatively new venture for B&O and is currently available in 15 of 350+ stores. Given the success of the scheme to date, growing it up in other stores should be a priority.

The creation of new central space in B&Q stores that is devoted to innovation and interaction could be a focal point of skills-sharing and development. In this space, customers could suggests skills they would like to see demonstrated, try things themselves or even offer to share their own skills with other customers. In particular, this space could build on the idea of teaching design as a generic skill to customers and staff. This would extend beyond design of the home, to include the principles of design that allow people to approach problems or challenges in new ways and generate innovative and resourceful solutions. The practice of teaching generic design skills and principles as a means of encouraging resourceful and innovative thinking has already been successfully piloted in other fields by the RSA including amongst people with spinal cord injuries.9

Teaching these skills would have benefits for participating customers, as research has shown that design skills make people more resourceful and self-reliant (Campbell, 2010). But there will also be benefits for B&Q: people will attend the store to learn skills and be more likely to purchase materials relevant for the skills they have learnt. Design training might also encourage customers and staff to seed new ideas for product design as they start to approach household challenges in different ways. For local stores, running design training and asking customers to share their ideas and needs with regard to product design will also help store managers order stock according to what local people want. And as

has been previously outlined, providing spaces for community-relevant activities will also increase trust and lovalty amongst customers and the wider community which will benefit B&O as a brand and the standing of local stores in their respective communities.10

#### b. Empowers and supports staff to build customers' skills and confidence

Staff that work directly with customers are a key resource for building customers' skills and confidence. B&O staff are often highly experienced and most members of staff that we interviewed enjoyed working directly with customers. Many members of staff explained to us that they often built up relationships with customers who are initially nervous around DIY. The more support that staff are able to offer customers the more confident they become.

As well as providing specific training events and initiatives such as You Can Do It and Job Done, B&Q should find innovative ways to support and value the efforts of staff who build the skills and confidence of customers. As one member of staff explained "customers ask for me specifically" because "I build up a rapport... understand their needs". These staff members are crucial for building confidence amongst customers that will be of benefit to the wider community and improve the reputation of the store. B&Q should focus on ways of spreading these skills and behaviour amongst all of its staff members. This could be achieved by providing staff training (eventually in the proposed central community space) again emphasising the innovative and shared value approach that is at the heart of the business. In the shorter-term, store managers could organize staff training sessions to take place in staff space or in the store outside of business hours.

#### c. Works with partners to improve the skills and confidence of a range of people

As well as building the skills and confidence of customers, business should work with partners to reach a population beyond its immediate customer base. This will ensure that B&Q has a positive impact on a wider cross-section of the local community. But extending

relationships beyond immediate customers will also have positive implications for B&Q, improving its reputation in the community at large and raising awareness of its brand. B&O has already pursued some initiatives in this vein. For example, B&Q has a longstanding relationship with the Scout Association. As well as sponsoring the Cub DIY badge, B&Q also run training events for Cubs in which basic DIY skills are taught by B&Q staff.

B&Q Sutton has adopted a local charity, the Sutton Centre for the Voluntary Sector. Through this partnership they are training a number of young people in the area in basic DIY skills. This will enable them to refurbish their local volunteer centre. The B&Q store in Gateshead has for several years provided training courses to people who are just starting their new tenancy with a social landlord.

Through these partnerships B&Q is able to improve the skills and confidence of a broader range of people, who also are more likely to spend money in B&O as a result. B&Q is also demonstrating its commitment to shared value and wider social and community activity which – according to our research – has an impact on consumer behaviour. Of the customers that participated in our research, the average spend for those who think B&O contributes to community is £1,000 whereas the average spend for those who think that B&Q does not contribute to the community is £500.

One way of further developing community partnerships would be to make them more reciprocal. For example the Sutton Centre has lots of ideas and experience on how to run community projects. They could be brought in as advisors on how to adapt, for example, the You Can Do It classes or how to run an in-store central community space. This would provide B&Q with a ready-made and powerful way of improving the projects they run.

