

## VALUES-BASED BUSINESS NETWORKS

### How To Guide

#### **Background**

Nearly 150 businesses indicated their interest in the establishment of a values-based business network in Greater Victoria, BC, through a consultation process funded by nine funders and guided by an eight-person advisory board during 2003. This Guide provides a summary of the approach taken to establish the network.

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#### **The Idea**

Initial research conducted in the Greater Victoria area identified a number of businesses and business leaders concerned about their impact upon and opportunities to enhance social and environmental conditions. This same research concluded that there was no region-wide or sector-wide organizing vehicle to bring these people together for shared purpose.

Funders were approached, and roughly \$45,000 was raised from the following:

VanCity Savings Credit Union  
Coast Capital Savings Credit Union  
Community Savings Credit Union  
United Way of Greater Victoria  
Trust for Sustainable Development  
Endswell Foundation  
VanCity Capital Corporation  
Greater Victoria Savings Credit Union  
Brian Pinch

#### **Purpose**

The purpose of the project was to raise public awareness about the benefits and opportunities of corporate social responsibility, sustainability and corporate citizenship and initiate a network of values-based businesses in Greater Victoria that has a mission to increase the business, social and environmental performance of participating businesses.

#### **Objectives**

The following objectives were established:

- To raise public and business awareness about the benefits and opportunities of corporate social responsibility, sustainability and corporate citizenship
- To create an action plan endorsed by the values-based business sector that will help it to accomplish its collective business, social and environmental goals
- To increase awareness within the values-based business sector of resources available to them to improve their sustainability (social, environmental and economic) performance

### **Values-Based Business**

The project defined a values-based business as one which either:

- sells social/environmental products and services and/or
- is committed to enhancing its internal social/environmental practices and/or
- contributes to improving the quality of life in Greater Victoria.

For profit, not-for profit and co-operative businesses were included in this definition.

### **Structure**

All About Canada Foundation, a Victoria-based national organization committed to promoting business sustainability through research and education, was approached and agreed to host the initiative. Two Project Managers were engaged to manage the initiative. An Advisory Committee with representation from large and small businesses, business associations, the social and environmental sectors and academia was established to provide strategic advice and direction to the project.

### **Networking**

The first phase consisted of identifying email contacts and lists of business, social and environmental leaders who could recommend names of businesses, business leaders and business groups potentially interested in the establishment of a values-based business network. Roughly 100 contacts were made, generating over 600 suggested names. These 600 were entered into a master database and from this list 50 business people were invited to attend four focus groups to assess interest in the idea of a network.

### **Consultation**

Four focus groups were held during two months in the spring of 2003. Ten to 12 participants attended each session, which were held at values-based restaurants throughout the region. This created the opportunity to demonstrate the benefit of the network to participants, with the chefs joining the participants to talk about their

approach to organic and local purchasing. Focus groups lasted 2 – 3 hours, depending on whether over lunch or dinner and participants were asked to pay for their meal.

Two questions were asked of focus group participants:

- What, if any, value was there in businesses coming together to work collaboratively on improving their “triple bottom line” (i.e. social, environmental and economic returns)?
- If there is value in coming together, perhaps in a network or some other form, how would this be structured and what should its role be?

In all, thirty-five businesses participated in the focus groups, representing very diverse sectors, and all identified a number of benefits of the proposed network, and suggested role and function and governance and structure parameters for the network. (see Appendix)

The next consultation phase consisted of inviting all of the businesses identified to date as potentially satisfying the criteria of a values-based business and being interested in the creation of such a network to an “inaugural gathering” of the network. The organizers deemed there was such a high positive response to the concept of a values-based network, that the next phase of consultation would be held at an event that would further advance the formation of the network.

A professional design firm, Designwrights Communications, offered their services to design the electronic invitation and a company was hired to manage the on-line registration process.

The Inaugural Gathering was again held at a venue that demonstrated the values-based principles of the network, which would allow for networking and socializing. Over 600 business people were invited to the Gathering; 70 were able to attend and another twenty indicated their interest in future events.

### **Inaugural Gathering**

At the Inaugural Gathering background information was provided on corporate social responsibility, as well as results of the consultation to date. Participants were broken into four groups to review the results of the consultation and provide their perspective on merits, role and function and governance and structure of the proposed network. Again, very similar responses were received from participants on these questions. Opportunity was provided at the close of the session to hear participants’ thoughts on priorities and next steps. Key recommendations were to build on the momentum created, focus on networking and learning opportunities, keep organizational structure to a minimum and promote the values-based aspects of the networking.

Participants were asked to complete a survey to identify their interests in helping establish the network, suggested names of potential additional members, priorities for the network, and other matters.

## **Establishing the Network**

Following the Inaugural Gathering, a Steering Committee was recruited, replacing the Advisory Committee, with some overlap of membership and including the social and environmental group representatives. Their mandate is to formally launch the network, maintain the momentum and help to further promote the network to other potential members.

## **Appendix**

The following is a summary of the focus group and inaugural gathering consultations held in May-June and October, 2003.

### **Merits of a Network**

To date, business leaders are attracted to the Network idea because of the clear commitment to sustainability values, the ability to network with like-minded business people and the opportunity of learning about different approaches to corporate social responsibility and business sustainability.

