



Canadian Business for Social Responsibility

# Collaborating for Sustainable Value Creation

CBSR Approach  
October 2010



# Complexity is our new reality....

IBM's 2010 CEO Study highlights **complexity** as the #1 issue facing CEOs in the coming years, and **creativity** as the #1 leadership competency required to address it.

# Complexity is particularly relevant for CSR issues

CSR issues are inherently complex...

- Center on global issues with local impacts
- Rely on multiple stakeholders with different goals
- Often require system-wide change

... and require new, creative solutions

- Product and service innovation
- New market mechanisms
- Unexpected alliances and partnerships

# Collaboration is emerging as a key lever for addressing complex CSR issues

CEO interviews confirm that to address complex CSR issues, companies must learn to:

- Operate on a system wide basis and collaborate across internal and external boundaries
- Cultivate a culture that rewards and encourages long term thinking
- Improve efficiency through activity measurement, process redesign and financial modeling and reporting
- Effectively engage and communicate with external stakeholders

# Defining collaboration

Collaboration is when two or more interdependent parties work together to:

- Create a **rich, comprehensive appreciation** of the issue
- Create a **common vision** and choose a **collective** course of action
- Jointly **own decisions** and **outcomes**
- Collectively **share risk, resources** and **benefits**



# To be successful, collaboration requires investment

## Opportunity for strong results...

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- Reputational benefits
- Contribution to CSR objectives – triple bottom line results
- Opportunity for innovation
- Risk management
- Better understanding

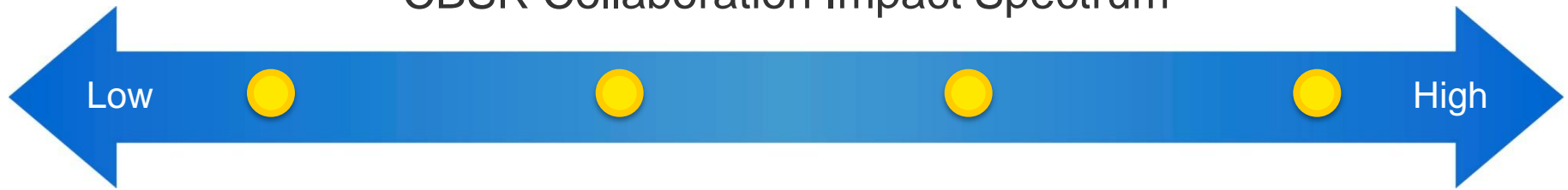
## but not without...

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- Reputational risk
- Need to build relationships and trust
- Operational resources for day-to-day
- Senior resources to manage complexity
- Missed opportunities

# Collaboration can impact in different ways

## CBSR Collaboration Impact Spectrum



Impact level:	Program	Strategy	Business model	Across sectors
Elements:	<ul style="list-style-type: none"> <li>• Company controlled</li> <li>• Existing models</li> <li>• Discrete scope</li> <li>• Clear process</li> <li>• Targeted change</li> </ul>	<ul style="list-style-type: none"> <li>• Company led</li> <li>• Clear outcome</li> <li>• Targeted scope</li> <li>• Linear process</li> <li>• Strategic change</li> </ul>	<ul style="list-style-type: none"> <li>• Company initiated</li> <li>• Clear direction</li> <li>• Broad scope</li> <li>• Iterative process</li> <li>• Game changing</li> </ul>	<ul style="list-style-type: none"> <li>• Shared leadership</li> <li>• Evolving direction</li> <li>• Expansive vision</li> <li>• Emergent process</li> <li>• Transformational</li> </ul>
Canadian business examples:	 	 Munsee-Delaware Nation 	  	

# Many examples to learn from

## Impacts program

- ✓ Company controlled
- ✓ Existing models
- ✓ Discrete scope
- ✓ Clear process
- ✓ Targeted change



A collaboration to increase awareness and activity around biodiversity.

Need	Stakeholder engagement identified the need for Rio Tinto to address biodiversity conservation in areas of operation.
Collaboration	Rio Tinto developed a fellowship program to allow employees to participate in Earthwatch Institute projects. Employees were educated about biodiversity issues and contributed to field research.
Structure	Collaboration included project management organizing structure staffed by both partners. Quarterly meetings with detailed work plan reviews to govern the program.
Results	Earthwatch was invited to participate in development of company biodiversity policy “to leave a site with more animal and plant life than before it began operations”. Rio Tinto recognized as a corporate leader.

# Many examples to learn from

- Impacts strategy
- ✓ Company led
  - ✓ Clear outcome
  - ✓ Targeted scope
  - ✓ Linear process
  - ✓ Strategic change



Munsee-  
Delaware  
Nation



TreeCanada

A collaboration that allows TD to meet carbon neutral commitment through community investment.