#### 3. Supply chain and the local economy

A business' supply chain is one of the principle ways in which its operation impacts on the surrounding community. Ensuring that a supply chain has a positive community, social and environmental impact is a key element of creating

shared value (Porter, 2011). In relation to supporting stronger, more resilient local communities, businesses need to ask themselves how they are using their purchasing power to support local traders, create local jobs and support local industry.

## a. Does the store support local industry?

A dynamic local economy is a prerequisite for a strong and healthy community (nef. 2010) but with unemployment currently at a seventeen-year high (ONS, 2011) communities are suffering. Alongside financial hardship and even poverty, unemployment has other adverse effects on communities. In previous research we found that unemployed people are far more likely to be isolated and not feel part of their communities (Marcus et al. 2011). This also has adverse effects for B&O. Our research found that people who do not feel part of their community spend an average of £480 whereas those who strongly feel that they belong have an average spend of £1,130. The need for businesses to use their supply-chain leverage to support and generate local economic growth is therefore more necessary than ever both for economic and community wellbeing.

The principle way in which B&Q currently supports local business is through the TradePoint initiative. Local traders are able to become free members of TradePoint and gain access to discounts as well as extended store opening hours. Whilst this is commendable, more could be done. For instance B&Q could go further and link traders with accredited apprentices who have trained in store. B&Q could also play a more active role in advertising local traders to customers, perhaps via a real or virtual community noticeboard or recommendation system that is accessed in-store (this could be located in central store community space or at the front of the store in the shorter-term).

B&Q also supports local community organisations through its waste donation scheme. Through this scheme B&Q donates unsaleable products and waste materials for re-use for the benefit of the local community and the environment. Items which are typically donated include damaged tins of paint, cut-offs of timber, odd rolls of wallpaper and

end-of-range materials. In the guidance for the waste donation scheme it is specified that donations made should be of benefit to the local community and to the environment. Resale of the donations is prohibited. The scheme is currently organised through an application system usually managed by in-store environmental champions or Warehouse managers, and applications are encouraged from community groups, schools and charities. In order to measure the impact and range of the scheme, B&O stores that operate the waste donation initiative should support central B&O offices in tracking donations. This will allow B&Q to report on the impact it has had through the scheme and develop more permanent relationships with regular applicant organisations.

As well as supporting local traders and providing local employment, businesses can support the communities in which they operate by supporting clusters of industry (Porter, 1998). By clusters of industry, we mean small pockets of similar businesses that operate in a local place. For B&Q, this might mean identifying the places in a community where home and trade-related businesses are housed and attempting to support them. This does not mean automatically choosing local suppliers over all others. Rather, it means being aware of any local clusters of industry and supporting the growth of these clusters through the power of the business' supply chain. For many firms, the presence of related and supporting industries is of critical importance to the growth of that particular industry. For example, Silicon Glen in the UK is a techno-cluster of hightechnology industries which includes individual computer software firms. In Germany, a similar cluster exists around chemicals, synthetic dyes, textiles and textile machinery. B&Q could attempt to support clusters of DIY, home and traderelated businesses in communities in which it operates. There is little evidence that B&Q was doing this in Sutton. This is something that should be addressed in Sutton and in other store locations. Local stores should earmark time in management meetings to think about the connections they currently have to other local businesses, and discuss their ideas for deepening these relationships. This will benefit local stores; by building stronger connections to neighboring businesses, B&Q is more likely to be the subject of their recommendations.

We asked customers how B&Q benefits the local community. The most common response was 'jobs'. We are not advocating a form of protectionism. However, clearly a business will benefit the communities in which it operates if it is able to provide rewarding jobs to the local population. B&Q should strive to directly support local employment wherever and whenever possible.

#### 4. Services

When assessing the community footprint of a given business we need to look at the extent to which the goods and services that are provided are beneficial to the community. Are they high quality products and services? Are they related to local needs and aspirations?