The most significant benefits of a network identified by consultation participants include:

- Personal and career satisfaction from being part of a business group that shares sustainability and community values
- Opportunity to socialize, collaborate and problem-solve with other sustainability-minded businesses
- Education and mentorship on traditional and sustainability practices and strategies
- Business development opportunities
- Increased public awareness on the merits and benefits of sustainability in business; promote the region as a model centre of sustainability
- Improved local and global social and environmental quality of life

### **Potential Roles and Functions**

The consultation process has identified the following potential roles and functions for the Values-Based Business Network:

1. Networking Opportunities
  - Meet new people, build social and business contacts
2. Joint Problem-solving and Support
  - Joint problem-solving, opportunities to learn from and support one another
  - Sharing research and resources on information, reports, studies, etc.
  - Peer mentoring
3. Education for Businesses
  - Education and workshops on corporate social/environmental responsibility issues
  - Education and technical support on traditional business issues such as taxation, funding sources, financing, business plan development, etc.
4. Business Opportunities
  - Collaborative buying and bidding on large projects
  - Collaborative marketing and branding
  - Outsourcing to one another; cross-purchasing with each other
  - Shared back office, personnel, space, etc
  - Opportunity to identify new business ideas
  - Raise venture capital from each other; learn about available financing opportunities
  - Common building or co-location opportunities
5. Social and Environmental Opportunities
  - Collaboration on social/environmental projects that support the community and third world countries
  - Develop projects that strengthen the micro-economy
  - Sharing approaches, templates, methodologies on internal practices regarding social and environmental responsibility/management systems/how tos
  - Promote triple bottom line in business; develop business case for sustainability
  - Learn about and promote ethical business practices
  - Support, mentor and encourage philanthropy to community groups
  - Establish charitable giving structures and funding portals, such as a resource for community groups looking for pro bono services from members or a common fund seeded by business members to which community groups can apply
6. Public Education and Awareness
  - Provide education on CSR and sustainability to the public, e.g.
    - Benefits of sustainable products
    - Awareness of sustainable businesses
    - Standards of living and the necessity of a living wage
    - First Nations and Youth businesses and creating opportunities and acceptance for First Nations people and youth in business

- Showcase and model sustainable businesses in Victoria; offer awards recognition program
  - Provide cultural and other programs and events that educate the public about sustainability
  - Mentoring and role modeling for students, youth, the general business community and general public
  - Bridge between business and community
  - Facilitate apprenticeships and work experience for youth in sustainability businesses
  - Market Victoria as a city with diverse sustainability businesses to attract more clients, customers, investment, businesses, etc. – a centre of sustainability
7. Public Policy
- Information on government funding, programs and public policy changes that affect business members' triple bottomline, including government programs that might create business opportunities for members
  - Public policy advocacy on issues
8. Youth and First Nations
- Create opportunities for youth leadership and involvement in the Network
  - Support members to hire youth in their businesses
  - Identify opportunities to create youth employment in values-based businesses
  - Support youth and First Nations businesses

### **Structure and Format**

The consultation process to date has provided the following input to questions regarding structure and format:

1. Meetings/Gatherings
  - Small mastermind/special interest groups that meet frequently/as required to help each other with business specifics
  - Content driven, not time driven; theme-based events
  - Large group quarterly or annually, small groups more frequently
  - Fluid, organic structure that facilitates self-organization
  - Shared meals, social component, fun
  - Regular (e.g. weekly) pub-night or other social/networking event
  - Maximize opportunities for networking
  - Attractive annual large event
  - Maximize electronic gatherings
  - Meetings should be output and achievement oriented, should help generate business opportunities and provide an educational experience

- Set up connections with pre-existing organizations; don't reinvent the wheel
  - Network must have global reach
2. Services and Functions
- Website; Weblinks to each other's businesses
  - Newsgroups, e-mail dialogue
  - Newsletters, books
  - Calendar of events; distribute information on upcoming relevant events hosted by network or others
  - Searchable, content-rich database/directory
  - Resource centre, clearing house for international innovation, information system to keep updated on each others' projects and new sustainable ventures
  - Conferences, day-long seminars, workshops, speakers
  - Open house, tours, trade fairs
  - Matchmaking services
    - Facilitate joint advertising (e.g. Green Pages in phone book; e-green pages)
    - Produce Assets list and Needs list and facilitate bartering opportunities
  - Support youth work experience and youth leadership opportunities in member businesses and with the network
  - Awards ceremony, including most improved business
  - Speakers Bureau for members, especially speakers in schools
  - Public education program
  - Member logo sticker
3. Organization and Governance
- Start with minimal structure
  - Formal organization with Board of Directors (non-profit, co-operative)
  - Memberships, membership fees, sliding fee scale
  - Provision for non-members, guests and drop-ins
  - Pledge/statement of principles/Code of Ethics/Charter
    - Inclusive but defining values statement
    - Need more discussion of a member review process/complaint process
  - Incorporate best practice of traditional business networks e.g. Chamber of Commerce and Better Business Bureau
  - Affiliate with other business network with common interests
  - Priority geographic scope to be focused on the CRD, open to other Island participants
  - Involve and outreach to youth, First Nation and other groups