Need	Contribute to TD's commitment to become carbon neutral through support of innovative low carbon economy initiatives.
Collaboration	TD provided support to Munsee-Delaware Nation to plant a carbon forest that would support a sustainable bio-fuel company. Tree Canada developed a carbon protocol that allows TD to use the sequestered carbon as an offset.
Structure	Collaboration with Tree Canada to develop carbon protocol and with Munsee-Delaware Nation to develop the carbon neutral program. Investment in relationship building and trust was critical.
Results	77,000 trees planted that will realize 25,000 tonnes of carbon. Capacity building at TD and Munsee-Delaware Nation. Tree Canada has validated a new carbon protocol for forests.

# Many examples to learn from

Impacts business model

- ✓ Company initiated
- ✓ Clear direction
- ✓ Broad scope
- ✓ Iterative process
- ✓ Game changing



A collaboration to change the way that seafood is sourced and sold.

## Need

Dramatic decline in wild seafood leads Loblaw's Executive Chair Galen Weston Jr. to commit to sustainable sourcing of all seafood for Loblaw and National Brands by 2013.

## Collaboration

Grassroots collaboration with Marine Stewardship Council in 2008 has grown to include WWF, vendors, partners, Aquaculture Stewardship Council, Greenpeace, Seachoice, government, industry and other retailers.

## Structure

Led by Loblaw's VP of Sustainable Seafood and executive steering committee involving each business unit. Formalized objectives, internal processes and advice from 3rd party scientists. Includes ongoing stakeholder engagement.

## Results

Through trial into implementation, on track to achieve 2013 goal. All stakeholders have been involved in certification and standard setting. Other retailers starting to engage with their own corporate policies.

# Many examples to learn from

## MaRS Innovation

Impacts across sectors

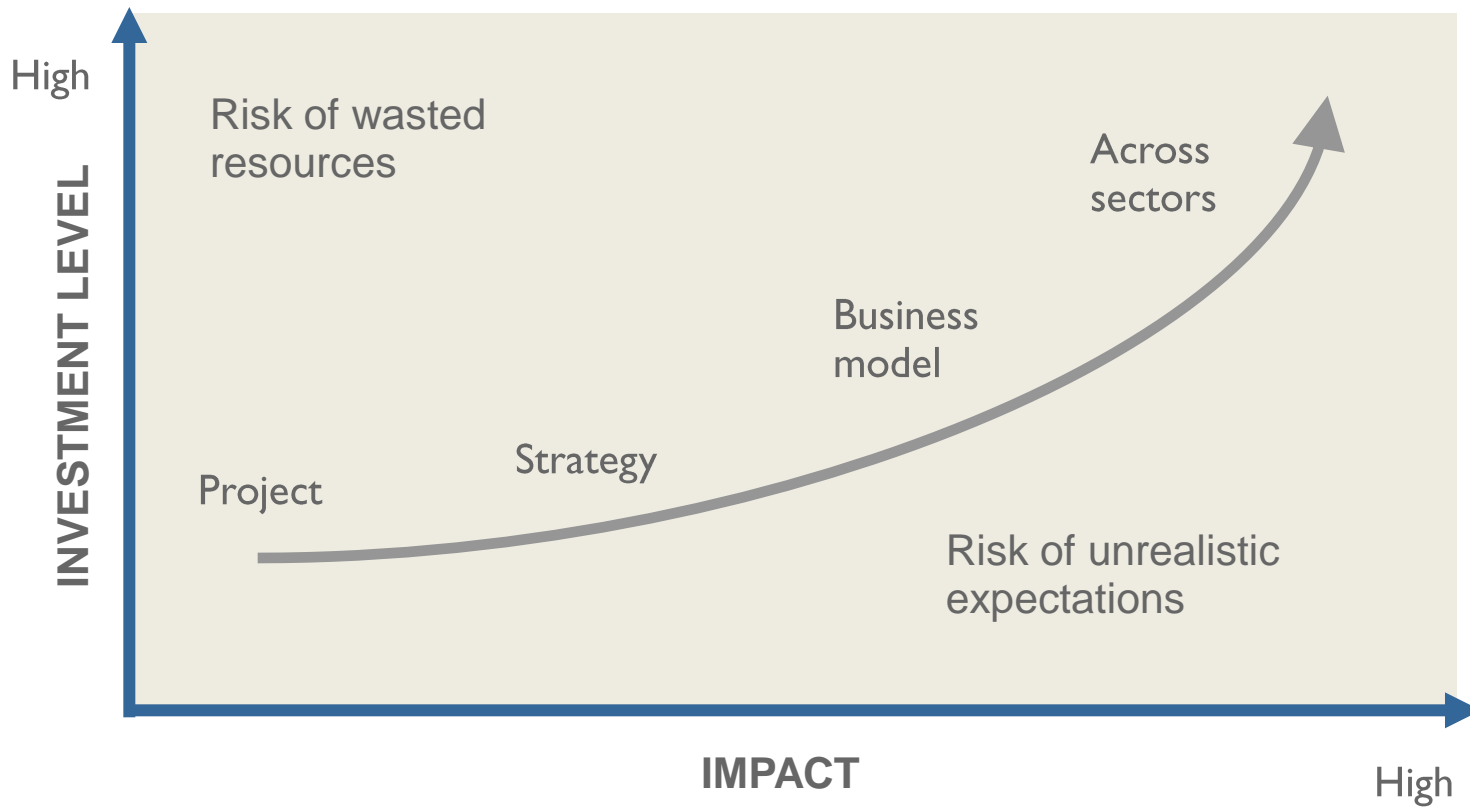
- ✓ Shared leadership
- ✓ Evolving direction
- ✓ Expansive vision
- ✓ Emergent process
- ✓ Transformational