# a. Do these products and services relate to local needs and aspirations?

In order to measure a business' community footprint we need to understand the extent that the products and services relate to local needs and aspirations, as well as assessing the quality and value of these products and services. The community around Sutton is somewhat varied. Using the MOSAIC system of breaking populations down in to groups we found that amongst B&O Sutton customers there are a large number of people in the three groups 'symbols of success' (19.5%), 'suburban comfort; (22.2%) and 'urban intelligence' (14.7%).11 Of these three groups it would be fair to say that B&Q predominantly appeals to the 'suburban comfort' group, people that MOSAIC describe as those 'who have successfully established themselves and their families in comfortable homes in mature suburbs'. B&O could do more to relate to the needs and aspirations of the 'urban intelligence' who are 'mostly young and well educated people who are open to new ideas and influences' and who are 'eager consumers of the media and with a sophisticated understanding of brand values, they like to be treated as individuals, and value authenticity over veneer'.

Whilst Sutton is on the whole an affluent borough and ranks very low in terms of overall social deprivation compared to other London boroughs (it

is ranked 30th out of 33 where I is the most deprived in the Index of Multiple Deprivation) it could do more to reach and meet the needs of more deprived residents (IMD, 2007). Despite the strength of the IMD scores across Sutton as a whole, these statistics conceal local concentrations of disadvantage. Three wards, including one (St Helier) that sits only a mile from the B&Q store are identified as deprived with IMD scores of 50 or more (IMD, 2007). According to our research, B&Q Sutton's current customer base does not include a high proportion of these local residents. More should be done to understand the needs B&Q might be able to support in-store in terms of products and training and skills initiatives and establishing more partnerships with social landlords similar to the existing partnership with the Sutton Housing Partnership.

One specific initiative that B&O would be particularly well-placed to lead on would be around providing 'repair' workshops or incorporating 'repair' into existing You Can Do It classes. This would involve providing skills workshops on how to repair household items. Currently, the idea of repair is often associated with poverty (i.e. being unable to afford new items). B&Q could aim to 'rehabilitate' the concept of repair, presenting workshops as a means of developing new skills and meeting new people. And the money customers would save as a result of understanding how to undertake repairs - whilst not the primary aim of the workshops - would nonetheless be of benefit to disadvantaged people in the local community. This would also be of benefit to B&Q's reputation, promoting trust amongst customers who might respond well to the idea that B&Q is not always about selling something new but also about valuing and repairing high-quality goods which are already owned.

#### 5. Good Neighbour

Businesses can have enormous power in influencing decisions affecting the communities in which they operate. The extent to which a business uses this power to build stronger communities is a vital component of their overall community footprint. Good neighbours will, for instance, share interests and values with the local community, collaborate

with customers and residents, build trust locally and be reliable and support local places in times of emergency. Examples of how B&Q could develop its reputation as a good neighbour are included throughout this report. As well as being a good neighbour, businesses should ensure that they are not bad neighbours. Bad neighbours might, for example, fail to promote local supply chains and jobs, dispose of unwanted products in an irresponsible manner or ignore anti-social behaviour that takes place on business grounds.

#### a. Goals are aligned to local ambitions and values

Businesses need to assess whether their goals are aligned to local ambitions and values. B&Q has invested greatly in promoting sustainable lifestyles. They have done so in partnership with, amongst others, the London Borough of Sutton. A senior officer at the London Borough of Sutton explained that B&Q is careful to ensure that its business goals are aligned with those of the local authority. The Borough has always found them to be an excellent partner, for example working closely together on a project around promoting and installing loft insulation.

In a time of greatly reduced funds for public agencies such as local authorities, there is clearly more that B&O can do to align its business activities with local strategic goals. For example, the London Borough of Sutton aims to make the area safer, fairer and greener. B&Q already supports some of these objectives, e.g. through Home Planet products. But it could go further, for instance by helping to co-ordinate a car pool for customers or building closer links with disadvantaged areas of the community.

#### b. Amplifies customers' ambitions for their neighbourhood?

Businesses have the potential to be able to act as champions for the ambitions of the communities in which they operate. B&O has a relationship with a number of customers who do not feel able to influence decisions that affect their local area. B&Q could do more to amplify the ambitions that these customers have for their neighbourhood. For example, if there are concerns about joy-riding in the car park of a B&Q store, the management could

and should actively engage with local public services to address these concerns, in partnership with customers.

B&Q could also support local ambitions for a greener borough by encouraging the use of more sustainable transport and appealing to its customers' 'better selves'. LB Sutton has one of the highest car ownership rates in London: at the time of the 2001 Census there were 88,361 cars owned in the borough, 24.2% of households had two cars and 4.9% of households had three cars (ONS, 2002). B&O Sutton could support the ambition to become greener by reducing the number of car-parking spaces outside the store and replacing them with bike racks (for smaller items) and advertising local bus timetables in-store. B&Q could also arrange or advertise a car pool through its central community space, which would be particularly advantageous for older people who do not drive but want to transport bulkier items to their homes. This would have the added value of encouraging interaction between older people without their own transport and other local people, possibly of a different generation.

- See: www.goodcorps.com 3.
- See: www.thebiglunch.com 4.
- See Small, M. (2009) Unanticipated Gains Oxford: OUP on the impact institutions can have on initiating and maintaining social relationships
  - 6. See: www.div.com/oneplanethome
- See: http://www.thersa.org/\_\_data/ assets/pdf\_file/0013/404140/RSA-Catalyst-Brochure.pdf for details
- See: http://www.camden.gov. uk/ccm/content/community-and-living/ voluntary-organisations-and-funding/voluntary-and-community-sector-review-2010/voluntary-and-community-sector-vcs-investmentand-support-programme-2012-2015.en?page=6
- See: http://www.thersa.org/\_\_data/ assets/pdf\_file/0020/279020/RSA-Design-and-Rehabilitation-seminar-transcript.pdf
  - See: www.goodcorps.com
- Mosaic UK is Experian's system for classification of UK households. It is one of a number of commercially available geodemographic segmentation systems, applying the principles of geodemography to consumer household and individual data collated from a number of governmental and commercial sources. The current version, Mosaic UK 2009, classifies the UK population into 15 main socio-economic groups and, within this, 67 different types.