A collaboration to better capture the commercial potential of science and technology research.

Need	A single, fully integrated commercialization centre for Ontario's world class scientists and institutions to improve commercialization efforts and successes.
Collaboration	Fourteen organizations, including the University of Toronto, Ryerson University, ten research hospitals and others, joined together to create a Centre of Excellence to advance and commercialize early-stage discoveries
Structure	Located in the MaRS Discovery District and has independent governance and funding. Jointly funded by government and the collaborating institutions with a small staff that screen and support commercialization.
Results	Since hiring their President and CEO, Dr. Rafi Hofstein, fifteen months ago, MaRS Innovation has screened 325 discoveries and identified 15% to support in the next stage of commercialization – higher than the 10% industry average.

# Critical to ensure investment and impact are aligned

## CBSR Collaboration Impact – Investment Curve



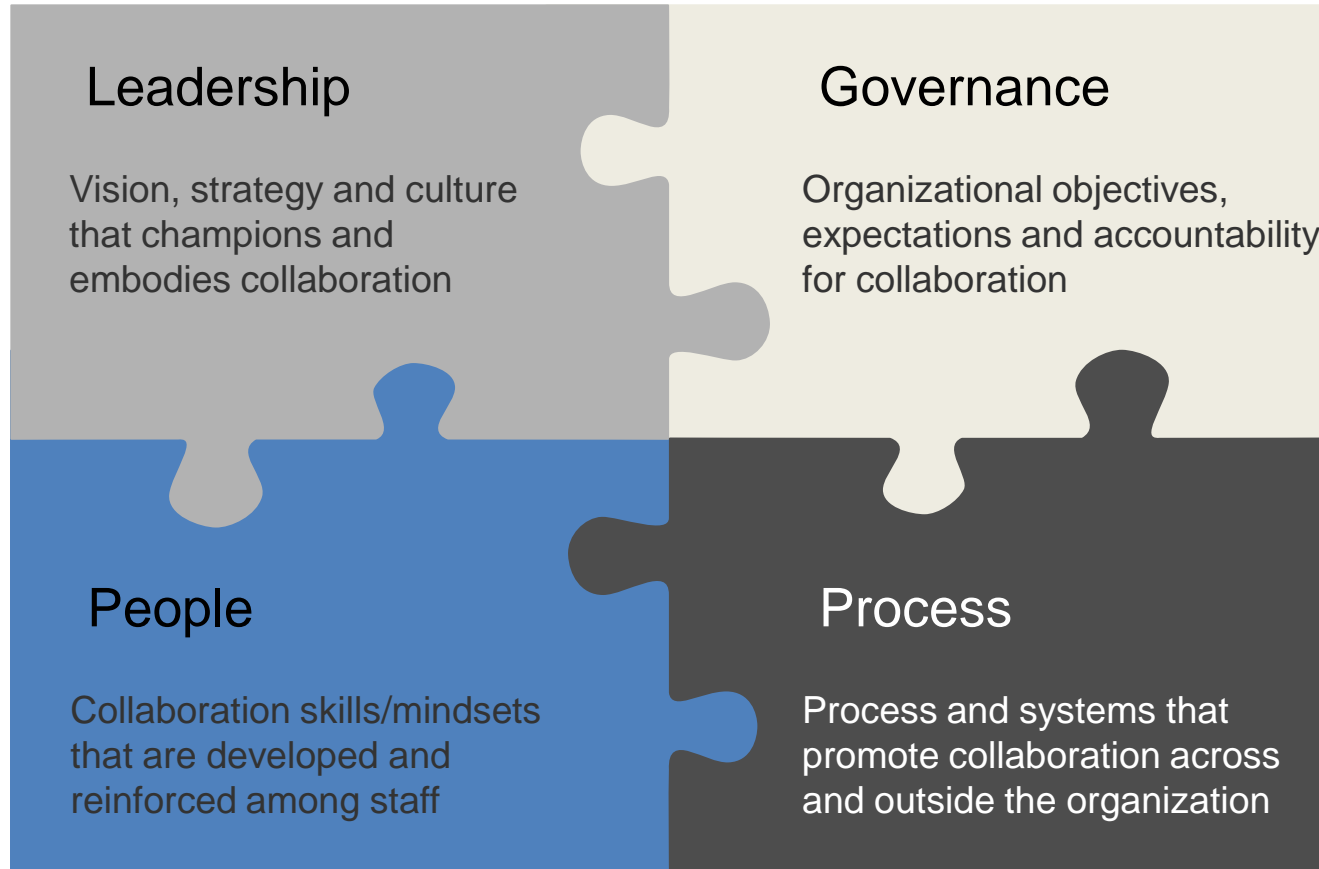
# Once agree on approach, several things must be in place