### **B&Q's Community Footprint**

Domain	Strengths	Weaknesses	Way forward
Relationships	Provides an atmosphere in which it is easy and normal for people to initiate and sustain connections e.g. through the cafe. 42% of customers to B&Q Sutton say they interact in the store.  Provides a space in which diverse groups interact, for instance by attracting customers from low-income backgrounds through partnership with Sutton Housing Partnership and encouraging the use of traders through jobsorted.com and Trade Point.  Uses strong, positive brand association with existing customers to promote good causes, e.g. by championing Bioregional and WWF One Planet Home Initiative through products and in-store sustainable lifestyle advice.	More could be done to foster and sustain diverse connections and to utilize the relationship that B&Q has with its customers for the good of the community. Staff members reported being nervous about recommending traders to customers and connections between customers happen more by chance than by design.  B&Q Sutton customers have relatively high levels of social capital but relatively low levels of belief in their ability to affect change in the community. B&Q should do more to realise these customers' abilities for the benefit of the local community.	1. Creation of a new, central and community-focused space in stores that promotes interaction between customers and staff and allows innovation to happen.  2. Creation of an internet platform that allows communities/ groups of citizens to purchase bulk seasonal/ festive goods at competitive prices for community-building events such as street parties.  3. Dedicated staff member whose role is to support customers from diverse backgrounds to interact with each other. This 'community' staff member could also manage the central community space in stores.  4. Small sparks start-up fund – B&Q Catalyst – for customers to apply to for community project funding.
Skills	Provides a number of opportunities for customers to improve their skills and confidence, for instance through the You Can Do It classes which teach DIY skills.  B&Q's flagship Job Done schools programme spreads skills to young people. 42% of secondary are currently registered to participate in this programme.  B&Q also works with partners including the Scouts Association and voluntary organisations to reach a range of people and spread skills beyond direct customers. For instance, with the Scouts Association B&Q provides the Cubs DIY badge.	More could be done to value the role that frontline staff play in building the skills and confidence of customers.  B&Q should also seek to extend the work it already does on developing DIY skills amongst customers – finding new and innovative ways to develop and share other (non-DIY) skills which are relevant and useful to local communities.	1. Use central community space to share skills between customers and staff and provide demonstrations. This could include providing generic design skills and principles training to customers and staff.  2. Provide training for frontline staff (possibly in central community space) on how to build the confidence and skills of customers in non-intrusive ways.  3. Develop more reciprocal external partnerships. For instance, invite third sector partners to provide B&Q staff or customers with in-store training on the basics of starting and running community projects.
Supply chain and local economy	Provides support for local traders through the Tradepoint system which allows traders to access longer opening hours and discounts.  Supports local charities, community groups and schools through the waste donation scheme.  Provides jobs for the local population.	B&Q should find more ways to use their local leverage to promote the work of reputable traders.  Significantly more could be done to ensure that the supply chain supports local industrial clusters.	Institute an online and/or physical community noticeboard/ recommendation system which customers use to share information and recommendations about local traders. This could be located in the central community space but could be located in the front of the store in the short-term.      Ensure the B&Q supply chain is used to support local clusters of industry.      Provide local jobs where possible.
Services	Customers find B&Q's products to be high quality and good value, and the stores convenient.  B&Q's products and services relate well to its most regular customers.	B&Q could do more to ensure its products and services appeal to a wider range of potential customers e.g. young people.  It could also reach out to other segments of the population who live nearby, particularly low-income people who live in the deprived St Helier ward only one mile from the Sutton outlet. Ensuring goods and services are available and appropriate for their needs is an important element of becoming a hub for the local community.	1. Undertake research to understand what the wider population, particularly groups who do not currently use B&Q would like from the store. This could involve providing skills and training events that are particularly relevant to young people/ St Helier residents in the central community space and encouraging interaction between people who would not normally meet.  2. Building on the relationship with Sutton Housing Partnership, reach out to other groups and organisations that work with a diverse range of local people/ communities to develop reciprocal partnerships.  3. B&Q could also aim to rehabilitate the concept of 'repair' providing repair workshops aimed at teaching new skills and saving money.
Good neighbour	B&Q works closely with the local authority to ensure that it is aligned with local strategic objectives. For instance, its work on sustainability is closely aligned with local ambition and includes working with the council on a project around installing loft insulation.	B&Q could use its local influence to address more local concerns and support strategic goals (e.g. making Sutton safer and fairer).  It could also amplify the ambitions of customers for their neighbourhoods by appealing to local people's 'better selves'.	Develop closer alignment with local strategic goals – e.g. working with services to discourage anti-social behaviour (e.g. in B&Q car-parks) as part of the goal to make Sutton safer.      Promote greener transport options amongst local people by cutting the number of car park spaces available, advertising bus timetables in prominent spaces in stores, making cycle space accessible and plentiful outside stores and creating a car-pool which promotes interaction and allows people without their own transport to move bulkier items.

# Principles

Businesses are in a powerful position to influence our behaviour. Wherever possible businesses should ensure that their interventions to change people's behaviour hold out the possibility of this behaviour spreading.

Using these five domains (relationships, skills, supply chain, services and being a good neighbour) a business can coproduce (with customers and critical friends) an assessment of its current community footprint and on this basis can draw up a plan of action. The table provides a roadmap for how the B&Q Sutton store could begin to improve its community footprint, both by building on existing good practice and starting new initiatives.

When devising ways to improve its community footprint business should bear in mind three principles; the importance of promoting informal connections; the need to bring different groups together; and the power of interventions that can spread.

#### 1. Promoting informal connections and actions wherever possible

Relationships are the foundation of

communities. Businesses can support formal institutions such as charities, community groups or public bodies. However, they can have greater impact on the strength of the communities in which they operate if they focus on initiating and sustaining informal connections between people.

#### 2. Bring people together who might not otherwise be brought together

In healthy, resilient communities people have a variety of connections as well as a number of connections. People are drawn to make connections with others that are similar to them (the principle of "homophily") (Rowson et al, 2010). This can lead to negative consequences such as suspicion of other groups and can mean that information and opportunities are not made available to all.

Institutions such as businesses have an important role to play in providing the

#### **Next steps for local stores**

This report draws together research and recommendations that are applicable to government, businesses, senior managers and local stores. For stores that want a head-start, this box outlines the five steps store managers and staff could take in the short-term to start improving their community footprint. By taking some of these steps the benefits to local stores could include better relationships and reputation within the local community; an expanding and more diverse customer base; products that reflect local customer needs; staff members feeling their work is relevant to the community as well as to the business; and stronger, more reciprocal relationships with other local businesses that increase the number of times your B&Q store is recommended to local people.

- 1. Read through this document, sign-up to the Community Footprint initiative, and advertise your participation.
- 2. Give 'community work' a regular slot in staff meetings/ huddles. Use this time to plan implementing some of the ideas in this document (e.g. setting up a local trader recommendation board in the front of the store).
- **3.** Give shop-floor staff permission to spend a dedicated amount of time working on community issues each week (e.g. one or two hours a week). They can use this time to actively engage with customers, participate in training or undertake another community-based activity.
- **4.** Work out what connections your store has with other relevant local businesses (e.g. hardware stores). Where you identify businesses that you do not currently have connections with, think about getting in touch to see whether there are ways to support each other.
- **5.** Run a 'share your skills' session in in-store cafes, in which customers are invited to share their own knowledge and skills with other customers and with staff.



space and opportunity for people from different backgrounds to come together. This could include people from different ages, classes or religions. B&Q and businesses like it are particularly well-placed to do this because they trade in 'common languages' such as DIY which cut across socio-economic divides.

# 3. Seeking to promote positive behaviour in a way that can spread to friends and family

Behaviour can spread through social networks (Rowson et al, 2010). People mimic the behaviour of those around them. Businesses are adept and experienced at influencing people's behaviour. For example, B&Q uses a range of

techniques to persuade people to do DIY from celebrity endorsements (such as Kirsty Allsop), vouchers, adverts and the layout of the store. This clearly has an effect on people. Nearly half of customers told us that they felt that simply being in the B&Q store encouraged them to do more DIY.

Businesses are in a powerful position to influence our behaviour. Wherever possible businesses should ensure that their interventions to change people's behaviour hold out the possibility of this behaviour spreading. For example, B&Q's You Can Do It Classes should be delivered so that they build the confidence and skills of not only the participants but also, for example, the people they live with.

# **Processes**

Diane Coyle FRSA asks how we can make business' attempts to build stronger communities more accountable. This is a key question in designing an action plan to maximise a business' community footprint. Evaluation of the action plan should be part of the process itself, not separate. Just as with every other aspect of the community footprint, the evaluation should be dynamic and involve bringing a range of people (customers, staff and critical friends) together to frankly discuss progress.

In order to develop an effective and accountable plan to maximise its community footprint a business should ensure that:

It co-produces its approach with customers and critical friends

Businesses that seek to improve their community footprint cannot hope to achieve this on their own. They will need to work in partnership with their customers and with a range of partners including local community groups and statutory bodies.

The respective roles and responsibilities should be made clear. Customers should be consulted for ideas and act as a Community Board for potential ideas. Partners have an important role as critical friends, critiquing ideas and drawing on experience of community development.

It co-delivers its approach to its community footprint with customers and critical friends

As well as using a partnership approach to designing a community footprint action plan, businesses should work with customers and community groups to deliver aspects of the action plan. Community groups can help with reaching a wider range of people than a business would otherwise be able to reach. The importance of involving customers in the delivery of the action plan cannot be overstated. Just as government cannot build strong communities by itself, neither can business. Community connections can only be built and sustained by the people who live in those communities.

It provides feedback on its progress in an easily understandable way

Businesses should use simple forms of data visualisation to show the impact that their community footprint action plans are having.

It builds its community footprint in a way that is publicly accountable to its customers and critical friends

The advantage of developing an official community footprint action plan is that this plan can be made publicly available and progress can be publicly reported on. Combining this with an approach that co-designs and co-delivers the action plan should ensure that the business improves its community footprint in a way that is accountable.