## Key success factors for effective collaboration

- ✓ Mutual benefit and overall value is clear
- ✓ The right people are involved
- ✓ Sufficient focus placed on building relationships & trust
- ✓ Joint ownership of decisions is established
- ✓ Clear plan and accountabilities are defined
- ✓ Sufficient time and resources is allocated
- ✓ Organization culture supports collaboration

# Successful collaboration requires a supportive organization

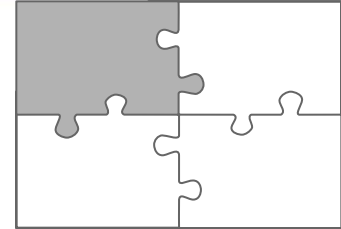
## Focus Areas for a Collaborative Organization



# Leadership

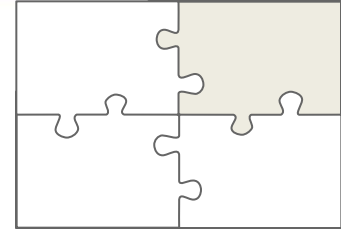
Sets the tone, creates the environment for collaboration to happen

- Leads a possibility-focused vision
- Ensures a win-win and commitment from all parties
- Fosters relationships; builds larger networks
- Clearly sees and understands larger systems
- Excellent convening skills
- Guardian of mission and process
- Thrives in ambiguous and emerging environments
- Extraordinary aspirations and personal passion



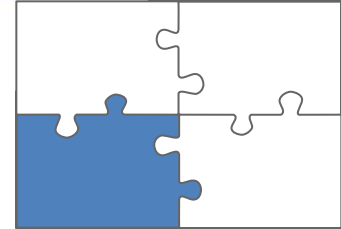
## Organizational objectives, expectations and accountability for collaboration

- Clear need, outcomes and benefits for each party
- Clear partner agreements, and operating principles
- A clear plan with objectives, measurement and tracking
- Clearly defined decision making principles
- Aligned authority, information and decision-making
- Collaboration formalized based on need
- Consistent project management



# People

Collaboration skills/mindsets that are developed and reinforced among staff



## Skills:

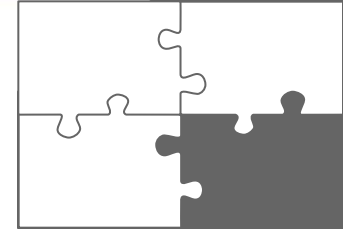
- Deep listening and dialogue
- Relationship-building
- Sees larger systems from all perspectives
- Conflict management
- Adaptability

## Mindsets:

- Desire to collaborate vs compete
- Focus on greater good
- Possibility vs problem-focussed
- Conflict embracing
- Suspends judgement & blame
- A learning mindset

# Process and systems

Process and systems that promote collaboration across and outside the organization



## Process:

- Adaptable, action-learning oriented
- Takes into account “entire system”
- Focus on relationship building
- Safe “container” for diverse perspectives, constructive conflict and experimentation
- High standards for sharing information and dialogue
- Effective convenor/broker roles

## Systems:

- Hire and promote leaders with collaborative skills and mindset
- Organizational design that promotes collaboration, teamwork
- Create a constant and efficient flow of ideas and information
- Ensure that IT supports collaboration and idea exchange across silos and organizations

To learn more

For more CSR tools and resources, and to learn more about Canadian Business for Social Responsibility, visit:

[www.cbsr.ca](http://www.cbsr.ca)