# Proposals

The competitiveness of businesses is related to the health of the communities in which they operate and by undertaking and implementing a community footprint, businesses could expect to achieve greater profit, trust and loyalty from the places and people they work with

# Recommendations for government, business and stores

Government recognises the role that businesses can and do play in building more connected, resilient communities. However, the focus of government policy in this field has primarily been focused on promoting various forms of philanthropy and volunteering. For example there are currently a number of policies and initiatives to encourage payroll giving, staff volunteering and donations from businesses to, for example, the arts. If government is serious about the role business can play in building stronger communities it needs to consider initiatives that will make it easier for businesses and communities to co-produce plans to improve their community.

 Government should make it easier and normal for businesses to assess and improve their community footprint, in partnership with local communities. This could be done through the creation of Social Economy Zones (SEZ).

These zones would be in areas with lower than average levels of social interaction, where businesses operate close to communities and in areas where there is a need for economic growth. Government could provide support to partnerships of businesses, customers and community groups to co-produce community footprint action plans. Government could also provide support to all stakeholders in implementing these action plans, for instance through small pots of funding.

Alongside government developing a geographic and economic context in which businesses are better able to support connected and resilient communities, there are a number of steps which businesses themselves can take



- to help them become hubs for local communities which pursue social and community goals.
- 2. Businesses that have a serious commitment to developing the communities in which they operate should jointly assess their community footprint and develop a plan to improve it, with the communities themselves. Our work with B&Q in Sutton provides a template of how this can be achieved.

Our work with B&Q, particularly the store in Sutton, has generated a number of overarching recommendations for how the business can become a community hub – better at supporting resilient, connected communities and wellbeing at a local level. Although these recommendations are particularly targeted at B&Q, they have relevance for all businesses interested in promoting opportunity and wellbeing in the places they operate.

- 1. Design and create a central in-store space that makes interaction between customers and staff permissible and normal. This space should be community-orientated rather than commercially-orientated and can be used for training and skills events, customer information sharing (e.g. on local traders) and innovation.
- 2. Identify a member of staff who will be responsible for leading on

community work, including having responsibility for running the central community space. This staff member should if at all possible be a local person and their role should include building local partnerships (e.g. with third sector organisations and social landlords) and making it easier for customers of different backgrounds to interact.

Our in-depth work in Sutton also helped us generate more immediate recommendations for how managers and staff in B&Q stores can begin to work more closely with the local community and use B&Q as a hub for the local area:

- 1. Store managers should explicitly back the Community Footprint initiative and advertise their participation in-store (e.g. through visual advertisements).
- 2. Store managers should devote space to discussing community work in daily meetings (known as huddles), guided by the principles in this document.
- 3. Managers should give permission for staff to spend a certain amount of time (e.g. two hours) every week on community-relevant activities (e.g. participating in training or encouraging customers to interact with each other).

The recommendations for government, the business community and B&Q contained in this report aim to elucidate how businesses can best harness their economic, social and spatial capital for community good. Whilst businesses alone cannot deliver more resilient communities and higher levels of wellbeing, they have a significant role to play in supporting the places they operate in. This goes beyond simply providing jobs (although this is crucial) to encouraging communities to achieve their ambitions for greener neighbourhoods, helping citizens develop new skills and bringing people together. In short, businesses should become community hubs. This is not merely altruistic; the competitiveness of businesses is related to the health of the communities with which they operate and by undertaking and implementing a community footprint, businesses could expect to achieve greater profit, trust and loyalty from the places and people they work with. Through a community footprint, businesses and communities can create shared value and achieve shared goals.

### **Bibliography**

- Business in the Community. (2011). Retrieved August 24, 2011, from Community Footprint – Presentation: http://www.bitc.org. uk/community/community\_footprint/presentation.html
- Cameron, D. (2010, December 2). Retrieved August 24, 2011, from Business in the Community speech: http://www.number10. gov.uk/news/business-in-the-communityspeech/
- Campbell, E. (2010). *Design and rehabilitation*. London: RSA.
- Criscuolo, A. (2002). Artisan Associations and Small Business Development in the 'Third Italy'. MIT.
- Granovetter, M. S. (1973). The Strength of Weak Ties. The American Journal of Sociology, 78 (6): 1360–1380.
- Kanter, Rosabeth M. (2009). Supercorp: How Vanguard Companies Create Opportunity, Profits, Growth, and Social Good. New York: Crown.
- Labour Party. (2011, July 26). Retrieved August 24, 2011, from Denham backs 'the good company' for the future of Britain: the spread of the "good company" profitable

- businesses and corporations which add value both to the economy and to society by being good at what they do: http://www.labour. org.uk/denham-backs-the-good-company,2011-07-26
- McLean, S. & Dellot, S. M. (2011, July).
  Retrieved August 24, 2011, from The Civic
  Pulse: http://www.thersa.org/\_\_data/assets/pdf\_file/0018/408006/RSA-Civicpulse\_2011.pdf
- Marcus, G., Neumark, T. and Broome, S. (2011). *Power Lines*. London: RSA.
- Mukherjee, A. and Nath, P. (2003). A model of trust in online relationship banking.
  International Journal of Bank Marketing, 21 (1): 5-15.
- Mukherjee, A. and Nath, P. (2007). Role of electronic trust in online retailing: Are-examination of the commitment-trust theory. European Journal of Marketing, 41 (9/10): 1173-1202.
- Norris, E. (2011). *Civic Commons: a model for social action*. RSA: London.
- Porter, M. (2011). *Creating Shared Value*. Harvard Business Review, 89 (1/2): Jan/Feb 2011, p62-77

- Rowson, J., Broome, S. and Jones, A. (2010). *Connected Communities*. London: RSA.
- Small, M. (2009) *Unanticipated Gains*, Oxford: OUP.
- Sodha, S. and Bradley, W. (2010). 3D Poverty. London: Demos.
- Taylor, M. (RSA Events 2011, June 9). Retrieved August 24, 2011, from Enlightened Enterprise: http://www.thersa.org/events/audio-and-past-events/2011/enlightenedenterprise
- Tenant Services Authority (2009). *Understanding Tenant Involvement*. London.
- Wind-Cowie, M. (2010). Civic Streets: the big society in action. London: Demos.
- YouGov. (2011, June 15). Retrieved August 24, 2011, from The writing was on the wall for Focus DIY: http://www.brandindex.com/ article/writing-was-wall-focus-diy

#### **Authors**

Thomas Neumark worked as Associate Director for the Connected Communities project at the RSA, examining the role of online and off-line social networks in building resilient, empowered communities. Prior to joining the RSA, Thomas worked as a policy lead on community empowerment at the Community Development Foundation. There he produced reports on informal approaches to citizenship education, culture change within public sector organisation and an evaluation of the impact of the government's community empowerment programmes.

Emma Norris is the current Associate Director for the Connected Communities project at the RSA. Previously she was an RSA Senior Research Fellow on civic engagement and social justice. Prior to joining the RSA, Emma has worked as a Research Fellow at the Institute for Public Policy Research (ippr), a public policy consultant, a researcher to a human rights organisation and as the President of Oxford University Student Union.

Gaia Marcus is a Researcher for the Connected Communities project and the social network analyst for RSA Projects. Her focus is examining the role of social networks in building resilient, empowered communities; in promoting mental well-being; and in building human capabilities in everything from education to social entrepreneurship. Prior to joining the RSA, Gaia worked as a Research Associate and online community manager for the Space Makers Agency.

Steve Broome is Director of Research at the RSA and oversees our Connected Communities programme, which includes work on drug services and recovery, and social network research methods. Steve has 12 years' experience of researching community regeneration and economic development agendas. He specialises in understanding impact through mixed methods research designs. He previously worked on a London New Deal for Communities programme, where he led evaluation and strategy, community safety and community development programmes.



The Royal Society for the encouragement of Arts, Manufactures and Commerce

8 John Adam Street London WC2N 6EZ +44 (0)20 7930 5115

Registered as a charity in England and Wales no. 212424

Copyright © RSA 2012

www.thersa.org